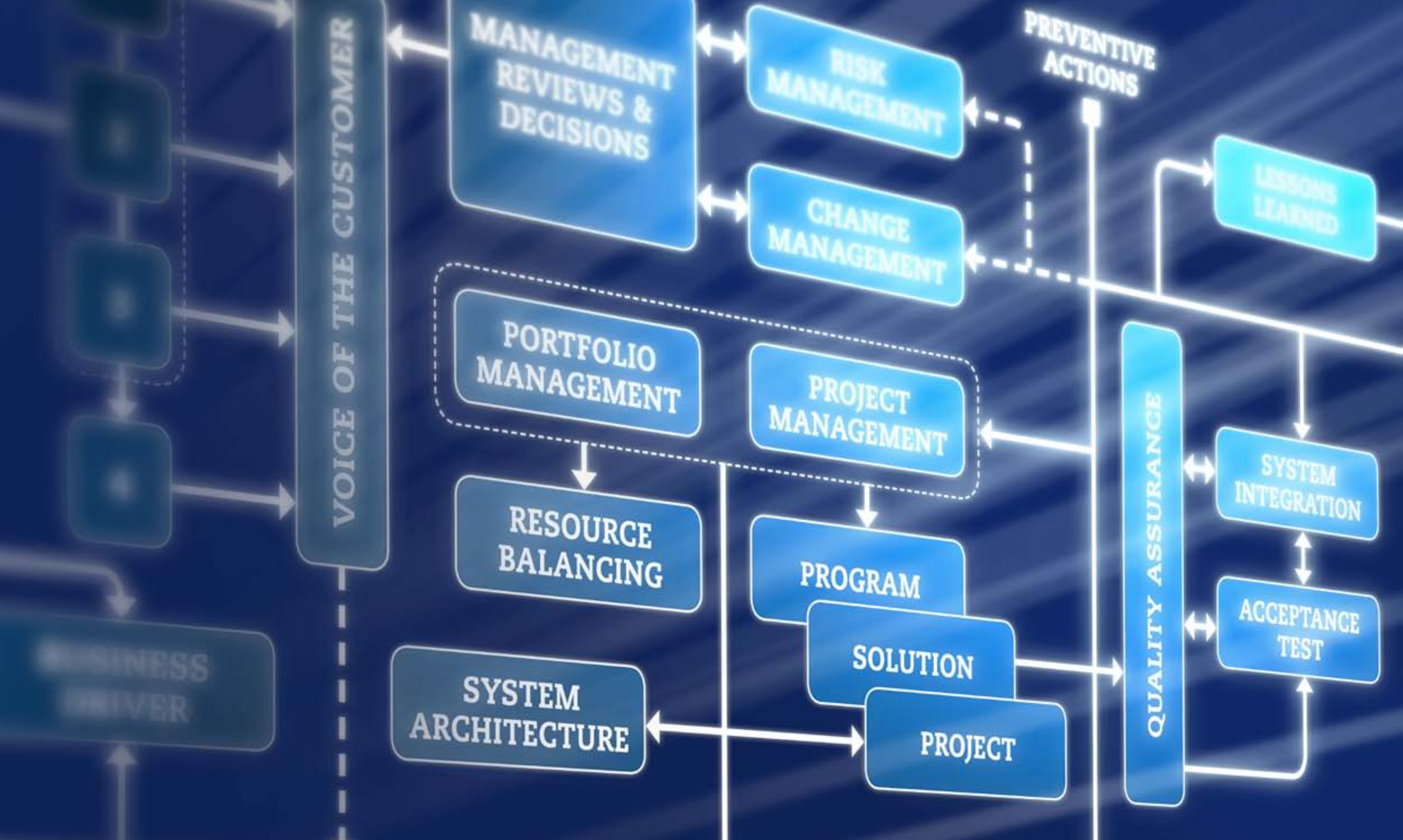


ANNUAL REPORT 2009/2010

PROCESSES, POTENTIAL, PROSPECTS.

OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

WINCOR NIXDORF

EXPERIENCE MEETS VISION.

Key Figures 2009/2010.

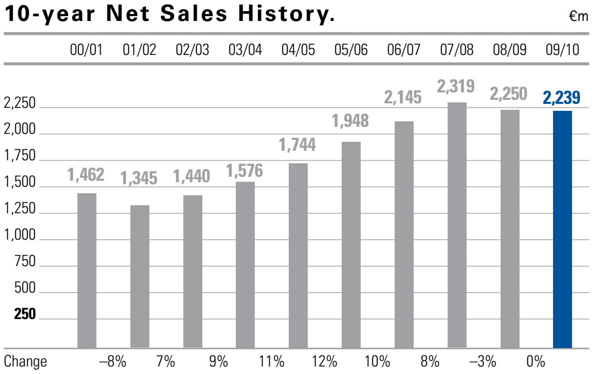
	2009/2010[1]	2008/2009[2]	Change
Financial Statement (€ million)[3]			
Net sales	**2,239**	**2,250**	0%
Gross profit	**562**	**582**	–3%
Gross profit as a percentage of net sales	25.1%	25.9%	–
Research & development expenses	**–101**	**–103**	–2%
R&D expenses as a percentage of net sales	4.5%	4.6%	–
Selling, general and administration expenses[4]	**–299**	**–300**	0%
SG&A expenses as a percentage of net sales	13.4%	13.3%	–
Operating profit (EBIT)	**162**	**179**	–9%
Goodwill amortization	**0**	**0**	–
EBITA[5]	**162**	**179**	–9%
EBITA as a percentage of net sales (EBITA margin)	7.2%	8.0%	–
Amortization/depreciation of property, plant and equipment and licenses and write-down of reworkable service parts	**61**	**56**	9%
EBITDA	**223**	**235**	–5%
EBITDA as a percentage of net sales (EBITDA margin)	10.0%	10.4%	–
Profit for the period	**106**	**114**	–7%
Profit for the period as a percentage of net sales	4.7%	5.1%	–
Profit for the period before carve-out	**106**	**117**	–9%
Earnings per share (€)[6]	3.21	3.54	–
Cash flow (€ million)			
Cash flow from operating activities	154	177	–13%
Cash flow from investment activities	–62	–67	–7%

	Sept. 30, 2010	Sept. 30, 2009	Change
Key Balance Sheet Figures (€ million)			
Working capital	**235**	**202**	**33**
as a percentage of net sales	10.5%	9.0%	–
Net debt	**134**	**150**	**–16**
Equity[7]	**358**	**330**	**28**
Human Resources			
Number of employees (September 30)	**9,309**	**9,381**	**–72**

[1] Oct. 1, 2009–Sept. 30, 2010.
[2] Oct. 1, 2008–Sept. 30, 2009.
[3] in the previous year before profit charges arising from the carve-out.
[4] including other operating income and expenses.
[5] net profit on operating activities before interest, taxes and amortization of goodwill and product know-how.
[6] calculated on basis of 33.085 million shares.
[7] including non-controlling interests.

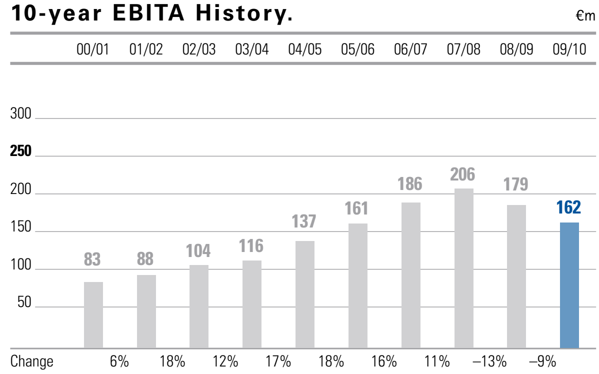
10-year Net Sales History.

€m



10-year EBITA History.

€m



Wincor Nixdorf AG – Markets.

The retail banking and retail industries are at the heart of our international activities. Both face intense competition at a global level and therefore have no choice but to make ongoing improvements in their business processes.

Wincor Nixdorf's role is to help implement these changes, especially at the interface with consumers, by providing comprehensive IT solutions that combine hardware, software and a host of related specialist services.

Our Solutions Portfolio.

Our portfolio covers every major step of the way in this process. Beginning with specialist IT consulting, our extensive portfolio includes everything from the provision of innovative software and hardware to their adaptation and integration.

We also offer product-related services, operational management concepts for branch-level IT systems and a complete outsourcing service. We help our customers to be more efficient and market-focused and to reduce their process costs.

Core Competences for the Retail Banking and Retail Industries.

Wincor Nixdorf AG has developed core competences in response to the common requirements and objectives of the **retail banking and retail industries**:
- Customer-friendly and efficient branches
- Inexpensive and secure cash handling – Cash Cycle Management Solutions
- Process automation
- Payment solutions for cashless transactions
- Open, expandable software architecture
- IT consulting, IT solutions development and IT integration from a single provider – Wincor Nixdorf Professional Services
- Maximum availability of installed IT systems and cost-efficient operation

Thanks to many years of specialization, Wincor Nixdorf's competences also cover those requirements that are specific to either just retail banks or just retailers:

In retail banking
- for automation and migration to self-service
- Protecting retail banks against criminal attack – security
- an open and expandable software architecture providing multichannel support and the option to restructure sales and service processes: the Retail Banking Suite.

In the retail industry
- Checkout processes
- Reverse vending
- Software architecture designed to enable retailers to structure and control globally standardized branch-related processes – the Retail Suite.

Additionally, Wincor Nixdorf's expertise is applied to other industries closely related to banking and retailing, such as **postal companies and service station operators**.

The Bottom Line: Quality and Absolute Reliability.

Our success in the market is based on the reliability of our solutions and the fact that they offer maximum availability as part of the end-to-end chain of services our customers provide to their own customers. At the same time, our customers can depend on the outstanding quality of the hardware, software and services developed and supplied by Wincor Nixdorf. To ensure that the solutions we install continue to offer this level of availability, we have also designed IT processes whose job is to detect potential malfunctions.

Growth Strategy Based on Four Strategic Levers.

Continuous growth is neither a matter of luck nor of chance. It is achieved by developing clear positions and strategies.

Wincor Nixdorf makes use of the four strategic levers described below to deliver sustained business success:

- **Global expansion** – we have now established a presence in about one hundred countries, 41 of which are home to a Wincor Nixdorf subsidiary.
- **Innovation** – we are rightly seen as a leading innovator within our own industry. Around 10% of the workforce and over 4% of our net sales (> €100 million p.a.) are dedicated to research and development.
- **Comprehensive portfolio of high-quality services** – targeted expansion of complex services, e.g., Professional Services, Managed Services and Outsourcing.
- **Extension and application of our expertise** to other related markets, e.g., postal industry branches and service stations.

Our People – the Key to our Success.

At the end of fiscal 2009/2010, the Wincor Nixdorf Group employed around 9,300 men and women around the globe. Given the strong international competition we face, it is their commitment and creativity that make all the difference and help to ensure our success.

Market Positions.

Wincor Nixdorf's portfolio of software and services for retail banks and retailers have made it one of the world leaders in its markets. In the Hardware business, we are number 2 in Europe and the world in terms of the volume of ATMs supplied. We have established ourselves as Europe's number 1 and the world number 3 for supplies of Electronic Point of Sale (EPOS) systems.

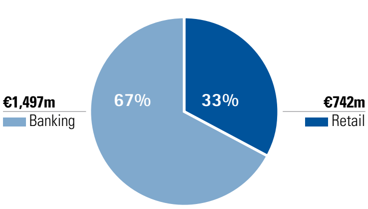
2009/2010: Solid Performance Despite Sluggish Demand.

Group: Results for fiscal 2009/2010 better than originally forecast. Net sales stabilized at previous year's level. Decline in operating profit limited to 9%. Successful Software business and growth in Services make up for downturn in Hardware. Uneven regional performance: Germany stable; Europe and Asia/Pacific/Africa down; strong growth in Americas. Successful cost management partly compensates for downturn in gross profit. Spending on R&D remains high. Presentation of latest technology driving fundamental changes in cash handling: very positive response worldwide to Wincor Nixdorf's Cash Cycle Management Solutions.

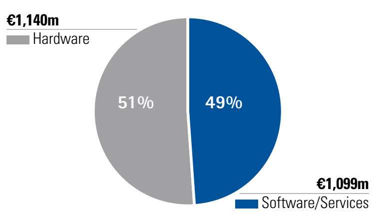
Banking segment: Net sales in the Banking segment down 2% at €1,497 million (2008/2009: €1,532 million), accounting for 67% of total net sales for the Group. EBITA for the Banking segment contracted by 13% to stand at €126 million (2008/2009: €145 million).

Retail segment: Following a period of consolidation and partial realignment, the Retail segment achieved an increase of 3% in net sales, which ended the year at €742 million (2008/2009: €718 million). This took its share of total consolidated net sales to 33%. EBITA for the Retail segment was up 6% at €36 million (2008/2009: €34 million).

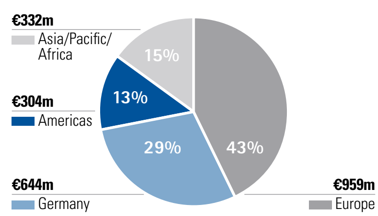
Net Sales by Segment.



Net Sales by Business Stream.



Net Sales by Region.



2010/2011: Sights Set on Return to Sustained Growth.

Gradual recovery in demand anticipated though speed of recovery still unclear, especially in Europe. Expected return to business growth in 2010/2011 despite risks to economy: targets of 6% increase in net sales and 8% in operating profit to bring Group back in line with previous annual medium-term growth rates. Achieving targets in 2010/2011 dependent on speed of market recovery. Good opportunities for growth in the area of Cash Cycle Management Solutions. Gradual recovery in Hardware business and continued strong performance from Software, including high-end solutions. Further growth in Services business and expansion of Professional Services.

Rethinking Processes. Managing Change.

Things don't stand still for long in the branch operations of banks and retailers. Processes and structures are subject to ongoing change as customer and market requirements shift and present new challenges. Wincor Nixdorf's role is to help its banking and retail customers implement these changes. In every case, we aim to reduce costs and complexity, while improving levels of service and efficiency.

In order to find the best solutions, we therefore need to team up with our customers, to think ahead and, sometimes, even laterally. Take our Cash Cycle Management Solutions (CCMS), for example. This revolutionary portfolio of solutions ensures maximum security and transparency, while enhancing processes and reducing costs in the cash logistics chains of banks and retailers.

Why not take a look at our special report on page 27 to find out what else Wincor Nixdorf is doing to help make its customers' processes more efficient and competitive through the use of IT? You will discover how our CCMS can cut your cash handling costs by over 20%, how you can benefit from IT integration services from a single provider and why knowledge means progress and why green is good.

Contents.

For a detailed table of contents relating to the Group Management Report, please refer to page 53.

For a detailed table of contents relating to the Notes to the Group Financial Statements, please refer to page 97.

Cross references within the Annual Report

Brief explanations

Link to Internet

QR code

Dear Ladies and Gentlemen,

Since I wrote to you in last year's annual report, there has been some easing of the uncertainties affecting the wider economy and Wincor Nixdorf. We are relieved to find that many important national economies are already on the path to recovery. Nevertheless, the crisis continues to cast its shadow, even at the end of 2010, as can be seen from the substantial deficits of several EU states, the consequences of which are as yet uncertain. It would be premature, therefore, to talk about a genuine and significant upswing in our markets – even though we do still anticipate a gradual recovery.

In this context, the fiscal year 2009/2010 was again dominated by efforts to limit the impact of the crisis and maintain our forward-looking course.

We succeeded in both respects. Although we began the year in cautious mood and with correspondingly low expectations, in the event our results turned out to be better than we initially expected. Instead of the decline in net sales of up to 3 percent that we had originally forecast as a maximum, we were able to maintain the level of the previous year. At the same time, we managed to limit the decline in operating profit to minus 9 percent.

This was achieved thanks to the comprehensive package of targeted internal and operational measures that we implemented to counter the prevailing market weakness. This included prompt action to manage our costs and trim our operations. Nevertheless, we continued to seize market opportunities created by our business model as it became clear that the underlying trends in the retail banking and retail industries remained in place, albeit in a less pronounced form. Last but not least, the results from our Software/Services business compensated for the downturn in Hardware, allowing us to maintain a stable level of net sales.

Our performance throughout two years of economic crisis gives us good reason to be confident. Over this period, Wincor Nixdorf was largely able to maintain its existing course with a decline of only 3 percent in net sales, and although the crisis had a greater impact on our earnings, here, too, we managed to limit the overall downside to minus 21 percent.

During these last months, we have also strengthened our focus on the future in order to enhance the prospects of your company. Thus, we have improved our chances of sharing in the global economic recovery.

The fact that we have achieved this is largely due to the outstanding dedication of the 9,300 men and women who make up our global workforce. I would like to take this opportunity to express my gratitude for their exceptional commitment and for the tremendous flexibility shown by all the Group's employees over the last year.

Our thanks also go to the Company's shareholders, above all for their trust and loyalty – values that have long been associated with Wincor Nixdorf. In these difficult times, we have remained faithful to our declared dividend strategy as evidence of the Company's consistent and reliable policy towards shareholders. Once again, we intend to distribute around 50 percent of our profit for the period and will therefore propose a dividend of €1.70 per share, around 8 percent below last year's figure, to the Annual General Meeting. We will continue to make every effort to ensure that a shareholding in Wincor Nixdorf remains a worthwhile investment over the long term.

In current fiscal 2010/2011, we aim to return to the sustained levels of growth experienced by the Group over a number of years prior to the crisis. In specific terms, we hope to achieve annual growth of 6 percent in net sales and 8 percent in operating profit, in line with the medium-term targets we set ourselves on flotation. The extent to which we are able to achieve these targets in the current fiscal year will largely depend on how quickly our markets recover.

Looking ahead, while it is true to say that the economic situation is not without risk, we are confident that Wincor Nixdorf is well prepared and in a stronger position to tackle the fiscal year 2010/2011.

First of all, we have further improved our equity base and further reduced our already low level of net debt. At the end of the year, the Company's equity was up €28 million at €358 million, while net debt was €16 million lower at €134 million.

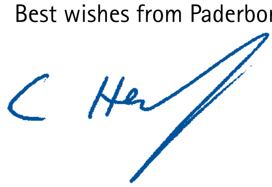
Secondly, although we have made sustained reductions in our costs, we have not cut spending on research and development. At €101 million, with an R&D ratio of around 4.5 percent of net sales, our capital expenditure in this area was almost unchanged on the previous year. This strategy has clearly paid off. At the Wincor World 2010 trade fair, we presented our Cash Cycle Management Solutions, the result of many years of intensive research and development work and a revolution in cash handling among retail banks and retailers. Furthermore, judging by the feedback we have received in recent months, this fundamentally new approach has proved extremely beneficial. No wonder, since our portfolio of Cash Cycle Management Solutions allows users to exploit previously untapped potential, with cost savings, for example, of over 20 percent for our customers and much greater transparency in the area of cash management. You can find more details of our latest solution on page 58.

Thirdly, we have conducted a thorough review of our internal processes and structures as part of our ProFuture program and initiated a number of changes across the Group in order to make sustained improvements to our performance and efficiency. ProFuture has been running since fiscal 2008/2009 and will have been implemented in its entirety by the end of the current fiscal year.

We have seen many changes in the last twelve months especially. One thing remains constant, however: our strategy for growth and success based on the four levers of global expansion, innovation, the expansion of high-quality services and the extension of our know-how to other applications, e.g., in the postal and service station sectors. All four of these levers complement each other, and each can be used to exploit potential new growth.

Another constant factor is our determination to do all we can to create added value for all our customers. Together with our reputation for reliability, this added value is crucial to our success. At this point, I should therefore like to say a big thank-you to our customers. Your trust provides us with the incentive and motivation to succeed.

Best wishes from Paderborn



Eckard Heidloff

Jens Bohlen

Senior Vice President, Services

Born 1962. Since November 2006 at Wincor Nixdorf and Member of the Executive Board; responsible for the IT services business with banks and retail companies.

Reinhard Rabenstein

Senior Vice President, CTO

Born 1954. Joined Nixdorf in 1980. Since October 2005 Member of the Executive Board and Chief Technology Officer.

Rainer Pfeil

Senior Vice President, Human Resources

Born 1962. Joined Wincor Nixdorf in July 2001; since then Member of the Executive Board; responsible for Human Resources.

Thomas Fell

Senior Vice President, Retail

Born 1968. Joined Wincor Nixdorf in November 2010 and since then Member of the Executive Board; responsible for the Retail business.

Dr. Jürgen Wunram
❙ Member of the Board of Directors

❙ Executive Vice President, CFO, COO

❙ Born 1958. ❙ Joined the Company in March 2007 and since then Member of the Board of Directors; responsible for finances.

Eckard Heidloff
❙ President & Chief Executive Officer

❙ Born 1956. ❙ Joined Nixdorf in 1983. ❙ President & CEO since January 29, 2007.

Stefan Auerbach
❙ Member of the Board of Directors

❙ Executive Vice President, Banking

❙ Born 1963. ❙ Joined Nixdorf in 1983. ❙ Member of the Board of Directors, since October 2005; responsible for the Banking business.

Khoon Hong Lim

❙ Senior Vice President, Region Asia-Pacific

❙ Born 1951. ❙ Joined Nixdorf in 1988. ❙ Member of the Executive Board since October 2005 and responsible for Group business in Asia-Pacific.

Javier López-Bartolomé

❙ Senior Vice President, Region Americas

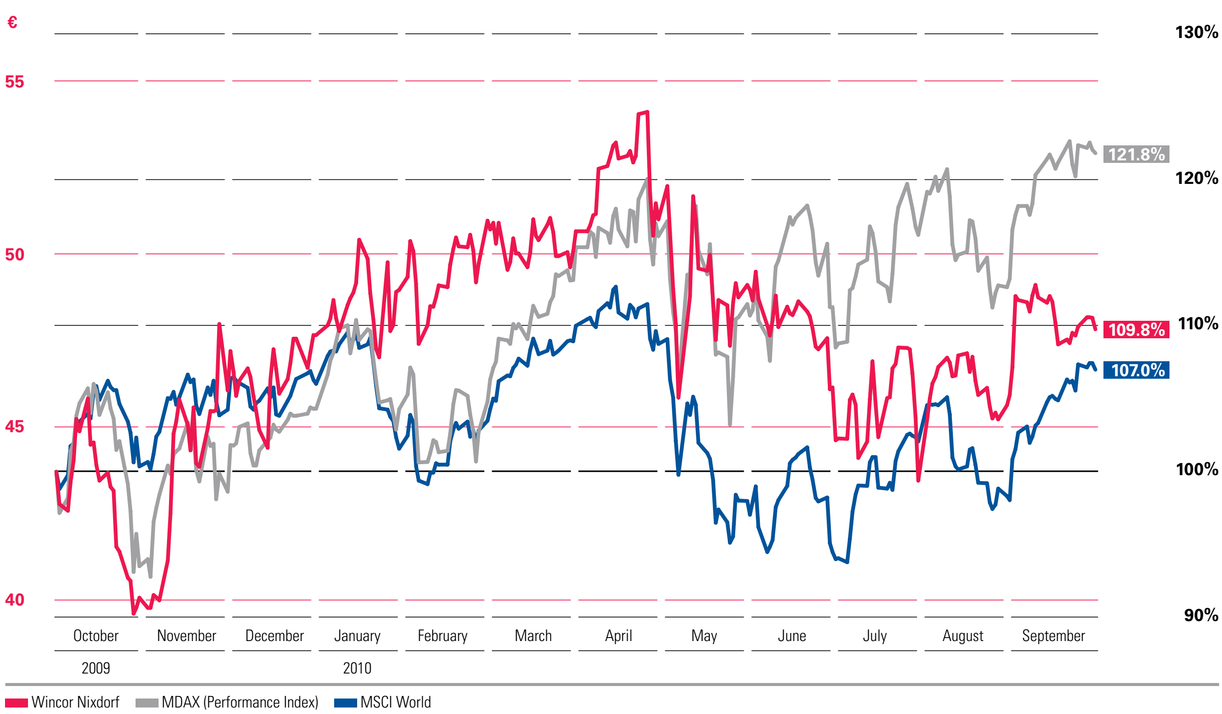
❙ Born 1959. ❙ Joined the Company in 1997. ❙ Member of the Executive Board since 1999; responsible for the Group business in the Americas.

Stable Distribution Ratio: Dividend Proposal of €1.70 per Share Proportion of Treasury Shares Rises to 5.2% Following Stock Buy-back

Fluctuating Share Price – Positive Overall Performance.

Share Performance. At the end of the reporting period, Wincor Nixdorf stock closed at €47.83, 9.8% up on its opening price as of October 1, 2009. Although positive, this was well below the performance of the MDAX, which rose by 21.8%.

Performance of Wincor Nixdorf Shares Compared to MDAX and MSCI World.



Wincor Nixdorf Shares – Key Facts & Figures.

(Data adjusted after capital increase, executed on March 22. 2007, through issuance of shares in a ratio of 1:1)

	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Opening price (Xetra)	€43.70	€41.74	€59.00	€57.62	€40.00
Fiscal year-end price (Xetra)	€47.83	€44.01	€41.49	€58.00	€57.33
Fiscal year high (Xetra)	€55.49	€45.26	€69.19	€75.00	€61.16
Fiscal year low (Xetra)	€38.55	€26.90	€39.73	€50.75	€34.87
Number of shares as of September 30[1]	33,084,988	33,084,988	33,084,988	33,084,988	33,084,988
Market capitalization as of September 30[1]	€1,582m	€1,456m	€1,373m	€1,919m	€1,897m
Total dividend	€53m[2]	€59m	€67m	€88m	€46m
Dividend per share	€1.70[2]	€1.85	€2.13	€2.78	€1.40
Dividend yield (based on fiscal year-end price)	3.55%	4.20%	5.13%	4.79%	2.44%
Earnings per share[3]	€3.21	€3.54	€4.08	€3.54	€2.82
Free float	94.8%	95.7%	95.7%	97.9%	100%

1) Including treasury shares.
2) Proposed dividend.
3) In the previous year profit for the period before charges arising from the carve-out, based on 33.085 million shares.

The following points can be observed in relation to the performance of Wincor Nixdorf stock in the fiscal year just ended:

- There was a slight increase in the degree of fluctuation of the stock compared to the MDAX.
- Share prices rose strongly across the entire market from February 2010 onwards, but then fell abruptly towards the end of April against a background of turbulence in the euro zone before eventually recovering again.
- In the first half of the reporting period, movements in the stock largely reflected the overall market situation. From June 2010 onwards, the stock recorded a sideways movement affected by market fluctuations, but then picked up in August and September 2010 to follow the general market trend, albeit from some way behind. The lowest trading price for the reporting year was €38.55 on October 29, 2009, while the highest figure of €55.49 was achieved on April 26, 2010.

The average trading volume of Wincor Nixdorf shares on all German stock exchanges declined from 4.5 million units per month in fiscal 2008/2009 to 4.1 million shares traded per month during fiscal 2009/2010.

Basic Data.

Date first traded	May 19, 2004
Issue price	€20.50
Stock exchange	Frankfurt Securities & Stock Exchange (Prime Standard)
Prime sector	Industrial
Total number of shares	33,084,988 shares with a nominal value of €1.00 each
WKN (German securities no.)	A0CAYB
ISIN	DE000A0CAYB2

Index Membership. According to data issued by Deutsche Börse for September 2010, Wincor Nixdorf is ranked 18th in the MDAX index on the basis of market capitalization (previous year: 15th) and 19th (previous year: 17th) on the basis of trading volume. Both are key criteria, since a high market capitalization and a significant level of trading volumes (which reflects the liquidity of the shares) are particularly important to make the stock more appealing to institutional investors.

Index	Included since
MDAX	September 20, 2004
MSCI World Index (World Small Cap)	June 1, 2005
Dow Jones STOXX 600	June 19, 2006
Kempen SNS European Smaller SRI Index (Socially Responsible Investment)	October 1, 2007

Shareholder Structure: Broad Scope of International Ownership. Almost 95% of Wincor Nixdorf's stock (excluding treasury shares) is in free float. Based on the announcements issued pursuant to Section 21 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG), at the end of the reporting period, the following entities each held an interest in Wincor Nixdorf in excess of the disclosure threshold:

- AMUNDI (over 3%)
- Blackrock Inc., Blackrock Financial Management Inc., Blackrock Holdco2 Inc. (over 3%)
- DWS Investment GmbH (over3%)
- Governance for Owners Group LLP (over 3%)
- Oddo Asset Management/ODDO ET CIE (over 3%)

Details concerning Directors' Dealings at www.wincor-nixdorf.com, Section: Investor Relations

Details concerning Directors' Dealings pursuant to Section 15a WpHG are published on the Company's website at www.wincor-nixdorf.com in the section entitled "Investor Relations".

According to our own estimate, at the end of the reporting period, approx. 85% of Wincor Nixdorf shares were held by investors domiciled abroad. A significant proportion of these shares is held particularly by investors based in France, the United Kingdom and the United States of America.

Investor Relations – Generating Confidence by Providing Ongoing Information. For Wincor Nixdorf, all Investor Relations activities are centered around open and proactive financial communication. We are committed to providing investors and analysts with information on the strategic direction and development of our Company in a comprehensive and timely manner. We aim to generate confidence by establishing an ongoing dialog with the capital markets.

During fiscal 2009/2010, we held a total of 35 road shows and conferences in Austria, Canada, Denmark, France, Germany, Ireland, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom and the United States of America as a means of fostering close relations with existing partners and establishing new contacts.

We also conducted numerous one-on-one meetings with investors at our headquarters in Paderborn. These included a tour of the plant and product presentations, allowing visitors to gain a comprehensive insight into our Company and portfolio.

Coinciding with our annual Wincor World in-house exhibition in Paderborn, we organized the 6th Wincor Nixdorf Investors' Day on January 26, 2010, which included an extensive range of information for investors and analysts.

In all, the Board of Directors and the Investor Relations team held talks with well over 200 institutional investors in the reporting period. Fund managers from France, the U.K. and the U.S. in particular showed a strong interest in our Company.

Following the publication of our quarterly reports and provisional results for fiscal 2008/2009, we discussed our financial situation and business performance in the respective segments at length during several conference calls with analysts and investors.

All ad hoc announcements, press releases and quarterly reports are published promptly on our website, both in German and English. The website also contains extensive information on our corporate structure, management and strategy, in addition to providing details on corporate governance and our Annual General Meetings.

Analyst Coverage. At the end of the fiscal year under review, the Company was officially covered by 22 financial analysts, who issue comments and recommendations on a regular basis. These analysts are (in alphabetical order):

Bankhaus Lampe, Berenberg Bank, BHF Bank, Cheuvreux, Commerzbank, Credit Suisse, Deutsche Bank, DZ Bank, equinet Bank, Fairesearch, Goldman Sachs, HSBC Trinkaus & Burkhardt, Kepler Capital Markets, LBBW, Merrill Lynch, Metzler, M.M. Warburg, Nord/LB, UBS, Unicredit, Wedbush Morgan Securities, WestLB.

Annual General Meeting. Shareholders attending the Annual General Meeting of Wincor Nixdorf AG in Paderborn, Germany, on January 25, 2010, represented over 58% of the Company's voting rights. All resolutions on the agenda were passed with very large majorities.

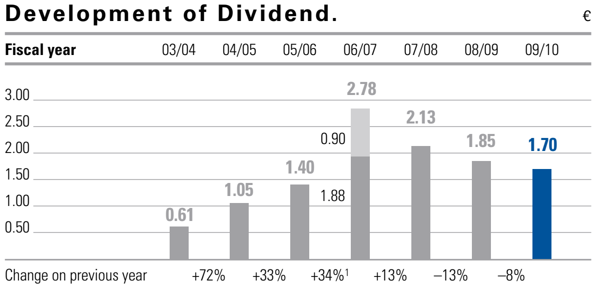
The next Annual General Meeting is scheduled to take place in Paderborn on January 24, 2011.

Next AGM: January 24, 2011

Stable Dividend Payout Ratio. For fiscal 2008/2009, we paid a dividend of €1.85 per share. For fiscal 2009/2010, the Board of Directors and the Supervisory Board intend to propose a dividend of €1.70 per share to the Annual General Meeting. Compared to the previous year, this represents a decrease of 8% and a dividend yield of 3.55% based on the fiscal year-end price of Wincor Nixdorf stock.

Thus, the Board of Directors remains committed to the dividend strategy pursued at the time of flotation, according to which around 50% of profit for the year would be distributed to shareholders.

Development of Dividend. €



[1] Including extra dividend +99%.

Treasury Shares. On August 3, 2010, the Board of Directors of Wincor Nixdorf AG adopted a resolution to buy back up to 400,000 shares in the Company through the stock exchange in the period between August 3 and November 3, 2010. This decision follows the corresponding authorization given by the AGM to repurchase the Company's own shares. By September 30, 2010, under this share buy-back program, the Company had repurchased 293,291 of its own shares at an average price of €47.78. The stock buy-back program was completed on October 6, 2010. In total, 400,000 shares were acquired at an average price of €47.88.

The repurchased shares can be used for all purposes admitted by the law and covered by the authorization given by the AGM, in particular to fulfill the Company's obligations in respect of the share options already issued or to be issued to members of the Board of Directors, other managerial staff and employees of the Company and/or subordinate associated companies.

At the end of the reporting period, the Company held a total of 1,714,271 treasury shares, equivalent to 5.2% of its share capital, as a result of repurchase programs from fiscal 2006/2007 up to 2009/2010.

Key Component of Corporate Management Trusted Partnership between Board of Directors and Supervisory Board Continuous, Prompt and Transparent Information for Shareholders Extensive Compliance Program to Safeguard Company Integrity Risk Management System to Identify, Prevent and Mitigate Risks Details on Compensation System for Board of Directors and Supervisory Board

Corporate Governance and Compensation Report.

At Wincor Nixdorf, responsible, transparent business management and control centered on the creation of sustained added value is considered an essential basis for commercial success. Indeed, corporate governance has been an integral element of management for many years. The Board of Directors and the Supervisory Board have issued the statutory statement of compliance in accordance with Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG), stating that Wincor Nixdorf complies with all the recommendations of the German Corporate Governance Code, with five exceptions. Adherence to this Code is monitored by the Board of Directors and the Supervisory Board. Issued annually, the statement of compliance is permanently available to all shareholders on the Internet at www.wincor-nixdorf.com under the heading of Investor Relations.

Statutory Company Boards, see page 144

www.wincor-nixdorf.com, heading: Investor Relations

Close Collaboration between Board of Directors and Supervisory Board. A relationship based on close collaboration and mutual trust exists between the Board of Directors and the members of the Supervisory Board. The Board of Directors reports regularly to the Supervisory Board on the progress of business activities. There is also an ongoing and constructive dialog concerning strategy, corporate planning and Company profitability. For further details, please refer to the Supervisory Board report.

Supervisory Board report, see page 22 et seq.

Directors' Dealings, for further information visit www.wincor-nixdorf.com, heading: Investor Relations

The Supervisory Board convened five scheduled meetings in the fiscal year under review. In addition, it held two extraordinary meetings during this period. The report prepared by the Supervisory Board contains further details of board meetings convened over the course of the fiscal year. The Supervisory Board has established four committees: a Mediation Committee, pursuant to Section 27 (3) of the German Co-Determination Act (Mitbestimmungsgesetz – MitbestG); a Personnel Committee, dealing especially with the preparation of staff issues that pertain to the Board of Directors as well as with the preparation of the compensation structure for the Board of Directors; a Nomination Committee, responsible for preparing the candidate proposals put forward by the Supervisory Board to the Annual General Meeting for the subsequent Supervisory Board elections; and an Audit Committee.

No conflicts of interest arose among members of the Board of Directors and members of the Supervisory Board. For further details of the Company's boards, please refer to "Statutory Company Boards" in the Notes to the Group financial statements.

TRANSPARENCY AND COMPLIANCE.

Internal and External Transparency. Wincor Nixdorf is committed to providing comprehensive, continuous and prompt information when interacting with the Company's shareholders. As regards the Annual General Meeting of Shareholders (AGM) on January 24, 2011, we will again appoint a proxy vote representative so that shareholders not attending the AGM can be given the opportunity to exercise their voting rights. Shareholders will be able to issue their instructions via the Internet prior to the AGM.

With a view to ensuring prompt and open communication with the public, we provide detailed documents and information on our website. This includes AGM information, financial reports, current ad hoc announcements and press releases. Our Internet content also includes the Company's Articles of Association, the Code of Conduct and information on Directors' Dealings.

Compliance.

Compliance is a core issue for Wincor Nixdorf AG. The Board of Directors regards it as a fundamental management task and in December 2009 issued a Compliance Statement in which it pledges to respect the law, expressly acknowledges the need for lawful, social and ethical conduct and commits itself to the compliance program implemented as part of the Wincor Nixdorf Compliance Management System. Our Compliance Statement can be found on the Group's intranet and website, and is also available for inspection at the corporate presentations held by Wincor Nixdorf. It plays a key motivational role in ensuring that our staff observe the relevant compliance rules.

Expanded Compliance Management System. Wincor Nixdorf has designed a Compliance Management System (WN CMS) tailored to its own requirements. WN CMS is an organizational model integrated into the strategic and operational business and based on values. Its purpose is to ensure continued long-term compliance with the law and internal rules in order to minimize liability risks, avoid damage to the Group and strengthen its reputation in its markets and among the general public.

WN CMS provides a compliance management structure for dealing with business transactions and relations between Wincor Nixdorf and its stakeholders. Its aims are to identify and remedy existing breaches of the compliance rules and, above all, to avoid future infringements of the law or compliance rules by focusing on preventive measures.

During the period under review, Wincor Nixdorf made a number of additions to the Group-wide WN CMS to ensure that it remains effective over the long term. These included the introduction of a "Compliance Portal" on the intranet, containing important compliance information as well as details of the rules in force at Wincor Nixdorf. We publish a "Compliance Newsletter" every quarter, and over the course of fiscal 2009/2010 we held regular information/training events and global web-based compliance seminars.

We have adopted an Insider Dealing Directive that is aimed at preventing insider dealing by Company employees. The employees and Board members named on the Insider List are prohibited from undertaking transactions in Wincor Nixdorf shares or related financial instruments during certain blocking periods, prior and subsequent to the publication of quarterly and annual results.

New System of Compliance Officers. The Board of Directors is entitled to exercise its own discretion in the design of a compliance management system. Accordingly, it has chosen to create a multi-layered international system of compliance officers based on existing organizational structures. Fundamentally, this Group-wide system is made up of two levels. At the first of these, the Chief Compliance Officer (CCO), based in the Group parent company, reports back to the Board of Directors and the Supervisory Board's Audit Committee; a second level involved the appointment of Local Compliance Officers (Local COs) for all other members of the Group. Local COs are responsible for compliance issues at a regional level on the basis of the minimum stipulations laid down for the entire Group and report to the CCO. The CCO coordinates and oversees the collaboration between the Group's Compliance Officers.

Compliance Committee Established. With a view to integrating the Group's remaining supervisory functions, e.g., Internal Audit, Risk Management, Controlling and Export Control, as well as other interface departments such as Purchasing, IT, Corporate Communications and Human Resources, a new Compliance Committee has now been set up at parent company level and will act as a steering group.

In accordance with the recommendations of the German Corporate Governance Code, the Audit Committee of Wincor Nixdorf AG monitors the development and results of the compliance system.

The Board of Directors and the Supervisory Board hold, either directly or indirectly, shares or options in Wincor Nixdorf AG equivalent to more than 1% of the Company's share capital. Together, the members of the Board of Directors hold 1.53% and the members of the Supervisory Board 0.28% of the Company's share capital.

Compliance Portal for employees on the intranet

Details of Directors' Dealings pursuant to Section 15a of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) can be downloaded from the Investor Relations section of the Company's website.

A list of all third-party entities in which Wincor Nixdorf AG holds an interest deemed to be not of minor significance has been included in the annual financial statements of Wincor Nixdorf AG. The annual financial statements of Wincor Nixdorf AG are published, among other places, on the corporate website.

RISK MANAGEMENT SYSTEM FOR VALUE-LED CORPORATE MANAGEMENT.

Responsible corporate governance is dependent on a properly functioning risk management system. The risk management system implemented by Wincor Nixdorf is geared toward meeting the practical requirements of our business. It is designed to highlight risks at an early stage and to help avoid or limit them where they occur. Further details are provided in the Group Management Report in the section entitled Risk Report.

EXCEPTIONS TO THE CORPORATE GOVERNANCE CODE.

Under Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG), the Board of Directors and the Supervisory Board of stock exchange-listed companies are obliged to issue a declaration each year stating that the recommendations of the "Code of the Government Commission on German Corporate Governance," as published by the German Federal Ministry of Justice in the official section of the Federal Gazette (electronic version), have been and are being met. This declaration must also specify which recommendations have not been or are not being applied and why not.

Exceptions to the Corporate Governance Code. In accordance with Section 161 AktG, the Board of Directors and the Supervisory Board of Wincor Nixdorf AG issued a new declaration of compliance on November 24, 2010.

I. Since its last declaration of compliance on November 24, 2009, Wincor Nixdorf AG has complied with the recommendations of the German Corporate Governance Code, in the version dated June 18, 2009, and with the recommendations of the revised version of the Code, which came into force on May 26, 2010, with the exception of the following departures:

1. Up to June 30, 2010, the D&O insurance policy agreed by Wincor Nixdorf AG for its Board of Directors did not feature a policy excess (Section 3.8 Paragraph 2 GCGC).

Reasons: Up to June 30, 2010, the D&O insurance policy held by Wincor Nixdorf AG for its Board of Directors did not feature a policy excess, in particular no such excess of at least 10% of the damage up to at least one and a half times the fixed annual remuneration. The D&O insurance was in place for a significant number of management staff across the entire Wincor Nixdorf Group, at home and abroad, including members of the Company's boards. When the policy agreement was signed, it did not appear proper to differentiate between Board members and other management staff; equally there was no legal requirement to do so. Pursuant to Section 93 (2) sentence 3 AktG in conjunction with Section 23 (1) sentence 1 of the Introductory Act to the Stock Corporation Act (Einführungsgesetz zum Aktiengesetz – EGAktG), existing insurance policies had to be amended by July 1, 2010. Since July 1, 2010, the D&O insurance held by Wincor Nixdorf AG has therefore contained a policy excess for members of the Board of Directors equivalent to 10% of the damage up to at least one and a half times the fixed annual compensation.

2. The D&O insurance policy agreed by Wincor Nixdorf AG does not feature a policy excess for the Supervisory Board (Section 3.8 Paragraph 3 GCGC).

Reasons: The D&O insurance policy agreed by Wincor Nixdorf AG does not feature a policy excess for the Supervisory Board, in particular no such excess of at least 10% of the damage up to at least one and a half times the fixed annual remuneration. The D&O insurance was in place for a significant number of management staff across the entire Wincor Nixdorf Group, at home and abroad, including members of the Company's boards. When the policy agreement was signed, it did not appear proper to differentiate between Board members and other management staff; equally there was no legal requirement to do so. Pursuant to Section 93 (2) sentence 3 AktG in conjunction with Section 23 (1) sentence 1 of the Introductory Act to the Stock Corporation Act (Einführungsgesetz zum Aktiengesetz – EGAktG), only insurance policies for members of the Board of Directors had to be amended by July 1, 2010. There is no provision in the legislation (Section 116 sentence 1 AktG) for a mandatory policy excess for the Supervisory Board; indeed, the Supervisory Board is specifically exempted from such a mandatory policy excess. Given the nature of the role of the Supervisory Board, which is also clear from that Board's different remuneration structure, this distinction in the treatment of the Board of Directors and the Supervisory Board appears commensurate, especially since the insurance policies have not been changed for other senior managers. Consequently, it did not appear proper to extend the policy excess in the D&O insurance policy held by Wincor Nixdorf AG to members of the Supervisory Board.

3. The contracts of members of the Board of Directors of Wincor Nixdorf AG do not contain rules on severance payments in the event of the early termination of a member's service by the Company without an important reason (Section 4.2.3 Paragraph 4 GCGC).

