

## NOTES TO THE GROUP FINANCIAL STATEMENTS FOR FISCAL 2008/2009.

### Segment Report by Division<sup>1</sup>.

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	Banking	Retail	Group
Net sales to external customers	1,532,269 (1,546,856)	717,937 (771,714)	<b>2,250,206</b> (2,318,570)
Operating profit (EBITA) <sup>2</sup>	144,877 (162,072)	34,187 (43,791)	<b>179,064</b> (205,863)
Segment assets	505,374 (538,352)	253,297 (287,977)	<b>758,671</b> (826,329)
Segment liabilities	242,931 (252,496)	123,611 (139,495)	<b>366,542</b> (391,991)
Investment in property rights, licenses and property, plant and equipment	48,527 (57,419)	6,534 (9,099)	<b>55,061</b> (66,518)
Investment in reworkable service parts	7,569 (4,392)	1,496 (912)	<b>9,065</b> (5,304)
Amortization/depreciation of property rights, licenses and property, plant and equipment	42,366 (38,472)	7,695 (7,942)	<b>50,061</b> (46,414)
Write-down of reworkable service parts	5,030 (6,411)	994 (1,332)	<b>6,024</b> (7,743)
Research and development expenses	69,657 (73,722)	33,592 (30,805)	<b>103,249</b> (104,527)

Last year's figures are shown in brackets for each item.

<sup>1)</sup> For further explanations, see Note [▶ 28](#).

<sup>2)</sup> After elimination of profit charges arising from the carve-out, see Note [▶ 29](#).

### Segment Report by Market Geography<sup>1</sup>.

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	Europe	Included in Europe: Germany	Asia/ Pacific/ Africa	Americas	Group
Net sales to external customers	1,690,886 (1,802,325)	627,027 (587,647)	359,196 (328,725)	200,124 (187,520)	<b>2,250,206</b> (2,318,570)
Segment assets	569,022 (633,565)	307,580 (331,235)	130,772 (143,327)	58,877 (49,437)	<b>758,671</b> (826,329)
Investment in property rights, licenses and property, plant and equipment	50,380 (59,810)	43,321 (50,840)	3,331 (4,928)	1,350 (1,780)	<b>55,061</b> (66,518)
Investment in reworkable service parts	7,575 (5,304)	7,575 (5,304)	1,490 (0)	0 (0)	<b>9,065</b> (5,304)

Last year's figures are shown in brackets for each item.

<sup>1)</sup> For further explanations, see Note [▶ 28](#).

## GENERAL INFORMATION.

Wincor Nixdorf Group (in the following "Wincor Nixdorf" or the "Group") is one of the world's leading providers of IT solutions to retailers and banks. The extensive portfolio is aimed at optimizing business processes within bank branches and retail outlets. This is essentially about reducing complexity and cost, and improving service to the end customer.

Within the Banking segment, the hardware proposition essentially includes cash systems (cash-in, cash-out, recycling and deposit systems) as well as non-cash products like bank terminals, self-service terminals for non-bank environments as well as receipt and document printers. With the software Retail Banking Solution Suite (ProClassic/Enterprise, PC/E) Wincor Nixdorf offers banks standard software for all self-service systems. The software PC/E comprehensively displays various IT aspects (infrastructure, security as well as optimization and management) and IT-based bank processes (customer, business and transaction handling). Furthermore, the Banking segment offers product-related services. In the year under review, the Outsourcing business expanded and the Outsourcing concept was updated.

Through the Retail segment, Wincor Nixdorf provides hardware, software and services covering the entire value added chain in the retail industry. Key elements of the Group's hardware proposition include programmable ePOS systems of the BEETLE/EPOS system group as well as self-checkout and reverse vending systems. The software TP Application Suite allows the central control of all systems within the branch and the operation of an extremely wide range of checkout concepts. The software NAMOS is used for the operation of international gas station networks. The Retail segment also offers services like IT and business consulting, the emphasis being on SAP applications. Moreover, the services proposition was ex-

panded with the new store opening concept. This concept provides the entire IT infrastructure ready for the opening and operation of a new branch.

Wincor Nixdorf is represented in over 100 countries around the world and has its own subsidiary companies in 41 of these. Major business geographies are Germany and Europe; however, the Group also operates in the Americas, Africa and Asia. The Group's main production facilities are located in Paderborn and Ilmenau (Germany), Singapore and Shanghai (China). Research and development within the Group is conducted predominately in Germany, Switzerland, Singapore and China.

The ultimate parent company of Wincor Nixdorf Group is Wincor Nixdorf Aktiengesellschaft (in the following "Wincor Nixdorf AG") located on Heinz-Nixdorf-Ring 1, 33106 Paderborn, Germany. The Company is registered at the local court office in Paderborn, Germany. The stock of Wincor Nixdorf AG is listed on the Frankfurt Stock Exchange in the Prime Standard segment and is part of the MDAX. The Group's fiscal year commences on October 1 and ends on September 30 of the subsequent calendar year. Wincor Nixdorf Group was demerged from Siemens Group by means of a leveraged buy-out on October 1, 1999.

The functional and reporting currency of Wincor Nixdorf AG is the euro (€). The Group financial statements are set up in euros since this is the currency in which the majority of the Group's transactions are carried out. Reported figures are shown in thousands of euros (€k).

Several Group balance sheet and Group income statement items have been combined in order to improve clarity. These items are stated and explained separately in the notes to the Group financial statements. The Group income statement is structured using the cost of sales method.

On November 17, 2009, the Board of Directors of Wincor Nixdorf AG released the Group financial statements for the purpose of forwarding them to the Supervisory Board. The Supervisory Board is responsible for assessing the Group financial statements and specifying whether it is in a position to issue an approval of the Group financial statements.

**Use of International Financial Reporting Standards (IFRS).** The Group financial statements of Wincor Nixdorf AG as of September 30, 2009, have been prepared in accordance with all International Financial Reporting Standards (IFRS) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) binding in the European Union for fiscal 2008/2009. Additionally, the statutory requirements according to Section 315a (1) of the German Commercial Code have been considered.

In fiscal 2008/2009, Wincor Nixdorf AG has applied the following amendments for the first time:

- Amendments to IAS 39 and IFRS 7 "Reclassification of Financial Instruments" (to be applied retroactively on or after July 1, 2008)
- Amendments to IAS 39 and IFRS 7 "Reclassification of Financial Assets – Effective Date and Transition" (to be applied retroactively on or after July 1, 2008)

The first-time application of the amendments had no effects on the Group financial statements of Wincor Nixdorf AG as of September 30, 2009.

In addition, the following standards, interpretations and amendments have been released by the IASB and adopted by the European Union until September 30, 2009; however, it is not yet applicable for the Group financial statements of Wincor Nixdorf AG in fiscal 2008/2009:

- IFRS 8 "Operating Segments" (to be applied for periods beginning on or after January 1, 2009)
- IFRS 3 revised "Business Combinations" (to be applied for periods beginning on or after July 1, 2009)
- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement – Eligible Hedged Items" (to be applied for periods beginning on or after July 1, 2009)
- IFRIC 13 "Customer Loyalty Programmes" (to be applied for periods beginning on or after January 1, 2009)
- IFRIC 14 "IAS 19 – The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (to be applied for periods beginning on or after January 1, 2009)
- IFRIC 12 "Service Concession Arrangements" (to be applied for periods beginning on or after March 29, 2009)
- IFRIC 15 "Agreements for the Construction of Real Estate" (to be applied for periods beginning on or after January 1, 2010)
- IFRIC 16 "Hedges of Net Investment in a Foreign Operation" (to be applied for periods beginning on or after July 1, 2009)
- Amendments to IFRS 1 and IAS 27 "Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate" (to be applied for periods beginning on or after January 1, 2009)
- Amendments to IFRS 2 "Share-Based Payment: Vesting Conditions and Cancellations" (to be applied for periods beginning on or after January 1, 2009)

- Amendments to IAS 1 "Presentation of Financial Statements: A Revised Presentation" (to be applied for periods beginning on or after January 1, 2009)
- Amendments to IAS 23 "Borrowing Costs" (to be applied for periods beginning on or after January 1, 2009)
- Amendments to IAS 32 and IAS 1 "Puttable Financial Instruments and Obligations Arising on Liquidation" (to be applied for periods beginning on or after January 1, 2009)
- Amendments to IAS 27 "Consolidated and Separate Financial Statements" (to be applied for periods beginning on or after July 1, 2009)
- Improvements to IFRS (to be applied for periods beginning on or after January 1, 2009/July 1, 2009)

We intend to consider the standards, interpretations and amendments in our Group financial statements in the fiscal year in which they have to be applied, according to the guidelines of the European Union. At the date on which the Group financial statements are issued, we do not expect any material effects resulting from the settlements, which are not applied before the effective date on the presentation of the Group financial statements of Wincor Nixdorf AG at the moment of first-time application.

## METHODS OF CONSOLIDATION.

**Consolidation Group.** The Group financial statements as of September 30, 2009, include those companies in which Wincor Nixdorf AG directly or indirectly has a majority of the voting rights (subsidiaries), or from which it is able to derive the greater part of the economic benefit and bears the greater part of the risk by virtue of its power to govern corporate financial and operating policies. Inclusion of such companies' accounts in the Group financial statements begins at the moment of exercising control over the company, and ceases at expiration of control.

In fiscal 2008/2009, changes in the consolidation group as a result of business unit takeovers and new foundations were as follows:

- With effect May 1, 2009, 51% of the shares in Connections Canada Inc., Toronto, Canada, as well as 100% of the shares in CCI Solutions Limited, Swindon, Great Britain, and CCI Systems (M) Sdn. Bhd., Kuala Lumpur, Malaysia, (renamed as: WINCOR NIXDORF RETAIL SOLUTIONS (M) SDN. BHD, Kuala Lumpur, Malaysia) have been acquired. A put-call option was agreed for the remaining 49% of the shares in Connections Canada Inc., Toronto, Canada. In total, a purchase price of €1,811k has resulted (including the evaluated put-call option). The contributable revaluated equity as of May 1, 2009, came to €1,265k. Acquired assets and liabilities have no material effect on the Group financial statements. The entities share in the profit for the period is –€780k. Had the companies been fully consolidated on October 1, 2008, Group net sales and profit for the period would have been €5,593k higher, respectively €127k lower.
- New foundation of WINCOR NIXDORF (PHILIPPINES), INC., Manila, Philippines, with a subscribed capital of PHP 50,000k (€777k), and subsequent purchase of a business unit of Siemens, Inc., Manila, Philippines, for a total purchase price of PHP 69,381k (€1,022k). The contributable revaluated net assets amounted to PHP 67,932k (€1,001k). Acquired assets and liabilities have no material effect on the Group financial statements. The entity's share in the profit for the period is –€192k. Had the company been fully consolidated on October 1, 2008, Group net sales and profit for the period would have been €4,216k, respectively €553k higher.

- New foundation of WINCOR NIXDORF AUSTRALIA PTY LTD, Sydney, Australia, subscribed capital of AUD 800k (€408k)
- New foundation of LIMITED LIABILITY COMPANY WINCOR NIXDORF, Kiev, Ukraine, subscribed capital of UAH 61k (€6k)

There were no material differences between the final purchase price allocation relating to the acquisition of interests in Bankberatung Organisations- und IT-Beratung für Banken AG, Wedemark, Germany, and the provisional purchase price allocation as of September 30, 2008.

There was no significant impact on the Group's net assets, financial position and results of operations as a result of the change to the scope of consolidation in fiscal 2008/2009.

Based on the values at acquisition date, the acquisitions of Connections Canada Inc., Toronto, Canada, CCI Solutions Limited, Swindon, Great Britain, and CCI Systems (M) Sdn. Bhd., Kuala Lumpur, Malaysia, (renamed as: WINCOR NIXDORF RETAIL SOLUTIONS (M) SDN. BHD, Kuala Lumpur, Malaysia) as well as the business unit of Siemens, Inc., Manila, Philippines, affected, in total, the Group financial statements as presented below:

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	2008/2009
Non-current assets	2,660
thereof goodwill	0
+ Current assets	4,448
+ Acquirees' cash and cash equivalents	23
- Non-current and current liabilities	4,866
<b>= Net assets</b>	<b>2,265</b>
- Minority interest	568
<b>Total acquisition costs</b>	<b>2,833</b>

As a result, the consolidation group at the year-end was made up of 73 fully consolidated companies (2007/2008: 67 companies), including Wincor Nixdorf AG, Paderborn.

**Consolidation Principles.** The Group financial statements are based on the annual accounts of companies forming part of the Group, such accounts having been compiled under uniform Group rules as of September 30, 2009, and, for the comparative period, as of September 30, 2008. By departure from this, we have used interim accounts in respect of six companies, as local statutory requirements dictate that these companies have fiscal years ending December 31.

Capital consolidation was carried out in accordance with IFRS 3. According to IFRS 3 all business combinations have to be accounted for using the purchase method, i.e., the acquired assets, liabilities and contingent liabilities are measured at fair value. The excess of the cost of the business combination over the acquirer's interest in the net fair value of recognized assets, liabilities and contingent liabilities is recognized as goodwill.

Goodwill arising from initial consolidation is not amortized on a scheduled basis. Moreover, goodwill is tested for impairment annually or if an indication for impairment exists, and if applicable, an impairment loss is recorded.

The interests in subsidiary companies, which are not attributable to the parent company, are shown within Group equity as "minority interest." Other shareholders' interests are also calculated on the basis of the fair values of assets, liabilities and contingent liabilities attributable to them.

Mutual receivables and payables between companies included in the consolidated accounts, intra-Group income and expenses as well as intra-Group profit or loss from the delivery of goods and services are eliminated. Deferred taxes are applied on consolidation transactions, which have an effect on profit.

**Jointly Controlled Entities.** Investments in jointly controlled entities are accounted for using the equity method. Based on the cost of the investment at the date of acquisition, the carrying amount of the investment is increased or decreased by the share of profit or loss, dividends distributed, the share of intra-Group profit elimination resulting from business with Wincor Nixdorf and other changes in the equity of the jointly controlled interests attributable to the investments of Wincor Nixdorf AG or its consolidated subsidiaries. Investments in companies accounted for using the equity method are written down as impaired if the recoverable amount falls below the carrying amount.

**Currency Translation.** In the individual annual accounts prepared in local currency, foreign currency transactions are recorded at the exchange rates applicable at the time of the transactions. Monetary items in foreign currency (cash and cash equivalents, receivables and payables) are valued at the mid exchange rate on the balance sheet date. The exchange rate profits or losses arising from the valuation or transaction of monetary items are shown in the Group income statement. Non-monetary items are recorded using historical exchange rates.

Annual accounts prepared in foreign currencies have been converted into euro (€) using the functional currency method, in accordance with IAS 21. The functional currency is the currency in which a foreign entity primary operates or settles payments. As Wincor Nixdorf Group companies undertake business dealings financially, economically and organizationally independently, the functional currency is, in general, identical with the local currency. However, in the case of Wincor Nixdorf C.A., Venezuela, Wincor Nixdorf Pte. Ltd., Singapore, Wincor Nixdorf S.A. de C.V., Mexico City, Mexico, and Wincor Nixdorf IT Support S.A. de C.V., Mexico City, Mexico, the U.S. dollar, and in the case of Wincor Nixdorf Bilgisayar Sistemleri A.S., Ayazaga, Turkey, the euro is used as the functional currency, since these currencies influence the purchase and sales prices for goods and services of the foreign entities.

