

# VTG – Results 1<sup>st</sup> quarter 2008

Hamburg, May 27<sup>th</sup>, 2008





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## Successful start into year 2008

- Continuously positive business development
- Sales and EBITDA noticeable better than in 1Q 2007
- Business is developing as forecasted:  
Sustainable, predictable and at the same time dynamic growth
- General economic conditions furthermore positive for VTG's business due to deep integration into supply chains for the basic supply of industry
- Strong demand for rail freight transports in Europe, especially in Eastern Europe
- Eco friendliness of rail is more and more in focus of industry and politics
- Conclusion:  
Excellent outlook for the business in the rest of the year 2008

# VTG's strategic objectives

## Strategic Objective

Strengthening the leading position in the European core market



On track

Expansion into new markets



On track

Optimization of processes and increase of efficiency

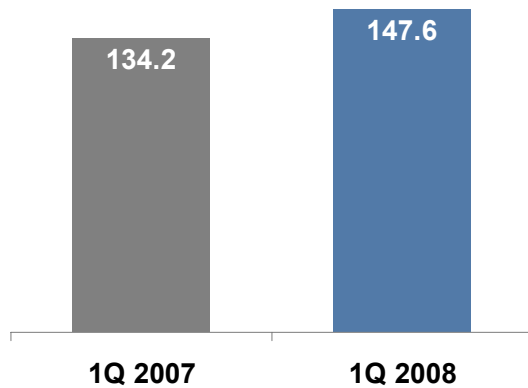


On track

- Started expansion successfully with acquisition of Texas Railcar Leasing
- Now preparation for opening an office in Moscow as first step to enter CIS markets
- Besides CIS attractive opportunities for growth in North America and Asia

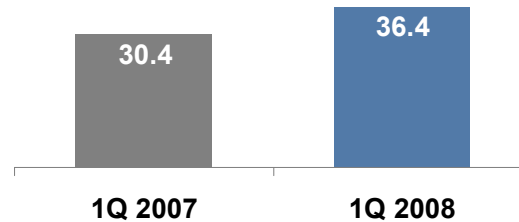
## Sales and EBITDA with dynamic growth

**Sales**  
(€m)



**+ 10,0 %**

**EBITDA**  
(€m)



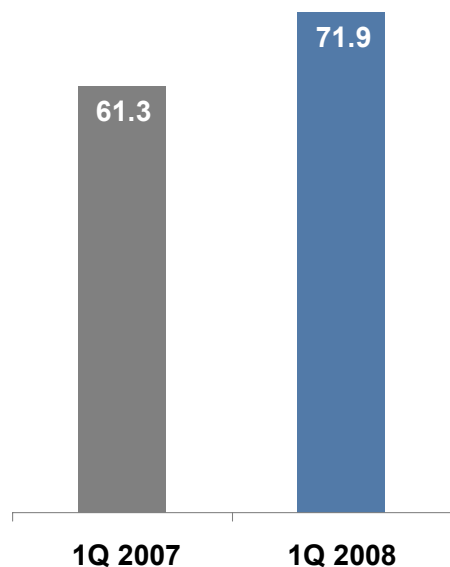
**+ 19,9 %**

**Guidance for 2008 (unchanged): Sales 3.5% - 5.5%, EBITDA 5% - 8%**



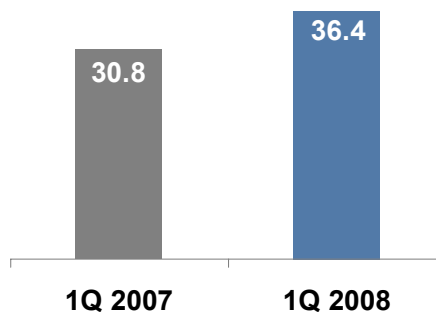
## Wagon Hire: strong demand for rail freight capacities

### Sales (€m)



+ 17.2 %

### EBITDA (€m)



+ 18.2 %

### Business Development

- Utilization rate of 93.9% (Q1-2007: 91.3%) shows strong demand for rail freight capacities
- Entry into additional wagon segments
- Wagon fleet increased by around 600 to approximately 48,400 cars since Dec. 31, 07