Reasons: The contracts of members of the Board of Directors of Wincor Nixdorf AG do not contain rules on severance payments in the event of the early termination of a member's service by the Company without an important reason. Any such rules on severance payments would be counter to the principle applied by Wincor Nixdorf AG in line with the German Stock Corporation Act under which contracts for members of the Board of Directors are regularly concluded and maintained for the duration of the period of office. Any early termination of service by either party presupposes the existence of an important reason. In the event that a member of the Board of Directors resigns without an important reason, they are no longer entitled to a fixed salary or variable compensation from the point at which the resignation takes effect up to the end of the contract.

4. In setting the level of remuneration paid to members of the Supervisory Board, no account is taken of chairmanship of any committee other than the Audit Committee, and of membership of any of the Supervisory Board committees (Section 5.4.6 Paragraph 1 Sentence 3 GCGC).

Reasons: Remuneration for mere membership of a committee is deemed unnecessary. As regards the activities of the Supervisory Board, practice has shown that the vast majority of committee meetings are scheduled to coincide closely with meetings of the Supervisory Board itself. Chairmanship of the Audit Committee is remunerated separately due to the additional time and effort required by the role.

5. Members of the Supervisory Board are not paid any performance-related remuneration in addition to their fixed emoluments (Section 5.4.6 Paragraph 2 Sentence 1 GCGC).

Reasons: In the Company's view, a fixed remuneration for members of the Supervisory Board is more appropriate given that the body's supervisory function is independent of the Company's performance.

II. Wincor Nixdorf AG will, in future, comply with the recommendations of the "Code of the Government Commission on German Corporate Governance" in the version dated May 26, 2010, with the exception of the departures listed below:

1. At its next Annual General Meeting, the Company will refrain from exercising the option to hold an absentee ballot (postal vote) granted by its Articles of Association since the last Annual General Meeting (Section 2.3.3 Sentence 2 GCGC).

Reasons: The recommendation to support shareholders in the holding of an absentee ballot (postal vote) was introduced in the last amended version of the GCGC dated May 26, 2010. However, the GCGC does not actually recommend that companies offer to hold an absentee ballot; it merely recommends that companies support shareholders in the holding of an absentee ballot in the event that the Board of Directors decides to make this option available. Following the Annual General Meeting on January 25, 2010, in accordance with the option granted by Article 118 (2) AktG, Wincor Nixdorf AG took the precaution of introducing a new clause into its Articles of Association authorizing the Board of Directors to allow an absentee ballot. However, given that the practical implementation of an absentee ballot is still subject to too many legal uncertainties, the Board of Directors does not intend to exercise the option of holding an absentee ballot at the next Annual General Meeting. Furthermore, an absentee ballot does not provide any recognizable additional benefit to shareholders in the personal exercise of their rights when compared to the proxy voting service offered by Wincor Nixdorf AG up to the day of the Annual General Meeting under the terms of which proxies are bound by written or electronic voting instructions.

2. The D&O insurance policy agreed by Wincor Nixdorf AG does not feature a policy excess for the Supervisory Board (Section 3.8 Paragraph 3 GCGC).

Reasons: The D&O insurance policy agreed by Wincor Nixdorf AG does not feature a policy excess for the Supervisory Board, in particular no such excess of at least 10% of the damage up to at least one and a half times the fixed annual remuneration. The D&O insurance was in place for a significant number of management staff across the entire Wincor Nixdorf Group, at home and abroad, including members of the Company's boards. When the policy agreement was signed, it did not appear proper to differentiate between Board members and other management staff; equally there was no legal requirement to do so. Pursuant to Section 93 (2) sentence 3 AktG in conjunction with Section 23 (1) sentence 1 of the Introductory Act to the Stock Corporation Act (Einführungsgesetz zum Aktiengesetz – EGAktG), only insurance policies for members of the Board of Directors had to be amended by July 1, 2010. There is no provision in the legislation (Section 116 sentence 1 AktG for a mandatory policy excess for the Supervisory Board); indeed, the Supervisory Board is specifically exempted from such a mandatory policy excess. Given the nature of the role of the Supervisory Board, which is also clear from that Board's different remuneration structure, this distinction in the treatment of the Board of Directors and the Supervisory Boards appears commensurate, especially since the insurance policies have not been changed for other senior managers. Consequently, looking forward it does not appear proper to extend the policy excess in the D&O insurance policy held by Wincor Nixdorf AG to members of the Supervisory Board.

3. The contracts of members of the Board of Directors of Wincor Nixdorf AG do not contain rules on severance payments in the event of the early termination of a member's service by the

Company without an important reason (Section 4.2.3 Paragraph 4 GCGC).

Reasons: The contracts of members of the Board of Directors of Wincor Nixdorf AG do not contain rules on severance payments in the event of the early termination of a member's service by the Company without an important reason. Any such rules on severance payments would be counter to the principle applied by Wincor Nixdorf AG in line with the German Stock Corporation Act under which contracts for members of the Board of Directors are regularly concluded for the duration of the period of office. Any early termination of service by the Company presupposes the existence of an important reason. In the event that a member of the Board of Directors resigns without an important reason, they are no longer entitled to a fixed salary or variable compensation from the point at which the resignation takes effect up to the end of the contract.

4. In setting the level of remuneration paid to members of the Supervisory Board, no account is taken of chairmanship of any committee other than the Audit Committee, and of membership of any of the Supervisory Board committees (Section 5.4.6 Paragraph 1 Sentence 3 GCGC).

Reasons: Remuneration for mere membership of a committee is deemed unnecessary. As regards the activities of the Supervisory Board, practice has shown that the vast majority of committee meetings are scheduled to coincide closely with meetings of the Supervisory Board itself. Chairmanship of the Audit Committee is remunerated separately due to the additional time and effort required by the role.

5. Members of the Supervisory Board are not paid any performance-related remuneration in addition to their fixed emoluments (Section 5.4.6 Paragraph 2 Sentence 1 GCGC).

Reasons: In the Company's view, a fixed remuneration for members of the Supervisory Board is more appropriate given that the body's supervisory function is independent of the Company's performance.

OBJECTIVES OF THE SUPERVISORY BOARD IN RELATION TO ITS COMPOSITION – CURRENT STATE OF IMPLEMENTATION.

According to Section 5.4.1 Sentence 5 GCGC, the Corporate Governance Report should contain details of the specific objectives of the Supervisory Board in relation to its composition and with due regard for the organization's international activities, potential conflicts of interest, the stipulation of an age limit for members of the Supervisory Board and diversity, the latter especially in terms of achieving an appropriate level of involvement of women. The report should also evaluate the state of implementation of these objectives.

To this end, at its meeting on September 21, 2010, the Supervisory Board set out its objectives in relation to the composition of the Board as follows:

- The Supervisory Board of Wincor Nixdorf AG is made up, as required by the German Co-Determination Act, of six shareholder representatives and six employee representatives. The Supervisory Board or, at a preliminary stage, its Nomination Committee may only exert an influence on the election of the six shareholder representatives through its right to propose candidates to the Annual General Meeting. A ballot to elect the six new employee representatives on the Supervisory Board, whose terms of office will begin at the end of the Annual General Meeting on January 25, 2011, will be held in December 2010. Neither the Supervisory Board nor the Company may exert any influence on the proposals for election.
- The specific objectives for the composition of our Supervisory Board are therefore limited to the composition of the six shareholder representatives:

  a) With regard to the international activities of the Company. The international activities of Wincor Nixdorf AG have previously been taken into account in the composition of the shareholder representatives on the Supervisory Board and will continue to be taken into account when the Supervisory Board submits candidate proposals to the Annual General Meeting. The key factors here are a knowledge of spoken and written English, professional experience (either in management or on another supervisory body) in other German or foreign companies of a comparable size with an international presence, and an understanding of global economic issues in relation to manufacturing, sales or services. This requirement for candidates to have an international profile does not necessarily mean that the Supervisory Board should include one or more foreign nationals. German citizens can also provide the desired international experience, e.g., as a result of time spent working in another country.

  b) Avoiding potential conflicts of interest. Potential conflicts of interest are avoided at an early stage when the Supervisory Board submits its proposed candidates to the Annual General Meeting. With the exception of the Chairperson of the Supervisory Board, who held the position of Chief Executive Officer of Wincor Nixdorf AG up to January 29, 2007, no other former members of the Board of Directors of Wincor Nixdorf or former Wincor Nixdorf general managers serve on the Supervisory Board as shareholder representatives. When it submits the names of proposed candidates to the Annual General Meeting, the Supervisory Board ensures that the candidates in question do not perform a managerial, advisory or supervisory role on behalf of one of the Company's competitors, suppliers, lenders or customers. This avoids conflicts of interest from the outset. In the event that a conflict of interest arises during the period of office of a member of the Supervisory Board, the person in question is required to disclose that conflict to the Supervisory Board via the Chairperson and, providing the conflict of interest is significant and not just temporary, to stand down.

c) Stipulation of an age limit. The age limit, i.e., the expiry of a serving member's term of office at the end of the Annual General Meeting after which that person reaches the age of 71, is already stipulated in the Company's Articles of Association (Article 7 Paragraph 6).

d) With regard to diversity. Due regard must be given to issues of diversity in the composition of the Supervisory Board. In particular, the Supervisory Board must provide for an appropriate level of female representation. Diversity is also reflected in the varying professional careers and activities of shareholders representatives and – in terms of the Board's international profile – their different international experiences. In cases where male and female candidates are equally qualified and suitable, due regard should be given to the appointment of a female candidate. In future, the Company aims to ensure that there is at least one female member of the Supervisory Board.

- Current state of implementation of the objectives presented above under a) to d) for the composition of the Supervisory Board:

The objectives relating to a) ("With regard to the international activities of the Company"), b) ("Avoiding potential conflicts of interest") and c) ("Stipulation of an age limit") have already been met. Objective d) ("Diversity regarding the inclusion of female representatives on the Supervisory Board") is given due consideration by the Board's Nominations Committee when it looks for suitable candidates to replace shareholder representatives who leave the Board. Unfortunately, no female candidate with appropriate international experience was available out of the pool of suitable candidates for inclusion in the Board's proposal to the Annual General Meeting on January 24, 2011, for the election and appointment of two new members; however, the Nominations Committee and the Supervisory Board have set a target of continuing to look for suitable female candidates as shareholder representatives on the Board.

AUDIT OF GROUP FINANCIAL STATEMENTS BY KPMG.

The Group financial statements of Wincor Nixdorf AG for the fiscal year ended September 30, 2010, have been prepared in accordance with all International Financial Reporting Standards (IFRS) binding in the European Union for fiscal 2009/2010. Additionally, the statutory requirements according to Section 315a (1) of the German Commercial Code have been applied. The consolidated financial statements have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft.

COMPENSATION REPORT.

The information contained in the compensation report forms an integral part of the Group Management Report. Therefore, the Notes to the Group financial statements include no additional presentation of details discussed as part of the compensation report.

The compensation report outlines the key principles applied when determining remuneration levels for the Board of Directors of Wincor Nixdorf AG. It also describes the structure and level of compensation for the Board of Directors. In addition, it details the principles and level of Supervisory Board compensation.

The compensation report has been prepared in conformity with the recommendations of the German Corporate Governance Code (in the version of May 26, 2010) and includes information which, in accordance with the requirements of German commercial law, amended by the Act on the Disclosure of Management Board Compensation (Gesetz über die Offenlegung der Vorstandsvergütungen – VorstOG) of August 3, 2005, forms an integral part of the Notes to the Group financial statements pursuant to Section 314 of the German Commercial Code (Handelsgesetzbuch – HGB) and the Group Management Report pursuant to Section 315 HGB.

System of Compensation for the Board of Directors. The Supervisory Board of Wincor Nixdorf AG, acting on the recommendations of its Personnel Committee, which deals with the employment contracts of members of the Board of Directors, determines the overall level of compensation for each member of the Board of Directors. Additionally, it regularly reviews and makes decisions relating to the compensation system for the Board of Directors, as well as the appropriateness of total compensation payable to each member of the Board of Directors, including all significant elements within the contract. The requirements of the Act on the Appropriateness of Management Board Compensation (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG) dated July 31, 2009, have been met with regard to existing employment contracts and to the extension of employment contracts with members of the Board of Directors.

The compensation of members of the Board of Directors of Wincor Nixdorf AG is determined on the basis of the Company's size and global presence, its economic and financial situation as well as the level and structure of management board compensation offered by similar companies based in Germany and abroad. In addition, the duties, contribution and performance of the respective member of the Board of Directors are taken into account. The level of compensation is designed to be competitive within the market for highly qualified executives and to provide incentives for successful work that contributes in turn to the organization's sustained development as part of a high-performance culture. Wincor Nixdorf AG regularly takes part in remuneration reviews relating to both its own industry and other MDAX enterprises, with the express purpose of ensuring horizontal comparability of Board of Director compensation. Furthermore, when determining compensation levels for its Board of Directors, the pay scale and remuneration system within the Wincor Nixdorf Group are taken into account (verticality).

The remuneration of the Board of Directors is focused on performance and comprises the four components described below:

1. Fixed basic salary plus fringe benefits
2. Variable compensation dependent on the attainment of specific targets (bonus)/(short-term performance-based component)
3. Share-based compensation (long-term incentive component)
4. Pension commitment.

Group financial statements, note 16, see page 122 et seq.

Within this context, the fixed basic salary, the fringe benefits and the pension commitment represent non-performance-based components. The fixed basic salary is payable in monthly installments of equal amounts. The fringe benefits mainly comprise contributions made to accident and liability insurance policies as well as the provision of a company car. Additionally, all members of the Board of Directors of Wincor Nixdorf AG are entitled to retirement benefits, as described in detail in the section entitled "Pension Commitments."

Variable, performance-based compensation payable in the form of a bonus is dependent on the attainment of specific targets defined within the respective employment contracts. These targets are set on the basis of EBITDA (earnings before interest, taxes, depreciation and amortization) and Group net profit. Each target receives the same weighting and is settled separately. If the agreed budget per target is met in full (100%), the member of the Board of Directors receives 100% of his/her annual fixed basic salary as a bonus. If he/she falls short of the agreed budget by a maximum of 20%, the bonus is reduced on a straight-line basis. If the specified targets are met to an extent equivalent to 80%, the member of the Board of Directors receives 25% of the agreed bonus. If the level of target attainment remains below 80% with regard to one of the two targets, the entitlement to a bonus payment is no longer applicable; in this case, the Supervisory Board must decide, as in duty bound, on the granting of a bonus and the possible extent of such a bonus. If the level of target attainment reaches 120%, the associated bonus rises to 175% of the applicable fixed basic salary of the Board member in question. In accordance with contractual requirements, variable compensation may be equivalent to a maximum of 200% of the respective fixed annual basic salary. All targets are focused on increasing enterprise value. The targets to be applied as a basis for calculating the bonus amounts payable for fiscal 2009/2010 were defined at the Supervisory Board meeting of September 22, 2009. The bonus is payable in December following adoption of the Group financial statements by the Supervisory Board.

Members of the Board of Directors receive share options as a form of compensation with a long-term incentive effect. The number of share options to be issued to each member of the Board of Directors in respect of fiscal 2009/2010 is specified as part of an individual contractual agreement. In accordance with the requirements of Germany's VorstAG Act, the vesting period for share options granted under the 2010 share option program has been extended from two to four years. For a detailed description of the Company's share-based payment programs, please refer to the Notes to the Group financial statements 16.

The AGM in 2010 adopted a resolution to establish a new share option program for members of the Board of Directors and others with a subscription entitlement. The new program is based on the existing one and is intended to promote the sustained, long-term development of the Group.

Starting in fiscal 2010/2011, the number of share options granted to members of the Board of Directors will no longer be based on individual, contractually fixed numbers; henceforth, the number will be calculated on the basis of the planned ratio of long-term incentive components to the member's target annual income. For each member of the Board of Directors, the share-based compensation as a long-term incentive component should lie between 30% and 40% of target annual income. The remainder should be derived from the member's fixed annual salary and pension commitment (35%–50%) and from variable compensation (20%–35%) (bonus). Full details are established by the Supervisory Board.

In addition to the performance target stipulated for other beneficiaries under the program (exercise price per share equals the initial value plus 12%), a further condition applies to the exercise of share options held by members of the Board of Directors and has an impact on the long-term incentive component. The number of share options of the annual tranche granted to members of the Board of Directors is calculated at the start in such a way that a member can only achieve the full amount from this component of the overall compensation package, i.e., 100% of the planned sum from the long-term incentive component, if the share appreciates in value (yield) by an average of 6% per year over the entire four-year term of share option. Share performance is reckoned in terms of movements in the share price and the dividend (dividend yield). Once the number of share options has been calculated in this way, it can no longer be changed. If share performance is below an annual average of 6% over the entire four-year vesting period for the share option, this will produce a lower figure for this component of the member's compensation package. If share performance is above an annual average of 6% over the entire four-year vesting period for the share option, this will produce a higher figure for this component of the member's compensation package. The contracts of members of the Board of Directors contain appropriate provisions to ensure that the amount actually received by a member in respect of the long-term incentive component does not unduly exceed the planned compensation from this component of the overall package. A subsequent adjustment is possible if three times the amount of a Board member's planned annual compensation is exceeded when viewed over a five-year period.

The non-performance-based and short-term, performance-based components of compensation are itemized below and relate to all duties performed by the members of the Board of Directors within the Group:

€

	Non-performance-based				Performance-based		Total	
	Fixed basic salary		Fringe benefits					
	2009/2010	2008/2009	**2009/2010**	2008/2009	**2009/2010**	2008/2009	**2009/2010**	2008/2009
Eckard Heidloff	550,000.00	550,000.00	33,832.41	34,210.40	456,170.00	200,295.00	1,040,002.41	784,505.40
Stefan Auerbach	400,000.00	400,000.00	27,221.38	28,232.36	327,760.00	149,760.00	754,981.38	577,992.36
Dr. Jürgen Wunram	400,000.00	400,000.00	20,728.05	20,493.47	327,760.00	149,760.00	748,488.05	570,253.47
Total	**1,350,000.00**	**1,350,000.00**	**81,781.84**	**82,936.23**	**1,111,690.00**	**499,815.00**	**2,543,471.84**	**1,932,751.23**

The performance-related payments for the fiscal years shown in the table take into account differences between the accrued amounts at the corresponding reporting dates and the amounts actually paid out in the subsequent periods. In fiscal 2008/2009, with regard to the performance-related payment for Jürgen Wilde, the amount of €2,715.93 accrued in respect of 2007/2008 was too low and is not shown in the above table.

Share-based Compensation (Long-term Incentive Component). As regards the 2010 share-based payment program implemented in the fiscal year under review, the applicable quantities and monetary values of share options at the date of issue are shown in the following table:

	Share-based payment program 2010			Share-based payment program 2009
	Quantity	Value per option[1]	Total value of compensation component with long-term incentive effect[1]	Quantity
Eckard Heidloff	60,000	9.80	588,000.00	60,000
Stefan Auerbach	30,000	9.80	294,000.00	30,000
Dr. Jürgen Wunram	44,000	9.80	431,200.00	44,000
Total	**134,000**	**–**	**1,313,200.00**	**134,000**

[1)] In €, on date granted.

The share options attributable to the 2009 and 2010 share-based payment programs are not exercisable as at September 30, 2010.

Notes to the Group Financial Statements, note 16, see page 122 et seq.

In the year under review, the share options granted under the 2008 share-based payment program lapsed without any entitlement to a substitute or compensation, since the average price of Wincor Nixdorf shares in the exercise period was below the exercise price for the 2008 share-based payment program.

The total value of the share options at the date of granting was determined by means of the Black-Scholes-Merton-options pricing model. Thus, the reported value of share-based compensation is merely to be seen as an amount derived from mathematical calculations. Whether the share-based compensation components associated with the current 2009 and 2010 programs result in a payment, and if so, to what extent, will depend on the future performance of the Company's share price and the stock market price applicable during the exercise period.

The personnel expenses recognized in connection with the share-based payment programs from 2007 to 2010 can be distributed among the Board members as follows:

€

	2009/2010	2008/2009
Eckard Heidloff	422,100.00	512,150.00
Stefan Auerbach	211,050.00	256,075.00
Dr. Jürgen Wunram	309,540.00	375,577.00
Jürgen Wilde	0.00	25,750.00
	942,690.00	**1,169,552.00**

Please refer to note 16 in the Notes to the Group financial statements for further details about the range of exercise prices, the remaining term of the respective options, the average exercise price of the share options during the exercise period, as well as the conditions of option grant and exercise associated with the share-based payment programs.

Pension Commitments. As part of the restructuring of its post-employment benefit system, Wincor Nixdorf AG converted part of its Company pension scheme from annuity to one-time pay-off or installment payouts in the third quarter of fiscal 2005/2006. Thus, the retirement benefit systems implemented for Eckard Heidloff and Stefan Auerbach were converted accordingly. The retirement benefit system for Dr. Jürgen Wunram is also based on a one-time pay-off or installment payments. As regards the retirement benefits awarded to Eckard Heidloff, the Company had, in addition, undertaken to pay premiums of €100,000 per annum as the policyholder of life insurance. From fiscal 2009/2010 onwards, ending the paying-in phase of the insurance contract, the premiums are to be paid into the retirement capital. The respective members of the Board of Directors are entitled to the pension payments when reaching the age of 61. However, should a member remain on the Board of Directors in an active capacity beyond this period, the receipt of retirement benefits will only be possible as from the end of his/her employment contract as a member of the Board of Directors.

The pension benefits awarded to members of the Board of Directors at the end of the reporting period and the allocations made to retirement accruals are as follows:

€

	Retirement capital			
	Total		Allocations in fiscal year	
	Sept. 30, 2010	Sept. 30, 2009	2009/2010	2008/2009
Eckard Heidloff	555,116.60	323,818.00	126,082.00	26,082.00
Stefan Auerbach	599,946.00	524,946.00	50,000.00	50,000.00
Dr. Jürgen Wunram	506,200.00	381,200.00	100,000.00	100,000.00
Total	**1,661,262.60**	**1,229,964.00**	**276,082.00**	**176,082.00**

The table shows the one-time pay-off entitlements that members of the Board of Directors would receive when reaching the age of 61, on the basis of the entitlements accumulated up to the end of each fiscal year, as well as the entitlement acquired in each fiscal year that was allocated to pension accruals as service costs. In the event that the respective members continue to hold a position on the Board of Directors, the actual pensions and/or one-time pay-off benefits will be higher than those presented in the table, particularly as a result of future financing contributions. The allocations to retirement capital, as listed in the table, will occur in the same amount in subsequent years until the end of the respective contracts for the members of the Board of Directors and will bear interest of 3.5% per annum.

Miscellaneous. There were no loan arrangements with members of the Board of Directors in fiscal 2009/2010 or 2008/2009. Furthermore, no benefits of a similar nature were granted.

If the service of a member of the Board of Directors is terminated for an important reason before completion of the period of office because the Company cancels that person's service contract or the member in question resigns in accordance with Section 626 of the German Civil Code, or where the member is removed for an important reason as defined by Section 84 (3) of the German Stock Corporation Act (Aktiengesetz – AktG), under the terms of the service contracts for the Board of Directors he/she will continue to receive his/her previous fixed basic salary but no further variable compensation.

In the event of permanent incapacity to perform his/her duties, a member of the Board of Directors will continue to receive his/her fixed basic salary in monthly installments for a period of up to 18 months; additionally, bonus entitlements will be paid for six months up to the onset of the illness or the incapacity to the extent that the targets are attained.

Members of the Board of Directors receive no compensation for positions held within Group entities.

The contracts for the Board of Directors do not contain any provisions concerning the termination of the contract in the event of a change of control.

Remuneration of Former Members of the Board of Directors. In fiscal 2009/2010, the emoluments received by former members of the Board of Directors and their surviving dependents amounted to €114k in total (2008/2009: €114k). Provisions in the amount of €1,961k (2008/2009: €1,816k) have been recognized in connection with pension obligations towards former members of the Board of Directors and their surviving dependents.

System of Compensation for the Supervisory Board. Supervisory Board compensation is determined on the basis of the size of the enterprise, the duties and responsibilities of Supervisory Board members and the economic situation of the Company. The provisions relating to Supervisory Board compensation are specified in Section 12 of the Articles of Association of Wincor Nixdorf AG, which was most recently amended on the basis of a resolution passed by the Annual General Meeting of Shareholders on January 29, 2007, and came into force upon entry in the Commercial Register on March 14, 2007. According to these provisions, the members of the Supervisory Board receive a fixed amount of €30,000 as annual compensation, payable after the end of the fiscal year. In the case of the Chairperson of the Supervisory Board, compensation is equivalent to three times the annual amount, and in the case of his/her deputy one and a half times the annual amount mentioned above. The Chairperson of the Audit Committee also receives one and a half times the annual amount of compensation. Members of the Supervisory Board whose appointment to the Board or holding of one of the above-mentioned functions is limited to part of the fiscal year shall receive proportionate compensation for each month commenced. In addition to annual compensation, the members of the Supervisory Board receive an attendance allowance of €3,000 per day for meetings convened by the Supervisory Board and the committee to which they are appointed. If a meeting of the Supervisory Board attended by the member coincides with a meeting of one of the Supervisory Board's committees, the attendance allowance is paid for only one such meeting.

The remuneration of individual members of the Supervisory Board of Wincor Nixdorf AG is presented in the following table:

€

	Annual compensation		Attendance allowances		Total	
	2009/2010	2008/2009	**2009/2010**	2008/2009	**2009/2010**	2008/2009
Karl-Heinz Stiller (Chairman since January 29, 2007)	90,000.00	90,000.00	27,000.00	18,000.00	117,000.00	108,000.00
Manfred Feierabend* (Deputy Chairman)	45,000.00	45,000.00	27,000.00	18,000.00	72,000.00	63,000.00
Prof. Dr. Achim Bachem (since January 19, 2009)	30,000.00	22,500.00	15,000.00	12,000.00	45,000.00	34,500.00
Hero Brahms (Chairman of Audit Committee)	45,000.00	45,000.00	24,000.00	18,000.00	69,000.00	63,000.00
Dr. Alexander Dibelius	30,000.00	30,000.00	15,000.00	12,000.00	45,000.00	42,000.00
Walter Gunz	30,000.00	30,000.00	15,000.00	12,000.00	45,000.00	42,000.00
Volker Kotnig*	30,000.00	30,000.00	12,000.00	15,000.00	42,000.00	45,000.00
Prof. Dr. rer. nat. Walter Kröll (up to January 19, 2009)	0.00	10,000.00	0.00	6,000.00	0.00	16,000.00
Thomas Meilwes*	30,000.00	30,000.00	15,000.00	15,000.00	45,000.00	45,000.00
Dr. Bernard Motzko* (up to November 2, 2009)	5,000.00	30,000.00	0.00	15,000.00	5,000.00	45,000.00
Michael Schild*	30,000.00	30,000.00	15,000.00	12,000.00	45,000.00	42,000.00
Martin Stamm* (since November 2, 2009)	27,500.00	0.00	12,000.00	0.00	39,500.00	0.00
Franz Tölle*	30,000.00	30,000.00	27,000.00	15,000.00	57,000.00	45,000.00
Prof. Dr. Harald Wiedmann	30,000.00	30,000.00	15,000.00	15,000.00	45,000.00	45,000.00
Total	**452,500.00**	**452,500.00**	**219,000.00**	**183,000.00**	**671,500.00**	**635,500.00**

*Employee representatives.

Dear Ladies and Gentlemen,

Overall, Wincor Nixdorf AG has emerged in good shape from the fiscal year 2009/2010, marked as it was by the continued impact of the global economic crisis. Net sales were held at the level of the previous year, and the decline in operating profit was less severe than we had thought possible at the start of the fiscal year. At the same time, the Company made use of this period of market weakness to prepare itself for the future after the crisis by pushing ahead with important innovations, such as Cash Cycle Management Solutions, and redesigning its internal processes to be more efficient and more flexible. The Supervisory Board supported and monitored all the projects initiated by the Board of Directors.

The Work of the Supervisory Board. In the fiscal year under review, the Supervisory Board of Wincor Nixdorf AG discharged its duties in accordance with statutory requirements, the German Corporate Governance Code and the Company's Articles of Association. First and foremost, this task involved advising and monitoring the Board of Directors on a regular basis in matters concerning the strategic direction and management of the Group. The collaboration was characterized by the fact, that all decisions of fundamental importance to Wincor Nixdorf AG and its Group companies were agreed directly with the Supervisory Board. Receiving comprehensive information on a regular and timely basis in the form of verbal and written reports, the Supervisory Board was informed by the Board of Directors on all material issues relating to the corporate planning, strategic direction and development, business performance and state of the Group, including risks and risk management. All business matters of importance to the Company were discussed by the Supervisory Board on the basis of reports furnished by the Board of Directors.

In fiscal 2009/2010, five scheduled Supervisory Board meetings were held at which the Board of Directors informed the Supervisory Board about the performance of the Company. In addition to these five scheduled meetings, the Supervisory Board convened on November 9 and December 1, 2009, for extraordinary Supervisory Board meetings. The main item on the agenda of the extraordinary Supervisory Board meeting convened on November 9, 2009, was a discussion of the key figures in the financial statements before the annual press conference on November 10, 2009. The agenda items for the extraordinary Supervisory Board meeting dated December 1, 2009, were a resolution to approve the compensation system for the Board of Directors and the corresponding proposal of the Supervisory Board to the Annual General Meeting as a separate agenda item in accordance with Article 120 (4) of the German Stock Corporation Act (Aktiengesetz, AktG). The five scheduled Supervisory Board meetings were held on November 24, 2009, and on January 25, April 27, July 27 and September 21, 2010. All meetings were attended by representatives of the Board of Directors. At the aforementioned meetings, all necessary resolutions were passed on the basis of documentation prepared in advance. Between each meeting convened by the Supervisory Board, the Board of Directors informed the Supervisory Board promptly and comprehensively about important events of particular significance in assessing the position and performance as well as the overall management of the Company. Furthermore, the Board of Directors remained in continuous contact with the Supervisory Board and informed the Supervisory Board about the current business position as well as significant occurrences, developments and decisions.

Two extraordinary Supervisory Board meetings

Five scheduled Supervisory Board meetings

At its meeting on September 21, 2010, the Supervisory Board conducted a self-assessment in order to examine the efficiency of its activities.

Key Areas of Deliberation by the Supervisory Board. At its individual meetings, the Supervisory Board regularly concerned itself with the business, net sales and earnings performance of the Group and its segments, in addition to focusing on cash flows, implementation of the strategic focus and HR development. One of the main issues discussed was the successful implementation of the strategic ProFuture program, which aims to prepare the Company for the future and to exploit areas of potential growth, while simultaneously boosting efficiency and reducing costs. The Board discussed the possibilities for further strategic growth, including the successful launch of the new CINEO product range and a stronger emphasis on regional growth in Asia/Pacific/Africa and Latin America. Other topics included the approval for the issue of stock options to members of the Board of Directors and employees (2010 tranche) as part of a revised stock option program.

At its meeting on September 21, 2010, the Supervisory Board gave its approval to the fiscal 2010/2011 budget proposed by the Board of Directors and to the medium-term strategic business development plan. At this meeting, the Supervisory Board also adopted a resolution to extend the term of office of Stefan Auerbach on the Board of Directors for a further five years from October 1, 2010, when it was due to expire. In addition, the Supervisory Board drew up objectives in relation to its own composition with regard to diversity, the inclusion of women on the Supervisory Board and the current state of implementation. Details can be found in the Corporate Governance Report in the Annual Report.

Corporate Governance Report, see page 12 et seq.

Committee Work. The Supervisory Board is supported in its duties by four committees established by this body. These committees are responsible for preparing the ground for Supervisory Board resolutions and examining issues subsequently to be addressed in plenary sessions. Furthermore, the Supervisory Board has delegated decision-making authority to the committees within specific areas.

With the exception of the Audit Committee, which is chaired by Supervisory Board member Hero Brahms, the committees are presided over by the Chairman of the Supervisory Board.

The Audit Committee convened on three occasions during the fiscal year under review. The main focus of its work was on examining the annual accounts and Group financial statements of Wincor Nixdorf AG and the budget for fiscal 2010/2011. Other issues addressed were the Company's risk report and risk management policy, reporting by Internal Audit and measures aimed at further extending the corporate compliance program.

The Personnel Committee met on three occasions. At the meetings on November 24 and 30, 2009, it dealt with the compensation system for the Board of Directors and adjustments to the stock option program. At the meeting on March 23, 2010, the committee looked at the extension of the term of office of Stefan Auerbach on the Board of Directors, at adjustments to the employment contracts of the Board of Directors and at the compensation of the Board of Directors.

During the year under review, the Nomination Committee convened on March 23 and September 21, 2010, to prepare a proposal of the Supervisory Board to the Annual General Meeting on January 24, 2011, concerning the election of two shareholder representatives to the Supervisory Board.

There was again no need to convene the Mediation Committee during the fiscal year just ended.

Corporate Governance and Declaration of Compliance. With regard to Corporate Governance, this Annual Report contains a separate section with a report by the Board of Directors, issued also on behalf of the Supervisory Board, pursuant to Section 3.10 of the German Corporate Governance Code. On November 24, 2010, the Board of Directors and the Supervisory Board issued an updated Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) and made the declaration, along with details of non-compliance, permanently available to shareholders on the Company website.

Approval of the Annual Accounts and Adoption of the Group Financial Statements. On January 25, 2010, the Annual General Meeting appointed KPMG AG Wirtschaftsprüfungsgesellschaft, Bielefeld, as auditor of the accounts. The Group financial statements for the fiscal year 2009/2010, prepared in accordance with Section 315a of the German Commercial Code (Handelsgesetzbuch – HGB) and in line with IFRS, including an additional Group management report, have been audited by KPMG and given an unqualified audit opinion. This also applies to the separate annual accounts and management report of Wincor Nixdorf AG for the fiscal year 2009/2010, which were prepared on the basis of German accounting regulations.

The documentation pertaining to the financial statements, the Board of Directors' proposal for the appropriation of profit and the auditor's reports were submitted to the Audit Committee and the Supervisory Board in good time prior to their meetings. The information was examined in detail by the Audit Committee and subsequently by the full Supervisory Board, and discussed in the presence of the auditor, who was on hand to take questions and provide further information. Following its own examination of the Group financial statements and the Group management report, as well as the separate annual accounts and management report of Wincor Nixdorf AG, the Supervisory Board took the view that it did not wish to make any objections. Consequently, at its meeting on November 24, 2010, in line with the recommendation of its Audit Committee, the Supervisory Board concurred with the result of the audit and approved the financial statements and management reports drawn up by the Board of Directors. The annual accounts were thus formally adopted.

The Supervisory Board also discussed the proposal for the appropriation of profit and the dividend policy with the Board of Directors. With due regard for the Company's good financial situation and the expectations of both shareholders and the capital markets, the Supervisory Board gave its unqualified approval to the proposal of the Board of Directors.

The Supervisory Board determined its proposed resolutions for the agenda of the Company's Annual General Meeting to be held on January 24, 2011, and approved this Supervisory Board report.

Composition of the Supervisory Board. In accordance with Section 7 of the Company's Articles of Association, the Supervisory Board consists of six shareholder representatives and six employee representatives. No conflicts of interest occurred within the Supervisory Board during the period under review. The terms of office of the six employee representatives as well as those of Dr. Alexander Dibelius and Prof. Dr. Harald Wiedmann are due to expire at the end of the Annual General Meeting responsible for adopting a motion on the approval of their actions for fiscal 2009/2010. The terms of office of Walter Gunz and Prof. Dr. Achim Bachem continue until the end of the Annual General Meeting responsible for approving the actions of the members of the Supervisory Board for fiscal 2012/2013. The term of office of Hero Brahms and my own term of office continue until the end of the Annual General Meeting responsible for approving our actions for fiscal 2010/2011.

The Supervisory Board wishes to thank the Board of Directors, all members of staff and the employee representatives for their constructive and successful work in fiscal 2009/2010. They have made a valuable contribution to a generally positive year for Wincor Nixdorf AG despite what remains a difficult global situation.

Paderborn, November 24, 2010

Karl-Heinz Stiller
Chairman of the Supervisory Board

THE HEAD IS ROUND SO THAT ITS

THOUGHTS CAN

CHANGE DIRECTION.

FRANCIS PICABIA

FRENCH POET, PAINTER AND GRAPHIC ARTIST, 1879–1953

REENGINEERING PROCESSES.

2009
2010

THE MAGAZINE
for the Annual Report
of Wincor Nixdorf AG.

WINCOR NIXDORF

EXPERIENCE MEETS VISION.

CONTENT

CASH PROCESSES REENGINEERED.

DEUTSCHE BUNDESBANK JOINS THOSE CALLING FOR INNOVATION.

CASH IS KING.

Nine out of ten payment transactions worldwide are still handled in cash. At an estimated $300 bn dollars, the costs involved are immense. Handling these cash streams means an enormous amount of work characterized by a multitude of interfaces, redundant tasks and cost-intensive intermediate steps. That's why cash handling and cash logistics are undergoing a revolution. In Germany, for instance, one of the key triggers was an announcement by Deutsche Bundesbank that it intended to increase internal efficiency and consolidate its own branch system. The German Payment Services Oversight Act (Zahlungsdiensteaufsichtsgesetz or ZAG) is having a similarly radical effect on the industry through the standards it prescribes.

THE SITUATION REQUIRES NEW CONCEPTS AND TECHNOLOGICAL APPROACHES THAT

- reduce manual cash handling to a minimum
- reduce the volume of cash in circulation through optimization of cash flows
- reduce the administrative burden required for controlling and monitoring cash streams from the branch or store to a cash-in-transit provider (CiT) to the central bank.

Against this background, technical innovation and reengineered processes offer solutions that benefit banks and retail companies in many respects, and will also meet with the approval of institutions such as national central banks.

"It's time for market players to utilize the new legal frameworks and develop future-proof business models. Change and intervention in the cash cycle, even legislative intervention, take time before their effects are noticeable and measurable. The German central bank is very interested in what will happen over the next few years – we've made our positions and expectations clear. But in an environment in the midst of transformation, no one should play for time – the market's players must deliver solutions and innovations. And market developments show that some cash cycle participants have definitely understood the potential for regional and local cash recycling and are beginning to invest in processes and cooperations."

Carl-Ludwig Thiele, member of the Executive Board of Deutsche Bundesbank.

WHEN FUTURE BECOMES REALITY.

CROSS-BRANCH CASH CYCLE NETWORK.

"This cassette has the potential to revolutionize cash processes at banks and retail companies," says Pieter van den Burg, Director Operations of the Dutch cash-in-transit (CiT) company SecurCash. He is visibly impressed as he looks down at the box in his hands. It has green handles – and it literally holds the future of cash handling. The uniform, intelligent note storage inside the cassette is a key element in Wincor Nixdorf's Cash Cycle Management Solutions concept. In a pilot project in the Netherlands, SecurCash, a bank and a retailer are testing the cross-sector networking of cash cycles in a proof of concept for the cash management of tomorrow.

Jan Meier really knows his way around the supermarket he visits late this afternoon. In his capacity as a CiT employee, he stops here frequently to pick up filled safebags and transport them to a cash center for further processing. But today everything's different. Training sessions have been organized to prepare everyone optimally for the new reality. So he's not surprised that, this time, the supermarket hands him cassettes instead of the usual safebags, and that his destination isn't a cash center, but a branch of a major Dutch bank. And that's how a CiT employee gets to play a role in a premiere that could change the cash cycle dramatically.

For Wincor Nixdorf, the cross-sector exchange of cash is just the next logical step in its newly developed concept, Cash Cycle Management Solutions. That said, we should note that even the first step represents a genuine innovation: the exchange of cash between individual devices within a bank branch – the so-called cash points – for example, the replenishment of a cash dispenser with excess cash from a recycling ATM. This scenario is both practical and advantageous, since it allows branches to even out positive and negative cash holdings in their own machines. The next step would be for a supermarket to use the takings in its tills to replenish an ATM in the supermarket, which in turn is used to dispense cash to the store's customers. "These are all scenarios that make a lot of sense, and we intend to demonstrate their feasibility," explains Pieter van den Burg.

This proof of concept requires a variety of components – not just hardware and software, but also closely meshed services. One of the core elements of Wincor Nixdorf's Cash Cycle Management Solutions is the new CINEO device generation. These machines can be installed in both banks and retail companies, and all the systems in the CINEO family use the same banknote processing technology. The intelligent banknote storage concept plays a key role here. Each banknote storage container, i.e., cassette, is equipped with a chip that provides a constant stream of information on the amount of cash in the cassette, and records where and when it was in use or was opened. This data makes a significant contribution to tracing customers' money through every step of the cash handling process.

For Jan Meier of SecurCash, the new technology changes things. Now, when he picks up cash in a supermarket, he no longer leaves with safebags that contain unsorted banknotes. Instead, the manager hands him cassettes, each of which holds a single denomination or type of note. And instead of taking the cash to a cash center to be counted and sorted, as he used to do with the safebags, he is directed to an ATM at a location that was determined in advance by special cash management software. There he will replace the empty cassettes in the ATM with full ones from the supermarket. "The current process calls for the cash center to refill empty safebags with banknotes. CiT employees like Jan Meier then have to take the cash out of the bag and fill the ATM cassettes manually," explains Pieter van den Burg. That takes between 25 and 30 minutes per replenishment. The new cassette reduces that time to just 12–15 minutes.

In addition to saving time, the new system offers greater security for Jan Meier and his colleagues. He no longer has direct contact with the banknotes, and all the control points can be confirmed using the cassette's built-in chip. At the same time, the cassette stores information on who has opened it, and when, and where. "That, in combination with Wincor Nixdorf's software solutions, means audit-proof processes," says Pieter van den Burg. And transport is even safer, because the cash is in secured cassettes. If the driver is attacked or the cassette is shaken or struck, an ink cartridge explodes inside the cassette and renders its contents worthless.

The pilot project in the Netherlands is intended to demonstrate the technical feasibility of Wincor Nixdorf's concept – namely, the reorganization of cash cycles, both within individual bank branches and retail stores and between banks, retail companies and CiT companies. The proof of concept in the Netherlands is being carried out in a test environment that includes cash recycling systems, ATMs, systems for automating cash processes at retail businesses, and software from Wincor Nixdorf's Cash Cycle Management Solutions Base. The pilot environment enables the testing of defined processes – such as system monitoring or the optimization of cash holdings in individual machines. Other processes – for example, order management with the support of additional functions such as tracking and tracing, forecasting and early warning systems – are also undergoing testing.

Pieter van den Burg, Director Operations at SecurCash.

