

DECLARATION BY THE BOARD OF DIRECTORS.

The Board of Directors of Wincor Nixdorf Aktiengesellschaft, Paderborn, is responsible for preparing the Group financial statements and the Group management report.

The Group financial statements have been prepared in accordance with German Accepted Accounting Principles and International Financial Reporting Standards (IFRS). The Group management report is consistent with the Group financial statements.

Internal control systems are in place to guarantee reporting conformity and compliance with statutory requirements. The reliability and proper functioning of these control systems are subject to continuous assessments by Wincor Nixdorf's internal audit department, which also monitors the observance of directives and regulations. Suitable training and professional development are provided so that those responsible for carrying out these activities are aware of the latest requirements.

Together with reporting procedures conducted in accordance with uniform directives across the Group, these measures ensure that the numeric depiction of business activity corresponds to the entity's actual circumstances and that the Board of Directors is in a position to identify changes in business and financial performance, as well as any resultant risks to the company's asset and financing positions, at an early stage.

The risk management systems established for use within the Group ensure, in accordance with legal requirements, that developments potentially able to pose a risk to the continued existence of Wincor Nixdorf Aktiengesellschaft and the Wincor Nixdorf Group are identified in good time and that corrective action can be taken where relevant. These measures and rules also create the basis for accurate information in the Group financial statements and Group management report, including the separate company accounts that they contain.

The declared aim of the Board of Directors is to use the resources entrusted to it in such a way as to increase the value of the entire Wincor Nixdorf Group. The Group is managed and run under the principles of sustainable business management in the interests of shareholders and with an awareness of its responsibility to employees, society and the environment in all those countries in which Wincor Nixdorf operates. To this end, Wincor Nixdorf has committed itself to socially and ethically responsible conduct in all its activities worldwide. The rules we are obliged to observe in this respect are set out in an internal Group Code of Conduct.

Pursuant to Section 161 of the German Stock Corporation Act, the Board of Directors and the Supervisory Board of the company have passed a joint declaration of compliance with the recommendations of the German Corporate Governance Code.

The Group financial statements, Group management report and risk management system have been audited by KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft, in accordance with the resolution passed by the Annual General Meeting of Shareholders and the instructions issued by the Supervisory Board. The Group financial statements, the Group management report and the auditor's report were discussed in detail by the Supervisory Board's Audit Committee, with the auditors in attendance. The Supervisory Board's report contains details of the outcome of these deliberations. KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft has issued an unqualified audit opinion.

The Board of Directors of Wincor Nixdorf Aktiengesellschaft

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WINCOR NIXDORF AG GROUP MANAGEMENT REPORT.

COMPANY PROFILE.

The Wincor Nixdorf Group is one of the leading global providers of information technology-based solutions for the branch operations of retail banks and retailers. Our head office is located in Germany. In recent years, we have continually expanded our international business. Wincor Nixdorf is an international Group with a particularly strong presence in Europe and a systematic approach to developing new geographical markets.

Our international business accounts for about 70% of net sales. The Group provides its services in over 90 countries, and in 36 of these we have our own subsidiaries. Over half of the 8,400-strong workforce is employed outside Germany and every fifth in the Asia/Pacific/Africa region. Our main production sites are located in Germany, Singapore and China. We have established an international production network that allows us to supply hardware flexibly and competitively in terms of quality, time and cost. Thanks to a large sales force, which maintains close contact with our customers worldwide, and a tightly knit service network, we are able to manage our international operations both successfully and efficiently.

The branch operations of the banking and retail industries, and their associated business and IT processes, are at the heart of our corporate strategy. Our products and solutions are geared towards enhancing the competitiveness of our customers. We support them in the task of modifying and converting existing procedures and processes with a view to achieving greater efficiency or more customer-friendly or international operations. We provide hardware, software and services, with a focus on the automation of processes and the migration of services and transactions to self-service systems. Our portfolio also aims to support customers in the implementation of changes within their organizations. For this reason, alongside our hardware and software, services in the form of on-site consulting, implementation, integration and training, as well as support to help run an effective operation, are becoming increasingly important.

We subject our hardware, software and services to tough, best-in-class criteria. In most cases, the greatest improvement for customers is obtained by combining hardware, software and services, which is why we are extending the application of comprehensive solutions packages to more and more areas. These packages cover every single stage of a business process. Examples of this approach are our Cash Management system, which includes the entire cash cycle at branches of retail banks and retailers, or concepts for the operation of branch network IT systems. Inevitably, given our expertise in the field, we also act as an overall service provider. If our customers decide they want to concentrate on their own core competences, we even go one step further and take over responsibility for the running of the company's branch IT infrastructure in the form of an outsourcing project.

We provide comprehensive support to ensure the operational readiness of our systems at the customer's premises throughout the entire product life cycle. We also offer these services for IT systems made by other producers.

Of course, it is not just retail banks and retailers who maintain branches and branch networks. We successfully apply our know-how to other industries that have similar structures and face the same challenges. Our customers, therefore, include businesses such as postal operators, gas station and restaurant chains, and logistics firms.

Further information on developments in our markets, our competitive position and our range of hardware, software and services can be found in the sections on "Strategy, Targets and Value Management at Wincor Nixdorf" on page 74 et seq. and "Segment Performance" on page 85 et seq.

MANAGEMENT AND CONTROL OF THE COMPANY BY THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD.

Board of Directors. The Board of Directors of Wincor Nixdorf AG is made up of four members: Eckard Heidloff (President & Chief Executive Officer), Stefan Auerbach, Jürgen Wilde and Dr. Jürgen Wunram. Jürgen Wilde intends to step down at the end of the Annual General Meeting on January 28, 2008, for health reasons. The company's Supervisory Board gave its formal approval to Mr. Wilde's request at its meeting on September 18, 2007. At the same time, it was decided to reduce the number of members of the Board of Directors of Wincor Nixdorf AG from four to three.

The Board of Directors is responsible for managing the company. It ensures that business is conducted in accordance with legal requirements, Wincor Nixdorf AG's Articles of Association and the Rules of Procedure of the Board of Directors. The central focus of all decisions and actions is on protecting the interests of the company. All resolutions are taken by simple majority. Where the votes are split, the vote of the President & Chief Executive Officer is counted twice. The Rules of Procedure of the Board of Directors stipulate that certain transactions require the approval of the Supervisory Board.

It is the role of the Board of Directors to determine the strategic direction of the company in conjunction with the Supervisory Board, and then to implement it in a responsible manner. In doing so, the Board of Directors also monitors the effectiveness and efficiency of the measures taken throughout the company. Wincor Nixdorf aims to provide a level of service to its customers that exceeds that of its competitors, and to achieve sustained growth in the enterprise value. Planning, control and risk management systems are consequently given a high management priority and are the means by which the company's operations are controlled.

The Board of Directors maintains regular, prompt and detailed contact with the Supervisory Board on all relevant issues of planning, business trends and the current risk situation. All departures from agreed plans or established targets are reported and explained to the Supervisory Board.

Supervisory Board. The role of the Supervisory Board is to monitor the activities of the Board of Directors. Its powers are prescribed by law, the Articles of Association, the Rules of Procedure for the Supervisory Board and any resolutions of the Supervisory Board itself. The Supervisory Board and the Board of Directors work together on the basis of mutual trust in the best interests of the company.

In accordance with the Codetermination Act (1976), the Supervisory Board of Wincor Nixdorf AG is made up of twelve members. Six members represent the shareholders and six members represent the employees. Karl-Heinz Stiller took over as Chairman of the Supervisory Board on January 29, 2007.

Decisions of the Supervisory Board are adopted by resolution. These are passed by a simple majority of the votes cast, except where the law stipulates a different majority requirement. If the votes are split, a second vote is taken on the same proposal. If this second vote is also split, the Chairman's vote is counted twice.

The Supervisory Board has established a Mediation Committee, pursuant to Section 27 (3) of the Codetermination Act, a Personnel Committee, an Audit Committee and a Nominations Committee, all of which are made up of members of the Supervisory Board. The Chairman of each committee reports back to the Supervisory Board on a regular basis (no later than the next full meeting) on the key results of the committees' discussions.

The Personnel Committee is made up of four members – two representatives of the shareholders and two representatives of the employees. Karl-Heinz Stiller is the Chairman of the Personnel Committee. The function of the Personnel Committee is to prepare the ground for decisions of the Supervisory Board in relation to human resources, in particular, the

appointment and removal of members of the Board of Directors and the nomination of the President & Chief Executive Officer. The Personnel Committee may itself decide on certain transactions instead of the Supervisory Board. In such cases, it must have due regard for the requirements of the law and the provisions of the Supervisory Board's Rules of Procedure.

The Audit Committee is also made up of four members. In the same way as the Personnel Committee, it includes two representatives of the shareholders and two representatives of the employees. The Audit Committee is chaired by Hero Brahms. It prepares the decisions of the Supervisory Board with regard to the approval of the annual accounts and adoption of the Group financial statements. It conducts a prior check of the annual accounts, Group financial statements, management reports and proposals for the appropriation of profits. It also supports the Supervisory Board in monitoring the activities of the Board of Directors and ensures compliance with the risk and reward management system.

The Nominations Committee is made up of three members, all of whom represent the shareholders. The role of the Nominations Committee is to propose suitable candidates to the Supervisory Board for membership of the Supervisory Board. All such nominations are then voted on by the Annual General Meeting.

Members of the Supervisory Board receive fixed annual compensation payable at the end of the fiscal year. Further details of Supervisory Board compensation as well as the remuneration of the Board of Directors can be found in the Compensation Report. This forms part of the Management Report and is presented in this Annual Report in the section entitled Corporate Governance.

STRATEGY, TARGETS AND VALUE MANAGEMENT AT WINCOR NIXDORF.

Wincor Nixdorf's Growth Strategy. Wincor Nixdorf has set itself the goal of achieving continued profitable growth. It is this growth that makes it possible to maintain forward momentum within the area of enterprise value, to offer an attractive dividend and to secure the jobs of our workforce around the world. We are aware that we will only succeed in this task if we can create added value for our customers through the use of our products, thereby ensuring that our clients remain loyal to our company well into the future.

In pursuing this goal, we have established a clear focus for our operations: the branch networks of retail banks and retailers. Although we are a relatively young company, we can draw on almost fifty years' experience in this field. Wincor Nixdorf has consistently improved its performance and has repeatedly developed new solutions and products for customers in both industries. This focus on our core business has given us a thorough understanding of the processes involved and has helped our entire portfolio gearing exclusively towards the optimization of customer processes.

In order to meet and secure our growth targets over the next few years, we have identified four strategic levers, each of which can be used to exploit potential growth. When taken as a whole, they are closely linked and complement each other extremely well.

1. Growth through Global Expansion. Given our position as market leader in our business segments in Germany for some years, the key driver for growth over the past years has been the consistent internationalization of our business. We have pushed ahead with this process step by step and are now the leading European player in our fields. We generate approx. 80% of net sales in Europe (including Germany).

We will make every effort to strengthen our position as the clear market leader in Germany. Within Europe, we aim to take over as number one in the Banking segment, having already achieved this target in Retail.

The next step is to accelerate our operations in other regions throughout the world. We see our strength in Europe as an excellent stepping stone for global growth. We have gained crucial experience from our European business, and this will help us to better understand and implement the local needs of our customers. At the same time, the fact that we are based in Europe, with its extremely competitive business environment, gives us a vital impetus in the ongoing development of highly complex (high-end) solutions and services.

As a logical consequence of our growth strategy, we intend to push ahead with further expansion plans in the Asia/Pacific/Africa and Americas regions, since together they account for around two thirds of the global market. China, India and the United States have a particular significance in this context, given the size of their economies.

We want, at the very least, to earn a place among the top three providers in both our business segments in the Asia/Pacific/Africa region.

Our aim in the Americas region is to strengthen our market position in Banking and Retail significantly, and to achieve annual double-digit percentage growth in revenue.

Wincor Nixdorf is already present in many of these markets. We want to combine our experience and our strengths in each of these countries and outperform the existing market in terms of growth. In pursuing this goal, we will be in a position to improve our market share.

Our expansion brings us into contact with "emerging countries", both in the Asia/Pacific/Africa region and in the Americas, especially Latin America. These countries play an important role in the global expansion of our operations. The economies of these newly industrialized countries have been developing at a tremendous rate for some years, and in some cases have begun to grow exponentially.

In many of these countries, Wincor Nixdorf has established successful local partnerships and a promising launch pad for further development. Thanks to our production sites in Singapore and China, which underpin our global production network, and our local solutions centers, we are also in a position to provide services for our customers at competitive prices and within tight deadlines.

International services play an important role in the expansion of our global business operations. Therefore, we continue to place great emphasis on the development of effective product services and the constant expansion of our global service network, including the necessary infrastructure.

The task of achieving our market objectives is effectively supported by our growth program (entitled "Road to the Top"), while earnings targets are underpinned by our successful "ProImprove" program, aimed at boosting profitability.

2. Growth through Innovation. The strength of our market presence is largely determined by our ability to innovate. Combined with our strictly customer-focused approach and our capacity to respond flexibly and directly to new demands, innovation is the principal force driving growth.

At present, roughly one-tenth of the workforce is employed in Research and Development (R&D). During the recent years of persistently strong revenue growth we have continuously invested around 4.5% of net sales in R&D projects.

Innovation is crucial if we are to continue growing. We intend to maintain a high level of spending on R&D and to keep expanding our activities in this field.

Our R&D activities remain focused on the following areas:

- ▮ convergent base technologies for our core Banking and Retail operations,
- ▮ serviceability of our hardware and software in order to make future customer installations easier to maintain,
- ▮ integrated hardware, software and services solutions covering our customers' entire process chains.

3. Growth through High-end Services. In recent years, we have considerably expanded our portfolio of hardware, software and services in order to increase our share in the value chain as part of the optimization of our customers' business processes.

At the heart of this strategy are high-end services that require a particular level of know-how, wide-ranging experience and a considerable degree of reliability. We expect demand for this type of service to increase in the next few years.

We want to expand our portfolio of activities such as Managed Services, Outsourcing and Professional Services. We will target these services within areas in which we can identify attractive potential for further growth.

Managed Services and Outsourcing. These services are intended to broaden our range of global branch solutions for retail banks and retailers. The added value to our customers lies in our taking over some or all of those functions which do not form part of their core business.