Balance sheet items, including goodwill, are converted at the mid exchange rate applicable on the balance sheet date, and income and expenses in the Group income statement are converted using average exchange rates (annual averages). The variance arising from conversion is offset against shareholders' equity without affecting profit. Currency differences that result from comparison to last year's currency conversion are also charged against equity without affecting profit.

The foreign exchange rates of the significant currencies for the Wincor Nixdorf Group have developed as follows:

1 € =	ISO-Code	Average rate		Closing rate	
		2008/2009	2007/2008	Sept. 30, 2009	Sept. 30, 2008
Pound sterling	GBP	0.8815	0.7673	0.9093	0.7903
U.S. dollar	USD	1.3576	1.5101	1.4643	1.4303

## ACCOUNTING AND VALUATION PRINCIPLES.

The Group financial statements are prepared on the basis of accounting and valuation policies that are applied uniformly throughout the Group. Accounting and valuation principles have been retained unchanged compared to the previous year.

Assets and liabilities have been valued at historical acquisition/production cost, with the exception of financial instruments classified as "available-for-sale" and "financial asset at fair value through profit or loss" and derivatives, which have been included at their fair value.

**Assumptions and Estimations.** In compiling the Group financial statements, assumptions have been made and estimates used, which have affected the value and reporting of capitalized assets and liabilities, of income and expenses and of contingent liabilities.

The assumptions and estimates mainly relate to the Group-wide setting of standard economic utilization periods of intangible assets and property, plant and equipment, to the discounted cash flows used for impairment testing, to the valuation of inventories, to assumptions for the valuation of accruals for pensions and similar commitments, to capitalization and valuation of other accruals and also to the ability of future tax benefits to be realized.

Estimates are based on historical experience and other assumptions that are considered reasonable under given circumstances. The actual values may vary in individual instances from the assumptions and estimates made. Changes are incorporated, with a corresponding effect on profit, once improved knowledge is obtained.

**Net Sales.** Net sales from the delivery of goods are recognized as soon as the entity has transferred to the customer the significant risks and rewards of ownership of the goods. Within this context, the entity retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the transaction will flow to the enterprise. No net sales are recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Net sales are recognized net of applicable provisions for discounts and allowances.

Net sales from services are recognized when the service is rendered, insofar as the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the enterprise. In the case of maintenance agreements, net sales are recognized on a straight-line basis over the contract terms.

Net sales from contracts with multiple element arrangements, such as those including both goods and services, are recognized as each element is earned based on objective evidence of the relative fair value of each element.

Income from operating leases and finance leases is recognized based on the provisions of IAS 17.

**Cost of Sales.** The cost of sales includes costs of the sale of products and services as well as purchase costs of the sale of merchandise. In addition to direct material and production costs, the cost of sales comprises overheads, including the pro-rata consumption of fixed assets.

**Research and Development Expenses.** Under IAS 38, research expenses are not to be capitalized. Development expenses have to be capitalized only if certain precise preconditions are met. Under these rules, capitalization is required wherever the development activity will, with an adequate degree of probability, result in future cash inflows, which will cover the relevant development expenses in addition to normal costs. Moreover, certain criteria of IAS 38.57 must also be met cumulatively, in terms of the product to be developed or the project or process to be developed.

These preconditions are not met in the Group, as the nature and dimension of characteristic research and development risks mean that the functional and commercial risk inherent in the products under development can, as a rule, only be estimated with sufficient reliability when

- development of the relevant products or processes has been completed, and
- post-development sales and marketing activities conducted during the pre-marketing stage (marketing and sale as a trial product) have proven that the products meet the technical and commercial requirements posed by the market.

Inside of Wincor Nixdorf Group, a major part of research and development expenses concerns enhancements and improvements of already existing products, which do not comply with the criteria of IAS 38 for separate capitalization.

**Government Grants.** Government grants are recognized only if there is a reasonable assurance that the associated conditions will be met and the grants will be received. Grants related to assets are reported as a reduction of cost of the assets concerned with a corresponding reduction of depreciation and amortization in subsequent periods. In fiscal 2008/2009, €968k were recognized as reductions of costs. Grants related to income are stated as a reduction of the corresponding expenses in the periods in which the expenses the grant is intended to compensate are incurred. During the year, govern-

ment grants related to income came to €595k (2007/2008: €881k) and are reported in principle in the Group income statement under functional costs (cost of sales, research and development expenses and selling, general and administration expenses).

**Taxes.** Income Taxes comprise both ongoing and deferred taxes. Taxes are recorded in the Group income statement unless they refer to items directly recorded under shareholders' equity, in which case the corresponding taxes are also entered under shareholders' equity without any effect upon profit.

Ongoing income taxes are taxes expected to be payable for the year, on the basis of tax rates valid in the year in question, plus any tax corrections for previous years.

Deferred taxes are reported in respect of temporary differences between the values, for tax purposes, of assets and liabilities and their values in the Group financial statements. In addition, deferred tax assets in respect of the future utilization of tax losses carried forward are shown. Deferred tax assets on temporary differences and tax losses carried forward are recognized to the extent that it is probable that sufficient taxable income will be available in order to use them. The deferred taxes are shown at the rates of tax that will be effective under applicable law at the time at which the temporary differences are predicted to turn around, or at which the tax losses carried forward can probably be used.

Offsetting of deferred tax assets and deferred tax liabilities is performed if the positions are related to income taxes, which are levied by the same tax authorities, for which the Group has a legally enforceable right to set off the recognized amounts and which arise for the same companies or within the same tax group, respectively.

The remaining taxes, such as property and energy taxes, are included in the functional cost items.

**Intangible Assets.** Intangible assets are accounted for at cost and, as the useful lives are, with the exception of goodwill, finite, amortized in a scheduled manner in equal annual amounts over the relevant utilization period. Intangible assets are written down if there are indications of impairment (see "Impairment") and if the recoverable amount is lower than amortized costs. The write-downs are reversed with effect on profit, if the reasons for the impairment losses no longer apply, to the maximum of amortized costs.

The amortization period for commercial patents, licenses and product know-how is a maximum of ten years. The product know-how arising from the leveraged buy-out was ultimately amortized in the year under review.

In the Group income statement, the amortization of product know-how is shown under cost of sales. The amortization of other intangible assets is included in the Group income statement under the various functional cost headings (cost of sales, research and development expenses, selling, general and administration expenses).

According to IFRS 3, goodwill is not amortized on a scheduled basis, only if a need for impairment loss exists. A recorded impairment loss on goodwill may not be reversed in subsequent periods.

**Property, Plant and Equipment.** Property, plant and equipment are valued at cost of acquisition or production, less scheduled depreciation and impairment losses. They were not revalued in accordance with the option under IAS 16.

Items of property, plant and equipment are written down if there are indications of impairment (see "Impairment") and the recoverable amount is less than amortized costs. The write-downs are reversed if the reasons for the impairment losses no longer apply, to the maximum of amortized costs.

The cost of acquisition comprises the acquisition price, ancillary costs and subsequent acquisition costs, less any reduction received on the acquisition price. Production costs include direct costs as well as proportionate indirect costs.

Business and factory premises are amortized over a maximum of 50 years, plant and machinery over an average of ten years, other fixed assets and office equipment mainly over five years and products leased to customers as per the terms of the relevant contract. Property, plant and equipment are mainly depreciated using the straight-line method, in accordance with economic utilization. Plant and machinery and other fixed assets and office equipment used in the production process are written down using front-loaded depreciation rates as a result of multi-shift operations. If parts of single assets have different useful lives, they are separately depreciated on a scheduled basis.

The depreciation of the fiscal year as well as impairment losses are included in the Group income statement under the various functional cost headings (cost of sales, research and development expenses, selling, general and administration expenses).

**Impairment.** With the exception of inventories (see "Re-workable Service Parts and Current Inventories"), deferred tax assets (see "Taxes") as well as financial assets (see "Financial Instruments"), the book values of assets held by the Wincor Nixdorf Group are checked on the balance sheet date for indicators favoring impairment. Where such indicators exist, the settlement value of the assets (recoverable amount) is estimated and devaluation is made with a corresponding charge to the Group income statement.

According to IAS 36, goodwill is tested for impairment annually, or if an indication for impairment exists, by the execution of an impairment test. In doing so, the book value of a cash generating unit is compared with the recoverable amount. The recoverable amount of a cash generating unit is the greater of the two figures fair value less costs to sell and value in use. If the recoverable amount of a cash generating unit is lower than its book value, a goodwill impairment loss is recorded in the amount of the difference. In the case of Wincor Nixdorf, the recoverable amount equals the value in use, which is determined by the discounted cash flow method. The basis for the determination of future cash flows are data from the detailed Group planning for the periods until 2011/2012, with subsequent transition to perpetuity. The assumption of continual growth of 1 to 1.5% for perpetuity complies with the general expectation of the business development. The present value of expected cash flows is calculated by discounting the free cash flows, with an interest rate before taxes between 5.8 and 10.2% resembling the referring rate of return of the business units. As of September 30, 2009, no impairment is necessary.

The Retail and Banking business carved out of the Siemens Group as of October 1, 1999, is separated in three cash generating units according to regional segmentation. The relevant goodwill is fully assigned to the cash generating unit "Carve-out Europe." All of the following acquisitions are treated individually as independent business units (cash generating units) according to IFRS 3/IAS 36. The book values of material goodwill allocated to cash generating units "Carve-out Europe" and "France" amount to €291,137k (2007/2008: €291,680k) and €22,317k (2007/2008: €22,317k), respectively.

**Leasing.** A lease is an agreement whereby the lessor assigns to the lessee the right to use an asset for an agreed period of time in return for a payment or series of payments. Leases are classified as either finance or operating leases. Leasing transactions that transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee are classified as finance leases. All other leasing agreements are classified as operating leases.

Where the Group is the lessor in an operating lease, the lease payments received are recognized in income. The leased asset remains on the balance sheet of the lessor.

Where the Group is the lessee in an operating lease, the lease payments are expensed.

Where Wincor Nixdorf is the lessor in a finance lease, the net investment in the lease is reflected in sales and a leasing receivable is recognized. The lease payments received are divided into the principal portion and the interest income using the effective-interest method.

Where the Group is the lessee in a finance lease, the leased asset is capitalized at the lower of the fair value or present value of the minimum lease payments at the beginning of the lease term, and simultaneously recognized under financial liabilities. The minimum lease payments essentially comprise financing costs and the principal portion of the remaining obligation. The leased asset is depreciated by the straight-line method. If subsequent transfer of title to the leased asset is uncertain, it is depreciated over the shorter of its estimated useful life or the lease term. The lease payments to be made are divided into the principal portion and the interest expense using the effective-interest method.

**Reworkable Service Parts and Current Inventories.** Reworkable service parts and current inventories are valued at purchase or production cost, or at lower net realizable value.

The purchase cost of reworkable service parts, raw materials, supplies and merchandise is calculated using the average valuation method.

In accordance with IAS 2 "Inventories," pro-rata material costs and production overheads (assuming normal utilization), including depreciation on production equipment and production-related social security costs, are included along with production material and production wages in the production cost of reworkable service parts and finished and unfinished products. Interest on loan capital is not capitalized.

Write-downs for inventory risks are undertaken to an appropriate and adequate extent. Lower net realizable values are used where required. If the reasons for a lower valuation no longer apply to inventories that have formerly been written down and the net selling price has therefore risen, the reversal of the write-down is recognized in the Group income statement as a reduction of cost of sales.

As of the balance sheet date, there were no substantial orders that would require capitalization in accordance with IAS 11 "Construction Contracts."

**Other Receivables and Liabilities.** Non-financial assets and liabilities as well as accrued items and advance payments are carried at amortized costs. They are amortized to income using the straight-line method or according to performance of the underlying transaction.

#### **Financial Instruments.**

**Basic Information.** Financial assets are recognized if Wincor Nixdorf has a contractual right to receive cash or another financial asset from another party. Financial liabilities are recognized if Wincor Nixdorf has a contractual obligation to transfer cash or other financial assets to another party. Purchases and sales of financial assets are basically recognized as of the settlement date. However, purchases and sales of securities are accounted for with the settlement price at trade date.

Financial assets and liabilities are initially measured at fair value. The carrying amount of financial instruments which are not measured at fair value through profit or loss in subsequent periods includes also the directly attributable transaction costs.

Subsequent measurement of financial instruments recognized in Wincor Nixdorf Group accounts is in line with the measurement categories defined in IAS 39 "Financial Instruments: Recognition and Measurement":

- Financial Asset at Fair Value through Profit or Loss (FAHFT): fair value
- Held-to-maturity investments (HtM): amortized costs
- Loans and Receivables (LaR): amortized costs
- Available-for-sale financial assets (AfS): fair value
- Financial Liabilities (FLAC): amortized costs

There were no reclassifications between the different IAS 39 measurement categories in the year under review.

Financial assets and liabilities are reported without being offset. They are only offset when there is a legal right to do so and the enterprise intends to settle them on a net basis. The recognized carrying amount of current financial assets and liabilities is an appropriate estimate of the fair value.

In accordance with IAS 39, an impairment loss is recognized when there are substantial, objective indications of impairment of a financial asset. Financial assets are examined for impairment requirements both individually (specific allowances for impairment losses) and in groups with similar default risk profiles (specific impairment allowances calculated on a portfolio basis). The expenses are recorded in profit and loss under the functional cost headings. Appropriate risk provisioning was recognized for all discernible risks of default. The theoretically maximum remaining risk of default of financial assets is therefore the same as their recognized carrying amounts.

Financial assets are derecognized when the contractual rights to cash flows end or substantially all the risks and rewards of ownership are transferred to another party. Financial liabilities are derecognized when the contractual obligation is settled or legally revoked.

Net gains and losses from financial instruments essentially include changes of write-downs and foreign currency valuation effects recognized in net profit on operating activities and interest income and expenses recognized in the financial result.

For information on risk management please refer to Note 21 and/or to the risk reporting in the Group Management Report.

#### Investments and Investments Accounted for Using the Equity Method.

IAS 39 divides these financial instruments into the categories of "financial asset at fair value through profit or loss," "held to maturity," "available for sale" or "loans and receivables." Investments are classified as "financial asset at fair value through profit or loss" if their fair value can be measured reliably. If this is not possible, investments are categorized as "available for sale" and measured at historical costs.

Loans are credits that are classified as "loans and receivables" according to IAS 39. Measurement in subsequent periods is at amortized cost using the effective interest rate method.

**Receivables and Other Assets.** Receivables and other assets are sub-classified into "Trade Receivables" and "Other Receivables and Other Assets."

First-time recognition of "Trade Receivables" is at fair value plus directly attributable transaction costs. Measurement in subsequent periods is at amortized cost using the effective interest rate method due to the "loans and receivables" measurement category.

"Other Receivables and Other Assets" comprise both non-financial assets and financial assets including derivative financial instruments. With the exception of derivative financial instruments, financial assets are measured at fair value plus directly attributable transaction costs at first-time recognition. They are assigned to the "loans and receivables" category under IAS 39, and are therefore measured at amortized cost in subsequent periods. Non-financial assets are measured in line with the respective applicable standard.

**Cash and Cash Equivalents.** Cash and cash equivalents include marketable securities as well as cash in hand and cash at bank (including checks). Cash on hand and bank balances are measured at fair value plus directly attributable transaction costs at first-time recognition. They are assigned to the "loans and receivables" category under IAS 39, and are therefore measured at amortized cost in subsequent periods. Foreign currency stocks are valued at their mid-price on the balance sheet date. Bank balances and securities included in cash and cash equivalents have a remaining term of up to three months on acquisition.

