Quarterly Financial Report

as at 31st March 2008

VTG Aktiengesellschaft

MOBILITY

drives us

VTG

Significant developments in the first quarter of 2008:

- Continued profitable growth: revenue, EBITDA and cash flow in Q1 rose again significantly
- Wagon Hire benefits from increased demand for safe, environmentally friendly freight traffic services
- Rail Logistics sets business focus on international transports
- Tank Container Logistics grows in the CIS
- Successful acquisition of Texas Railcar Leasing (US)
- Confirmed Forecast: for 2008, intended growth in revenue of 3.5 to 5.5 per cent and an increase in EBITDA of between 5 and 8 per cent

VTG Group at a Glance

	1.1. – 31.3.2008	1.1. – 31.3.2007	Change in %
Revenue in € m	147.6	134.2	10.0
EBITDA in € m	36.4	30.4	19.9
EBIT in € m	17.4	14.7	17.8
Group profit in € m	6.3	2.9	115.3
Depreciation in € m	19.1	15.6	21.9
Investments in fixed assets in € m	31.8	40.0	–20.5
Cash flow in € m	31.1	11.5	169.4
Earnings per share in € *	0.29	56.00	–
Earnings per share (comparable) in € *	0.29	0.13	123.1
	31.3.2008	31.3.2007	Change in %
Number of employees	831	780	6.5
in Germany	508	488	4.1
in other countries	323	292	10.6
	31.3.2008	31.12.2007	Change in %
Total assets in € m	1,221.3	1,165.9	4.7
Non-current assets in € m	1,013.6	990.6	2.3
Current assets in € m	207.6	175.3	18.4
Shareholders' equity in € m	282.4	278.7	1.3
Liabilities in € m	938.9	888.1	5.8

* The method of calculating „earnings per share" is explained in detail in the section (6) of the Notes.

Contents

Foreword by the Executive Board

The Executive Board (from left):

Dr. Kai Kleeberg,
Chief Financial Officer (CFO)

Dr. Heiko Fischer,
Chairman of the Executive Board (CEO)

Jürgen Hüllen,
Chief Technical Officer (CTO)

Ladies and Gentlemen:

VTG again grew profitably in the first quarter of the fiscal year 2008. As a result of the sustained favourable market environment for our business, our company was able to continue the positive trend of the previous quarter and reported very good business growth. Thus group revenue rose considerably compared with the first quarter of 2007, by 10 per cent to € 147.6 million. On top of this, we increased operating earnings (EBITDA) even further, rising by almost 20 per cent to € 36.4 million. Operating cash flow increased, rising from € 11.5 million to € 31.1 million.

Revenue, earnings and operating cash flow all show clearly that the VTG Group with its three networked business divisions is powerfully positioned in the market. Importantly for basic supply in the industry, we are barely affected by economic fluctuations – this is an advantage that serves us well, particularly in times when economic conditions become less clear-cut. Our long-standing customer relationships and long-term contracts also contribute to ensuring stable earnings.

We have pushed on with our strategy of growth both in and beyond our core market of Europe through targeted acquisitions. Thus, in January, we finalized our takeover of the US wagon hire company Texas Railcar Leasing, thereby entering the North American market. We see this straightforward investment as a promising starting point for profiting from the good medium- and long-term growth prospects in the largest rail freight market in the world. In the upcoming markets of eastern Europe, particularly in Russia, we are currently analyzing systematically the possibilities for expansion, too. One thing we are planning in this area is the setting up of a branch in Moscow.

We can also report impetus for growth through the increased use of the railway as an environmentally friendly and very safe mode of transport. Whether in terms of energy consumption or of pollution, when it comes to sustainability, rail is superior to road in every respect. And this strength of the railway is also being increasingly reflected in the demand for transport services.

The VTG share developed separately from the very good company results. The share was not spared the general volatility of the capital markets in the aftermath of the worldwide credit crisis. Since the second half of April, the trend has, however, been pointing clearly upwards again and is thus in harmony with our solid, long-term business model. This is also expressly supported by our majority shareholder, the Luxembourg Compagnie Européenne de Wagons S.à r.l., which held a total of 54 per cent of our share capital as at 31st March 2008 and sees VTG as a long-term investment.

VTG also got off to a good start in the second quarter of 2008. In terms of the entire fiscal year, we are expecting a continued increase in revenue of 3.5 to 5.5 per cent to € 560 – 570 million. EBITDA is anticipated to increase by 5 to 8 per cent to € 144 – 148 million. We also want to allow our shareholders to participate in the success of VTG Aktiengesellschaft. We are still expecting to be able to pay a dividend for the fiscal year 2008.

Yours sincerely

Dr. Heiko Fischer

Jürgen Hüllen

Dr. Kai Kleeberg

VTG Group Interim Management Report

for the period from 1st January to 31st March 2008

This interim management report for the VTG Group was prepared in accordance with the provisions of the German Securities Trading Act.

Special events and business transactions

Acquisition of Texas Railcar Leasing Company, Inc. (TRLX)
In mid-January 2008, the VTG-Konzern acquired all shares in Texas Railcar Leasing Company, Inc., McAllen, Texas, USA. This company has a fleet of around 1,000 rail freight cars. VTG AG holds TRLX via its 100 % subsidiary, VTG North America, Inc., Hinsdale, Illinois, USA. Through this acquisition, VTG has entered the North American wagon hire business, the largest rail hire market in the world, with good long-term growth prospects. The aim is to gain a foothold in this market and generate continuous growth through the acquisition of further rail freight cars.