Our aim here is, primarily, to ensure the best possible and most efficient operation of the bank's or retail company's branch IT infrastructure. We offer Managed Services, a standardized operating concept that can be implemented rapidly and smoothly, or we can provide support for ongoing process transformation in the form of an outsourcing project, where we assume responsibility for the running of the entire branch-related IT infrastructure.

Professional Services help customers to address, more quickly and successfully, issues associated with the continual change to their business processes using new IT infrastructures. Professional services include consulting, IT integration and adaptation as well as staff training. We regard this field as a potentially attractive growth area for the Group.

4. Growth from Operations in Related Industries.

The expertise Wincor Nixdorf has gained in the branch operations of retail banks and retailers can also be applied to other industries with similar customer processes or a distinct branch network.

In our opinion, there are particularly attractive prospects for growth in the postal industry, and among gas station operators and restaurant chains. The goal here, too, is to apply IT solutions in such a manner as to optimize branch processes, the focus being on efficiency and user-friendly implementation. In many cases, this will involve migrating functions and operations to self-service or automated system concepts.

We aim to exploit these potential synergies, as we have already done in recent years, to attract additional business, without, however, losing sight of our principal focus on Banking and Retail.

ACHIEVING SUSTAINED GROWTH IN VALUE.

Wincor Nixdorf's primary goal remains that of achieving sustained growth in the enterprise value. The criteria we use to measure whether we have achieved this goal are continued gains in profitability, innovative products and solutions, increasing returns and the creation of new and secure jobs. All our actions and processes are geared towards achieving profitable growth of the Group and continued growth in net sales and profits above the industry average. Our remuneration system, which across much of the Group applies equally to all levels of seniority, is characterized by a high proportion of variable salary components and acts as an important tool to help us achieve these goals.

Financial and Non-financial Performance Indicators. The Group's operating and non-operating business activities are both controlled using a series of carefully chosen financial and non-financial indicators that feed into a central indicator control system at Group level. We measure the success of our Banking and Retail segments, of each region, of our sales and associated companies and of our hardware and Software/Services business. Our production and development divisions and our central administration departments are also integrated into the system.

The indicators we use to determine the performance of regions, sales companies and the core segments are based on growth in net sales and profit, operating margin and cash flow. Operating performance is measured using indicators such as growth in product sales and in the Software/Services business. Other Group control indicators include gross profits and margins, selling, general and administration expenses and working capital.

In addition to those indicators that measure the efficient use of resources, we control and evaluate our global production and development network on the basis of quality, supplier reliability and stock turn indicators. Our central administration departments endeavor to offset increases in input costs by productivity gains and economies of scale.

Control indicators have also been established for our non-operating business. Value-based indicators, such as the financial result and the Group's effective tax rate, allow us to evaluate the degree of success achieved.

Differentiated Multi-year Planning for all Levels and Business Areas. The starting point for all management and control processes is a yearly strategic planning review, which also determines the Group's long-term investment focus. These decisions are then used to establish medium-term objectives for the Banking and Retail segments and for the planning processes conducted by different units and functions

within the Group. Budget targets are drawn up in response to the multi-year plan and flow into the operational planning of each business unit. In this way, they serve as a basis for the preparation of detailed budget targets and measures.

Operational planning also involves conducting a review of our risk and opportunities portfolio. This forms the basis of risk and reward management at Wincor Nixdorf, and of the risk-based evaluations conducted by the internal audit. Monthly rolling forecasts are produced in response to current profits and developments. This allows us to identify any departures from agreed targets at an early stage and to take prompt measures to ensure that those targets are met.

Analysis and decision-making are supported through the system-based tracking of all planning, control and reporting processes. Our integrated information systems are constantly updated to ensure continuous management and control of all the Group's business areas.

BUSINESS ENVIRONMENT.

Economic Developments. The global economy continued to grow at an encouraging rate during the year under review, with a corresponding positive impact on business for Wincor Nixdorf. The International Monetary Fund (IMF) is currently forecasting 5.3% growth in 2007, for the global economy as a whole, and expects China, India and Russia to act as the principal drivers of this growth.

In Germany, a number of economic research institutes have issued positive growth forecasts for 2007. Among others, the Kiel Institute for the World Economy (IfW) anticipates growth in real gross domestic product (GDP) of 2.6%.

For the euro-zone, both the IMF and the Organization for Economic Cooperation and Development (OECD) also expect to see an increase in economic output. For 2007, the OECD forecasts growth in the euro-zone will be 2.6%. Meanwhile, the growth trend in Eastern Europe continues.

According to forecasts by the Asian Development Bank (ADB), the Asian economy as a whole will grow by 8.3% in 2007, the same rate as the previous year, with China and India again leading the region at 11.2% and 8.5%, respectively.

The U.S. economy is growing less dynamically than in previous years. The real estate crisis in the United States has caused a further slowdown over the year under review. With the full extent of the crisis still not entirely clear, experts believe there may be further setbacks to the country's economic growth. In September 2007, the U.S. Federal Reserve responded with a 0.5 percentage point reduction in its key interest rate. The IMF expects the U.S. economy to grow at just 1.9% in the year under review.

(Sources: International Monetary Fund [IMF], Organization for Economic Cooperation and Development [OECD], Kiel Institute for the World Economy [IfW], Asian Development Bank [ADB])

Currency Trends. The euro has appreciated consistently over the last twelve months against the U.S. dollar (USD) and other benchmark currencies. At the beginning of fiscal 2006/2007, one euro was worth just under USD 1.27. After a short-lived fall to USD 1.25, it rose to a new record level of USD 1.42 by the end of September, in response to the substantial cut in the U.S. Federal Reserve's key interest rate.

Developments in the Banking and Retail Industries. According to a trend study entitled "Banking and the Future 2007" conducted by the Fraunhofer Institute for Industrial Engineering (IAO), the **retail banking** industry is marked by increasing competition and faces major challenges, such as increasing price competition, the growing complexity imposed by legislation and greater demands from more knowledgeable customers on the quality of advice offered. Many

retail banks are responding to these pricing pressures by increasing the level of automation at the customer interface, for example, through the use of self-service systems as well as telephone and Internet banking.

A study, conducted by market research firm IDC into global IT expenditure on different sales channels in the retail banking industry, forecasts increased investment across the board: in the automation of branch processes (7.1%), in call centers (5.7%), in the Internet (7.7%) and in ATMs (including networks) (6%).

The market trends identified by IDC correspond to Wincor Nixdorf's main strategic guidelines:

Branch operations will continue to be given the same high priority. Branches act as the banks' personal customer interface. It is for this reason that retail banks in many developing countries are expanding their presence through branch operations or self-service systems. In established markets, such as North America, Europe and Germany, many banks have begun to invest substantial amounts in their branch networks in order to reposition them with a more pronounced focus on personal selling, in what is often referred to as a branch renaissance. Mall concepts, multipurpose branches, pure consultancy branches, etc. are also being tested as a means of attracting customers to the bank. The strong position currently enjoyed by branch networks is particularly noticeable when it comes to the sale of complex products requiring greater professional input and advice.

Banks review their processes on a regular basis in order to remain competitive. According to a study conducted by the Process Lab of the Frankfurt School of Finance & Management, over 93% of the banks surveyed rated the importance of process optimization as high or very high (2007).

Customers are demanding an individual approach from banks. The combination of greater transparency in banking products and more knowledgeable clients has created greater customer demands. In turn, this has led to an enhanced profile for Customer Relationship Management (CRM) for banks.

Banks' self-service systems are often used as a vehicle to offer additional services. In many countries, bank customers can use self-service terminals to enter into credit agreements, pay invoices and taxes and buy stamps or tickets for events. Other companies are using the screen as an advertising surface while customers wait for their cash request to be processed. Many banks are not only expanding their range of self-service solutions; they are also outsourcing the management and operation of their systems and applications to outside providers as a way of reducing their own operating costs.

Isolated sales channels are being replaced by multi-channel management. In most cases, bank customers use more than one channel of contacting their bank. Sometimes this contact can take place at various levels, even as part of the same transaction (e.g. initial information from the Internet, advice and completion in the branch, service via the Internet, a call center and the ATM). More and more banks are responding to this pattern of customer behavior by integrating their channels and linking them to application systems and databases.

Standardization of IT infrastructure. Both the opportunity to make savings by means of standardization and increasing internationalization, e.g., through mergers, are generating greater investment in more uniform IT infrastructures that span different countries.

Developments in the **retail trade** continue to be dominated by globalization, competition for market share and price wars. Discounting concepts are gradually approaching their maximum limits, while issues such as cost efficiency and differentiation strategies are gaining in importance. Improved customer support as well as new hardware, software and services are becoming more important for retailers.

IDC forecasts average annual growth in IT investment within the retail industry of 6.2% for the period from 2007 to 2011, with hardware sales accounting for 5.4%, software 7.4% and IT services 6.2%.

The significant trends identified within the retail industry over the fiscal year under review are as follows:

Internationalization. The retail industry is dominated by a large number of major international groups, which compete heavily against each other. As a consequence of the intense level of competition in their established markets, they endeavor to exploit growth potential abroad. This involves securing new business opportunities, primarily in global growth regions, by exporting their tried-and-tested business models, although they are increasingly meeting competition from innovative local providers.

Standardization. Multinational retailers are increasingly relying on uniform hardware, software and services that can be implemented in all their branches across the entire business. For the purpose of global expansion, they are opting for a standardized software platform for their branch operations that only needs to be adapted to function in a local environment. One of the fundamental requirements is that a software program has to be capable of supporting a variety of applications whether they are mobile, stationary, self-service or employee-operated. Another important consideration for retailers is that its branch software has to be capable of integration into its centralized systems.

Increasing process efficiency and automation. Against a background of intense competition and pressure on profit margins, companies are devoting particular attention to the constant improvement of internal process efficiency, with information technology playing the key role in achieving this goal.

Replacement investment in ePOS systems, which are the main source of data collection, are being combined, for example, with a thorough updating of IT infrastructures and new concepts. At present, nearly all retailers are looking for new concepts that will enable them to integrate automation and self-service technology into point-of-sale areas (self-scanning or self-checkout). Retailers have begun, albeit to some extent in a hesitant fashion, to install new checkout concepts such as self-service technology, staff-operated technology or a mixture of these in their branches.

Another area of automation is that of reverse vending. Automated systems have been in use in the Scandinavian countries for some time and have become widespread in Germany since 2006.

Systems can also be used to provide kiosk and "visual merchandising" solutions (promotional solutions, such as electronic advertising boards for product presentation, special offer notices or as advertising media) allowing the retailer to differentiate itself from its competitors.

GROUP BUSINESS PERFORMANCE.

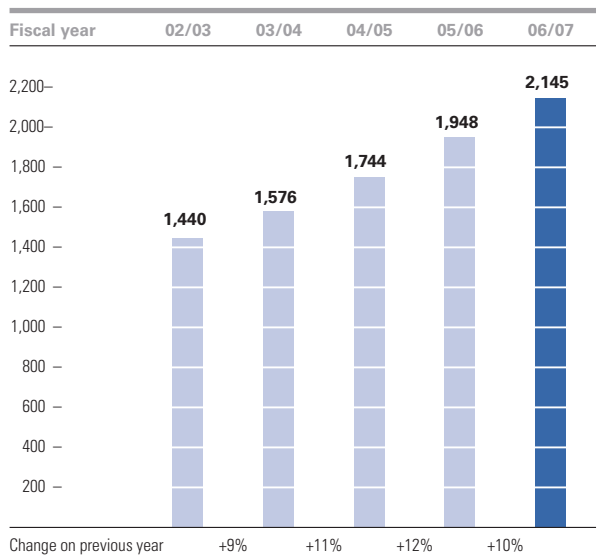
With regard to our total net sales targets, we recorded consistent growth in this line of business during the year under review: we succeeded in achieving more or less equal contributions to total net sales in each quarter.

Right from the beginning of the fiscal year, this consistent growth allowed us to adopt a confident approach to our forecasts for the Group's annual business performance. Thus, after the second quarter, we raised our forecast from 6% to 9% growth for net sales, and from 8% to 15% for EBITA. That level

was then maintained for the rest of the fiscal year. In the end, we even managed to exceed these increased forecasts by a small margin.

Net Sales. In percentage terms, consolidated net sales showed a double-digit rise for the third consecutive year in fiscal 2006/2007, up 10% to €2,145 million (2005/2006: €1,948 million). This increase in net sales is entirely due to organic growth. If we adjust for currency fluctuations between the euro and the U.S. dollar, the percentage increase was even higher at 12%.

Net Sales History. €m



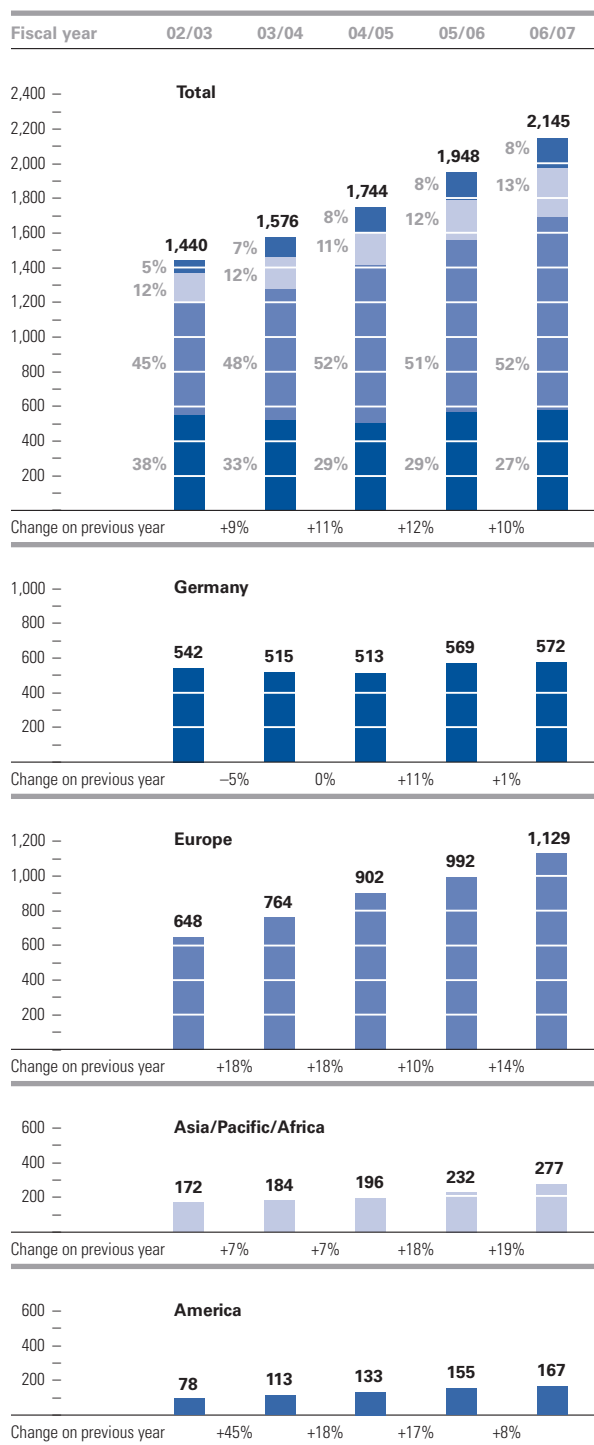
Regional Performance. Growth across the Wincor Nixdorf Group was again driven by our international operations. The Group has consistently improved its position within Europe, which represents the Group's domestic market, while the continued expansion of international operations in growth regions also contributed to overall revenue growth.