At Wincor Nixdorf Group, securities are principally allocated to the categories "financial asset at fair value through profit or loss" or "available for sale." Both categories are initially and subsequently measured at fair value. In order to determine the fair value of marketable securities at the balance sheet date, respective quotations of banks have been obtained and market prices of trading systems have been used. Changes in value of the securities classified as "financial asset at fair value through profit or loss" are recorded in finance income and finance costs. Changes in securities classified as

"available for sale" are shown in the revaluation reserve within equity under consideration of deferred tax effects. At the selling date, realized gains or losses are recorded in finance income or finance costs.

**Financial Liabilities.** Primary financial instruments include financial liabilities, trade payables and non-derivative other financial liabilities. Trade payables and non-derivative other financial liabilities include accruals for outstanding invoices and deferred staff liabilities. In accordance with IAS 39, primary financial liabilities are stated at fair value at initial recognition, considering directly attributable transaction costs. Measurement in subsequent periods is at amortized cost using the effective interest rate method.

**Derivative Financial Instruments.** Derivative financial instruments in the Wincor Nixdorf Group comprise hedging instruments used to manage interest rates and exchange rate fluctuations. These instruments serve to reduce income volatility. No derivatives are held for trading purposes. Nevertheless, derivatives not meeting the requirements for cash flow hedge accounting in accordance with IAS 39 are classified as "held for trading."

The scope of hedge accounting by financial derivatives comprises recognized, pending and highly probable hedged items. In accordance with IAS 39, derivatives meet the recognition criteria for assets and liabilities, as a result of which they must be capitalized (other assets) or expensed (other liabilities) at fair value.

Derivative transactions are accounted for at acquisition cost at the trading date. In general, acquisition costs of derivative transactions equal their fair values. In subsequent periods, they are capitalized at their fair values. Resultant profits or losses flow through to profit for the period in question where the requirements for cash flow hedge accounting are not met. If hedging relationships are effective, the amounts of profit are under consideration of deferred tax effects credited (and losses charged) to equity, with no effect on accounting profit. The reclassification from equity to Group income statement takes place when the hedged item is recognized in income, or is no longer expected to occur.

**Accruals for Pensions and Similar Commitments.**

Accruals in respect of beneficiaries' and pensioners' pension obligations are created using the projected unit credit method. This method takes account not only of known pensions and known earned future pension entitlements at the balance sheet date, but also of expected future increases in pensions and salaries having estimated the relevant influencing factors.

According to IAS 19.78, the discount rate used to discount accruals for pensions and similar commitments has to be determined at each valuation date. The discount rate is based on the market yields on high-quality corporate bonds. The terms of the corporate bonds have to be consistent with the estimated terms of the obligations.

Pension expenses which include the interest expenses as well as the actuarial gains and losses are recorded immediately in the relevant year's profit for the period in the functional cost headings.

In June 2006, Wincor Nixdorf created plan assets according to IAS 19 as part of a Contractual Trust Arrangement ("CTA"), by transferring assets to a registered association (Wincor Nixdorf Pension Trust e.V.) in order to fund pension obligations to employees. Plan assets measured at fair value are netted with directly related pension obligations.

**Other Accruals.** Other accruals are created on the balance sheet in respect of legal or actual obligations to third parties resulting from past events, as well as for onerous contracts where the outflow of funds to settle such obligations is probable and can be estimated reliably.

Other accruals are measured in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" or, where applicable, IAS 19 "Employee Benefits." The values used for such accruals are based on the best estimate. Where required, accruals are stated net of unaccrued interest. Claims for reimbursements from third parties are capitalized separately if their realization is virtually certain.

## NOTES TO THE GROUP INCOME STATEMENT.

▶ **1 Net Sales.** Net sales are divided into those from the sale of hardware (€1,223,627k; 2007/2008: €1,345,627k) and those from the provision of software/services (€1,026,579k; 2007/2008: €972,943k).

▶ **2 Gross Profit on Sales.** Gross margin on net sales has fallen by 1.2 percentage points to 25.7% compared to previous year's equivalent figure (2007/2008: 26.9%). After adjusting for profit charges arising from the carve-out (see Note ▶ 29), the gross margin is 25.9% (2007/2008: 27.4%).

The decline in the gross margin was mainly attributable to price-related pressures on the demand side. The foreign currency gains and losses of –€26,460k (2007/2008: €11,602k) shown in the Group income statement are essentially comprised within the cost of sales.

▶ **3 Selling, General and Administration Expenses.** These mainly comprise personnel expenses and general costs in selling and administrative departments, plus miscellaneous taxes.

▶ **4 Other Operating Income and Expenses.** Other operating income of €21k (2007/2008: €68k) comprises government allowances related to assets purchased in previous years, which were subsequently granted.

▶ **5 Finance Income and Finance Costs.** Finance income and finance costs are comprised as follows:

	€k	
	2008/2009	2007/2008
Income from securities and other income	231	861
Interest and similar income	1,166	1,874
<b>Finance income</b>	<b>1,397</b>	<b>2,735</b>
Interest and similar expenses	–11,033	–14,708
Interest element within additions to long-term accruals and other finance costs	–1,220	–834
<b>Finance costs</b>	<b>–12,253</b>	<b>–15,542</b>
	<b>–10,856</b>	<b>–12,807</b>

During the year under review, interest expenses on long-term bank debt amounted to €4,538k (2007/2008: €9,586k). All borrowing costs have been immediately recognized as finance costs.

▶ **6 Income Taxes.**

	€k	
	2008/2009	2007/2008
Ongoing taxes on income and profit	–43,359	–56,567
Deferred tax income and expenses	–6,261	2,241
	<b>–49,620</b>	<b>–54,326</b>

The amounts shown above for ongoing taxes on income and profit relate, within Germany, to corporate income tax and municipal corporate income tax, plus proceeds from partial release of tax accruals made during the previous year and, in the case of foreign subsidiaries, income-related taxes calculated in accordance with the national tax legislation applicable to the individual companies.

Deferred taxes in the amount of –€1,311k (2007/2008: €1,283k) have been recorded in equity without any effect on profit and loss. They result from the market valuation of the cash flow hedges.

The deferred taxes are the result of time-related variances in reported values between the tax accounts of individual companies and the values of the Group financial statements, using the liability method, plus capitalization of tax losses capable of being carried forward. In Germany, tax losses carried forward may be utilized for an indefinite period of time. In reviewing the amount of a deferred tax asset recognized in the balance sheet, it is crucial to assess whether it is probable that temporary differences will reverse and tax losses carried forward will be utilized, being the basis for the recognition of deferred tax assets. This is dependent on future taxable profits arising in those periods when taxable temporary differences reverse and tax losses carried forward may be utilized. Based on past experience and the projected development of taxable profit, Wincor Nixdorf assumes that the corresponding benefits associated with deferred tax assets will be realized. A deferred tax asset will be recognized to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered. As of September 30, 2009, tax losses carried forward in the amount of €14,713k (2007/2008: €10,361k) have not been capitalized.

Any dividends payable in the future of Wincor Nixdorf AG will have no effect upon the Group's tax charges.

Actual tax expenses are €610k above those which would be expected to be arrived at through the application of the ultimate parent company's tax rate. Last year, actual tax proceeds were €34k above those which could have been expected.

As of September 30, 2009, unchanged to the previous year, all German deferred taxes were calculated in respect of temporary differences using a combined tax rate of rounded 30%. The reported value of all deferred taxes on tax losses carried forward was arrived at by using tax rates as in the previous year of 14% for municipal corporate income tax and 16% for corporation tax and solidarity tax.

The table below contains a reconciliation of expected net tax expenses with the actual reported tax:

	2008/2009	2007/2008
<b>Profit before tax</b>	<b>163,365</b>	<b>180,973</b>
<b>Expected tax expenses based on a tax rate of 30%</b>	<b>-49,010</b>	<b>-54,292</b>
<b>Differences from expected tax expenses</b>		
Difference from local tax rates	3,231	5,687
Difference arising from change of deferred tax rate and income tax rate	-21	646
Increases/decreases in tax due to tax-exempt income and non-tax-deductible expenses	-4,851	-5,103
Consolidation entries excl. deferred taxes or with differing tax rates	-432	421
Corrections relating to other periods and other effects	2,838	-1,355
Non-recognition of deferred taxes on current losses	-1,375	-1,701
Recognition of previously unrecognized tax losses carried forward	0	1,371
<b>Total adjustments</b>	<b>-610</b>	<b>-34</b>
<b>Actual tax expenses</b>	<b>-49,620</b>	<b>-54,326</b>

The effective tax rate is 30.4% (2007/2008: 30.0%).

The deferred tax assets and liabilities relate to the following balance sheet items:

	Sept. 30, 2009		Sept. 30, 2008	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	110	44,319	126	41,196
Tangible assets	1,724	1,307	1,355	1,606
Investments	14	0	0	0
Inventories	13,319	788	16,604	9,435
Receivables and other current assets	4,109	2,645	11,587	2,077
Pension accruals	10,357	498	7,406	166
Other accruals	17,372	934	25,229	157
Liabilities	4,536	774	5,829	2,364
Losses carried forward	4,772	0	3,867	0
	<b>56,313</b>	<b>51,265</b>	<b>72,003</b>	<b>57,001</b>
Netting off of deferred tax assets and liabilities	-33,657	-33,657	-53,609	-53,609
	<b>22,656</b>	<b>17,608</b>	<b>18,394</b>	<b>3,392</b>

**7 Earnings per Share.** Earnings per share are calculated by dividing profit attributable to ordinary equity holders of Wincor Nixdorf AG by the weighted average of ordinary shares outstanding.

	2008/2009	2007/2008
Profit attributable to the ordinary equity holders of Wincor Nixdorf AG (€k)	113,579	126,569
Number of shares outstanding as of October 1 (in thousands)	31,664	32,382
Number of shares outstanding as of September 30 (in thousands)	31,664	31,664
Weighted average number of shares outstanding (in thousands)	31,664	31,811
<b>Basic/Diluted earnings per share (€)</b>	<b>3.59</b>	<b>3.98</b>

There is no dilutive effect due to the share-based payment programs, which are also described under Note **16**, in fiscal 2008/2009 and 2007/2008. As a result, the basic earnings per share comply with the dilutive earnings per share.

## NOTES TO THE GROUP BALANCE SHEET.

## 8 Intangible Assets. Changes in intangible assets were as follows:

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	Commercial patents and similar rights/ items plus licenses to such rights/items	Product know-how	Goodwill	Advances made	Total
<b>Cost of acquisition or production</b>					
<b>Balance as of October 1, 2007</b>	<b>44,082</b>	<b>206,664</b>	<b>333,958</b>	<b>33</b>	<b>584,737</b>
Currency translation	-313	0	-403	0	-716
Changes in consolidation group	13,297	0	3,117	0	16,414
Additions	6,054	0	0	0	6,054
Transfers	56	0	0	-33	23
Disposals	-3,650	0	0	0	-3,650
<b>Balance as of September 30, 2008/ October 1, 2008</b>	<b>59,526</b>	<b>206,664</b>	<b>336,672</b>	<b>0</b>	<b>602,862</b>
Currency translation	-721	0	-601	0	-1,322
Changes in consolidation group	2,300	0	0	0	2,300
Additions	11,291	0	0	0	11,291
Transfers	22	0	0	0	22
Disposals	-4,192	0	0	0	-4,192
<b>Balance as of September 30, 2009</b>	<b>68,226</b>	<b>206,664</b>	<b>336,071</b>	<b>0</b>	<b>610,961</b>
<b>Amortization</b>					
<b>Balance as of October 1, 2007</b>	<b>24,559</b>	<b>189,738</b>	<b>3,165</b>	<b>0</b>	<b>217,462</b>
Currency translation	157	0	0	0	157
Changes in consolidation group	4,063	0	0	0	4,063
Amortization for the fiscal year	9,980	12,083	0	0	22,063
Impairment	0	0	0	0	0
Transfers	4	0	0	0	4
Disposals	-3,579	0	0	0	-3,579
<b>Balance as of September 30, 2008/ October 1, 2008</b>	<b>35,184</b>	<b>201,821</b>	<b>3,165</b>	<b>0</b>	<b>240,170</b>
Currency translation	0	0	0	0	0
Changes in consolidation group	0	0	0	0	0
Amortization for the fiscal year	11,807	4,843	0	0	16,650
Impairment	0	0	0	0	0
Transfers	8	0	0	0	8
Disposals	-3,730	0	0	0	-3,730
<b>Balance as of September 30, 2009</b>	<b>43,269</b>	<b>206,664</b>	<b>3,165</b>	<b>0</b>	<b>253,098</b>
<b>Carrying amount as of September 30, 2009</b>	<b>24,957</b>	<b>0</b>	<b>332,906</b>	<b>0</b>	<b>357,863</b>
<b>Carrying amount as of September 30, 2008</b>	<b>24,342</b>	<b>4,843</b>	<b>333,507</b>	<b>0</b>	<b>362,692</b>

The product know-how, which contains the acquired development services, valued on a historical cost basis, for products and solutions in the Retail and Banking segments, was ultimately amortized in the year under review.

During fiscal 2008/2009, the acquisitions, which mainly relate to commercial patents and licenses for Outsourcing projects and own infrastructure, resulted in additions of €11,291k (2007/2008: €6,054k).

9 **Property, Plant and Equipment.** Changes in property, plant and equipment were as follows:

€k

	Land, buildings and other equivalent rights	Plant and machinery	Other fixed assets and office equipment	Products leased to customers	Equipment under construction	Total
<b>Cost of acquisition or production</b>						
<b>Balance as of October 1, 2007</b>	<b>49,317</b>	<b>52,466</b>	<b>176,268</b>	<b>1,903</b>	<b>7,974</b>	<b>287,928</b>
Currency translation	-81	125	-487	41	-5	-407
Changes in consolidation group	172	0	12,953	0	0	13,125
Additions	3,014	6,698	34,408	4,207	12,137	60,464
Transfers	397	4,517	2,899	0	-7,836	-23
Disposals	-204	-4,247	-23,225	-64	-5	-27,745
<b>Balance as of September 30, 2008/ October 1, 2008</b>	<b>52,615</b>	<b>59,559</b>	<b>202,816</b>	<b>6,087</b>	<b>12,265</b>	<b>333,342</b>
Currency translation	-253	-219	-1,233	-46	-4	-1,755
Changes in consolidation group	83	16	345	260	0	704
Additions	1,727	2,749	26,281	2,350	10,663	43,770
Transfers	506	165	1,381	1	-2,075	-22
Disposals	-1,496	-4,123	-26,203	-424	-10	-32,256
<b>Balance as of September 30, 2009</b>	<b>53,182</b>	<b>58,147</b>	<b>203,387</b>	<b>8,228</b>	<b>20,839</b>	<b>343,783</b>
<b>Depreciation</b>						
<b>Balance as of October 1, 2007</b>	<b>14,180</b>	<b>40,348</b>	<b>117,740</b>	<b>649</b>	<b>0</b>	<b>172,917</b>
Currency translation	-17	76	-382	-1	0	-324
Changes in consolidation group	58	0	7,893	0	0	7,951
Depreciation for the fiscal year	2,184	2,925	30,591	728	0	36,428
Impairment	6	0	0	0	0	6
Transfers	0	2	-6	0	0	-4
Disposals	-146	-4,220	-22,117	-8	0	-26,491
<b>Balance as of September 30, 2008/ October 1, 2008</b>	<b>16,265</b>	<b>39,131</b>	<b>133,719</b>	<b>1,368</b>	<b>0</b>	<b>190,483</b>
Currency translation	-122	-217	-1,034	1	0	-1,372
Changes in consolidation group	65	13	227	183	0	488
Depreciation for the fiscal year	2,424	3,315	31,267	1,196	0	38,202
Impairment	0	0	52	0	0	52
Transfers	130	-1	-138	1	0	-8
Disposals	-394	-3,827	-25,506	-185	0	-29,912
<b>Balance as of September 30, 2009</b>	<b>18,368</b>	<b>38,414</b>	<b>138,587</b>	<b>2,564</b>	<b>0</b>	<b>197,933</b>
<b>Carrying amount as of September 30, 2009</b>	<b>34,814</b>	<b>19,733</b>	<b>64,800</b>	<b>5,664</b>	<b>20,839</b>	<b>145,850</b>
<b>Carrying amount as of September 30, 2008</b>	<b>36,350</b>	<b>20,428</b>	<b>69,097</b>	<b>4,719</b>	<b>12,265</b>	<b>142,859</b>

Additions to property, plant and equipment are valued at €43,770k (2007/2008: €60,464k), with large individual elements of this being other fixed assets and office equipment at €26,281k (essentially IT equipment), plant and machinery

at €2,749k and equipment under construction at €10,663k, mainly the result of specialist tools.