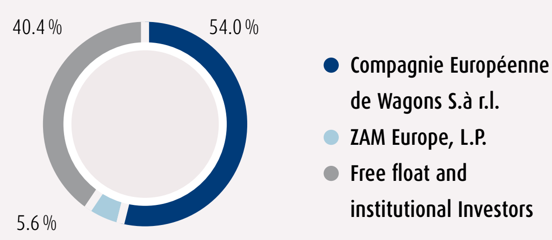
Changes in companies included in consolidation
As at January 2008, the companies VTG Italia S.r.l. (VTG Italia) and VTG North America, Inc. (VTG North America) were added to the consolidation. On top of this, TRLX was included in the consolidation for the first time in mid-January, 2008. These additions relate to the Wagon Hire Division.

The difference arising from the first-time consolidation of TRLX is initially shown in the first quarter of 2008 as goodwill. The final purchase price allocation will be made in the current fiscal year.

Development of the VTG share
The uncertainties in the international financial markets, the loss of confidence of many investors and the weakness of the US economy led to negative trends in the prices of almost all shares and in their indices. The VTG share, which stayed firm until the end of 2007 in volatile market conditions, was also not spared the effects of this general market uncertainty, suffering considerable price reductions. At the start of the year, the share opened at € 16.90, reaching its highest value on 3rd January at € 17.00 and its lowest on 20th March at € 8.60. At the end of the first quarter, its value was € 10.21, thus resulting in a market capitalization of € 218.4 million. The recovery in the share price that was becoming evident by the end of the quarter also continued on into April.

Change in shareholder structure
The Compagnie Européenne de Wagons S.à r.l., Luxembourg, remains major shareholder, with 54 % of the share capital of VTG. A new major shareholder is ZAM Europe, L.P., Greenwich, Connecticut, USA, with a share of 5.6 %. This means that the free float, as confirmed by the latest available information on voting rights, represents 40.4 %.

Current shareholder structure



Business trends

Continued high demand for freight transport

Due to the real estate crisis in the US and its aftermath, there was a slowdown in the world economy in the first quarter. The weakening economy and the upward revaluation of the euro have had a damping effect on economic development in the euro zone. The growth rate of GDP in Germany and Europe proved stable, however, as did the high capacity utilization in industry, which is ensuring high demand for transports and the corresponding freight space, including rail freight, with a rise in Europe in the volume of transported goods forecast to rise by around 2 to 3 % per annum over the long term. The eastern European EU member states in particular are also providing impetus for growth, with a growth rate of 5.2 % of GDP. The annual growth of the logistics sector in eastern Europe is thus forecast to be 7 %.

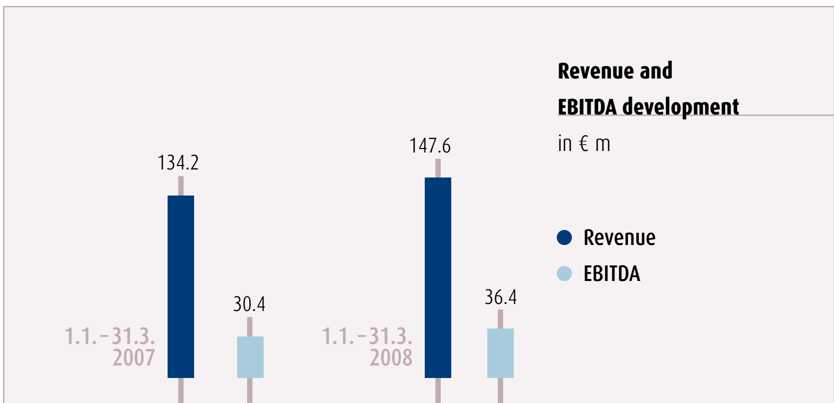
The Association of the German Chemical Industry expects the business situation to remain positive in 2008, with an anticipated growth in chemical production in Germany of 2.5 to 3 % if the effects of the US mortgage crisis, crude oil prices and the weakness of the dollar remain within the expected limits. At the European level too, an increase in production is expected, which, according to the European Chemical Industry Council, will be at a rate of 2.3 %.

Due to the strong interconnection of the individual European economies and the diversification of production and logistics processes beyond national borders, overall transport volume is expected to continue to increase, with rail freight traffic benefiting from the increase in volume of freight traffic in general. Over the long term, Germany is set to remain the strongest freight traffic market.

Group revenue, EBITDA and cash flow

Due to the effects of the first-time consolidations and the IPO in the second quarter of 2007, the figures for the first quarter of 2008 are not directly comparable to those for the previous year. In the first three months of 2008, the VTG Group generated revenue of 147.6 million, 10.0 % above the equivalent period of the previous year. Of this revenue, € 67.5 million (previous year: € 65.0 million) was generated via customers based in Germany; this equals 45.7 % (previous year: 48.5 %). Business with customers abroad thus amounted to revenue of 80.1 million (previous year: 69.2 million).

Earnings before interest, tax and depreciation (EBITDA) in the first quarter rose to € 36.4 million, 19.9 % above the equivalent quarter of the previous year. The cash flow from operating activities of the VTG Group amounts to € 31.1 million (previous year: € 11.5 million).



Wagon Hire Division

The VTG Group, with a fleet of some 48,400 rail freight cars, is the leading hire company in Europe. The wagon fleet consists of mostly tank wagons plus modern high-capacity wagons and flat wagons. In the first three months of 2008, revenue in the Wagon Hire Division rose to € 71.9 million (previous year: € 61.3 million) and EBITDA increased to € 36.4 million (previous year: € 30.8 million). The EBITDA margin related to revenue improved slightly, rising to 50.7 % (previous year: 50.3 %). The good economic situation in Europe continued, leading to increased demand for rail-borne freight services which benefited the hire business. As at 31st March, capacity utilization had risen compared to the same quarter of the previous year, from 91.3 % to 93.9 %.

The VTG group has a widespread operational network and can therefore offer its services right across Europe with uniformly high quality in terms of service and customer care. This network comprises both the Group's own sales offices and external sales agencies. The Wagon Hire Division also includes three wagon repair workshops, in Germany and France, which provide maintenance and repair services for wagons in the Group's fleet as well as for external wagons. Finally, this division also manages and provides technical support for external wagon fleets.