Net sales for the Group rose by 1% in Germany, to maintain the high level achieved in the previous year when Wincor Nixdorf benefited considerably from outsourcing projects in

Group Management Report

Changes in Regional Sales Trend.

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the banking industry and from reverse vending systems installed by retailers, a trend that was not repeated to the same extent in the year under review. Net sales totaled €572 million (2005/2006: €569 million), of which around 27% came from the Group's operations in Germany (2005/2006: 29%).

In Europe (excluding Germany), which has traditionally been a key source of revenue for the Group, net sales rose by an impressive 14% to €1,129 million (2005/2006: €992 million), making this region the single biggest contributor to total net sales at 52% (2005/2006: 51%).

Calculated on the basis of U.S. dollars, business in the Asia/Pacific/Africa region, which forms part of the U.S. dollar zone, recorded an increase of 30% over the previous year. Calculated in terms of its euro value, this is equivalent to a rise of 19% to €277 million (2005/2006: €232 million) and a 13% share in the Group's net sales figure (2005/2006: 12%).

Net sales in the Americas region in fiscal 2006/2007, was up 17% in U.S. dollar terms. In euros, this corresponds to a rise of 8% to €167 million (2005/2006: €155 million). The region's share in consolidated net sales was 8%, the same level as the previous year.

Performance by Business Stream. Increasingly, Wincor Nixdorf's business involves combining hardware, software and related support services. In order to provide greater reporting transparency, we have divided our business activities into Products (Hardware) and Software/Services.

Net sales from the **Product** business was up 8% at €1,254 million (2005/2006: €1,157 million). This corresponds to a share of 58% in total net sales for the period under review (2005/2006: 59%).

The overall sales volume attributable to hardware, such as ATMs and ePOS systems, showed a marked rise compared with the previous year, allowing us to achieve substantial economies of scale in production. At the same time, we recorded above-average growth in unit sales of high-end systems, such as multifunctional ATMs.

Once again, we extended our international manufacturing network to help us produce flexibly and more competitively. All of our major production sites were expanded and adapted to meet the challenges of the future:

In Germany, at our Paderborn location, we invested in a new spray-painting facility that is designed to meet the latest environmental and manufacturing standards. For this reason, we exceed current environmental requirements for painting processes by an exemplary margin. At the same time, we are boosting throughput and our capacity to respond flexibly to individual customer requests and increase the range of colors available. Our German production sites (Paderborn, Ilmenau) form a key element of our global manufacturing network. Paderborn acts as a high-tech supplier of mechatronics components as well as recycling and deposit systems – in addition to providing logistical support for the European market. At Ilmenau, which concentrates on reverse vending systems for the retail industry, we have laid the foundations for a new operating facility that will combine hardware and software development, system manufacturing, sales management, customer support and after-sales service, activities that were previously spread across several sites. This reorganization will allow us to respond faster and more directly to market requirements and push forward more efficiently with the internationalization of our business.

In Asia, we increased our production capacity in order to achieve even greater economies of scale with our global production network. We made further investments to support growth in the Asia/Pacific/Africa region by setting up our sites as decentralized manufacturing facilities that allow us to supply customers more quickly. We intend to adhere to this principle of “local for local”.

At our Singapore location, which acts as a hub for all our operations in the Asia/Pacific/Africa region, we expanded the production of banking systems. At the same time, to mark the 25th anniversary of the site in September 2007, we began production of a new range of ATMs, which has predominantly been developed at this facility.

The factory in Shanghai also increased its capacity and now covers 15,000 m² – three times the previous production area. We also set up a new software competence center to help us introduce innovations more rapidly to the Chinese market, and respond more flexibly to local requirements. As a component in our global software development network, the Shanghai site improves our ability to integrate and adapt international software. Thus, it contributes to the expansion of our Software/Services business in the region.

For an international production network to operate effectively, all processes must be covered by standardized IT systems – from market rollout to product delivery and quality management. As a result, our uniform IT platform was expanded and improved for all our production facilities during the year under review. Standardized key performance indicators (KPIs) improve process controlling and enhance manufacturing efficiency. As the next step, we intend to optimize the management of global suppliers and put in place a Group-wide system for the planning and control of customer requirements, and of capacity at individual sites.

Net sales from **Software/Services** rose by 13% to €891 million (2005/2006: €791 million).

The Software/Services business includes all the Group's service-related operations. This covers the sale of software licenses, the provision of consulting services in relation to new solutions, on-site implementation and integration (Professional Services) and the full range of other service activities whose aim is to ensure the cost-efficient and smooth running of IT systems installed at customer facilities.

Thanks to positive growth rates in this area, revenue from Software/Services made up 42% of total net sales for the year under review, slightly up on the percentage figure for 2005/2006 (41%). This represents a continuation of the trend established in previous years. Wincor Nixdorf's long-term goal is to generate half of net sales for the Group from Software/Services.

The **Software** business was boosted by sales to the banking industry of our ProClassic/Enterprise software. This provides banks with a platform from which to offer customized client services spanning the full range of sales channels. It also contributes towards the standardization of IT processes and their underlying infrastructure throughout the organization. In the retail industry, there was a considerable increase in demand for our TP.net software, which allows multinational groups to standardize the software solutions they use across different countries. Thanks to targeted investment in recent years and a commitment to development, Wincor Nixdorf has succeeded in establishing itself as a leading innovator in both fields.

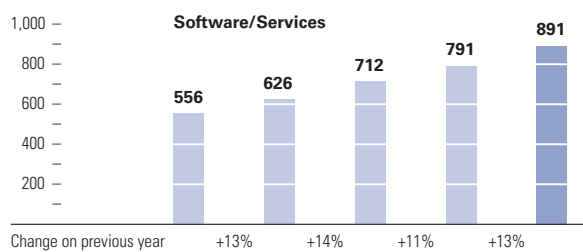
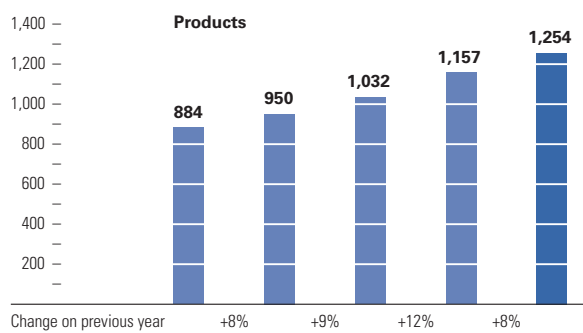
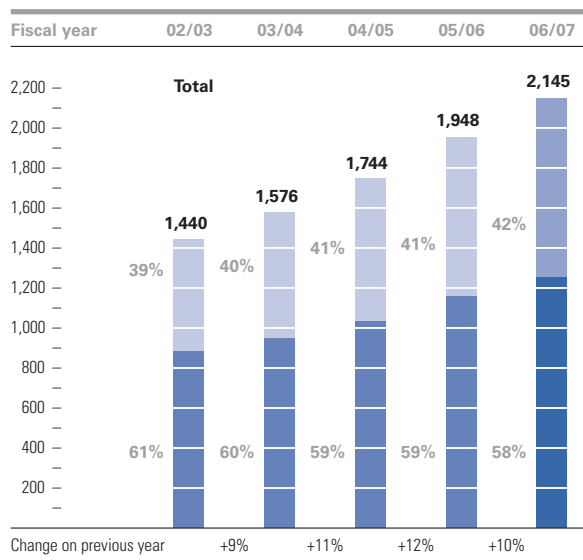
Growth in the IT Consulting business was also very encouraging. There was particularly strong demand for integration and implementation services. We aim to expand the area of Professional Services significantly over the next few years. In Germany, this business is concentrated in two separate subsidiaries – Wincor Nixdorf Banking Consulting GmbH and Wincor Nixdorf Retail Consulting GmbH.

Wincor Nixdorf's **Services** business continued the rapid growth of recent years, a trend that is primarily attributable to orders from the banking industry.

Product-related services form an integral part of our portfolio within this area. In many cases, these are multi-year packages that include installation, maintenance and repair of customer systems. We also take over individual tasks in the form of **Managed Services**, thus easing pressure on the customer's operation of its systems. Our most comprehensive

Net Sales Split: Products and Software/Services.

€m



service involves the partial or complete operation of the IT infrastructure and applications of banks and retailers as part of an **outsourcing agreement** (see also page 76).

These **product-related services** account for the largest part of our Services business. They cover all the services we provide as part of the process chain, from the planning and roll-out of IT systems through to on-site services, including IMAC/R (Install, Move, Add, Change, Remove) and the supply of spare parts and consumables.

Sales of standardized service and repair packages are also buoyant. Our service desk attempts to clear up any problems remotely and directs a service team to the site if necessary.

During the year under review, our operations in the field of high-end services were expanded by several new customer projects. In the case of **Managed Services**, our success was due, above all, to providing services involving the operation of installed systems, including, for example, network-supported (remote) monitoring, inventORIZATION and software distribution. Demand was also up for managed cash services, the aim of which is to optimize the supply of cash and ensure the maximum availability of ATMs. We also attracted new customers for our **Outsourcing** business, with even more high-profile companies placing the operation of their entire branch IT infrastructures in our hands.

Fiscal 2006/2007 brought further geographical expansion of the Group's worldwide service network. We strengthened our network of partners in each region and built up our own resources.

The technical basis for the control and delivery of our entire service portfolio is provided by the "eServices Platform", to which we connected both customer systems and our own service resources in additional countries around the globe. The "eServices Platform" is at the heart of the remote monitoring and control of customer systems and devices. It automatically records any disruption at the customer initiates the appropriate action and resolves the issue following a standardized procedure.

Naturally, the best form of customer support begins with properly equipped and configured IT systems, which is why we build capabilities and functions into all our own products that facilitate pro-active maintenance by means of a remote connection.

During the year under review, we set up a remarketing service for the return and recycling of used products as part of our logistics portfolio, and can already report initial success both in the German market and internationally.

Costs. Wincor Nixdorf is committed to improving its cost structures on an ongoing basis. Gross margin on net sales before profit charges arising from the carve-out edged up slightly to 27.6%, as a result of the economies of scale mentioned above (2005/2006: 27.5%). The Group-wide Prolmprove program provides the foundation for efficient cost management. Selling, general and administration expenses, including other operating income and expenses, amounted to €308 million (2005/2006: €287 million). Calculated in relation to net sales, selling, general and administration expenses were reined back by 0.3 percentage points to 14.4% in the fiscal year under review (2005/2006: 14.7%).

Research and development costs rose by €10 million to €97 million (2005/2006: €87 million) and were thus up 11% year on year. The ratio of R&D expenses to net sales remained unchanged at 4.5%.

Profit. EBITA before the amortization of product know-how yet again increased by 16% to €186 million (2005/2006: €161 million). Return on sales at EBITA level was up 0.4 percentage points to 8.7% (2005/2006: 8.3%). Wincor Nixdorf has further improved the profitability in the fiscal year under review. This was the combined result of the rise in net sales, economies of scale in products and the Prolmprove profit enhancement program.

Profit before tax rose by €33 million to €161 million (2005/2006: €128 million). This corresponds to an increase of 26%. The main factor determining the Group's effective tax rate in the year under review was the more pronounced growth in our international operations. This helped bring the figure down to 32% (2005/2006: 36%).

Net profit for the period increased by €27 million or 33% to €109 million (2005/2006: €82 million), generating a return on net sales of 5.1% (2005/2006: 4.2%).

The Group's enhanced earnings performance is also evident from the increase in net profit for the period before carve-out expenses. It climbed 26% to €118 million in the period under review (2005/2006 €94 million). Product know-how was capitalized during the company's carve-out from the Siemens Group in 1999.

Dividend. Wincor Nixdorf will continue to pursue its recent dividend policy. On this basis, the dividend to be paid to shareholders is calculated as being equivalent to approximately half of the Group profit for the period before profit charges arising from the carve-out.

For the reporting period, this corresponds to a dividend of around €1.83 per share. In addition, an extra dividend of €0.90 per share is proposed for distribution.

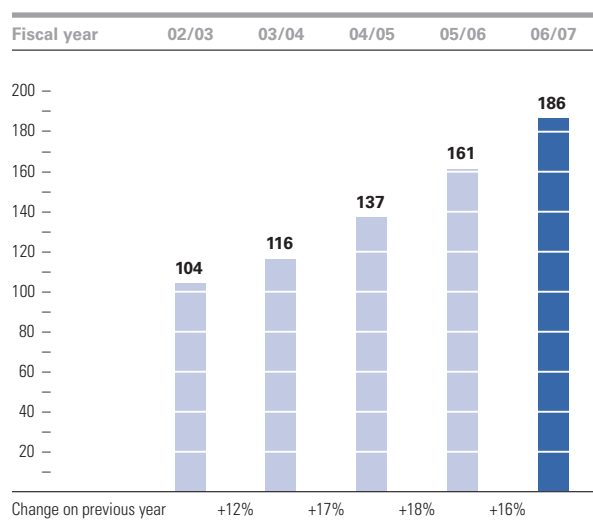
As of September 30, 2007, the consolidated profit of Wincor Nixdorf AG amounts to €88,500k. The amount being proposed for distribution to the Board of Directors and Annual General Meeting is €2.73 per share. This complies with a distribution of €88,151k at the date on which the Group financial statements are released by the Board of Directors. The remaining amount will be carried forward. The dividend payment will be paid out on January 29, 2008.