Products leased to customers concern automated teller machines, which are leased in the scope of operating lease contracts. The minimum lease periods are between three and ten years, with extension options in existence under identical terms. The future minimum lease payments under non-redeemable lease agreements are as follows:

	€k	
	Sept.30,2009	Sept.30,2008
Residual term up to 1 year	1,921	1,623
Residual term between 1 and 5 years	5,820	5,255
Residual term more than 5 years	1,500	3,124
	<b>9,241</b>	<b>10,002</b>

**▶ 10 Investments and Investments Accounted for Using the Equity Method.** Among investments, interests, loans and other receivables are recorded.

The interest in WINCOR NIXDORF Immobilien GmbH & Co. KG, Paderborn, is accounted for "at fair value through profit or loss" since the fair value can be measured reliably. The measurement at fair value showed an increase in the fair value of €6k as of September 30, 2009 (2007/2008: €8k), the net book value amounts to €1,061k as of September 30, 2009 (2007/2008: €1,055k). This increase in value is recognized in the income statement as finance result.

A 50% investment in WINSERVICE AS, Oslo, Norway, is accounted for using the equity method. The net book value amounts to €0k as of September 30, 2009 (2007/2008: €0k). Allowances on non-current loans amounting to €457k granted to this investment were recognized in fiscal 2008/2009.

**▶ 11 Reworkable Service Parts.** Where necessary, the lower net realizable value was used, with due regard to selling and production costs still to be incurred. The total book value of reworkable service parts, valued as of September 30, 2009, at their lower of cost and net realizable value, was €19,453k (2007/2008: €13,900k). The increase was mainly attributable to the first-time classification of service parts as reworkable. Write-down of reworkable service parts reported under cost of sales is €6,024k (2007/2008: €7,743k).

**▶ 12 Receivables and Other Assets.** Trade receivables are comprised as follows:

	€k	
	Sept.30,2009	Sept.30,2008
Trade receivables, gross	331,428	385,064
less: allowance for doubtful accounts	-16,741	-18,138
<b>Trade receivables, net</b>	<b>314,741</b>	<b>366,926</b>

Trade receivables with an amount of €2,480k (2007/2008: €3,600k) become due after one year.

Valuation allowances for trade receivables have changed as shown in the following table:

	Specific valuation allowances		Portfolio-based valuation allowances		Total	
	2008/2009	2007/2008	2008/2009	2007/2008	2008/2009	2007/2008
Balance as of October 1	14,573	17,536	3,565	3,197	18,138	20,733
Changes in allowances with effect on profit and loss	-888	-2,963	-509	368	-1,397	-2,595
<b>Balance as of September 30</b>	<b>13,685</b>	<b>14,573</b>	<b>3,056</b>	<b>3,565</b>	<b>16,741</b>	<b>18,138</b>

On balance sheet date trade receivables which are past due but not impaired exist as follows:

	€k		
	Past due 1–30 days	Past due 31–180 days	Past due more than 180 days
<b>September 30, 2009</b>	<b>49,897</b>	<b>27,517</b>	<b>2,421</b>
September 30, 2008	54,578	32,128	8,529

With respect to trade receivables not past due or past due but not impaired, based on credit history and current credit ratings, there are no indications that customers will not be able to meet their obligations.

Trade receivables comprise receivables from finance leases in the amount of €3,610k (2007/2008: €4,658k). The leasing contracts are concluded for a term of up to ten years. There was no impairment requirement on finance lease receivables in fiscal 2008/2009 and 2007/2008.

#### Residual Terms of Present Value of Minimum Lease Payments Receivable.

	€k	
	Sept.30,2009	Sept.30,2008
Residual term up to 1 year	1,130	1,727
Residual term between 1 and 5 years	2,237	2,599
Residual term more than 5 years	243	332
	<b>3,610</b>	<b>4,658</b>

#### Residual Terms of Total Gross Investment in the Lease.

	€k	
	Sept.30,2009	Sept.30,2008
Residual term up to 1 year	1,405	1,971
Residual term between 1 and 5 years	2,578	2,936
Residual term more than 5 years	256	625
Unearned finance income	-629	-874
<b>Present value of minimum lease payments receivable</b>	<b>3,610</b>	<b>4,658</b>

Other receivables and other assets comprise the following:

	€k			
	Sept. 30, 2009		Sept. 30, 2008	
	Total	Due >1 year	Total	Due >1 year
Receivables from related companies	330	0	985	0
Current income tax assets	3,783	0	4,454	0
Other assets	62,732	8,917	68,201	13,082
	<b>66,845</b>	<b>8,917</b>	<b>73,640</b>	<b>13,082</b>

Other assets include the following items:

	€k			
	Sept. 30, 2009		Sept. 30, 2008	
	Total	Due >1 year	Total	Due >1 year
Sales tax	21,604	0	21,574	0
Surplus of plan assets	4,629	4,629	7,169	7,169
Forward currency transactions	7,470	0	1,524	0
Receivables from employees	1,113	109	1,142	138
Prepaid expenses	17,757	3,018	21,655	3,603
Other	10,159	1,161	15,137	2,172
	<b>62,732</b>	<b>8,917</b>	<b>68,201</b>	<b>13,082</b>

▶ **13 Deferred Taxes.** Deferred taxes have been accrued for under the "temporary concept" in accordance with IAS 12 "Income Taxes," using the tax rates in force, approved and known, as of the balance sheet date.

As of September 30, 2009, these items include deferred tax assets of €22,656k (2007/2008: €18,394k) and deferred tax liabilities of €17,608k (2007/2008: €3,392k), after netting off deferred tax liabilities with deferred tax assets. Deferred tax assets of €4,772k (2007/2008: €3,867k) are the result of the probable future utilization of tax losses brought forward in accordance with IAS 12. Further explanatory notes on deferred tax assets are contained in Note ▶ 6.

▶ **14 Inventories.**

	Sept.30,2009	Sept.30,2008
Raw materials and supplies	53,747	54,649
Unfinished goods	23,561	25,564
Finished goods and merchandise	174,708	196,777
Advances made	1,654	1,312
	<b>253,670</b>	<b>278,302</b>

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Where necessary, the lower net realizable value was used, with due regard to selling and production costs still to be incurred. The total book value of inventories valued as of September 30, 2009, at their lower of cost and net realizable value, was €64,941k (2007/2008: €68,127k). Inventory impairment reported under cost of sales is €8,641k (2007/2008: €12,250k).

▶ **15 Cash and Cash Equivalents.**

**Cash in Hand and at Bank (including Checks).** The cash in hand of €2,834k (2007/2008: €1,530k) mainly includes test cash for automated teller machines. Bank balances, including payments en-route, are €12,582k (2007/2008: €14,102k). Checks amount to €858k (2007/2008: €407k).

▶ **16 Group Equity.** The changes in Group equity and individual elements thereof are shown in detail in the Changes in Equity table.

**Distribution.** Wincor Nixdorf remains committed to the existing dividend policy: as regards the dividend for fiscal 2008/2009, profit for the period before profit charges arising from the carve-out in the amount of €117,135k will again form the basis for dividend calculations. The aim is to distribute around 50% of this amount to shareholders in the form of a dividend.

For the reporting period, this corresponds to a dividend of €1.85 per qualifying share, a decrease of 13% on the dividend of €2.13 paid out in the preceding year.

As of September 30, 2009, the consolidated profit of Wincor Nixdorf AG amounted to €188,749k. A dividend of €1.85 per qualifying share will be proposed to the Supervisory Board. This corresponded to a total distribution of €58,578k on the date on which the Group financial statements were released by the Board of Directors. The remaining amount will be carried forward. The dividend will be paid out on January 26, 2010, subject to the approval of the AGM.

The amount of €67,444k (€2.13 per share) was distributed in fiscal 2008/2009 to Wincor Nixdorf AG equity holders during the year under review.

**Capital Management.** As a matter of principle, Wincor Nixdorf pursues the goal of generating an appropriate return on invested capital. However, the Group's reported equity serves merely as a passive management parameter, with sales and EBITA applied as active management parameters. As described above, about half of the profit for the period before profit charges arising from the carve-out is paid out as dividend. The remaining amount is reserved.

**Subscribed Capital.** The capital stock is divided into 33,084,988 no-par shares ("Stückaktien" governed by German law). All shares issued up to and including September 30, 2009, are fully paid-up. Each share is granted equal voting rights and equal dividend entitlement. In fiscal 2008/2009, at an average and as of September 30, 2009, 31,664,008 qualifying shares are issued.

**Treasury Shares.** As of September 30, 2009, the total number of treasury shares held by the Company was 1,420,980. This equals 4.295% of the subscribed capital. The acquisition costs, including ancillary costs of acquisition to the amount of €91k, amounting to €87,226k were deducted in full from equity.

**Authorized Share Capital.** As the result of a resolution at the AGM on January 19, 2009, the Board of Directors has been authorized to increase the Company's capital stock with the Supervisory Board's approval by up to €3,308,498.00 (Authorized Share Capital I 2009), through the issue for cash of new ordinary bearer shares under single or multiple initiatives up to January 18, 2014.

The Board of Directors was also authorized by resolution of the AGM on January 19, 2009, to increase the Company's capital stock with the Supervisory Board's approval by up to €13,233,996.00 (Authorized Share Capital II 2009), through the issue for cash and/or contributions in kind of new ordinary bearer shares under single or multiple initiatives up to January 18, 2014.

**Contingent Share Capital.** The Company's capital stock is conditionally increased by a maximum of €2,812,224.00, divided into a maximum of 2,812,224 bearer shares (Contingent Share Capital I). This Contingent Capital increase is to be used exclusively to cover stock options issued to members of the Company's Board of Directors, board members of subordinate associated companies within and outside of Germany and to other executives and employees of the Company and its subordinate associated companies as detailed in the provisions of the authorization resolved by the AGM on May 14, 2004, as amended by the supplemental resolution of the AGM on February 21, 2006, as amended by the amendment resolution of the AGM on January 29, 2007, and as amended by the amendment and supplemental resolution of the AGM on January 28, 2008. This shall only be implemented to the extent that these share options are taken up and the Company does not provide the consideration in cash or with its own shares. The new shares shall carry dividend rights from the beginning of the fiscal year in which they are issued. Should the issue take place before the Ordinary AGM, the new shares shall be entitled to dividends for the previous fiscal year as well. The authorization to issue shares from Contingent Share Capital I expired at the end of May 13, 2009, without having been utilized.

The capital stock is conditionally increased by up to €10,000,000.00 (in words: ten million euros), divided into up to 10,000,000 bearer shares (Contingent Share Capital II). The Conditional Capital increase to create Contingent Share Capital II shall be carried out only insofar as the holders of option or conversion rights, or the parties who have conversion/option obligations from participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds that are issued or guaranteed up to January 27, 2013, by the Company or a dependent group company of the Company within the meaning of Section 17 German Stock Corporation Act (AktG), pursuant to the authorization adopted by the AGM on January 28, 2008, make use of their option or conversion rights or, if they have conver-

sion/option obligations, fulfill their conversion/option obligation. The new shares shall be issued at the option or conversion price to be defined in accordance with the above authorization adopted. The new shares shall carry dividend rights from the beginning of the fiscal year in which they are issued pursuant to the exercise of option and conversion rights or fulfillment of option or conversion obligations. If they are issued before the Ordinary AGM, the new shares shall be entitled to dividends for the previous fiscal year as well. The Board of Directors is authorized, with the consent of the Supervisory Board, to define the further details of the Conditional Capital Increase.

**Authorization to issue participatory certificates with warrants and/or convertible participatory certificates and/or convertible bonds and/or bonds with warrants and/or income bonds and to exclude the subscription right.** The Board of Directors was authorized by the AGM on January 28, 2008, with the consent of the Supervisory Board, once or several times up to January 27, 2013,

■ to issue bearer participatory certificates (i) to which bearer participatory certificates with warrants are attached or (ii) that are attached to a conversion right for the holder for a maximum term of 20 years as of their issue, and to grant option rights to the holders of participatory certificates with warrants and conversion rights to the holders of convertible participatory certificates to bearer shares in the Company as detailed by the conditions of the participatory certificates with warrants or convertible participatory certificates

and instead of or in addition

■ to issue bearer bonds with warrants and/or bearer convertible bonds and/or bearer income bonds (hereinafter referred to jointly as "bonds with warrants and/or convertible bonds") with a maximum term of 20 years and to grant option rights to the holders of bonds with warrants and conversion rights to the holders of convertible bonds to bearer shares in the Company as detailed by the conditions of the bonds with warrants or convertible bonds.

The aggregate principle amount of the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds to be issued under this authorization shall not exceed €500,000,000.00. Option rights or conversion rights shall only be issued for Company shares that account for a maximum total of €10,000,000.00 of the capital stock.

The Board of Directors was also authorized to exclude the subscription right of shareholders in certain cases.

With regard to the issue price of shares resulting from contingent share capital, the authorization specifies the principles applying to the determination of the minimum issue price in respect of new shares. Due to an amendment of Section 193 (2) No. 3 of the German Stock Corporation Act, it was clarified that the act of determining a minimum issue price or specifying the principles for the determination of a minimum issue price upon issuance of new shares from contingent share capital for the purpose of servicing option and conversion rights is sufficient, as previously confirmed by the Federal Court of Justice (Bundesgerichtshof) in its judgment of May 18, 2009.

Further descriptions to the authorization and exclusion of the subscription right are made in the chapter "DISCLOSURES PURSUANT TO SECTION 315 (4) HGB AND EXPLANATORY NOTES," which is part of the Group Management Report.

**Additional Paid-in Capital.** Additional paid-in capital contains part of the additional funds received from the issue of shares and the personnel expenses arising from the share-based payment program 2008 and 2009 (2007/2008: share-based payment program 2007 and 2008).

**Retained Earnings.** Other retained earnings contain the cumulative profits made by the subsidiary companies included in the Group financial statements, the consolidated profit, other consolidation reserves, reserves resulting from expired share-based payment programs and currency translation adjustments.

**Revaluation Reserve.** The revaluation reserve includes the market valuation of the cash flow hedges, less deferred taxes.

