

## KEY FIGURES 2007/2008.

	2007/2008 <sup>1</sup>	2006/2007 <sup>2</sup>	Change
<b>Financial Statement (€ million)<sup>3</sup></b>			
Net sales	2,319	2,145	8%
Gross profit	636	591	8%
Gross profit as a percentage of net sales	27.4%	27.6%	-
Research & development expenses	-105	-97	8%
R&D expenses as a percentage of net sales	4.5%	4.5%	-
Selling, general and administration expenses <sup>4</sup>	-325	-308	6%
SG&A expenses as a percentage of net sales	14.0%	14.4%	-
Operating profit (EBIT)	206	186	11%
Goodwill amortization	0	0	-
EBITA <sup>5</sup>	206	186	11%
EBITA as a percentage of net sales (EBITA margin)	8.9%	8.7%	-
Amortization/depreciation of property, plant and equipment and licenses and write-down of reworkable service parts	54	47	15%
EBITDA	260	233	12%
EBITDA as a percentage of net sales (EBITDA margin)	11.2%	10.9%	-
Profit for the period	127	109	17%
Profit for the period as a percentage of net sales	5.5%	5.1%	-
Profit for the period before carve-out	135	118	14%
Earnings per share (€) <sup>6</sup>	4.08	3.54	-
<b>Cash flow (€ million)</b>			
Cash flow from operating activities	196	180	9%
Cash flow from investment activities	-72	-66	9%
	Sept. 30, 2008	Sept. 30, 2007	Change
<b>Key Balance Sheet Figures (€ million)</b>			
Working capital <sup>7</sup>	253	255	-2
as a percentage of net sales	10.9%	11.9%	-
Net debt	194	182	12
Equity <sup>8</sup>	276	278	-2
<b>Human Resources</b>			
Number of employees (September 30)	9 460	8 379	1 081

<sup>1</sup> Oct. 1, 2007–Sept. 30, 2008.

<sup>2</sup> Oct. 1, 2006–Sept. 30, 2007.

<sup>3</sup> before profit charges arising from the carve-out.

<sup>4</sup> including other income and expenses.

<sup>5</sup> net profit on operating activities before interest, taxes and amortization of goodwill and product know-how.

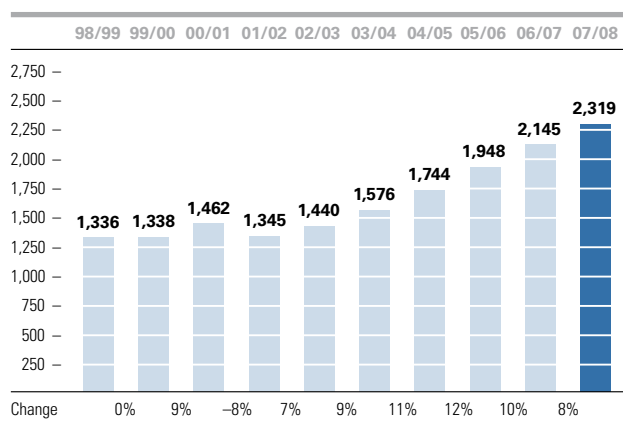
<sup>6</sup> calculated on basis of 33,085 million shares.

<sup>7</sup> without reworkable service parts.

<sup>8</sup> including minority interest.

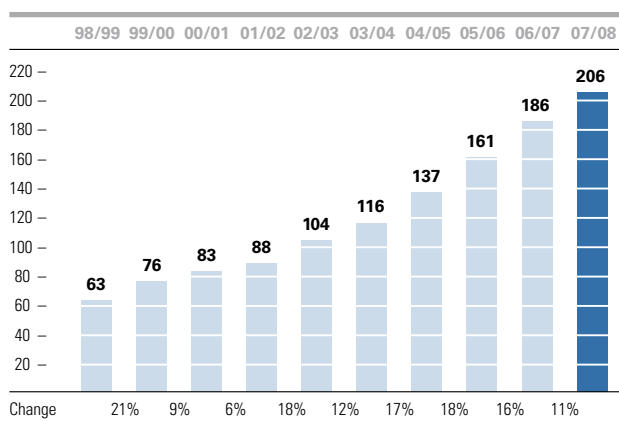
### 10-year Net Sales History.

€m



### 10-year EBITA History.

€m



## BANKING SEGMENT.

▶ Specializing in process automation for retail banking   ▶ Software/Services business accounts for growing share of sales   ▶ Software helping to integrate different sales channels   ▶ Growth in Managed Services and Outsourcing

### Supporting Bank Customers All over the World.

Bank customers want to be able to complete their transactions with a minimum of fuss and whenever it suits them best. They want to withdraw cash without having to wait. They want to deposit checks, request information and carry out transactions – either in the branch or using a self-service terminal. If they have to contact the bank, they like to be able to do so by Internet or cell phone. Whenever and wherever they need to use the services available at the branch or at a self-service point, there is a good chance they will find a system bearing the Wincor Nixdorf logo with its striking red line. Maximum availability – minimum effort.