SEGMENT PERFORMANCE.

Both the Banking and Retail segments contributed to the increase in net sales and operating profit. Once again, net sales in the Banking segment grew faster than in the Retail segment. The Banking and Retail segments accounted, respectively, for 63% and 37% of total net sales.

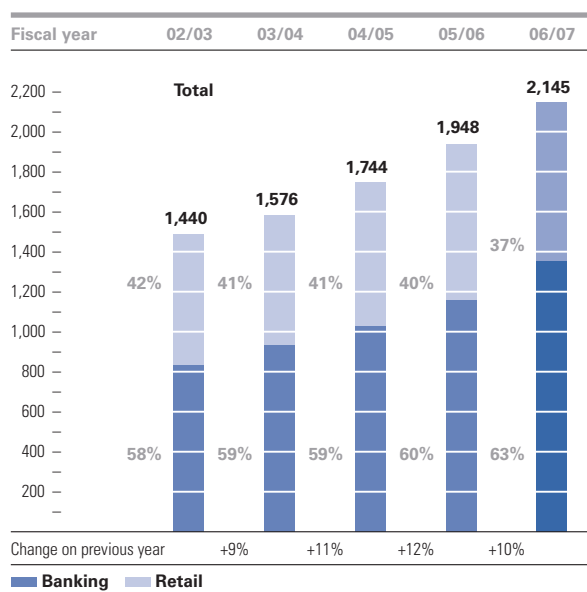
EBITA History.

€m



Net Sales Split: Banking and Retail.

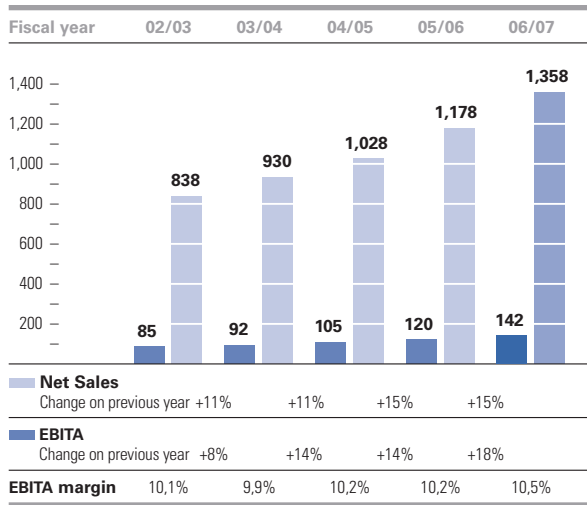
€m



BANKING SEGMENT.

The Banking segment again performed very well in the fiscal year under review. Net sales increased by 15% to €1,358 million (2005/2006: €1,178 million). We succeeded in generating forward momentum in both our Product and Software/Services business. As a result of growth in net sales and strict cost management, EBITA in the Banking segment climbed 18% to €142 million (2005/2006: €120 million). The EBITA margin moved up 0.3 percentage points to 10.5% (2005/2006: 10.2%).

Net Sales and EBITA History: Banking. €m



The excellent performance of this segment was partly due to the successful expansion of our entire portfolio. We see the main function of our hardware, software and services as being that of assuring the constant optimization of a bank's branch processes. This includes, for example:

- ▮ migrating bank processes to self-service solutions ranging from simple mono-functional systems to high-end solutions, such as combined deposit and dispensing (recycling),
- ▮ process automation,

- ▮ the efficient ongoing development of all cash-related transactions,
- ▮ the modification of sales processes and account-related procedures,
- ▮ ensuring the security of IT installations and branches,
- ▮ the merging of and interaction between different sales channels (multichannel) and the associated standardization of IT infrastructures,
- ▮ optimization of the cost-benefit ratio throughout the lifetime of the installations (Total Cost of Ownership),
- ▮ ensuring the cost-efficient operation and reliability of IT systems.

During the year under review, we again expanded our solutions portfolio in a range of key areas:

Customer-process-oriented software. This helps to improve bank services and sales opportunities at the customer-bank interface (self-service and branch), as well as driving forward the process of standardizing IT infrastructures. In parallel, process-oriented software helps to reduce the total cost of ownership for our customers. This type of software is based on the net-centric principle of service-oriented architectures (SOA), which offers process-tracking functions on a central server that can be used across all the bank's sales channels linked to the system. This, in turn, provides a solid basis for the smooth and transparent management and synchronization of customer processes.

Security of self-service systems and IT networks. Together with a number of our partners, we cover a wide spectrum of security requirements – from computer hardware and IT systems through to buildings. The emphasis lies on the intelligent combination of base technologies.

Solutions for the monitoring and control of self-service systems. These allow us to determine the operational status of all systems in the networks at any time. They involve tasks

such as reporting on technical operating conditions and monitoring processes, as well as assuming responsibility for the running of entire systems. Our solutions boost availability rates for those systems by a significant margin. A further award bestowed on one of our customers by a highly respected British banking magazine clearly shows the extent to which our innovatory drive has been acknowledged within this area. "The Banker" presented an award to a Malaysian-based bank that uses our monitoring software.

Regional Performance. In **Germany**, Wincor Nixdorf's Banking operations successfully maintained the level of the previous year, which was marked by a series of large outsourcing projects. One particular focus of our activities during the year under review was the automation of processes in bank branches linked with the use of self-service technology. There was also demand for services to help standardize IT infrastructures.

Business growth in **Europe** remained very strong. Growth in our Western European Banking operations was driven by investments for automation in the branch sector and by solutions designed to improve sales processes. There was particularly strong demand for the optimization of cash handling processes using high-end self-service technology, such as intelligent deposit and combined cash recycling systems. Sales of net-centric software for the standardization of IT infrastructures also rose.

The **Asia/Pacific/Africa** region recorded substantial growth in Banking operations. The expansion of self-service networks and the automation of cash handling are progressing in nearly every country, with a correspondingly beneficial impact on our Product business. Demand was highest for cash deposit and cash recycling systems.

As in previous years, Wincor Nixdorf's Banking operations in the **Americas** continued to grow according to plan. There was increased demand for both intelligent deposit systems and ATMs as well as automated teller safes. In the United States, the "Check Clearing for the 21st Century Act" marked

an important step in the trend towards branch automation. As a result, there was considerable interest in our intelligent deposit module (CCDM – cash/check deposit module). We also improved our market position in the countries of Latin America and received a number of orders from major banks.

Performance by Business Stream. Our successful performance in the **Product** business was primarily driven by sales of **cash systems** (cash-in, cash-out and recycling systems). Demand was excellent both for high-end systems and for the simpler mono-functional systems we produce in greater volume. The principal motors for growth in our worldwide operations were new system installations and, increasingly, replacement investment in older systems. We secured orders from banks and from independent providers.

Intelligent recycling and deposit systems, an area in which Wincor Nixdorf regards itself as a leading technology provider, continue to act as an innovative force in the high-end area. An example of our success is the large number of big orders we have received from Europe and Asia for the compact ProCash 4000 Recycler. The main advantage of the system lies in its cassette technology, which simplifies system handling and the replenishment and emptying process.

During the year under review, the number of Wincor Nixdorf cash/check deposit system installations, which, incidentally, we were the first to produce, reached nearly 10,000 systems worldwide. We are now offering a third-generation cash/check deposit module that can accept up to fifty checks in bundled form, or as individual banknotes as part of an automated process. The systems make the subsequent manual processing of checks and cash redundant, thus generating substantial cost savings.

In the area of **automated teller safes** there was increased demand for recycling models and for systems with "assisted self-service". These speed up the process of disbursing cash to the customer by means of a magnetic strip card for specific transactions ("assisted self-service").

We also achieved considerable success with similar assisted self-service systems in an interesting niche market – the casino industry. We received orders from North America and Asia for self-service systems that can be used to pay out winnings, thus automating and optimizing a casino's entire cash handling process.

Business in the field of high-volume **mono-functional cash systems** was largely driven by an increase in sales of self-service products in the "emerging markets". We also gained further ground in sales of "off-premise" installations, which allow bank customers to withdraw cash at prime locations.

With regard to **non-cash products**, there was a further increase in business volume in the field of **bank terminals**, which involve migrating routine customer transactions at branches to a self-service system, thereby offering customers a greater level of service. Sales of these systems rose by a substantial margin.

We successfully positioned our ProInfo 1000 self-service terminal in non-bank environments, such as hospitals and supermarkets. In France, for example, these terminals were integrated as a ticket sale system into the network of a cinema operator. The response from cinema audiences was overwhelmingly positive. Another successful product was our Employee Self-Service solution, which has now been introduced by several industrial companies. This solution allows all those staff without an intranet connection to access personnel information via a kiosk terminal.

Sales of **receipt and document printers** also remained buoyant.

Software/Services. The business with software and services in the Banking segment continued the notable upward trend established in recent years with contributions from our entire software portfolio. Thanks to further developments made by us, we were able to promote new growth within this field.

The overall success of Wincor Nixdorf's software business is based on the **ProClassic** line of software applications. With the help of this software, Wincor Nixdorf is able to offer banks a range of standardized functions tailored to self-service channels as well as management and operating solutions. These functions can also be run on third-party equipment as part of a multi-vendor solution. This contributes to the cost-efficient operation of self-service networks and ensures the rapid availability of new functions. Depending on each bank's overall customer strategy, additional functionality can be added to the software to create a more individual approach to business-to-customer communication via self-service systems.

Building on our experience with ProClassic in the self-service environment, we offer a multi-sales-channel software solution entitled **ProClassic/Enterprise**, which attracted a number of additional customers of international standing during the year under review.

This software provides comprehensive tracking for specific elements of banks' IT systems (infrastructure, security, optimization and management) and the related processes (customer handling, business and transaction processing). As well as providing the benefits of pure IT management, it facilitates the interaction between different business segments in each of the sales channels operated by an individual bank. It also helps to standardize banks' IT infrastructures in terms of cost and architecture. As a result, new functions and processes are available to all sales channels or users.

During the year under review, we made further developments and gave a new focus to our software portfolio. This was done in order to systematize it and target it more directly at customer processes. Each element of the resulting modular software is fine-tuned with the rest, and over the medium term, the entire portfolio will be supplemented by additional modules. The new structural concept will be entitled the **ProClassic/enterprise (PC/e) Banking Solution Suite**, and will be introduced in fiscal 2007/2008.

Some of the modules were successfully launched during the year under review:

- a base module to operate the counter/POS environment,
- the Cash Management module to analyze and optimize branch cash holdings,
- the Security module set, which combines a range of security solutions, e.g., protection against computer viruses in IT networks, secure data communications and anti-manipulation protection for our systems.

Several of these components were successfully certified, during the year under review, according to assessment criteria for service-oriented architecture (SOA) by the world's leading industrial company in this field.

Our **Services business** with the Banking industry also produced strong growth. During the year under review, we further expanded our service infrastructures and significantly increased our product-related services business. We strengthened our own service organization, especially in the United States and Asia. Wincor Nixdorf's Outsourcing business secured another major customer in the year under review. The entire concept was updated and expanded. We were also able to move into the field of transaction processing on behalf of an international bank. This involves controlling the handling of transactions between terminals, inter-bank networks and computer systems (host) via switches. We operate both the communications and network infrastructure and the software for the client. This means we can supervise the whole process and ensure reliability and security.

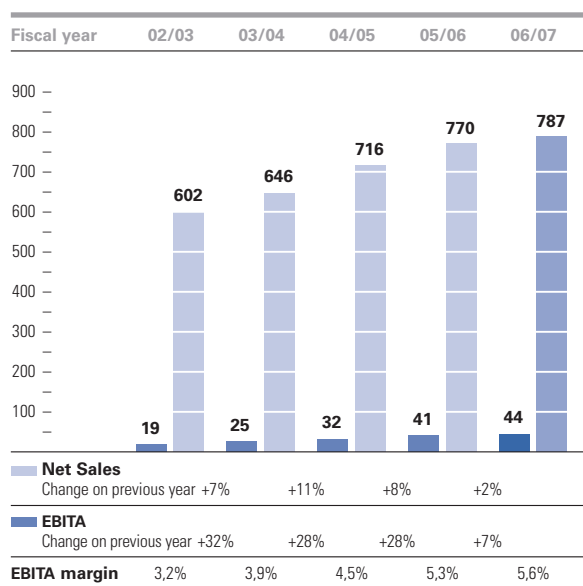
RETAIL SEGMENT.

Business within the retail industry showed modest growth in fiscal 2006/2007, following on from fiscal 2005/2006, which had been boosted by particularly buoyant sales of reverse vending systems in the German market. In the fiscal year under review, business within this area returned to more

normal levels. Sales of other strong-selling high-end automation and self-service systems for the checkout process increased at a slow level, although there is considerable interest in the market for these solutions. Net sales rose by 2% to €787 million (2005/2006: €770 million). EBITA was up 7% to €44 million (2005/2006: €41 million), with the EBITA margin improving from 5.3 to 5.6%.

Net Sales and EBITA History: Retail.

€m



Sales to the retail industry were also positively influenced by new developments in our product portfolio. Important guidelines are:

- further steps towards a more uniform and standardized IT infrastructure to help reduce the complexity of IT systems,
- a decrease in total cost of ownership,
- process optimization in retail branch outlets,
- support for the international expansion of retail companies,
- the cost-effective and reliable operation of IT systems.

In order to boost the productivity of our retail customers and offer a better service to customers, we made further significant developments to our portfolio of hardware, software applications and IT consulting and support services. The focus here was on:

Programmable ePOS systems that provide key data and information during the checkout process. In many cases these act as a central hub for other branch processes. As a single platform, they form the basis for retail kiosk systems, for example, and are also used as a component of self-checkout and reverse vending systems. As they run on the same base technology, they can be integrated more easily into branch IT infrastructures. Current developments in such base systems are primarily aimed at improving serviceability. This involves further reducing operating costs throughout the entire product life cycle (total cost of ownership) and making substantial cuts in energy consumption.

During the year under review, we were able to maintain and further expand our position as leaders in the European market for programmable ePOS systems.

Centralization and restructuring of branch management. In this area, we benefited from demand for standardized, modular and scalable concepts for the restructuring of branch processes. These cover the full range of activities from product data capture to checkout. Our TP.net software, which we sold to a number of multinational retail concerns, was particularly successful. This is a fully standardized software for branches that can be used to operate an extremely wide range of checkout concepts and control all the systems within the branch centrally.