With its acquisition of TRLX in the US, VTG has expanded its wagon hire activities into the North American market.

Rail Logistics Division

The Rail Logistics Division offers its customers rail forwarding services, organizing and handling rail transports. Mainly chemical and petroleum products, liquid gases and non-liquid bulk goods are forwarded. In the first quarter of 2008, this division generated revenue of € 42.9 million (previous year: € 42.8 million) and EBITDA of € 1.2 million, 14.7 % higher than in the previous year. The EBITDA margin on gross profit rose to 37.8 % (first quarter of previous year: 35.9 %). The rise in block trains to and from eastern Europe and cross-border transport of liquid gas with wagons hired from the VTG fleet continued in the first quarter. Furthermore, the VTG share in international transports has increased. By then, the Rail Logistics Division also undertook its first transports with products outside its main areas of emphasis of petroleum and chemicals.

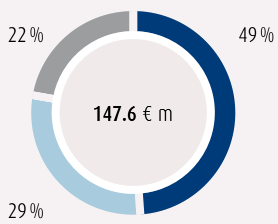
Overall, this division has the advantage of its experience, professionalism, expertise and flexibility in responding to changes in the market. The division is thus able to offer a comprehensive range of rail forwarding services, from organizing regular or short-notice block train tansports with various haulage providers to all-in transactions and inter-modal transports.

Tank Container Logistics Division

The Tank Container Logistics Division offers flexible, inter-modal transports in tank containers by rail, road and ship. In the first quarter, revenue improved by 9.0 % to € 32.9 million (previous year: € 30.2 million) and EBITDA rose from € 1.8 million to € 2.1 million in the quarter. Compared to the same period in the previous year, the EBITDA margin with reference to gross profit rose from 39.2 % to 41.4 %. A key factor in this was the positive development of the foreign markets, also driven by strong American exports. While business in western Europe was in line with market growth, transports to Russia, the CIS and Turkey rose, as a result of the general growth in the volume of transports.

This division organizes and handles transports worldwide of temperature-controlled and liquid products, particularly those from the pertoleum, chemical and compressed gas industries. Customers benefit from the fact that we can arrange, carry out and oversee tank container shipments using the most suitable means of transport, for example for just-in-time supply chains. The range of services offered also includes the hiring of tank containers. The Tank Container Logistics Division can rely on its more than 8,000-strong fleet of tank containers to perform its operations since the acquisition of Tankspan Leasing Ltd. last year.

Percentage breakdown of revenue by business divisions for the period from 1st January to 31st March 2008
in %



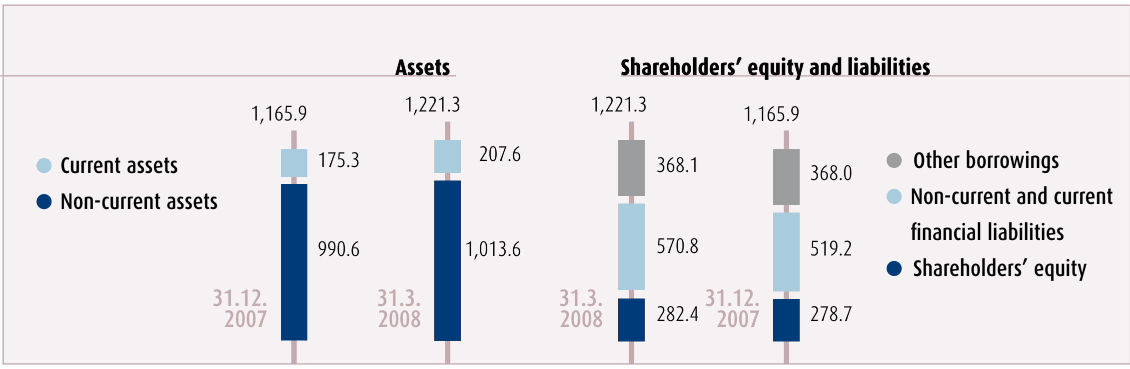
Capital expenditure

In the first three months of 2008, the VTG Group's capital expenditure on assets was € 31.8 million (previous year: 40.0 million). The largest share of this went to the Wagon Hire Division, with expenditure of 30.4 million (previous year: € 39.7 million). These funds were used to replace wagons taken out of service and to modernize and expand the fleet. On top of this, VTG acquired nearly 200 used rail freight cars which had already been operated previously by VTG. Following the acquisition in 2007 of some 1,000 new wagons, a further 1,600 of these in total are planned for 2008 and 2009.

Balance sheet and capital structure

The changes in the balance sheet as at 31st March compared to 31st December 2007 are principally attributable to the acquisition of TRLX and the taking up of a loan.

Total assets rose by € 55.4 million, or 4.7 %, to € 1,221.3 million. The Group's equity rose by € 3.6 million, or 1.3 %, to € 282.4 million. The equity ratio fell by 0.8 percentage points to 23.1 %. This decrease is principally due to the scheduled taking up of a bank loan to finance the purchase of rail freight cars and with it an increase in total assets. Correspondingly higher cash and cash equivalents are shown under assets in juxtaposition to these liabilities.



Personnel

As at 31st March 2008, the total number of persons employed by the VTG Group worldwide was 831 (31st March 2007: 780). This represents an increase of 6.5 %. Of these, 508 worked in Germany (31st March 2007: 488) and 323 (31st March 2007: 292) in the companies abroad. This rise was principally attributable to the change in the companies in the consolidation and growth in the two logistics divisions.

There are no pre-emptive rights or stock options for either directors or for other members of staff.

Risk management

The VTG Group has systematically refined its risk management system in accordance with the requirements of the German Law on Corporate Governance and Transparency (KonTraG). This means that potential risks involved in the Group's business activities can be identified early on, efficiently and comprehensively so that appropriate countermeasures can be implemented. During the period under review, there were no discernible risks that endangered the Group as a going concern or that could be expected to have any significant negative impact on its assets, earnings or financial situation.