**Share-based Payment Program.** Wincor Nixdorf has set up six share-based payment programs for managers since 2004 (2004–2009). The following conditions have to be applied to programs 2004–2007:

The vesting period of the share options is two years. Each share option entitles the bearer to purchase one share in the Company at the exercise price (strike price). There is no limit to the profit which can accrue upon purchase. The strike price in each instance corresponds to 110% of the value at the outset; it takes account of distributions made during the life of the options, such as dividend payments and any drawing rights or other special rights. The target criteria have not been subsequently lowered during the life of the program up to now. In order to sign up to acquire, and later exercise, share options, employees must make a separate private investment in Company shares at a ratio of 1:10 (shares:share options), and such shares must be held by them for the entire holding period of two years. The share option must be exercised within

ten days after the end of the vesting period. The Company is entitled to settle the options either in shares or cash. Basically, the holder of the option has to remain in the Company's employ until the end of the vesting period.

As of March 13, 2009, Wincor Nixdorf granted 500,770 share options for an exercise price of €36.18 under another share-based payment program to its managers (share-based payment program 2009).

The following conditions have to be applied to programs 2008 and 2009:

The vesting period of the share options is two years. Each share option entitles the bearer to purchase one share in the Company at the exercise price (strike price). There is no limit to the profit which can accrue upon purchase. In each case, the exercise price is equivalent to 110% of the average exchange price on the ten stock exchange trading days that immediately preceded the issue of stock options on April 8, 2008 (Program 2008), respectively March 13, 2009 (Program 2009); it takes account of distributions made during the life of the options, such as dividend payments and any drawing rights or other special rights. The target criteria have not been subsequently lowered during the life of the programs up to now. In order to sign up to acquire, and later exercise, share options, employees must make a separate private investment in Company shares at a ratio of 1:10 (shares:share options), and such shares must be held by them for the entire holding period of two years. The share option must be exercised one-time at the end of the vesting period within a period of ten stock exchange trading days in Xetra on the Frankfurt Stock Exchange, commencing upon completion of the two-year vesting period (exercise period). The vesting conditions also stipulate that the declaration of exercise may or must be issued during the specified vesting period of two-years, within the last ten stock exchange trading days in Xetra on the Frankfurt Stock Exchange, effective from the end of the last day of

the vesting period or a later date. The Company is entitled to settle the options either in shares or cash. Basically, the holder of the option has to remain in the Company's employ until the end of the vesting period.

The underlying assumptions for the programs 2006–2009 are as follows (accounts for programs 2006 and 2007 restated accordingly to the stock split 2007):

	Program 2006	Program 2007	Program 2008	Program 2009
Granted share options	333,780	474,480	496,830	500,770
Fair value of the option at grant date	€5.63	€8.88	€10.10	€7.65
Exercise price of the option at grant date	€58.51	€69.40	€55.33	€36.18
Expected volatility	26.9%	28.0%	40.6%	49.1%
Option life	2 years	2 years	2 years	2 years
Expected dividends	€2.60	€3.40	€4.36	€4.56
Risk-free interest rate	3.156%	4.0%	4.638%	1.97%
Fluctuation rate	3.4%	3.6%	3.2%	3.1%

Share options reported as of September 30, 2009, only consist of options from share-based payment programs 2008 and 2009. The program 2008 will expire in April 2010, the program 2009 in March 2011. The weighted average residual term of both programs is about one year.

The fair values of the options have been calculated by the application of the Black-Scholes-Merton formula by an external expert. The expected volatilities for single programs were determined as follows: for program 2006 the expected volatility was the average result of the three months' historic

volatility as well as the volatility based on the one-year period and 18-month volatility of the Wincor Nixdorf share. The expected volatility for program 2007 complies with the two-years' historic volatility of the Wincor Nixdorf share. For program 2008, the expected volatility was determined as the average of the historic volatilities of the Wincor Nixdorf share for 1-month, 6-months and 1-year periods. The expected volatility for program 2009 complies with the two-years' historic volatility of the Wincor Nixdorf share.

The changes in the composition of share options are as follows:

	2008/2009		2007/2008	
	Number	Average exercise price €	Number	Average exercise price €
As of October 1	945,810	62.08	786,980	64.91
Granted during the period	500,770	36.18	496,830	55.33
Expired during the period	462,750	69.06	338,000	58.74
<b>As of September 30</b>	<b>983,830</b>	<b>45.62</b>	<b>945,810</b>	<b>62.08</b>
Exercisable as of September 30	0	–	0	–

The vesting period for the 2007 share-based payment program expired on February 27, 2009. The share options allocated within the scope of the 2007 share option plan expired during the reporting period, without replacement or compensation, as the average price of Wincor Nixdorf shares remained below the exercise price of the 2007 share option plan during the exercise period.

During the fiscal year, personnel expenses in connection with the share-based payment programs amounted to €4,204k (2007/2008: €3,563k). The additional paid-in capital has been increased by this amount. However, personnel expenses in

connection with the share-based payment program 2007 (€815k) have been reclassified to retained earnings, together with the amount carried forward for the share-based payment program 2007, in additional paid-in capital (€3,095k), for the share-based payment program 2007.

▶ **17 Minority Interest.** Minority interest is presented in detail in the Changes in Equity table.

▶ **18 Accruals for Pensions and Similar Commitments.**

	€k	
	Sept.30,2009	Sept.30,2008
Present value of unfunded obligations	12,888	14,893
Present value of funded obligations	177,732	167,516
Fair value of plan assets	-181,841	-174,841
Past service cost not included in profit and loss	952	1,014
<b>Net liabilities</b>	<b>9,731</b>	<b>8,582</b>
Therein amount recognized as asset	4,629	7,169
<b>Accruals for pensions and similar commitments</b>	<b>14,360</b>	<b>15,751</b>

The over-funding (amount recognized as asset) of €4,629k (2007/2008: €7,169k) is presented under other non-current assets.

**Funded Status.** The difference between the fair value of plan assets and the present value of defined benefit obligations is referred to as the funded status. Amounts recognized for current and previous periods as per September 30 are as follows:

	€k				
	2009	2008	2007	2006	2005
Present value of defined benefit obligation	190,620	182,409	183,797	182,613	141,494
Less fair value of plan assets	-181,841	-174,841	-180,429	-163,626	-18,559
<b>Funded status</b>	<b>8,779</b>	<b>7,568</b>	<b>3,368</b>	<b>18,987</b>	<b>122,935</b>

**Actuarial Assumptions.** With regard to Wincor Nixdorf Group entities, the underlying actuarial assumptions (weighted average) for the valuation of defined benefit obligations are as follows:

	Sept.30,2009	Sept.30,2008
Interest rate	5.1%	5.2%
Income trend	2.9%	3.0%
Pension trend	2.0%	2.1%

In addition, life expectancy assumptions have been taken into account. For Germany, the 2005G Heubeck Tables were used.

Facing the current developments on the financial market, Wincor Nixdorf determined the interest rate at the valuation date of September 30, 2008, on the basis of market yields on high-quality corporate bonds, excluding any bonds of companies of the financial sector. Due to the loss of confidence in bonds of companies of the financial sector, these bonds were only placed on the market with high spreads. Therefore, in the opinion of Wincor Nixdorf, these bonds were not to be classified as high-quality corporate bonds according to IAS 19.78. Last year's risk premiums associated with bonds of companies of the financial sector lowered over the course of the fiscal year, so that as at September 30, 2009, these bonds once again fulfilled the definition of "high-quality corporate bonds" from the perspective of Wincor Nixdorf. Therefore, the interest rate has been determined based on high-quality corporate bonds, including bonds of companies of the financial sector, by taking into account the term of the defined benefit obligation. If bonds of companies of the financial sector had not been

considered, an interest rate of 4.5% would have been applied for the valuation of the defined benefit obligation as of September 30, 2009.

An increase or decrease of the assumed interest rate (weighted average) by 0.5 percentage points would have the following impact as of September 30, 2009:

	0.5 percentage points	
	Increase	Decrease
Present value of defined benefit obligation	- 9 to -11	9 to 11

€m

Such effects might be presented with an effect on the year's profit for the period.

**Defined benefit obligations.** For certain groups of employees of Wincor Nixdorf Group retirement benefit schemes are available. Schemes vary depending on the legal, economic and tax environments of the respective country. The greater part of them qualify as defined benefit plans.

Basically, with regard to employment law, the substantial pension commitments in Germany are based upon direct performance-related commitments in terms of defined contribution plans. Every entitled beneficiary receives, depending on individual pay-scale grouping, contractual classification or income level, different yearly contributions. The contribution is multiplied by an age factor appropriate to the current pension scheme and credited to the individual retirement account of the employee. The retirement accounts may be used up at retirement by either a one-time pay-off or payments of ten years' installments at maximum.

#### Change in Defined Benefit Obligation. ek

	Sept. 30, 2009	Sept. 30, 2008
Present value of defined benefit obligation as of October 1	182,409	183,797
Current service cost	6,664	7,173
Interest cost	9,369	8,102
Member contributions	817	766
Actuarial gains (-)/losses	-2,098	-12,012
Pension payments	-4,478	-4,339
Plan alterations	-1,114	-1,051
Transfers	-198	687
Exchange rate differences	-751	-714
<b>Present value of defined benefit obligation as of September 30</b>	<b>190,620</b>	<b>182,409</b>

**Plan Assets.** Plan assets were invested in the following assets:

	Sept. 30, 2009	Sept. 30, 2008
Shares	3.9%	22.8%
Debt instruments	46.4%	32.6%
Real estate	8.5%	8.8%
Short-term financial investments	41.2%	35.8%

Plan assets do not contain any own financial instruments nor real estate currently used by the Company.

**Change in Plan Assets.**

€k

	Sept.30,2009	Sept.30,2008
Fair value of plan assets as of October 1	174,841	180,429
Expected return on plan assets	7,442	10,418
Actuarial gains/losses(-)	-1,315	-16,447
Member contributions	817	766
Employer contributions	1,578	2,301
Pension payments	-1,071	-1,710
Transfers	476	0
Exchange rate differences	-927	-916
<b>Fair value of plan assets as of September 30</b>	<b>181,841</b>	<b>174,841</b>

The expected return on plan assets is determined based on a weighted average of 4.3% (2007/2008: 5.8%) and shown within the functional cost headings. The expected return on plan assets is derived from returns generated in the past and long-term expected returns of assets included in the plan asset. The actual result on plan assets was €6,127k (2007/2008: -€6,029k).

For fiscal 2009/2010, employer contributions to plan assets in the amount of €1,594k are expected.

**Pension Expenses.**

€k

	2008/2009	2007/2008
Current service cost	6,664	7,173
Interest cost	9,369	8,102
Expected return on plan assets	-7,442	-10,418
Actuarial gains(-)/losses	-783	4,435
Returns from plan alterations	-1,176	-37
<b>Pension expenses</b>	<b>6,632</b>	<b>9,255</b>

The experience adjustments developed as follows:

€k

	2008/2009	2007/2008	2006/2007
Pension obligations	2,586	-908	2,410
Plan assets	-1,315	-16,447	-1,312
<b>Total</b>	<b>1,271</b>	<b>-17,355</b>	<b>1,098</b>

The personnel expenses of the fiscal year include expenses for defined contribution plans in the amount of €27,719k (2007/2008: €26,731k). Included are expenses of subsidiaries in Belgium, the Netherlands and Sweden for so-called multi-employer plans. According to IAS 19, these plans have to be basically treated as defined benefit plans. Since the required information of the plans is not available, the plans are treated as defined contribution plans.

## 19 Other Accruals.

€k

	Oct. 1, 2008	Currency variances/ misc.	Draw- downs	Releases	Additions	Accumu- lation	Sept. 30, 2009
<b>Non-current other accruals</b>							
Miscellaneous accruals for personnel expenses	27,428	-2	-5,147	-754	9,986	1,024	32,535
Environmental protection obligations	7,533	-73	-41	-866	2,333	196	9,082
<b>Total non-current other accruals</b>	<b>34,961</b>	<b>-75</b>	<b>-5,188</b>	<b>-1,620</b>	<b>12,319</b>	<b>1,220</b>	<b>41,617</b>
<b>Current other accruals</b>							
Current accruals associated with sales and procurement markets							
Warranties	62,992	-231	-39,520	-10,874	35,978	0	48,345
Onerous contracts	21,729	1	-9,442	-3,314	6,302	0	15,276
Delay and contract penalties	4,632	31	-957	-1,599	1,568	0	3,675
Miscellaneous	11,957	-50	-4,067	-472	5,680	0	13,048
<b>Total current accruals associated with sales and procurement markets</b>	<b>101,310</b>	<b>-249</b>	<b>-53,986</b>	<b>-16,259</b>	<b>49,528</b>	<b>0</b>	<b>80,344</b>
Miscellaneous accruals for personnel expenses	54,269	-243	-33,456	-6,089	24,727	0	39,208
Accruals for other taxes	46	1	-11	-7	6	0	35
Other miscellaneous accruals	15,032	-121	-5,345	-2,193	11,784	0	19,157
<b>Total current other accruals</b>	<b>170,657</b>	<b>-612</b>	<b>-92,798</b>	<b>-24,548</b>	<b>86,045</b>	<b>0</b>	<b>138,744</b>
<b>Total other accruals</b>	<b>205,618</b>	<b>-687</b>	<b>-97,986</b>	<b>-26,168</b>	<b>98,364</b>	<b>1,220</b>	<b>180,361</b>

In accordance with IAS 37, accruals are created on the balance sheet in respect of legal or actual obligations to third parties resulting from past events where the outflow of funds to settle such obligations is probable and can be estimated reliably.

The accruals for personnel expenses have been created essentially for deferred compensation, pre-retirement part-time working arrangements, vacation and flexi-time not taken, service anniversary awards as well as severance payments. As a means of entering into early retirement, WINCOR NIXDORF International GmbH, Paderborn, offers a company-subsidized pre-retirement part-time working scheme using the "block model." The term of the scheme is between two and six years, and entry to the scheme is permitted no earlier than the employee's 55th birthday. Essentially, during the working phase, the employee performs full duties on half pay. During the re-

lease phase, the employee no longer works, but receives the remaining 50% of his or her remuneration. The employer subsidy takes the form of topping up of remuneration and contributions to social pension insurance. The insolvency protection has been handled by a guarantee agreement closed with an external bank.

Warranty accruals are created in respect of product warranty obligations, which are prescribed by statute or contractually agreed, or which have arisen de facto.

Where income from an order does not cover prime cost, accruals are created for onerous contracts to the value of the variance between income and expenses.

Where delay and contract penalties are agreed in contracts for the supply of goods and/or services, and where the incurrance of penalties is probable in the light of the current position, a corresponding accrual for delay and contract penalties is created.

Other miscellaneous accruals contain obligations associated with probable claims for damages and pending legal proceedings, and accruals for costs associated with year-end closing.

## 20 Liabilities.

€k

	Total	Up to 1 year	Residual term Between 1 and 5 years	More than 5 years
Financial liabilities	166,765 (210,083)	11,923 (24,141)	154,842 (185,753)	0 (189)
Advances received on orders	29,606 (48,883)	29,606 (48,883)	0 (0)	0 (0)
Trade payables	256,862 (270,577)	256,862 (270,569)	0 (8)	0 (0)
Liabilities to related companies	438 (132)	438 (132)	0 (0)	0 (0)
Current income tax liabilities	28,529 (51,480)	28,529 (51,480)	0 (0)	0 (0)
Other liabilities	174,275 (192,357)	160,902 (184,596)	13,331 (7,758)	42 (3)
	<b>656,475</b> (773,512)	<b>488,260</b> (579,801)	<b>168,173</b> (193,519)	<b>42</b> (192)

Last year's equivalent figures are shown in brackets.