Self-service and process automation. During the year under review, we conducted a large number of tests in collaboration with customers to establish the best combination of checkout systems. These involved test installations to evaluate technologies such as self-checkout, mobile self-scanning and the separation of scan and pay processes by the use of payment terminals. In many of these projects, we implemented customized solutions for the reorganization of processes in cooperation with our customers.

In the self-service area, our long-standing expertise in the retail banking industry gives us an edge over most of our competitors. Furthermore, we see cash management as a convergence issue, so future developments can be applied to both segments.

We also responded to demand for automation solutions by making further improvements to our reverse vending systems.

Modern in-store marketing technology allows retailers to generate additional sales. There is increasing demand for kiosk systems, electronic advertising displays, mobile devices and multimedia applications. We have already implemented this type of solution on behalf of a number of customers.

Regional Performance. In **Germany** it was not possible to match the high level of business of the previous year. Nevertheless, we achieved further growth in all our segments, with the exception of reverse vending systems, which had propelled sales to an unusually high level in 2005/2006.

Overall, retail business in **Europe** was solid. This was helped by corporate investment in Western Europe for the replacement and modernization of retail checkout processes. There was further growth in standardization software. Eastern Europe was marked by renewed momentum in the retail business, with the expansion of international retail groups for which we have long provided IT solutions. At the same time, we were able to secure a series of new orders from local retailers.

Viewed on the basis of U.S. dollars, business in the **Asia/Pacific/Africa** region showed a substantial rise compared to the previous year, with particular success in the highly promising Indian market.

As part of our growth strategy, we took further steps to refocus our retail operations in the **Americas**.

Performance by Business Stream. Our **Product** business again benefited from new developments in the modular BEETLE/EPOS system group. Sales of ePOS systems exceeded the impressive figures recorded a year ago. In doing so, we achieved some very effective economies of scale, which helped to mitigate the intense pressure on prices and margins in this segment and thus gain a competitive advantage. These systems are an ideal response to the requirements of both international and local retailers.

We made further improvements, during the year under review, to our high-end systems, such as self-checkout and reverse vending systems. Although, as expected, sales of reverse vending systems fell below those of the previous year. We consolidated our share of the German market at around 30% and marked the beginning of the internationalization of our reverse vending business by establishing a presence in Scandinavia, Hungary, the Czech Republic and Slovakia.

Software/Services. Fiscal 2006/2007 brought further growth in the **Software/Services business**.

Global sales of our branch software TP.net were driven by its implementation on behalf of large multinational retailers, with a substantial rise in the sale of licenses. We also installed NAMOS (our branch solution for international gas station networks) at customer sites in several new countries.

Interest remains high in our solutions for the automation of cash handling processes from the checkout to the bank. Closed and automated cash circulation rules out the possibility of manipulation by employees or of accidental errors in giving out change. However, the main focus here is on the cost savings generated by process automation in terms of normal checkout transactions, checkout handover and cashing up. We implemented these solutions for a large number of customers at the POS as well as in the back office environment.

Our consulting operations performed well in the period under review. In this segment we offer IT and business consulting in selected countries, the emphasis being on SAP applications.

During the year under review, we continually expanded our global network of partners, the objective being to support our international retail customers from a wider geographical base. Together with the standardization of service modules, this represents a further step in the expansion of our product-related service portfolio.

In the high-end area, we attracted a number of high-profile retail customers for our Managed POS services.

Wincor Nixdorf Retail Services GmbH was established in fiscal 2005/2006, to provide best-in-class services for the range of reverse vending machines installed in Germany. The new company has geared its own service portfolio specifically to the needs of retail customers and recorded positive results during the year under review.

We now also offer a special service to retailers wishing to expand into new markets. This involves preparing the entire IT infrastructure ready for the opening and operation of a new branch. In turn, this means the retailer can concentrate fully on setting up and launching the business. The new store opening concept provides a global solution that includes consulting services, preparing the optimum IT and hardware configuration and the control of all suppliers and partners. This concept met with particular success in Asia.

ACQUISITIONS AND NEW COMPANIES.

In September 2007, we acquired the remaining 44.5% interest in Wincor Nixdorf Services NV, Zaventem, Belgium. The company operates within the services sector in Belgium and the Netherlands.

Fiscal 2006/2007 also saw the foundation of new independent subsidiaries as part of our strategy of international expansion. We set up a Russian subsidiary to strengthen our Banking and Retail services business, and two companies in Malta to help with Group financing.

Full details of changes to the consolidation structure are set out in the Notes to the Group Financial Statements, under the heading Methods of Consolidation.

CAPITAL INVESTMENTS.

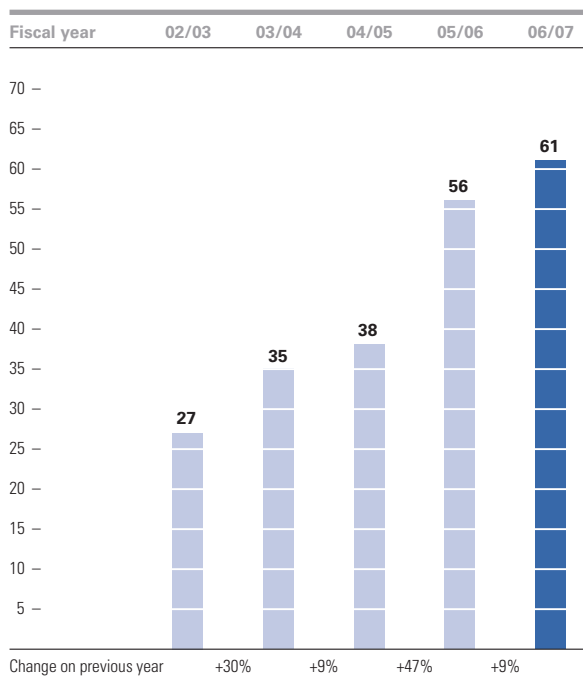
Wincor Nixdorf has pursued an investment policy that aims to enhance the capacity of company operations, the quality of services and the overall level of productivity.

During the year under review, we invested €61 million (2005/2006: €56 million) in data processing systems, specialist tools, production facilities, software, other fixed assets and office equipment and reworkable spare parts.

We spent €16 million alone on the expansion of our Outsourcing business in Germany, and €6 million (the same figure as 2005/2006) on the reworkable service parts we use in the service process.

Capital Investment History.

€m



PERFORMANCE, FINANCIAL POSITION AND ASSETS.

Performance. Once again, in fiscal 2006/2007, Wincor Nixdorf was able to exceed the already encouraging result from the previous year. Profit for the period was up 33% to €109 million (2005/2006: €82 million).

A number of factors contributed to this success. Net sales rose by 10% to €2,145 million (2005/2006: €1,948 million). This increase was primarily attributable to the Banking segment, where growth in revenue outpaced that of the Retail segment. Around 80% of net sales were generated in Europe (including Germany).

Despite higher purchasing prices, there was a small rise in the gross margin on net sales to 27.6% (2005/2006: 27.5%), principally as a result of the economies of scale linked to the growth in revenue.

Reconciliation of Result from Business Operations (EBITDA).

	€m	
	2006/2007	2005/2006
Profit for the period	109	82
+ Income taxes	52	46
+ Financial result	10	13
+ Amortization of product know-how (exceptional item)	15	20
EBITA before amortization of product know-how	186	161
+ Amortization/Depreciation of tangible fixed assets and licenses	42	37
+ Write-down of reworkable service parts	5	5
EBITDA before amortization of product know-how	233	203

During the year under review, the Group invested 11% more than the previous year in research and development. Total spending was €97 million (2005/2006: €87 million), thus maintaining a constant R&D ratio of 4.5%.

We achieved a further reduction in the selling, general and administration expenses ratio through our ProImprove profitability program. From 14.7% in fiscal 2005/2006, the figure was reduced by 0.3 percentage points to 14.4% in the year under review. In total, selling, general and administration expenses, including other operating income and expenses, amounted to €308 million (2005/2006: €287 million).

EBITDA was up €30 million to €233 million (2005/2006: €203 million). This represents an increase of 15%. The EBITDA margin rose correspondingly from 10.4% in fiscal 2005/2006 to 10.9% during the year under review.

In particular, EBITA before amortization of product know-how was improved by 16% to €186 million (2005/2006: €161 million), while the EBITA margin rose by 0.4 percentage points to 8.7% (2005/2006: 8.3%).

Financial Position. The Group cash flow statement shows the origin and use of cash resources in fiscal 2006/2007, and the previous year, and distinguishes between cash flow from operating activities and from investing and financing activities. Cash flow from operating activities is derived indirectly from EBITA. Cash funds take into account cash and cash equivalents as well as bank liabilities repayable at any time.

Cash flow.

	€m	
	2006/2007	2005/2006
EBITDA	233	203
Cash flow from operating activities	180	155
Cash flow from investment activities	-66	-133
Cash flow from financing activities	-119	-27
= Change in liquidity	-5	-5
Cash and cash equivalents at the beginning of the period	-6	-1
Cash and cash equivalents at the end of the period	-11	-6

The 16% rise in cash flow from operating activities highlights the positive direction of growth during the last fiscal year. Compared to the previous year, cash flow was up €25 million to €180 million (2005/2006: €155 million). This was largely due to a 15% increase in EBITDA to €233 million (2005/2006: €203 million), although a rise of €26 million in the figure for accruals (2005/2006: €46 million) also had a positive impact. The main contrary factors were income tax payments of €37 million (2005/2006: €28 million) and a build-up of working capital totaling €40 million (2005/2006: €55 million), largely on account of the increase in trade receivables.

Cash flow from investment activities amounted to €66 million (2005/2006: €133 million). For the year under review, this outflow was thus covered entirely by cash flow from operating activities. The previous year's figure was marked, above all, by a one-off cash outflow of €84 million, due to a transfer to Wincor Nixdorf Pension Trust e.V. (allocation to plan assets). Cash outflow for investments in intangible assets and property, plant and equipment was €52 million (2005/2006: €50 million). As in previous years, the main focus of this investment activity was on other fixed assets and office equipment. Acquisitions accounted for a further cash outflow of €10 million (2005/2006: 1 million). In addition to the purchase of minority interests in Wincor Nixdorf Services NV, Zaventem, Belgium, in the amount of €8 million, we took over property, plant and equipment and personnel liabilities, in the course of an outsourcing agreement, to the value of €2 million. Investments in reworkable service parts remained at €6 million, the same level as fiscal 2005/2006.

Compared to the previous year, there was a marked increase of €119 million in cash flow from financing activities (2005/2006: €27 million). This outflow was almost entirely covered by cash flow from operating activities. The dividend paid out in 2006/2007 was €46 million (2005/2006: €35 million). A further outflow of €21 million was attributable to repayment of financial loans (2005/2006: €2 million). As in the previous fiscal year, a total of €8 million was expended on the settlement of the share-based payment program and payments in connection with minority interests. In addition, we spent €44 million on the repurchase of own shares (treasury shares). The figures for 2005/2006 had been affected in the opposite direction by an inflow of cash from loans totaling €18 million.

As a result of the cash flows described above, Group net debt (bank liabilities less cash and cash equivalents) was reduced from €200 million in the previous year to €182 million in 2006/2007.

Mainly on account of its positive cash flow from operating activities, Wincor Nixdorf Group was and remains in a position to meet its payment obligations at any time, and does therefore not see a need to commission a rating.

Assets. Compared to the previous year, the balance sheet total was up €63 million, or 5.4%, to €1,225 million (2005/2006: €1,162 million). Non-current assets remained at the same level as in the previous year, whereas the figure for current assets rose, especially with regard to receivables and other assets. Increases in current liabilities, particularly in terms of accruals and other liabilities, more than made up for a fall in non-current financial liabilities.

The reduction in intangible assets is primarily attributable to amortization of product know-how of €15 million (2005/2006: €20 million) and amortization of commercial patents and licenses of €9 million (2005/2006: €7 million). This was partly compensated for by investment in software, especially for outsourcing projects, in the amount of €8 million (2005/2006: €6 million).

The carrying amount of property, plant and equipment is €115 million (2005/2006: €104 million) – an increase of €11 million on the preceding year. Investments in property, plant and equipment rose by €7 million to €47 million (2005/2006: €40 million). The principal investments made were in IT equipment, specialist tools as well as land, buildings and other equivalent rights. Depreciation in the year under review amounted to €33 million (2005/2006: €29 million).

Assets.	€m	
	Sept.30,2007	Sept.30,2006
Assets		
Intangible assets	367	384
Tangible assets and financial assets	116	105
Non-current receivables and other assets	51	35
Non-current assets	534	524
Inventories	294	313
Current receivables and other assets	373	315
Cash and cash equivalents	24	10
Current assets	691	638
Total assets	1,225	1,162
Equity and Liabilities		
Equity (incl. minority interest)	278	275
Pension accruals and other accruals	50	47
Financial liabilities	170	192
Other liabilities	2	15
Non-current liabilities	222	254
Other accruals	175	140
Trade payables	234	212
Other current liabilities	316	281
Current liabilities	725	633
Total equity and liabilities	1,225	1,162

The increase of €16 million to €51 million in non-current receivables and other assets (2005/2006: €35 million) was largely caused by the higher surplus of plan assets over pension obligations. The surplus stood at €13 million compared to €2 million in fiscal 2005/2006. This item also includes re-workable service parts, whose book value was €16 million – the same as the preceding year.

Inventories declined by €19 million to €294 million (2005/2006: €313 million). This was mainly due to the invoicing of customer orders at the end of the fiscal year, leading to a rise in current trade receivables to €317 million (2005/2006: €263 million). Other current assets remained almost unchanged from the previous year.

As a result of payments received and made at the end of the fiscal year, current bank deposits rose by €14 million to €24 million (2005/2006: €10 million), while current bank liabilities were up €20 million to €35 million.

Equity, including minority interest, increased by €3 million to €278 million (2005/2006: €275 million). The profit for the period of €109 million (2005/2006: €82 million) more than compensated for reductions caused by the repurchase of own shares to the value of €44 million, and dividends paid in the amount of €46 million. Further reductions in equity were due to the takeover of shares to the value of €8 million, and exchange rate effects of €6 million. Changes in equity are described in the table entitled Changes in Equity.