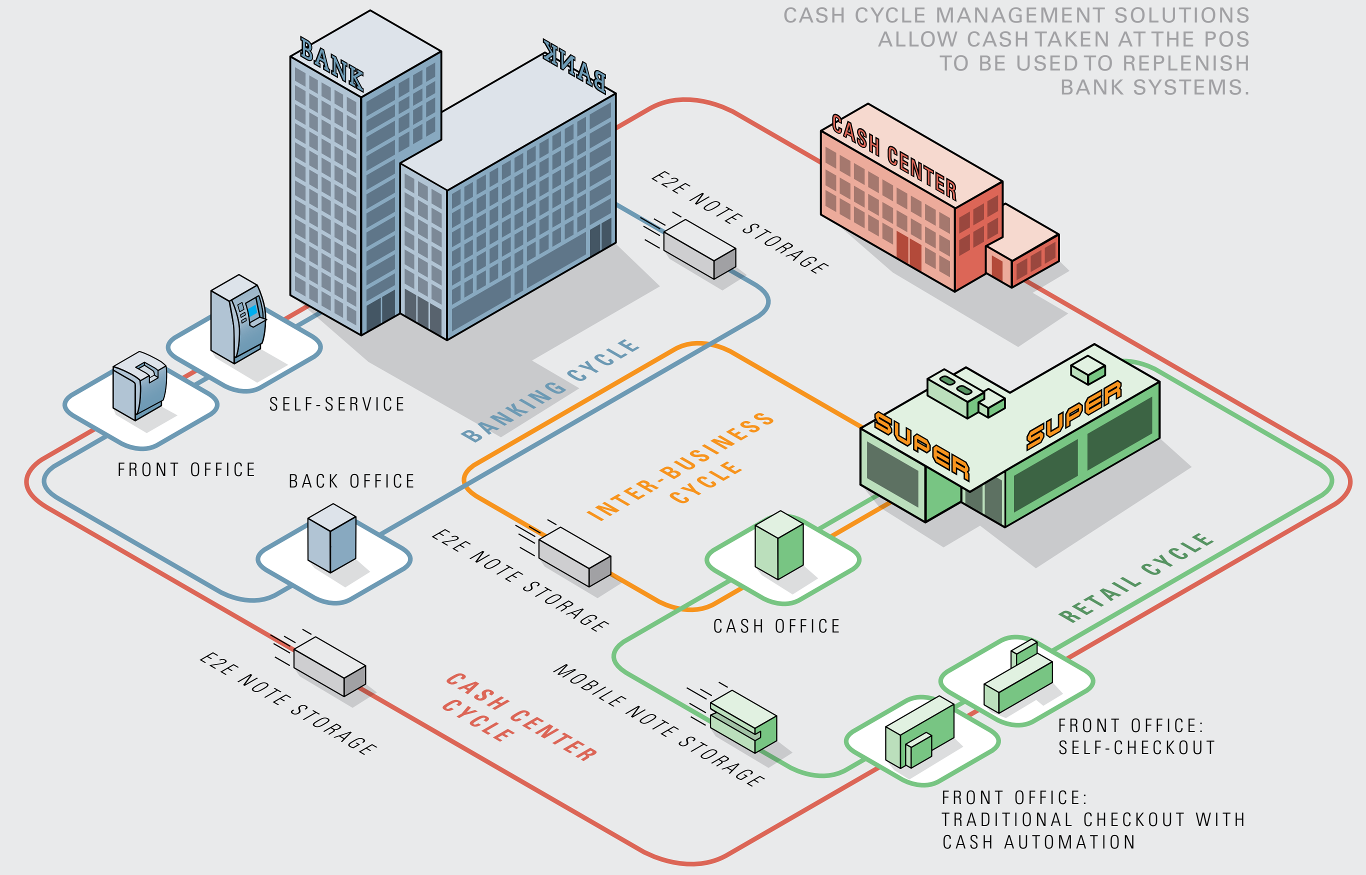
Cash Optimization uses software to help determine the optimal point in time for cash pickup from the supermarket or for replenishing an ATM. Order Management, which controls the transport of cassette from point A to point B, determines who gets which cash, and when. In this scenario, tracking and tracing becomes absolutely indispensable for order control, since CiT employees no longer follow a fixed route. Instead of returning to the cash center after pickup, they take cassettes from one cash point to another. The route taken by a specific cassette can be followed easily using the tracking component, and any deviations from the planned route can be managed directly. For example, the cassettes in an ATM or a CiT vehicle can exchange information. Up to five control points are planned. "Our goal is to demonstrate the transparency and security of this kind of cash management, and to gather quantitative data on its cost-effectiveness," summarizes Pieter van der Burg.

Jan Meier doesn't have all these details, of course. Even so, when he collects cassettes instead of safebags today from this Dutch supermarket, he knows he's part of something fundamentally new. And although it's just a change in the daily routine for him, it's a genuine revolution for banks and retail businesses: the innovative interweaving of their cash processes.

More on CCMS?

REENGINEERED PROCESSES.

CASH CYCLE MANAGEMENT SOLUTIONS ALLOW CASH TAKEN AT THE POS TO BE USED TO REPLENISH BANK SYSTEMS.



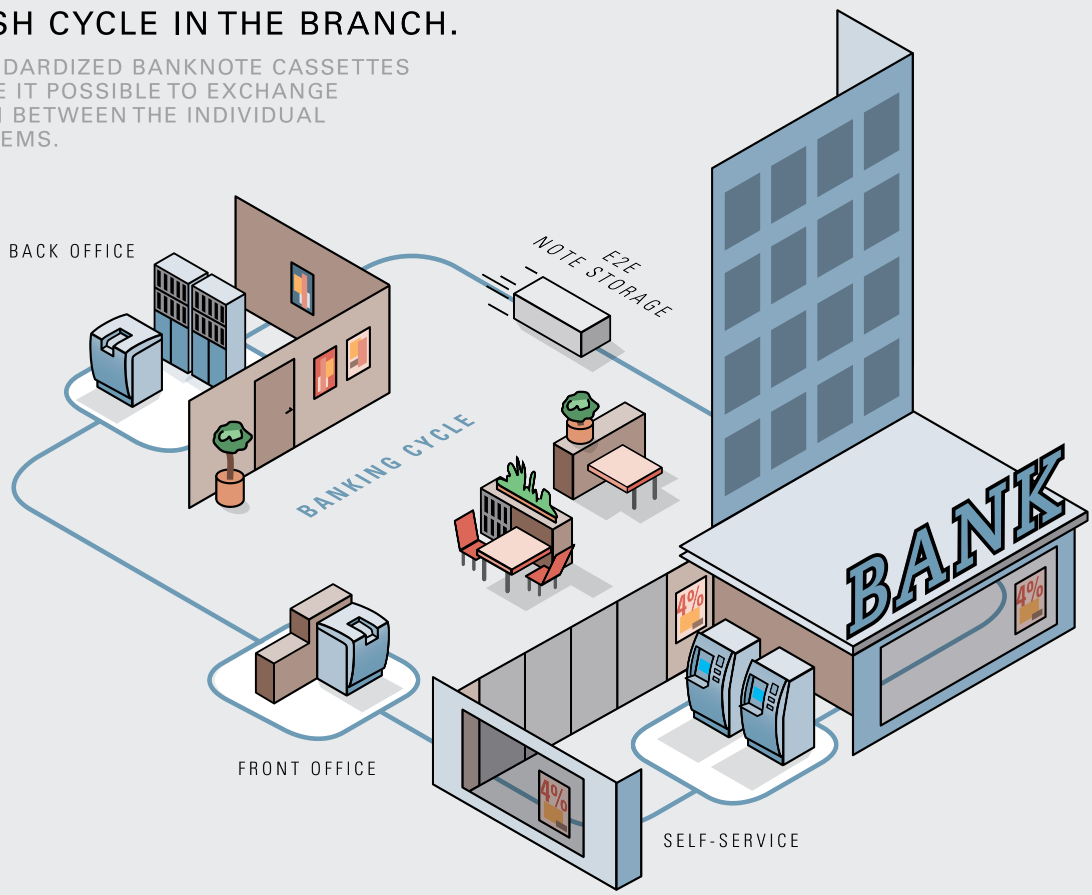
END-TO-END SOLUTION THANKS TO NEW TECHNOLOGY PLATFORM.

LESS TIME SPENT HANDLING CASH.

The Wincor Nixdorf/
Credit Suisse story.

CASH CYCLE IN THE BRANCH.

STANDARDIZED BANKNOTE CASSETTES MAKE IT POSSIBLE TO EXCHANGE CASH BETWEEN THE INDIVIDUAL SYSTEMS.



Credit Suisse is the pilot partner for the cash recycling system from Wincor Nixdorf's new CINEO system family. The bank is the world's first financial institution to opt for the new technology platform with exchangeable cassettes.

Credit Suisse was the first bank to put the new generation of ATMs from Wincor Nixdorf into productive service. The project started with the installation of individual models until, finally, the entire branch at Wädenswil on Lake Zurich was equipped with the new cash dispensers and cash recycling systems.

"By using this technology, we want first and foremost to reduce the costs involved in handling cash, to improve customer satisfaction through better service and to achieve greater cost efficiency in the self-service environment," says Lothar Raif, Head of Payments & Cards at Credit Suisse.

Raif sees the new system generation as "yet another step forward." As a result of enhanced process efficiency, customers benefit from easier operation, shorter transaction times, higher availability and further improvements in protection against tampering and skimming. In the final stage of the project, the bank plans to implement standard software and a standardized user interface following piloting and proof of their practical suitability in the entire self-service network on the Swiss market.

AUTOMATED CASH CYCLING AT BRANCH LEVEL.

Intensive testing during the pilot phase was also imperative. For the first time, the systems' note storage concept makes it possible to exchange cash between different cash points such as ATMs and cash recycling systems in the self-service zone and automated teller safes in the teller zone, and thus to retain it in a cash cycle at branch level.

This means that banknotes that are paid into an automated teller safe can be used immediately in cash dispensers or recyclers in the self-service zone, without the need for intermediate steps or opening the cassette. In addition, a chip in each cassette provides information on its cash inventory, broken down into individual denominations. This greatly simplifies the work of cash service staff.

With the start of branch operations, Credit Suisse has taken the first step toward further-reaching developments. In fact, the bank links the CINEO system generation with a whole array of expectations that go beyond automated cassette exchange at branch level. Plans are already afoot to incorporate the bank's cash center and cash-in-transit providers into the bank's processes in order to achieve an end-to-end system that provides seamless monitoring of individual cash locations.

Swiss bank Credit Suisse was the first financial institution to test CINEO systems and has plans to further optimize its cash management processes.

FORMING KNOWLEDGE

WINCOR NIXDORF INTENSIFIES CONTACTS TO UNIVERSITIES AND RESEARCH INSTITUTIONS.

Creativity and a capacity for innovation are prerequisites for every company seeking to drive forward new, future-oriented developments. Nevertheless, the question remains whether they alone are enough in order to lead the market in technology and innovation, as Wincor Nixdorf strives to do. Isn't it more likely to be the case that additional skills are needed for the research of complex topics or the detection of developmental trends?

Wincor Nixdorf answered this question for itself long ago with the creation of Research Management – an organization whose task is to form knowledge networks with universities and private research institutes through collaborative and sponsored projects and an active exchange of knowledge. Because clever ideas and smart minds can be found outside your own company as well as in it.

BEING A PIONEER.

There are good reasons for setting up a formal organization to search for scientific or academic cooperation. In order to shape current events and trends, Wincor Nixdorf has always tried to be an innovation pioneer rather than a follower or latecomer. Yet this just isn't possible for a company if its horizon is limited to its own small world and it distances itself from current developments. The answer lies in networking, in active participation in existing knowledge networks – and not just as an end in itself, but in order to be a core part of the development of innovative, research technology-related topics that are relevant and genuine. Long-term, this is the only way to ensure promising perspectives and lay a foundation for future-oriented technologies from which the products and solutions of the future can be developed.

KNOWLEDGE GAINS FOR EVERYONE.

The opportunities for participating in knowledge creation are vast. For one thing, technical institutes, universities and research facilities have long since discovered the advantages of networking academia and industry, and have shrugged off the image of the ivory tower. In addition, government projects and funded international projects are oriented towards the participation of industrial partners. One example is the collaborative project VireS for the virtual synchronization of the development of production and production systems. It has the goal of creating a new method to enhance the quality of development through early consideration of factors such as cost and ruggedness. Another is ENTIME, which involves the development of an interdisciplinary design technique for intelligent mechatronics and is intended to ensure an exchange of solution knowledge throughout the value chain. In the area of digital optical technology, too, Wincor Nixdorf is working closely with leading technical institutes to develop the products and solutions of tomorrow. Familiarity with, and active participation in, such projects is one of the numerous tasks of Wincor Nixdorf's Research Management, in particular because they usually involve a wide

Thinking ahead.

Virtual prototyping and simulation are key factors in slashing time to market, the time it takes to launch a product. They make it possible to avoid time-consuming development loops involving complex test installations and to deliver cutting-edge technologies to customers even faster than before. The complex workflows of the mechatronic systems are simulated and visualized with state-of-the-art software during an early phase of the development process.

The new findings are integrated without delay as optimizations in the product development process. Wincor Nixdorf has been using virtual prototyping and simulation for many years, and constantly adds to the tools and development processes needed. The special requirements resulting from complex physical mechanisms in mechatronics modules often make it impossible to use standard tools. Wincor Nixdorf therefore participates in scientific projects that enable it to integrate all new developments without delay.

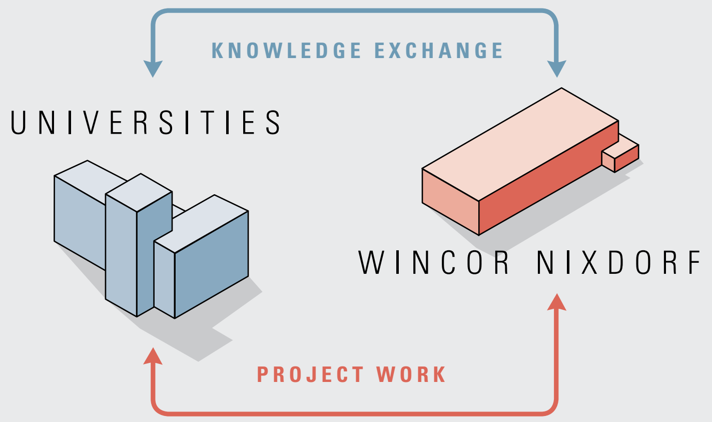
NETWORKS.

variety of objectives that, in turn, are business-related. Ultimately, every participant benefits from the knowledge gains these projects offer, which – ideally – can be transformed into a new generation of products or services.

MAXIMIZING POTENTIAL.

However, Research Management doesn't intend to be just a contact partner and coordinator for collaborative or sponsored projects. Neither will it focus primarily on short-term (developmental) results. Instead, it will be looking to exploit the substantial existing potential in external capacities and skills and thus secure Wincor Nixdorf's participation in the development of tomorrow's technologies. And to ensure its own knowledge is up to date, Research Management undertakes active technology scouting and stays abreast of emerging technologies. After all, the early-stage developments of today could be solutions to the problems of tomorrow. And you profit from them best if you're involved right from the start.

EXCHANGE KNOWLEDGE –
BENEFIT FROM EACH OTHER.



SECURITY ACROSS THE BOARD.

POCO-DOMÄNE AUTOMATES CASH HANDLING WITH CASH CYCLE MANAGEMENT SOLUTIONS FROM WINCOR NIXDORF.

Security has top priority for POCO-Domäne Holding GmbH. Markets operated by Germany's big furniture discounter have already been the object of several armed robberies. Interestingly, the material loss is less of a problem than the impact the crimes have on store staff themselves. The people who are directly involved often suffer from shock and are unable to return to work over lengthy periods. This may even make it difficult to recruit new staff to work at the point of sale.

In Hanover, the likelihood of a nightmare scenario of this kind is now virtually zero. The POCO-Domäne store there is the retail sector's first pilot market for the revolutionary Cash Cycle Management Solution from Wincor Nixdorf. And this is proving successful both at POCO and for other users of Cash Cycle Management Solutions from Wincor Nixdorf.

CASH NO LONGER ACCESSIBLE.

Cash handling at the Hanover store – one of 85 markets operated by POCO-Domäne in Germany – was automated with the Cash Cycle Management Solution from Wincor Nixdorf at the beginning of September 2009. Once POS staff have scanned the merchandise and customers have paid for it, cash is stored securely in the safe of the CINEO POS solution – where it can only be removed by staff authorized for this purpose. In other words, cash is no longer accessible in the systems so that even potential thieves soon realize there is nothing to be gained. In addition to providing enhanced security, automation slashes the cost of the cash handling process: through full automation of payment processes at the point of sale and, in the cash office, through automation of counting, bundling and preparation work before cash is picked up by cash-in-transit operators.

FULLY AUTOMATED POS.

In the POCO-Domäne pilot market in Hanover, two POS terminals are equipped with automation solutions from the new CINEO system family. The benefits are obvious. Cash discrepancies, for example, cannot occur, because staff no longer come into direct contact with cash. Since employees now only scan items without handling cash payments, they have more time to focus on their customers. First and foremost, however, valuable time is saved. Changes of POS staff and changes of shift now only take a few seconds, likewise the end-of-day POS routine, since cash does not need counting or consolidating. This work is taken over by the CINEO system installed in the back office, where banknotes are stored in intelligent cash cassettes, which are also used by CiT operators to pick up the cash.

TOP ACCOUNTING SECURITY.

Amounts are posted automatically and communicated to the merchandise management system. This completely dispenses with the need for cash handling in the cash office. The double-checking principle is no longer required, counting errors can be ruled out. At the bottom line, this means vastly less work for staff, and saves retailers considerable time and costs, as well as giving them top accounting security. "There is absolutely no doubting the systems' benefits," says Dr. Friedhelm Rudolph, Associate Director and Head of IT and Controlling at POCO. It was particularly important for him that customer acceptance is exceptionally high and that the solution passed its practical test in the turbulent 2009 Christmas season with flying colors.

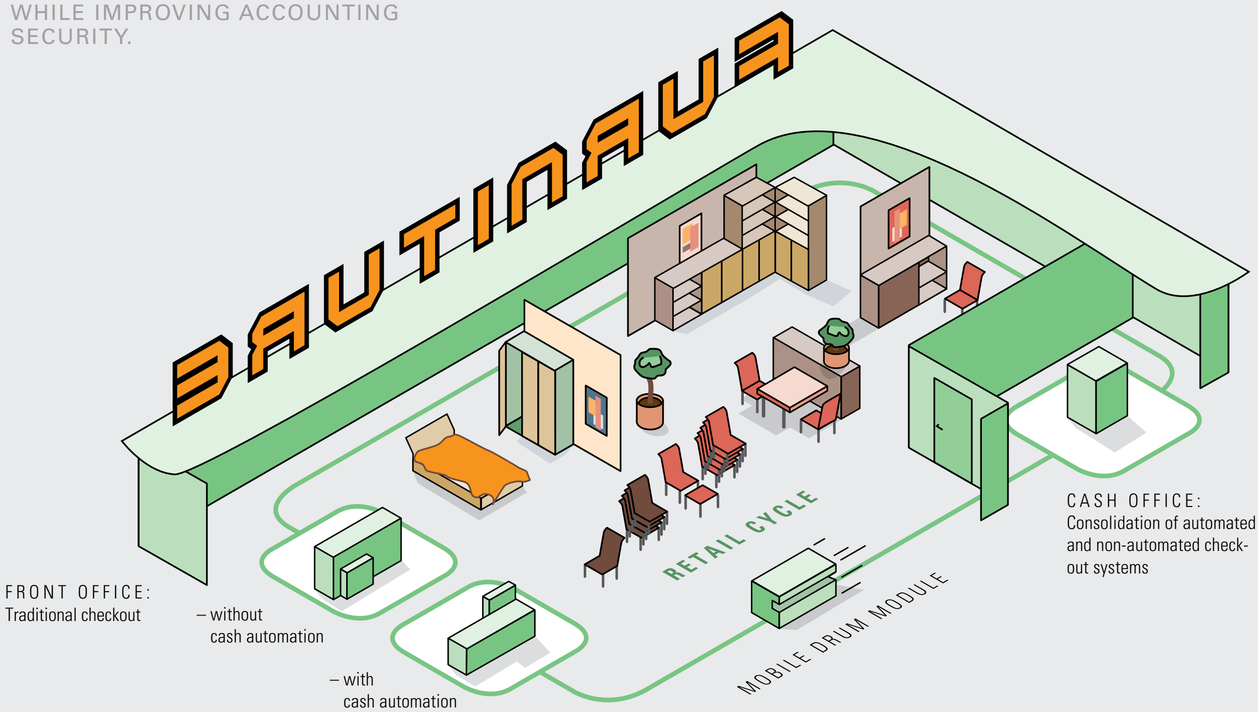


Automated cash acceptance:
Customers pay their money straight into the CINEO systems.

The Wincor Nixdorf/
Poco-Domäne story.

ALL-IN SECURITY.

THE CLOSED CASH CYCLE REDUCES THE RISK OF ATTACK AND WORKLOAD, WHILE IMPROVING ACCOUNTING SECURITY.



NON-CASH ON PRINCIPLE.

SWEDISH LF GROUP OPTS FOR WINCOR NIXDORF MANAGED SERVICES.

Sweden's Länsförsäkringar (LF) Group, an alliance of 24 regional insurance companies, started its banking activities with an ATM service back in the mid-1990s.

During a recent project, Wincor Nixdorf deposit systems were installed in some of the bank's branches. The deposit devices are connected to the bank's main system via Web services, which means that customers can use them without a bank card – a personal Internet code and an ID number are sufficient.

More about Managed Services from Wincor Nixdorf.

In order to guarantee trouble-free operation of both its deposit service and ATM network, LF opted for Managed Services from Wincor Nixdorf Sweden. Directly after the client decides to purchase a new device, Wincor Nixdorf Sweden swings into action, assuming further responsibility and initiating a detailed planning and logistics process. This involves analyzing the security, installation environment and communication possibilities of the locations at which the devices are to be installed. In the interests of process optimization, the devices are preconfigured in parallel and placed in temporary storage. Once the installation date has been fixed, training of the CiT and bank staff kicks off. By the time the system goes into operation, it is already fully integrated in the Managed Services concept and is being monitored by the Swedish Customer Care Center. This is responsible for answering all questions related to operation of the system, and managing all events involving the ATMs, alarms and surveillance cameras. With its cash management services, Wincor Nixdorf ensures high availability of LF's ATM delivery channel, and takes care of ATM replenishment in conjunction with the CiT, thus making a significant contribution toward optimizing the bank's processes and cutting its costs.

In 2003, the two companies entered into a strategic partnership, with Wincor Nixdorf for the first time providing the bank with all the products and services it required to operate an ATM network. Today, this partnership has grown to embrace everything from site inspections and the installation of all devices and applications through to the supply of alarm equipment, surveillance cameras, CCC support and maintenance, not to mention cash optimization and Managed Services for the terminals. "Wincor Nixdorf is a strategic partner who has fully met our expectations," confirms Per-Olof Skarstedt, head of Card & Pay at LF Bank.

The store concept with a difference.

LF is practicing a completely new store concept in Stockholm that combines banking and retail, thus modifying the way it addresses its customers. Centered around a topic such as real estate, for instance, products are offered for sale in combination with consultation on corresponding services – such as insurance cover – from the company's own portfolio. In so doing, the bank signals that it is close to its customers, can be reached without trouble, and offers solutions that are easy to understand and implement. At the same time, LF can strengthen its brand image for insurance and banking. It is a successful concept – as the results have confirmed. The bank already has eight such stores in the Stockholm region, all of them located in shopping malls. And since some of them are also equipped with outside ATMs, they are helping to put LF Bank's non-cash strategy into practice.

IT INTEGRATION FROM A SINGLE SOURCE.

WINCOR NIXDORF AS SOLE SERVICE PARTNER OF AHOLD IN PRAGUE.

With around 280 supermarkets and hypermarkets, Dutch company Ahold – trading under the brand name Albert – is one of the biggest retailers in the Czech Republic. As part of the company's strategic reorientation aimed at containing costs, a new service model was introduced in August 2009, leaving Wincor Nixdorf as the sole partner responsible for the company's entire IT integration.

The project was triggered by Ahold's need to streamline, and replaced its previous twelve different providers of IT services with a single partner able to offer and manage all the required services from a single source.

15% CUT IN OPERATING COSTS.

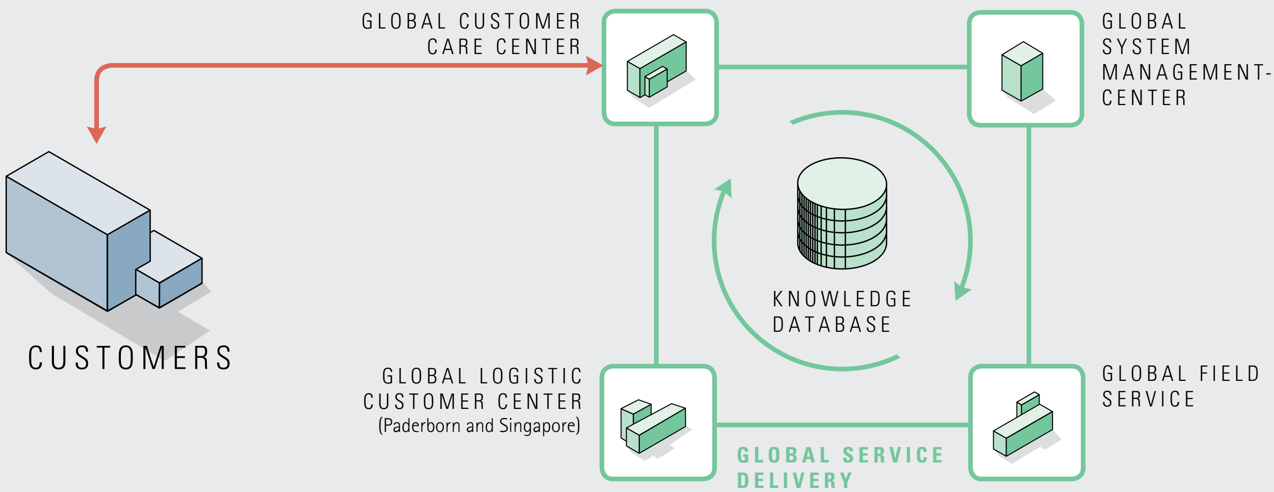
In the space of just three months, a new, transparent service model was developed that covered both business and IT processes, promising a 15% reduction in operating costs thanks to targeted higher productivity and more effective utilization of resources. Other key factors in the offer were event management, and the monitoring of the core IT systems and facilities, such as active LAN components, servers and warehouses. The contract with Ahold also includes remote service management from 7:00 a.m. to 10:00 p.m. seven days a week. Other features that helped clinch the deal included a cost model for each device that grants Ahold full cost transparency, monitoring and reporting via the Wincor Nixdorf eServices Platform®, and the clear assignment of responsibilities.

A TRIED-AND-TESTED PARTNERSHIP.

Now, a good year after the project launch, Wincor Nixdorf has not only kept its promises, but actually overshot its target of a 15% reduction in operating costs. And a further 5% cut is planned for 2011, along with improvements in the deployment of service engineers, and in the procurement and delivery of spare parts. Ahold Project Manager Josef Fryčák is already convinced: "Cooperation thus far has been very good. Together we have overcome many difficulties, resolved numerous problems, and made many changes to our old structures."

MULTIPLY KNOWLEDGE

MORE KNOWLEDGE FOR EVERYONE.



BY SHARING IT.

KNOWLEDGE MANAGEMENT AT WINCOR NIXDORF.

Knowledge is one of those rare things that grows when it is shared. In fact, the collective knowledge of every organization is greater than the sum of the knowledge of its individual members.

But knowledge must be made available if it is to be shared – just as it is with Wincor Nixdorf's service solutions, in which information on different service processes, products, and solutions is processed in line with actual needs and made available exactly when it is needed.

COMPETENCE CENTER KNOWLEDGE MANAGEMENT.

The goal of structured knowledge management is to provide customers all over the world with high-quality service based on uniform quality standards. But how do you build up such a knowledge pool? And how can we implement, optimize and structure the sharing of information? These are questions that a strategy project within the ProFuture program has been looking into, and which led to the setting up of a dedicated Competence Center Knowledge Management (CCKM) in November 2009. The task of the CCKM is to transform data into utilizable knowledge, and to provide solutions for the entire service organization of Wincor Nixdorf, thus enhancing the company's competitive edge. "Everything that is stored in our databases and utilized must not only be properly prepared and structured, but also subjected to quality assurance," says Senior Vice President Jens Bohlen, who is responsible for Wincor Nixdorf's international services portfolio.

ALMOST LIKE GOOGLE.

Access to the databases themselves is child's play. When questions or error reports are received, all the service agents need to do is enter a keyword in the system – just like with Google – and they receive a helpful solution complemented by additional information and spare-parts proposals. In addition to enhancing the availability of the customers' systems, this "search engine" also allows problems to be solved all over the world using the same quality standards. Problems that cannot be resolved on the spot are passed on straight away to a team of experts, while the solutions found are integrated in the database, becoming available all over the world more or less immediately.

CHANGE OF CULTURE.

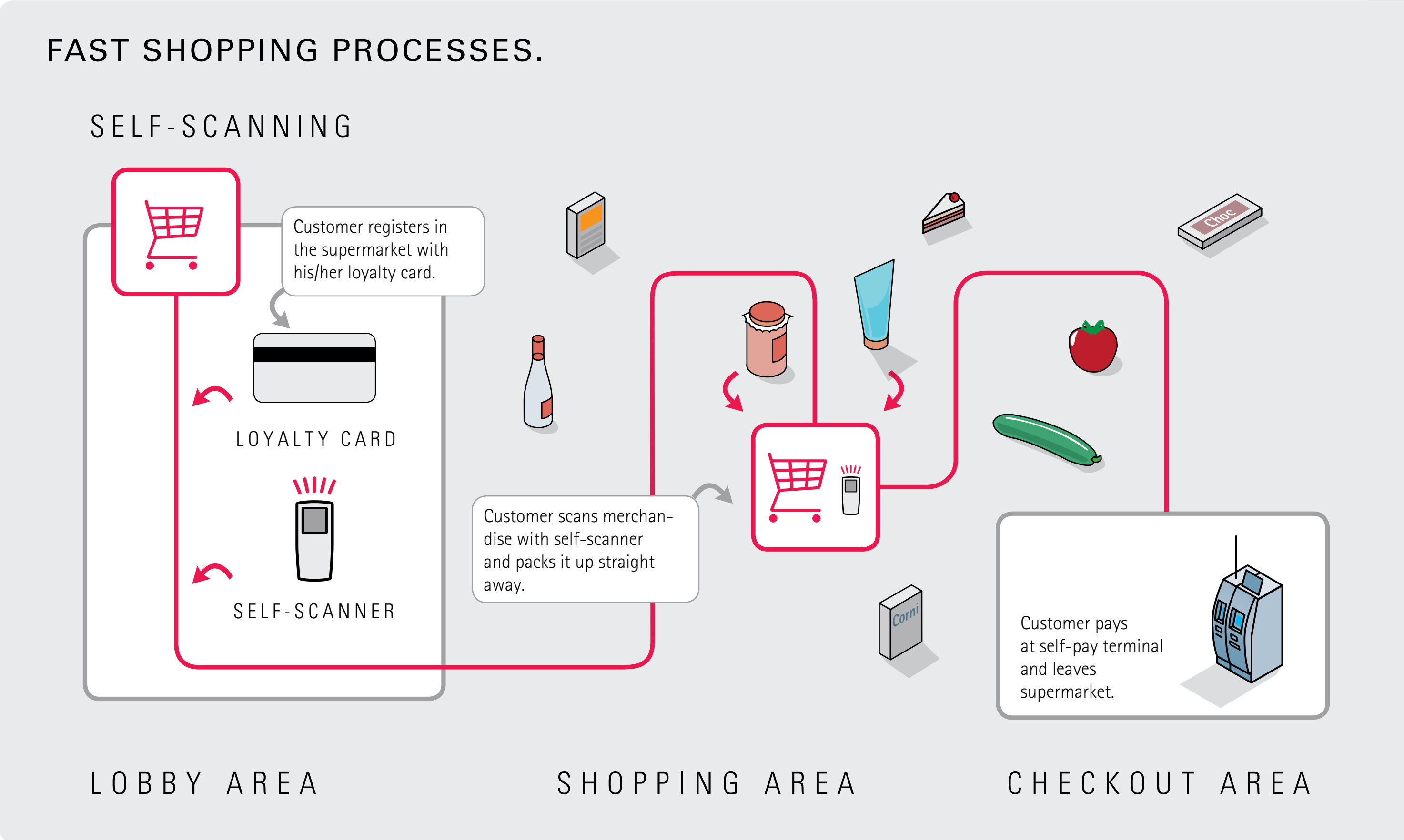
In addition to a culture that rewards the sharing of knowledge and takes an open approach to errors, another essential prerequisite of a properly functioning knowledge management system is cross-border structures. Progress has already been made in this regard, with more than 2,000 users in 35 countries having already familiarized themselves with the practice of knowledge management via training sessions and courses. What is more, some 8,000 solutions are already available in the database. But the process does not end there. On the contrary, we must continue to propagate knowledge, and make it available – because Wincor Nixdorf as a whole will be even smarter, the more its employees share their knowledge with others.

Knowledge is mobile.

Mobile devices get knowledge precisely to where it is needed at any given time. For example to Wincor Nixdorf's service technicians, who ensure that customers' systems are quickly up and running again following malfunctions. They use pocket PCs, smartphones, etc., to access a centrally managed, up-to-date knowledge database from anywhere in the world. With the aid of written or audio texts, animations and videos, the database helps analyze the problem at hand, leading the technician step by step to the right solution. Benefits for the customer include rapid troubleshooting, and a reduction in the losses caused by system malfunctions. This is no longer a vision, but the next logical step in knowledge management by Wincor Nixdorf.

FREE CHOICE OF SHOPPING.

INNOVATIVE DUTCH RETAILER ALBERT HEIJN REALIZES UNIQUE SHOPPING EXPERIENCE.



Steering processes without restrictions.

The management dashboards integrated in the Wincor Nixdorf eServices Portal enable customers to monitor all their processes, from IT operations through to cash management. The dashboard transforms real-time data on system availability and cash status into graphic information on the operating status of devices, on cash holdings, the deployment of CiT companies and technicians, the reasons for (possible) system failures, and the action taken to remedy errors – making it available anytime, anywhere. If required, the consolidated data can be transmitted to mobile terminals such as smartphones.

From here, it is just a short step to portable, gesture-controlled interfaces, which free information from its traditional confines. These systems, which consist of a projector, camera and mobile computer, project information onto surfaces in the form of a hologram, turning them into digital interfaces. The user then interacts with the system using natural gestures.

The dream of every consumer – having the freedom how to shop and how to pay – has become reality at Albert Heijn, a member of the Ahold Group. The supermarket chain, the largest in the Netherlands with around 55,000 employees (excluding its franchise operations), 759 district supermarkets, 30 XL supermarkets and 50 convenience food stores, has collaborated with Wincor Nixdorf in consulting and testing a number of unique and innovative checkout solutions such as self-scan shopping and self-checkout.

Albert Heijn has been exploring the potential of automated checkout and payment solutions for years. In 2004, as part of a consulting project, the company cooperated with Wincor Nixdorf to study a new approach. The two partners launched a number of pilot projects to test various checkout and payment scenarios in which self-scan shopping and payment solutions for cash and card transactions were piloted.

Albert Heijn customers scan their purchases themselves and pay without cash.

COMBINED SOLUTION CHOSEN.

Finally, Albert Heijn launched a pilot project with a scenario that was similar to the self-scan shopping solution – with one exception: the retailer focused on cashless payment. In November 2006, Wincor Nixdorf implemented the self-scan shopping solution for Albert Heijn in ten of its large (XL) supermarkets, becoming the first retailer in the world to offer customers the possibility to manage the scanning and payment processes themselves. Since then, the company has converted many of its POS checkouts into innovative self-payment zones with a solution from Wincor Nixdorf. The remaining conventional checkout points have been equipped with Wincor Nixdorf's state-of-the-art sealed technology BEETLE/NetX systems to achieve greater efficiency and environmental savings.

Today, shoppers at Albert Heijn can choose their payment preference, scan their goods at their own speed, see the subtotal on the personal hand scanner and put the goods directly in the shopping bag. They also benefit from quick payment at the checkout point. For Albert Heijn there are numerous other advantages. For example, the retailer has been able to significantly reduce waiting lines and increase customer loyalty.

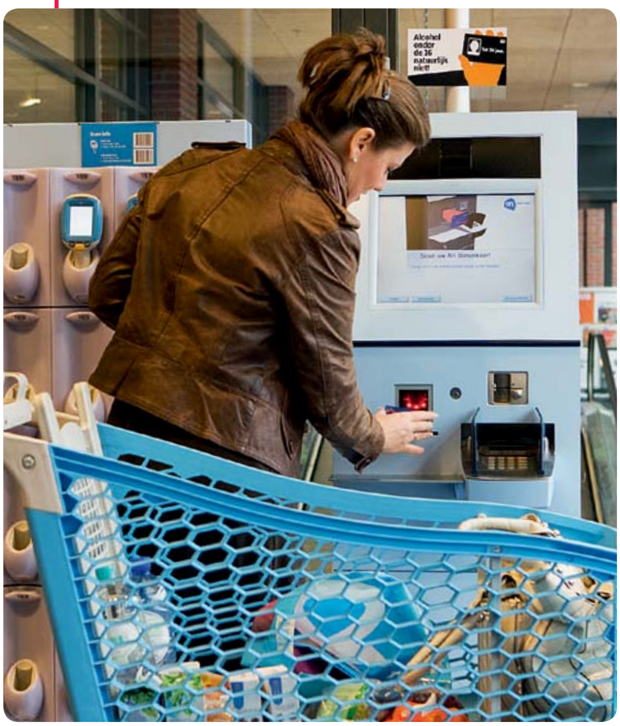
At present, Albert Heijn has implemented the self-scan shopping solution in more than 100 district supermarkets and other store formats, offering shoppers a completely different shopping experience. Their overwhelming satisfaction honors the innovation philosophy of the Dutch retailer.

More about automated checkout from Wincor Nixdorf.

INNOVATION AS PART OF THE CORE BUSINESS.

The innovative self-scan solution is by no means the end of the automated checkout success story of Albert Heijn and Wincor Nixdorf. Development of a new "Scan & Go" solution allows shoppers to pay for the self-scanned products through contactless payment. Payment transactions take just a few seconds. The solution will be suited for Albert Heijn's smaller "To Go" stores, which are situated for example in train stations and other highly frequented places.

The retailer is currently testing the new system in its "Innovation-Café," an inspiring hotspot in the company's headquarters. Both the name and the location are well chosen, according to Jan de Heij, Head of Innovation & Technology at Ahold Europe. "After all, innovation is part of our core business," he says. "Through intensive consulting and the testing of various scenarios, we have been able to find the ideal solution together with Wincor Nixdorf. The fact that other retailers around the world have adopted our concept underscores Albert Heijn's leading position in the area of innovation. Against this background, we are proud to continue our cooperation with Wincor Nixdorf."



A SPECIAL KIND OF BRANCH CONCEPT.

"VR-FINANZSHOP" SETS STANDARDS FOR THE RETAIL BANKING OF THE FUTURE.

Vereinigte Volksbank Griesheim-Weiterstadt has realized a branch concept that is unique in Germany to date: a "VR-FinanzShop" in a shopping center that will set standards for the retail banking of the future. This innovative bank branch format was developed and implemented in tandem with Wincor Nixdorf and its WIN@branch solution.

The VR-FinanzShop offers visitors to the shopping center a completely new concept in financial services provision in terms of the branch's offer, atmosphere, site and services. Under the umbrella concept of assisted Internet banking (known in the bank as "bib" for the initials of its German name), five special service packages are presented in specially created "biboxes." VR-FinanzShop customers can get information on the topics in the "biboxes" – "Easy Bank Accounts," "Savings and Investments" or "Home Ownership," for example – either through research at the PC or in conversation with the branch's staff.

SUPPORT THROUGHOUT THE DEVELOPMENT PROCESS.

Wincor Nixdorf provided consulting and support throughout the development of the VR-FinanzShop. After all, with its WIN@branch solution the company already has a holistic portfolio with all the relevant products and services for the life cycle of a modern bank branch. For the VR-FinanzShop, for example, Wincor Nixdorf worked with the architects to design a concept that was precisely tailored to the needs of the bank and the branch's surroundings, along with the necessary architecture. The goal was the creation of a platform to enable spontaneous interaction between the bank and its customers. The bank's machines are also all "made by Wincor Nixdorf" and cover the complete spectrum of modern self-service systems. It's only logical: With the exception of a check-out for the merchandising products, all transactions in the branch take place at self-service systems and are thus cashless.

A SUCCESSFUL CONCEPT.

The VR-FinanzShop's interior design is just as cutting-edge as its technical equipment. The branch exudes an open, inviting and innovative atmosphere through a customer platform in the middle of the branch, where the information terminals are installed. Support for the concept is provided by highly communicative bank employees who concentrate on customer consulting and sales. Just a few months after opening, the innovative concept has already proven to be a success – with more than 100 new private customers and more than 30 new business customers. Dietmar Petermann, Chairman of the Board of Vereinigten Volksbank Griesheim-Weiterstadt eG, notes: "Against the backdrop of the partnership we have enjoyed for many years now, it was clear to us that working with Wincor Nixdorf was the most secure approach." And this security will be enhanced by a service contract that guarantees system recovery within four hours during the bank's opening hours, should it ever be needed.

WIN@Branch
by Wincor Nixdorf.

NEW ALL ROUND!

NEW BRANCH CONCEPT FOR ING WITH PC/E SOFTWARE FROM WINCOR NIXDORF.

In 2009 the merger of Postbank and ING resulted into a large multichannel bank. This merger also gave the opportunity to fully reinvent the branch channel. This led to the roll out of a completely new branch concept, which is now already implemented in 250 branches around the country.

The move toward a new, predominantly self-service branch future began several years ago. In 2006 ING Postbank started with the introduction of self-service in the cash area. The choice was to install the Retail Banking Suite from Wincor Nixdorf as its software platform. Its initial aim was to go on operating the existing multivendor network comprising around 3,000 ATMs as well as to roll out systems with a deposit function in its branches. The purpose was to roll out a self-service platform with a withdrawal and deposit function in its future branch and to develop a new teller application.

ENABLING CUSTOMERS TO EXECUTE THEIR BANKING TRANSACTIONS.

The decision in favor of Wincor Nixdorf was swayed by the fact that the software made it possible to provide new functionalities, like cash deposit in the network, promptly without increasing complexity at central level. The scalable solution also allows the bank to perform flexible migration and with the smart client architecture. For the first pilot branches, Wincor Nixdorf rolled out the new software platform, in just four months, which supports all the required functionalities.

The new branch concept ING now introduced is designed to establish optimal conditions that enable customers to execute most of their banking transactions either online or independently at cash terminals and other self-service machines.

INTELLIGENT TELLER APPLICATION.

Following the commencement of rollout for systems with a deposit function and PC/E Self-Service from Wincor Nixdorf in February 2009, all new branches had been equipped with this technology by the end of the year. To further optimize branch processes and intensify its sales activities, ING redefined its front-office service processes in parallel to rollout of the new branch concept. The objective was to automate, as far as possible to a point of near self-service, the remaining cash transactions that were handled at the counter. These include withdrawals that exceed customers' cash limits or transactions for a customer whose card has been stolen and is thus blocked for further use. The innovative banking concept was implemented with the front-office application PC/E Teller Operations from Wincor Nixdorf. This initiates transactions selected by a bank teller. The transactions are then executed automatically from start to finish by the front-office application. Integrating front-office terminals in the process where required, also makes it possible to handle transactions largely without media discontinuity.

FOCUS ON ADVISING OUR CLIENTS AND NOT ON TRANSACTIONS.

For Hans van der Horst, Managing Director Branches at ING, the front-office software fulfills the targets the bank had set. "The application is secure, fast and easy to use, which enables us to concentrate on our core business in the branches, namely helping our clients to arrange their finances. Hans van der Horst is content with the collaboration with Wincor Nixdorf: "The success of our business depends not only on the IT but also on the partnership with the players involved. We have certainly found a reliable partner in Wincor Nixdorf."

Approaching customers differently.

The VR-FinanzShop's innovative branch concept is matched by a customer approach strategy that is also new. One wall of the branch hosts a huge indoor projection screen for a sophisticated presentation of particular topics. This multimedia wall was initiated and integrated in tandem with Wincor Nixdorf, and it supports the bank's target audience-oriented customer address strategy, and draws customers into the branch so that the staff can conduct focused consulting conversations with them. And should the bank's employees need answers to detailed questions, they can confer with specialists in the main branch via videoconferencing – another innovation for which Wincor Nixdorf provided the initiative.

PERFECTLY MANAGED STORES.

TP.NET AT THE EMKE GROUP IN ABU DHABI.

The EMKE Group, with headquarters in Abu Dhabi, has decided in favor of Wincor Nixdorf's TP.net store software in order to serve its 320,000 customers a day even more effectively in future. All in all, the retail company will install TP.net on 3,000 POS systems. The corresponding master agreement also includes an option for 1,000 additional licenses.