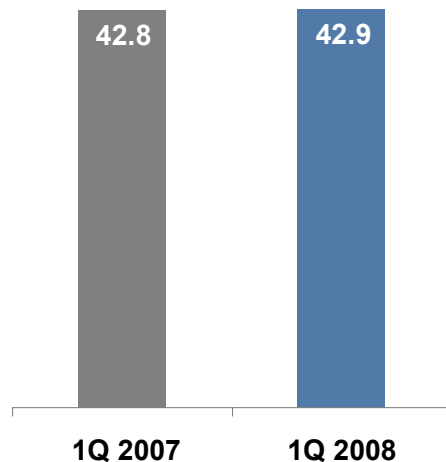
EBITDA Margin: 50.3 % to 50.7 %





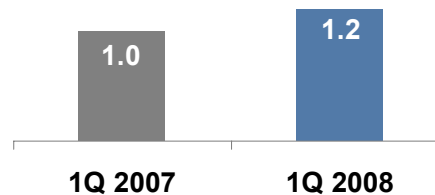
## Rail Logistics increases profitability

### Sales (€m)



+ 0.3 %

### EBITDA (€m)



+ 14.7 %

### Business Development

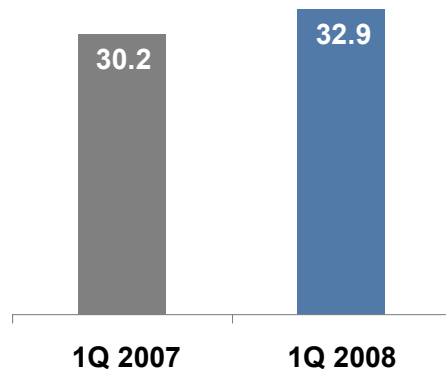
- Cross-border transports of chemical basic components and focus on international tailor-made businesses
- Opening of European East-West connections offers growth opportunities
- Increased transport volume of products beyond the core business of mineral oil and chemicals

**EBITDA Margin\*: 35.9 % to 37.8 %**



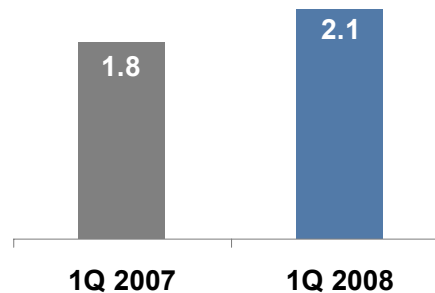
## Tank Container Logistics with further significant growth

### Sales (€m)



**+ 9.0 %**

### EBITDA (€m)



**+ 14,7 %**

### Business Development

- Strong development in the overseas markets, e.g. driven by strong American exports
- Growth in intra-European transports (incl. Russia and Turkey)
- High increase in sales and EBITDA despite weak US\$

**EBITDA Margin\*: 39.2 % to 41.4 %**





## Key Figures Financial Development

€m	1Q 2007	1Q 2008	Change in %
Sales	134.2	147.6	10.0
EBITDA	30.4	36.4	19.9
EBIT	14.7	17.4	17.8
EBT	4.8	9.4	95.7
Net income	2.9	6.3	115.3
Earnings per share (in €)*, comparable	0.13	0.29	123.1

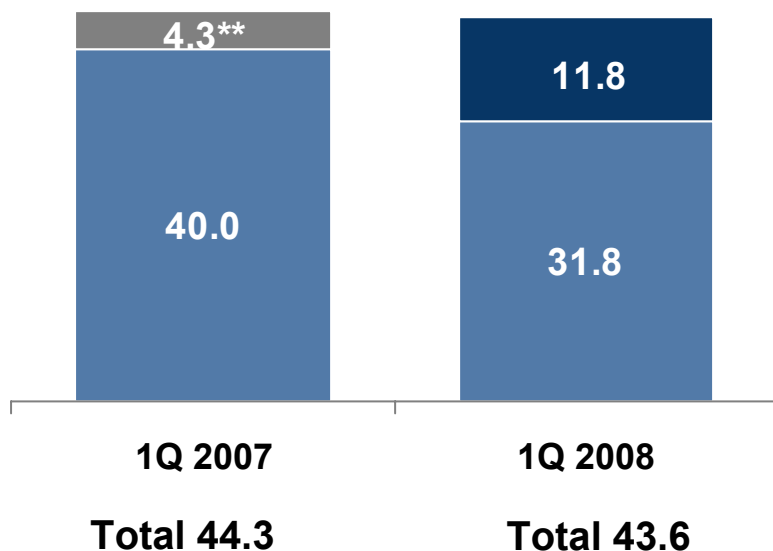
**Positive development continues!**



## VTG Capex – investments for expansion of wagon fleet

### Capital Expenditures\* (€m)

■ Financial assets ■ SPV Deichtor ■ Fixed assets



### Comments

- Capex is used to preserve and modernize existing fleet as well as to purchase additional new and used wagons
- Entry in new wagon segments beyond tank car focus
- Capex in financial assets are mainly from the acquisition of TRLX

\* Capex for fixed assets, incl. capitalization of revision costs.