Non-current financial liabilities fell by €22 million to €170 million (2005/2006: €192 million), mainly as a result of the repayment, during the year under review, of liabilities totaling €20 million from the revolving facility. Under the terms of this revolving facility, Wincor Nixdorf Group was granted a credit line of €350 million for a period of seven years up to August 2, 2012. Borrowings were subject to interest based on the EURIBOR plus a margin. The entire credit line is still available without an obligation to make principal repayments until the end of maturity.

Other current accruals rose by €35 million to €175 million (2005/2006: €140 million). This was the result of an increase in potential losses of €9 million, personnel-related obligations of €7 million and warranty obligations of €6 million. From the present perspective, the recognized accruals sufficiently cover all of the Group's probable obligations.

The increase of €35 million to €316 million in other current liabilities (2005/2006: €281 million) is primarily attributable to a rise in income tax liabilities.

The Group also has future non-balance sheet liabilities in relation to tenancies, leasing agreements, long-term purchase contracts and purchase commitments totaling €90 million (2005/2006: €82 million).

Overall Assessment of Economic Position. Overall, the Board of Directors judges as sound the economic position of the Wincor Nixdorf Group at the date on which the Group management report was prepared. In view of the fact that business in the first few weeks of fiscal 2007/2008 has progressed in line with expectations, as reflected in net sales and EBITA, the Board of Directors anticipates that performance will continue to be favorable.

DISCLOSURES PURSUANT TO SECTION 315 (4) HGB AND EXPLANATORY NOTES.

As the parent company of the Wincor Nixdorf Group, Wincor Nixdorf AG utilizes an organized market as defined by Section 2 (7) Wertpapiererwerbs- und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act) through the company's issued shares with voting rights and, therefore, reports pursuant to Section 315 (4) HGB.

Capital Structure. The subscribed capital of Wincor Nixdorf AG is €33,084,988.00 as at September 30, 2007, and is divided into 33,084,988 shares ("Stückaktien" governed by German law). In accordance with Section 16 (1) of the Articles of Association, each individual share entitles the holder to a vote at the Annual General Meeting of Shareholders (AGM).

Shareholders' Rights and Obligations. Each share is furnished with the same rights and obligations. Shareholders are entitled to property and administrative rights. The main property rights include the right to participate in profits (Section 58 (4) AktG – German Stock Corporation Act) and to any liquidation proceeds (Section 271 AktG), as well as the right to subscribe to shares in the event of capital increases (Section 186 AktG). Each shareholder's entitlement to a share in the profits of the company is determined by his/her share in the subscribed capital (Section 60 AktG). The administrative rights include the right to attend AGMs and the right to speak, submit questions and motions, and exercise voting rights at such meetings. A shareholder may, in particular, assert these rights through actions for disclosure (Section 132 AktG) and actions for rescission (Section 246 AktG). Pursuant to Section 4 (4) of the Articles of Association, shareholders are not entitled to the individual certification of their shares.

Equity Interests, Restrictions on Voting Rights, Shares Granting Special Rights and Control over Voting Rights. The company is not aware of any direct or indirect equity interests that exceed 10% of the voting rights. It is equally unaware of any restrictions affecting voting rights or the transfer of shares, even though they may arise as a result of agreements between shareholders. The shares do not confer any special rights with controlling powers. The company is not aware of any control over voting rights in the event that employees hold a share in the equity and do not exercise their control rights.

Composition of Board of Directors and Amendment of Articles of Association. Rules for the appointment and removal of members of the Board of Directors are laid out in Sections 84 and 85 AktG, which stipulate that members of the Board of Directors shall be appointed by the Supervisory Board for a maximum period of five years. Members may subsequently be reappointed or their period of office extended for further five-year periods. According to Section 5 of the Articles of Association, the number of members of the Board of Directors is determined by the Supervisory Board, and it must consist of at least two persons. The Board of Directors of Wincor Nixdorf AG is made up of four members, including the Chairman (President and CEO), who currently also holds the position of labor relations director as required by the *Mitbestimmungsgesetz* (Codetermination Act). Once Jürgen Wilde has stepped down, effective from the close of the AGM on January 28, 2008, the Board of Directors will be composed of three members.

The Articles of Association may only be amended by the AGM (Section 179 (1) sentence 1 AktG). Pursuant to Section 13 of the Articles of Association, the Supervisory Board may only amend and decide on the wording of the Articles of Association. In accordance with Section 18 (1) of the Articles of Association, resolutions of the AGM may be passed by a simple majority of the votes cast in the absence of a mandatory provision of the law stipulating otherwise. In cases where

the law requires a majority of the subscribed capital represented at the time of voting, a simple majority of the subscribed capital represented will suffice in the absence of a mandatory provision of the law stipulating otherwise.

Authorization of the Board of Directors to Issue and Buy Back Shares.

1. Authorized Capital I pursuant to Section 4 (5) of the Articles of Association: The Board of Directors has been authorized to increase the company's subscribed capital, with the Supervisory Board's approval, by up to €1,654,249.00 (Authorized Capital I 2004) through the issue for cash of new bearer shares under single or multiple initiatives up to May 13, 2009. Shareholders must be granted a right of subscription. However, subject to the consent of the Supervisory Board, the Board of Directors is authorized to exclude fractional amounts from a shareholder's right of subscription. The Board of Directors is also entitled, subject to the consent of the Supervisory Board, to exclude shareholders' subscription rights where the issue price does not lie significantly below the current stock market trading price. This authorization shall only apply subject to the condition that the total shares issued without shareholder subscription rights, in accordance with Section 186 (3) sentence 4 AktG, may not exceed 10% of the subscribed capital at the time of the resolution. In calculating this 10% limit, an allowance shall be made for the grant of option or conversion rights for company shares subsequent to this authorization, i.e., after May 14, 2004, if the grant excludes subscription rights, in accordance with § 186 (3) sentence 4 AktG, and for any sale of the company's treasury shares excluding subscription rights, in accordance with Section 186 (3) sentence 4 AktG. The Board of Directors is also authorized, with the consent of the Supervisory Board, to determine the additional rights attaching to the shares and the terms and conditions of the share issue.

2. Authorized Capital II pursuant to Section 4 (6) of the Articles of Association: The Board of Directors has also been authorized to increase the company's subscribed capital, with the Supervisory Board's approval, by up to €6,616,997.00 (Authorized Capital II 2004) through the issue, for cash and/or non-cash contributions, of new bearer shares under single or multiple initiatives up to May 13, 2009. When issuing shares for non-cash contributions in connection with direct or indirect acquisitions of companies, parts of companies or equity interests, the Board of Directors is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights. Otherwise, the shareholders shall be granted subscription rights. However, the Board of Directors is authorized, with the consent of the Supervisory Board, to exclude fractional amounts from shareholders' subscription rights. The Board of Directors is also authorized, with the consent of the Supervisory Board, to determine the additional rights attaching to the shares and the terms and conditions of the share issue.

3. Contingent capital increase in accordance with Section 4 (7) of the Articles of Association: The subscribed capital is conditionally increased by up to €2,812,224.00 divided into a maximum of 2,812,224 bearer shares (Contingent Capital). The contingent capital increase is to be used exclusively to cover the granting of stock options to

- members of the Board of Directors of the company and
- board members of subordinate affiliated companies within and outside of Germany and
- other managers and staff of the company and its subordinate affiliated companies

within the framework of the provisions of the authorization resolved by the AGM on May 14, 2004, in the form of the supplementary resolution adopted at the AGM of February 21, 2006, and the amendment resolution adopted at the AGM on January 29, 2007. It is only implemented to the extent that these stock options are taken up and the company does not provide the consideration in cash or with its treasury shares.

The new shares qualify for a share in profits as from the beginning of the fiscal year in which they are created through issuance. If they are issued prior to the ordinary AGM, the new shares are entitled to a share of profits relating to the previous fiscal year as well.

4. Authorization to acquire and use the company's own shares, in accordance with Section 71 (1) no. 8 AktG, and to exclude subscription rights: On January 29, 2007, the Board of Directors was authorized by the AGM to acquire the company's own shares up to a total of 10% of the subscribed capital at that point, in the sum of €16,542,494.00 (increased to €33,084,988.00 as the result of a resolution passed by the AGM on January 29, 2007) in the period from January 30, 2007, up to and including July 29, 2008. The purchase must be executed through the stock market or by means of a public offer to buy, directed at all shareholders. The consideration paid by the company for the purchase of these shares (excluding ancillary purchase fees) must not be greater than 5% above or below their trading price on the stock market. In the event the shares are purchased through the stock market, the definitive trading price shall, for this purpose, be taken to be the average trading price of the company's shares in the closing auction of the Xetra electronic trading system (or its successor) on the Frankfurt securities exchange over the last ten days of trading prior to the purchase of the shares. If the shares are to be purchased by means of a public offer to all shareholders, the figure shall be determined by the average trading price of the company's shares in the closing auction of the Xetra electronic trading system (or its successor) on the Frankfurt securities exchange over the last ten days of trading prior to the announcement of the public offer. If the shares are to be purchased through a public offer to all shareholders, the volume of the offer may be restricted. If the total take-up of the offer exceeds this volume, the shares must be purchased in the ratio of the shares offered.

The Board of Directors was also authorized to use the shares for all legally admissible purposes, in particular, with the consent of the Supervisory Board to sell the newly acquired own shares by a method other than through the stock market, or by an offer to all shareholders, as long as the newly acquired own shares are sold for cash at a price that is not substantially below the trading price of company shares of the same category and characteristics at the time of the sale. However, this authorization shall only apply subject to the condition that the shares sold in this way may not exceed 10% of the subscribed capital at the time of the resolution. In calculating this 10% limit, an allowance shall be made for the issue of shares from the company's authorized capital after this authorization, where the grant excludes subscription rights, in accordance with § 186 (3) sentence 4 AktG, and for the granting of option or conversion rights for company shares after this authorization, where the grant excludes subscription rights in accordance with § 186 (3) sentence 4 AktG. Trading in the company's treasury shares is not permitted.

The Board of Directors was also authorized to use such newly acquired own shares in the company, in part or in full, to fund business combinations or the direct or indirect acquisition of companies, parts of companies or equity interests as (part) consideration of amounts due. The Board of Directors was further authorized to use the own shares acquired by means of this authorization either to meet its obligations in relation to stock options or to redeem them without a requirement for a further resolution of the AGM to authorize the decision or the redemption process.

Significant Agreements in the Event of a Takeover Offer. Wincor Nixdorf AG has not entered into any significant agreements, which are contingent on a change of control of the company following a takeover offer. The sole exception is a credit agreement between Wincor Nixdorf AG, together with its subsidiary Wincor Nixdorf International GmbH, and WestLB, together with other participating banks. The agreement provides for a revolving facility and expires on

August 2, 2012. The participating banks are entitled to revoke their agreement to provide credit in the event that over 50% of the shares in Wincor Nixdorf AG are held directly or indirectly by one person, or a group of persons acting jointly, as defined by Section 2 (5) of the WpÜG (Securities Trading and Takeover Act). The banks are also entitled to cancel the agreement if this person or group of persons can determine over half of the members of the Board of Directors or of the shareholders' representatives on the Supervisory Board, or if Wincor Nixdorf AG is included in the Group financial statements of this person or group of persons.

There are currently no agreements between Wincor Nixdorf AG and members of the Board of Directors or employees for the payment of compensation in the event of a takeover offer.

RESEARCH AND DEVELOPMENT.

We are of the firm belief that we must continue to develop our entire portfolio if we are to maintain, strengthen and expand our premier position within the market. In fiscal 2006/2007, we invested €97 million (2005/2006: €87 million) in research and development. This is an increase of 11% compared to the previous year. R&D ratio as a percentage of net sales remained unchanged at 4.5%.

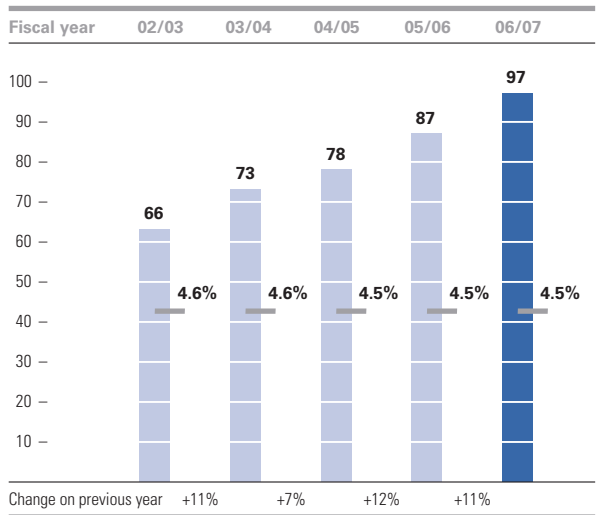
With a view to consolidating our technological strength in the future, and fulfilling our stated commitment to customer-oriented research and development, we recruited additional staff in R&D in the period under review. As at the reporting date, the number of employees working in R&D was 843 (2005/2006: 790), equivalent to 10% of the total headcount. They work at development facilities in Germany, Switzerland, Brazil, Singapore and China. For efficiency reasons, we have now combined our Asian R&D activities in Singapore and China.

Our R&D staff has been working on a significant number of new developments. Worldwide, we registered 75 (2005/2006: 54) new patents in the reporting period, bringing the total number of active patents up to 1,028 (2005/2006: 920).

Main Focus of R&D Activities. R&D activities during the fiscal year focused on three key areas:

- ▮ convergent base technologies for our core Retail and Banking business,
- ▮ serviceability of our hardware and software in order to make future customer installations easier to maintain,
- ▮ integrated hardware, software and services solutions to provide customers with complete process chains.

History of R&D Expenses plus Embedded R&D Ratio in % of Net Sales. €m



The clearest example of how we implement convergent base technologies and take advantage of our range of integrated solutions is our Cash Management portfolio, which enables retailers and banks to automate their cash handling process. Options range from the automated acceptance of cash at checkouts to account entry and cash recycling. Wincor Nixdorf is thus beginning to integrate processes from the retail banking industry, such as cash disbursement, into the retail industry

as a means of generating new business for retailers and a more attractive return on investment in our cash management solutions. The processes involved in the case of postal operators are very similar to those used in retail banking and the retail industry. During the year under review, we adapted both our hardware and software portfolios, particularly to the self-service process requirements of postal companies.

