

A SUCCESSFUL COMPANY.

▶ International specialist for innovative IT solutions tailored to the branch operations of banks and retailers ▶ High-caliber partner for change processes aimed at delivering superior customer satisfaction and efficiency ▶ Comprehensive portfolio comprising hardware, software and services ▶ Key strengths: ■ Automation of processes at branch level ■ Design and implementation of self-service solutions ■ Cost-optimized operation of branch IT ▶ Represented in more than 90 countries, with Group subsidiaries in 36 of these locations ▶ Market leader in Europe within the area of programmable electronic POS systems, ranked second in the ATM market ▶ Number three worldwide for ATMs and programmable electronic POS systems ▶ Around 8,400 employees worldwide

A SOLID PERFORMANCE IN FISCAL 2006/2007.

▶ Double-digit growth in net sales (up 10%) and EBITA (up 16%) for the third year in succession ▶ Net profit for the period up 33% ▶ International business as principal growth driver ▶ Above-average momentum in Europe, expansion of market positions in growth markets of Asia/Pacific/Africa and the Americas ▶ Continuing market success in high-end segment of hardware, software and services ▶ Persistently large investments in research and development ▶ Global expansion of on-site resources aimed at local solutions integration and services ▶ Extension of production network to enhance global competitiveness ▶ Continuous improvement of cost structures

OUR TARGETS FOR FISCAL 2007/2008.

▶ Increase net sales by 8% and EBITA by 10% ▶ Extend international market position ▶ Expand portfolio for all-embracing solutions and the management of change processes within the branch environment of banks and retailers ▶ Step up efforts in software/services while maintaining successful product business ▶ Maintain high level of investment to drive innovation ▶ Pursue consistent approach to efficiency enhancement and cost streamlining

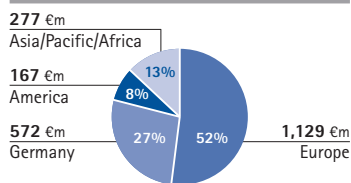
THE WINCOR NIXDORF RECIPE FOR SUCCESS.

For Wincor Nixdorf at least, banking and retail have more in common than one might think. For both segments, it is not just a matter of providing high-performance information technology and cash management systems; first and foremost, it is about meeting customers' needs.

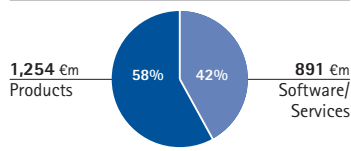
Both segments involve collaborating with our customers to develop business and partnership models that support the process of change at the branch level through comprehensive solutions. It is no longer a case of supplying hardware, software or services; these elements are considered to be inseparable, with software and Managed Services becoming increasingly important.

Such integral solutions take account of each individual change within business processes. Our own job begins at the consultancy stage – providing IT advice on the changes required – and cov-

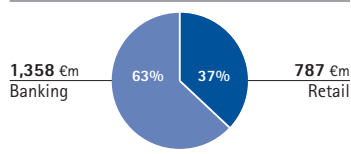
Net Sales by Region



Net Sales by Business Stream



Net Sales by Segment



ers every step, from supplying innovative software and systems through to their integration. Our portfolio also includes product-related services, branch IT operating concepts and complete outsourcing solutions.

In this way, we can help our customers be more efficient, enhance their appeal to their own customers and lower their process costs. At the same time, Wincor Nixdorf is able to consolidate its position as a leading innovator and further strengthen its value chain.

This ongoing success story is made possible by a business model that keeps us close to our customers – with subsidiaries in 36 countries and a presence in over 90 locations, 29 customer centers and, above all, an organization that treats each and every customer's needs as its own.

BANKING SEGMENT.

▶ Specializing in process automation for branch banking ▶ Software/Services business accounts for growing share of sales ▶ Increasing – and scalable – functionality for bank ATMs ▶ Net sales up 15%, EBITA up 18%

Greater Convenience for Banking Customers around the Globe. Bank customers want access to their money without having to wait. They want to deposit checks, request information and carry out transactions – at the time and in the place that suits them.