**Financial Liabilities.** Financial liabilities consist of bank liabilities and liabilities from finance leases.

The bank liabilities are shown at amortized costs. Those are generally reflecting fair values. The revolving facility credit agreement, set up on August 2, 2005, has been concluded for a term of seven years until August 2, 2012. Within this term, Wincor Nixdorf may unrestrictedly dispose of the volume of credit of €350,000k with variable maturities. The interest is based on an additional margin on the relevant EURIBOR rate. Bank liabilities as of the balance sheet date came to a total

of €162,648k (2007/2008: €205,970k), of which €148,658k (2007/2008: €180,000k) were from the revolving facility. The liable parties are WINCOR NIXDORF International GmbH (€148,658k; 2007/2008: €105,000k) and Wincor Nixdorf AG (€0k; 2007/2008: €75,000k). The revolving facility agreement also allows further loans over and above the funding already taken out to be drawn down.

Liabilities from finance leases amount to €4,117k (2007/2008: €4,113k) as of the balance sheet date. The referring assets are disclosed in property, plant and equipment as other fixed assets and office equipment (€2,978k; 2007/2008: €2,668k) and trade receivables (€984k; 2007/2008: €1,312k).

#### Residual Terms of Present Value of Minimum Lease Payments.

	€k	
	Sept.30,2009	Sept.30,2008
Residual term up to 1 year	1,264	1,242
Residual term between 1 and 5 years	2,853	2,682
Residual term more than 5 years	0	189
	<b>4,117</b>	<b>4,113</b>

#### Residual Terms of Future Total Minimum Lease Payments.

	€k	
	Sept.30,2009	Sept.30,2008
Residual term up to 1 year	1,427	1,388
Residual term between 1 and 5 years	3,055	2,880
Residual term more than 5 years	0	222
Interest	-365	-377
<b>Present value of minimum lease payments</b>	<b>4,117</b>	<b>4,113</b>

#### Other Liabilities.

##### Breakdown of Other Liabilities.

	€k			
	Total	Up to 1 year	Residual term Between 1 and 5 years	More than 5 years
Deferred income	80,074 (72,531)	71,702 (65,254)	8,372 (7,277)	0 (0)
Liabilities to employees	45,178 (56,332)	45,178 (56,332)	0 (0)	0 (0)
Tax liabilities	25,539 (26,828)	25,539 (26,828)	0 (0)	0 (0)
Social security liabilities	8,261 (8,504)	8,261 (8,504)	0 (0)	0 (0)
Forward currency transactions	413 (7,046)	413 (7,046)	0 (0)	0 (0)
Others	14,810 (21,116)	9,809 (20,632)	4,959 (481)	42 (3)
	<b>174,275</b> <b>(192,357)</b>	<b>160,902</b> <b>(184,596)</b>	<b>13,331</b> <b>(7,758)</b>	<b>42</b> <b>(3)</b>

Last year's equivalent figures are shown in brackets.

#### OTHER INFORMATION.

**21 Financial Instruments.** Financial instruments are contractual obligations to receive or deliver cash and cash equivalents. In accordance with IAS 32 and IAS 39, these include both primary and derivative financial instruments. Primary financial instruments include, in particular, cash and cash equivalents, trade receivables and payables, credits and loans. Derivatives primarily include forward currency transactions and interest rate hedging instruments.

## Notes to the Group Financial Statements

The following tables show the carrying amounts and fair values of financial assets and liabilities by category of financial instruments and a reconciliation to the corresponding line

item in the Group balance sheet. Since the line items "Other Receivables" and "Other Liabilities" contain both financial instruments and non-financial assets and liabilities (in particu-

### Carrying Amounts, Amounts Recognized, and Fair Values by Measurement Category as of September 30, 2009.

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	Category in accordance with IAS 39	Carrying amount	Thereof amounts recognized in balance sheet according to IAS 39				Thereof amounts recognized according to IAS 17	Fair value of financial instruments under IFRS 7
			Thereof outside IFRS 7	Amortized costs	Fair value recognized in equity	Fair value recognized in profit or loss		
<b>Assets</b>								
Cash and cash equivalents	LaR	16,274	0	16,274	0	0	0	16,274
Trade receivables	LaR/n/a	314,741	0	311,131	0	0	3,610	314,741
thereof: receivables from finance leases	n/a	3,610	0	0	0	0	3,610	3,610
Receivables from related companies	LaR	330	0	330	0	0	0	330
Other receivables	LaR/n/a/HfT	62,732	55,911	6,818	7,510	3	0	6,821
thereof: derivatives with a hedging relationship	n/a	7,510	7,510	0	7,510	0	0	0
thereof: derivatives without a hedging relationship	HfT	3	0	0	0	3	0	3
Investments	LaR/FVO	1,463	0	402	0	1,061	0	1,463
<b>Liabilities</b>								
Trade payables	FLAC	256,862	0	256,862	0	0	0	256,862
Liabilities to related companies	FLAC	438	0	438	0	0	0	438
Financial liabilities	FLAC/n/a	166,765	0	162,648	0	0	4,117	166,765
thereof: liabilities from finance leases	n/a	4,117	0	0	0	0	4,117	4,117
Other non-interest-bearing liabilities	FLAC/n/a/HfT	174,275	117,178	56,138	3,140	959	0	57,097
thereof: derivatives with a hedging relationship	n/a	3,140	3,140	0	3,140	0	0	0
thereof: derivatives without a hedging relationship	HfT	959	0	0	0	959	0	959

#### Aggregated by category in accordance with IAS 39:

Loans and receivables	LaR	334,955	0	334,955	0	0	0	334,955
Financial assets and liabilities measured as at fair value through profit or loss (Fair Value Option)	FVO	1,061	0	0	0	1,061	0	1,061
Financial assets measured as at fair value through profit or loss (Held for Trading)	HfT	3	0	0	0	3	0	3
Financial liabilities measured as at fair value through profit or loss (Held for Trading)	HfT	959	0	0	0	959	0	959
Financial liabilities measured at amortized costs	FLAC	476,086	0	476,086	0	0	0	476,086

LaR: Loans and Receivables

FVO: Financial Assets or Financial Liabilities designated as at Fair Value through Profit or Loss (Fair Value Option)

HfT: Financial Assets or Financial Liabilities held for trading and measured as at Fair Value through Profit or Loss (Held for Trading)

FLAC: Financial Liabilities at Amortized Costs

lar, advance payments for services to be received/made in the future and other tax receivables/payables), the reconciliation is shown in the column headed "Outside IFRS 7."

**Carrying Amounts, Amounts Recognized, and Fair Values by Measurement Category as of September 30, 2008.**

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	Category in accordance with IAS 39	Carrying amount	Thereof amounts recognized in balance sheet according to IAS 39				Thereof amounts recognized according to IAS 17	Fair value of financial instruments under IFRS 7
			Thereof outside IFRS 7	Amortized costs	Fair value recognized in equity	Fair value recognized in profit or loss		
<b>Assets</b>								
Cash and cash equivalents	LaR	16,039	0	16,039	0	0	0	16,039
Trade receivables	LaR/n/a	366,926	0	362,268	0	0	4,658	367,800
thereof: receivables from finance leases	n/a	4,658	0	0	0	0	4,658	5,532
Receivables from related companies	LaR	985	0	985	0	0	0	985
Other receivables	LaR/n/a/HfT	68,201	57,062	10,782	2,767	357	0	11,139
thereof: derivatives with a hedging relationship	n/a	2,767	2,767	0	2,767	0	0	0
thereof: derivatives without a hedging relationship	HfT	357	0	0	0	357	0	357
Investments	LaR/FVO	1,162	0	107	0	1,055	0	1,162
<b>Liabilities</b>								
Trade payables	FLAC	270,577	0	270,577	0	0	0	270,577
Liabilities to related companies	FLAC	132	0	132	0	0	0	132
Financial liabilities	FLAC/n/a	210,083	0	205,970	0	0	4,113	210,460
thereof: liabilities from finance leases	n/a	4,113	0	0	0	0	4,113	4,490
Other non-interest-bearing liabilities	FLAC/n/a/HfT	192,357	114,777	77,561	7,046	19	0	77,580
thereof: derivatives with a hedging relationship	n/a	7,046	7,046	0	7,046	0	0	0
thereof: derivatives without a hedging relationship	HfT	19	0	0	0	19	0	19

**Aggregated by category in accordance with IAS 39:**

Loans and receivables	LaR	390,181	0	390,181	0	0	0	390,181
Financial assets and liabilities measured as at fair value through profit or loss (Fair Value Option)	FVO	1,055	0	0	0	1,055	0	1,055
Financial assets measured as at fair value through profit or loss (Held for Trading)	HfT	357	0	0	0	357	0	357
Financial liabilities measured as at fair value through profit or loss (Held for Trading)	HfT	19	0	0	0	19	0	19
Financial liabilities measured at amortized costs	FLAC	554,240	0	554,240	0	0	0	554,240

LaR: Loans and Receivables

FVO: Financial Assets or Financial Liabilities designated as at Fair Value through Profit or Loss (Fair Value Option)

HfT: Financial Assets or Financial Liabilities held for trading and measured as at Fair Value through Profit or Loss (Held for Trading)

FLAC: Financial Liabilities at Amortized Costs

Due to the short-term maturities of cash and cash equivalents, trade receivables and payables, as well as other current receivables and payables, their fair values approximate their carrying amount. The fair values of non-current financial assets and liabilities are estimated by discounting expected future cash flows using current interest rates for debt of similar terms and remaining maturities. Cash and cash equivalents, receivables from related parties, other receivables and investments are not past due and not impaired.

The fair values of forward currency transactions have been obtained by the respective quotations of banks at the balance sheet date. The fair values of the collars and swaps at the balance sheet date were also arrived at based upon corresponding quotations obtained from banks using internal mark-to-market models.

The net gains and losses from financial instruments by IAS 39 category are shown in the following table:

<b>Net Gain/Loss by Category.</b>	ek	
	2008/2009	2007/2008
Loans and receivables	-5,347	5,070
Financial assets measured as at fair value through profit or loss (fair value option)	6	8
Financial assets and liabilities measured as at fair value through profit or loss (held for trading)	-1,294	87
Financial liabilities measured at amortized costs	-5,339	-17,897
	<b>-11,974</b>	<b>-12,732</b>

In addition to interest income and expenses, net gains and losses by category comprise mainly impairment losses and reversals as well as foreign currency translation effects.

**Risks Arising from Financial Instruments.** Typical risks arising from financial instruments include credit risk, liquidity risk and market risks. The risk management system of Wincor Nixdorf Group including its goals, methods and processes is presented in the Risk Report of the Group Management Report.

**Credit Risks.** Wincor Nixdorf attempts to reduce the credit risks by using trading information, credit limits and debtor management including a payment reminders system and proactive debt collection. We operate with letters of credit to safeguard receivables from customers in countries with a credit risk, such as Kazakhstan, Kenya, Lebanon, Nigeria and Pakistan. The maximum default risk is represented by the book values of the financial assets recognized in the balance sheet.

In the case of derivative financial instruments, the Wincor Nixdorf Group is exposed to credit risks arising from the non-performance of contractual obligations by the contracting parties. These risks are minimized by only entering into agreements with contracting parties who have a first-class credit rating. The default risk of derivatives equals their positive fair values. The maximum credit risk of a single contracting partner is €3,304k (2007/2008: €1,288k) at the balance sheet date.

**Liquidity Risks.** From an operating point of view, the management of the Group's liquidity exposures is centralized by a cash pooling process. This process enables the Group to manage the liquidity surplus and liquidity requirements according to the actual needs of the Group and each subsidiary. The Group's short-term and midterm liquidity management takes into account the maturities of financial assets and financial liabilities, and estimates of cash flows from the operating activities. Liquidity needs are covered with cash and cash

equivalents totaling €16,274k (2007/2008: €16,039k). Above and beyond this, Wincor Nixdorf had unused credit lines amounting to €237,289k (2007/2008: €195,000k) at the balance sheet date. Accordingly, liquidity risk can be classified as low in total.

The financial liabilities are expected to result in the following (undiscounted) payments in the next years:

	Gross value Sept. 30, 2009	Cash flows 2009/2010	Cash flows 2010/2011– 2013/2014	Cash flows from 2014/2015
Trade payables	256,862	256,862	0	0
Liabilities to related companies	438	438	0	0
Financial liabilities	177,846	15,502	162,344	0
thereof: liabilities from finance leases	4,482	1,427	3,055	0
Other non-interest-bearing liabilities	60,237	55,236	4,959	42
thereof: derivatives with a hedging relationship	3,140	413	2,727	0
thereof: derivatives without a hedging relationship	959	0	959	0
<b>Total</b>	<b>495,383</b>	<b>328,038</b>	<b>167,303</b>	<b>42</b>

	Gross value Sept. 30, 2008	Cash flows 2008/2009	Cash flows 2009/2010– 2012/2013	Cash flows from 2013/2014
Trade payables	270,577	270,569	8	0
Liabilities to related companies	132	132	0	0
Financial liabilities	245,104	33,431	211,451	222
thereof: liabilities from finance leases	4,490	1,388	2,880	222
Other non-interest-bearing liabilities	84,626	84,142	481	3
thereof: derivatives with a hedging relationship	7,046	7,046	0	0
thereof: derivatives without a hedging relationship	19	0	19	0
<b>Total</b>	<b>600,439</b>	<b>388,274</b>	<b>211,940</b>	<b>225</b>

**Market Risks.** Currency and interest rate risks are the significant market risks Wincor Nixdorf Group is exposed to.

**Currency Risks.** At Wincor Nixdorf Group, both sales and purchases are also transacted in foreign currency. WINCOR NIXDORF International GmbH is the Group's currency management center. The entire currency risks are identified, quantified and controlled. Furthermore, it provides foreign currencies if necessary. Currency risks arise from sales and purchases in various foreign currencies. At Wincor Nixdorf, these are mainly U.S. dollars and pounds sterling. The risk is considerably reduced by natural hedging, i.e., management of sales and purchases by choice of location and suppliers.

The nominal sum of the forward currency transactions amounts to €127,941k (2007/2008: €181,789k). The risk is hedged for a period of twelve months in advance by monthly due forward currency transactions with external banks. Since the hedge is classified as highly effective, a cash flow hedge is accounted for according to IAS 39 "Financial Instruments: Recognition and Measurement." The corresponding market values, which are determined by market prices, amount to €7,470k and -€413k, respectively (2007/2008: €1,524k and -€7,046k), at the balance sheet date and have been recorded without any impact on profit and loss in the revaluation reserve within equity, having taken into account deferred taxes. The market values are presented under other assets or other liabilities, respectively. Market prices have been obtained by the respective quotations of banks. The forward currency transactions will affect profit and loss at maturity date. During this fiscal year, €5,522k (2007/2008: -€4,802k) has been released from revaluation reserves and recorded in profit and loss under cost of sales.

The remaining net currency risk not hedged by forward currency transactions amounts to approximately USD 32 million (2007/2008: approximately USD 67 million) as well as approximately GBP 8 million (2007/2008: approximately GBP 7 million) and may be, overall, regarded as minor. The flows of foreign currency are recorded centrally for the entire Group and, where feasible, equalized out. No foreign currency options were transacted during the fiscal year.

