Preliminary results for the fiscal year 2011/2012

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Net Sales Remain Firm - Sharp Decline in EBITA - Continued Focus on Restructuring
Paderborn, 12. 11. 2012. Wincor Nixdorf AG ended fiscal 2011/2012 with a slight year-on-year increase in net sales but a significant downturn in its operating profit. The IT solutions provider for banks and retailers generated net sales of ?2,343 million, 1% up on the figure of ?2,328 million for fiscal 2010/2011. The companys operating profit (EBITA) was down 38% at ?101 million (2010/2011: ?162 million), although this figure includes costs of about ?40 million linked to the restructuring program initiated by the Group. Profit for the period fell by 42% to ?63 million in fiscal 2011/2012 (2010/2011: ?108 million). The proposed dividend is ?1.05 (2010/2011: ?1.70).
Wincor Nixdorf expects the current fiscal year 2012/2013 to be dominated once again by weak demand in Europe. While the Group is making progress with its restructuring measures, their full impact has yet to feed through into results. "The aim of our restructuring strategy is to work our way through a sustained process of change as a way of enhancing and strengthening our competitive position at a global level, explained the companys President
 CEO Eckard Heidloff. Accordingly, in its outlook for the current fiscal year 2012/2013, Wincor Nixdorf anticipates a modest improvement in net sales of around 2%. EBITA is expected to rise to approx. ?120 million; this figure takes into account costs of ?20 million associated with the restructuring measures.
In the current fiscal year 2012/2013, the restructuring measures already initiated by the company mainly relate to research and development, new global supply and manufacturing networks, as well as the provision of solutions to customers. "The main thrust of our expansion strategy will be directed at the emerging markets, observed Heidloff. "We aim to increase our share of growth in these countries and at the same time compensate for the difficult market situation currently seen in Europe.
Wincor Nixdorf expects business in the emerging countries to grow much faster than in its established markets. With regard to its domestic European market, currently plagued by uncertainty, the company believes that capital expenditure by banks and retailers to consolidate and streamline their operations opens up further business opportunities.
The restructuring program will lead to a further overall reduction in the size of the workforce in fiscal 2012/2013, although employee numbers in fast-growing areas such as Software/Services will increase. In order to support business expansion in growth markets, the main focus of additional recruitment will be outside Germany and Europe.
Regional Performance Dominated by Strong Growth in Asia
In Germany, net sales declined by 7% to ?572 million (2010/2011: ?612 million), thus further reducing this countrys share of total net sales for the Group to 24% (2010/2011: 27%). The companys business performance in the area of banking in particular was unable to match that of the previous year. In Europe (excluding Germany), sales revenue was up 1% at ?1,134 million (2010/2011: ?1,123 million). Accordingly, this regions share of total Group net sales rose slightly to 49% (2010/2011: 48%). Europe thus remains Wincor Nixdorfs biggest sales market. Net sales in the Asia/Pacific/Africa region climbed 8% to end the year at ?385 million (2010/2011: ?356 million), primarily as a result of the Groups success in Asia. This performance takes the regions share of total Group net sales to 16% (2010/2011: 15%). Expressed in euros, the Americas region generated revenue of ?252 million, an increase of 6% on the previous year (2010/2011: ?237 million). In U.S. dollars, revenue was down 1%. Based on these results, this regions share of total Group net sales rose to 11% (2010/2011: 10%).
Segment Results Show Decline in Banking Sector Revenue
Net sales in the Banking segment ended the year ?3 million lower at ?1,524 million (2010/2011: ?1,527 million). Segment EBITA fell by a much greater margin of 43% to ?69 million (2010/2011: ?120 million). Net sales in the Retail segment were 2% higher at ?819 million (2010/2011: ?801 million), although EBITA declined by 24% to ?32 million (2010/2011: ?42 million).
Software/Services Compensates for Weaker Hardware Business
Growth in the Software/Services business helped to make up for weaker Hardware sales, which ended the year 5% lower at ?1,100 million (2010/2011: ?1,159 million). Thus, Hardware accounted for 47% of total Group net sales, down three percentage points compared to the previous year (2010/2011: 50%). The main factors here were a decline in supplies of high-end systems and ongoing pressure on prices. Net sales of Software/Services rose by 6% to ?1,243 million (2010/2011: ?1,169 million). Accordingly, the share of total Group net sales generated by Software/Services rose to 53% (2010/2011: 50%). The Software business was mainly boosted by sales relating to dedicated Retail Banking and Retail Suites and their counterparts designed for postal and service station operators. Professional Services, which largely relate to software implementation and whose results are thus allocated to the Software business, also put in a creditable performance.
Once again, the Services business delivered strong growth in the year under review, mainly due to the success of Wincor Nixdorfs system-related products. The main growth driver in this area was a series of international projects, predominantly on behalf of retailers and service station chains.
Overall Decline in Workforce - Increased Recruitment Outside Germany
At the end of the fiscal year, Wincor Nixdorfs global workforce totaled 9,057 employees, 114 fewer than at the end of the previous fiscal year (2010/2011: 9,171). The proportion of employees based outside Germany continued to grow, with an additional 63 staff taking the total to 5,249 (2010/2011: 5,186). The number of employees in Germany was 3,808, down 177 on the previous year (2010/2011: 3,985).
R
D Focus on Country-specific Modifications
Wincor Nixdorf invested ?90 million in research and development during the year under review, 10% less than in the previous fiscal year. The R
D ratio stood at 3.8% (2010/2011: 4.3%). The lower figure for fiscal 2011/2012 is due to the fact that development work on CINEO has largely been completed and R
D activities are now focused on modifications to meet country-specific requirements as well as on the integration of various other components.
Proposed Dividend ?1.05 per Share
Wincor Nixdorf intends to maintain its dividend policy of distributing around 50% of the companys profit for the fiscal year as a dividend. The Board of Directors will therefore submit a proposal to the Supervisory Board for a dividend of ?1.05 in respect of fiscal 2011/2012 (2010/2011: ?1.70) based on profit of ?63 million for the fiscal year.
More details of Wincor Nixdorf AGs performance in fiscal 2011/2012 can be found in the comprehensive document published by the company to coincide with its annual press conference in Düsseldorf. The PDF file can be downloaded from the website at http://www. wincor-nixdorf.com under the heading Investor Relations / Reports
 Financial Data.

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