The VTG Group's international business activities expose it to exchange rate fluctuations on the currency markets. The excess of trade receivables over trade payables in US dollars is at present causing a net loss to the VTG Group in this currency. This risk was, however, largely covered at the beginning of the year by hedging contracts for the net amount of dollar cash flow. Other anticipated surpluses of foreign currencies arising during the course of the year are hedged with forward currency contracts.The Group uses appropriate credit risk insurance to protect itself against bad debt risk. Furthermore, recognizable default risks of individual receivables are covered by specific reserves and general credit and collection risks by global value deductions at levels based on experience.

Liquidity planning is used to calculate the Group's cash requirements, which are then covered by the agreed lines of credit. This ensures that the Group can honour its payment obligations at all times.

A substantial proportion of the Group's liabilities to banks is covered by hedging contracts running until 2012, protecting against interest rate increases.

Outlook, business opportunities and risks

As a result of the crisis in the financial markets caused by the problems in the American real estate market, the world economy will lose its growth momentum in 2008, but this will not lead to a worldwide slump. In the euro zone too, the rate of expansion will slow down as a result of the concurrence of a slightly weakening economy and a strong revaluation of the euro, with a damping effect on foreign trade. What is continuing to prove stable, however, is the very high capacity utilization in industry, leading to great demand for rail transports. In the case of the eastern European members of the EU, GDP is expected to continue to grow at a high rate of 5.2 % and therefore high growth rates for transports are also anticipated there. In Germany, by comparison, GDP is expected to increase by around 1.9 % in 2008.

Overall, the economic forecasts point to the continuation of a basically positive market environment for the activities of the VTG Group in the Wagon Hire, Rail Logistics and Tank Container Logistics Divisions, so that the trends forecast in the Group Management Report for the Group's business development in the fiscal year 2007 still apply. The same applies in respect of the opportunities and risks set out in the 2007 Group Management Report.

In wagon hire, there are opportunities for growth on the one hand through entering new markets such as North America and, on the other, through VTG entering new wagon segments in Europe. On top of this, there are regional opportunities for growth, with the greatest potentials in eastern and south-eastern Europe. Risks could arise through the implementation of new legal and technical framework conditions relating to railways, with these leading to higher conversion and maintenance costs. VTG participates in numerous in committees and associations in order to contribute actively to developing the framework conditions for rail freight transport and to do so with economic considerations in mind.

In rail logistics, there are good opportunities for growth in block train transports to and from eastern Europe, in cross-border transports of liquid gas and in transports with new products outside the current core market. The large-scale annual invitations to tender issued by the petroleum industry, where price competition is very tough, present both risks and opportunities for rail logistics.

The positive development of the overseas markets is ensuring a continued rise in demand for transport services from which the Tank Container Logistics Division can benefit. There are also growth potentials in intra-European door-to-door transports due to the changed expectations of customers in terms of safety and reliability. The risks that can be discerned are the uncertainties concerning the the development of the flows of goods and the resulting imbalance in transport flows in addition to the potential impact of exchange rate fluctuations. The Tank Container Logistics Division is countering this risk with focused and balanced control of transport flows as well as with appropriate forward currency contracts.

Given the stated framework conditions, the Executive Board of VTG expects to generate revenue of € 560 – 570 million in the current fiscal year, 3.5 % – 5.5 % above the value of 2007. Furthermore, the Executive Board expects the operating profit (EBITDA) to increase compared with 2007 by 5 – 8 %.

It is VTG's intention to assure payment of a VTG AG dividend for the fiscal year 2008.

Material events since the closing date

Diposal of rail4chem shares

With the taking effect of the contract of sale on 18th April 2008, the VTG Group and three other partners sold their respective 25 % shares in the private railway company rail4chem Eisenbahnverkehrsgesellschaft mbH, Essen, (rail4chem). rail4chem was established in the year 2000 with the aim of increasing competition in rail freight traffic and thus strengthening the liberalization begun in the rail traffic markets. After achieving this aim, the VTG Group and the other former partners again concentrated on their core business while still remaining associated with rail4chem as customers.

Consolidated interim financial statements

of VTG Aktiengesellschaft

Income statement

of VTG Aktiengesellschaft in accordance with IFRS for the period from 1st January to 31st March 2008

€ '000	Notes	1.1. to 31.3.2008	1.1. to 31.3.2007
Revenue	(1)	147,642	134,243
Other operating income		3,007	4,223
Total revenue and income		**150,649**	**138,466**
Cost of materials	(2)	75,977	72,312
Personnel expenses		12,919	12,310
Impairment, amortization and depreciation	(3)	19,069	15,644
Other operating expenses	(4)	25,574	23,707
Total expenses		**133,539**	**123,973**
Income from associates		**263**	**250**
Financing income		693	546
Financing expenses		–8,632	–10,468
Financial loss (net)	(5)	**–7,939**	**–9,922**
Profit before taxes on income		**9,434**	**4,821**
Taxes on income		3,104	1,881
Group profit		**6,330**	**2,940**
Thereof relating to:			
Shareholders of VTG Aktiengesellschaft		6,143	2,800
Other shareholders (minorities)		187	140
		6,330	**2,940**
Earnings per share (in €) (undiluted and diluted)	(6)	**0.29**	**56.00**

The explanatory notes on pages 16 to 27 form an integral part of these consolidated interim financial statements.