If the euro had been revalued and devalued by 10% against the U.S. dollar as of September 30, 2009, the revaluation reserve for forward currency transactions in equity (before deferred taxes) and the fair value of forward currency transactions would have been €8,012k higher, and €9,793k lower, respectively (2007/2008: €7,363k higher, and €21,752k lower, respectively). If the euro had been revalued and devalued by 10% against pounds sterling as of September 30, 2009, the revaluation reserve for forward currency transactions in equity (before deferred taxes) and the fair value of forward currency transactions would have been €2,979k higher, and €3,641k lower, respectively (2007/2008: €4,104 higher, and €2,450k lower, respectively).

**Interest Rate Risks.** In order to reduce the risk of interest rate changes, Wincor Nixdorf entered into agreements for two collars with a nominal sum of €100,000k, with a variety of different banks. They run until December 31, 2010.

A collar is a combination of interest rate cap and interest rate floor. An interest rate cap is taken to mean an agreement between buyer and seller under which the seller pays the buyer the difference between the agreed upper interest rate limit and the reference rate (if higher) on an agreed nominal sum over a set term. An interest rate floor, on the other hand, is the description given to an agreement between buyer and seller stipulating that the seller will pay the buyer the differ-

ence between the agreed lower interest rate limit and the reference rate (if lower) on an agreed nominal sum over a set period. Wincor Nixdorf has secured an upper interest rate limit of 5.00% (as buyer of the interest rate caps) and a lower interest rate limit of 1.75% (as seller of the interest rate floors). The underlying reference rate is the three-month EURIBOR. Due to the collar, Wincor Nixdorf is not only protected against rising interest rates but is also able to benefit from falling rates down to the lower limit of 1.75%.

The interest rate caps and floors performed as follows up to the balance sheet date:

	€k	
	Sept.30,2009	Sept.30,2008
Market value: interest rate caps	3	357
Nominal sum: interest rate caps	100,000	100,000
Market value: interest rate floors	-959	-19
Nominal sum: interest rate floors	100,000	100,000

The market value is arrived at by taking the value of outstanding positions at market prices without adjusting for adverse movements in the value of the underlying transactions. It shows the effect that smoothing of interest rate caps and floors had on profit as of the year-end. The market values were arrived at based upon corresponding quotations obtained from banks using internal mark-to-market models. As the underlying contract was entered into with banks of impeccable financial standing, there remain no credit risks associated with this financial instrument.

The positive market value of the interest rate caps as of September 30, 2009, is shown under other non-current assets. The negative market value of the interest rate floors is shown under other non-current liabilities. The changes in value are included under finance income and finance costs. The impact of the changes in value on profit and loss is -€1,294k (2007/2008: €87k).

The following residual terms apply:

	Nominal sum	less than 1 year	Residual term between 1 and 5 years	more than 5 years
Residual terms of the interest rate caps	100,000	0	100,000	0
Sept. 30, 2009	(100,000)	(0)	(100,000)	(0)
Residual terms of the interest rate floors	100,000	0	100,000	0
Sept. 30, 2009	(100,000)	(0)	(100,000)	(0)

Last year's equivalent figures are shown in brackets.

In addition, since September 27, 2006, Wincor Nixdorf has effected an interest rate swap for a nominal sum of €50,000k at a secured interest rate of 3.797% until July 31, 2012. The interest rate swap commits Wincor Nixdorf to pay a fixed interest rate for a specified duration and an agreed volume. In return, Wincor Nixdorf receives payment at the actual short-term interest rate (EURIBOR) from the counterparty of the interest swap. Hereby, Wincor Nixdorf hedges the interest level to the amount of the secured interest rate of 3.797% p.a. The interest rate swap transforms interest payables from short-term borrowings (e.g., in the context of the revolving facility) into interest payables with a fixed interest rate. Therefore, the Company is protected against a rise in short-term interest rates, but does not benefit from a fall of these. As the hedge relationship is determined to be highly effective, it is accounted for as a cash flow hedge in accordance with IAS 39 "Financial Instruments: Recognition and Measure-

ment." At the balance sheet date, the fair value, which is measured at market prices, is –€2,727k (2007/2008: €1,288k) and has been directly recognized in the revaluation reserve in equity, having taken into account deferred taxes. The fair value is presented in other non-current assets. The market price is determined on the basis of price quotations provided by banks. The interest adjustment takes place at the end of each quarter.

Furthermore, an interest swap for a nominal sum of €50,000k with a term from March 31, 2009, until March 31, 2011, has been concluded in the current fiscal year. The fair value, which is measured at market prices, is €40k and has been directly recognized in the revaluation reserve in equity, having taken into account deferred taxes. For this interest swap, the one-month EURIBOR is received and the three-month EURIBOR minus 25.6 basis points is paid.

An increase/decrease of 100 basis points of the interest rates on balance sheet date would result in the following changes: the financial result would be €545k higher, and €963k lower, respectively (2007/2008: €904k higher, and €325k lower, respectively). The revaluation reserve (before deferred taxes) would have been increased by €1,359k and decreased by €1,419k, respectively (2007/2008: increased by €1,671k and decreased by €1,740k, respectively).

## 22 Cost of Materials.

€k

	2008/2009	2007/2008
Cost of raw materials, supplies and bought-in goods	779,007	879,760
Cost of bought-in services	464,375	470,180
	<b>1,243,382</b>	<b>1,349,940</b>

The net change in finished and unfinished goods and services amounts to –€31,289k (2007/2008: –€13,968k).

## 23 Personnel Expenses.

€k

	2008/2009	2007/2008
Wages and salaries	464,060	447,499
Social security contributions and welfare expenses	75,189	70,757
Retirement benefit expenses	13,710	13,792
	<b>552,959</b>	<b>532,048</b>

The average number of employees during the year was 9,447 (2007/2008: 8,989), excluding trainees and apprentices. Headcount breakdown by function was as follows:

	2008/2009	2007/2008
Production	1,792	1,914
Sales/Services	6,405	5,887
Research and development	950	888
Administration	300	300
	<b>9,447</b>	<b>8,989</b>

The headcount increase in Sales/Services was essentially due to the expansion of the service function. As in the previous fiscal year, the average headcount includes employees with permanent contracts (108 employees, 2007/2008: 97 employees) as well as employees transferred by owners (108 employees, 2007/2008: 111 employees) of Prosystems IT GmbH.

**24 Contingent Liabilities.** Obligations of €1,062k (2007/2008: €1,908k) arising from warranty contracts are existing at the balance sheet date. These mainly take the form of sureties to support and safeguard sales activities.

## ▶ 25 Other Financial Commitments.

€k

	Total	Up to 1 year	Residual term between 1 and 5 years	more than 5 years
<b>Future payment commitments from</b>				
real estate leases	77,719 (82,648)	22,814 (22,938)	44,395 (46,555)	10,510 (13,155)
miscellaneous tenancies and leases	15,922 (13,139)	5,314 (7,313)	10,572 (5,820)	36 (6)
long-term purchase and service contracts	23,951 (6,209)	13,380 (5,016)	10,329 (1,193)	242 (0)
acquisition of intangible and fixed assets	1,756 (5,804)	1,756 (5,415)	0 (389)	0 (0)
	<b>119,348</b> <b>(107,800)</b>	<b>43,264</b> <b>(40,682)</b>	<b>65,296</b> <b>(53,957)</b>	<b>10,788</b> <b>(13,161)</b>

Last year's equivalent figures are shown in brackets.

The future payment commitments from real estate leases and miscellaneous tenancies and leases represent the future minimum lease payments in connection with operating leases, as per IAS 17. The agreements comprise the leasing of buildings and motor vehicles. Leasing expenses were €41,896k (2007/2008: €39,864k) in the year under review.

▶ 26 **Related Parties.** A list of affiliated companies is included in Note ▶ 30. Related parties according to IAS 24 "Related Party Disclosures" are, besides the Board of Directors, essentially the Supervisory Board, investments and shareholders.

The compensation of the Board of Directors is as follows:

€k

	2008/2009	2007/2008
Short-term benefits (without share-based compensation)	1,936	2,938
Share-based compensation	1,025	1,353
<b>Total compensation</b>	<b>2,961</b>	<b>4,291</b>
Post-employment benefits	176	176
<b>Total</b>	<b>3,137</b>	<b>4,467</b>

The disclosure of share-based compensation refers to the fair value at the grant date. Additions to superannuation (current service costs) for current members of the Board of Directors are disclosed as post-employment benefits. With the conversion of the pension scheme from pension payments to a one-time pay-off or payments in several installments, also pension obligations of the Board of Directors were adapted. As of September 30, 2009, the entitlement to funds of the Board of Directors upon reaching the specified age limit (retirement capital) Pension accruals for obligations of the Board of Directors amounts to €1,230k (2007/2008: €991k).

The members of the Board of Directors own 268,000 share options from the share-based payment programs 2008 and 2009 as of September 30, 2009 (2007/2008: 268,000 share options from share-based payment programs 2007 and 2008). The members of the Supervisory Board own no share options as of September 30, 2009 and 2008.

In fiscal 2008/2009, the members of the Supervisory Board received fringe benefits amounting to €636k (2007/2008: €621k). No long-term benefits are arranged with the members of the Supervisory Board.

For individualized presentation and further details of the Board of Directors' and Supervisory Board's compensation, please refer to the presentation of the compensation report, which is part of the Group Management Report.

Total compensation paid to former members of the Board of Directors amounted to €114k in fiscal 2008/2009 (2007/2008: €98k). An amount of €1,816k (2007/2008: €1,823k) is accrued for pension obligations benefiting former members of the Board of Directors.

To a minor extent, Wincor Nixdorf Group has business relations with investment companies. Transactions with these related parties result from the delivery and service relations in the ordinary course of business. Provision of goods and services was billed and paid for at "arm's length" prices, as would apply between unconnected third parties. No other business of a material nature was transacted with related parties.

### ▶ 27 Notes to the Group Cash Flow Statement.

The Group cash flow statement has been drawn up in accordance with IAS 7 "Cash Flow Statements."

Cash and cash equivalents include not only cash amounting to €16,274k (2007/2008: €16,039k) but also bank liabilities repayable at any time amounting to €10,458k (2007/2008: €18,576k), as these could be considered in the management of cash.

The decrease (2007/2008: decrease) in working capital is a result of the following changes:

	Sept. 30, 2009	Sept. 30, 2008
Decrease in inventories	23,355	17,147
Decrease in advances received on orders	-19,277	-5,330
Decrease/increase in trade receivables	55,281	-40,212
Decrease/increase in trade payables	-18,235	31,115
Increase in deferred income	7,543	297
<b>Decrease in working capital</b>	<b>48,667</b>	<b>3,017</b>

ek

Overall, the EBITDA of €235,149k (2007/2008: €260,020k), as well as – with an opposite impact – the interest paid of €8,584k (2007/2008: €12,955k) and income taxes paid of €64,949k (2007/2008: €56,189k) resulted in cash flow from operating activities of €177,060k (2007/2008: €196,209k).

Lease payments from customers for Wincor Nixdorf products and lease payments from Wincor Nixdorf for operating lease assets are presented in cash flow from operating activities. Lease payments for assets, which classify as a finance lease and are capitalized, are recorded in cash flow from financing activities.

▶ 28 **Segment Report.** The breakdown of net worth, profitability and other measurables by areas of activity, and by region as per IAS 14 "Segment Reporting" is shown in the Segment Report. The segment breakdown is along the lines of the internal Wincor Nixdorf organization, with a primary breakdown into the Banking and Retail segments and a secondary breakdown by geographic markets. The distribution of net sales to external customers by market geography is based on the domicile of the customer; segment assets and investments by market geography are based on the location of the entity that shows the assets.

The nature of products and services in the Banking and Retail segments are shown in the chapter "General Information" and in the Group Management Report.

#### Reconciliation of Segment Assets and Segment Liabilities.

	Sept.30,2009	Sept.30,2008
<b>Total balance sheet assets</b>	<b>1,198,815</b>	<b>1,273,914</b>
Non-operating miscellaneous intangible assets (goodwill and product know-how)	-332,906	-338,350
Loans	-337	-63
Equity investments	-1,126	-1,099
Receivables from related companies	-330	-985
Non-operating miscellaneous assets and current income tax assets	-66,515	-72,655
Cash and cash equivalents	-16,274	-16,039
Deferred tax assets	-22,656	-18,394
<b>Segment assets</b>	<b>758,671</b>	<b>826,329</b>
<b>Liabilities (Note   20)</b>	<b>656,475</b>	<b>773,512</b>
Financial liabilities	-166,765	-210,083
Current income tax liabilities	-28,529	-51,480
Non-operating miscellaneous liabilities	-94,639	-119,958
<b>Segment liabilities</b>	<b>366,542</b>	<b>391,991</b>

Non-operating miscellaneous liabilities include other liabilities without deferred income.

#### Reconciliation of Segment Profit to Profit for the Period.

	2008/2009	2007/2008
<b>Operating profit (EBITA)</b>	<b>179,064</b>	<b>205,863</b>
Goodwill amortization	0	0
<b>Operating profit (EBIT)</b>	<b>179,064</b>	<b>205,863</b>
Profit charges arising from the carve-out (Note   29)	-4,843	-12,083
Finance income and finance costs	-10,856	-12,807
<b>Profit before income taxes</b>	<b>163,365</b>	<b>180,973</b>
Income taxes	-49,620	-54,326
<b>Profit for the period</b>	<b>113,745</b>	<b>126,647</b>
Profit attributable to minority interest	-166	-78
<b>Profit attributable to equity holders of Wincor Nixdorf AG</b>	<b>113,579</b>	<b>126,569</b>

As the product know-how is used by both segments, the amortization was not divided across both the segments, Banking and Retail, as in previous years.

**29 Effect of Profit Charges Arising from the Carve-out.** The Wincor Nixdorf Group was de-merged from Siemens Group by means of a leveraged buy-out on October 1, 1999. The amount of the purchase price paid over and above net assets acquired was divided up as follows:

	Oct. 1, 1999
Product know-how	206,664
Goodwill	351,623
Negative goodwill	-1,274
	<b>557,013</b>

The consequences of this affected net profit on operating activities as follows:

	€k	
	2008/2009	2007/2008
<b>Amortization of product know-how</b>	<b>4,843</b>	<b>12,083</b>

Further effects on net profit on operating activities will not occur in future periods, since product know-how is completely amortized in the year under review.