With regard to our retail banking operations, we adapted our intelligent deposit and recycling technologies to the needs of new, strategically important markets. Investment in the modular construction of our ATM series is now paying off. In many markets we were able to provide systems adapted to local needs within a short time frame. Our ATM portfolio was extended to include a compact cash recycling system especially for the Asian market, and a multifunctional cash recycling system for the European market.

We added several new components to our ProClassic/Enterprise software platform of net-centric applications for the control of large self-service networks, making it possible to offer new functions in the counter/POS environment and in branches. One of these components provides improved cash management facilities across different cash points (ATMs, POS, teller safes, etc.). Another key area was the completion of our family of IT security products. The focus here was on the integration of software into the existing portfolio, in order to protect physical networks and the software itself. We also integrated video technology applications capable of performing an intelligent evaluation of images. These can be used, for example, to detect the manipulation of ATMs.

For ease of maintenance, we now fit all the new equipment we install with a CIM process interface. CIM stands for Common Information Model. This is a global standard for the remote management of IT systems, providing a uniform method of checking the equipment's current status. CIM solutions also help to streamline maintenance costs.

In the retail industry, our portfolio of solutions for the automation of cash handling was expanded successfully and piloted with many of our customers. We added to our family of POS systems and fitted them with new processor and storage technologies. New technologies, such as the biometric authentication procedure, are now in use as part of our check-out systems. In the area of self-service checkout, we improved our modular portfolio and integrated existing cash recycling modules. Product families, such as our terminal solutions for lottery operators and kiosk systems, have also undergone further development and have been expanded to meet our customers' requirements. Our family of reverse vending systems now includes a compact system for the processing of returned single- and multi-use containers.

Turning to software development, one of the main areas on which we focused, was the development of components for the central administration of branch software (TP.net). One of these components facilitates the control and maintenance of branch systems, while another provides a range of functions to analyze the business transactions conducted at branch level. We also developed new communications software to control the interaction between central and branch level. These new central components were piloted successfully in fiscal 2006/2007. In addition, our R&D activities focused on adapting our TP.net software to new retail segments. This involved developing functions for the hotel and catering industry, gas station networks and postal operators. These modified systems were also piloted successfully during the year under review.

PURCHASING AND LOGISTICS.

Wincor Nixdorf operates an international purchasing system that allows us to source hardware, software, services and individual components from contracted suppliers all over the world. This means we can always offer the best possible hardware, software and services on the most competitive terms available globally. We work closely with our suppliers in order to derive the maximum benefit for our customers and ourselves.

Our strategic Group purchasing division in Paderborn coordinates the activities of each country's decentralized purchasing department in close collaboration with individual subsidiaries and manufacturing sites. By promoting an ongoing dialog, which includes the communication of best practice examples, we can make continual improvements to our purchasing processes. The principal objective here is to bundle orders and thus purchase in greater volume as a means of achieving fast and efficient cost savings.

Even greater importance is given to the quality of our hardware, software and services. Our aim is to make continual improvements to the high quality levels already achieved within this area. To this end, we place considerable importance on the constant exchange of information with our suppliers. This can take the form of regular meetings to discuss quality and assess the effectiveness of the collaboration between us and our business partners on the basis of current and previous projects. Together, we then define improvement strategies and set out our future expectations.

This close collaboration with our suppliers is also vitally important in the area of logistics and allows us to make continual improvements to our supply chain. The aim is to shorten throughput times and increase flexibility in the processing of customer orders.

To provide a launch pad for further growth in Asia, we further expanded our production capacity in Shanghai. In early March 2007, Wincor Nixdorf began operation of a new and larger production site with an accompanying software competence center in the WaiGaoQiao free trade zone. As well as expanding our production and development capacity, we added new suppliers to our procurement network. With regard to all its suppliers, Wincor Nixdorf places great importance on compliance with international standards in relation to the environment, ethical considerations and working conditions. Our requirements and expectations in this respect are laid out in the Wincor Nixdorf Supplier Code of Conduct.

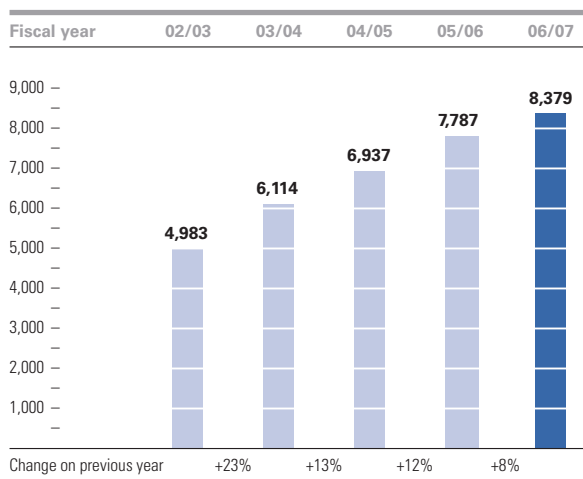
EMPLOYEES.

Recruitment Drive in Growth Markets. The size of our global workforce once again increased during the year under review. The Group employed a total of 8,379 employees across the world at the reporting date (2005/2006: 7,787).

As part of the strategy of globalization, adopted in response to international growth, the number of employees outside Germany again rose significantly to 4,569 (2005/2006: 4,102). Most of these new posts were created in the Asia/Pacific/Africa region and the Americas, although there was also a further increase in our employees in Germany to 3,810 at the reporting date (2005/2006: 3,685).

We continued to extend our own resources in each of the Group's regions in order to meet the greater demands of our customers within the area of services.

Development of Headcount.



The expansion of our global sales network was accompanied by an increase in the number of sales staff. We also took on additional personnel in our Research and Development division and in Production. Thanks to good capacity usage and scheduled expansion, we were able to appoint new staff at our production sites in Singapore and Shanghai.

Committed to Knowledge Transfer and Professional Development. A key element of our corporate policy is the cross-border networking of our employees' knowledge. The main focus here is on the exchange of experiences and information on products, projects and solutions at international level. To help achieve this objective, we held our first four-day "International Technical Support Conference" during the year under review, at our Group headquarters in Paderborn. The conference was attended by technical service experts from sixteen countries. The overall aim was to optimize the benefits derived from new hardware and software features, local solutions as well as testing and diagnostic tools.

We also introduced a central project management system in fiscal 2006/2007, in order to create a standardized and professional approach to project management across the entire Group. The program has now been proven of value in Germany. The next step will be to train staff at our other international sites in its use.

The year under review also saw an expansion of our professional development program. Workshops, courses and training covering an extremely varied range of subjects are available to employees at the respective business locations within the Group. During fiscal 2006/2007, some of the most comprehensive training courses were held for our domestic and international sales and service teams and to ensure that newly appointed staff are integrated quickly and are appropriately qualified.

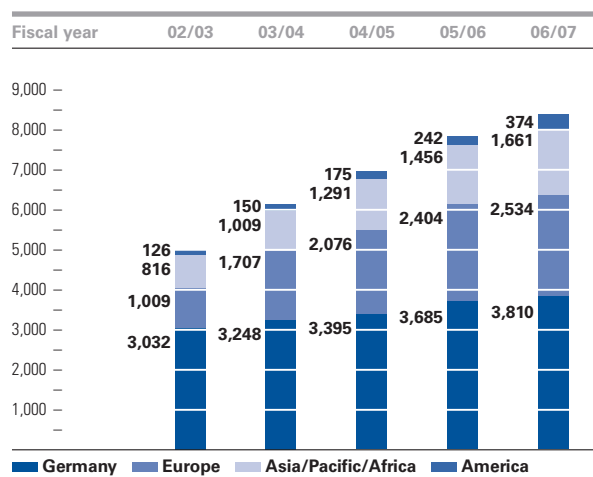
Areas of Focus in Personnel Management. Against a background of considerable change in the market, Wincor Nixdorf is taking action to compete for the best employees. The recruitment and retention of qualified staff lies at the

heart of our personnel management work. During fiscal 2006/2007, we successfully continued the process of integrating newly appointed or transferred staff into the organization.

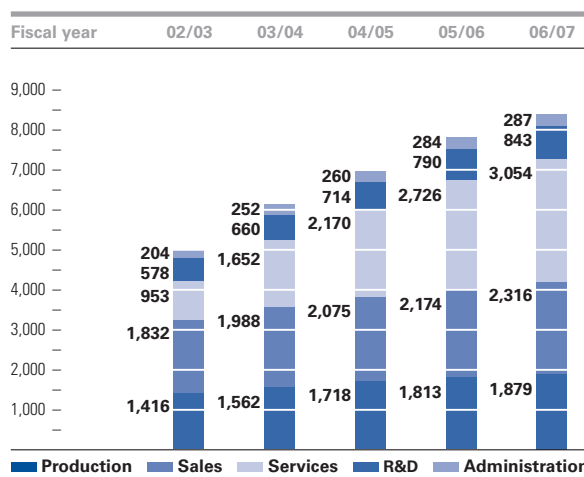
Wincor Nixdorf continued to apply its policy of ensuring that employees participate in the success of the Group. In addition to basic compensation, the remuneration package included an amount based on individual performance, group performance and the performance of the enterprise. Overall, employees achieved above-average earnings at all levels of the organization.

We see the development and implementation of guidelines committing ourselves globally to socially and ethically responsible conduct as part of an ongoing duty. To ensure that our actions always reflect this commitment, we have drawn up a series of rules in the form of a Code of Conduct that is binding for all employees worldwide. These rules also apply in those countries where the applicable law and local practice are less rigorous.

Development of Headcount by Regions.



Development of Headcount by Functions.



In Germany, in consultation with employee representatives, we took the necessary steps to implement, at Wincor Nixdorf International GmbH, the new framework pay agreement, signed by IG Metall and the Confederation of Employers. The new pay system is to be introduced in all our German enterprises, with full implementation expected in the coming fiscal year.

We also reached agreement with employee representatives and those involved in the collective pay negotiations to introduce the rules on flexible working hours agreed in 2005, as a means of reducing staffing costs and thus protecting jobs in the long term.

A Word of Thanks to Employees. The Board of Directors of Wincor Nixdorf AG is aware that the Group's success is dependent on the overall performance of Wincor Nixdorf employees worldwide. It is with this in mind that the Board wishes to express its gratitude and appreciation to the entire workforce for the outstanding level of commitment and performance shown throughout the fiscal year.

IMPACT OF LEGAL AND ECONOMIC FACTORS ON THE BUSINESS DURING THE YEAR UNDER REVIEW.

We have been witnessing an increasing trend towards process standardization in the field of cashless transactions, within both the retail industry and retail banking, especially as a result of the SEPA (Single Euro Payment Area) initiative. SEPA aims to create a single, Europe-wide payment zone in which there are no differences between national and cross-border payments. In response to this initiative, Wincor Nixdorf has developed a standardized and flexible international payment interface (OPI – Open Payment Initiative) to implement the concept.

During the year under review, Wincor Nixdorf continued the process of implementing the measures initiated in fiscal 2005/2006, in response to the requirements of European Directives 2002/95/EC dated January 27, 2003, (RoHS), and 2002/96/EC dated January 27, 2003, (WEEE), as well as the corresponding national legislation (for Germany the ElektroG Act of March 16, 2005), relating to prohibited and waste materials.

Wincor Nixdorf also set up a project group to assess the impact of the reform of European chemicals legislation in the light of the European Union's Regulation on the Registration, Evaluation and Authorization of Chemicals (1907/2006/EC – also known by the acronym REACH), and to prepare the necessary steps to ensure the safe use of our products. The regulation dated May 29, 2007, acquired legal force on June 1, 2007.

Details of the economic factors that currently affect, or may in future affect our activities can be found in the Risk Report.

RISK REPORT.

Risk Management. Risk management considerations play a central role in all decisions and business processes at Wincor Nixdorf AG. Comprehensive risk management, which is incorporated in our activities in the form of management structures, company-wide standards as well as reporting and information systems, allows us to identify risks at an early stage. The associated control procedures enable us to promptly isolate and monitor both general and specific risks. However, the purpose of risk management is not only to manage and protect against risk, but also to use it to take considered advantage of opportunities that arise and that may add value to our business, even where these are associated with a heightened risk potential. New areas of business, for example, outsourcing projects or entry into new markets, are approached with the issue of risk in mind, and appropriate approval procedures are defined via quantitative thresholds. Group-wide guidelines and checklists provide the basis for structured analysis, enabling us to highlight potential risks and opportunities alike.

Risk management forms an integral part of our controlling and financial reporting systems. It includes an annual risk management report, monthly situation analyses/forecast reporting as well as project- and business-specific variance analyses.

The Risk Management department is responsible for establishing Group-wide risk standards. Organizationally, it forms part of Group Controlling and functions on two levels. At subsidiary and division level, local risks are identified by evaluating key business performance indicators or by conducting individual project analyses. At the same time, the holding company's control function takes responsibility for identifying risks that may affect the entire Group, developing short-, medium- and long-term strategic approaches to manage those risks.

Compliance, operational efficiency and security. The Group internal audit function regularly reviews the internal control systems and business processes, both of subsidiaries and head office functions, for compliance, operational efficiency and security. Internal audit checks monitor compliance with directives, organizational security measures, profit-and-loss data, balance sheet indicators and contracts. Furthermore, internal audit draws up proposals for the optimization of process efficiency. The Group internal audit function reports as an independent body directly to the Board of Directors and the Audit Committee of the Supervisory Board.

Macroeconomic Risks. Wincor Nixdorf expects world economic growth to continue in 2008, in particular, in Asia and Eastern Europe. In Germany, the economic environment is likely to improve only slowly, and growth potential will come primarily from international market expansion. Possible risks to the world economy are likely to include a further rise in raw material prices and continuing dollar weakness. Both could have a negative effect on global economic activity and, subsequently, on our business. In addition, we perceive an increasing risk to our customers and ourselves from unanticipated events such as natural disasters and terrorist attacks.

Corporate Strategy Risks. In all its business dealings, the Group strives for profitable growth. Investment and acquisition decisions are continually assessed against this criterion. At present, we do not perceive any substantial risks that could have a negative effect on our performance, financial position or our assets.

Wincor Nixdorf's Outsourcing activities, which have been successfully introduced onto the market in recent years and involve our assuming responsibility for a wide range of related business processes on behalf of our customers, have now been fully integrated into our operations. However, the highly complex nature of outsourcing projects brings with it a higher degree of risk. We seek to counter this risk by conducting preemptive risk analyses and ongoing risk management. By concentrating the management of these outsourced business processes within a team of specialists, we have been able to minimize the risk to which these processes are exposed to the benefit of both ourselves and our customers. In addition, we take out appropriate insurance and use other back-up measures to minimize disruption and potential risk.