Balance sheet of VTG Aktiengesellschaft in accordance with IFRS

Assets

€ '000	Notes	31.3.2008	31.12.2007
Goodwill	(7)	162,869	156,211
Other intangible assets		65,743	66,734
Tangible assets	(8)	750,234	729,691
Investments in associates		16,074	15,811
Other financial assets		8,213	8,921
Fixed assets		**1,003,133**	**977,368**
Other receivables and assets		1,140	1,280
Deferred income tax assets		9,375	11,954
Non-current receivables		**10,515**	**13,234**
Non-current assets		**1,013,648**	**990,602**
Inventories		**13,565**	**13,115**
Trade receivables	(9)	78,782	68,598
Other receivables and assets		35,944	42,686
Current income tax assets		3,040	2,882
Current receivables		**117,766**	**114,166**
Cash and cash equivalents	(10)	**76,297**	**48,031**
Current assets		**207,628**	**175,312**
		1,221,276	**1,165,914**

The explanatory notes on pages 16 to 27 form an integral part of these consolidated interim financial statements.

Shareholders' equity and liabilities

€ '000	Notes	31.3.2008	31.12.2007
Subscribed capital	(11)	21,389	21,389
Additional paid-in capital		193,991	193,991
Revenue reserves	(12)	61,072	57,853
Revaluation reserve		3,425	3,184
Shareholders' equity in VTG Aktiengesellschaft		**279,877**	**276,417**
Minority interests		**2,493**	**2,310**
Equity		**282,370**	**278,727**
Provisions for pensions and similar obligations		43,348	42,602
Deferred income tax liabilities		130,868	131,968
Other provisions		16,869	17,314
Financial liabilities	(13)	525,664	483,083
Other liabilities		2,998	3,079
Non-current liabilities		**719,747**	**678,046**
Provisions for pensions and similar obligations		2,088	3,696
Current income tax liabilities		15,620	15,909
Other provisions		42,003	43,606
Financial liabilities	(13)	45,111	36,100
Trade payables	(14)	101,693	99,243
Other liabilities		12,644	10,587
Current liabilities		**219,159**	**209,141**
		1,221,276	**1,165,914**

The explanatory notes on pages 16 to 27 form an integral part of these consolidated interim financial statements.

CASH FLOW STATEMENT of VTG Aktiengesellschaft in accordance with IFRS

€ '000	1.1. to 31.3.2008*	1.1. to 31.3.2007**
Operating activities		
Group profit	6,330	2,940
Impairment, amortization and depreciation	19,069	15,644
Interest income	-693	-546
Interest expenses	8,632	10,468
Income tax expenses	3,104	
SUB-TOTAL	**36,442**	
Other non-cash expenses and income	-263	-250
Income from investments	-315	0
Income taxes paid	-1,465	914
Income taxes received	3	-930
Profit/loss on disposals of fixed asset items	-885	-1,271
Changes in inventories and receivables	-5,110	-19,891
Changes in liabilities (excluding financial liabilities)	2,651	4,452
Cash flows from operating activities	**31,058**	**11,530**
Investing activities		
Payments for investments in tangible and intangible assets	-36,446	-33,474
Proceeds from disposals of tangible and intangible assets	1,254	2,344
Payments for investments in financial assets (less cash and cash equivalents acquired)	-11,788	-30
Proceeds from disposals of financial assets (less cash and cash equivalents rendered)	2	4
Changes in financial receivables	2,487	395
Receipts from interest	478	411
Cash flows used in investing activities	**-44,013**	**-30,350**
Financing activities		
Receipts from the taking up of (financial) loans	49,281	1,052
Repayments of bank loans and other financial liabilities	-8,492	-3,454
Interest payments	-1,413	-1,523
Cash flow from (prior year used in) financing activities	**39,376**	**-3,925**
Change in cash and cash equivalents	**26,421**	**-22,745**
Effect of changes in exchange rates	1,768	-570
Effect of changes in consolidation group	77	0
Balance at the beginning of period	48,031	43,523
Cash and cash equivalents at end of period	**76,297**	**20,208**

* The values as at 31st March 2008 correspond to the layout of the cash flow statement from 30st June 2007

** The values as at 31st March 2007 correspond to the layout of the cash flow statement in the the stock exchange prospectus

The explanatory notes on pages 16 to 27 form an integral part of these consolidated interim financial statements.

Statement of recognized income and expenses

of VTG Aktiengesellschaft in accordance with IFRS

€ '000	**1.1. to 31.3.2008**	1.1. to 31.3.2007
Difference arising on valuation of derivative financial instruments (hedge accounting)	–3,298	0
Change in revaluation reserve	241	–13
Currency translation	–509	–1,079
Other measurement changes not recognized in income	402	738
Income and expenses recognized directly in equity	**–3,164**	**–354**
Group profit	**6,330**	**2,940**
Total income and expenses recognized in the financial statements	**3,166**	**2,586**
Thereof relating to:		
Shareholders of VTG Aktiengesellschaft	2,973	2,446
Other shareholders (minorities)	193	140
	3,166	**2,586**

The explanatory notes on pages 16 to 27 form an integral part of these consolidated interim financial statements.

Selected information disclosed in the notes

Explanations of the accounting principles and methods used in the consolidated financial statements

General Information

VTG Aktiengesellschaft (VTG AG), registered in Hamburg, Nagelsweg 34, is the parent company of the VTG Group. The company is registered in the commercial register of the local court of Hamburg (HRB 98591).

Principles of bookkeeping, accounting and measurement

The consolidated interim financial statements of VTG AG were prepared in accordance with Section 37 (x) (3) of the regulations of the German Securities Trading Act (Wertpapierhandelsgestz) and in accordance with both the International Financial Reporting Standards (IFRS) effective at the balance sheet date and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the EU.

Accounting standards effective from 1st January 2008 do not have any material effect on the consolidated financial statements of the VTG Group.

The accounting and measurement methods applied in these interim financial statements do not deviate from those principles used in the consolidated financial statements as at 31st December 2007. The explanations in the notes to the consolidated financial statements 2007, particularly in respect of the accounting and measurement methods, are thus also applicable. Consequently, these interim financial statements fulfil the IAS 34 criteria.

The following pages contain key information on the interim financial statements and on the segment reporting.