Having been piloted in several stores and various Arab countries, this project with the EMKE Group represents a milestone for Wincor Nixdorf in its quest to tap the Middle Eastern retail market, which has so far been dominated by the competition. After all, the customer is one of the most renowned retail companies in the region, taking the number one spot in the United Arab Emirates and number five in the Middle East.

More about TP.net from Wincor Nixdorf.

INTERNATIONAL DEPLOYMENT:

In addition to the deep SAP integration, the EMKE Group's decision was based mainly on the fact that Wincor Nixdorf's store software can be easily adapted to different retail formats and deployed internationally. This was very important to the retail company because it operates in almost every country of the Arabian Peninsula and, with its 22,000 employees, runs a variety of different store formats, ranging from department stores to supermarkets, hypermarkets and even complete shopping malls. Since the company has a well-staffed IT team, it will take responsibility for customizing TP.net and its modules itself. To this end, Wincor Nixdorf is providing training for the employees within the framework of its Professional Services portfolio. The company has already begun with the first development activities.

GREATER TRANSPARENCY.

By using Wincor Nixdorf's store software, the EMKE Group is able to enjoy a wide range of benefits. Managing store processes and campaigns centrally, for example, increases flexibility and responsiveness. This gives the company greater transparency and enables it to react more quickly to changing revenue situations. At the same time, the future-proof solution provides EMKE with a number of competitive advantages, such as increased productivity in stores. EMKE's CIO Madhav Rao highlighted another point he considers equally important, if not more so: "In Wincor Nixdorf, we have found a partner with the same corporate philosophy as ours: Always stay a step ahead of the competition. The TP Application Suite will help us with this endeavor, since it offers all the flexibility and readiness for the future we need."

TP.net at the EMKE Group.

In addition to the TP.net store solution, the EMKE Group will also be deploying TPAdmin, our administration component for the management of the entire store landscape as well as central design and distribution of promotions and campaigns. Furthermore, TPAnalyze and TPLoyalty will also be used, the former as a business intelligence application and the latter for managing customer loyalty programs.

The world of cash and banks is under threat. Branches get attacked, networks hacked and ATMs manipulated. On top of this, attacks are becoming more and more intelligent. We asked Johannes Puschmann, Director Platform Software, what role Wincor Nixdorf plays in protecting financial institutions and their customers.

NO CHANCE FOR CRIME.

SECURITY WITH PROTECT.

Mr. Puschmann, when the issue of bank security occurs in public discussions, most people immediately think of protection from ATM fraud. Is that too shortsighted?

Absolutely, because criminal attacks on banks take place at all different levels. At Wincor Nixdorf we have a holistic concept that provides protection for the full range of processes and delivery channels used by banks. We distinguish between physical protection, meaning security for buildings and devices, and logical protection, protection for networks and software.

Why is the subject of security so important for banks, which are bound to be insured against material loss?

Quite apart from the fact that viruses, works and Trojans can wreak havoc in networks, banks face a massive potential decline in trust and image if they fail to use the existing measures and instruments to protect their assets. However, we should add that, in the negative sense, highly intelligent gangs of organized specialists are at work today. To ensure that we keep abreast of developments, we not only maintain our close contacts with banks but also talk to experts from the Federal Criminal Police Office or Interpol.

So what does Wincor Nixdorf have to offer in the way of concrete protection measures?

A lot – to be precise Wincor Nixdorf has developed and delivered an end-to-end concept with its ProTect product, which covers the entire range of security needs. It comprises solutions for identity and access control, cash security, software security and even goes as far as security surveillance. With our experience, our know-how, our logistics and our specially developed security software, we are already able to offer a comprehensive security package for every single bank and every single branch. And tailor-made at that.

Let's get down to details and look at security for consumers, the bank's customers. What can Wincor Nixdorf do to help here?

Shifting many transactions over to self-service devices such as ATMs, cash recycling systems, coin dispensers and statement printers may involve an enhanced security risk. For this reason, our basic security offer includes video surveillance of the entire self-service zone, monitoring of our devices, protection for ATMs with anti-skimming solutions that prevent customers' PINs being tapped, and special sensors against physical attack. Even if someone rips an entire ATM from its moorings, he won't get far. Our GSM tracking system enables the police to find him in a matter of minutes. And if bank robbers resort to tougher measures such as detonating an entire automated teller machine, ink-staining solutions make sure that the cash is rendered unusable.

Even if the brute force methods you mention are sometimes employed, attacks are actually becoming more and more intelligent. How do you approach this problem?

By being just as, or even more, innovative ourselves. For example, we developed a video surveillance solution for the user interface of our new CINEO system generation. It records details of any changes that are made. Even if fraudsters manipulate the entire interface, the cameras record every detail. Incidentally, the best protection is an open architecture in the self-service zone. Since we at Wincor Nixdorf also offer a branch design service, we can take action here promptly.

The security package from Wincor Nixdorf contains solutions that also protect the networks and software?

The entire range of IT security, meaning the security of networks and internal bank software, is a key technology for Wincor Nixdorf. With it we prevent hacker attacks by viruses, worms and Trojans. Our principle is, anything that is not explicitly allowed is forbidden. We are not interested in tracing viruses or spyware but make every effort to prevent this software executing.

Can you ever be sure you've done all you can to guarantee security?

We can be sure we've done everything that is currently possible. Naturally it's a constant race against the criminal mind, but we're responding by creating self-learning systems that ensure the maximum in security.

DEEP IN THE GREEN.

HOLISTIC APPROACH FOR SUSTAINABLE OPERATIONS AT WINCOR NIXDORF.

www.braungart.com

Engineering eco-effective processes:

As an endless loop, the cradle-to-cradle principle is the most systematic method of recycling – with eco-effective products, which, as biological nutrients, are returned to biological cycles or, as "technical nutrients," circulate continually in technical cycles. Hence, computers are composted or "reborn" as product components. So is it just a short step from partial recycling to eternal recycling?

Green has been a buzzword for a long time, and is actually also much more – at least in the Wincor Nixdorf mindset. The company sees Green IT as a holistic concept and an integral component of a corporate culture that is geared toward sustainability.

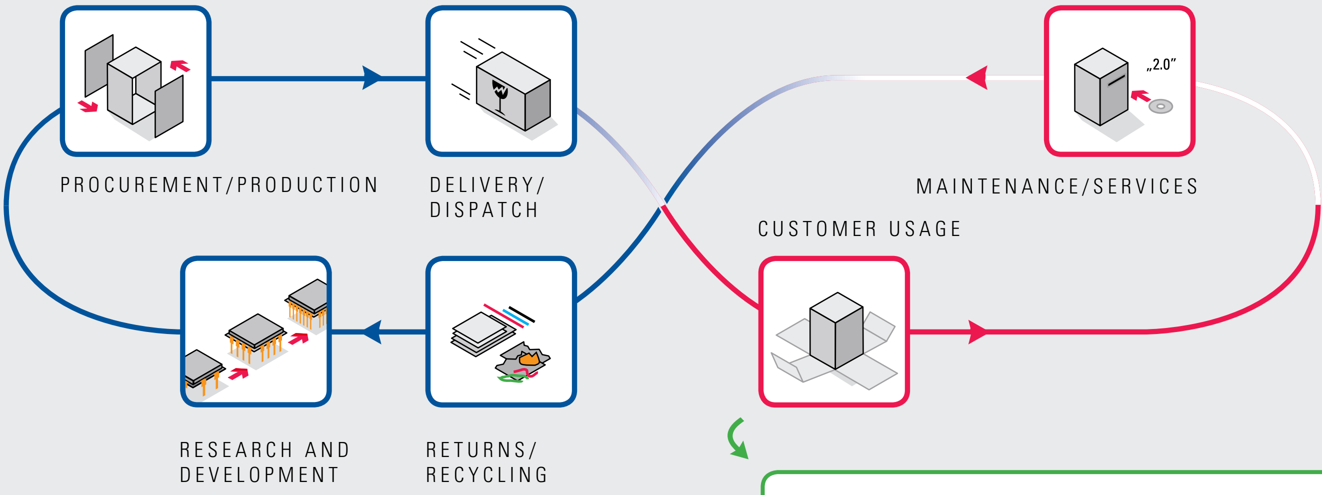
Sustainability at Wincor Nixdorf focuses on the production process rather than the product itself. This means that the issue of environmental protection covers the entire product life cycle and also takes customers' ecological goals into account.

GOLD FOR POS SYSTEM.

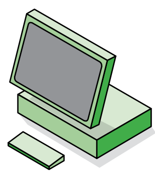
Logically, ecological practices at Wincor Nixdorf start during the planning and development phases for all products and solutions. They apply not only to the selection of appropriate components but also to their subsequent usage. The key aspects in this context are a sparing use of resources and energy efficiency. One outstanding example is the BEETLE/NetX POS system. In the "Best Products for Retail" competition staged for the first time by the German "handelsjournal" magazine, it was awarded gold in the "environmental friendliness" and "customer satisfaction" categories for its top system availability, low-cost swap service and high environmental friendliness thanks to very low power consumption. Its power-saving processor technology reduces power consumption by 30% compared with the previous generation; special power units with an efficiency of at least 80% are up to one-third better than traditional units. And the list of technical energy-saving details does not end there.

An endless process.

HOLISTIC CONCEPT FOR SAVING RESOURCES.



Wincor Nixdorf takes account of its customers' ecological goals – and therefore also rethinks on-site processes. In order to save resources and enable energy-efficient operations, we equip our BEETLE/NetX POS system with special power supply units and processors. You can see the process this launches and the dual benefit you stand to gain summarized here:



80plus power supply unit → Higher efficiency (30%) → Lower power consumption → Less CO_2 emissions

Intel processor → Higher processor performance → Lower power consumption → Lower TCO

EMBRACED IN THE COMPANY'S CORPORATE CULTURE.

The solutions provided by Wincor Nixdorf also make a point of protecting the environment. Our Cash Cycle Management Solutions, for example, reduce the harm done by CO_2 emissions, since they require fewer cash-in-transit journeys. On-site visits from service engineers can also be minimized as a result of remote management. Remote management includes initial analysis of potential interruptions and preventive network-based maintenance. The fact that Wincor Nixdorf embraces environmental awareness across the board is reflected in the way it handles used devices. The company has taken these back and recycled them professionally for many decades, with over 90% of materials now being reused – a figure that was only 45% 20 years ago. This and many other examples go to show that "green" at Wincor Nixdorf is not a color but a state of mind. Ecological action is an integral part of the company's corporate culture, reflected in all company processes and, in addition, a concern that affects the entire workforce. This is so because environmental protection and a sparing use of resources can only function and be constantly improved if they are practiced in day-to-day operations.

More about Green IT at Wincor Nixdorf.

GERMAN PHYSICIST, 1879–1955

ALBERT EINSTEIN

THE FUTURE INTERESTS
ME FAR MORE THAN THE PAST,
AS I INTEND
LIVING IN IT.

Responsibility Statement.

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Paderborn, November 18, 2010

Wincor Nixdorf Aktiengesellschaft, Paderborn

Heidloff President and Chief Executive Officer	Auerbach Executive Vice President	Dr. Wunram Executive Vice President

Contents Group Management Report.

GROUP MANAGEMENT REPORT

Wincor Nixdorf AG Group Management Report.

THE WINCOR NIXDORF GROUP.

Organizational Structure. Wincor Nixdorf came into existence in 1999 when it was carved out from the Siemens Group. It was subsequently floated in 2004.

Today, although still based in Germany, Wincor Nixdorf is a global enterprise, with over 70% of net sales derived from its international business. We have established a network of international production and development sites. In the area of development we also work closely with a continually expanding group of external partners and research institutes.

In the main, we market our products and services through our own sales organization. One of the hallmarks of Wincor Nixdorf's business model is its proximity to customers. We have established a presence in around one hundred countries worldwide, 41 of which are home to a Wincor Nixdorf subsidiary. Accordingly, over half of the Group's 9,300 employees are based outside Germany.

Details of the Wincor Nixdorf Group's legal structure can be found in the Notes to the Group financial statements under the heading "Consolidation Group." More information about our production and development sites are included in the section entitled "Non-financial Indicators."

Non-financial Indicators, see page 80 et seq.

Acquisitions and New Companies. In the period under review, we carved out our production units in Germany and China, establishing them as separate subsidiaries. Elsewhere, in setting up the Wincor Nixdorf Business Administration Center GmbH, we took the first step toward bringing together our commercial sales processes in Germany within a centralized unit.

All changes affecting the composition of the consolidated Group are explained in the Notes to the Group financial statements under the section "Consolidation Group."

Group financial statements, section Consolidation Group, see page 106 et seq.

Management and Control of the Company by the Board of Directors and the Supervisory Board. Wincor Nixdorf Aktiengesellschaft (in the following "Wincor Nixdorf AG") is run by a Board of Directors comprising three members: the Chairman Eckard Heidloff (President and Chief Executive Officer) as well as the two other members of the Board of Directors Stefan Auerbach and Dr. Jürgen Wunram.

The Board of Directors is responsible for managing the joint stock corporation. It ensures that business is conducted in accordance with legal requirements, the German Corporate Governance Code, Wincor Nixdorf AG's Articles of Association and the Rules of Procedure of the Board of Directors. Within this context, all decisions and actions are focused on protecting the interests of the Company. All resolutions of the Board of Directors are taken by simple majority. Where the votes are split, e.g., if only two members of the Board of Directors are present at a meeting or if one member abstains, the vote of the President & Chief Executive Officer is counted twice. The Rules of Procedure for the Board of Directors include details of specific transactions that require the approval of the Supervisory Board.

It is the role of the Board of Directors to determine the strategic direction of Wincor Nixdorf AG in conjunction with the Supervisory Board, and then to implement it in a responsible manner. In doing so, the Board of Directors also monitors the effectiveness and efficiency of the management tools used throughout the Company. Wincor Nixdorf's two primary objectives are to strengthen the competitiveness of our customers and to achieve sustained growth in enterprise value. Therefore, the planning, control and risk management systems by means of which the Company's operations are controlled are given a high management priority.

The Board of Directors informs the Supervisory Board regularly, promptly and in a detailed manner on all key issues related to planning, business trends and the current risk situation. All deviations from agreed plans or established targets are reported and explained to the Supervisory Board.

The role of the Supervisory Board is to monitor the work of the Board of Directors. It performs these duties in accordance with statutory provisions, the German Corporate Governance Code, the Articles of Association of Wincor Nixdorf AG, the Rules of Procedure for the Supervisory Board and any resolutions of the Supervisory Board itself. The Supervisory Board and the Board of Directors work together on the basis of mutual trust in the best interests of the Company.

In accordance with the Codetermination Act (1976), the Supervisory Board of Wincor Nixdorf AG is made up of twelve members, six of whom represent the shareholders and six the employees.

Decisions of the Supervisory Board are adopted by resolution. Resolutions are passed by a simple majority of the votes cast, with the exception of those cases in which the law specifies a different majority requirement. The voting procedure is as follows: if the votes are split and a second vote on the same proposal is also split, the Chairman's vote is counted twice.

Committees. The Supervisory Board has established four committees in total: a Mediation Committee, a Personnel Committee, an Audit Committee and a Nominations Committee. The responsibilities of the Supervisory Board and its composition are outlined in the Supervisory Board Report included in this Annual Report.

Compensation. Members of the Supervisory Board receive fixed annual compensation payable at the end of the fiscal year, in addition to emoluments for attending meetings of the Supervisory Board and its committees. Further details of Supervisory Board compensation as well as the remuneration of the Board of Directors can be found in the Compensation Report. This forms part of the Group Management Report and is presented in this Annual Report in the section entitled Corporate Governance.

Business Model. The main focus of our business activities lies on the banking and retail industries, with a particular emphasis on branch processes and operations.

Both industries face increasingly complex challenges. This has led to a rapidly expanding role for information technology (IT), which is no longer regarded simply as a means of ensuring cost-efficiency; nowadays, it acts as a driving force for competitive growth, setting the pace for change within companies. Against this backdrop, information technology has established itself as a key element of our customers' strategic planning and operating business.

IT processes are becoming increasingly complex. As a result, the role of change management is also expanding to cover the analysis of existing procedures, conceptual planning for entirely new processes, the integration of new information technology into existing infrastructures and the partial or even complete outsourcing of operational management.

These developments are also reflected in our portfolio. Originally a dedicated hardware manufacturer, Wincor Nixdorf has continually expanded its range of activities and in particular has increasingly adopted a greater focus on the provision of software and services. Our expertise lies in designing processes and systems that combine hardware, software and related services in the most efficient way possible, e.g., from a total cost of ownership perspective. We have consistently increased our share of the value chain in line with the process of change and innovation among our customers.

You will find more information about our services in the section entitled "Our Solutions Portfolio."

Our Solutions Portfolio. see page 58 et seq.

Market and Competition. Globally, Wincor Nixdorf is acknowledged as one of the top market players, with a specialized portfolio of software and services for retail banks and retailers. In the worldwide hardware business, we are one of the biggest suppliers of cash systems and programmable EPOS systems. In this context, a core element of our business strategy is centered around innovative high-end systems as a basis for solutions designed to improve customer processes; it is because of these solutions that we are acknowledged as an innovating force within our markets.

Corporate Governance, see page 12 et seq.

Impact of Economic and Legal Factors on the Business. Details of the economic factors that currently affect, or may in future affect, our activities are presented in the Risk Report. Legal factors can be found in the section "Non-financial Indicators" under the heading "Achieving Success through a Commitment to Sustainability" and in the Risk Report.

Risk Report, see page 88 et seq.

Achieving Success through a Commitment to Sustainability, see page 85 et seq.

VALUE MANAGEMENT, TARGETS AND STRATEGY.

Value Management. Wincor Nixdorf's primary goal is and remains that of achieving sustained growth in enterprise value. The criteria we use to measure whether we have achieved this goal are the profitability, innovative solutions consisting of hardware, software and services, realized returns and secure jobs. All our actions and processes are geared towards assuring profitable growth of the Group, and in doing so, achieving continued growth in net sales and profits above the industry average. The performance-based remuneration system that we have implemented across much of the Group at all hierarchical levels is an important tool to help us achieve these goals.

10% of our staff in Research and Development

Guiding Objective. Our strategic aim is to drive and support the process of change within retail banks and retailers throughout the world. By designing processes and procedures that are as innovative, efficient and customer-friendly as possible, we can help make our customers fit for competition and for the future. Above all, as "partners in change," we can reduce the complexity of the tasks facing our customers by providing the full range of solutions and know-how they need from a single source. This also has benefits for Wincor Nixdorf, as we are then able to bundle our strengths, offer new and competitive services and expand our skills base in a systematic form. Furthermore, our focus on the branch operations of banks and retailers has given us a wide-ranging and deep-rooted understanding of our customers' processes.

The guiding principle of all our work is to maximize customer utility, to create added value for banks and retailers, and in doing so, retain their business over the long term.

Growth Strategy. Over the next few years, we aim to drive growth and boost our performance by means of four strategic levers. All four of these levers complement each other, and each can be used to exploit potential new growth.

1. Global Expansion. We are fully committed to further strengthening our position as the outright market leader in Germany and also improving our premier ranking throughout Europe in both of our business segments. As regards the global expansion of our business, we view Europe as our home market. It is from here that we receive fresh impetus for business development and the driving force required to generate growth at a global level.

Our Solutions Portfolio, see page 58 et seq.

Asia/Pacific/Africa and the Americas together account for around two-thirds of the global market. As a logical consequence of our internationalization strategy, it makes sense for us to prioritize further expansion in these regions.

In the Asia/Pacific/Africa region, we aim to earn a place among the top providers in both of our business segments. Our goal in the Americas is to improve our market position significantly.

With retail banks and retailers responding to global economic growth by increasing their involvement in emerging markets, especially in the BRIC states (Brazil, Russia, India and China), these regions play an important role in our globalization strategy.

2. Innovation. Our strength lies in our ability to innovate. It is for this very reason that we now employ approx. 10% of our staff in Research and Development (R&D). Every year, we invest over 4% of net sales in R&D projects.

We intend to maintain a high level of spending on R&D and to keep improving our effectiveness in this field.

This high level of spending on R&D is considered essential when it comes to underpinning our aspirations within the area of innovation leadership. We also aim to further shorten development times and bring new products to the market even more quickly, while of course maintaining the same extremely high level of quality and efficiency.

3. All-embracing, High-quality Services Portfolio. Smooth and efficient business processes are crucial to the success of our customers and help them gain an edge over their competitors. Thanks to our growing portfolio of services, we are able to support our customers in their efforts to design such processes.

To help our customers respond more efficiently and more rapidly to complex changes in their companies' IT requirements and fully exploit the benefits provided by their IT systems, we have combined our know-how into a series of comprehensive service modules.

Our goal is to open up further attractive prospects for growth by enforcing the expansion of complex services such as Professional Services, Managed Services and Outsourcing (see also "Our Solutions Portfolio").

4. Expansion and Transfer of Know-how to Other Applications. Wincor Nixdorf is not only expanding at a regional level; reflecting its focus on every aspect of branch-level business, it is also penetrating new and related markets that are characterized by similar structures and hence similar IT infrastructure requirements, e.g. post offices and service stations.

Our aim is to exploit potential synergies and potential growth in related areas of business without losing sight of our principal focus on Banking and Retail.

Ancillary Programs in Support of Corporate Goals. In order to achieve the Company's fundamental targets in the most effective way possible and establish them firmly in our everyday business, we have initiated and continue to develop a number of Group-wide programs. By defining success factors right at the start, we can facilitate the process of implementing and reviewing these measures and developing new ones.

The task of achieving our market objectives lies at the heart of our "Road to the Top" growth program, while income levels are boosted by our "ProImprove" program, which aims to ensure continuous improvements in profitability. Our "Innovation and Quality" program helps to maintain a high level of these essential factors. We have set out a corporate concept entitled "People with Spirit" that we regard as indispensable to our past and future success. For this reason, we have put in place the requisite conditions that will help us maintain, carry forward and develop that culture and spirit.

"ProFuture" is a two-year Group-wide program that was launched in fiscal 2008/2009 to thoroughly review and examine our existing processes and structures. The aim is not only to lead the Company through the present difficulties in the wider economy but also to put it in a strong position for the future and encourage renewed growth. Rather than substituting our existing growth and efficiency programs, ProFuture is intended to act in a supporting role. The primary goal is to implement permanent structural and process-related changes as a means of boosting overall performance and efficiency. The implementation phase is due for completion by the end of the current fiscal year.

ACHIEVING SUSTAINED GROWTH IN VALUE.

Financial and Non-financial Performance Indicators. The Group's operating and non-operating business activities are both controlled using a series of carefully chosen financial and non-financial indicators that feed into a central indicator control system at Group level. We measure the success of our Banking and Retail segments, of each region, of our subsidiaries and associated companies and of our Hardware and Software/Services business streams. Production, Development and Central Administration are also integrated into the system.

The indicators we use to determine the performance of regions, sales companies and the core segments are based on growth in net sales and profit, operating margin and cash flow. Other Group control indicators include gross profits and margins, selling, general and administration expenses and working capital. In addition to those indicators that measure the efficient use of resources, we also evaluate and optimize our global production network on the basis of quality, supplier reliability and stock turn indicators. Our central administration departments endeavor to offset increases in their own input costs by productivity gains and economies of scale. Further information is available in the section entitled "Non-financial Indicators."

Non-financial Indicators, see page 80 et seq.

Control indicators have also been established for our non-operating business. Indicators, such as the financial result and the Group's effective tax rate, allow us to evaluate the degree of success achieved.

Differentiated Multi-year Planning for All Levels and Business Areas. The starting point for all management and control processes is a rolling annual strategic plan, which also determines the Group's long-term investment focus. This plan is used in turn to establish medium-term objectives for the Banking and Retail segments and for the different units and functions within the Group.

Budget targets are drawn up on the basis of the multi-year plan. They flow into each business unit's operational planning, which then serves as a basis for the preparation of detailed budget targets and measures.

Operational planning also involves conducting a review of our risk and opportunities portfolio. This forms the basis of risk and opportunity management at Wincor Nixdorf. Monthly forecasts are produced in response to current profits and developments. This allows us to identify any deviations from agreed targets at an early stage and to take prompt measures to ensure that those targets are still met.

IT systems are used for planning, control and reporting processes. The ongoing development and comprehensive integration of these information systems ensure the continuous management and control of all the Group's business areas.

OUR SOLUTIONS PORTFOLIO.

CINEO stands for Cash Intelligence Neo/New

To ensure they remain successful in their respective markets, retail banks and retailers around the globe have to submit their business processes to a system of continuous review. In every single case this involves designing ever more efficient processes and enhancing the company's appeal to its customers by adding new services for end users. Wincor Nixdorf's portfolio of IT-based services is geared towards meeting these requirements.

Core Competences Sought by Retail Banks and Retailers.

Customer-friendly and Efficient Branches. Branch operations continue to play a key role in the bank and retail industries. Despite the growing importance of other sales channels, in retail banking the branch is still the main point of contact and sales channel, while in the global retail industry its position as the number one sales platform is undisputed, regardless of the retail segment or format. Wincor Nixdorf's particular strength lies in its ability to optimize different branch-level processes through the application of information technology. Consequently, the solutions described below primarily concern branch operations and reflect Wincor Nixdorf's wide-ranging expertise in this field. One of the predominant features of our portfolio is the modular concept. As banks and retailers restructure their branches, this approach can be used to provide comprehensive support – from analysis and implementation (including aspects of construction) through to actual operation (WIN@Branch for banks, WIN@Store for retailers).

Branches remain the number one sales platform worldwide

Cost-efficient and Secure Cash Handling. For retail banks and retailers, cash handling generally involves extensive manual input. It therefore generates substantial costs and is characterized by a high security risk. It is for these reasons that we have long since focused on the automation of these processes and now have several innovation focuses.

At the Wincor World 2010 trade fair we presented a completely new portfolio of modular cash management solutions for retail banks and retailers that for the first time supports the cash handling processes common to both industries. The overriding objectives of our new portfolio of Cash Cycle Management Solutions are to maximize the level of automation of bank and retail cash processes, to close cash cycles and to shorten the cash logistics chain. One of the ways in which we can achieve this is by implementing systems based on a single banknote storage concept for both industries. This concept makes it possible to exchange storage media within the new CINEO system family.

Cash Cycle Management portfolio presented at Wincor World

Our portfolio represents a unique selling proposition for Wincor Nixdorf. It means that we are the only provider in the market able to cover the entire process chain from end to end with our own solutions. It also means that we can ensure maximum security, the greatest possible degree of transparency, enhanced processes and a reduction in costs of over 20%. At branch level, bank and retail employees no longer come into contact with cash.

With a view to managing cash processes all the way from the branch to the Central Bank, Wincor Nixdorf has developed a comprehensive portfolio of software, entitled Cash Cycle Management Solutions Base, that allows banks and retailers to take over the management and optimization of their cash processes themselves. The individual applications that make up the portfolio perform a range of tasks, e.g., branch-wide cash stock forecasting and optimization, order management, tracking ("Track and Trace") and management reporting. Banks and retailers can of course leave the task of cash management to Wincor Nixdorf, since all the cash cycle management software applications also form part of our eServices platform. This provides the basis for operational management of IT resources and allows Wincor Nixdorf to manage cash processes on behalf of its customers if required.

At the initial stage, Cash Cycle Management Solutions can be used to automate cash processes at bank and retail branches. In addition, drawing on the entire technology platform, they make it possible to reduce the costs involved in branch-wide cash processes. These can be linked to each other as part of an intelligent system by using full note storage units from retail outlets to resupply ATMs. As an additional benefit, the cash centers operated by cash-in-transit (CiT) companies can be integrated into the overall cash cycle management system.

Process Automation. Wincor Nixdorf regards its expertise in automating not only cash management but also many other business processes at branch and branch network level as one of its core competences, and we continue to expand the scope of these solutions. We start by shifting manual processes on to a self-service basis at banks and retailers. Then there is the automated provision and analysis of customer data for different sales channels or the centralized capture and use of data for business management and logistical purposes. Throughout the world, much of the customer support process for our systems is also automated – identifying problems or processing support orders, supplying and dispatching spares and deploying the nearest available technician. As always in the case of automation solutions, one of the most important factors here is innovative software.

Payment Solutions for Cashless Transactions. As well as optimizing cash processes, Wincor Nixdorf has developed a portfolio of solutions to support cashless payment. One of our services to retail banks facilitates the processing of card-based transactions – from initial recording of the transaction to identification, forwarding and authorization. Our retail systems include the integration of cashless payment solutions at checkouts and self-checkout systems. This allows companies to manage branch revenue from cashless payments at their own headquarters and forward all requisite data to their bank for further processing.

Consulting, Solutions Development and IT Integration from a Single Source (Professional Services). Wincor Nixdorf's global Professional Services units allow our customers to source all the innovative software they need from a single provider. In addition to our own software, we supply the leading industry standard applications for both industries.

Our Professional Services for banks are divided into three areas. Consulting Services focus on the optimization of business and specialist banking processes as well as the evaluation of industry-specific applications. Technology Services cover the development and integration of software architecture concepts and new applications, in addition to preparation of the necessary operating concepts. Application Management involves a range of services, including the long-term maintenance and regular updating of applications on behalf of customers (subject to explicit service-level agreements, where required). Our key competence here lies in the area of branch applications and specifically in the optimization of customer interaction and solutions for payment processing.

With regard to the retail industry, we have established a global network of local Solution Competence Centers as a way of expanding our software business and facilitating the worldwide implementation, updating and integration of our software into our customers' IT landscapes. We also focus on process and IT consulting, partly with a view to creating tailored checkout or cash management solutions. This involves preparing different solution scenarios, which can then be compared using simulations on the basis of factors such as cost-efficiency, trolley size and checkout waiting times. In planning the checkout zone, we look at the store's architecture, walking distances and typical customer behavior, as well as the retailer's individual requirements with regard to design and layout.

Based on a long-established partnership with SAP, we have vigorously expanded our SAP consulting activities in the area of Business and IT Consulting for banks and retailers. Our field of expertise here ranges from architecture consulting to the introduction and maintenance of SAP-based solutions. We also support our customers in areas such as project, test and application management, the optimization of complete business processes and Outsourcing projects.

Ensuring Maximum Availability of Installed IT Systems and Cost-efficient Operation. The lion's share of the product related and operating services that we offer as a service partner belongs to "Product Related Services," agreements covering the installation, maintenance and repair of customer systems. These cover the entire product life cycle from initial rollout and implementation through to maintenance, support desk solutions and supplies of consumables.

Our range of Managed Services includes the remote monitoring and operational control of self-service terminals (Managed SST) for our banking customers and of checkouts and self-service systems (Managed POS) for retailers. We see ourselves as long-term partner for the entire life cycle of a branch (Managed Total Branch) from its opening (New Store Opening) to operation of the branch-related IT infrastructure, refurbishment or closure. Managed Services are modular and can be combined to meet each customer's individual requirements. As well as generating cost savings, they ensure complete cost transparency and planning security in the operational management of IT resources. Our Managed Cash portfolio is designed to optimize the management of the cash stocks held by retail banks and retailers, including the control and monitoring of CiT companies.

Our Outsourcing services are primarily implemented at banks and involve our taking over operation of the customer's infrastructures and (subject to contractual agreement) the relevant staff. In order to facilitate the business transformation of the customer's IT processes, we act as a one-stop provider for hardware, software, applications and services and support our customers in their sourcing decisions.

The technical basis for managing and providing all our services is Wincor Nixdorf's eServices Platform, which acts as the nerve center for the remote monitoring and control of customer infrastructures and processes insofar as they concern IT-based operational management. With regard to cash management, it also deals with cash-stock forecasting and optimization as well as order management for CiT companies. The eServices Portal allows us to supply our customers with system status and cash-stock data, thus simplifying the task of risk management. Our new Connectivity Box acts as an intelligent interface between the eServices Platform and individual customer systems and facilitates the provision of the remote services we use to manage those systems.

We have achieved a greater level of efficiency by combining tasks and functions into organizational units (Global Service Delivery Centers). Our central Customer Care Center handles over 10,000 calls a day around the clock and in 28 languages. In some countries, we have set up specialist teams to oversee the global system management of complex international projects. The optimized deployment of technical support staff and supplies of spare parts are controlled by a global field service organization that includes the buildup of logistics centers in order to reduce the cost of storing and procuring spare parts.

In order to ensure the quality of our service in those countries where we do not have our own support teams, we work with a select number of certified partners.

Additional Solutions for Retail Banking.

Automation and Self-service. By automating processes that do not form part of a customer's core business and migrating to self-service, Wincor Nixdorf is able to relieve bank staff from routine and manual activities. Using our solutions, it is possible to automate the cash disbursement and deposit of banknotes, checks and coins. In systems equipped with our cash recycling technology (ProCash series, CINEO), cash deposited is first subjected to a counterfeit check before being made available once again for disbursement. The same applies to automated teller safes.

The incorporation of new hardware components and software applications allows us to expand the range of services we offer to include, for example, the issuing of tickets or the topping up of pre-paid cell phone cards using a self-service system. Our self-service portfolio also includes a comprehensive range of transaction terminals and statement printers (ProInfo, CINEO, High Print).

Protecting Retail Banks from Criminal Attack. Establishing a secure environment for cash while in circulation and for sensitive customer data is of critical importance to banks. Our comprehensive security portfolio offers solutions for individual systems, branches and overarching processes to counter a large number of potential attack scenarios. The protection we offer covers data, software and cash security, identity and access controls and the monitoring of branch security.

Consistent Customer Data Processing – Centralized Process Management. The optimization, standardization and automation of processes play a fundamental role in the banking industry's efforts to boost productivity and earnings. Our Retail Banking Suite (ProClassic/Enterprise Retail Banking Solution Suite) enables retail banks to transform their current, individual architecture into one that is more open and capable of extension. It creates a framework for the simplification and optimization of IT infrastructures and makes it possible to combine and control the full range of sales channels and key customer-related sales/marketing and service/support processes. Our portfolio of services in this area is regularly expanded and includes applications that control self-service processes, staff-operated branch activities, system monitoring and marketing campaign management. We have also developed new applications for mobile banking and for the processing of cashless transactions. Since the Retail Banking Suite is designed as a service-oriented architecture (SOA) based on the net-centric principle, applications can be implemented rapidly and used for other sales channels. As part of our service portfolio, we also offer our customers an option to outsource the operation of their systems to us.

Additional Solutions for the Retail Industry.

The Checkout Process. The nerve center of any retail branch is the checkout, which is not only where customers pay for their goods; it also generates crucial data, e.g., to control the logistics chain from the point of sale to reordering.

Our modular solutions portfolio has been designed to meet every possible requirement in the checkout process. It is based on our specialized Retail Suite (TP Application Suite) and our versatile hardware platform BEETLE, which we continuously optimize with regard to factors such as total cost of ownership and carbon footprint. Our dedicated solutions make it possible to migrate to self-service data capture and payment at the point of sale (separately or in combination) or indeed to completely automated systems. We have also developed solutions for mobile in-store shopping, whereby customers scan the products themselves and then pay at a cashier-operated or self-service checkout.

In conjunction with our Cash Cycle Management Solutions Portfolio, our checkout solutions deliver uniform cash processes for end users and branch employees. Wincor Nixdorf is the only solutions provider in the market to offer a complete portfolio for both cash management and the checkout. Naturally, this includes support in areas related to cashless payment and the processing of such transactions. Our solutions are based on international standards that greatly simplify the project-specific integration of payment solutions.

As well as driving the automation of checkout processes in the Food/Non-Food segment, we are introducing these innovative technologies in other retail environments such as large DIY and electrical goods outlets.

Reverse Vending. Given the increasing variety of drinks containers and the complex nature of offsetting (including between retailers), reliability and transparency are vital in the labor-intensive and time-consuming area of reverse vending. Wincor Nixdorf has developed numerous reverse vending solutions that can process the return of single-use and multiple-use containers in the form of glass, PET, cans and cartons. In response to consistently rising demand for materials such as PET, aluminum and steel, there is growing interest in the recycling of these materials, with a view, for example, to selling them on at a profit. This creates new business opportunities for reverse vending machines in countries that do not currently have statutory deposit return schemes.

A Central Software Platform for Global Branch Management. For global retail groups, standardized and internationally available software platforms are a top priority as they provide the only way in which retailers can control all branch-related processes and allow direct interaction with the head office. Wincor Nixdorf's highly successful Retail Suite meets this demand. Since 2004, we have sold approx. 100,000 licenses, primarily to major international retail groups.

Approx. 100,000 licenses of Retail Suite sold since 2004

The Retail Suite adopts a multichannel approach and controls all systems at the branch level, including staffed checkouts and self-service checkout solutions, mobile in-store applications and mobile checkouts in out-of-store sales environments. For decision-making purposes, analytical tools provide key information to the head office, e.g., on branch sales comparisons. The same information can then be accessed from anywhere via the Internet. The Retail Suite can also be used with an additional application that acts as a flexible tool for promoting customer loyalty through campaigns and customer loyalty programs. Another recent addition to the suite is an application that protects IT systems against unauthorized access. It provides the greatest level of security currently available for retail terminals, such as checkout systems and self-checkouts, against potential hacking via the Internet or directly targeting the system. Unlike conventional firewalls, which are based on a "black list" principle and whose security risks are widely known, the application developed by Wincor Nixdorf is based on a "white list" principle. It specifies exactly who or what is entitled to access which areas and in what way. Anything it does not recognize is identified immediately as a threat, and it then takes prompt action to protect the systems.

Our Solutions Portfolio for Other Applications.

Wincor Nixdorf continously develops further sales channels

Our expertise also comes to the fore in other industries of the economy with a similar structure to that of banks and retailers. For example, we have supplied automation and mobile solutions for the branch networks of postal operators to manage their counter and self-service operations. Our portfolio includes hardware and software for all sales channels. Our multichannel Postal Suite (ProClassic/Enterprise Postal Solution Suite) contains key management applications for greater transparency in the channel network and ensures that customer processes are performed efficiently.

Looking at service stations, our dedicated Service Station Suite (NAMOS Application Suite) includes an application that allows operators to control and monitor all their on-site systems, e.g., fuel pumps, car wash, payment terminals, etc. Many petroleum companies have also installed modern electronic checkout systems based on the BEETLE family as well as outdoor payment terminals and reverse vending systems.

New service station concept in the market

In Germany, we developed a completely new service station concept that involved providing a customized solution for a retail bank and a service station operator. Following automation, cash handling is now secure and efficient. As well as paying for fuel and other purchases, service station customers can withdraw money using their EC card. Wincor Nixdorf not only supplied the necessary software and installed the systems; it also took over the provision of services such as the forwarding of transaction data.

BUSINESS ENVIRONMENT.

Global Economy Shows Gradual Recovery. During the biggest financial and economic crisis since 1929, the first signs of a bottoming out in the last quarter of 2009, while in early 2010 a number of indicators pointed towards a gradual recovery in the global economy. There was little consensus among experts as to how sustained these positive signals were likely to prove, although since mid-2010 there has been growing evidence of a recovery, albeit from a low base.

Economic research institutes and other experts predict that global economic output in 2010 will show a return to growth. Nevertheless, their view is that many industrial nations will continue to face serious challenges such as high levels of national debt. According to the International Monetary Fund (IMF), the global economy will grow by 4.8% in 2010.

In the light of greater export activity and a rise in domestic demand for capital and consumer goods, the IMF has revised its forecast for Germany upwards by a substantial margin and now anticipates an increase of 3.3%.

Looking at the euro zone, the IMF has forecast weaker economic growth of 1.7% for 2010. In its view, Europe's debt crisis has greatly exacerbated the risks to the region's economy, and meeting growth targets will depend on whether the euro zone can achieve a degree of stabilization and the banks can quickly regain public confidence.

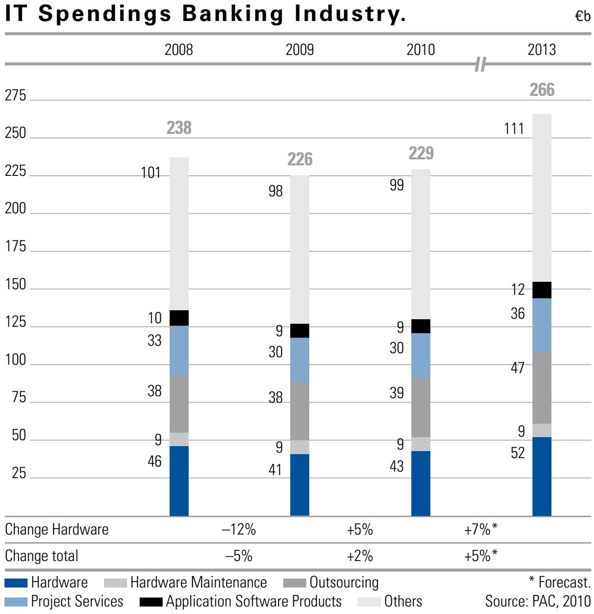
Again according to the IMF, Asia is set to deliver strong economic growth of 7.9% in 2010. The main drivers of this growth will be China and India, supported by improved domestic orders. It expects a rise in China's gross domestic product (GDP) of 10.5%, with India close behind on 9.7%.

With regard to the U.S. economy, the IMF currently anticipates growth of 2.6% in 2010. Despite an earlier and more optimistic assessment, its experts believe that the latest indicators point to a weak recovery from the recession.

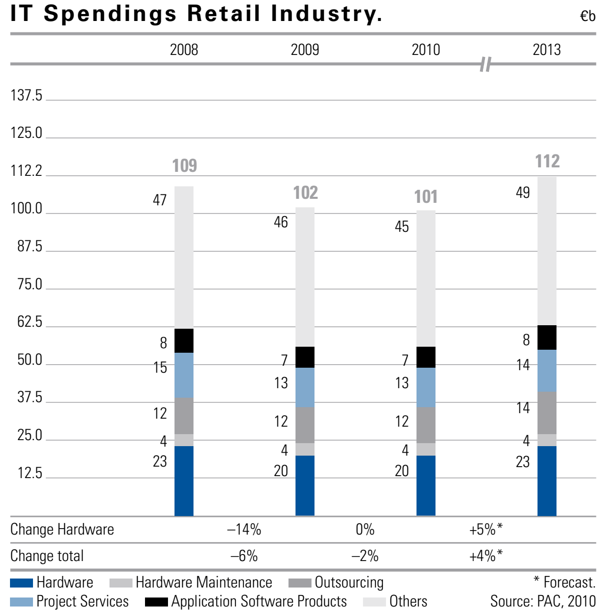
Unstable Currency Developments. At the beginning of the fiscal year the euro stood at over USD 1.45. Although it subsequently declined to below USD 1.20 at the beginning of June 2010, it then embarked on a continuous upward trend. Despite a modest fall in August, by the end of the fiscal year it had reached a new annual high of over USD 1.36.

Developments in the IT Market for Retail Banking and the Retail Industry. Insofar as they affect Wincor Nixdorf, the previously established trends in both retail banking and the retail industry were maintained in the year under review. Banks and retailers continued to invest in information technology in order to create more efficient and more productive processes, thereby reducing their costs, gain a competitive edge by offering new services or expand their portfolios in response to consumer trends.

IT Spendings Banking Industry.



IT Spendings Retail Industry.



Limited impact of market crisis to overall Banking and Retail IT market – however hardware spendings suffering much stronger.

At the same time, by expanding their branch and sales networks, both industries have been able to participate in economic growth, especially in emerging markets, and to push forward with the global expansion of their business activities.

Despite the economic crisis and noticeable but temporary falls, total capital expenditure on IT remained at a high level in both industries.

According to the market research company Pierre Audoin Consultants (PAC), in 2008 banks invested €238 billion on information technology, while the figure for retailers was €109 billion (divided in each case by business category: Hardware, Hardware Maintenance, Outsourcing, Project Services, Application Software Products and Others).

As a result of the crisis, banking industry investment contracted by 5.1% in 2009 to €226 billion, while capital expenditure by retailers fell 6.5% to €102 billion. In its forecast for the whole of 2010, PAC expects banking industry investment in IT to show a modest recovery of 1.6% (to €229 billion) compared to a further decline of 1.6% among retail companies (down to €101 billion).