### IT Solutions to Enhance the Efficiency of Retail

**Banking Processes.** These days, retail banks not only demand cutting-edge IT systems; they also need an IT solutions provider who will help them boost their market appeal and efficiency. They want to be able to increase their focus on sales. They expect advice and support. They need innovative products that give them a competitive edge. They want to free up their staff from routine tasks and improve their relationship with customers. At the same time, they expect their systems to be extremely reliable and to offer a significant reduction in costs for IT operating and respectively for their processes such as cash handling or sales and marketing processes.

Wincor Nixdorf offers solutions that meet these demands in the form of tailor-made combinations of hardware, software and services. These go to make up our self-service systems, for example, such as multifunctional ATMs; a software portfolio that can be used with different manufacturers' terminals and that includes applications to link all the bank's

communications channels on a single platform; product-related services for the installation, maintenance and repair of systems; and Managed Services and Outsourcing to optimize IT operations. **For more details, please refer to pages 36–38.**

**Impressive Growth.** The Banking segment accounts for 67% of Wincor Nixdorf's net sales. The 14% increase of Banking net sales during the year under review was driven by the growth of our Software/Services and Hardware business streams (including both high-end systems and high-volume mono-functional systems in equal measure). **For more details, please refer to pages 88–92.**

### Key Performance Indicators: Banking Segment. €m

	07/08	06/07	Change
Net sales	1,547	1,358	+14%
EBITA	162	142	+14%
EBITA margin (%)	10.5	10.5	–

## RETAIL SEGMENT.

▶ Innovative IT solutions for retail processes in the checkout area ▶ Intelligent IT concepts to help reshape branch management and boost productivity ▶ Increasing sales of high-end systems

**A Crucial Role in the Retail Industry.** Retail customers are less likely to come across the Wincor Nixdorf name. No wonder! Thanks to Wincor Nixdorf, queues and waiting times at the checkout are reduced. In fact, although shoppers may not be aware of it, our systems are responsible for a lot more. They generate the data needed to place restocking orders, control electronic shelf labels and manage communications with customers via digital displays. Even the reverse vending systems are likely to be supplied by Wincor Nixdorf.

**IT Systems to Support Management at Both Branch and Group Level.** Against a background of intense competition, retailers are searching for ways in which

they can stand out from the rest and boost their productivity. A main focus here is on the checkout area. Wincor Nixdorf provides checkout solutions that meet the specific needs of the retail industry by automating product data capture and payment and migrating them to a self-service basis.

Our portfolio of hardware, software and service solutions supports major restructuring of branch management. Thanks to a software platform that controls all branch-related processes and allows direct interaction with the head office, we are able to meet the requirements of global retail groups.

In the Retail segment, too, our Software/Services business is playing an increasingly important role. Branch software that can be adapted to meet international requirements minimizes operating costs and boosts efficiency; meanwhile, our Managed Services involve taking over the monitoring and operation of systems and applications on behalf of our customers.

**For more details, please refer to pages 39–40.**

**Key Elements of Our Core Business.** Our Retail segment accounted for 33% of consolidated net sales in the year under review. EBITA stood at €44 million, with a slightly increased EBITA margin of 5.7%. Our customers include 17 of the 25 biggest-selling retailers at international level and 19 of the top 25 in Europe. **For more details, please refer to pages 92–94.**

**Know-how in Demand from Other Industries.** By drawing on its expertise, Wincor Nixdorf is increasingly attracting business in other sectors related to retail banking and the retail industry such as postal services and gas station chains. **For more details, please refer to page 41.**

### Key Performance Indicators: Retail Segment. €m

	07/08	06/07	Change
Net sales	772	787	-2%
EBITA	44	44	-
EBITA margin (%)	5.7	5.6	0.1

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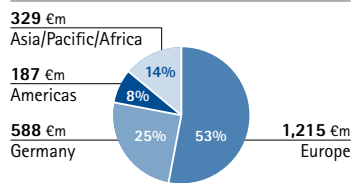
## IMPROVED PROCESSES WITH WINCOR NIXDORF.

Retail banks and retailers face similar challenges. For both, Wincor Nixdorf's aim is to reshape processes, especially at the interface with the customer, through the use of information technology. To support the process of change, we offer a comprehensive range of IT-based solutions to our customers in both sectors.