Companies consolidated within the period under review

In addition to VTG AG, a total of 10 domestic and 16 foreign subsidiaries are included in the consolidated interim financial statements as at 31st March 2008.

As at 1st January 2008, the companies VTG Italia S.r.l. (VTG Italia) and VTG North America, Inc. (VTG North America) were added to the consolidation. On top of this, Texas Railcar Leasing Company, Inc. (TRLX) was included in the consolidation for the first time in mid-January 2008. These additions relate to the wagon hire segment.

The difference of € 6,658 k arising from the first-time consolidation of TRLX is initially shown in the first quarter of 2008 as goodwill. The final purchase price allocation will be made in the current fiscal year.

The aggregated balance sheets of VTG Italia, TRLX and VTG North America are as follows at the time of initial consolidation:

	VTG Italia in '000	TRLX in '000	VTG North America in USD*
Non-current assets	2,625	20,064	0
Current assets	4,244	864	100
Total assets	**6,869**	**20,928**	**100**
Shareholders' equity	1,192	3,520	100
Non-current liabilities	0	15,765	0
Current liabilities	5,677	1,643	0
Total shareholders' equity and liabilities	**6,869**	**20,928**	**100**

* Due to the low values, VTG North America is shown in USD.

Segment reporting

Key figures by segment

The segments for the Group interim financial statements for the period ended 31st March 2008 based on internal reporting are as follows:

€ '000	Wagon Hire	Rail Logistics	Tank Container Logistics	Adjustment	Group
External revenue	71,889	42,882	32,871	0	147,642
Internal revenue	2,232	286	31	−2,549	0
Segment revenue	**74,121**	**43,168**	**32,902**	**−2,549**	**147,642**
Segment cost of materials *	−9,228	−40,068	−27,776	2,425	−74,647
Segment gross profit	**64,893**	**3,100**	**5,126**	**−124**	**72,995**
Other segment income and expense	−28,479	−1,927	−3,005	−3,142	−36,553
Segment earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**36,414**	**1,173**	**2,121**	**−3,266**	**36,442**
Impairment, amortization of intangible and depreciation of tangible fixed assets	−17,970	−215	−818	−66	−19,069
Segment earnings before interest and taxes (EBIT)	**18,444**	**958**	**1,303**	**−3,332**	**17,373**
Thereof earnings from associates	263	0	0	0	263
Net interest expense, thereof:	−7,618	31	73	−425	−7,939
Interest income	808	39	119	−273	693
Interest expense	−8,426	−8	−46	−152	−8,632
Earnings before taxes (EBT)	**10,826**	**989**	**1,376**	**−3,757**	**9,434**
Taxes on income					−3,104
Group net profit					**6,330**

* To a minor extent income has been offset against the cost of materials of the segments

Segment reporting for the equivalent period from 1st January to 31st March 2007 is as follows:

€ '000	Wagon Hire	Rail Logistics	Tank Container Logistics	Adjustment	Group
External revenue	61,323	42,769	30,151	0	134,243
Internal revenue	2,368	11	80	−2,459	0
Segment revenue	**63,691**	**42,780**	**30,231**	**−2,459**	**134,243**
Segment cost of materials *	−8,820	−39,930	−25,513	2,729	−71,534
Segment gross profit	**54,871**	**2,850**	**4,718**	**270**	**62,709**
Other segment income and expense	−24,053	−1,827	−2,870	−3,572	−32,322
Segment earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**30,818**	**1,023**	**1,848**	**−3,302**	**30,387**
Impairment, amortization of intangible and depreciation of tangible fixed assets	−14,520	−162	−890	−72	−15,644
Segment earnings before interest and taxes (EBIT)	**16,298**	**861**	**958**	**−3,374**	**14,743**
Thereof earnings from associates	250	0	0	0	250
Net interest expense, thereof:	−6,550	−22	10	−3,360	−9,922
Interest income	164	2	21	359	546
Interest expense	−6,714	−24	−11	−3,719	−10,468
Earnings before taxes (EBT)	**9,748**	**839**	**968**	**−6,734**	**4,821**
Taxes on income					−1,881
Group net profit					**2,940**

* To a minor extent income has been offset against the cost of materials of the segments

Segment assets and segment liabilities at the balance sheet date and at the prior year balance sheet date can be seen from the following table.

€ '000	Wagon Hire	Rail Logistics	Tank Container Logistics	Adjustment	**Group**
Segment assets					
31.3.2008	1,051,075	41,504	40,872	−5,408	1,128,043
31.12.2007	1,072,475	41,694	40,337	−62,156	1,092,350
Thereof investments in associates					
31.3.2008	16,074	0	0	0	16,074
31.12.2007	15,811	0	0	0	15,811
Segment liabilities					
31.3.2008	109,690	23,950	29,308	56,713	219,661
31.12.2007	297,631	26,299	36,243	−140,674	219,499
Investments in intangible assets					
31.3.2008	0	126	2	0	128
31.3.2007	0	54	40	0	94
Investments in tangible assets					
31.3.2008	30,355	59	1,230	33	31,677
31.3.2007	34,202	10	116	60	34,388
Additions from investments in finance leasing					
31.3.2008	0	0	0	0	0
31.3.2007	5,505	0	0	0	5,505
Additions to tangible assets from first-time consolidation					
31.3.2008	9,023	0	0	0	9,023
31.3.2007	0	0	0	0	0
Impairment, depreciation and amortization (excl. impairment of financial assets)					
31.3.2008	17,970	215	818	66	19,069
31.3.2007	14,520	162	890	72	15,644
Changes in provisions for pensions and similar obligations and in other provisions					
31.3.2008	−1,435	−113	−221	−1,141	−2,910
31.12.2007	11,854	−194	1,368	−7,855	5,173

Reconciliation of segment assets and segment liabilities to the consolidated balance sheet