\*\* Capex of Deichtor of the first quarter 2007 when it was not consolidated.



## VTG Operating Cash Flow

€m	1 Q 2007	1 Q 2008
<b>EBITDA</b>	<b>30.4</b>	<b>36.4</b>
Δ Net Working Capital	(11.0)	(8.2)
Δ Other Assets / Liabilities	(6.4)	5.9
Taxes	(0.0)	(1.5)
Other	(1.5)	(1.5)
<b>Operating Cash Flow</b>	<b>11.5</b>	<b>31.1</b>



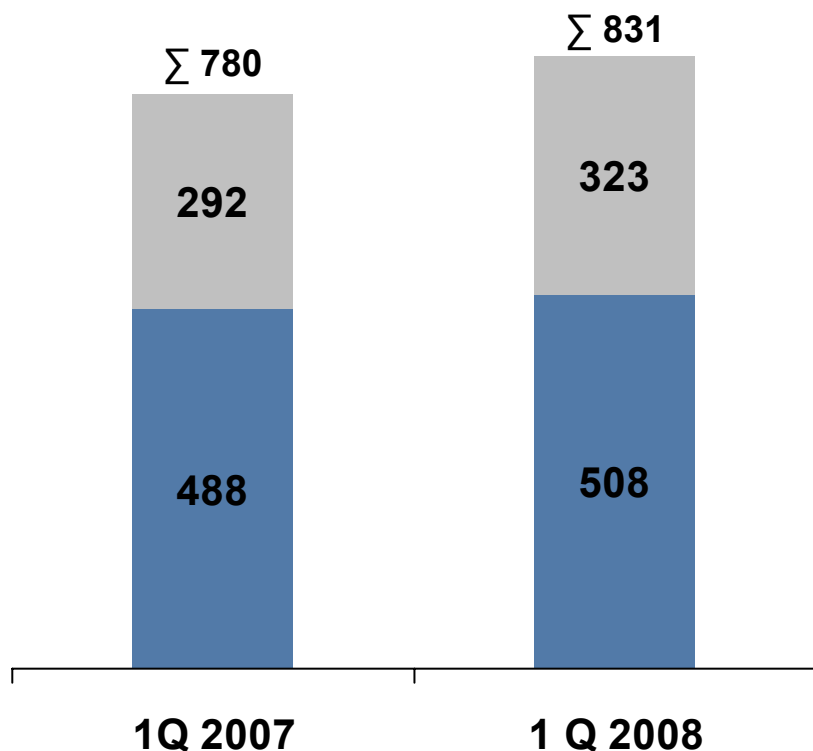
## Net Financial Liabilities increased slightly

€m	31.03.2007	31.12.2007	31.03.2008
Cash and Cash Equivalents	20.2	48.0	76.3
Other Financial Assets / Securities	4.6	5.9	3.4
Liabilities to Credit Institutions	(428.6)	(478.3)	(536.8)
Liabilities from Finance Lease	(61.7)	(53.3)	(45.7)
Shareholder Loan	(97.0)	0	0
Other Financial Liabilities	(0.7)	(0.4)	(0.8)
<b>Net debt</b>	<b>(563.2)</b>	<b>(478.1)</b>	<b>(503.6)</b>



## Employees as of March 31st

### Number of employees



■ German companies ■ Foreign companies

### Comments

Number of employees rose by 6.5 % which was mainly driven by:

- Consolidation of VTG Italia and Texas Railcar Leasing Company
- Growth in both Tank Container Logistics and Rail Logistics Division



## Summary for first quarter 2008 and outlook

- Positive trend from previous quarters continues
- Capital expenditure of approximately 100 €m in 2008 is budgeted
- Ongoing strong demand for additional wagons could lead to higher capex need
- Guidance for 2008 remains unchanged:
  - Sales increase by 3.5 – 5.5 % to 560 – 570 €m
  - EBITDA increase by 5 – 8 % to 144 – 148 €m
  - Target for dividend € 0,30 for the financial year 2008

**→ VTG on track as one of Europe's leading rail logistics company**





## Financial Calendar 2008

- 18<sup>th</sup> June 2008                      Annual General Meeting
- 27<sup>th</sup> August 2008                    Half-Yearly Financial Report 2008
- 17<sup>th</sup> November 2008                Interim report for the 3<sup>rd</sup> quarter 2008
- Contact details                        Investor Relations  
Felix Zander  
Phone: +49 40 2354 1351  
Fax:     +49 40 2354 1350  
[ir@vtg.com](mailto:ir@vtg.com)