The downturn in 2009 was mainly attributable to hardware business. Although IT-related investment in the other business categories remained, or is expected to remain, almost constant between 2008 and 2010, companies have generally scaled back capital expenditure on hardware, in some cases by a considerable margin. If we compare 2008 with 2009, the decline in banking industry investment in hardware was 12% (from €46 to €41 billion), whereas 2010 is expected to deliver renewed growth of 5% to €43 billion. In the retail industry, spending on hardware was down 14% between 2008 and 2009 (from €23 to €20 billion) and is expected to remain at this level (€20 billion) in 2010.

GROUP BUSINESS PERFORMANCE.

At the beginning of our fiscal year in October 2009, the global economy was still reeling from the impact of the financial and economic crisis. Wincor Nixdorf anticipated a slow and unsteady recovery in many countries and a barely noticeable improvement in its markets. In response, the Company strengthened its balance sheet and reduced its net debt. At the same time, we launched our ProFuture program. The objective here was to use the crisis as an opportunity to focus even more rigorously on efforts to make our processes and structures faster and more efficient and thereby achieve a sustained improvement in our overall performance.

ProFuture is an internal program at Wincor Nixdorf

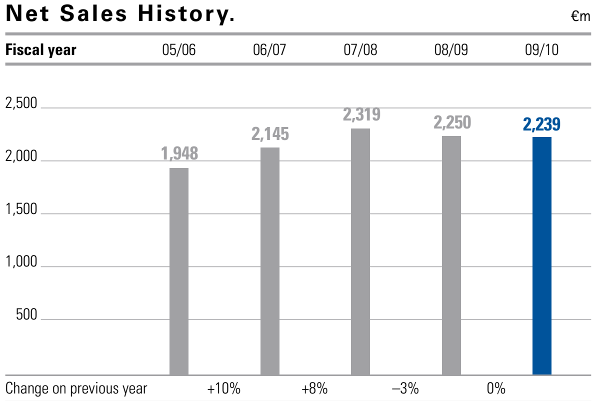
Our aim was to maintain the relatively stable course we had taken in the preceding year and to minimize the likely negative impacts of the crisis by drawing on the strengths of our business model. Given the prevailing business environment, we anticipated a further decline in net sales and an even more pronounced fall in our operating result, although we took the view that any downturn would not exceed that of the previous year and would be limited at most to 3% for net sales and 13% for the operating result.

As the current fiscal year progressed, our expectations were confirmed that there would be no sustained upturn in our customers' readiness to invest or a significant recovery in the business. A comparison of individual quarters for 2009/2010 with those of the preceding fiscal year reveals considerable fluctuations, with year-on-year declines of 6% in the first and second quarters followed by increases of 5% and 7% in the third and fourth quarters, respectively. The third- and fourth-quarter increases were solely due to the fact that Wincor Nixdorf did not feel the worst effects of the crisis until the second half of the previous year. While it is true that at the end of the reporting year there was renewed economic growth in some regions such as Europe, where economic output had fallen quite heavily, this did not as yet stimulate demand in our markets.

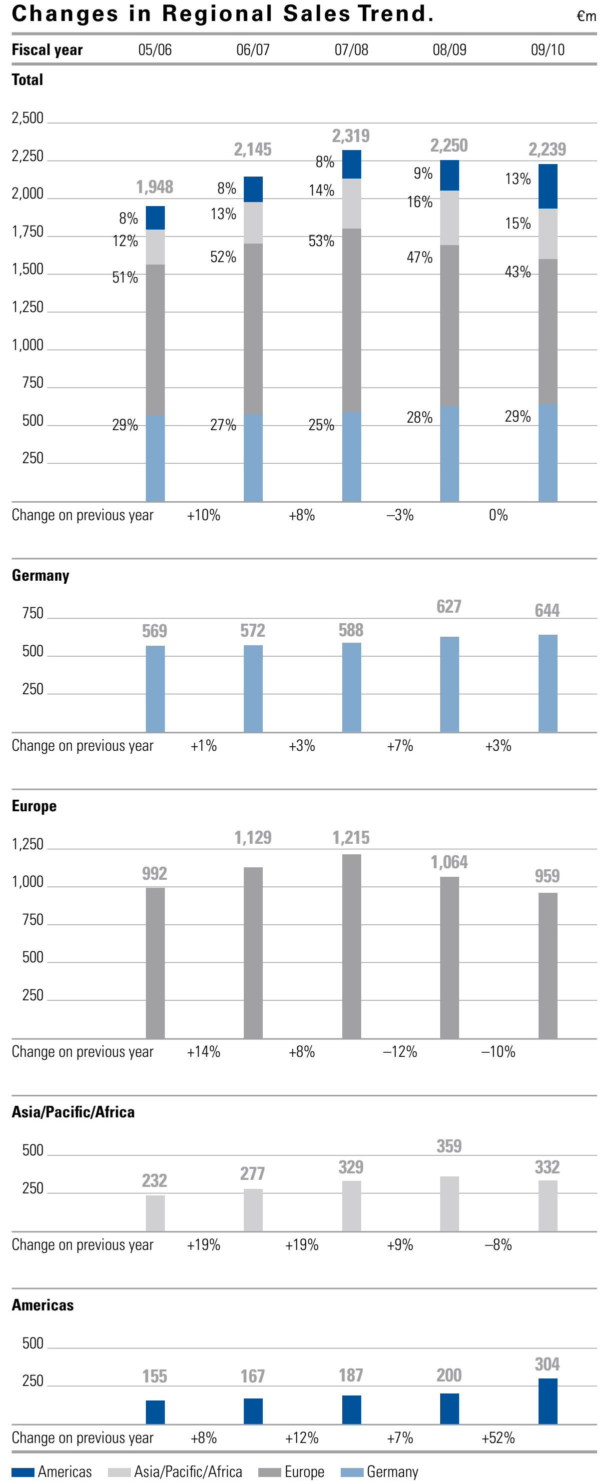
Unless specified otherwise, all subsequent amounts are expressed in millions of euros (€m). There is a possibility of discrepancies between the amounts disclosed and the unrounded figures.

Net Sales. Group net sales for fiscal 2009/2010 declined by €11 million to €2,239 million (2008/2009: €2,250 million). There were no percentage changes. Adjusted for currency fluctuations between the euro and the U.S. dollar, net sales were down 1%.

Net Sales History. €m



Changes in Regional Sales Trend. €m



Strong growth in net sales in the Americas

Regional Performance. Overall, our results were marked by considerable differences in the investment behavior of our customers. Orders were predominantly dependent on their financial strength and business strategies and only to a lesser extent on the economic situation. In a departure from the pattern of previous years, our performance in many regions did not reflect local economic conditions; instead it tended to decouple from those conditions and produced some major fluctuations over the year.

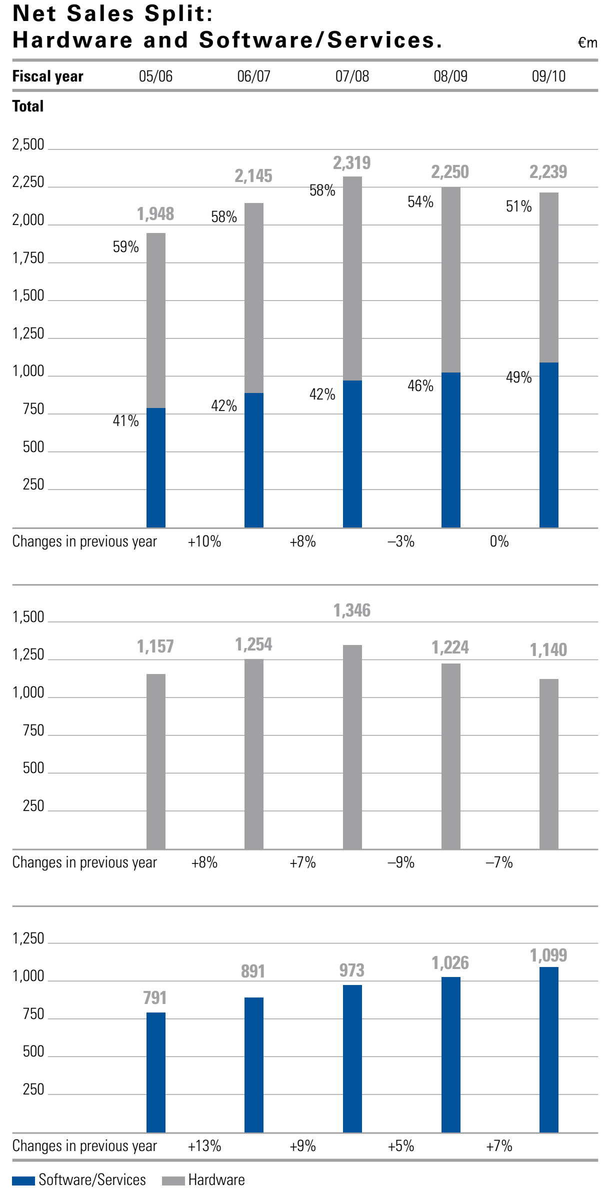
In **Germany**, total net sales rose 3% to €644 million (2008/2009: €627 million). As a result, the country's contribution to total Group sales increased to 29% (2008/2009: 28%).

In **Europe** (excluding Germany), net sales were down 10% to €959 million (2008/2009: €1,064 million), partly as a result of a downturn in some of our core Western European countries. Many Eastern European states reported substantial declines in their net sales figures. The economic crisis was felt severely by this region. Despite a fall in the year under review, at 43% (2008/2009: 47%) Europe (excluding Germany) still accounted for the largest share of total Group sales.

Net sales in the **Asia/Pacific/Africa** region were down 8% to €332 million (2008/2009: €359 million). As a result, the region's share of total Group sales for the reporting year was 15% (2008/2009: 16%).

In the **Americas**, net sales increased by 52% both in euro and when expressed in U.S. dollars, taking the figure to €304 million (2008/2009: €200 million). As a result of this significant increase, the share of Group net sales generated by the region rose to 13% (2008/2009: 9%).

Net Sales Split: Hardware and Software/Services.



Performance by Business Stream. One of the consequences of the global financial and economic crisis was that many retail banks and retailers postponed their replacement investments in self-service and EPOS systems or scaled them back to a minimum. Nevertheless, the underlying trends in these industries were still clearly in place (see "Developments in the IT Market for Retail Banking and the Retail Industry").

In line with the previous year's trend, net sales from the **Hardware** business declined 7% to €1,140 million (2008/2009: €1,224 million). The share of Group net sales attributable to Hardware business receded to 51% (2008/2009: 54%). Although the market-induced pressure on prices experienced last year was less acute in the period under review and Wincor Nixdorf continued to counteract price erosion, our margins were still affected by mix effects and lower economies of scale.

Companies continued to invest in cost-saving improvements to their processes and in automation solutions, and this trend was even heightened by the crisis. The Hardware business benefited especially from demand for high-end systems and solutions such as intelligent deposit for banks and automated checkouts for retailers.

However, it was primarily the **Software/Services** business that profited from demand for optimization solutions. Net sales for this business stream ended the year up by a very encouraging 7% at €1,099 million (2008/2009: €1,026 million). This took the share of total Group sales attributable to Software/Services to 49% (2008/2009: 46%).

Further growth in Software business

Within this area, there was moderate growth in the **Software** business, which also includes services such as software adaptation and integration (Professional Services). This was mainly attributable to sales of our Retail Banking and Retail Suites with their different applications, as well as their equivalents for the postal and service station business.

The main area of growth, however, was in **Services**, predominantly as a result of increased revenue from the Product Related Services that make up the largest part of the Services business. We were able to increase the number of systems supported and we benefited from the relative stability of this business even during times of crisis, since most of the contracts we sign with our customers run over several years. Improvements to our competitiveness also paid off. We attracted a number of important companies to our customer base and successfully negotiated extensions to large-scale orders.

Managed Services also delivered a very satisfactory performance. During the year under review, we offered these services for the first time in the United States of America and India.

In Outsourcing, we maintained our proven business partnerships and added new services to our portfolio.

Costs. Once again this year, Wincor Nixdorf's aim was to improve its cost structure with the help of the Group-wide "ProImprove" and "ProFuture" programs.

Despite these efforts, in fiscal 2009/2010 the gross margin from net sales before profit charges arising from the carve-out fell 0.8 percentage points to 25.1% (2008/2009: 25.9%).

Research and Development costs over the reporting period were down 2% or €2 million to €101 million (2008/2009: €103 million). At 4.5%, the R&D ratio was slightly below the figure for the previous year (2008/2009: 4.6%).

Dividend 2009/2010: €1.70 per share

Thanks to strict cost management, the ratio of selling, general and administration expenses to net sales remained almost unchanged at 13.4% (2008/2009: 13.3%). Selling, general and administration expenses, including other operating income and expenses, stood at €299 million (2008/2009: €300 million).

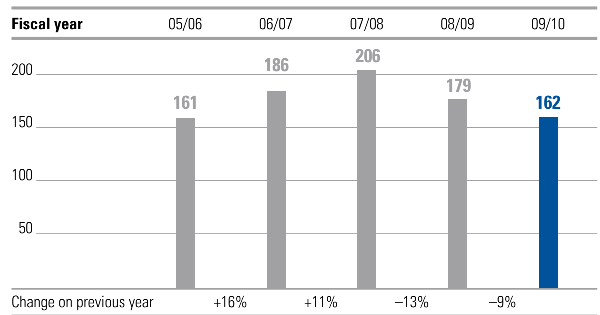
Profit. Operating profit before amortization of product know-how (EBITA) were down 9% to €162 million (2008/2009: €179 million). The EBITA margin fell 0.8 percentage points to 7.2% (2008/2009: 8.0%). The financial result improved by €5 million to –€6 million (2008/2009: –€11 million) mainly as a consequence of lower interest rates and a decline in average debt.

Profit before income taxes declined by €7 million or 4% to €156 million (2008/2009: €163 million). At 32%, the Group's effective tax rate was above the previous year's level (2008/2009: 30%). This was due, in particular, to differing development in the various regions.

Profit for the period fell to €106 million, €8 million or 7% below the comparable figure of €114 million for the previous year. This meant a lower return on net sales for the period of 4.7% (2008/2009: 5.1%).

Profit for the period before profit charges arising from the carve-out was down 9% to €106 million (2008/2009: €117 million) due to the fact that there were no further charges attributable to the carve-out in the reporting year.

EBITA History. €m



Dividend. Wincor Nixdorf remains committed to the existing dividend policy: as regards the dividend for fiscal 2009/2010, profit for the period in the amount of €106.5 million 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, a dividend of €1.70 per qualifying share will be proposed to the Supervisory Board, a decrease of 8.1% on the dividend of €1.85 paid out in the preceding year. This corresponded to a total dividend payment of €53.1 million on the date on which the Group financial statements were released by the Board of Directors. Based on the closing share price as of September 30, 2010, the dividend yield is 3.6%. The dividend will be paid out on January, 25, 2011, subject to the approval of the AGM.

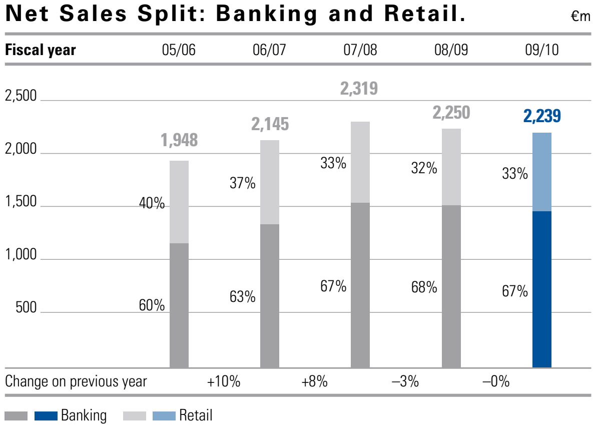
As at September 30, 2010, the consolidated profit of Wincor Nixdorf AG amounted to €238.4 million. The undistributed portion of consolidated profit, amounting to €185.3 million, will be carried forward to new account.

The amount of €58.6 million (€1.85 per share) was distributed in fiscal 2009/2010 to the equity holders of Wincor Nixdorf AG.

SEGMENT PERFORMANCE.

There were differences in the performance of our business segments in fiscal 2009/2010. While net sales in Banking were slightly down on the previous year, the Retail segment reported a slight increase in net sales. Correspondingly, the Banking segment accounted for 67% (2008/2009: 68%) of net sales for the Group, while the Retail segment generated 33% (2008/2009: 32%).

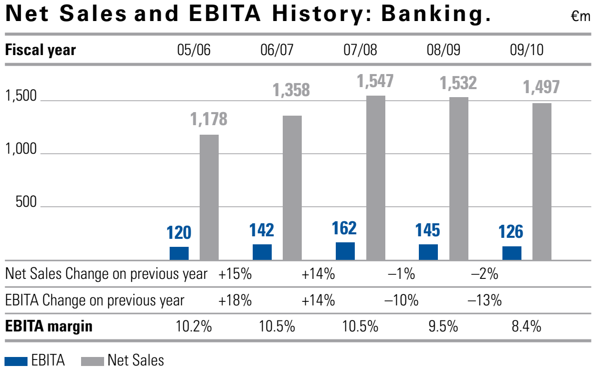
Net Sales Split: Banking and Retail. €m



Banking Segment.

Net sales in the Banking segment were 2% down on the previous year (2008/2009: €1,532 million) at €1,497 million. EBITA fell 13% and amounted to €126 million (2008/2009: €145 million). Thus, EBITA margin declined to 8.4% (2008/2009: 9.5%).

Net Sales and EBITA History: Banking. €m



One of the core elements of Wincor Nixdorf's Banking business is our modular cash management portfolio. The new Cash Cycle Management Solutions we presented in the year under review contain a host of solution components. The Banking segment also covers numerous other important aspects of retail banking (see "Our Solutions Portfolio").

We further developed our activities in the following areas:

Cash Cycle Management Solutions. After several years of work on a fundamentally new concept to optimize cash handling (see "Our Solutions Portfolio"), the focus was on the international launch of our Cash Cycle Management Solutions Portfolio, a combination of hardware, software and services. The launch was accompanied by the first installations of our CINEO family. We also developed a complementary range of services covering the entire cash management chain, including the control of CiT companies. Finally, in response to individual customer requirements, we devised different scenarios and consulting models that enable our customers to reduce their costs by more than 20%.

Bank Branch Business. To complement our existing activities, designed to help the banks develop their branches' sales- and service-related operations, we introduced a number of new consulting services (see "Our Solutions Portfolio"). Acting as a general contractor, Wincor Nixdorf is now in a position to oversee the complete redevelopment of branches from the planning stage to operational readiness and handover. As part of these services, we offer to integrate new technologies that enhance the bank's digital communications with its customers, particularly with a view to exploiting the potential of cross-selling.

Self-service Sales Channel. Alongside the introduction of Cash Cycle Management Solutions, Wincor Nixdorf focused on the migration of hardware components into its recently presented CINEO system family. As well as components whose function is to automate the handling of cash, such as ATMs and automated teller safes, this process also involved transaction terminals. This migration should enable us to exploit the market potential of our new products as quickly and comprehensively as possible as soon as we see a sustained return to investment spending by the banks.

Centralized Applications via the Retail Banking Suite. In response to the increasing use of mobile phones to conduct financial transactions, Wincor Nixdorf expanded its Retail Banking Suite to enable its customers to use mobile banking for sales and marketing processes and to control cash instructions via ATMs. Another new feature of the Retail Banking Suite is an application that processes card-based payments. To prevent the fraudulent use of cards, we integrated a software developed by one of our partners that continuously analyzes transactions. If it suspects fraud, it triggers an alarm and initiates the appropriate countermeasures.

Further sales and marketing processes via mobile banking

Our Solutions Portfolio, see page 58 et seq.

Security. We also expanded our range of security solutions to include a new consulting and services portfolio. On the basis of detailed analyses of all security-related processes, Wincor Nixdorf is now able to offer its customers a tailored response to their individual security needs. With regard to hardware developments, we introduced a new anti-skimming module that can be combined with an optical recognition process and that is already proving successful in the market. In Germany, we also launched a further pilot project to test the use of biometric identification methods in self-service operations.

Professional Services. We make regular additions to our portfolio of Professional Services, which range from strategic IT consulting to the maintenance of software applications during actual operation. The same applies to our specialist Banking services. By way of example, our subsidiary Bankberatung Organisations- und IT-Beratung für Banken AG (referred to below as Bankberatung AG) made a significant contribution to a highly successful project involving the migration of a group banking system operated by a major financial institution.

Postal Business. We successfully adapted our highly competitive portfolio of retail banking services to the specialized requirements of the postal sector. In a series of large-scale projects, we integrated banking hardware into postal banking environments and equipped the Postal Suite with a number of additional, sector-specific applications. Thanks to its portfolio of specially tailored professional services, Wincor Nixdorf has also been able to establish itself as a provider of integrated solutions for postal banks.

Regional Performance. The Banking business in **Germany** maintained the encouraging level seen in the preceding year. We profited from the ongoing trends towards process automation, migration to self-service and the outsourcing of individual processes in the form of Managed Services. Other positive developments in this region included successful hardware rollouts for major banks and our business with public-sector institutions and cooperative banks.

By contrast, the Banking business in **Europe** showed another significant decline. In Western Europe, many retail banks decided to postpone their investment plans, although the trend towards standardization continued. We expanded our business in the area of Product Related and Managed Services. In Eastern Europe, given the continued lack of financing from Western European lenders, retail banks left their IT investment plans on ice, although here, too, we did manage to expand our Services business.

In view of the market situation, net sales in the **Asia/Pacific/Africa** region remained below the level of the previous year. In Africa particularly, we were unable to maintain the positive results of the preceding fiscal year. By contrast, our results in Asia remained stable despite increased competition.

Business in the **Americas** region was very satisfactory in both North and Latin America. In the United States of America, we won a number of additional large-scale orders for systems combining cash deposit and disbursement with automated check deposit and processing. We also signed agreements to provide the associated rollout, implementation and maintenance services. In Canada, too, there was an improvement in demand, while in Latin America the main focus of our business activities was Brazil, where we expanded our local production facilities.

Performance by Business Stream. There follows a review of developments by business stream. Compared to the previous year, net sales in the **Hardware** business showed a substantial decline.

Despite a downturn in the market as a result of the crisis, we were able to maintain the supply of our **cash systems** at roughly the same level as the previous year. Due to the erosion of prices, this resulted in a decline in overall revenue. We even broke our previous record for the supply of high-end systems such as intelligent deposit.

In the year under review, we introduced the new CINEO system generation, equipped with a disbursement function, automated teller safes and cash recycling systems (see “Our Solutions Portfolio”). The first of these systems were installed at our customers' premises and subsequently proved their worth in actual operation. There was considerable interest worldwide in the introduction of this new generation of systems.

We developed a cash disbursement machine for the Asian market, for example India, that meets specific local requirements. We received our first orders soon after presenting the new hardware and supplied the first machines only a short time later.

The business in **Non-cash Products**, e.g., transaction terminals and statement/receipt printers, was mainly supported by demand from Europe. There were major rollouts of our transaction terminals at two large German financial services providers.

The reporting year brought a pleasing improvement in our **Software/Services** business in the Banking segment.

With regard to **Software**, we increased our sales of hardware-independent applications. The Professional Services linked to our software portfolio performed well and were expanded in line with our planning. We successfully realigned the consulting and integration business of Wincor Nixdorf Banking Consulting GmbH in Germany and achieved positive results from our majority holding in Bankberatung AG, which provides specialized consulting services to the banking industry.

We recorded substantial growth in our banking-related **Services** business. In part this is attributable to a strong performance from Product Related Services, as we signed a large number of new service agreements covering the new hardware supplied by the Group. Due to the absence of capital expenditure in upgraded or replacement systems, we were able to generate additional revenue from service agreements. As well as new service agreements, which usually run over several years, customers extended their maintenance agreements in line with the extended operational life of their systems.

Managed Services also delivered strong growth. During the year under review, we increased the range of services we offer in this field and made them even more user-friendly. For an increasing number of banks, Wincor Nixdorf's portfolio of Managed Services is proving to be very attractive – not least in view of the greater pressure on costs.

Growth in Software/Services business Banking

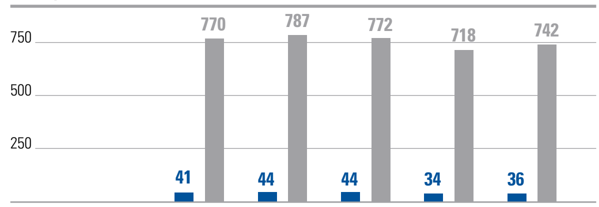
Retail Segment.

Following a period of consolidation and partial realignment, the Retail segment generated net sales growth of 3% in the reporting year to reach €742 million (2008/2009: €718 million). Segment EBITA rose 6% and amounted to €36 million (2008/2009: €34 million). Thus, the EBITA margin improved by 0.2 percentage points to 4.9% (2008/2009: 4.7%).

The segment's activities include electronic point-of-sale (EPOS) systems and automation/self-service solutions for the checkout, retail cash management and reverse vending. Wincor Nixdorf's Retail Suite not only supports branch processes but also central control processes that cover retail branch networks. To complete our portfolio, we offer Professional Services and a range of Product Related and Managed Services.

Net Sales and EBITA History: Retail.

€m



Fiscal year	05/06	06/07	07/08	08/09	09/10
Net Sales Change on previous year		+2%	–2%	–7%	+3%
EBITA Change on previous year		+7%	0%	–23%	6%
EBITA margin	5.3%	5.6%	5.7%	4.7%	4.9%

There follows a brief description of our main activities in the Retail segment during the year under review:

Electronic Point of Sale (EPOS). The main focus of our development work on EPOS systems was on enhancing their performance, e.g., to provide information to customers via an additional screen (dual displays) while they are waiting at the checkout. We are working on touch-based user interfaces for cashiers to create faster and more intuitive processes. Work to improve our BEETLE systems (see "Our Solutions Portfolio") concentrated on the optimization of total cost of ownership and resource use over the entire product life cycle.

Automated Checkout. We also made further improvements to our automated checkout systems during the year under review. For example, one of our targets was to produce a more space-saving design for our portfolio of checkout systems and system components so that our customers can maximize their available retail space. Thanks to a new security scales concept, we have been able to reduce the space needed at scan-and-weigh points in self-checkout systems by over 30% (basket over basket). Alongside this development, we launched a new payment terminal as one element of a solution that can process the entire transaction in just six seconds. This solution is particularly suited to smaller branch formats such as convenience stores.

Retail Cash Management. The integration of our newly developed CINEO systems into existing checkout scenarios (for both cashier-operated and self-service payment solutions) makes it possible for the first time to achieve a closed cash cycle within a branch. This major step was due to a piece of software that we enhanced during the year under review and that now covers the entire cash management process at retail

reddot design award for some CINEO systems branch level. It facilitates control of all payment processes, both in and out, and monitors the levels of cash held by all devices. Cash office staff can also make use of other system-wide applications to manage cash stocks, transactions and user data at any time. Thanks to a flexible interface, the software can be integrated perfectly into existing POS applications. The steps involved in the introduction of this new solution concept involved similar measures to those described in "Banking segment."

Banking segment, see page 67 et seq.

Software. We added a number of new applications to our software portfolio, e.g., to protect IT systems against unauthorized access. Other new solutions were developed for use on mobile devices used by branch staff and retail company management.

Professional Services. In this area we offer a comprehensive package of consulting services for the retail industry and continuously update our consulting methodology (see "Our Solutions Portfolio"). In the field of SAP Consulting, we developed a procedure that is specially designed for use by smaller and medium-sized companies.

Our Solutions Portfolio, see page 58 et seq.

Reverse Vending. New developments in our portfolio of reverse vending systems included a device specifically for use at service stations and in convenience stores. We also expanded our range of services. Wincor Nixdorf now provides consulting services that offer individually configured solutions in response to retailers' specific on-site requirements. Other developments focused on maximizing the availability of automated reverse vending systems. Using our software, retailers can set their own parameters (e.g., frequency of cleaning) for their reverse vending machines, monitor them quickly and easily, and arrange for appropriate action whenever necessary.

Service Stations. We made significant progress in our efforts to expand the service station business. This involved new additions to our portfolio for service station branch management, with the result that we can now offer petroleum companies a complete end-to-end solution. For example, we presented our new, web-based Service Station Suite, which allows operators or franchisees to consult information about sales and transactions at any time on- or off-site. Another development was a base self-service terminal for use on the forecourt, allowing service station customers to submit their own payments around the clock using cash or a credit card. This facility is primarily geared towards new markets. In total, we have now established a presence in 26 countries with our service station business.

Regional Performance. We are pleased by the growth we achieved in the Retail business in **Germany**. We secured several large orders and completed our first joint project with a service station and a retail bank to combine the checkout function with cash withdrawal (see "Our Solutions Portfolio"). Other important developments included a number of projects in the area of Professional Services.

Overall, net sales in **Europe** remained stable. Business relating to automated checkout solutions showed a substantial increase, and both Software and Professional Services performed well in the European market.

We achieved further growth in the **Asia/Pacific/Africa** region, mainly due to sales of our EPOS systems and a number of wide-ranging service station projects. Software and Professional Services also delivered good results, with our Software division reporting particular success in China and the Middle East. The Services business showed a further improvement.

Business in the **Americas** remained at a low level.

Performance by Business Stream. Looking at the performance of individual business streams, the development was as follows: Net sales in the area of **Hardware** remained largely unchanged year on year. During the reporting year, the percentage increase in the volume of programmable electronic checkout (EPOS) systems supplied by the Hardware business was above that for the market as a whole. Wincor Nixdorf also benefited from the ongoing trend in Europe towards automated checkout solutions and considerably strengthened its presence in this area. According to a survey by the British market researchers Retail Banking Research (RBR), Wincor Nixdorf installed more self-checkout systems for retailers than any other company in Europe in the 2009 calendar year. If we take the number of shipments as a measure, our market share rose to 46%.

With regard to reverse vending systems, we were able to maintain our strong market position in Germany and Europe despite the fact that the overall volume of sales was below our expectations. However, we laid the foundations for future growth through pilot installations in other countries and with new customers.

Results from our **Software/Services** business were up on the previous year. A particularly strong increase in demand for **Software** helped to strengthen our position as one of the world's leading software providers for the retail industry. There was an excellent response to our Enterprise application (part of the Retail Suite for retail groups), which links processes at head office with those at branch level.

Our Professional Services division had a successful year in several areas and achieved particularly good results with its consulting concept for comprehensive branch realignment (see "Our Solutions Portfolio").

Another of these services, one that we now provide in a growing number of countries, involves the introduction and integration of SAP software into retailers' system landscapes across the entire organization. Wincor Nixdorf's consultants examine best-practice processes and standardized modules that have proven successful in many retail companies in order to establish the optimum solution for each customer.

Wincor Nixdorf's **Services** business also reported significant growth, and we won several new customers, primarily with our Product Related Services for EPOS systems focusing on installation, monitoring and maintenance. There was a similar picture in our expanding service-station business, where we provided additional support and help-desk services. At the same time, we took further steps to build up our network of service specialists for retail groups.

Sales of Managed Services for checkout and self-service systems showed a promising increase, primarily as a result of retail cash management projects.

In Asia and elsewhere, we successfully marketed our tried-and-tested service concepts for international retail chains wishing to expand their global branch network ("New Store Opening"). As a result, we gained a number of new customers and provided support for the opening of new branches.

PERFORMANCE, FINANCIAL POSITION AND ASSETS.

Performance. In the year under review, the Group's profit for the period fell 7% to €106 million (2008/2009: €114 million).

Reconciliation of Result from Business Operations (EBITDA). €m

	2009/2010	2008/2009
Profit for the period	**106**	**114**
+ Income taxes	50	49
+ Financial result (Finance costs – Finance income)	6	11
+ Amortization of product know-how (exceptional item)	0	5
EBITA before amortization of product know-how	**162**	**179**
+ Amortization/depreciation of tangible fixed assets and licenses	52	50
+ Write-down of reworkable service parts	9	6
EBITDA before amortization of product know-how	**223**	**235**

Group sales ended fiscal 2009/2010 down €11 million at €2,239 million (2008/2009: €2,250 million). There were no percentage changes. Sales in the Retail segment grew by 3%, whereas the Banking segment recorded a 2% decline.

Once again this year, Wincor Nixdorf's aim was to improve its cost structure with the help of the Group-wide programs "ProImprove," which forms the basis of efficient cost management, and "ProFuture," whose aim is to create even better processes and structures.

Despite these efforts, the gross margin on net sales before exceptional items resulting from the amortization of product know-how fell by 0.8 percentage points to 25.1% (2008/2009: 25.9%) on account of mix effects and lower economies of scale.

Spending on research and development over the reporting period was down 2% or €2 million at €101 million (2008/2009: €103 million). At 4.5%, the R&D ratio was slightly below the figure for the previous year (2008/2009: 4.6%).

Thanks to strict cost management, the ratio of selling, general and administration expenses to net sales remained almost unchanged at 13.4% (2008/2009: 13.3%). Selling, general and administration expenses, including other operating income and expenses, were down by €1 million at €299 million (2008/2009: €300 million). There were no percentage changes.

EBITA was hit by the fall in the gross profit margin and ended the reporting year €17 million, or 9%, lower at €162 million (2008/2009: €179 million). Consequently, the EBITA margin fell by 0.8 percentage points to 7.2% (2008/2009: 8.0%).

This downturn is also reflected in the figure for EBITDA, which showed a year-on-year decline of €12 million, or 5%, to stand at €223 million (2008/2009: €235 million). The EBITDA margin fell accordingly by 0.4 percentage points to 10.0% (2008/2009: 10.4%).

Financial Position. Cash flow from operating activities fell by 13% to €154 million, which corresponds to a decline of €23 million compared to the figure of €177 million posted last year. One key factor here was the lower EBITDA, which contracted by 5% to €223 million (2008/2009: €235 million). At €5 million (2008/2009: €9 million), by contrast, interest payments produced a lower level of cash outflows. Tax payments totaled €52 million, down on last year's figure (2008/2009: €65 million). The increase in working capital – mainly as a result of expanding inventories and higher receivables – to €235 million (2008/2009: €202 million) led to a cash outflow of €33 million. In the previous year, the Group had generated a cash inflow of €49 million due to lower working capital. By contrast, the change in other assets and liabilities as well as higher accruals generated a cash inflow of €20 million (2008/2009: cash outflow of €36 million).

Cash flow. €m

	2009/2010	2008/2009
EBITDA	**223**	**235**
Cash flow from operating activities	154	177
Cash flow from investment activities	–62	–67
Cash flow from financing activities	–116	–101
= Change in liquidity	**–24**	**9**
Cash and cash equivalents at the beginning of the period	6	–3
Cash and cash equivalents at the end of the period	**–18**	**6**

Cash outflows attributable to investing activities were scaled back by 7% to €62 million (2008/2009: €67 million). Cash outflow for investments in intangible assets and property, plant and equipment amounted to €53 million (2008/2009: €52 million). As in previous years, the main focus of this investment activity was on other fixed assets and office equipment as well as on Outsourcing business. There were no acquisitions during fiscal 2009/2010. By contrast, a net amount of €8 million had been used for the purpose of corporate acquisitions in fiscal 2008/2009.

Cash flow from financing activities produced an outflow of €116 million (2008/2009: €101 million). One key factor here was the dividend payment of €59 million (2008/2009: €67 million). Additionally, a net amount of €37 million was spent on loan repayments (2008/2009: €33 million). In fiscal 2009/2010, we also repurchased own shares (treasury shares) for €14 million. An additional €4 million was spent on the purchase of further minority interests in Bankberatung Organisations- und IT-Beratung für Banken AG.

Free cash flow (cash flow from operating activities less capital expenditure on intangible assets, property, plant and equipment and reworkable service parts) declined by 22% to €91 million (2008/2009: €116 million).

The Group's net debt was again reduced and fell by 11% to €134 million (2008/2009: €150 million).

Rating. At present, Wincor Nixdorf does not a have a rating from an external rating agency. In the past, due to our positive cash flow from operating activities and the credit lines available to us, we have not commissioned a rating process with a rating agency. According to the information we have received from a number of well-known lenders, our creditworthiness is classed as good.

Assets. Compared to the previous year, the balance sheet total was up 6% or €72 million at €1,271 million (2008/2009: €1,199 million). On the asset side, this increase was almost entirely due to a rise in inventories and in current receivables and other assets. On the liabilities side, there were increases in equity, trade payables and other current liabilities, alongside a substantial fall in non-current financial liabilities.

Assets.

€m

	Sept. 30, 2010	Sept. 30, 2009
Assets		
Intangible assets	352	358
Tangible assets and financial assets	154	147
Non-current receivables and other assets	52	51
Non-current assets	**558**	**556**
Inventories	288	254
Current receivables and other assets	405	373
Cash and cash equivalents	20	16
Current assets	**713**	**643**
Total assets	**1,271**	**1,199**
Equity and Liabilities		
Equity (incl. non-controlling interests)	**358**	**330**
Pension accruals and other accruals	70	56
Financial liabilities	115	155
Other liabilities	24	23
Non-current liabilities	**209**	**234**
Other accruals	146	139
Trade payables	274	257
Other current liabilities	284	239
Current liabilities	**704**	**635**
Total equity and liabilities	**1,271**	**1,199**

The figure for intangible assets was almost unchanged year on year, with a carrying amount of €352 million (2008/2009: €358 million). Amortization of commercial patents and licenses amounted to €12 million (2008/2009: €12 million), while investments in software, especially for Outsourcing projects, totaled €5 million (2008/2009: €11 million).

The carrying amount of property, plant and equipment was up €7 million on the previous year at €153 million (2008/2009: €146 million). Capital expenditure on property, plant and equipment amounted to €47 million (2008/2009: €44 million). The principal investments made here were in IT equipment, specialist tools and plant and machinery. Depreciation in the year under review amounted to €40 million (2008/2009: €38 million).

The figure for non-current receivables and other assets showed a small rise of €1 million to €52 million (2008/2009: €51 million). Within this item, reworkable service parts were €2 million higher at €21 million (2008/2009: €19 million), and there was a rise in deferred tax assets of €3 million to €26 million (2008/2009: €23 million); however, the figure for other assets ended the fiscal year €4 million lower at €2 million (2008/2009: €6 million), primarily on account of the lower surplus of plan assets over pension obligations.

Inventories rose by €34 million to €288 million (2008/2009: €254 million). At the same time, current trade receivables were up €29 million to €341 million (2008/2009: €312 million). This increase was mainly due to an improvement in business in the second half of the reporting year compared to the second half of fiscal 2008/2009.

Current bank deposits rose by €4 million and ended the fiscal year at €20 million (2008/2009: €16 million), while current bank liabilities rose by €27 million to €38 million (2008/2009: €11 million).

Equity, including non-controlling interests, rose by €28 million to €358 million (2008/2009: €330 million). The reduction caused by the payment of dividends totaling €59 million (2008/2009: €67 million) contrasts primarily with an increase of €106 million in the equity figure from profit for the period (2008/2009: €114 million). In the fiscal year under review, the repurchase of treasury shares produced an additional decline in equity of €14 million. Equity movements are described in the table entitled Changes in Equity.

Non-current financial liabilities fell by a substantial €40 million to €115 million (2008/2009: €155 million), mainly as a result of lower borrowings from the revolving facility at the end of the reporting year. Under the terms of this revolving facility, the Wincor Nixdorf Group was granted a credit line of €350 million by a consortium of banks for a period of seven years up to August 2, 2012. Borrowings are subject to interest based on the EURIBOR plus a margin. The entire credit line is still available until expiry of the agreement without any obligation to make principal repayments before that time.

Current other accruals increased by €7 million to €146 million (2008/2009: €139 million). This was mainly the result of a rise in personnel accruals. From the present perspective, the recognized accruals sufficiently cover all of the Group's probable obligations.

Compared to the previous year, other current liabilities were up €45 million at €284 million (2008/2009: €239 million). This increase was predominantly due to higher financial liabilities and a rise in the figure for other liabilities.

The Group also has future non-balance sheet liabilities in relation to tenancies, leasing agreements, long-term purchase contracts and purchase commitments totaling €125 million (2008/2009: €119 million).

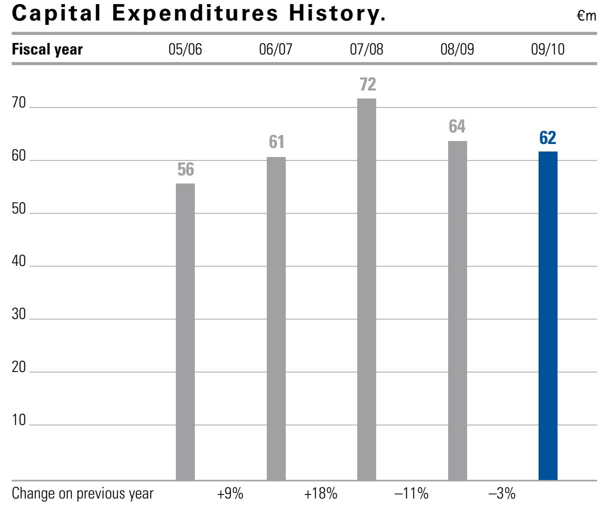
Overall Assessment of the Business Environment. Providing there is no renewed destabilization of the global economy, we believe that fiscal 2010/2011 will act as a transitional phase. Within the next two fiscal years, we expect Wincor Nixdorf to return to the levels that it previously set as its objective with a view to maintaining a steady rate of expansion of the business. That means profitable growth with increases in net sales and operating profit of 6% and 8%, respectively. The point at which we achieve this return to strong growth will depend largely on the speed at which the markets recover.

Return to the growth path

CAPITAL EXPENDITURES.

In the year under review, we adjusted our level of capital expenditure in line with the overall performance of business. Investments were made for the purpose of increasing capacity and streamlining processes – and thereby boosting productivity – as well as promoting innovation and enhancing the quality of our hardware, software and services.

Capital Expenditures History. €m



In fiscal 2009/2010, we invested €62 million (2008/2009: €64 million) in total, primarily in the area of software and data processing systems, specialist tools and production facilities, as well as in other fixed assets, office equipment and reworkable service parts. At €15 million (2008/2009: €13 million), expenditure on our Outsourcing business in Germany again formed one of the focal points of investment spending.

Investment focus on Outsourcing business

DISCLOSURES PURSUANT TO SECTION 315 (4) HGB AND EXPLANATORY NOTES.

As the parent company of the Wincor Nixdorf Group, Wincor Nixdorf AG utilizes an organized market as defined by Section 2 (7) Wertpapiererwerbs- und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act) through the Company's issued shares with voting rights and, therefore, reports pursuant to Section 315 (4) HGB.

Composition of Subscribed Capital. As of September 30, 2010, the share capital of Wincor Nixdorf AG is €33,084,988.00, divided into 33,084,988 no-par-value shares ("Stückaktien" governed by German law).

Restriction of Voting Rights or Transfer of Shares. Each share is furnished with the same rights and has one vote at the Annual General Meeting (AGM). The Board of Directors is not aware of any restrictions to the voting rights of individual shares. The Company's employee share ownership plans include time-related restrictions for a small number of shares, e.g., in the case of lock-up periods.

Direct or Indirect Equity Interests in Excess of 10% of Equity. The Company is not aware of any direct or indirect equity interests that exceed 10% of the voting rights.

Owners of Shares with Special Rights Conferring Controlling Powers. The shares do not confer any special rights with controlling powers.

Control over Voting Rights in the Event that Employees Hold a Share in Equity. There is no such control over voting rights.

Appointment and Removal of the Board of Directors and Amendments to the Articles of Association. Rules for the appointment and removal of members of the Board of Directors are laid out in Sections 84 and 85 AktG, which stipulate that members of the Board of Directors shall be appointed by the Supervisory Board for a maximum period of five years. After each period of office, members may be reappointed or their period of office extended for a further maximum period of five years. According to Section 5 of the Articles of Association, the number of members of the Board of Directors is determined by the Supervisory Board, and it must consist of at least two persons.