Financial Risks. Our business is exposed to credit, currency and interest rate risks. The Group treasury function and efforts to limit financial risk are managed centrally. Interest expenses are mainly linked to the short-term variable market interest rate (EURIBOR), plus a margin. This margin can be subject to change depending on certain financial ratios. Being tied to a market interest rate means that we are exposed to an interest rate risk. We have entered into interest rate options to hedge these risks. As a result, the effective interest rate on a financial debt in the amount of €150 million (plus margin) fluctuates between 1.75% and 5.0%. We have also negotiated a fixed interest swap at 3.797% on €50 million, as a hedge against rising money market interest rates.

The global nature of the Group generates payments in both directions in a range of currencies. Incoming and outgoing payments in individual currencies are netted off against each other. Thus, by selecting suitable suppliers and making appropriate location-related decisions, we actively seek to create a natural hedging effect to the greatest extent possible. The netted-off amounts represent our remaining exchange rate risk. These are then hedged up to 100% (depending on volume and currency) on a rolling 12-month basis by means of suitable financial instruments.

We reduce credit risks by consistently obtaining credit reports, setting credit limits and running a proactive debtor management function, including a payment reminder system and active debt collection. Letters of credit are used to secure receivables from countries classified as presenting a credit risk.

Capital Market as a Risk to Pension Commitments. Share, bond, property and other markets are subject to fluctuations in valuation that can also have an effect on our plan asset. Equally, changes in rate of return can affect our pension commitments. Other considerations, which may also lead to an increase or reduction in pension and other commitments, include income trends, the ratio of those contributing to pension schemes and those receiving benefits from them, the mortality rates, increases in healthcare costs and other factors. Such changes can have a negative impact on pension expenses, future contributions and equity.

As such, it is possible that future pension expenses and contributions may also have a negative impact on the financial position and profitability of Wincor Nixdorf.

Market and Competition Risks. Banks and retailers operate in markets characterized by intense competition. This can result in price pressure for our hardware, software and services – pressure that is expected to remain at a high level during fiscal 2007/2008. In addition to the competitive pressures facing our customers, we also see a risk to our business through increasing internationalization and competition, coupled with diminishing barriers to entry for potential competitors. Increased competition in the market place may have a negative impact on future profitability.

Purchasing, Production and Productivity Risks.

As a manufacturing company, Wincor Nixdorf is dependent on the supply of a wide range of raw and processed materials. This dependence brings with it risks, which we strive to minimize, in particular, through management of our supplier base. The quality assurance process embedded into the supply chain ensures compliance with quality standards.

The company constantly strives to purchase in greater volume and to save costs through good purchasing management. Nevertheless, rises in the price of raw materials, may result in an increase in the purchase prices of the components and assemblies we require. Statutory requirements can also have a negative impact on purchase prices. It cannot be ruled out that changing framework conditions within the labor market in Germany, in conjunction with higher costs, will have an adverse effect on expense structures.

Technology and Quality Risks. Wincor Nixdorf aims to strengthen its market position by offering hardware, software and services that are internationally competitive. This requires an intensive process of innovation and development to enable us to meet high customer demands for quality. In addition, we endeavor to work closely with our key customers, especially in the hardware and software areas, to deploy applications at an early stage. These endeavors often result in innovative business ideas and customer-specific hardware, software and services.

Wincor Nixdorf's leading position within the areas of innovation and quality allows us to differentiate ourselves effectively from the competition. Our key goal is to maintain and build on our technological lead over our competitors. In order to achieve this goal, and to ensure that any potential product weak points are quickly resolved, we have developed a program to deliver greater innovation and quality. Risks that might result from quality shortfalls are minimized through a quality and environmental management system, a rigorous approach to product releases and through insurance.

IT Risks. For us to be able to meet our productivity objectives and avoid damage claims from business customers, we have to ensure the reliability of our IT systems. In fiscal 2006/2007, we were able to achieve the planned level of availability of our IT systems, despite a series of attacks by viruses and trojans. In fiscal 2007/2008, too, attacks on our IT systems may affect availability levels. Therefore, we continuously work to optimize our systems with regard to information security, and we intend to make further improvements to existing systems by conducting specific evaluations of security requirements. To prevent operational disruptions caused by external factors, such as viruses penetrating the computer system, we always deploy the latest hardware and software solutions available on the market. In addition, our IT systems and architectures are regularly audited by independent experts.

Legal Risks. We are not presently aware of any actual or potential legal disputes that could affect the financial position of the Group to any significant extent. However, claims for compensation in connection with cash management service agreements are currently being asserted. Furthermore, Wincor Nixdorf is exposed to a number of risks in connection with possible legal disputes in the future. Legal disputes may arise in the ordinary course of business, for instance, with regard to claims of incorrect provision of products and services, product liability, product defects, quality issues or industrial property right infringements. There can be no guarantee that the outcome of such or other legal disputes will not be detrimental to the business activities or the reputation of Wincor Nixdorf. Claims of this nature and legal disputes, some of which with a significant impact on the Group's financial situation, cannot be ruled out entirely for the future.

Personnel Risks. Employee performance is essential for Wincor Nixdorf's future development and growth. We are in competition with other businesses for highly qualified specialists and managers. In order to attract and retain qualified people in the long term, we offer attractive compensation packages and social benefits, in addition to extensive training and development opportunities. We do not see any issues that may pose a risk to our necessary recruiting of specialists or managers in line with our growth objectives.

Overall Risk. At present, and in the foreseeable future, we perceive no individual risks that could pose a danger to the continued existence of Wincor Nixdorf. Moreover, the sum of risks does not show Wincor Nixdorf to be in any jeopardy.

EVENTS AFTER THE BALANCE SHEET DATE.

There are no events subject to mandatory inclusion in this report.

REPORT ON EXPECTED DEVELOPMENTS.

General. Since our IPO in 2004, our aim has been to grow faster than our markets. For us, this means achieving a consistent increase in the value of the enterprise on behalf of our shareholders, through ongoing growth in net sales and above-average profits. Our long-term planning remains based on annual net sales growth of 6% with a corresponding annual rise of 8% in EBITA.

We intend to harness our full potential to ensure that we not only meet this target of long-term growth but, where possible, exceed it. To date, we have always succeeded in doing so, and at present, we also expect to outperform our long-term planning targets in the current fiscal year 2007/2008 – with projected figures of 8% growth in net sales and an increase of 10% in EBITA.

We hope to achieve this level of growth by pursuing our strategy of global expansion, through innovation and high-end services, and by opening up new markets in industries with a similar environment to banking and retail.

With regard to our hardware, software and services, our strategy makes provision for an anticipated fall in prices and for ongoing rises in the cost of raw materials. At the same time, we shall continue to implement measures aimed at improving efficiency and reducing costs.

Outlook for Net Sales. Given the healthy state of our order book so far in the current fiscal year, we believe it is possible to boost net sales for fiscal 2007/2008 to around €2,315 million. Looking ahead to fiscal 2008/2009, we anticipate further growth in net sales of 6%, based on the figures for the current fiscal year.

Global Economy and Currency Developments.

Looking forward to the next two fiscal years, we do not anticipate any major changes in the overall economic situation, as described at the beginning of this report. This points to a generally robust global economy supported, particularly, by a number of fast-growing regions. We also expect that developments in our core markets will continue along the lines of the previous year (see also page 77 et seq.).

Our competitive position is likely to be affected by the value of the U.S. dollar, although we expect to limit the downside to any further exchange rate movements by maintaining our successful natural hedging policy, involving the appropriate selection of suppliers and locations. Notwithstanding these measures, it is possible that a further prolonged decline in the U.S. dollar, with respect to the euro, could lead to greater pressure on net sales and profit than in previous years.

Business Performance. Both our Banking and Retail segments will contribute towards net sales and profit growth. We expect the trend established in recent years to continue, with Banking again accounting for a much greater share of growth at Group level than the Retail segment.

Looking ahead from a geographical perspective, sales in the German market, where our banking and retail customers are exposed to intense pressure on margins, should see a moderate increase. Europe, as a whole, remains very dynamic against a background of strong competition in retail banking and the retail industry, and should continue to make a significant contribution to growth. Our globalization strategy is focused, above all, on the Asia/Pacific/Africa and Americas regions, where we hope to achieve above-average increases in net sales.

With regard to our different business streams, we believe the Product division will continue to grow rapidly, buoyed by ongoing demand for moderately complex systems that can be produced and supplied in large numbers. In addition, we shall be making further efforts in the field of research and development in order to consolidate and build on our position as a leading innovator.

Our Software and Services operations are set to grow even more rapidly than our Product business. We anticipate demand from the banking industry to remain high for our ProClassic/Enterprise software, and from the retail industry for our TP.net software. We also aim to increase sales of our process optimization software. The expansion of our global service network should generate further growth, while also creating the right conditions for growth in product-related services, which we are continually improving in order to enhance their performance and attractiveness to the market. We also intend to significantly expand our Professional Services portfolio, including integration and implementation services. We shall aim for further growth in the markets for

Outsourcing and Managed Services. We are preparing to meet the obvious demand in the market through the consistent expansion of our own resources.

Costs and Profit. For fiscal 2007/2008, we anticipate a rise in EBITA to around €205 million. A further increase of 8% should be possible in fiscal 2008/2009, in line with our long-term planning forecast.

These figures rely on achieving an increase in net sales volume. We expect to benefit from additional economies of scale, as a result of a pronounced rise in product deliveries and the expansion of our product-related services. Furthermore, we anticipate a greater contribution to profit from continued growth in the high-end range of our hardware, software and services.

We shall continue to implement and intensify measures to boost efficiency and reduce costs, for example, through our successful ProImprove program, which involves targeting selling and administration expenses. In recent years, we have been able to scale back the proportion of these costs to total net sales to an exemplary low level within our industry, a course we aim to pursue in forthcoming years.

We anticipate that the Group's tax rate will again decrease due to a number of factors, including the German corporation tax reform, which will affect Wincor Nixdorf in Germany from fiscal 2007/2008 onwards.

Thanks to these comprehensive measures and the ongoing expansion of our business, we shall again be in a position to offer an attractive dividend to shareholders as their share in the success of the Group.

Investment. Our short- and medium-term targets of achieving increases in net sales and profit also depend on the success of our investments. For the next two fiscal years, we plan to invest at least as much as in fiscal 2006/2007, although, given the expansion of our operations, the figure is likely to be somewhat higher.

Financial and Asset Position. Our aim for the next two fiscal years is to lower the ratio of working capital to net sales. This decrease should also produce a further increase in operating cash flow.

Based on the projected net profit figures for 2007/2008 and 2008/2009, we expect to be able to keep the equity ratio at the level of fiscal 2006/2007.

Research and Development. A key element of our growth strategy is the consolidation and expansion of our potential to innovate. With this in mind, we intend to maintain a high level of investment in research and development. Our aim is to increase investment in research and development in absolute terms during fiscal 2007/2008 and 2008/2009, and thus maintain an R&D ratio of around 4.5%.

We shall reinforce our team of R&D specialists by making a number of new appointments in specific areas.

Purchasing and Logistics. In response to an anticipated and prolonged fall in sale prices within our segments, we shall work with our partners and suppliers to identify and implement appropriate compensatory measures, for example, through our ProImprove program, to boost productivity.

In order to reduce costs, we always aim to buy in greater volume. We continue to expand our international activities within the area of procurement by increasingly sourcing raw materials directly in the supplier's country of origin. On the production side, we aim to make up for lower sale prices by making increased use of the potential offered by our global production network. By meshing our own processes more closely with those of our suppliers, we can also optimize our logistics to make further cost savings, while, at the same time, improving supply security.

Employees. To reflect the growth of our business, we intend to increase the number of our employees worldwide, with a particular emphasis on pursuing further international expansion. In addition to making new sales appointments, we aim to boost our own service and production capacity. The main focus here will be on building up new resources to allow us to provide integration and implementation services as quickly as possible, especially in our growth regions.

In terms of numbers, we expect our global workforce to pass the 9,000 mark in fiscal 2007/2008, with further increases in 2008/2009. However, all such increases are dependent on the actual performance of our business and the resulting prospects.

Opportunities. Assuming current trends in the global economy and our business segments continue, we expect to benefit in the more established and developed markets, such as Europe and North America, from ongoing investment by retail banks and retailers in hardware, software and services to enhance their competitiveness, and in IT-based changes to existing processes. With regard to our customers' branch operations as a whole, the focus of their investment activity lies on creating a more customer-friendly environment by offering new services, improving efficiency in relation to processes and the operation of their infrastructures and standardization. These trends offer good prospects for new business.

In response to an increase in demand for high-end services, such as system integration, consulting, Managed Services and Outsourcing, we intend to expand our operations in these areas, and are confident that we can exploit further potential for growth.

Our Product business is also set to benefit from investment in replacement systems. In most cases, these are accompanied by a technological upgrade. We aim to promote our activities in this area through further innovation and by expanding our global production network. At the same time, we intend to enhance our business with the sale of high-end systems to the banking and retail industries to meet increasing demand.

We hope to benefit from economic growth in the "emerging countries", especially in the Asia/Pacific/Africa region, and in Latin America and Central and Eastern Europe. Increasing prosperity in these countries is leading to an expansion of

branch networks and self-service products, a development that is driven by fast-growing local or regional banks and retailers as well as by international groups that are constantly extending their geographical boundaries. Moreover, increasingly intense competition between providers is creating a trend towards investment in process optimization as a means of reducing costs and appealing to customers by offering new services.

It is our intention to make smaller acquisitions as suitable opportunities arise, especially with a view to building up our own service as well as our integration and implementation resources, and, where appropriate, to add to our software portfolio.

Disclaimer. The statements made in the report on expected developments are based on current assumptions and assessments made by the Board of Directors of Wincor Nixdorf AG. They are not intended to be taken as guarantees that these expectations will prove to be correct. The future performance and actual results achieved by Wincor Nixdorf AG and its affiliated companies depend on a series of risks and uncertainties and may, therefore, vary considerably from the forecasts made. Many of these factors, such as the future of the economy and the actions of our competitors and other market players, are outside the control of Wincor Nixdorf and cannot be predicted with any degree of certainty. There are no plans to update the forecasts made in this section. Wincor Nixdorf does not accept any specific obligation in respect of the forecasts in this report.