So whenever and wherever they pay a visit to their branch, there is a good chance they will find a system sporting a characteristic red stripe – a system that can deal swiftly and reliably with their requirements.

High-performance Solutions for Demanding Customers. These days, our customers are looking not only for cutting-edge IT systems but also for complete solutions that boost their market appeal and efficiency.

From Wincor Nixdorf, they expect advice and support to help them through this process of change. They need innovative products that give them a competitive edge, free up their staff from routine tasks and improve their relationship with customers. At the same time, they expect systems to be extremely reliable, offering minimal downtime and a significant reduction in process costs.

Our own solution to these demands is a tailor-made combination of hardware, software and services: ■ ATMs with multiple functions ■ A software portfolio that ranges from multi-vendor products catering for terminals produced by different manufacturers through to software that can track all IT-related operations. ■ Services for installation, maintenance

and repair of systems ■ Managed Services and Outsourcing to optimize IT operations. **For more details, please refer to pages 35–37.**

Impressive Growth. Wincor Nixdorf's Banking segment was a significant revenue driver in the year under review, accounting for 63% of net sales. This 15% increase was made possible by a combination of growth in the Software/Services business and in Hardware (including both high-end systems and high-volume monofunctional systems in equal measure). **For more details, please refer to pages 86–89.**

Key Performance Indicators: Banking Segment. €m

	06/07	05/06	Change
Net Sales	1,358	1,178	+15%
EBITA	142	120	+18%
EBITA margin (%)	10.5	10.2	0.3

RETAIL SEGMENT.

▶ Innovative IT technology for retail processes at the checkout and well beyond ▶ Intelligent systems to facilitate the realignment of branch management and efforts to boost productivity ▶ Increasing Software/Services share of sales

Moving Faster through the Checkout: Retail customers are less likely to come across the Wincor Nixdorf name. No wonder! Thanks to Wincor Nixdorf queues and waiting times at the checkout are reduced.

In fact, although shoppers may not be aware of it, our systems are responsible for a lot more. They generate the data needed to place restocking orders, control electronic shelf labels and manage communications with customers via digital displays. Even the reverse vending systems are likely to be supplied by Wincor Nixdorf.

The Changing Retail Industry. Against a background of intense competition, retailers are searching for ways in which they can stand out from the rest and boost their productivity. A main focus here is on the checkout area.

Wincor Nixdorf provides systems that meet the demands of both international and local businesses for intelligent checkout systems.

Our solutions support major restructuring of the management processes at branch level. Our software facilitates the networking of a globally operating retail company.

As in the Banking segment, our Software/Services business is playing an increasingly important role. Branch software that can be adapted to meet international requirements minimizes operating costs and boosts efficiency; meanwhile, our Managed Services involve taking over responsibility for systems and applications on behalf of our customers. **For more details, please refer to pages 37–39.**

New Industries, New Markets. Our Retail segment accounted for 37% of net sales in the year under review. EBITA rose 7% to €44 million. Our customers include 17 of the 25 biggest-selling retailers at international level and 19 of the top 25 in Europe.

Our focus is now expanding to take in promising opportunities in other industries with similar requirements, such as restaurant and gas station chains and postal operators. **For more details, please refer to pages 89–92.**

Key Performance Indicators: Retail Segment. €m

	06/07	05/06	Change
Net Sales	787	770	+2%
EBITA	44	41	+7%
EBITA margin (%)	5.6	5.3	0.3

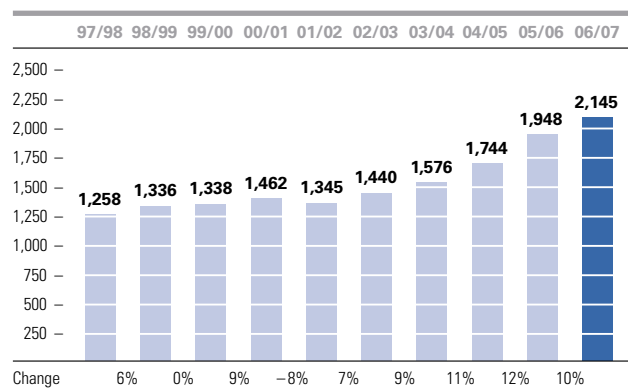
KEY FIGURES 2006/2007.