The Articles of Association may only be amended by the AGM (Section 179 (1) Sentence 1 AktG). Pursuant to Section 13 of the Articles of Association, the Supervisory Board may only amend and decide on the wording of the Articles of Association. In accordance with Section 18 (1) of the Articles of Association, resolutions of the AGM may be passed by a simple majority of the votes cast in the absence of a mandatory provision of the law stipulating otherwise. In cases where the law requires a majority of the subscribed capital represented at the time of voting, a simple majority of the subscribed capital represented will suffice in the absence of a mandatory provision of the law stipulating otherwise.

Authorization of Board of Directors to Buy Back the Company's Own Shares.

The Board of Directors was authorized by the AGM on January 25, 2010, to purchase the Company's own shares (treasury shares) up to a total of 10% of the current share capital in the period from January 26, 2010, up to and including July 25, 2011. The Company may not trade in its own shares. The Company may purchase the shares on the stock exchange or by means of a public offering extended to all shareholders. The shares may also be acquired by the Company's dependent Group companies within the meaning of Section 17 German Stock Corporation Act (AktG) or, for its or their account, by third parties. The consideration paid by the Company for the purchase of these shares (excluding ancillary purchase fees) must not be greater than 10% above or below their trading price on the stock market. In the event that the shares are purchased through the stock market, the definitive trading price shall, for this purpose, be taken to be the average trading price of the Company's shares in the closing auction of Xetra trading (or its successor) on the Frankfurt securities exchange over the last ten days of trading prior to the purchase of the shares. If the shares are to be purchased by means of a public offer to all shareholders, the figure shall be determined by the average trading price of the Company's shares in the closing auction of Xetra trading (or its successor) on the Frankfurt securities exchange over the last ten days of trading prior to the announcement of the public offer. If the shares are to be purchased through a public offer to all shareholders, the volume of the offer may be restricted. If the total take-up of the offer exceeds this volume, the shares must be purchased in the ratio of the shares offered.

The Board of Directors is further authorized to use the shares on one or more occasions, in full or in several parts, separately or together, for all legally permissible purposes, in particular with the consent of the Supervisory Board, to effect a sale of the Company's own shares in a manner other than through the stock exchange or by making a public offering to all shareholders, provided the acquired own shares are sold for cash, for a price not substantially lower than the stock market price for Company shares of the same class with the same rights on the date of such sale. However, this authorization shall only apply under the condition that the shares so sold may not exceed an aggregate of 10% of the Company's share capital at the time of such resolution. In calculating this 10% limit, an allowance shall be made for the issuance of shares after this authorization from authorized capital excluding subscription rights in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG), and for the granting of option or conversion rights for Company shares after this authorization if the grant excludes subscription rights in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG).

Shareholders' subscription rights with respect to the Company's own shares shall be excluded in the following cases:

- Where the Company sells treasury shares it has acquired by any method other than via a stock exchange or via an offer to all shareholders. This exclusion shall apply in cases where the treasury shares it has acquired are sold for cash at a price that is not significantly below the stock exchange price of shares in the Company at the time of disposal;
- Where the Company uses its treasury shares under the terms of a business combination or the (direct or indirect) acquisition of equity holdings;
- Where the treasury shares are used to fulfill obligations in relation to stock options under the Company's stock option programs;
- Where the treasury shares are used to fulfill conversion rights or obligations in relation to participatory certificates with warrants and/or convertible participatory certificates and/or convertible bonds and/or bonds with warrants and/or income bonds issued by the Company, or by the Company's dependent Group companies.

Authorizations of the Board of Directors to Issue Shares

1. Authorized Capital I Pursuant to Section 4 (5) of the Articles of Association: The Board of Directors has been authorized to increase the Company's subscribed capital, with the Supervisory Board's approval, by up to €3,308,498.00 (in words: three million three hundred and eight thousand four hundred and ninety-eight euros) (Authorized Capital I 2009) through the issue for cash of new bearer shares under single or multiple initiatives up to April 18, 2014. Shareholders must be granted a right of subscription. However, subject to the consent of the Supervisory Board, the Board of Directors is authorized to exclude fractional amounts from a shareholder's right of subscription. The Board of Directors is also entitled, subject to the consent of the Supervisory Board, to exclude shareholders' subscription rights where the issue price does not lie significantly below the current stock market trading price. This authorization shall only apply subject to the condition that the total shares issued without shareholder subscription rights, in accordance with Section 186 (3) Sentence 4 AktG, may not exceed 10% of the subscribed capital at the time of the resolution. In calculating this 10% limit, an allowance shall be made for the grant of option or conversion rights for Company shares subsequent to this authorization, i.e., after January 19, 2009, if the grant excludes subscription rights, in accordance with Section 186 (3) Sentence 4 AktG, and for any sale of the Company's treasury shares excluding subscription rights, in accordance with Section 186 (3) Sentence 4 AktG. In addition, this authorization shall only apply subject to the condition that the proportion of shares issued since it was granted on January 19, 2009, whether based on this or other authorizations to issue shares in the Company without shareholder subscription rights pursuant to, or by virtue of, the application of Section 186 (3) of the German Stock Corporation Act (Aktiengesetz – AktG), shall not exceed 20% of the Company's share capital on the date the resolution was adopted. The Board of Directors is also authorized, with the consent of the Supervisory Board, to determine the additional rights attaching to the shares and the terms and conditions of the share issue.

2. Authorized Capital II Pursuant to Section 4 (6) of the Articles of Association: The Board of Directors has also been authorized to increase the Company's share capital, with the Supervisory Board's approval, by up to €13,233,996.00 (in words: thirteen million two hundred and thirty-three thousand nine hundred and ninety-six euros) (Authorized Capital II 2009) through the issue, for cash and/or non-cash contributions, of new bearer shares under single or multiple initiatives up to January 18, 2014. When issuing shares for non-cash contributions in connection with direct or indirect acquisitions of companies, parts of companies or equity interests, the Board of Directors is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights. However, this authorization shall only apply subject to the condition that the total shares issued without shareholder subscription rights do not exceed 20% of the Company's share capital at the time of the resolution. In calculating this 20% limit, the issue of shares from authorized capital without subscription rights pursuant to Section 186 (3) of the German Stock Corporation Act (Aktiengesetz – AktG) subsequent to this authorization, i.e., after January 19, 2009, and the granting of option or conversion rights for Company shares if the grant excludes subscription rights, in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act (Aktiengesetz – AktG), as well as any sale of the Company's treasury shares excluding subscription rights, in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act, shall be taken into account. Otherwise, the shareholders shall be granted subscription rights. However, the Board of Directors is authorized, with the consent of the Supervisory Board, to exclude fractional amounts from shareholders' subscription rights. The Board of Directors is also authorized, with the consent of the Supervisory Board, to determine the additional rights attaching to the shares and the terms and conditions of the share issue.

3. Contingent Capital I 2010 Pursuant to Section 4 (7) of the Articles of Association): The share capital is conditionally increased by up to €1,654,249.00, divided into a maximum of 1,654,249 bearer shares (Contingent Capital I 2010). 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 January 25, 2010. 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.

4. Contingent Capital II Pursuant to Section 4 (8) of the Articles of Association: The share capital 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 Capital II). The contingent capital increase to create Contingent 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 conversion/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 contingent capital increase.

Authorization to Issue Participatory Certificates with Warrants and/or Convertible Participatory Certificates, Bonds with Warrants, Convertible Bonds and/or Income Bonds and to Exclude Subscription Rights: 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 principal 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 share capital.

The participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds shall be offered for subscription to the shareholders. If participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds are issued by dependent Group companies of the Company within the meaning of Section 17 German Stock Corporation Act (AktG), the Company shall ensure that shareholders of the Company are granted the statutory subscription right in accordance with the above sentences. The Board of Directors is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in the following cases, each authorization having been granted independently of each other:

- with regard to fractional amounts and also insofar as exclusion is necessary so that holders of previously issued option or conversion rights can be granted a subscription right to new participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds to the extent to which they would be entitled after exercising the option or conversion rights as shareholders;
- if the issue price of the participatory certificates with warrants and/or convertible participatory certificates and/or convertible bonds and/or bonds with warrants is not significantly below the theoretical market value of the participatory certificates and/or bonds as determined by acknowledged mathematical methods used in finance; in this case, conversion and/or option rights to shares of up to 10% of the share capital only shall be granted on the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds issued with the exclusion of the subscription right of shareholders; in calculating the above maximum amount, allowance shall be made for all shares that are issued on the basis of other existing authorizations or authorizations adopted by this AGM to issue shares in the Company with the exclusion of the subscription right pursuant to, or in application mutatis mutandis of, Section 186 (3) Sentence 4 German Stock Corporation Act (AktG);

or

- if and insofar as the participatory certificates with warrants and/or convertible participatory certificates and/or convertible bonds and/or bonds with warrants are issued in exchange for contributions in kind to acquire companies, parts of companies or equity interests (including an increase in the stake) or for carrying out a merger.

Conversion and/or option rights to shares up to a total of 20% of the share capital only shall be granted on the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds issued on the basis of one of the above authorizations with exclusion of the subscription right of shareholders; in calculating the above maximum amount, allowance shall be made for all shares that are issued on the basis of other existing authorizations or authorizations adopted by this AGM to issue shares in the Company with the exclusion of the subscription right pursuant to, or in application mutatis mutandis of, Section 186 (3) German Stock Corporation Act (AktG).

Moreover, the above authorizations to decide on excluding the subscription right of shareholders shall not affect the authorization to issue the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds with granting of a subscription right to shareholders or to a bank or a consortium of banks, linked to the obligation to offer them for subscription to shareholders.

If participatory certificates with warrants and/or bonds with warrants are issued, each participatory certificate or each bond shall have attached one or more warrants that authorize the holder to subscribe to bearer shares in the Company as detailed by the option conditions to be defined by the Board of Directors. For participatory certificates with warrants and/or bonds with warrants denominated in euros and issued by the Company or by dependent Group companies of the Company within the meaning of Section 17 German Stock Corporation Act (AktG), the option conditions can stipulate that the option price may also be settled by the transfer of participatory certificates or bonds and, if applicable, an additional cash payment. In this case, the pro rata amount of the share capital for shares to be subscribed to for each participatory certificate or bond shall not exceed the principal amount of the participatory certificate with warrants or bond with warrants. The price at which the shares are acquired shall correspond to at least 90% of the arithmetical mean of the closing prices of shares in the Company in Xetra trading (or a comparable successor) on the last five days of stock market trading before the resolution by the Board of Directors on defining the option price. If there are fractions of new shares, it is possible to stipulate that these factions can be added up in accordance with the option conditions, if applicable with an additional cash payment, so that full shares can be acquired.

If convertible participatory certificates and/or convertible bonds are issued, the holders shall obtain the non-retractable right to convert the participatory certificates or bonds into bearer shares in the Company in accordance with the conversion conditions to be defined by the Board of Directors. The conversion ratio shall be derived by dividing the principal amount or the issue amount below the principal amount of a participatory certificate or bond by the set conversion price for a share in the Company and can be rounded up or down to a full number; furthermore, an additional cash payment and pooling of or compensation for fractions that cannot be converted can be defined. The conversion price shall correspond to at least 90% of the arithmetical mean of the closing prices of shares in the Company in Xetra trading (or a comparable successor) on the last five days of stock market trading before the resolution by the Board of Directors on defining the conversion price.

The bond or option conditions can stipulate that the Company has the right not to grant new shares when the conversion or option right is exercised or the conversion or option obligation is fulfilled, but to pay a cash amount for the number of shares that would otherwise have to be provided that corresponds to the mean closing price of shares in the Company, not weighted by volume, in Xetra trading on the Frankfurt Stock Exchange (or a comparable successor) over the last ten days of stock market trading before notice of exercise of the conversion or option right or fulfillment of the conversion or option obligation is given. The conditions for participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds can also stipulate that the participatory certificates with warrants and/or convertible participatory certificates or bonds with warrants or convertible bonds can, at the discretion of the Company, be converted to existing shares instead of new shares of the Company from Contingent Capital or that the option right or option obligation can be fulfilled by providing such shares.

The conditions for participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds may also provide for a conversion or option obligation at the end of the term or at another time or give the Company the right, upon final maturity of the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds, to grant the participatory certificate and/or bond creditors shares in the Company in full or in part instead of payment of the due cash amount. In the latter case, the option or conversion price can correspond to the mean price of the Company's shares, not weighted by volume, in the closing auction in electronic trading on the Frankfurt Stock Exchange over the last five days of stock market trading before the final maturity date, as detailed by the conditions for participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds. Section 9 (1) in conjunction with Section 199 (2) German Stock Corporation Act (AktG) shall be observed.

The interest on the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds may be variable. In addition, it can be dependent on key profit ratios of the Company and/or the Group (including the net income or the dividend for Company shares set by the resolution on appropriation of the net income). In this case, the participatory certificates and/or bonds must not be assigned a conversion and/or option right. Moreover, a subsequent payment for benefits/payments not provided in previous years can be specified.

The Board of Directors was authorized, with the consent of the Supervisory Board, to define further details relating to the issue and rights of the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds, in particular the rate of interest, issue price, term and denomination, the option or conversion period and the option and conversion price or in agreement with the boards of the associated company of the Company that issues the participatory certificates with warrants and/or convertible participatory certificates and/or bonds with warrants and/or convertible bonds.

Significant Agreements in the Event of a Takeover Offer. Wincor Nixdorf AG has not entered into any significant agreements, which are contingent on a change of control of the Company following a takeover offer. The sole exception is a credit agreement between Wincor Nixdorf AG, together with its subsidiary Wincor Nixdorf International GmbH, and WestLB, together with other participating banks. The agreement provides for a revolving facility and expires on August 2, 2012. The participating banks are entitled to revoke their agreement to provide credit in the event that over 50% of the shares in Wincor Nixdorf AG are held directly or indirectly by one person, or a group of persons acting jointly, as defined by Section 2 (5) of the WpÜG (Securities Trading and Takeover Act). The banks are also entitled to cancel the agreement if this person or group of persons can determine over half of the members of the Board of Directors or of the shareholders' representatives on the Supervisory Board, or if Wincor Nixdorf AG is included in the Group financial statements of this person or group of persons.

Compensation Agreements between Wincor Nixdorf AG and the Members of the Board of Directors as well as Employees in the Event of a Takeover Offer. There are currently no agreements between Wincor Nixdorf AG and members of the Board of Directors or employees for the payment of compensation in the event of a takeover offer.

NON-FINANCIAL INDICATORS.

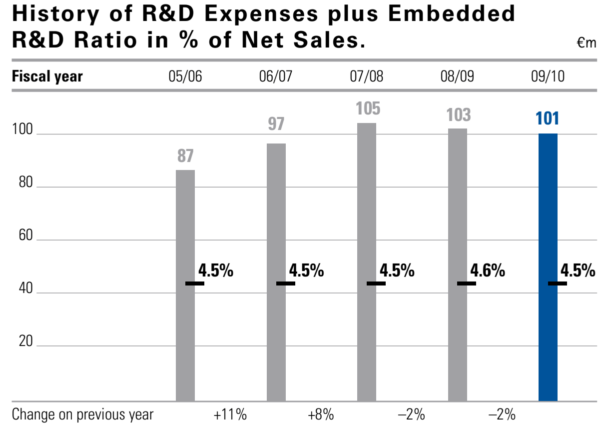
Research and Development – Creating Added Value through Innovation.

The future success of our Company depends to a large extent on our ability to offer our customers new products and solutions to meet their changing requirements. To ensure that we remain in a position to do so, in fiscal 2009/2010 we again channeled a significant proportion of our financial resources into Research and Development. The Group's global spending on Research and Development was 2% lower at €101 million (2008/2009: €103 million). The R&D ratio fell 0.1 percentage points to 4.5% (2008/2009: 4.6%).

The Group's total R&D headcount, based in Germany, Switzerland, Brazil, Singapore and China as part of international development networks, was 882 (2008/2009: 956) on the reporting date. This means that nearly every tenth of the entire workforce is dedicated to ensuring that Wincor Nixdorf becomes even better and more innovative. During the year under review, we were able to submit 88 new patent applications (2008/2009: 83). The total number of active patent rights was 1,138 (2008/2009: 1,103).

88 new patent applications

History of R&D Expenses plus Embedded R&D Ratio in % of Net Sales.



Main Focus of R&D Activities. Wincor Nixdorf's activities in the field of R&D are concentrated in three main areas:

- the development of convergent platform technologies for our core business activities in retail banking, the retail industry and in related areas of business
- software as the key to optimizing the overall branch process chains of retail banks and retailers
- continuous improvements to the serviceability of our hardware and software

Identical Base Technology for New Cash Processes. In the last fiscal year, we presented our banking and retail customers with a fundamentally new concept for cash cycle management (see also "Our Solutions Portfolio"). This Cash Cycle Management Solutions portfolio has been designed modular and on the basis of convergent platform technologies, allowing customers to combine different scenarios as required for banking or retail purposes.

New cash recycling systems – devices that are able to store cash paid into an ATM before disbursing it – are now also based on this standard technology platform.

We also focused on the area of image recognition and applied our know-how to develop several new applications for both industries. With the approval of the German Bundesbank, we integrated a new sensor into the latest generation of systems as a means of identifying genuine notes.

We made further improvements to our Cash/Check Deposit Module (CCDM) to enhance image recognition, processing speed and availability.

We also expanded our portfolio of security solutions, above all through the continued development of video and image recognition technologies. By way of example, the latest generation of ATMs is fitted with an optical process that can identify cases of attempted fraud. For our retail customers, we conducted research into the automatic and secure optical recognition of products. The aim here is to automate the product identification process at the supermarket checkout and consequently speed up checkout throughput times.

Major Expansion of Software Portfolio. To complement the existing cash process management functions of our Retail Banking Suite, we added new applications (see also "Our Solutions Portfolio"). Our Retail Banking Suite has been certified as meeting the Payment Application Data Security Standard (PA-DSS) developed by the Payment Card Industry (PCI). Supported by companies such as American Express, MasterCard Worldwide and Visa, PCI defines a series of comprehensive requirements governing secure card payments. The Retail Banking Suite was one of the first solutions to achieve this milestone of data security.

We made a number of changes to our Retail Suite to meet the requirements of international companies and to control a range of checkout scenarios (see also "Our Solutions Portfolio").

Simplifying Maintenance. One of our development objectives is to further simplify the maintenance of our products and solutions. The device software for our new generation of systems uses a new technology that offers numerous benefits, including additional diagnostic options. Each individual component in this new hardware generation behaves like a "talking device" and can transmit information to the Wincor Nixdorf eServices platform, allowing us to conduct an online inventory and provide rapid and targeted support. Operators will now be able to resolve faults more easily themselves thanks to a new graphical user interface.

Wincor Nixdorf's new Connectivity Box simplifies the task of monitoring all the self-service systems installed at a bank (see also "Our Solutions Portfolio").

We are also taking steps to build on our expertise in the area of coin processing. The aim here is to develop our own components and systems for each market segment.

During the year under review, we applied our own technologies to improve the way cash is protected in storage media. One method sprays the banknotes with indelible ink in case of theft or unauthorized opening.

As well as devising new products and solutions for customers, our engineers and developers harness the power of innovation to optimize our own internal processes. In order to increase our efficiency in this area, we implemented a fundamental change in our internal development processes as part of the ProFuture project. At the heart of this new model is a switch from line-based to project-based development. We have initiated a project that draws on the recognized CMMI model (Capability Maturity Model Integration) to optimize processes and improve coordination across all our global development sites. We expect to reduce project development times, boost efficiency and achieve results of a higher quality.

Certification by the Payment Card Industry

Processes rethought: Cash Cycle Management Solutions

Our Solutions Portfolio, see page 58 et seq.

Purchasing, Production and Logistics – Exploiting Synergies to Reduce Costs and Raise Productivity.

Process optimization via lean production

In response to sluggish demand for hardware in the year under review, Wincor Nixdorf's Purchasing, Production and Logistics units concentrated on efforts to further reduce costs, optimize organizational processes and hedge purchases of business-critical components.

Purchasing represents more to us than the mere procurement of products and services. The focus here is on striking a perfect balance between favorable pricing and best-in-class quality. In recent years we have cast our net widely on the international markets in order to source and buy the materials we need for our products. During the year under review we extended our purchasing activities by also taking steps to optimize our purchases of non-production materials. This meant working more closely with our subsidiaries as a way of obtaining more favorable purchasing terms and prices. To this end, we set up a project team which established best-practice principles and advised on the choice of suppliers. The aim here is to collaborate across Europe as a whole with the same strategic suppliers and to use similar components in order to make greater use of available synergies. Potential cost savings were identified above all in the area of non-production materials. Encompassing materials needed for our own requirements as well as merchandise, they account for a significant proportion of overall purchasing volumes.

The continued lull in demand for our hardware meant additional pressure on **Production and Logistics**. With regard to the first of these, we made strenuous efforts above all to increase our flexibility and adapt our production capacity as quickly as possible. As well as introducing short hours on a temporary basis, we cut back, for example, on bought-in services at all our production sites. We also strengthened the position of our production sites in Shanghai and Paderborn within the Group as own subsidiaries.

We are always at our customers' service, wherever they need us. This also applies to Wincor Nixdorf's production facilities. We further boosted productivity in our production network. This involved maintaining our "local for local" strategy, i.e., supplying local markets from decentralized production sites close to the customer. During the year under review, the majority of orders for the Asian market were supplied from our production sites in Singapore and Shanghai.

Production strategy "local for local"

Wincor Nixdorf has also established itself as a benchmark when it comes to logistics and production processes. With the help of an international team of experts, we reviewed these processes at each site in order to identify potential new savings and further optimize our best lean production practices as standard. The results are clear – a substantial reduction in process costs and improved process quality. In addition, we plan to introduce process-related personnel indicators to allow transparent international benchmarking across Wincor Nixdorf's production network and help us to respond even faster to changing market conditions.

Quality – More Reliable Products, More Satisfied Customers.

When we talk about the quality of our products, above all we mean their outstanding reliability and stability. Our hardware and software stand out on account of the superb levels of availability and back-up security they provide for our customers. In turn, this means they can also guarantee absolute reliability to their own customers.

For us, quality is not a particular state that we expect to achieve. We see it as a commitment to our own future and that of our customers. For this reason, we constantly strive to make further improvements in the reliability of our hardware and to enhance the fail-safe characteristics of our systems. Every new product, component and module is based on the latest technology. As we acquire new expertise, we integrate it continuously into our own manufacturing processes, into the processes and components of our suppliers and partners, and, where required, into previously installed systems.

Software reliability depends crucially on the stability of the respective applications. From the outset, our development processes are deliberately structured in a way that allows us to identify potential implementation difficulties in the customer's environment and eliminate them at an early stage. Before installation and integration, we test the software in an environment matching the conditions at the customer's site. We look for any weak spots and rectify them accordingly. We also provide fast, ongoing support after installation to ensure continued smooth operation.

To help ensure maximum availability, we offer to integrate our solutions into the customer's IT environment. The sole aim of these Professional Services, which at the preliminary stage can include process and branch consulting, is to make our customers' IT-supported processes even more effective and secure – and thus more reliable.

To ensure that our customers can rely on the hardware and software we supply, we have developed specific concepts to avoid system downtime. Thanks to the eServices platform developed by Wincor Nixdorf, potential faults can be identified in advance and fixed remotely during operation. In the event that a system does fail, our highly qualified technical staff are on hand to solve the problem without delay.

We are so confident of the quality of our solutions that we take complete responsibility for their efficient operation at the customer's site, subject to clearly defined parameters. By using innovative technology, at end-user level we can guarantee the maximum availability and fail-safe performance of our self-service systems and our information and communications solutions.

Employees – Helping to Shape the Future, Sharing in Success.

Our employees in more than 40 countries rise each day to the challenge of optimizing our customers' IT processes. It is our employees who push forward development, innovate, help to shape markets and, last but not least, create the image we enjoy among customers, partners and the wider public around the world. They play a crucial role, especially in this era of globalization. Ultimately, it is their commitment and creativity that make the difference in international competition, and as such it is they who lay the foundation for the Company's long-term success.

We are aware that the performance, skills and commitment of our employees are of fundamental importance in our efforts to consolidate and build on our leading position. One of our key tasks is therefore to develop and introduce specific programs and measures that will promote a culture based on values such as commitment, creativity and knowledge. At the same time, it is important to prepare the Company and its employees to meet the business challenges of the future.

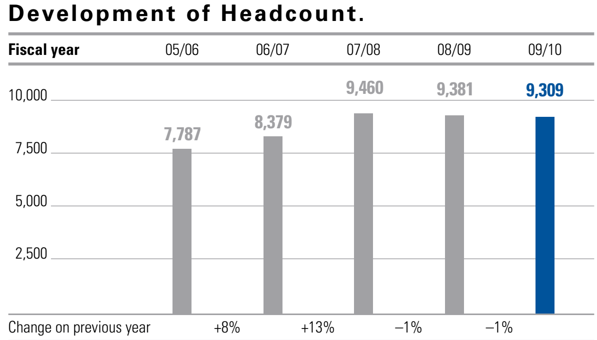
Rewarding Good Performance. Good performance deserves to be recognized. For a large part of the workforce, our pay systems include a number of variable components based on the economic success of the Group and the results achieved in individual areas. This long-standing element of our remuneration policy is a way of boosting the commitment of our workforce and encourages employees to identify with the Company.

Professional Services, see page 59

Furthermore, in order to motivate our employees to perform to the highest standards over the long term and as a way of assessing their performance in a fair and appropriate way, we have introduced additional performance management tools.

Headcount. At the end of the reporting year on September 30, 2010, the global headcount was down 72 on the previous year at 9,309 (2008/2009: 9,381).

Development of Headcount.



In total, the Group's headcount outside Germany rose slightly to 5,203 (2008/2009: 5,193). The headcount in Germany was down on the previous year at 4,106 (2008/2009: 4,188).

During the period under review, Wincor Nixdorf made use of the options provided by the rules on short hours to adapt its production capacity in Germany to the economic situation while largely maintaining staffing levels. Around 1,600 employees in the German organization, i.e., approximately 40% of the German workforce, were involved in working short hours.

People with Spirit – Developing Leadership, Encouraging Talent and Equipping the Next Generation. Highly motivated employees are the foundation of Wincor Nixdorf's success. We can only create excellent products and solutions if we have an excellent team, and that is something you need to work at.

The recruitment and development of new staff to meet our strategic requirements is therefore of critical importance to Wincor Nixdorf, and this is reflected in our HR policy. During the reporting year, for example, we took further steps to expand our Group-wide staff development programs. By doing so, we aim to cover our long-term requirements for qualified technical and managerial employees in line with the Company's aims.

Our approach emphasizes the promotion of employees from our own ranks. By offering them targeted professional development, we are contributing significantly to the success and future health of our Company. Staff development measures are geared towards employees at all levels of the organization.

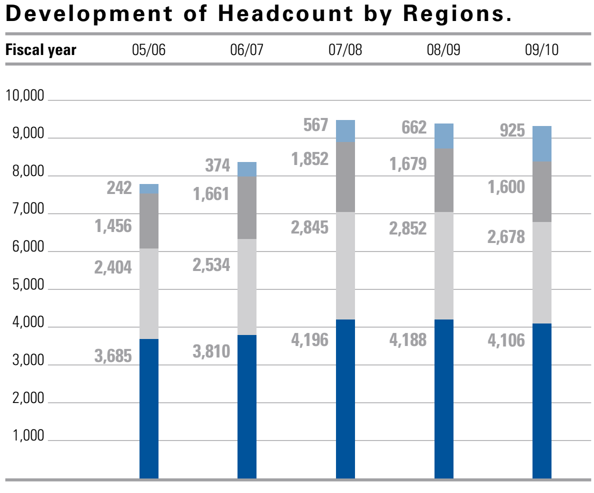
Our investment in HR planning also includes measures to systematically identify future leaders and to strengthen the Group's project management culture. We see ourselves as a learning organization. All over the world, we are expanding our range of training courses, and we aim to ensure that best practice is shared by the entire workforce. At the heart of these efforts are seminars and workshops for technical, managerial and sales staff as well as product training.

Training the Next Generation. At Wincor Nixdorf, we have a long tradition of training up young people and see this partly as a way of exercising responsibility for the society as a whole. Forward-looking personnel work as a way of safeguarding our own future and offering prospects to young people is the principle that drives our wide-ranging activities in this area.

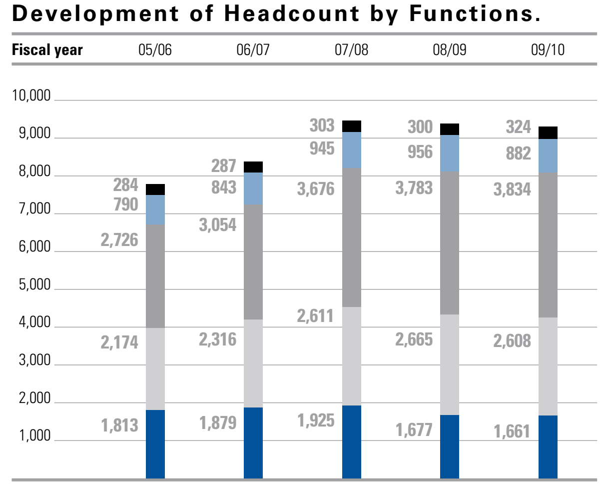
One of the consequences of demographic change is a growing shortage of skilled young people, especially in technical professions. For this and other reasons, we conduct our own training in many disciplines or support students on selected courses by means of a grant. We provide both apprentices and students with precisely those skills that will be needed by international firms in the future by focusing on specific areas and arranging practical training in line with our requirements.

We work closely with universities and polytechnics to achieve this and in fact were able to expand our partnerships with these institutions during the year under review. We offer placements and joint work/study contracts to students in many disciplines so they can learn more about what we do at first hand and to allow us to get to know each other. On the one hand, this enables young people to access career opportunities in a global company; at the same time, however, we want to establish this mutually beneficial connection at an early stage in order to position ourselves as an attractive employer in the competition for highly qualified graduates.

Development of Headcount by Regions.



Development of Headcount by Functions.



Supporting Talent. Changing markets, growing internationalization and ever greater competition mean that we have to take a proactive approach to the task of finding qualified people for key positions in the Company. The best place to begin in the search for, and development of, these future key players is among our own ranks and from our own pool of talent. To this end, Wincor Nixdorf has already launched an international program to systematically identify talented individuals across the entire Group and to prepare them for future roles. At the same time, we have made continuous improvements to our processes in relation to the selection and development of talented individuals for international positions.

Our international talent pools are specifically geared towards the requirements of Wincor Nixdorf and aim to identify individual employees with outstanding potential for professional development. This annual process begins with an assessment center. The presence of Wincor Nixdorf's Executive Board (please refer to the Notes to the Group financial statements under the section Statutory Company Boards) is intended to demonstrate the importance we attach to the promotion of talented people.

Fostering the Next Generation. Wincor Nixdorf is aware that it needs to be proactive when it comes to meeting its future staffing needs and has therefore adopted a system of strategic planning. Potential new leaders are identified and systematically prepared for possible duties within the organization. This is not just a question of finding someone to fill a certain post but of identifying and supporting those employees early on who can offer commitment, creativity and personal skills and who can later take over new and existing managerial roles as they arise or fall vacant.

Developing Leadership. Our managerial staff are key multipliers within the Company. They act both as models and drivers of a positive and performance-led company culture. As such, they exert the greatest influence on the immediate working environment of their colleagues. One of their main roles is to create a highly motivating environment in which employees will give of their best and be able to develop their skills. In-house managerial training is a key element of our staff development policy and is designed to support Wincor Nixdorf's business culture. Managerial members of staff are shown how they can develop a motivational leadership style and deal confidently with the process of change. They are expected to promote initiative and commitment among employees and to encourage personal creativity and an entrepreneurial approach. As part of this ongoing process, employees at Wincor Nixdorf can acquire the skills they need to actively shape their own areas of responsibility as "People with Spirit."

Extending Project Management. In order to meet the requirements of complex projects with an international dimension, we have stepped up our training program in the area of project management and set up new training concepts for project managers. Through the establishment of project management offices worldwide, we have made further progress towards our goal of creating an international project management community. At the same time, we have introduced an internal certification process for project managers as a means of standardizing requirements in terms of theoretical knowledge, practical experience and personal skills.

Multiplying Knowledge. To prepare our employees as well as possible for their individual tasks, we also encourage them to share their knowledge and experience across borders. Colleagues from different countries meet in virtual team rooms, hold joint conferences and training courses, and exchange knowledge and information in a fast and efficient way.

Our well-established and proven system of inviting suggestions from the workforce acts as a channel for creative ideas that can subsequently be put into action for the benefit of the entire organization. Indeed, creative employees make an essential contribution to our capacity for innovation. Innovative ideas and proposals help to enhance quality and thus boost our competitiveness.

Statutory Company Boards, see Notes page 144

Strategic planning at Wincor Nixdorf

Achieving Success through a Commitment to Sustainability.

We firmly believe that adopting a sustainable approach to our business activities is a precondition for success. This conviction is manifest in our commitment to achieving a balance between economic, environmental and social objectives. Indeed, the concept of sustainability pervades the entire organization. As such, our focus on economic growth is accompanied by a determination to make careful use of natural resources, support and develop our employees and translate our social responsibilities into positive action.

Holistic Approach to Resource Use. As a global IT provider, our aim is to design solutions that have a minimal impact on the environment, while making the most efficient use of resources possible. To this end, the solutions we deliver are manufactured to extremely high standards with regard to economic and environmental sustainability.

When assessing the resource impact of our activities, we follow the end-to-end principle. This involves establishing the costs of a system over its whole lifetime in order to produce an analysis of the total cost of ownership. Included in this assessment are the total costs of hardware, software and services, every aspect of their subsequent use at the customer's site, and the consumption of other resources such as energy.

High environment standards at every stage of the product life cycle

Environmental Protection from the Outset. At Wincor Nixdorf, we take environmental issues seriously at every stage of the product life cycle, from product planning, development, production and logistics to after-sale support, maintenance, return and recycling. As early as the planning and development stage, we strive to use components that combine low environmental impact with maximum energy efficiency. Through the selection of low-energy components in conjunction with improved software, we are able to respond to the demands of our customers for enhanced performance with minimum use of resources. In turn, this allows them to make significant cuts in their energy consumption and operating costs. Wincor Nixdorf is therefore able to support its customers' efforts to achieve their economic and environmental targets.

Meeting International Standards. All Wincor Nixdorf's products are designed in line with international regulations to promote the development of recycling-friendly products with a low environmental impact (EC WEEE directive) and lower energy consumption (EC EuP directive), and to restrict the use of hazardous substances (EC RoHS, REACH directives). During the year under review, a project group was responsible for the ongoing implementation of measures initiated by Wincor Nixdorf as early as fiscal 2006/2007 in response to REACH, the European Community Regulation on the Registration, Evaluation, Authorization and Restriction of Chemicals (1907/2006/EC).

Our Solutions Portfolio, see page 58 et seq.

We also expect our suppliers to incorporate and observe the relevant environmental standards. To this end, we ensure that they comply with Wincor Nixdorf's code of conduct for suppliers and expect them to implement an ISO 14001-certified environmental management system. Our suppliers are audited on a regular basis to monitor their compliance with strict environmental standards.

Naturally, we apply these same environmental standards to ourselves. The environmental management systems introduced by each of the production sites making up our international network – in Paderborn, Ilmenau, Burgdorf (Switzerland), Singapore and Shanghai – are all ISO 14001-certified. By using modern technology, we can save energy, materials and water, and avoid waste, water contamination and emissions.

One such example is our new paint facility in Paderborn, where the use of heat-capture technology has made significant improvements to energy efficiency and helps to reduce our environmental impact through a substantial cut in the volume of wastewater.

Our electroplating systems provide another example. In order to reduce the need for fresh water and the production of waste to a minimum, rinsing water is reused several times, and we take effective measures to ensure that the contents of one plating bath are not transferred to the next. Furthermore, no hazardous substances (e.g., cyanide, chromium (VI) compounds) are used in our electroplating processes.

Managing the Cash Cycle – Cutting Energy Use and CO_2 Emissions. Wincor Nixdorf has a clear vision. Through the development of Cash Cycle Management Solutions, we want to streamline cash handling at bank and retail branch level and create intelligent links between overarching cash processes. Cash cycle management technology produces a much shorter cash cycle and much lower handling and logistics costs. New systems are designed in such a way that they use considerably less energy than previous-generation systems.

Optimizing Secure Transport. Thanks to our cash management, we are able to reduce the number of cash-in-transit (CiT) journeys required and thus cut CO_2 emissions. One of the solutions we apply in this field is the cash management application from our Retail Banking Suite. By using this application, for instance, refill intervals and quantities for ATMs and automated teller safes can be determined precisely (see also "Our Solutions Portfolio"). As a result, the number of CiT journeys can be reduced by up to a third.

Streamlining Customer Processes. We offer our customers an option to link their IT systems to Wincor Nixdorf's support resources via our modern eServices platform. Remote automated maintenance can identify and often resolve incidents or disruption at an early stage before they cause a system crash. We are now in a position to fix a large proportion of such incidents remotely, thus reducing the need to deploy technical staff to a minimum.

Only in cases where these measures do not resolve the problem do we need to deploy our technical staff. The latest diagnostic methods and technologies mean that we can react and solve any problems that arise more quickly. With service parts available from local facilities, our technicians can be on site within a short period, thus avoiding the need for long journeys.

Reducing our Customers' Operating Costs. By incorporating an energy-saving processor and an energy-efficient power supply, our BEETLE checkout systems help to achieve a substantial cut in electricity costs. Furthermore, our intelligent power management system is equipped with a number of energy-saving operating modes to ensure that the power consumed does not exceed the actual amount required. This also helps to make substantial energy savings and therefore minimize our customers' operating costs.

For some of our customers we operate and maintain entire computer centers. These are based on advanced technology in order to optimize customer utility as well as reduce costs. One such example is the virtualization of server resources. This involves intelligent management systems that make the necessary hardware available as and when it is required, thus making it possible to divide or combine computer processing power to meet current requirements. As well as significantly reducing hardware needs, this can produce a saving of up to 75% in energy consumption, including air-conditioning.

Commitment to Environmental Protection. As in the preceding year, this Annual Report was printed on FSC*-certified paper and with a neutral effect on the climate. By using petroleum-free colored inks and abandoning the use of industrial alcohol (IPA) in the printing process, we are able to avoid or reduce any environmental damage.

* The Forest Stewardship Council (FSC) is an international charitable organization that promotes environmentally aware, socially acceptable and economically viable forestry practices. For more information, please see www.fsc.org and www.climatepartner.com.

Communication – Maintaining a Dialog with Customers, Partners and the Media.

With the volume of information increasing at a frenetic pace, we believe that our communications need to ensure transparency, provide a means of orientation, pass on knowledge and promote confidence in our performance. At national and international level and in close collaboration with our subsidiaries, we make use of the full range of communication tools at our disposal, including digital and printed media, press releases, industry trade fairs and seminars.

Dialog as a Source of New Ideas. We see the process of communication as that of actively engaging in dialog, in order to learn, for example, about the views, expectations and challenges of our partners and thereby obtain new ideas that can help us move forward.

This dialog with our customers is maintained in part through our global sales organization and at a number of well-established business events, including particularly our own "Wincor World" international trade fair. To exchange information with bank managers, during the year under review we held our "International Management Seminar," the "Retail Banking Conference" (run in collaboration with the internationally renowned German financial journal Börsen-Zeitung) and a specialist banking conference aimed at German-speaking customers.

Communication Focus on Cash Management. Over the last year, one of the main areas we focused on in our communications work was our new portfolio of Cash Cycle Management Solutions. This took the form of a diverse information campaign, including a highly regarded presentation at our international Wincor World 2010 trade fair, attended by over 7,000 industry visitors from more than ninety countries. The campaign was accompanied by intensive media relations work around the world as well as frequent reports in our customer magazine "report."

7,000 indistry visitors from 90 nations at Wincor World 2010

Promoting Quality Journalism. Independently of our own intensive media work, Wincor Nixdorf is also committed to promoting quality journalism. By way of example, we support the "German Bank & Insurance Journalism Prize," which is awarded for outstanding articles on strategies, products and services in the banking industry.

RISK REPORT.

Risk Management System.

Wincor Nixdorf regularly finds itself confronted by risks and opportunities that can have both a positive and a negative impact on the Group's assets, profits and cash flow, as well as on intangibles such as its reputation. In this report, we will present the most important risks we face and describe the principles underlying Wincor Nixdorf's risk management system.

Continous risk monitoring at Wincor Nixdorf

We see risks as the potential occurrence of internal or external events that may adversely affect our ability to achieve the Company's short-term goals or the implementation of its long-term strategy. Risks can also take the form of our missing or insufficiently exploiting the opportunities available to us.

In general, opportunities can be defined as strategic and operational developments, both internal and external, that can have a positive impact on the Group's future performance if used in the right way.

We look on risk management as the ongoing challenge of identifying, analyzing and evaluating the entire range of potential and actual developments so that we can control our response wherever possible. Risk management is an integral part of Wincor Nixdorf's overall management system, allowing us to spot risks that might jeopardize the Company's growth and/or existence at an early stage and limit their impact as far as we are able. This approach is not restricted to risk, however. Another key aim of risk management is to identify opportunities and exploit them for the benefit of Wincor Nixdorf.

To this end, we have clearly defined the management and corporate structure of Wincor Nixdorf and separated certain functions in order to preserve the integrity of individual Group functions. A vital principle of risk management is that opportunities and risks should be evaluated wherever they might occur. This means managing risk both in our legally independent units and at Group level, with operating units enjoying a high degree of autonomy so that they can react flexibly to opportunities as they arise.

To be more precise, risks are identified, analyzed and evaluated in each of our operating units on the basis of the Group's overall aims and the corresponding aims of individual units. Parameter-based reporting processes are used to coordinate the activities of the relevant Group functions and determine the involvement of the Board of Directors. Risk Review Boards, whose members are also drawn from the Board of Directors, have been set up to analyze the main issues. Our centralized Risk Management department is responsible for controlling this risk management process and defining our risk standards and risk control tools. By embedding Risk Management within overall Group Controlling, we can ensure that it is treated as an integral component of everyday business management rather than as a response to specific risks, e.g., relating to particular projects. In this context, we produce an annual risk report and, at our meetings to discuss monthly, quarterly and year-end results, we examine the opportunities and risks that concern Wincor Nixdorf and the individual units that make up the Group.

The main elements of Risk Management at Wincor Nixdorf have also been documented in our management handbook and in Group directives.

Description of the Main Features of the Internal Control and Risk Management Systems with Regard to the Group Accounting Process (Section 315 (2), No. 5 of the German Commercial Code – Handelsgesetzbuch, HGB). A key element of our strategy for minimizing and avoiding risk, especially in the areas of accounting and financial reporting, is the internal control system. Wincor Nixdorf's internal control system contains a series of principles, procedures and measures that are intended to ensure that the accounting process is effective and cost-efficient as well as complying with statutory regulations. Wincor Nixdorf's internal guidelines on accounting and financial reporting under IFRS provide a framework of uniform accounting policies for all the domestic and international companies that make up the consolidated Group. They also include stipulations for the Group financial statements as well as detailed and formalized requirements to be applied by Group companies. In addition, with regard to finances and financial reporting, integrity and responsibility are ensured by the inclusion of an obligation to that effect in the Group's internal Code of Conduct.

We promptly evaluate the impact of all new regulations and amendments to existing accounting rules and, where they concern us, incorporate them into the accounting process.

Wincor Nixdorf has established a largely uniform IT platform, a uniform system of accounts and standardized, computer-based accounting processes. This standardization ensures that all significant transactions are recorded in a proper, timely and uniform manner. Mandatory rules are in place for any additional manual recording of transactions. In most cases, accounting valuations, e.g., testing for the impairment of goodwill, are carried out by the Group's own specialist staff, although in isolated cases, such as the measurement of pension obligations, this task is performed by external valuation experts.