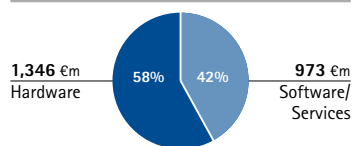
As well as supporting optimized processes, innovative solutions comprising hardware, software and services act as a driving force for new business. In this context, both standard software, which is open for the development of individual applications, and higher-end services are playing an increasingly important role.

Our portfolio covers every key step in the process of change affecting business systems – from advice on changes to existing IT processes and the provision of innovative software and systems through to their adaptation and integration.

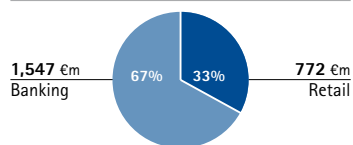
### Net Sales by Region



### Net Sales by Business Stream



### Net Sales by Segment



These are backed up by product-related services, concepts involving the operation by Wincor Nixdorf of specific branch IT processes, and Outsourcing services, where we take over responsibility for the entire running of those systems. In this way, we help our customers to be more efficient and more user-friendly and to reduce their process costs.

Wincor Nixdorf itself is helping to drive forward innovation and strives to add value to the business through the systematic expansion of its portfolio. The consistent high level of success we have achieved is at least partly due to a business model that emphasizes the importance of working in proximity to our customers – with subsidiaries in 37 countries, a presence in around 100 countries, 29 customer centers and above all an organization that treats the needs of each and every customer as its own.

## **WINCOR NIXDORF – PROVIDING IT SOLUTIONS FOR THE BRANCH OPERATIONS OF BANKS AND RETAILERS.**

▶ International specialist in innovative branch IT solutions for the banking and retail industries ▶ Supporting the process of change as a means of enhancing user-friendliness and efficiency ▶ Comprehensive portfolio of hardware, software and services ▶ Core strengths in branch process automation, platform and applications software, development of self-service solutions and cost-effective operation of branch IT systems ▶ Presence in around 100 countries, including 37 with own subsidiaries ▶ We are the second-largest supplier of ATMs in Europe and the world. ▶ We are the leading supplier of programmable electronic POS (ePOS) systems in Europe and third-largest in the world. ▶ More than 9,400 employees worldwide

## **2007/2008: ANOTHER VERY GOOD YEAR.**

▶ Impressive business performance ▶ Targets for 2007/2008 safely achieved despite deteriorating economic conditions: Net sales up 8% (adjusted for currency losses: 11%), EBITA up 11% ▶ Profit for the period up 17% ▶ Growth in all regions; double-digit growth in Asia/Pacific/Africa and Americas ▶ Very strong performance in the Banking segment ▶ Retail segment records slight fall on last year ▶ Renewed increase in R&D spending ▶ Significant growth in sales of high-end systems ▶ Wincor Nixdorf extends leading position as innovator in software market ▶ Continued success in the area of high-quality services such as Software Integration, Consulting, Managed Services and Outsourcing

## **MOVING FORWARD WITH CONFIDENCE.**

▶ 2007/2008 marked by continuation of previous years' trends in retail banking and retail industry ▶ Medium-term growth targets of 6% for net sales and 8% for EBITA remain in place ▶ Potential slowdown in the short term due to the financial market crisis ▶ Corresponding action being taken to prepare a flexible response depending on the severity of the financial market and economic crisis ▶ Outlook for 2008/2009: Despite economic situation, Wincor Nixdorf expects to follow on from last year's performance and maintain business volume at approximately the same level ▶ Exploiting new opportunities created by the current economic crisis ▶ Continued high level of R&D spending to allow company to seize opportunities as they arise ▶ Expansion of Software Integration, Consulting, Managed Services and Outsourcing business

## WHAT DO OUR CUSTOMERS WANT FROM US?

Financial reports are filled to the brim with facts and figures, but behind these are people, events, concepts and customers.

This annual report is also about what our customers want from Wincor Nixdorf. From them we learn how our IT-based innovation solutions change their processes and open up new areas of business and how they benefit from our combined hardware, software and service offerings.

- ▶ So what do our customers want from our Cash Management systems?
- ▶ What would they most like to see in terms of automated sales and marketing processes?
- ▶ What do our customers need from an automated checkout system?
- ▶ What are their outsourcing objectives?
- ▶ And above all – how can Wincor Nixdorf meet these expectations? You can find answers to all these questions on pages 28 et seq., 42 et seq., 52 et seq., and 66 et seq.

You will also find the answer in thousands of bank and retail branches in the form of systems bearing our logo – a simple outward sign that stands for a highly complex solution provided by Wincor Nixdorf.