#### Group Income Statement before Profit Charges Arising from the Carve-out. €k

	2008/2009	2007/2008
<b>Net sales</b>	<b>2,250,206</b>	<b>2,318,570</b>
Cost of sales	-1,667,915	-1,682,825
<b>Gross profit</b>	<b>582,291</b>	<b>635,745</b>
<i>Gross margin (%)</i>	25.9%	27.4%
Research and development expenses	-103,249	-104,527
Selling, general and administration expenses	-299,542	-325,223
Other operating income	21	68
Investment result from equity consolidation	-457	-200
<b>Operating profit (EBIT)</b>	<b>179,064</b>	<b>205,863</b>
Goodwill amortization	0	0
<b>EBITA</b>	<b>179,064</b>	<b>205,863</b>
Amortization/depreciation of property rights, licenses and property, plant and equipment and write-down of reworkable service parts	56,085	54,157
<b>EBITDA</b>	<b>235,149</b>	<b>260,020</b>

#### Profit Attributable to Equity Holders of Wincor Nixdorf AG before Carve-out. €k

	2008/2009	2007/2008
<b>Profit attributable to equity holders of Wincor Nixdorf AG</b>	<b>113,579</b>	<b>126,569</b>
Amortization product know-how	4,843	12,083
Calculated tax effect	-1,453	-3,625
<b>Profit attributable to equity holders of Wincor Nixdorf AG before carve-out</b>	<b>116,969</b>	<b>135,027</b>

### 30 Consolidation Group as of September 30, 2009.

	Capital share in %
<b>Germany</b>	
<b>Wincor Nixdorf Aktiengesellschaft, Paderborn</b>	
WINCOR NIXDORF International GmbH, Paderborn	100
WINCOR NIXDORF Banking Consulting GmbH, Paderborn	100
WINCOR NIXDORF Branch Technology GmbH, Paderborn	100
WINCOR NIXDORF Customer Care GmbH, Paderborn	100
Wincor Nixdorf Dienstleistungs GmbH, Paderborn	100
WINCOR NIXDORF Facility GmbH, Paderborn	100
WINCOR NIXDORF Facility Services GmbH, Paderborn	100
WINCOR NIXDORF Grundstücksverwaltung Ilmenau GmbH & Co. KG, Paderborn	100
Wincor Nixdorf Logistics GmbH, Paderborn	100
Wincor Nixdorf Lottery Solutions GmbH, Constance	100
Wincor Nixdorf Portavis GmbH, Hamburg	51
WINCOR NIXDORF Real Estate GmbH & Co. KG, Paderborn	100
WINCOR NIXDORF Retail Consulting GmbH, Paderborn	100
Wincor Nixdorf Retail Services GmbH, Paderborn	100
WINCOR NIXDORF Security GmbH, Paderborn	100
Wincor Nixdorf Services GmbH, Paderborn	100
WINCOR NIXDORF Technology GmbH, Paderborn	100
Prosystems IT GmbH, Bonn	51
Bankberatung Organisations- und IT-Beratung für Banken AG, Wedemark	52.43
<b>Europe</b>	
<b>Austria</b>	
Wincor Nixdorf GmbH, Vienna	100
<b>Belgium</b>	
Wincor Nixdorf NV, Zaventem	100
Wincor Nixdorf Services NV, Zaventem	100
<b>Czech Republic</b>	
Wincor Nixdorf s.r.o., Prague	100
<b>Denmark</b>	
Wincor Nixdorf A/S, Ballerup	100
<b>Finland</b>	
Wincor Nixdorf Oy, Espoo	100
<b>France</b>	
Wincor Nixdorf SAS, Vélizy Villacoublay	100
<b>Great Britain</b>	
CCi Solutions Limited, Swindon	100
Datalect Group Ltd., Perivale, Middlesex	100
Wincor Nixdorf Banking Services Ltd., Wokingham	100
Wincor Nixdorf Ltd., Wokingham	100
<b>Greece</b>	
Wincor Nixdorf Information Systems S.A., Athens	100
<b>Hungary</b>	
Wincor Nixdorf Kft., Budapest	100
<b>Ireland</b>	
Wincor Nixdorf Ltd., Dublin	100
<b>Italy</b>	
Wincor Nixdorf Retail S.r.l., Massa e Cozzile	100
Wincor Nixdorf Retail Consulting S.r.l., Milan	100
Wincor Nixdorf S.r.l., Milan	100
<b>Malta</b>	
Wincor Nixdorf Finance Malta Holding Limited, St Julians	100
Wincor Nixdorf Finance Malta Limited, St Julians	100
<b>Norway</b>	
Wincor Nixdorf A/S, Oslo	100
<b>Poland</b>	
Wincor Nixdorf Sp.z.o.o., Warsaw	100
<b>Portugal</b>	
Wincor Nixdorf Lda., Amadora	100
<b>Russia</b>	
LLC WINCOR NIXDORF, Moscow <sup>1</sup>	100
<b>Sweden</b>	
Wincor Nixdorf A.B., Solna	100
<b>Switzerland</b>	
BEB Industrie-Elektronik AG, Burgdorf	100
Wincor Nixdorf Finance AG, Baar	100
Wincor Nixdorf AG, Brüttsellen	100
<b>Slovakia</b>	
Wincor Nixdorf s.r.o., Bratislava	100
<b>Spain</b>	
Wincor Nixdorf S.L., Alcobendas	100
<b>The Netherlands</b>	
SecurCash B.V., Rotterdam	100
Wincor Nixdorf B.V., The Hague	100
<b>Turkey</b>	
Wincor Nixdorf Bilgisayar Sistemleri A.S., Ayazaga	100
<b>Ukraine</b>	
LIMITED LIABILITY COMPANY WINCOR NIXDORF, Kiev <sup>1</sup>	100

	Capital share in %
<b>Americas</b>	
<b>Brazil</b>	
Wincor Nixdorf Soluções em Tecnologia da Informação Ltda., São Paulo	100
<b>Canada</b>	
Connections Canada Inc., Toronto	51
<b>Mexico</b>	
Wincor Nixdorf IT Support S.A. de C.V., Mexico City <sup>1</sup>	99.998
Wincor Nixdorf S.A. de C.V., Mexico City <sup>1</sup>	100
<b>USA</b>	
Wincor Nixdorf Inc., Austin	100
<b>Venezuela</b>	
Wincor Nixdorf C.A., Caracas	100

**Asia-Pacific**

<b>Australia</b>	
WINCOR NIXDORF AUSTRALIA PTY LTD, Sydney	100
<b>China</b>	
Wincor Nixdorf (Hong Kong) Ltd., Hong Kong	100
Wincor Nixdorf Retail & Banking Systems (Shanghai) Co., Ltd., Shanghai <sup>1</sup>	100
<b>India</b>	
Wincor Nixdorf India Private Ltd., Mumbai	100
<b>Indonesia</b>	
Pt. Wincor Nixdorf Indonesia, Jakarta Selatan	100
<b>Malaysia</b>	
Wincor Nixdorf (M) Sdn. Bhd., Kuala Lumpur	100
WINCOR NIXDORF RETAIL SOLUTIONS (M) SDN. BHD, Kuala Lumpur (prior: CCI Systems (M) Sdn. Bhd., Kuala Lumpur)	100
<b>Philippines</b>	
WINCOR NIXDORF (PHILIPPINES) INC., Makati City	100
<b>Singapore</b>	
Wincor Nixdorf Pte. Ltd., Singapore	100
<b>South Korea</b>	
Wincor Nixdorf Ltd., Seoul	100
<b>Taiwan</b>	
Wincor Nixdorf Taiwan Ltd., Taipei	100
<b>Thailand</b>	
Wincor Nixdorf (Thailand) Co., Ltd., Bangkok	100

	Capital share in %
<b>Africa</b>	
<b>Algeria</b>	
Wincor Nixdorf EURL, Algiers <sup>1</sup>	100
<b>Morocco</b>	
Wincor Nixdorf S.A., Casablanca	96.5
<b>Investments accounted for using the equity method</b>	
WINSERVICE AS, Oslo, Norway <sup>1</sup>	50

<sup>1)</sup> Alternative fiscal year ending December 31.

The following German subsidiaries of Wincor Nixdorf AG made part or total use of the exemption clause included in Section 264 (3) and Section 264b of the German Commercial Code in fiscal 2008/2009:

- WINCOR NIXDORF International GmbH, Paderborn
- WINCOR NIXDORF Banking Consulting GmbH, Paderborn
- WINCOR NIXDORF Branch Technology GmbH, Paderborn
- WINCOR NIXDORF Customer Care GmbH, Paderborn
- Wincor Nixdorf Dienstleistungs GmbH, Paderborn
- WINCOR NIXDORF Facility GmbH, Paderborn
- WINCOR NIXDORF Facility Services GmbH, Paderborn
- Wincor Nixdorf Logistics GmbH, Paderborn
- WINCOR NIXDORF Retail Consulting GmbH, Paderborn
- Wincor Nixdorf Retail Services GmbH, Paderborn
- WINCOR NIXDORF Security GmbH, Paderborn
- Wincor Nixdorf Services GmbH, Paderborn
- WINCOR NIXDORF Technology GmbH, Paderborn
- WINCOR NIXDORF Real Estate GmbH & Co. KG, Paderborn
- WINCOR NIXDORF Grundstücksverwaltung Ilmenau GmbH & Co. KG, Paderborn

### ▶ 31 Statutory Company Boards.

#### Members of the Board of Directors of Wincor Nixdorf AG.

Eckard Heidloff, Paderborn  
President and Chief Executive Officer

Stefan Auerbach, Bad Orb  
Executive Vice President – Banking

Dr. Jürgen Wunram, Bremen  
Executive Vice President, Chief Financial Officer,  
Chief Operating Officer

None of the members of the Board of Directors holds memberships in Supervisory Boards outside the Group.

#### Executive Board of Wincor Nixdorf AG.

Javier López-Bartolomé, Madrid (Americas and Iberia)

Jens Bohlen, Witten (Services)

Khoon Hong Lim, Singapore (Asia-Pacific)

Dr. Herbert Machill, Espenau (Retail)

Rainer Pfeil, Bad Lippspringe (Human Resources)

Reinhard Rabenstein, Paderborn (Chief Technology Officer)

**Members of the Supervisory Board are:**

Name	Role	Appointment	Expiration
Karl-Heinz Stiller (Chairman)	Consultant advisor	01/29/2007	End of Annual General Meeting (AGM) for fiscal 2010/2011
Manfred Feierabend* (Deputy Chairman)	Technician, WINCOR NIXDORF International GmbH	10/23/2000	End of AGM for fiscal 2009/2010
Prof. Dr. Achim Bachem (since January 19, 2009)	Chief Executive Officer, Forschungszentrum Jülich GmbH	01/19/2009	End of AGM for fiscal 2012/2013
Hero Brahms (Chairman of Audit Committee)	Consultant advisor	05/14/2004	End of AGM for fiscal 2010/2011
Dr. Alexander Dibelius	Managing Director, Goldman, Sachs & Co. oHG	09/01/2000	End of AGM for fiscal 2009/2010
Walter Gunz	Consultant advisor, Walter Gunz Strategy Consultants	05/14/2004	End of AGM for fiscal 2012/2013
Volker Kotnig*	Trade union secretary, German Metalworkers' Union	10/23/2000	End of AGM for fiscal 2009/2010
Prof. Dr. rer. nat. Walter Kröll (until January 19, 2009)	Consultant advisor	05/14/2004	End of AGM for fiscal 2007/2008
Thomas Meilwes*	Promoter, WINCOR NIXDORF International GmbH	10/23/2000	End of AGM for fiscal 2009/2010
Dr. Bernard Motzko* (until November 2, 2009)	Head of Logistics & Productions, WINCOR NIXDORF International GmbH	02/21/2006	November 2, 2009
Michael Schild*	Programmer, WINCOR NIXDORF International GmbH	10/23/2000	End of AGM for fiscal 2009/2010
Martin Stamm*, ** (since November 2, 2009)	Financial management of Services Division, WINCOR NIXDORF International GmbH	11/02/2009	End of AGM for fiscal 2009/2010
Franz Tölle*	Personnel management	02/21/2006	End of AGM for fiscal 2009/2010
Prof. Dr. Harald Wiedmann	German Public Auditor/Lawyer	02/21/2006	End of AGM for fiscal 2009/2010

\*Employee representative.

\*\*Replacement member.

### 32 Auditors' Fees.

The following fees for our Group auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, and its associated KPMG companies according to Section 271 of the German Commercial Law as well as for member firms of the KPMG network, were recognized as expenses for services rendered during fiscal 2008/2009 and 2007/2008:

	2008/2009	2007/2008
For audit fees	1,753	1,610
thereof for KPMG AG and its affiliated companies	848	704
For other certification or valuation services	49	117
thereof for KPMG AG and its affiliated companies	41	82
For tax consultancy	412	372
thereof for KPMG AG and its affiliated companies	360	328
For other services rendered to Wincor Nixdorf AG or its subsidiaries	121	164
thereof for KPMG AG and its affiliated companies	70	19
	<b>2,335</b>	<b>2,263</b>

The increase of auditors' fees of KPMG AG Wirtschaftsprüfungsgesellschaft and its affiliated companies since the previous year results from the greater number of KPMG AG Wirtschaftsprüfungsgesellschaft affiliates involved.

### ▶ 33 Equity Interest Pursuant to Section 21 of the German Securities Trading Act.

According to Section 21 of the German Securities Trading Act, Wincor Nixdorf has to receive a notification if any person's equity interest reaches, exceeds or falls below 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% of the voting rights of Wincor Nixdorf AG. As of September 30, 2008 the following notifications exist:

	Date	Equity interest
Neuberger Berman LLC/Neuberger Berman Holdings LLC, New York, USA	September 11, 2008	> 3% (4.86%)
Lazard Asset Management LLC, New York, USA	November 11, 2008	< 3% (2.949%)
New Star Asset Management Ltd., London, Great Britain	December 5, 2008	< 3% (2.92%)
Allianz SE, Munich, Germany	February 5, 2009	< 3% (2.92%)
Morgan Stanley, Delaware, USA	February 9, 2009	< 3% (1.59%)
Capital Research and Management Company/Capital Income Builder, Inc., Los Angeles, USA	April 28, 2009	> 5% (5.65%)
Ameriprise Financial Inc., Minneapolis, USA	April 30, 2009	> 5% (5.024%)
Schroders plc/Schroder Administration Limited/ Schroder Investment Management, London, Great Britain	May 8, 2009	> 3% (3.90%)
FMR LLC, Boston, USA	May 14, 2009	< 3% (2.99%)
Cantillon Capital Management LLC, New York, USA/ Cantillon Capital Ltd., Reading, Great Britain	June 9, 2009	< 3% (2.92%)
AKO Capital LLP, London, Great Britain	June 15, 2009	< 5% (0.00%)
Credit Suisse Securities (Europe) Limited, London, Great Britain/ Credit Suisse Group AG, Zurich, Switzerland	June 17, 2009	> 3% (4.8%)
Oddo Asset Management/ODDO ET CIE, Paris, France	June 30, 2009	> 3% (3.04%)
DWS Investment GmbH, Frankfurt, Germany	August 17, 2009	> 3% (3.03%)
Threadneedle Asset Management Holding SARL, London, Great Britain	September 17, 2009	> 5% (5.08%)

▶ **34 Statement of Compliance with the German Code of Corporate Governance.**

The Board of Directors and Supervisory Board of Wincor Nixdorf AG have issued the statement of compliance with the German Code of Corporate Governance according to Section 161 of the German Stock Corporation Act, and have made it publicly available to the shareholders on the Wincor Nixdorf website.

Information reported pursuant to Section 15a of the German Securities Trading Act ("Directors' Dealings") can be obtained from our website ([www.wincor-nixdorf.com](http://www.wincor-nixdorf.com)).

Paderborn, November 17, 2009

Wincor Nixdorf AG, Paderborn



Heidloff  
President and  
Chief Executive Officer



Auerbach  
Executive Vice President



Dr. Wunram  
Executive Vice President

▶ **35 Events after the Balance Sheet Date.**

No events of particular significance have occurred after the balance sheet date.

## AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by the Wincor Nixdorf Aktiengesellschaft, comprising the balance sheet, the income statement, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from October 1st, 2008 to September 30th, 2009. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB (Handelsgesetzbuch "German Commercial Code") are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal

control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Bielefeld, November 23rd, 2009

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Dr. Bartels-Hetzler  
German Public Auditor

Rehnen  
German Public Auditor