In order to prepare Wincor Nixdorf's Group financial statements, the separate financial statements of those companies whose accounts are maintained using the Group's standard IT platform are transferred to an IT consolidation system based on SAP SEM. Data for the financial statements of all other Group companies is delivered using a web-based interface. The data provided to the parent company is automatically checked by the system. The separate financial statements submitted by Group companies are subjected to further centralized checks with due regard for the reports prepared by the auditors. Information relevant to the consolidation process is automatically identified and obtained by the system, thus ensuring that Group internal transactions are properly and completely eliminated. All consolidation processes involved in drawing up the Group financial statements are performed and documented within the IT-based consolidation system. The components of the Group financial statements, including any significant disclosures for the Notes to the financial statements, are derived from the resulting information.

At the heart of the internal control system lie a series of both process-integrated and process-independent measures. One fundamental element of the first of these is automatic, IT-based process control, while additional control functions, including manual process controls such as the "four-eyes principle" principle, have been established through the organizational separation of administrative, executive, billing and authorization functions. The IT systems we use for this purpose are also protected as far as possible against unauthorized access through a system of access rights and restrictions. It should be noted, however, that even the use of appropriate and properly functioning systems cannot provide absolute certainty.

Other control tasks are performed by specific Group functions such as the central tax department. Both the Supervisory Board of Wincor Nixdorf AG (in particular its Audit Committee) and Internal Audit are integrated into the internal control system and are tasked with carrying out independent checks.

Uniform IT platform across the Group

Compliance.

Wincor Nixdorf's Group Internal Audit conducts regular checks on the internal control systems and business processes of both subsidiaries and centralized functions with regard to compliance, cost-effectiveness, efficiency and security. In particular, it monitors compliance with directives, organizational precautionary measures, financial indicators in the income statement and statement of financial position, and the structure of contracts, as well as drawing up proposals for process optimization. As an independent body, it reports directly to the Board of Directors and the Supervisory Board's Audit Committee.

Areas of Risk.

The overall structure of risk categories covered within the Group has been centered around our core processes "Idea to Market," "Offer to Cash" and "Operation & Maintenance," complemented by processes relating to Management and Support in general. The categories "Idea to Market," "Offer to Cash" and "Operation & Maintenance" include the entire range of performance/profitability and other risks, while Management covers the general business environment and industry-specific risks, business strategy risks and information technology risks. Financial and personnel risks are allocated to the area of Support.

Business Environment and Industry-specific Risks. Future developments in the wider economy will be particularly important in determining the extent to which we are able to meet our targets. Over the last year, all the world's national economies were affected by the financial and economic crisis. At present, there are expectations of renewed growth at international level, although continuing risks such as the high levels of debt maintained by some countries could still adversely affect the economic recovery and hence our own business prospects. In the wake of the crisis, our business is also exposed to other potential risks, in particular those created by instability in the global currency markets. A further increase in prices for raw materials and energy could equally have a negative impact on Wincor Nixdorf's earnings. In addition, we believe there is a high risk to ourselves and to our customers from unexpected events such as natural disasters and terrorist attacks.

The markets in which banks and retailers operate are characterized by tough competition, and this can generate additional pressure on prices for our hardware, software and services. In our view, this pressure is likely to persist in the present fiscal year. Alongside the risk posed to our business by the general market situation of our customers, Wincor Nixdorf is exposed to further risks from continuing internationalization, predatory competition and lower barriers to market entry for potential new competitors. This trend towards a more aggressive form of competition could have a detrimental impact on profits.

Business Strategy Risks. Growth and success are fundamental to our business activities, and all the decisions we take on capital expenditure and corporate acquisitions are judged against these criteria. The Outsourcing business, which we have successfully introduced to the market over recent years and which involves our taking over related, large-scale processes on behalf of our customers, is an established part of our business. However, the complexity of such Outsourcing projects brings with it a high level of risk. We aim to counter these risks through timely risk analysis and ongoing risk management. By concentrating the risk process in the hands of a specialist team and drawing on our experience of previous successful projects, we are able to structure the business processes that we take over in a way that minimizes risk while best meeting our own requirements and those of our customers. We also make use of insurance policies and other options in order to minimize downtime and risk.

Performance and Profitability Risks. One of our aims is to position ourselves as the leading innovator and technology provider in our markets. Together with the fact that we are competing in markets where innovation plays a major role, this makes particular demands on our portfolio of solutions. In this context, there is a risk as regards the introduction by customers of new hardware and software. To counter this, as well as prioritizing intensive development work, we make every effort to identify customer needs at an early stage and to incorporate these needs into our hardware, software and services. This involves close collaboration with our customers.

Our leading position with regard to quality sets us apart from our competitors. Our aim here is to maintain and increase this edge. In order to achieve this aim, we need to identify and rectify potential weaknesses in our hardware, software and services as quickly as possible. To this end, we focus continuously on innovation and quality. Risks that could be caused by poor quality are countered through our quality and environmental management system. Specifically, this means reducing these risks to a minimum through the preventive integration of risk assessment at every stage of development, a strict system for authorizing releases and appropriate insurance.

As a producer of ATMs and checkout systems, for example, we have to comply with the statutory environmental regulations that apply to our production sites, and our products have to meet key requirements with respect to returns and materials, etc. To ensure that this is the case, we have implemented an ISO 14001-certified environmental management system.

Personnel Risks. The work performed by our staff is essential to the growth and development of our Company. We are in competition with other companies for highly qualified specialist and managerial employees. In order to attract such people and retain them over the long term, we offer attractive terms of employment and a comprehensive training program. We do not see any issues that may pose a risk to recruitment of the specialist and managerial staff we need in line with our objectives.

Information Technology Risks. Information security and data protection are particularly important to our customers in the banking industry. Now that Wincor Nixdorf has evolved to become a provider of IT solutions for banks and retailers, e.g., in the area of Outsourcing, the risks associated with the availability, integrity and confidentiality of data are of growing significance to us. One of the ways in which we have responded to this challenge is through ISO 27001 certification. The aim of the management system described in this standard is to ensure the availability, integrity and confidentiality of data. These measures may be impaired when IT systems are unavailable, possibly leading to claims for compensation from our business partners. Such claims can be triggered by outside attacks, among other things, through viruses and trojans. Given that similar risks are likely to exist in the future, we constantly strive to improve the information security of our systems.

In this context, our information security management system supports the continuous development of existing systems by conducting targeted analyses to establish where additional protection is needed. To prevent operational disruptions caused by external factors, such as viruses penetrating the computer system, we always deploy the latest hardware and software solutions available on the market. In addition, our IT systems and architectures are regularly audited by independent experts. To ensure this level of protection remains in place at all times, the departments concerned work strictly to the above-mentioned TÜV/ISO standards.

Financial Risks. Wincor Nixdorf's business is exposed to currency, interest rate, liquidity and credit risks. The Group treasury function and efforts to limit financial risk are, to a large extent, managed centrally.

The risk of a change in interest rates arises from taking up credit tied to the market rate. Interest expenses are mainly linked to the short-term variable market interest rate (EURIBOR) plus a margin. This margin can be subject to change depending on certain financial ratios. Being tied to a market interest rate, therefore, means that we are exposed to an interest rate risk as soon as that rate increases. In order to counteract this risk, we have concluded contracts relating to interest rate options.

The global nature of the Group generates payments in both directions in a range of currencies. Incoming and outgoing payments in individual currencies are netted off against each other. Thus, by selecting suitable suppliers and making appropriate location-related decisions, we actively seek to create a natural hedging effect to the greatest extent possible. The netted-off amounts represent our remaining exchange rate risk, which is then hedged up to 100% (depending on volume and currency) on a rolling 12-month basis by means of suitable financial instruments.

Since the companies making up the Wincor Nixdorf Group are largely refinanced centrally, there is a risk that liquidity reserves may be insufficient to settle financial obligations at the correct time. Wincor Nixdorf has provided for this eventuality by establishing reserves in the form of unused credit lines, and by treating cash flow as one of the Group's key control indicators – subject to ongoing review.

We reduce credit default risks by consistently obtaining credit reports, setting credit limits and running a proactive debtor management function, including a payment reminder system and active debt collection. Letters of credit are used to secure receivables from countries classified as presenting a credit risk.

The risks to which Wincor Nixdorf is exposed in relation to financial instruments are explained in detail in Chapter "Financial Instruments" of the Notes to the Group financial statements.

Financial Instruments, see page 131 et seq.

Capital Market as a Risk to Pension Commitments. Share, bond, property and other markets are subject to fluctuations in value that can also have an effect on our plan assets. Equally, changes in the rate of return can affect our pension commitments. Other considerations, which may also lead to an increase or reduction in pension and other commitments, include income trends, the ratio of those contributing to pension schemes and those receiving benefits from them, mortality rates, increases in health care costs and other factors. We aim to mitigate the impact of these factors by assuring that assets are distributed in a balanced and flexible manner. However, such changes can have a negative impact on pension expenses, future contributions and equity. As such, it is possible that future pension expenses and contributions may have a negative impact on the financial position and profitability of Wincor Nixdorf.

Other Risks. We are not presently aware of any actual or potential legal disputes that could affect the financial situation of the Group to any significant extent. However, Wincor Nixdorf is exposed to risks in connection with possible legal disputes in the future. Legal disputes may arise in the ordinary course of business, for instance, with regard to claims of incorrect provision of products and services, product liability, product defects, quality issues or industrial property right infringements. There can be no guarantee that the outcome of such or other legal disputes will not be detrimental to the business activities or the reputation of Wincor Nixdorf. Claims of this nature and legal disputes, some of which with a significant impact on the Group's financial situation, cannot be ruled out entirely for the future.

Overall Risk. As at the reporting date, and in the foreseeable future, the Board of Directors is not aware of any individual risk that could pose a danger to the continued existence of the Wincor Nixdorf Group. Equally, in the view of the Board of Directors, the sum of all risks does not show Wincor Nixdorf to be in any jeopardy.

EVENTS AFTER THE BALANCE SHEET DATE.

There are no events subject to mandatory inclusion in this report.

REPORT ON EXPECTED DEVELOPMENTS.

Business Environment in the Next Two Fiscal Years.

Future Macroeconomic Situation. The latest economic indicators published in fall 2010 and at the beginning of our fiscal year 2010/2011 are markedly upbeat. The International Monetary Fund (IMF) now anticipates renewed growth across the world.

According to the IMF, German GDP will rise by 2.0% in 2011, while the euro zone is expected to grow by 1.5% and the U.S. economy by 2.3%. Its researchers expect the global economy to deliver growth of 4.2% in 2011.

Once again, in the view of the IMF, it is the emerging markets that will drive global economic growth in 2011. The main players here will be the BRIC states: China with growth of 9.6%, India on 8.4%, Russia with 4.3% and Brazil on 4.1%.

At the same time, however, and especially in the industrialized countries, there are potential risks that could hamper or quickly derail a sustained macroeconomic recovery. These include the high levels of national debt maintained by the United States of America, the United Kingdom and a number of countries in the euro zone such as Ireland, Portugal and Greece.

In addition, we cannot exclude the possibility of aftershocks from the crisis in the form of instability on the international currency market.

Industry Outlook. After a decline in capital expenditure on IT among banks and retailers during the economic crisis, market analysts now anticipate renewed moderate to strong growth in both segments for the next years (all information according to PAC, 2010).

Bank industry investment in IT is expected to rise by an average of 5% per year in the period from 2010 up to 2013, equivalent to a global increase from €229 billion to €266 billion.

Looking at the retail industry, between 2010 and 2013 IT-related investment is forecast to rise by an average of approx. 4% per year, from €101 billion to €112 billion.

Overall Assessment of Future Business Environment. Looking ahead at the fiscal years 2010/2011 and 2011/2012, Wincor Nixdorf anticipates an increasingly more favorable business environment.

Providing there is no renewed destabilization of the global economy, we believe that fiscal 2010/2011 will act as a transitional phase, after which we should return to more familiar rates of growth. If the global economic recovery can be sustained, we should see an increasing readiness to invest among the companies in our target markets.

Group Focus over the Next Two Fiscal Years.

Our intention is to maintain the basic focus of our business policy. Both Wincor Nixdorf's business model and its strategy produced continued, sustainable growth in the years before the economic crisis and proved to be robust throughout the crisis itself.

During the economic crisis, it was clear that the fundamental trends in the retail banking and retail industries towards more efficient business processes and an even greater customer focus continued to gain importance. Another key factor here is that both industries are keen to push ahead ever more forcefully with their plans to expand into the emerging markets, given the return to economic growth in those countries.

Taking this and the corresponding prospects for our business as our starting point, we are convinced that we have a strategy – one that we continuously adapt to new circumstances – that will allow us to build on our success to date. Each of the four growth levers in our strategy – global expansion, innovation, a comprehensive portfolio of high-quality services and the extension of our expertise into other areas – is capable of generating potential new growth. Together they form the engine that drives our operating business (see also Value Management, Targets and Strategy).

In the future, too, our focus will be on achieving organic growth. In line with our strategy, we aim to expand our markets and business through our own resources and without any major acquisitions. We believe this approach is responsible for much of our strength and business stability.

Future Sales Markets – Additional Opportunities for Wincor Nixdorf. Given the large sums of capital expenditure directed each year by banks and retailers worldwide at information technology and related services (see "Developments in the IT Market for Retail Banking and the Retail Industry"), it is our view that these markets offer considerable long-term potential for sustained expansion. In the medium term, therefore, Wincor Nixdorf does not intend to enter into any fundamentally new sales markets.

Developments in the IT Market for Retail Banking and the Retail Industry, see page 62 et seq.

In operational terms, we will push further ahead with our development as a full-service provider of solutions geared towards process optimization. We will continue to produce innovative new products across our entire portfolio and with an increasing focus on the combination and integration of different components into end-to-end solutions. Our aim is to ease the burden of complexity facing our customers as they introduce changes to their processes.

This organic expansion will serve as a vehicle for further growth in our new areas of Professional Services, e.g., consulting, IT process consulting, software integration and adaptation, and help us significantly boost the overall value of the contribution we make to our customers' success.

Looking at future regional developments, over the next two fiscal years we expect the emerging countries, in particular the BRIC states (Brazil, Russia, India and China), to play an increasingly important role in our business. With this in mind, we have already laid strong foundations in these countries and established corresponding market positions.

Growth Based on our own Cash Management Technology. We believe there are good opportunities for growth from sales of our Cash Cycle Management Solutions (see "Our Solutions Portfolio"). We launched these at the beginning of fiscal 2009/2010 and were the first provider to offer a comprehensive end-to-end solution in this area.

Our Solutions Portfolio, see page 58 et seq.

According to estimates published by the European Payment Council (EPC), in Europe alone the annual cost to banks and retailers of cash management is in excess of €50 billion, and that is without factoring in the associated security risks – risks that can be almost entirely avoided using our technology.

Value Management, Targets and Strategy, see page 55 et seq.

The excellent response we have had from customers to our new process and solution concept strengthens our view that we are on the right track. The concept has been designed to optimize cash management processes and reduce the associated costs both at branch level and within the banks and retail companies themselves. The central aim of our portfolio is to realize closed cash cycles.

Anticipated Personnel Developments. The number of people working for Wincor Nixdorf is dependent on the future development of our business. We are confident of our prospects and are therefore planning a modest increase overall. In line with the international expansion of our operations and our determination to remain geographically close to our customers, this increase will primarily occur outside Germany.

Expected Business Situation.

Net Sales. Our objective here is to return to annual net sales growth of 6% in fiscal 2010/2011 and 2011/2012.

The key factor in determining whether we reach this target in fiscal 2010/2011 will be the speed at which the markets recover.

Looking at our **business streams**, we expect to see momentum for growth in both Hardware and Software/Services.

Our own assessment is that there will be a gradual recovery in the **Hardware** business. On the one hand, we are likely to find renewed replacement investment activities in our established markets; on the other, banks and retailers are expanding their branch networks in the emerging markets. Reflecting these developments, we should also see substantial growth in our Hardware business, including high-end systems. In the Banking segment, we anticipate stronger demand for our cash management and intelligent deposit solutions. Demand should improve in the Retail segment, too, especially for our Retail Cash Management Solutions. The continued trend in Europe towards automated checkouts in stores is also likely to have a positive impact, and we expect to push forward with the international expansion of our reverse vending business.

Our **Software/Services** business is likely to show further sustained growth over the forecast period. According to our own estimates, this will be due in part to the continued strength of the **Software** business. As well as an increase in the volume of sales thanks to improved demand for high-end solutions, we expect to benefit from our ongoing efforts to expand the portfolio of software applications in our two software suites for retail banking and the retail industry.

In the related area of **Professional Services**, we aim to expand our business by offering integration and adaptation services. The main player here will be our Consulting Services: we expect to generate new business there, e.g., in the run-up to branch restructuring measures or from the introduction of new checkout concepts.

We anticipate further growth in **Services**, e.g., as a result of additional maintenance contracts in the area of Product Related Services, linked to the projected expansion of our hardware business. Demand for Wincor Nixdorf's Managed Services is also likely to show a further increase, and we have consequently established the necessary infrastructure in more countries. Our objective is to make these innovative and highly sought-after services available to our customers as soon as possible all over the world.

Our expectation is that both the **Banking** and **Retail** segments will contribute to the growth of the Wincor Nixdorf Group in the next two fiscal years.

Expected Earnings Situation.

Profit. We expect to return to profitable growth in the next two fiscal years with annual increases of 8% in our operating profit (EBITA). Whether this can be achieved in fiscal 2010/2011 will depend on the speed with which the markets recover.

In our view, the main factor leading to this improvement in the Group's profitability will be economies of scale from growth in the hardware business, although we also expect positive contributions from sales of high-end solutions, from software and from Professional and Managed Services.

Over the last two fiscal years we have significantly increased our market strength. We therefore expect to see favorable results from the ProFuture program, which we launched in order to review and make lasting improvements to the Group's internal processes and systems. The program has also prepared us to respond more quickly and flexibly in the market and to target and exploit opportunities for further growth.

Main Income Statement Items. With regard to measures aimed at streamlining our **cost structures**, our focus remains on enhancing the productivity and flexibility of both our global production network and our Product Related Services. We also aim to keep the ratio of selling, general and administration expenses to total net sales at a low level. To help us achieve these cost targets, we make full use of tried-and-tested programs such as ProImprove, which help us to manage our business more effectively and produce our goods and services more cost-efficiently.

In the current fiscal year 2010/2011, Wincor Nixdorf will again spend over 4% of its net sales on **Research and Development**. By doing so, our goal is to maintain and in certain areas strengthen the position we have established as a leading innovator. The main focus of our development activities is on convergent platform technology for retail banking and the retail industry, in particular in the area of Cash Cycle Management Solutions and with regard to new applications for our software suite. We also want to make further improvements to the serviceability of our systems and solutions (see "Non-financial Indicators").

We expect the **Group tax rate** in the next two fiscal years to remain at approximately the same level as in the year under review.

Expected Financial Situation.

Planned Financing Measures. We intend to maintain a low level of **net debt**. To the extent that we do need to borrow, the secured terms we have negotiated allow us a good deal of flexibility. Under the terms of the revolving facility, Wincor Nixdorf Group was granted a credit line of €350 million by a consortium of banks for the period up to the beginning of August 2012. Borrowings are subject to interest based on the EURIBOR plus a margin. The entire credit line is still available until the expiry of the agreement without an obligation to make principal repayments before that time.

Thanks to this financing structure, we can obtain extra cash as needed at short notice for both our operating business and for acquisitions.

Overall, we anticipate a small increase in our finance costs compared to the year under review.

Dividend. The proposal for a dividend will continue to be based on our declared dividend policy. Accordingly, around 50% of the profit generated in a fiscal year shall be distributed as a dividend. We see this guideline as a key element of an overall corporate policy that stresses the importance of reliability.

Opportunities.

Non-financial Indicators, see page 80 et seq.

Opportunities Created by Developments in the Business Environment. Based on what has been a general improvement in the global economic situation and the forecasts published by market research institutes detailing the likely trends in capital expenditure on IT by banks and retailers, it is our belief that Wincor Nixdorf will return to a pattern of growth in the next two fiscal years (see "Expected Business Situation," "Expected Earnings Situation" and "Expected Financial Situation" in the "Report on Expected Developments"). However, a number of uncertainties remain that could put a sustained improvement in the business environment at risk (see "Business Environment in the Next Two Fiscal Years").

Opportunities Created by Innovation. Regardless of developments in the overall business environment, banks and retailers face enormous competition within their industry and therefore need to maintain a continued level of investment in IT. This provides ongoing opportunities for Wincor Nixdorf based on our established business model (see “Group Focus over the Next Two Fiscal Years”). It is in response to these opportunities that we developed our Cash Cycle Management Solutions, from which we expect to receive additional momentum for business development in both sectors, given the tangible benefits it offers to our customers (see “Growth Based on our own Cash Management Technology”).

Overall Assessment of Future Group Development.

The overall aim of the Board of Directors is to return the company over the next two fiscal years to the level of growth that it had previously set as its objective at the time of flotation, with a view to maintaining a steady rate of expansion of the business. That means profitable growth with annual increases in net sales and operating profits of 6% and 8%, respectively.

The attainability of this goal in fiscal 2010/2011 will depend on the speed at which the markets recover.

Disclaimer. The statements made in the outlook are based on current assumptions and assessments made by the Board of Directors of Wincor Nixdorf AG. They are not intended to be taken as guarantees that these expectations will prove to be correct. The future performance and actual results achieved by Wincor Nixdorf AG and its affiliated companies depend on a series of risks and uncertainties and may, therefore, vary considerably from the forecasts made. Many of these factors, such as the future of the economy and the actions of our competitors and other market players, are outside the control of Wincor Nixdorf and cannot be predicted with any degree of certainty. There are no plans to update the forecasts made in this section. Wincor Nixdorf does not accept any specific obligation in respect of the forecasts in this report.

Content Group Accounts, Notes to the Group Financial Statements.

GROUP ACCOUNTS

NOTES TO THE GROUP FINANCIAL STATEMENTS

Group Income Statement for the Period from October 1, 2009 to September 30, 2010.

€k

	Note	2009/2010	2008/2009[1]
Net sales	1	**2,239,471**	**2,250,206**
Cost of sales		–1,676,994	–1,673,456
Gross profit	2	**562,477**	**576,750**
Research and development expenses		–101,349	–102,852
Selling, general and administration expenses	3	–299,507	–300,024
Other operating income	4	556	21
Result from equity accounted investments	10	53	–457
Net profit on operating activities		**162,230**	**173,438**
Finance income	5	1,471	1,397
Finance costs	5	–7,486	–12,253
Profit before income taxes		**156,215**	**162,582**
Income taxes	6	–49,738	–49,091
Profit for the period		**106,477**	**113,491**
Profit attributable to non-controlling interests		**288**	**166**
Profit attributable to equity holders of Wincor Nixdorf AG		**106,189**	**113,325**
Shares for calculation of basic earnings per share (in thousands)	7	**31,653**	**31,664**
Shares for calculation of diluted earnings per share (in thousands)	7	**31,690**	**31,664**
Basic earnings per share (€)	7	**3.35**	**3.58**
Diluted earnings per share (€)	7	**3.35**	**3.58**

Statement of Comprehensive Income for the Period from October 1, 2009 to September 30, 2010.

€k

	Note	2009/2010	2008/2009
Profit for the period		**106,477**	**113,491**
Other comprehensive income:			
Cash flow hedges and securities		–5,937	6,054
Exchange rate changes and other changes		9,238	–1,877
Actuarial gains and losses		–8,274	254
Other comprehensive income[2]	16	**–4,973**	**4,431**
Total comprehensive income		**101,504**	**117,922**
Total comprehensive income attributable to:			
Non-controlling interests		**288**	**169**
Equity holders of Wincor Nixdorf AG		**101,216**	**117,753**

[1] Previous-year figures adjusted, for further explanations, see "General Information."
[2] Other comprehensive income, net of tax.

Group Balance Sheet as of September 30, 2010.

Assets

€k

	Note	Sept. 30, 2010		Sept. 30, 2009	
Non-current assets					
Intangible assets	8	352,003		357,863	
Property, plant and equipment	9	153,313		145,850	
Investments accounted for using the equity method	10	28		0	
Investments	10	1,193		1,453	
Reworkable service parts	11	21,559		19,453	
Trade receivables	12	1,995		2,480	
Other assets	12	2,366		5,899	
Deferred tax assets	13	26,017	558,474	22,656	555,654
Current assets					
Inventories	14	288,025		253,670	
Trade receivables	12	340,677		312,261	
Receivables from related companies	12	281		330	
Current income tax assets	12	3,726		3,783	
Other assets	12	60,018		56,833	
Investments	10	26		10	
Cash and cash equivalents	15	19,959	712,712	16,274	643,161
Total assets			**1,271,186**		**1,198,815**

Equity and Liabilities

€k

	Note	Sept. 30, 2010		Sept. 30, 2009	
Equity					
Subscribed capital of Wincor Nixdorf AG		33,085		33,085	
Retained earnings		389,922		344,970	
Treasury shares		-101,243		-87,226	
Other components of equity		30,583		32,087	
Equity attributable to equity holders of Wincor Nixdorf AG	16	**352,347**		**322,916**	
Non-controlling interests	17	6,103	358,450	7,095	330,011
Non-current liabilities					
Accruals for pensions and similar commitments	18	23,198		14,360	
Other accruals	19	46,283		41,617	
Financial liabilities	20	115,334		154,842	
Trade payables	20	402		0	
Other liabilities	20	5,665		5,001	
Deferred tax liabilities	13	17,585	208,467	17,608	233,428
Current liabilities					
Other accruals	19	146,174		138,744	
Financial liabilities	20	39,030		11,923	
Advances received	20	32,313		29,606	
Trade payables	20	274,191		256,862	
Liabilities to related companies	20	884		438	
Current income tax liabilities	20	23,138		28,529	
Other liabilities	20	188,539	704,269	169,274	635,376
Total equity and liabilities			**1,271,186**		**1,198,815**

Group Cash Flow Statement[1].

€k

	2009/2010	2008/2009[4]
EBITA[2]	**162,230**	**178,281**
Amortization/depreciation of property rights, licenses and property, plant and equipment	52,333	50,061
Write-down of reworkable service parts	8,628	6,024
EBITDA[2]	**223,191**	**234,366**
Interest paid	-5,495	–8,584
Income taxes paid	–51,559	–64,949
Gain on disposal of intangible assets and property, plant and equipment	61	506
Increase/decrease in accruals	19,527	–28,312
Other non-cash expenses, less other non-cash income	664	3,081
Increase/decrease in working capital	–32,800	48,667
Decrease/increase in other assets and other liabilities	519	–7,715
Cash flow from operating activities	**154,108**	**177,060**
Payments received from the disposal of property, plant and equipment	583	2,300
Payments received from the disposal of investments and other payments received	264	30
Payments made for investment in intangible assets	–6,325	–8,491
Payments made for investment in property, plant and equipment	–46,368	–43,770
Payments made for acquisition of consolidated affiliated companies, jointly controlled entities and other business units	0	–8,206
Payments made for investments	0	–165
Payments made for investment in reworkable service parts	–10,354	–9,065
Cash flow from investment activities	**–62,200**	**–67,367**
Payments made to equity holders	–58,578	–67,444
Payments received from financial loan draw-downs	23,059	18,899
Payments made for repayment of financial loans	–60,266	–52,366
Payments made to minority interest and other payments	–4,535	–430
Payments made for repurchase of treasury shares	–14,017	0
Payments made/received due to special items	-1,215	4
Cash flow from financing activities	**–115,552**	**–101,337**
Net change in cash and cash equivalents	**–23,644**	**8,356**
Change in cash and cash equivalents from exchange rate movements	145	–3
Cash and cash equivalents at beginning of period[3]	5,816	–2,537
Cash and cash equivalents at end of period[3]	**–17,683**	**5,816**

1) For further explanations, see Note ▶ 27.
2) Previous year: after elimination of profit charges arising from the carve-out, see Note ▶ 29.
3) Include cash and cash equivalents and current bank borrowings.
4) Previous-year figures adjusted, for further explanations, see "General Information."

Changes in Equity.

€k

	Equity attributable to equity holders of Wincor Nixdorf AG								
				Other components of equity					
	Subscribed capital	Retained earnings	Treasury shares	Add. paid-in capital	Exchange rate changes	Cash flow hedges/ securities	Total	Non-controlling interests	Equity
As of October 1, 2008	**33,085**	**291,922**	**–87,226**	**43,299**	**–9,765**	**–2,995**	**268,320**	**7,321**	**275,641**
Other comprehensive income	**0**	**3,174**	**0**	**0**	**–4,800**	**6,054**	**4,428**	**3**	**4,431**
Profit for the period	0	113,325	0	0	0	0	113,325	166	113,491
Total comprehensive income	**0**	**116,499**	**0**	**0**	**–4,800**	**6,054**	**117,753**	**169**	**117,922**
Share options	0	4,076	0	294	0	0	4,370	0	4,370
Takeover of shares	0	0	0	0	0	0	0	–49	–49
Distributions	0	–67,527	0	0	0	0	–67,527	–346	–67,873
As of September 30, 2009	**33,085**	**344,970**	**–87,226**	**43,593**	**–14,565**	**3,059**	**322,916**	**7,095**	**330,011**
As of October 1, 2009	**33,085**	**344,970**	**–87,226**	**43,593**	**–14,565**	**3,059**	**322,916**	**7,095**	**330,011**
Other comprehensive income	**0**	**–4,574**	**0**	**0**	**5,538**	**–5,937**	**–4,973**	**0**	**–4,973**
Profit for the period	0	106,189	0	0	0	0	106,189	288	106,477
Total comprehensive income	**0**	**101,615**	**0**	**0**	**5,538**	**–5,937**	**101,216**	**288**	**101,504**
Share options	0	5,046	0	–1,105	0	0	3,941	0	3,941
Changes in treasury shares	0	0	–14,017	0	0	0	–14,017	0	–14,017
Takeover of shares	0	–3,021	0	0	0	0	–3,021	–977	–3,998
Distributions	0	–58,688	0	0	0	0	–58,688	–303	–58,991
As of September 30, 2010	**33,085**	**389,922**	**–101,243**	**42,488**	**–9,027**	**–2,878**	**352,347**	**6,103**	**358,450**

Notes to the Group Financial Statements for Fiscal 2009/2010.

SEGMENT REPORT IN ACCORDANCE WITH IFRS 8.

Operating Segments[1].

€k

	Banking	Retail	Group
Net sales to external customers	1,497,255 (1,532,269)	742,216 (717,937)	**2,239,471** (2,250,206)
Operating profit (EBITA)[2]	125,865 (144,344)	36,365 (33,937)	**162,230** (178,281)
Segment assets	561,705 (505,374)	262,238 (253,297)	**823,943** (758,671)
Segment liabilities	250,282 (242,931)	144,975 (123,611)	**395,257** (366,542)
Investment in property rights, licenses and property, plant and equipment	45,289 (48,527)	6,204 (6,534)	**51,493** (55,061)
Investment in reworkable service parts	8,076 (7,569)	2,278 (1,496)	**10,354** (9,065)
Amortization/depreciation and impairment of property rights, licenses and property, plant and equipment	44,614 (42,366)	7,719 (7,695)	**52,333** (50,061)
Write-down of reworkable service parts	6,730 (5,030)	1,898 (994)	**8,628** (6,024)
Research and development expenses	67,530 (69,387)	33,819 (33,465)	**101,349** (102,852)

Last year's figures are shown in brackets.
[1] For further explanations, see Note 28.
[2] Previous year: after elimination of profit charges arising from the carve-out, see Note 29.

Secondary Information[1].

€k

	Europe	*Included in Europe: Germany*	Asia/Pacific/ Africa	Americas	Group
Net sales to external customers	1,602,804 (1,690,886)	*643,750* *(627,027)*	331,921 (359,196)	304,746 (200,124)	**2,239,471** (2,250,206)
Segment assets	560,009 (569,022)	*295,315* *(307,580)*	192,954 (130,772)	70,980 (58,877)	**823,943** (758,671)
Non-current assets	171,407 (169,817)	*153,481* *(150,057)*	15,899 (15,752)	5,941 (4,692)	**193,247** (190,261)
Investment in property rights, licenses and property, plant and equipment	43,208 (50,380)	*37,377* *(43,321)*	2,913 (3,331)	5,372 (1,350)	**51,493** (55,061)
Investment in reworkable service parts	9,604 (7,575)	*9,604* *(7,575)*	750 (1,490)	0 (0)	**10,354** (9,065)

Last year's figures are shown in brackets.
[1] 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 related areas of business as well as receipt and document printers. With the software Retail Banking Suite Wincor Nixdorf offers banks standard software for all self-service systems. The software 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 extensive product related services.

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 Retail Suite allows the central control of all systems within the branch and the operation of different checkout concepts. The Retail segment also offers services like IT and business consulting, the emphasis being on SAP applications. Moreover, the services proposition was expanded with the new store opening concept. This concept provides the entire IT infrastructure ready for the opening and operation of a new branch.

At the Wincor World 2010 trade fair Wincor Nixdorf presented a completely new portfolio of modular cash management solutions for retail banks and retailers that, for the first time, supports the cash handling processes common to both industries. The overriding objectives of our new portfolio of Cash Cycle Management Solutions are to maximize the level of automation of bank and retail cash processes, to close cash cycles and to shorten the cash logistics chain. One of the ways in which we can achieve this is by implementing systems based on a single banknote storage concept for both industries. This concept makes it possible to exchange storage media within the new system family called CINEO. Cash Cycle Management Solutions can be used to automate cash processes at bank and retail branches. In addition, drawing on the entire technology platform, they make it possible to reduce the costs involved in branch-wide cash processes. These can be linked to each other as part of an intelligent system by using full note storage units from retail outlets to resupply ATMs. As an additional benefit, the cash centers operated by cash-in-transit (CiT) companies can be integrated into the overall cash cycle management system.

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 predominantly 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 de-merged 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) unless stated otherwise.

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 18, 2010, 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 issuing an approval of the Group financial statements.

Changes in Accounting and Valuation Methods. During the preparation of the 2009/2010 consolidated financial statements, the accounting and valuation principles applied were amended with regard to the financial reporting of pension obligations. The actuarial gains and losses arising in the context of the valuation of defined benefit obligations and associated plan assets were previously recognized immediately in the relevant year's profit for the period. In the fourth quarter of 2009/2010, the accounting of defined benefit obligations was amended to the effect that actuarial gains and losses are recognized directly in equity without affecting the Group income statement, having taken into account deferred taxes. In the view of Wincor Nixdorf, a change in the previous accounting practice – to the effect that actuarial gains and losses are now recognized using the option in IAS 19.93A, et seq. – enables the financial statements to provide more reliable and relevant information on the effects of the actuarial gains and losses on the performance, financial position and assets. The accounting practice used to date in the Wincor Nixdorf Group, whereby all actuarial gains and losses are recognized directly in profit/loss for the period, is only used by a very small number of companies. Accordingly, its consolidated financial statements were only comparable with other companies and competitors to a limited extent. From Wincor Nixdorf's perspective, the change in the accounting method adopting the proposed amendments to IAS 19 – recognizing remeasurements directly in equity – also facilitates a more continuous mapping of effects over time.

The change to the accounting practice was applied retrospectively and affects the Group income statement and the income and expenses recognized in equity but not the balance sheet because all changes arose within the retained earnings. Because of this, no opening balance sheet was published for the fiscal year 2008/2009. In the Group cash flow statement for the fiscal year 2008/2009, EBITA decreased by €783k and other non-cash income/expenses increased by the same amount, leaving the cash flow from operating activities unchanged. The effects on the Group income statement comparatives reported in the previous year are shown in the following overview:

Group Income Statement.

€k

	2008/2009 published	2008/2009 adjustments	2008/2009 adjusted
Net sales	**2,250,206**	**0**	**2,250,206**
Cost of sales	–1,672,758	–698	–1,673,456
Gross profit	**577,448**	**–698**	**576,750**
Research and development expenses	–103,249	397	–102,852
Selling, general and administration expenses	–299,542	–482	–300,024
Other operating income	21	0	21
Result from equity accounted investments	–457	0	–457
Net profit on operating activities	**174,221**	**–783**	**173,438**
Finance income	1,397	0	1,397
Finance costs	–12,253	0	–12,253
Profit before income taxes	**163,365**	**–783**	**162,582**
Income taxes	–49,620	529	–49,091
Profit for the period	**113,745**	**–254**	**113,491**
Profit attributable to non-controlling interests	**166**	**0**	**166**
Profit attributable to equity holders of Wincor Nixdorf AG	**113,579**	**–254**	**113,325**
Shares for calculation of basic earnings per share (in thousands)	**31,664**	**31,664**	**31,664**
Shares for calculation of diluted earnings per share (in thousands)	**31,664**	**31,664**	**31,664**
Basic earnings per share (€)	**3.59**	**–0.01**	**3.58**
Diluted earnings per share (€)	**3.59**	**–0.01**	**3.58**

Use of International Financial Reporting Standards (IFRS). The Group financial statements of Wincor Nixdorf AG as of September 30, 2010, 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 2009/2010. Additionally, the statutory requirements according to Section 315a (1) of the German Commercial Code have been considered.

In fiscal 2009/2010, Wincor Nixdorf AG has applied the following standards, interpretations and amendments for the first time:

- 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)
- 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 16 "Hedges of a 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 IFRS 7 and IFRS 4 "Improving Disclosures about Financial Instruments" (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)
- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement – Eligible Hedged Items" (to be applied for periods beginning on or after July 1, 2009)
- Amendments to IFRIC 9 and IAS 39 "Reassessment of Embedded Derivatives" (to be applied for periods beginning on or after January 1, 2009)
- "Improvements to IFRSs" (to be applied for periods beginning on or after January 1, 2009/July 1, 2009)

The first-time application of standards, interpretations and amendments had no material effect on the Group financial statements of Wincor Nixdorf AG as of September 30, 2010.

In addition, the following standards, interpretations and amendments have been released by the IASB and adopted by the European Union until September 30, 2010; however, they are not yet applicable for the Group financial statements of Wincor Nixdorf AG in fiscal 2009/2010:

- IFRS 1 revised "First-time Adoption of IFRS" (to be applied for periods beginning on or after January 1, 2010)
- IAS 24 revised "Related Party Disclosures" and amendments to IFRS 8 "Operating Segments" (to be applied for periods beginning on or after January 1, 2011)
- IFRIC 17 "Distributions of Non-cash Assets to Owners" (to be applied for periods beginning on or after November 1, 2009)
- IFRIC 18 "Transfer of Assets from Customers" (to be applied for periods beginning on or after November 1, 2009)
- IFRIC 15 "Agreements for the Construction of Real Estate" (to be applied for periods beginning on or after January 1, 2010)
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" and amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" (to be applied for periods beginning on or after July 1, 2010)
- Amendments to IFRS 1 "Additional Exemptions for First-time Adopters" (to be applied for periods beginning on or after January 1, 2010)
- Amendments to IFRS 2 "Group Cash-settled Share-based Payment Transactions" (to be applied for periods beginning on or after January 1, 2010)

- Amendments to IFRS 1 und IFRS 7 "Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters" (to be applied for periods beginning on or after July 1, 2010)
- Amendments to IAS 32 "Financial Instruments: Presentation: Classification of Rights Issues" (to be applied for periods beginning on or after February 1, 2010)
- Amendments to IFRIC 14 "Prepayments of a Minimum Funding Requirement" (to be applied for periods beginning on or after January 1, 2011)
- "Improvements to IFRSs (Issued by IASB in April 2009)" (to be applied for periods beginning on or after January 1, 2010)

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 that 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, 2010, 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 2009/2010, changes in the consolidation group as a result of new foundations were as follows:

- New foundation of WINCOR NIXDORF Business Administration Center GmbH, Paderborn, subscribed capital of €25k
- New foundation of WINCOR NIXDORF Manufacturing GmbH, Paderborn, subscribed capital of €100k
- New foundation of Wincor Nixdorf Retail & Banking Systems Manufacturing (Shanghai) Co., Ltd., Shanghai, China, subscribed capital of CNY 34,133k (€2,490k)
- New foundation of WINCOR NIXDORF MANUFACTURING PTE. LTD, Singapore, Singapore, subscribed capital of 1.00 USD

The number of consolidated companies changed as follows:

	Germany	Other countries	Total
October 1	20	53	73
Newly founded companies	2	2	4
Intragroup mergers	0	–2	–2
September 30	**22**	**53**	**75**

During the year under review Wincor Nixdorf increased its interests in Bankberatung Organisations- und IT-Beratung für Banken AG by 31.44% to 83.87% for a total purchase price of €4,010k. There was no significant impact on the Group's net assets, financial position and results of operations as a result of the change of the consolidation group in fiscal 2009/2010.

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, 2010, and, for the comparative period, as of September 30, 2009. By departure from this, we have used interim accounts in respect of seven 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 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 "non-controlling interests." 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. If necessary deferred taxes are applied on consolidation transactions.

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., Istanbul, 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:

		Average rate		Closing rate	
1€ =	ISO Code	**2009/2010**	2008/2009	**Sept. 30, 2010**	Sept. 30, 2009
Pounds sterling	GBP	0.8679	0.8815	0.8600	0.9093
U.S. dollar	USD	1.3535	1.3576	1.3648	1.4643

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. With the exception of the recognition of actuarial gains and losses the 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 "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.

If the sale of products includes a determinable amount for subsequent services (multiple-component contracts), the related revenues are deferred and recognized as income over the period of the contract. Amounts are normally recognized as income according to the service provision.

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 in principle on a straight-line basis over the contract terms.

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 intangible assets and property, plant and equipment.

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. Basically, 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 2009/2010, €0k (2008/2009: €968k) were recognized as reductions of costs. Grants related to income (e.g. grants from the Federal Employment Agency) 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 under review, government grants related to income came to €1,700k (2008/2009: €595k) 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 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 and licenses is a maximum of five years. The product know-how arising from the leveraged buy-out was amortized ultimately in the previous year.

In the Group income statement, the amortization of product know-how was shown under cost of sales. The amortization as well as impairment losses of other intangible assets 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).

As in the previous year, there were no reversals of impairment losses on intangible assets. No borrowing costs were recognized as a cost component of intangible assets during the year under report.

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. 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).

As in the previous year, there were no reversals of impairment losses on property, plant and equipment. No borrowing costs were recognized as a cost component of property, plant and equipment during the year under review.

Impairment. With the exception of inventories (see "Reworkable 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 where necessary 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, at first 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 2012/2013, with subsequent transition to perpetuity. The assumptive 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 5.4 and 9.0% resembling the referring rate of return of the business units. As of September 30, 2010, no impairment is necessary.

The Retail and Banking business carved out of the Siemens Group as of October 1, 1999, is separated in 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 €291,681k (2008/2009: €291,137k) and €22,317k (2008/2009: €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 over the estimated useful life or the shorter 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.

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 and derivatives with the acquisition costs at trade date.

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

Wincor Nixdorf does not use the option to categorize financial assets or liabilities at fair value through profit or loss (FVO) when initially recognized, with the exception of the issue described in Notes 10 and 21.

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 (FVO and HfT): 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. The carrying amounts of financial assets not carried at fair value through profit and loss 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). Objective evidence includes, for example, considerable financial difficulty of the debtor obligor, disappearance of an active market, and significant changes in the technological, market, economic or legal environment. A significant or prolonged decline in fair value of an equity instrument is an objective evidence of impairment. 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 assets at fair value through profit or loss," "held to maturity," "available for sale" or "loans and receivables." Investments are classified as "financial assets 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.

For information on investments accounted for using the equity method please refer to chapter Methods of Consolidation.

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 initially measured at fair value and at amortized cost using the effective-interest rate method 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 using the effective-interest rate method 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 assets 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 assets 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 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 amounts 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 or for which the hedged item no longer exists 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 at that date. 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 and with that at low risk. The terms of the corporate bonds have to be consistent with the estimated terms of the obligations.