	2006/2007 ¹	2005/2006 ²	Change
Financial Statement (€ million)³			
Net sales	2,145	1,948	10%
Gross profit	591	535	10%
Gross profit as a percentage of net sales	27.6%	27.5%	-
Research & development expenses	-97	-87	11%
R&D expenses as a percentage of net sales	4.5%	4.5%	-
Selling, general and administration expenses ⁴	-308	-287	7%
SG&A expenses as a percentage of net sales	14.4%	14.7%	-
Operating profit (EBIT)	186	161	16%
Goodwill amortization	0	0	-
EBITA ⁵	186	161	16%
EBITA as a percentage of net sales (EBITA margin)	8.7%	8.3%	-
Depreciation of tangible assets and amortization of licenses	47	42	12%
EBITDA	233	203	15%
EBITDA as a percentage of net sales (EBITDA margin)	10.9%	10.4%	-
Net profit for the period	109	82	33%
Net profit for the period as a percentage of net sales	5.1%	4.2%	-
Net profit for the period before carve-out	118	94	26%
Earnings per share (€) ⁶	3.54	2.82	-
Cash flow (€ million)			
Cash flow from operating activities	180	155	16%
Cash flow from investment activities	-66	-133	-50%
	Sept. 30, 2007	Sept. 30, 2006	Change
Key Balance Sheet Figures (€ million)			
Working Capital ⁷	255	215	40
as a percentage of net sales (annualized)	11.9%	11.0%	-
Net debt	182	200	-18
Equity ⁸	278	275	3
Human Resources			
Number of employees (September 30)	8379	7787	592

¹ Oct. 1, 2006–Sept. 30, 2007² Oct. 1, 2005–Sept. 30, 2006³ before profit charges arising from carve-out⁴ including other income and expenses⁵ net profit on operating activities before interest, taxes and amortization of goodwill and product know-how⁶ calculated on basis of 33.085 million shares⁷ without reworkable service parts⁸ including minority interests

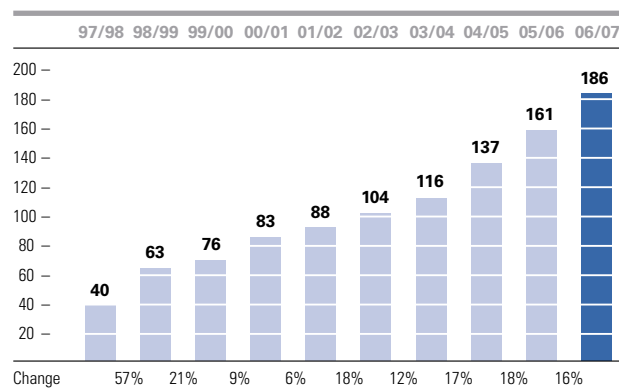
10-year Net Sales History.

€m



10-year EBITA History.

€m



SUCCESSFUL. AROUND THE GLOBE.

▶ First-class IT solutions are in strong demand wherever one ventures around the globe. Little wonder, then, that the first-class team of Wincor Nixdorf specialists is in action around the clock to deliver best-in-class solutions to the company's international customer base.

▶ Wincor Nixdorf generates almost three-quarters of its net sales in markets outside of Germany, locations that are home to more than half of our employees.

▶ Yet again, we will be taking readers of our annual report on a fascinating journey – showcasing five of our customers within the banking and retail industry.

▶ Keep your eyes peeled for our red stripes, here in our annual report and around the globe.