€ '000	31.3.2008	31.12.2007
Segment assets	**1,128,043**	**1,092,350**
Cash and cash equivalents	76,297	48,031
Other current financial assets	4,521	10,697
Current income tax assets	3,040	2,882
Deferred income tax assets	9,375	11,954
Consolidated balance sheet assets	**1,221,276**	**1,165,914**
Segment liabilities	**219,661**	**219,499**
Current financial liabilities	830	510
Liabilities from financial leases	47,780	55,642
Non-current financial liabilities	522,165	463,185
Current income tax accruals	15,620	15,909
Current income tax liabilities	1,108	470
Deferred income tax liabilities	130,868	131,968
Other reconciling items	874	4
Consolidated balance sheet external capital	**938,906**	**887,187**

Secondary segment reporting format

The following table shows key segment reporting figures by the location of Group companies:

€ '000		Germany	Abroad	Group
Segment assets				
	31.3.2008	898,626	229,417	1,128,043
	31.12.2007	884,104	208,246	1,092,350
Segment liabilities				
	31.3.2008	177,912	41,749	219,661
	31.12.2007	177,491	42,008	219,499
Investments in intangible assets				
	31.3.2008	128	0	128
	31.3.2007	94	0	94
Investments in tangible assets				
	31.3.2008	21,997	9,680	31,677
	31.3.2007	14,457	19,931	34,388
Additions from investments in finance leasing				
	31.3.2008	0	0	0
	31.3.2007	5,505	0	5,505
External revenue by location of company				
	31.3.2008	110,590	37,052	147,642
	31.3.2007	102,833	28,842	134,243

Selected explanatory notes on the income statement

(1) Revenue

The business of the VTG Group is affected to only a minor degree by seasonal fluctuations. The rise in revenue is principaly attributable to the first-time consoldiation of the companies VTG Italia and TRLX in January 2008. On top of this, the companies KR Klostertor Rail GmbH (Klostertor) and Deichtor Rail GmbH (Deichtor) were not yet part of the Group in the same quarter of the previous year.

Moreover, the volume of business in the tank container logistics segment increased in the first quarter of 2008, thereby contributing to the rise in revenue.

(2) Cost of materials

The rise in the cost of materials is the result, on the one hand, of the increase in the volume of business in the tank container logistics segment and, on the other, of the first-time consolidation of the companies VTG Italia and TRLX in January 2008. On top of this, the companies Gesellschaften Klostertor and Deichtor were not yet part of the Group in the same quarter of the previous year.

(3) Impairment, amortization and depreciation

The figures for amortization and depreciation have increased in particular as a result of the first-time consolidation of the companies VTG Italia and TRLX in January 2008. On top of this, the companies Klostertor and Deichtor were not yet part of the Group in the same quarter of the previous year.

(4) Other operating expenses

The rise in other operating expenses is principally attributable to the first-time consolidation of the companies VTG Italia and TRLX in January 2008. On top of this, the companies Klostertor and Deichtor were not yet part of the Group in the same quarter of the previous year.

(5) Financial result

The improvement in the financial result is principally attributable to a reduction in interest expenses through the repayment of loans from IPO funds.

(6) Earnings per share

The undiluted earnings per share are calculated in accordance with IAS 33 based on the Group profit attributable to the shareholders of VTG AG divided by the weighted average number of shares in issue during the period under review.

	1.1. – 31.3.2008	1.1. – 31.3.2007
Group net income attributable to the VTG AG shareholders (in € '000)	6,143	2,800
Weighted average number of shares	21,388,889	50,000
Undiluted earnings per share (in €)	**0.29**	**56.00**

Earnings per share are diluted if the weighted average number of shares is increased by the issue of potential shares from option or conversion rights. There have been no dilution effects during the period under review.

In the equivalent period of the previous year, the weighted average number of shares amounted to 50,000, which was increased to 21,388,889 through the IPO. For this reason, the result for the equivalent period of the previous year was undiluted earnings per share (in €) of 56.00. This result is not comparable to that of the current fiscal year.

On the basis of the shares currently in issue (21,388,889), the result for the equivalent reporting period of the previous year would be undiluted earnings per share (in €) of 0.13.

Selected eplanatory notes on the balance sheet

(7) Goodwill

The increase in goodwill amounting to € 6,658 k is the result of the provisional difference arising from the first-time consolidation of TRLX. The final purchase price allocation will be made in the current fiscal year.

(8) Tangible fixed assets

The increase in tangible fixed assets is mainly the result of the additions from the first-time consolidation of VTG Italia and TRLX (€ 9,023 k). These additions principally relate to the wagon fleet of the companies.

On top of this, investments were made in the wagon fleet.

(9) Trade receivables

Relating to the balance sheet date, trade receivables rose compared to the consolidated financial statements as at 31st December 2007.

(10) Cash and cash equivalents

Please refer to the cash flow statement and the explanatory notes on the cash flow statement for the rise in cash and cash equivalents.

Shareholders’ equity

(11) Subscribed capital

The share capital of the company amounts to € 21,389 k since the IPO in June 2007 and consists of 21,388,889 bearer shares, each amounting to € 1 of the share capital.

(12)) Revenue reserves

Revenue reserves have increased due to the positive Group net profit. This increase is partly compensated for by the fall in the difference arising from the valuation of derivative financial in-struments (hedge accounting) due to changed market interest rates.

Of the additions to the consolidation, the first-time consolidation of VTG Italia affects the difference to an amount of € 486 k.

Statement of changes in equity from 1st January 2008 to 31st March 2008

€ ’000	Subscribed capital	Additional paid-in capital	Revenue reserves	(Thereof: differences from currency translation)	Revaluation reserve	VTG AG shareholders’ share in equity	Minority interests	**Total**
Balance at 1.1.2008	**21,389**	**193,991**	**57,853**	**(–5,542)**	**3,184**	**276,417**	**2,310**	**278,727**
Additions to consolidated companies			486			486		486
Group profit			6,143			6,143	187	6,330
Hedge accounting			–3,298			–3,298		–3,298
Currency translation			–509	(–509)		–509		–509
Other changes			397		241	638	–4	634
Balance at 31.3.2008	**21,389**	**193,991**	**61,072**	**(–6,051)**	**3,425**	**279,877**	**2,493**	**282,370**

Statement of changes in equity from 1st January 2007 to 31st March 2007

€ '000	Subscribed capital	Additional paid-in capital	Revenue reserves	(Thereof: differences from currency translation)	Revaluation reserve	VTG AG shareholders' share in equity	Minority interests	Total
Balance at 1.1.2007	**50**	**52,412**	**9,270**	**(–2,695)**	**207**	**61,939**	**1,937**	**63,876**
Group profit			2,800			2,800	140	2,940
Currency translation			–1,079	(1,079)		–1,079		–1,079
Other changes			624		–13	611	92	703
Balance at 31.3.2007	**50**	**52,412**	**11,615**	**(–3,774)**	**194**	**64,271**	**2,169**	**66,440**

(13) Financial liabilities

The Group is financed predominantly by various loans from Bayerische Hypo-Vereinsbank, London (Hypo-Vereinsbank) as well as by two loans from DVB Bank, Frankfurt.

The financing agreement with Hypo-Vereinsbank provides for loans of a total of € 640,000 k. € 440,659 k of loans had been taken up as at the the balance sheet date.

The new addition to the consolidation, TRLX, took up part of the investment line of credit with Hypo-Vereinsbank in mid-January 2008, to an amount of USD 14,600 k.

The borrowers are VTG Vereinigte Tanklager und Transportmittel GmbH, VTG Deutschland GmbH, VTG Rail UK Ltd and TRLX. In addition to VTG AG, guarantors are VTG Vereinigte Tanklager und Transportmittel GmbH, VTG Deutschland GmbH, EVA Holdings Deutschland GmbH, EVA Eisenbahn-Verkehrsmittel-GmbH, Eisenbahn-Verkehrsmittel GmbH & Co. KG für Transport und Lagerung, VTG Rail UK Ltd., TRLX and VTG North America.

The companies Klostertor and Deichtor have agreed lines of credit with DVB Bank, Frankfurt. Deichtor took up its loan, to the amount of € 39,153 k, at the end of March 2008. The bank liabilities of Klostertor amounted to € 43,750 k as at the balance sheet date.

To counter risks arising from changes in interest rates, parts of the credit amount with Hypo-Vereinsbank have been covered by interest rate hedges. The term of the interest rate hedges, which have fixed interest rates, was extended in May 2007 until mid-2012 with a combined interest swap. This extended interest rate hedge has a volume of € 322,000 k. Klostertor and Deichtor have secured the great majority of their loans against interest rate changes with fixed interest rate agreements until 2011 and 2013.

(14) Trade payables

The increase in trade payables is related to the balance sheet date.

Selected eplanatory notes on the cash flow statement

The increase in cash flows from operating activities is largely explained by the expanded business volume, the first-time consolidations in the first quarter of 2008 and the fact that the companies Deichtor and Klostertor were not yet part of the consolidation in the first quarter of 2007.

Investments in financial assets led to payments of € 11,788 k. These include the payment for the acquisition of TRLX. The payments comprise the acquisition costs (€ 11,823 k) and the funds acquired (€ –35 k).

The cash outflow from financing activities is mainly affected by the uptake of a loan by Deichtor amounting to € 39,153 k and by the taking up of credit by TRLX (€ 9,808 k).

By contrast, there are increased repayments and redemptions of financial liabilities, particularly as a result of the buying back of rail freight cars from financial leases.

The changes caused by consolidation amounting to € 77 k are the result of the first-time consolidation of VTG Italia and include the added cash and cash equivalents.

Contingent liabilities

A total of 9 companies of the VTG Group have guaranteed the repayment of the loans taken up by the companies within the VTG Group of € 492,651 k to the Hypo-Vereinsbank.

4 companies within the VTG Group have assigned as collateral their rail freight cars registered in Germany and the UK respectively at their carrying amount of € 495,534 k.

In addition to the abovementioned securities, two Group companies have, in order to secure their bank liabilities, pledged bank accounts and rail freight cars with carrying values of € 1,004 k and € 101,475 k respectively.

Other financial commitments

Nominal values of the other financial commitments:

€ '000	due within 1 year	over 1 to 5 years	over 5 years	31.3.2008 Total	31.12.2007 Total	over 1 year
Obligations from rental, leasehold and leasing agreements	34,025	78,619	21,442	134,086	138,002	103,909
Purchase commitments	80,921	3,014	0	83,935	89,107	0
Total	**114,946**	**81,633**	**21,442**	**218,021**	**227,109**	**103,909**

Average numbers of employees

	1.1. – 31.3.2008	1.1. – 31.12.2007
Salaried employees	558	525
Wage-earning staff	248	248
Trainees	25	27
Total	**831**	**800**
Thereof abroad	304	286

Hamburg, 5th May 2008

The Executive Board

Dr. Heiko Fischer

Jürgen Hüllen

Dr. Kai Kleeberg

Financial calendar 2008

27th May	Interim Report for the 1st quarter 2008
18th June	Annual General Meeting, Hamburg
27th August	Half-yearly Financial Report 2008
6th September	Hamburg Stock Exchange Day 2008
November	Interim Report for the 3rd quarter 2008

Share data	
WKN	VTG999
ISIN	DE000VTG9999
Stock exchange abbreviation	VT9
Index	CDAX, HASPAX
Share type	Non-par-value bearer share
No. of shares (31.3.)	21,388,889
Market capitalization (31.3.)	€ 218.4 m
Stock exchanges	XETRA, Frankfurt, Berlin, Düsseldorf, Hamburg, Hanover, Munich, Stuttgart
Market segment	Prime Standard
Share price (31.3.)	€ 10.21

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