In the past, Wincor Nixdorf used the iboxx Corporate AA 10+ ("iboxx 10+") as a basis for determining the discount rate. As the interest rate curve was relatively flat in recent years and the influence of the duration on the interest rate to be used was correspondingly low, the iboxx 10+ served as a good indicator for determining the discount rate for the Wincor Nixdorf portfolio. Unlike in previous years, however, the interest rate curve as at September 30, 2010, is extremely steep, meaning that the duration has a far greater influence on determining the discount rate. In view of this, Wincor Nixdorf has, as of September 30, 2010, decided to use the Mercer Pension Discount Yield Curve for the first time, as a basis for determining the discount rate, as this takes into account the duration of the Wincor Nixdorf portfolio. If the iboxx 10+ had been used to determine the discount rate as at September 30, 2010, this would have resulted in a discount rate of 4.0%, which in turn would have meant that the present value of benefit obligations, as at September 30, 2010, would have been reported as being around €7 million higher.

Pension expenses 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. A negative net obligation arising from prepaid future contributions is only recognized as an asset to the extent that a cash refund from the plan or reductions of future contributions to the plan are available ("asset ceiling"). Any exceeding amount is recognized in equity in the period when it is incurred.

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 comprised as follows:

€k

	2009/2010	2008/2009
Hardware	1,140,179	1,223,627
Software/Services	1,099,292	1,026,579
	2,239,471	**2,250,206**

2 Gross Profit. Gross margin on net sales has fallen by 0.5 percentage points to 25.1% compared to previous year's equivalent figure (2008/2009: 25.6%). Previous year, the gross margin after adjusting for profit charges arising from the carve-out (see Note 29) was 25.8%. The decline in the gross margin was mainly attributable to mix-specific factors and lower economies of scale.

The foreign currency gains and losses of –€329k (2008/2009: –€26,460k) 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 €556k (2008/2009: €21k) mainly comprises government allowances related to assets capitalized in previous years.

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

€k

	2009/2010	2008/2009
Income from securities and other income	142	231
Interest and similar income	1,329	1,166
Finance income	**1,471**	**1,397**
Interest and similar expenses	–6,079	–11,033
Interest element within additions to long-term accruals and other finance costs	–1,407	–1,220
Finance costs	**–7,486**	**–12,253**
	–6,015	**–10,856**

During the year under review, interest expenses on long-term bank debt amounted to €1,419k (2008/2009: €4,538k). All borrowing costs have been immediately recognized as finance costs.

6 Income Taxes.

€k

	2009/2010	2008/2009
Ongoing taxes on income and profit	–46,351	–43,359
Deferred tax income and expenses	–3,387	–5,732
	–49,738	**–49,091**

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 €4,089k (2008/2009: –€1,840k) have been recorded in equity without any effect on profit and loss. They result from the market valuation of the cash flow hedges as well as actuarial gains and losses without affecting the Group income statement.

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 balance sheet, using the liability method, plus capitalization of tax losses capable of being carried forward. 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, 2010, tax losses carried forward in the amount of €20,681k (2008/2009: €14,713k) and temporary differences in the amount of €4,700k on which no deferred tax asset has been capitalized until now.

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

Actual tax expenses are €2,873k 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 €316k above those which could have been expected.

As of September 30, 2010, 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 to the actual reported tax:

€k

	2009/2010	2008/2009
Profit before income taxes	**156,215**	**162,582**
Expected tax expenses based on a tax rate of 30%	**–46,865**	**–48,775**
Differences from expected tax expenses		
Difference from local tax rates	5,761	3,231
Difference arising from change of deferred tax rate and income tax rate	–116	–21
Increases/decreases in tax due to tax-exempt income and non-tax-deductible expenses	–4,314	–4,851
Entries excl. deferred taxes or with differing tax rates	–246	–138
Corrections relating to other periods and other effects	–561	2,838
Non-recognition of deferred taxes on current losses and temporary differences	–1,800	–1,375
Impairment on tax-loss carryforwards	–1,597	0
Total adjustments	**–2,873**	**–316**
Actual tax expenses	**–49,738**	**–49,091**

The effective tax rate is 31.8% (2008/2009: 30.2%).

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

€k

	Sept. 30, 2010		Sept. 30, 2009	
	Deferred tax assets	**Deferred tax liabilities**	Deferred tax assets	Deferred tax liabilities
Intangible assets	83	47,355	110	44,319
Property, plant and equipment	2,988	2,212	1,724	1,307
Investments	21	0	14	0
Inventories	16,660	677	13,319	788
Receivables and other current assets	3,003	903	4,109	2,645
Pension accruals	8,810	460	10,357	498
Other accruals	25,417	1,162	17,372	934
Liabilities	3,176	412	4,536	774
Losses carried forward	1,455	0	4,772	0
	61,613	**53,181**	**56,313**	**51,265**
Netting off of deferred tax assets and liabilities	–35,596	–35,596	–33,657	–33,657
	26,017	**17,585**	**22,656**	**17,608**

7 Earnings per Share. Basic earnings per share are calculated by dividing profit or loss attributable to shareholders of Wincor Nixdorf AG by the weighted average number of shares outstanding. Diluted earnings per share additionally reflect the potential dilution that would occur if stock option plans (Note 16) were exercised.

	2009/2010	2008/2009
Profit attributable to equity holders of Wincor Nixdorf AG (€k)	106,189	113,325
Number of shares outstanding as of October 1 (in thousands)	31,664	31,664
Number of shares outstanding as of September 30 (in thousands)	31,371	31,664
Weighted average number of shares outstanding (in thousands)	31,653	31,664
Basic earnings per share (€)	**3.35**	**3.58**
Number of potentially dilutive ordinary shares (in thousands)	37	0
Weighted average number of shares used to compute diluted earnings per share (in thousands)	31,690	31,664
Diluted earnings per share (€)	**3.35**	**3.58**

NOTES TO THE GROUP BALANCE SHEET.

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

€k

	Commercial patents and similar rights/ items plus licenses to such rights/items	Product know-how	Goodwill	Total
Cost of acquisition or production				
Balance as of October 1, 2008	**59,526**	**206,664**	**336,672**	**602,862**
Currency translation	–721	0	–601	–1,322
Changes in consolidation group	2,300	0	0	2,300
Additions	11,291	0	0	11,291
Transfers	22	0	0	22
Disposals	–4,192	0	0	–4,192
Balance as of September 30, 2009/October 1, 2009	**68,226**	**206,664**	**336,071**	**610,961**
Currency translation	1,850	0	723	2,573
Additions	5,125	0	0	5,125
Disposals	–9,248	0	0	–9,248
Balance as of September 30, 2010	**65,953**	**206,664**	**336,794**	**609,411**
Amortization				
Balance as of October 1, 2008	**35,184**	**201,821**	**3,165**	**240,170**
Amortization for the fiscal year	11,807	4,843	0	16,650
Transfers	8	0	0	8
Disposals	–3,730	0	0	–3,730
Balance as of September 30, 2009/October 1, 2009	**43,269**	**206,664**	**3,165**	**253,098**
Currency translation	1,267	0	0	1,267
Amortization for the fiscal year	10,871	0	0	10,871
Impairment	1,420	0	0	1,420
Disposals	–9,248	0	0	–9,248
Balance as of September 30, 2010	**47,579**	**206,664**	**3,165**	**257,408**
Carrying amount as of September 30, 2010	**18,374**	**0**	**333,629**	**352,003**
Carrying amount as of September 30, 2009	**24,957**	**0**	**332,906**	**357,863**

During fiscal 2009/2010, the acquisitions, which mainly relate to commercial patents and licenses for Outsourcing projects and own infrastructure, resulted in additions of €5,125k (2008/ 2009: €11,291k). Impairment losses of the reporting period pertain to the operating segment Retail and were mainly recognized in the cost of sales.

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
Cost of acquisition or production						
Balance as of October 1, 2008	**52,615**	**59,559**	**202,816**	**6,087**	**12,265**	**333,342**
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
Balance as of September 30, 2009/October 1, 2009	**53,182**	**58,147**	**203,387**	**8,228**	**20,839**	**343,783**
Currency translation	784	842	3,100	463	0	5,189
Additions	727	2,512	31,970	2,494	8,665	46,368
Transfers	167	0	17,013	0	–17,180	0
Disposals	–70	–896	–15,136	–54	–2	–16,158
Balance as of September 30, 2010	**54,790**	**60,605**	**240,334**	**11,131**	**12,322**	**379,182**
Depreciation						
Balance as of October 1, 2008	**16,265**	**39,131**	**133,719**	**1,368**	**0**	**190,483**
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
Balance as of September 30, 2009/October 1, 2009	**18,368**	**38,414**	**138,587**	**2,564**	**0**	**197,933**
Currency translation	366	542	2,246	254	0	3,408
Depreciation for the fiscal year	2,605	3,234	32,371	1,646	0	39,856
Impairment	7	4	175	0	0	186
Transfers	12	0	–13	1	0	0
Disposals	–62	–860	–14,550	–42	0	–15,514
Balance as of September 30, 2010	**21,296**	**41,334**	**158,816**	**4,423**	**0**	**225,869**
Carrying amount as of September 30, 2010	**33,494**	**19,271**	**81,518**	**6,708**	**12,322**	**153,313**
Carrying amount as of September 30, 2009	**34,814**	**19,733**	**64,800**	**5,664**	**20,839**	**145,850**

Additions to property, plant and equipment are valued at €46,368k (2008/2009: €43,770k), with large individual elements of this being other fixed assets and office equipment at €31,970k (essentially IT equipment and specialist tools), plant and machinery at €2,512k and equipment under construction at €8,665k, 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, 2010	Sept. 30, 2009
Residual term up to 1 year	3,489	1,921
Residual term between 1 and 5 years	9,846	5,820
Residual term more than 5 years	1,944	1,500
	15,279	**9,241**

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 – unchanged to the previous year – accounted for "at fair value through profit or loss (FVO)" since the fair value can be measured reliably. The measurement at fair value showed no change in the fair value as of September 30, 2010, in contrast to the previous year (2008/2009: €6k), the net book value still amounts to €1,061k as of September 30, 2010 (2008/2009: €1,061k). This investment does not have a quoted market price in an active market; therefore existing contractual settlements were used in order to calculate the fair value.

A 50% investment in WINSERVICE AS, Oslo, Norway, is accounted for using the equity method. The net book value amounts to €28k as of September 30, 2010 (2008/2009: €0k). The result from equity accounted investments amounts to €53k in the period under review (2008/2009: –€457k). 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, 2010, at their lower of cost and net realizable value, was €21,559k (2008/2009: €19,453k). Write-down of reworkable service parts reported under cost of sales is €8,628k (2008/2009: €6,024k).

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

€k

	Sept. 30, 2010	Sept. 30, 2009
Trade receivables, gross	359,729	331,482
less: allowance for doubtful accounts	–17,057	–16,741
Trade receivables, net	**342,672**	**314,741**

Trade receivables with an amount of €1,995k (2008/2009: €2,480k) become due after one year.

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

€k

	Specific allowances		Portfolio-based allowances		Total	
	2009/2010	2008/2009	**2009/2010**	2008/2009	**2009/2010**	2008/2009
Balance as of October 1	13,685	14,573	3,056	3,565	16,741	18,138
Changes in allowances with effect on profit and loss	112	–888	204	–509	316	–1,397
Balance as of September 30	**13,797**	**13,685**	**3,260**	**3,056**	**17,057**	**16,741**

On the 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
September 30, 2010	**37,687**	**37,980**	**2,026**
September 30, 2009	49,897	27,517	2,421

With respect to trade receivables not past due and not impaired 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 €3,073k (2008/2009: €3,610k). The leasing contracts are originally concluded for a term of up to ten years. There was no impairment requirement on finance lease receivables in fiscal 2009/2010 and 2008/2009.

Residual Terms of Present Value of Minimum Lease Payments Receivable.

€k

	Sept. 30, 2010	Sept. 30, 2009
Residual term up to 1 year	1,078	1,130
Residual term between 1 and 5 years	1,895	2,237
Residual term more than 5 years	100	243
	3,073	**3,610**

Residual Terms of Total Gross Investment in the Lease.

€k

	Sept. 30, 2010	Sept. 30, 2009
Residual term up to 1 year	1,319	1,405
Residual term between 1 and 5 years	2,130	2,578
Residual term more than 5 years	102	256
Unearned finance income	–478	–629
Present value of minimum lease payments receivable	**3,073**	**3,610**

Other receivables and other assets comprise the following:

€k

	Sept. 30, 2010		Sept. 30, 2009	
	Total	Due >1 year	Total	Due >1 year
Receivables from related companies	281	0	330	0
Current income tax assets	3,726	0	3,783	0
Other assets	62,384	7,804	62,732	8,917
	66,391	**7,804**	**66,845**	**8,917**

Other assets include the following items:

€k

	Sept. 30, 2010		Sept. 30, 2009	
	Total	Due >1 year	Total	Due >1 year
Sales tax	16,690	0	21,604	0
Surplus of plan assets	923	923	4,629	4,629
Forward currency transactions	2,929	0	7,470	0
Receivables from employees	949	93	1,113	109
Prepaid expenses	23,453	5,438	17,757	3,018
Other	17,440	1,350	10,159	1,161
	62,384	**7,804**	**62,732**	**8,917**

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, 2010, these items include deferred tax assets of €26,017k (2008/2009: €22,656k) and deferred tax liabilities of €17,585k (2008/2009: €17,608k), after netting off deferred tax liabilities with deferred tax assets. Deferred tax assets of €1,455k (2008/2009: €4,772k) are the result of the probable future utilization of tax losses carried forward. Further explanatory notes on deferred tax assets are contained in Note 6.

14 Inventories.

€k

	Sept. 30, 2010	Sept. 30, 2009
Raw materials and supplies	77,385	53,747
Unfinished goods	21,663	23,561
Finished goods and merchandise	187,314	174,708
Advances made	1,663	1,654
	288,025	**253,670**

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, 2010, at their lower of cost and net realizable value, was €70,422k (2008/2009: €64,941k). Inventory impairment reported under cost of sales is €7,331k (2008/2009: €8,641k).

15 Cash and Cash Equivalents.

Cash in Hand and at Bank (including Checks). The cash in hand of €3,115k (2008/2009: €2,834k) mainly includes test cash for automated teller machines. Bank balances, including payments en-route, are €16,351k (2008/2009: €12,582k). Checks amount to €493k (2008/2009: €858k).

16 Group Equity.

The changes in Group equity and individual elements thereof are shown in detail in the “Changes in Equity” table.

Distributions. Wincor Nixdorf remains committed to the existing dividend policy: as regards the dividend for fiscal 2009/2010, profit for the period in the amount of €106,477k 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 a dividend of €1.70 per qualifying share will be proposed to the Supervisory Board, a decrease of 8.1% on the dividend of €1.85 paid out in the preceding year. This corresponded to a total distribution of €53,149k on the date on which the Group financial statements were released by the Board of Directors. Based on the closing share price as of September 30, 2010, the dividend yield is 3.6%. The dividend will be paid out on January 25, 2011, subject to the approval of the Annual General Meeting of shareholders (in the following “AGM”).

As of September 30, 2010, the consolidated profit of Wincor Nixdorf AG amounted to €238,432k. The undistributed portion of consolidated profit, amounting to €185,283k, will be carried forward to new account.

The amount of €58,578k (€1.85 per share) was distributed in fiscal 2009/2010 to Wincor Nixdorf AG equity holders.

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 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, 2010, are fully paid-up. Each share is granted equal voting rights and equal dividend entitlement. Changes in the number of shares issued and entitled to dividend were as follows:

As of October 1	31,664,008
Purchase of treasury shares	–293,291
As of September 30	**31,370,717**
Weighted average of shares in fiscal 2009/2010	31,652,775

Treasury Shares. On August 2, 2010, the Board of Directors of Wincor Nixdorf AG passed a resolution for the repurchase, as from August 3, 2010, of up to 400,000 of the Company’s shares via the stock exchange. In doing so, it availed itself of the authorization granted by the AGM on January 25, 2010.

In the case of the approved repurchase of own shares by the Company, the purchase price per share (excluding ancillary costs of purchase) shall deviate by no more than 5% in either direction from the average share price at the closing auction of Xetra trading on the Frankfurt Stock Exchange, for the final ten trading days prior to the purchase of the shares. The repurchased shares are to be used for all legitimate purposes and for those covered by the authorization issued by the AGM, in particular, for the purpose of settling obligations arising from share options already issued or to be issued to members of the Board of Directors, other managers or staff members of the Company and/or subordinated affiliated entities on the basis of the authorization granted for the issuance of share options.

Between August 3, 2010, and September 30, 2010, 293,291 shares were bought at an average price of €47.78. The acquisition costs, including ancillary costs of acquisition to the amount of €5k, amounting to €14,017k were deducted in full from equity.

As of September 30, 2010, the total number of treasury shares held by the Company was 1,714,271. This equals 5.18% of the subscribed capital. The acquisition costs, including ancillary costs of acquisition to the amount of €96k, amounting to €101,243k were deducted in full from equity.

In fiscal 2010/2011 the remaining part of 106,709 shares was bought at an average price of €48.17. The acquisition costs, including ancillary costs of acquisition to the amount of €4k, amount to €5,144k.

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 share capital 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 share capital 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 share capital is conditionally increased by up to €1,654,249.00, divided into up to 1,654,249 bearer shares (Contingent Capital I 2010). This Contingent Capital increase is to be used exclusively to cover stock options issued to members of the Company's Management Board, 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 specified in detail in the authorization resolved by the General Shareholders' Meeting on January 25, 2010. It shall only be effected to the extent that bearers of share options exercise their right to subscribe for Company shares and the Company does not provide the consideration in cash or by means of 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 General Shareholders' Meeting, the new shares shall be entitled to dividends for the previous fiscal year as well.

The share capital 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 conversion/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.

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.

Retained Earnings. Other retained earnings contain the cumulative profits made by the subsidiary companies included in the Group financial statements, the profit for the period, other consolidation reserves, reserves resulting from expired share-based payment programs and actuarial gains and losses recognized in other comprehensive income as well as corresponding deferred tax effects.

Other Components of Equity. Other components of equity consist of all amounts recognized directly in equity resulting from the translation of the financial statements of foreign subsidiaries, the effects of recognizing changes in the fair value of derivative financial instruments directly in equity, deferred taxes on items recognized directly in equity as well as the additional funds received from the issue of shares and the personnel expenses arising from the share-based payment programs 2009 and 2010 (2008/2009: share-based payment programs 2008 and 2009) for management members.

Other Comprehensive Income. The table below presents the development of other comprehensive income and the associated tax effects:

Tax Effects Other Comprehensive Income. €k

	2009/2010			2008/2009		
	Gross result	**Taxes**	**Net result**	Gross result	Taxes	Net result
Cash flow hedges and securities	–8,481	2,544	–5,937	8,648	–2,594	6,054
Exchange rate changes and other changes	9,238	0	9,238	–1,877	0	–1,877
Actuarial gains and losses	–11,659	3,385	–8,274	783	–529	254
Other comprehensive income	**–10,902**	**5,929**	**–4,973**	**7,554**	**–3,123**	**4,431**

Share-based Payment Program. Wincor Nixdorf has set up seven share-based payment programs for managers since 2004 (2004–2010). 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) (program 2008: €55.33, program 2009: €36.18); 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.

As of April 6, 2010, Wincor Nixdorf granted 563,000 share options for an exercise price of €56.38 under another share-based payment program to its managers (share-based payment program 2010). The vesting period of the share options is four 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 112% of the average exchange price on the 30 stock exchange trading days that immediately preceded the issue of stock options on April 6, 2010 (€50.34); 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 changed during the life of the program. 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 until at least the end of the exercise period. The options can be exercised within a period of ten stock exchange trading days commencing on the first stock exchange trading day following expiration of the holding period of four years (exercise period). The vesting conditions also stipulate that the declaration of exercise may or must be issued during the specified vesting period of four 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 2007–2010 are as follows (accounts for program 2007 restated accordingly to the stock split 2007):

	Program 2007	Program 2008	**Program 2009**	**Program 2010**
Granted share options	474,480	496,830	500,770	563,000
Fair value of the option at grant date	€8.88	€10.10	€7.65	€9.80
Exercise price of the option at grant date	€69.40	€55.33	€36.18	€56.38
Expected volatility	28.0%	40.6%	49.1%	27.2%
Option life	2 years	2 years	2 years	4 years
Expected dividends	€3.40	€4.36	€4.56	€6.95
Risk-free interest rate	4.0%	4.638%	1.97%	2.128%
Fluctuation rate	3.6%	3.2%	3.1%	2.9%

Share options reported as of September 30, 2010, only consist of options from share-based payment programs 2009 and 2010. The program 2009 will expire in March 2011, the program 2010 in April 2014. The weighted average residual term of both programs is about two years.

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: 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-month and 1-year periods. The expected volatility for program 2009 complies with the two-years' historic volatility of the Wincor Nixdorf share. For the program 2010, the expected volatility is the average of the historic volatilities of EUREX options on the Wincor Nixdorf share for 3-month and 12-month period.

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

	2009/2010		2008/2009	
	Number	Average exercise price €	Number	Average exercise price €
As of October 1	983,830	45.62	945,810	62.08
Granted during the period	563,000	56.38	500,770	36.18
Expired during the period	504,330	54.81	462,750	69.06
As of September 30	**1,042,500**	**46.98**	**983,830**	**45.62**
Exercisable as of September 30	0	–	0	–

The vesting period for the 2008 share-based payment program expired on April 8, 2010. The share options allocated within the scope of the 2008 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 2008 share option plan during the exercise period.

During the fiscal year, personnel expenses in connection with the share-based payment programs amounted to €3,577k (2008/2009: €4,204k). The additional paid-in capital has been increased by this amount. However, personnel expenses in connection with the share-based payment program 2008 (€1,171k) have been reclassed to retained earnings, together with the amount carried forward in additional paid-in capital (€3,512k) for the share-based payment program 2008.

17 Non-controlling Interests. Non-controlling interests are presented in detail in the "Changes in Equity" table.

18 Accruals for Pensions and Similar Commitments.

€k

	Sept. 30, 2010	Sept. 30, 2009
Present value of unfunded obligations	15,005	12,888
Present value of funded obligations	202,001	177,732
Fair value of plan assets	–195,481	–181,841
Past service cost not included in profit and loss	750	952
Net liabilities	22,275	9,731
Therein amount recognized as asset	923	4,629
Accruals for pensions and similar commitments	**23,198**	**14,360**

The over-funding (amount recognized as asset) of €923k (2008/2009: €4,629k) 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

	2010	2009	2008	2007	2006
Present value of defined benefit obligation	217,006	190,620	182,409	183,797	182,613
less fair value of plan assets	–195,481	–181,841	–174,841	–180,429	–163,626
Funded status	**21,525**	**8,779**	**7,568**	**3,368**	**18,987**

Changes to the present value of defined benefit obligations and the fair value of plan assets may result in actuarial gains or losses, e.g., due to parameter changes. Wincor Nixdorf recognizes actuarial gains and losses directly in equity:

€k

	2009/2010	2008/2009
Actuarial gains and losses recognized in equity in the year under review	11,659	–783
Actuarial gains and losses recognized in equity in the previous year	–783	0
Accumulated actuarial gains and losses	**10,876**	**–783**

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, 2010	Sept. 30, 2009
Interest rate	4.3%	5.1%
Income trend	2.8%	2.9%
Pension trend	2.0%	2.0%

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

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. Each beneficiary receives, depending on individual payscale 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.

€k

	Sept. 30, 2010	Sept. 30, 2009
Present value of defined benefit obligation as of October 1	190,620	182,409
Current service cost	6,696	6,664
Interest cost	9,687	9,369
Member contributions	848	817
Actuarial gains (-)/losses	11,044	–2,098
Pension payments	–5,927	–4,478
Curtailments	–509	0
Plan alterations	–70	–1,114
Transfers	473	–198
Exchange rate differences	4,144	–751
Present value of defined benefit obligation as of September 30	**217,006**	**190,620**

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

	Sept. 30, 2010	Sept. 30, 2009
Shares	15.1%	3.9%
Debt instruments	37.5%	46.4%
Real estate	8.3%	8.5%
Short-term financial investments	39.1%	41.2%

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

Change in Plan Assets.

€k

	Sept. 30, 2010	Sept. 30, 2009
Fair value of plan assets as of October 1	181,841	174,841
Expected return on plan assets	10,388	7,442
Actuarial gains/losses (-)	–615	–1,315
Member contributions	848	817
Employer contributions	1,319	1,578
Pension payments	–2,600	–1,071
Transfers	640	476
Exchange rate differences	3,660	–927
Fair value of plan assets as of September 30	**195,481**	**181,841**

The expected return on plan assets is determined based on a weighted average of 5.7% (2008/2009: 4.3%) 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 €9,773k (2008/2009: €6,127k).

For fiscal 2010/2011, employer contributions to plan assets in the amount of €1,852k are expected.

Pension Expenses.

€k

	2009/2010	2008/2009
Current service cost	6,696	6,664
Interest cost	9,687	9,369
Expected return on plan assets	–10,388	–7,442
Returns from curtailments	–658	0
Returns from plan alteration	–123	–1,176
Pension expenses	**5,214**	**7,415**

The experience adjustments developed as follows:

€k

	2009/2010	2008/2009	2007/2008	2006/2007
Pension obligations	2,511	2,586	–908	2,410
Plan assets	–615	–1,315	–16,447	–1,312
Total	**1,896**	**1,271**	**–17,355**	**1,098**

Post-employment benefit plans are classified as either defined contribution or defined benefit plans. Under defined contribution plans, an enterprise pays fixed contributions and does not assume any other obligations. The personnel expenses of the fiscal year include expenses for defined contribution plans in the amount of €27,378k (2008/2009: €27,719k). 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, 2009	Currency variances/misc.	Draw-downs	Releases	Additions	Accumulation	Sept. 30, 2010
Non-current other accruals							
Miscellaneous accruals for personnel expenses	32,535	13	–3,455	–500	6,707	1,162	36,462
Environmental protection obligations	9,082	28	–50	–1,005	1,609	157	9,821
Total non-current other accruals	**41,617**	**41**	**–3,505**	**–1,505**	**8,316**	**1,319**	**46,283**
Current other accruals							
Current accruals associated with sales and procurement markets							
Warranties	48,345	1,413	–36,108	–5,030	44,368	0	52,988
Onerous contracts	15,276	149	–5,905	–1,289	1,623	0	9,854
Delay and contract penalties	3,675	111	–893	–1,419	2,817	0	4,291
Miscellaneous	13,048	108	–3,733	–2,676	5,512	0	12,259
Total current accruals associated with sales and procurement markets	**80,344**	**1,781**	**–46,639**	**–10,414**	**54,320**	**0**	**79,392**
Miscellaneous accruals for personnel expenses	39,208	926	–25,242	–3,391	33,012	0	44,513
Accruals for other taxes	35	2	–2	0	13	0	48
Other miscellaneous accruals	19,157	326	–4,656	–4,613	12,007	0	22,221
Total current other accruals	**138,744**	**3,035**	**–76,539**	**–18,418**	**99,352**	**0**	**146,174**
Total other accruals	**180,361**	**3,076**	**–80,044**	**–19,923**	**107,668**	**1,319**	**192,457**

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 flexitime not taken, service anniversary awards as well as severance payments. As a means of entering into early retirement, several domestic legal entities offer 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 release 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 a 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 incurrence 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	154,364 (166,765)	39,030 (11,923)	115,334 (154,842)	0 (0)
Advances received	32,313 (29,606)	32,313 (29,606)	0 (0)	0 (0)
Trade payables	274,593 (256,862)	274,191 (256,862)	402 (0)	0 (0)
Liabilities to related companies	884 (438)	884 (438)	0 (0)	0 (0)
Current income tax liabilities	23,138 (28,529)	23,138 (28,529)	0 (0)	0 (0)
Other liabilities	194,204 (174,275)	182,186 (160,902)	12,004 (13,331)	14 (42)
	679,496 (656,475)	**551,742** (488,260)	**127,740** (168,173)	**14** (42)

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. These 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 €151,462k (2008/2009: €162,648k), of which €111,981k (2008/2009: €148,658k) were from the revolving facility. 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 €2,902k (2008/2009: €4,117k) as of the balance sheet date. The referring assets are disclosed in property, plant and equipment as other fixed assets and office equipment (€1,960k; 2008/2009: €2,978k) and trade receivables (€771k; 2008/2009: €984k).

Residual Terms of Present Value of Minimum Lease Payments.

€k

	Sept. 30, 2010	Sept. 30, 2009
Residual term up to 1 year	1,110	1,264
Residual term between 1 and 5 years	1,792	2,853
Residual term more than 5 years	0	0
	2,902	**4,117**

Residual Terms of Future Total Minimum Lease Payments.

€k

	Sept. 30, 2010	Sept. 30, 2009
Residual term up to 1 year	1,223	1,427
Residual term between 1 and 5 years	1,887	3,055
Residual term more than 5 years	0	0
Interest	–208	–365
Present value of minimum lease payments	**2,902**	**4,117**

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	88,351 (80,074)	81,998 (71,702)	6,353 (8,327)	0 (0)
Liabilities to employees	53,908 (45,178)	53,908 (45,178)	0 (0)	0 (0)
Other tax liabilities	22,695 (25,539)	22,695 (25,539)	0 (0)	0 (0)
Social security liabilities	8,521 (8,261)	7,981 (8,261)	540 (0)	0 (0)
Forward currency transactions	2,480 (413)	2,480 (413)	0 (0)	0 (0)
Others	18,249 (14,810)	13,124 (9,809)	5,111 (4,959)	14 (42)
	194,204 (174,275)	**182,186** (160,902)	**12,004** (13.331)	**14** (42)

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. Derivative financial instruments primarily include forward currency transactions and interest rate hedging instruments.

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

Carrying Amounts, Amounts Recognized, and Fair Values by Measurement Category as of September 30, 2010.

€k

	Category in accordance with IAS 39	**Carrying amount**	Thereof outside IFRS 7	Thereof amounts recognized in balance sheet according to IAS 39: Amortized costs	Fair value recognized in equity	Fair value recognized in profit or loss	Thereof amounts recognized according to IAS 17	**Fair value of financial instruments under IFRS 7**
Assets								
Cash and cash equivalents	LaR	19,959	0	19,959	0	0	0	19,959
Trade receivables	LaR / n/a	342,672	0	339,599	0	0	3,073	342,672
thereof: receivables from finance leases	n/a	3,073	0	0	0	0	3,073	3,073
Receivables from related companies	LaR	281	0	281	0	0	0	281
Other receivables	LaR / n/a / HfT	62,384	49,136	13,248	2,948	0	0	13,248
thereof: derivates with a hedging relationship	n/a	2,948	2,948	0	2,948	0	0	0
Investments	LaR / FVO	1,219	0	158	0	1,061	0	1,219
Liabilities								
Trade payables	FLAC	274,593	0	274,593	0	0	0	274,593
Liabilities to related companies	FLAC	884	0	884	0	0	0	884
Financial liabilities	FLAC / n/a	154,364	0	151,462	0	0	2,902	154,364
thereof: liabilities from finance leases	n/a	2,902	0	0	0	0	2,902	2,902
Other non-interest-bearing liabilities	FLAC / n/a / HfT	194,204	126,788	67,150	7,059	266	0	67,416
thereof: derivates with a hedging relationship	n/a	7,059	7,059	0	7,059	0	0	0
thereof: derivates without a hedging relationship	HfT	266	0	0	0	266	0	266
Aggregated by Category in Accordance with IAS 39:								
Loans and receivables	LaR	373,245	0	373,245	0	0	0	373,245
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 liabilities measured as at fair value through profit or loss (Held for Trading)	HfT	266	0	0	0	266	0	266
Financial liabilities measured at amortized costs	FLAC	494,089	0	494,089	0	0	0	494,089

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.

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

€k

	Category in accordance with IAS 39	Carrying amount	Thereof amounts recognized in balance sheet according to IAS 39: Thereof outside IFRS 7	Amortized costs	Fair value recognized in equity	Fair value recognized in profit or loss	Thereof amounts recognized according to IAS 17	Fair value of financial instruments under IFRS 7
Assets								
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: derivates with a hedging relationship	n/a	7,510	7,510	0	7,510	0	0	0
thereof: derivates 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
Liabilities								
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: derivates with a hedging relationship	n/a	3,140	3,140	0	3,140	0	0	0
thereof: derivates 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.

Financial instruments measured at fair value are allocated to different measurement levels in accordance with IFRS 7. This includes financial instruments that are

1. measured at their fair values in an active market for identical financial instruments (level 1),
2. measured at their fair values in an active market for comparable financial instruments or using measurement models whose main input factors are based on observable market data (level 2) or
3. using input factors not based on observable market data (level 3).

The following table shows the amounts allocated to each measurement level at September 30, 2010:

Allocation Fair Value Hierarchy.

€k

	Fair value Sept. 30, 2010	Level 1	Level 2	Level 3
Financial assets at fair value – not effecting net income				
Derivatives being part of a hedge	2,948	0	2,948	0
Financial assets at fair value – affecting net income				
Designated as such upon initial recognition	1,061	0	0	1,061
Financial liabilities at fair value – not effecting net income				
Derivatives being part of a hedge	7,059	0	7,059	0
Financial liabilities at fair value – affecting net income				
Derivatives not being part of a hedge	266	0	266	0

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 amount that is shown under level 3 concerns the 6% interest in WINCOR NIXDORF Immobilien GmbH & Co. KG. The net result of the company will be allocated on a pro-rata basis; therefore the presented fair value will be converted accordingly. The carrying amount changed as follows:

€k

	Fair value October 1	Gains	Losses	Fair value September 30
Designated as such upon initial recognition	1,061	0	0	1,061

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

Net Gain/Loss by Category.

€k

	2009/2010	2008/2009
Loans and receivables	–1,269	–5,347
Financial assets measured as at fair value through profit or loss (fair value option)	0	6
Financial assets and liabilities measured as at fair value through profit or loss (held for trading)	690	–1,294
Financial liabilities measured at amortized costs	–1,911	–5,339
	–2,490	**–11,974**

Net result under "loans and receivables" mainly comprises interests on financial receivables, impairment allowances on trade receivables as well as gains and losses on foreign currency receivables.

The category "Financial assets measured as at fair value through profit or loss (fair value option)" includes the changes of the fair value of the interest in WINCOR NIXDORF Immobilien GmbH & Co. KG.

Gains and losses arising from changes in fair value of interest rate derivatives that do not comply with the hedge accounting requirements under IAS 39 are included in the "Financial assets and liabilities measured as at fair value through profit or loss (held for trading)" category.

Net result of the category "Financial liabilities measured at amortized costs" mainly comprises interest expenses on financial liabilities as well as gains and losses on foreign currency liabilities.

The Group financial statements for both the period under review and the previous fiscal year include no interest income or expenses from financial instruments measured at fair value.

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. Based on the information presented below, we have identified no explicit concentrations of risk attributable to financial risks.

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. In view of the fact that no single customer accounted for more than 10% of net sales in the fiscal years 2009/2010 and 2008/2009, there is no concentration of risk with regard to credit risks. We operate with letters of credit to safeguard receivables from customers in countries with a credit risk, such as Argentina, Azerbaijan, Bangladesh, Jordan and Kenya. 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 nonperformance 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 €532k (2008/2009: €3,304k) 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 €19,959k (2008/2009: €16,274k). Above and beyond this, Wincor Nixdorf had unused credit lines amounting to €255,702k (2008/2009: €237,289k) 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:

€k

	Gross value Sept. 30, 2010	Cash flows 2010/2011	Cash flows 2011/2012–2014/2015	Cash flows from 2015/2016
Trade payables	274,593	274,191	402	0
Liabilities to related companies	884	884	0	0
Financial liabilities	161,194	46,078	115,116	0
thereof: liabilities from finance leases	3,110	1,223	1,887	0
Other non-interest-bearing liabilities	74,475	69,320	5,141	14
thereof: derivates with a hedging relationship	7,059	2,435	4,624	0
thereof: derivates without a hedging relationship	266	266	0	0
Total	**511,146**	**390,473**	**120,659**	**14**

€k

	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: derivates with a hedging relationship	3,140	413	2,727	0
thereof: derivates without a hedging relationship	959	0	959	0
Total	**495,383**	**328,038**	**167,303**	**42**

Market Risks. Market risk is the risk that fair values or future cash flows of non-derivative or derivative financial instruments will fluctuate due to changes in risk factors. Currency and interest rate risks are the significant market risks Wincor Nixdorf Group is exposed to. Associated with these risks are fluctuations in income, equity and cash flow.

The following analysis and amounts determined by means of a sensitivity analysis represent hypothetical, future-oriented data that can differ from actual outcomes because of unforeseeable developments in financial markets. Moreover, non-financial or non-quantifiable risks, such as business risks, are not considered here.

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. dollar 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 €122,352k (2008/2009: €127,941k). The risk is hedged for a period of twelve months in advance by monthly due-forward currency transactions with 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 €2,929k and –€2,435k, respectively (2008/2009: €7,470k and –€413k), at the balance sheet date, and have been recorded without any impact on profit and loss 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, –€7,057k (2008/2009: €5,522k) has been released from equity and recorded in profit and loss under cost of sales.

The remaining net currency risk not hedged by forward currency transactions amounts to approximately 47 million U.S. dollars (2008/2009: approximately 32 million U.S. dollars) as well as approximately 6 million pounds sterling (2008/2009: approximately 8 million pounds sterling) 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 and the previous year.

If the euro had been revalued and devalued respectively by 10% against the U.S. dollar as of September 30, 2010, the other components of equity (before deferred taxes) and the fair value of forward currency transactions would have been €8,999k higher, and €10,779k lower, respectively (2008/2009: €8,012k higher, and €9,793k lower, respectively). If the euro had been revalued and devalued respectively by 10% against pounds sterling as of September 30, 2010, the other components of equity (before deferred taxes) and the fair value of forward currency transactions would have been €2,273k higher, and €2,778k lower, respectively (2008/2009: €2,979k higher, and €3,641k 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 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 difference 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 collars, 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, 2010	Sept. 30, 2009
Market value: interest rate caps	0	3
Nominal sum: interest rate caps	100,000	100,000
Market value: interest rate floors	–222	–959
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 material credit risks associated with this financial instrument.

The negative market value of the interest rate floors is shown under other 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 €734k (2008/2009: –€1,294k).

The following residual terms apply:

€k

	Nominal sum	Less than 1 year	Residual term between 1 and 5 years	More than 5 years
Residual terms of the interest rate caps Sept. 30, 2010	100,000 (100,000)	100,000 (0)	0 (100,000)	0 (0)
Residual terms of the interest rate floors Sept. 30, 2010	100,000 (100,000)	100,000 (0)	0 (100,000)	0 (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 Measurement." At the balance sheet date, the fair value, which is measured at market prices, is –€2,399k (2008/2009: –€2,727k) and has been directly recognized in the other components of equity, having taken into account deferred taxes. 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 previous fiscal year. The fair value, which is measured at market prices, is €19k (2008/2009: €40k) and has been directly recognized in the other components of 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.

As of May 28, 2010, an interest swap for a nominal sum of €50,000k, with a ten-year term from October 1, 2010 until September 30, 2020, has been concluded. For this interest swap, the three-month EURIBOR is received and a fixed interest of 2.974% is paid. The fair value, which is measured at market prices, is –€2,225k and has been directly recognized in the other components of equity, having taken into account deferred taxes.

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 €1k higher, and €1k lower, respectively (2008/2009: €545k higher, and €963k lower, respectively). The other components of equity (before deferred taxes) would have been increased by €5,398k and decreased by €5,431k, respectively (2008/2009: increased by €1,359k and decreased by €1,419k, respectively).

22 Cost of Materials.

€k

	2009/2010	2008/2009
Cost of raw materials, supplies and bought-in goods	743,987	779,007
Cost of bought-in services	490,170	464,375
	1,234,157	**1,243,382**

The net change in finished and unfinished goods and services amounts to –€19,744k (2008/2009: –€31,289k) in the year under review.

23 Personnel Expenses and Employees.

€k

	2009/2010	2008/2009
Wages and salaries	497,875	464,060
Social security contributions and welfare expenses	76,114	75,189
Retirement benefit expenses	11,854	13,710
	585,843	**552,959**

The average number of employees during the year was 9,302 (2008/2009: 9,447), excluding apprentices. Headcount breakdown by function was as follows:

	2009/2010	2008/2009
Production	1,639	1,792
Sales/Services	6,424	6,405
Research and development	913	950
Administration	326	300
	9,302	**9,447**

24 Contingent Liabilities. Obligations of €399k (2008/2009: €1,062k) arising from guarantees are existing at the balance sheet date.

25 Other Financial Commitments.

€k

	Total	Up to 1 year	Residual term between 1 and 5 years	More than 5 years
Future payment commitments from				
real estate leases	87,607 (77,719)	23,410 (22,814)	54,964 (44,395)	9,233 (10,510)
miscellaneous tenancies and leases	12,745 (15,922)	5,260 (5,314)	7,485 (10,572)	0 (36)
long-term purchase and service contracts	21,619 (23,951)	11,979 (13,380)	9,580 (10,329)	60 (242)
acquisition of intangible assets and property, plant and equipment	3,213 (1,756)	3,213 (1,756)	0 (0)	0 (0)
	125,184 (119,348)	**43,862** (43,264)	**72,029** (65,296)	**9,293** (10,788)

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 amounted to €44,492k (2008/2009: €41,896k) in the year under review.

26 Related Parties. A list of affiliated companies of Wincor Nixdorf AG 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

	2009/2010	2008/2009
Short-term benefits (without share-based compensation)	2,543	1,933
Share-based compensation	1,313	1,025
Total compensation	**3,856**	**2,958**
Post-employment benefits	276	176
Total	**4,132**	**3,134**

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, 2010, the entitlement to funds of the Board of Directors upon reaching the specified age limit (retirement capital) amounts to €1,661k (2008/2009: €1,230k).

The members of the Board of Directors own 268,000 share options from the share-based payment programs 2009 and 2010 as of September 30, 2010 (2008/2009: 268,000 share options from share-based payment programs 2008 and 2009). As at September 30, 2010, the Supervisory Board held a total of 3,700 share options (2008/2009: no share options) that were not granted during the period in which its members discharged their Supervisory Board duties.

In fiscal 2009/2010, the members of the Supervisory Board received fringe benefits amounting to €672k (2008/2009: €636k). 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 2009/2010 (2008/2009: €114k). An amount of €1,961k (2008/2009: €1,816k) 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 €19,959k (2008/2009: €16,274k) but also bank liabilities repayable at any time amounting to €37,642k (2008/2009: €10,458k), as these could be considered in the management of cash.

The increase (2008/2009: decrease) in working capital is a result of the following changes:

€k

	Sept. 30, 2010	Sept. 30, 2009
Increase/decrease in inventories	–34,784	23,355
Increase/decrease in advances received	2,707	–19,277
Increase/decrease in trade receivables	–27,931	55,281
Increase/decrease in trade payables	18,931	–18,235
Increase in deferred income	8,277	7,543
Increase/decrease in working capital	**–32,800**	**48,667**

Overall, the EBITDA of €223,191k (2008/2009: €234,366k), as well as – with an opposite impact – the interest paid of €5,495k (2008/2009: €8,584k) and income taxes paid of €51,559k (2008/2009: €64,949k) resulted in cash flow from operating activities of €154,108k (2008/2009: €177,060k).

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. For the purposes of presenting segment information, the activities of the Wincor Nixdorf Group are divided into operating segments in accordance with the rules contained in IFRS 8 (Operating Segments). Internal reporting within the Wincor Nixdorf Group is conducted on the basis of the customer profiles "Banking" and "Retail" as well as on the regional basis; the areas "Banking" and "Retail" were defined as operating segments in accordance to IFRS 8.10. As chief operating decision maker (CODM) within the meaning of IFRS 8, our Board of Directors assesses the performance of these two operating segments on the basis of corporate reporting and makes decisions about resources to be allocated. The performance of the operating segments is assessed in particular by referring to "net sales to external customers" as well as "EBITA."

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.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the Group Financial Statements. With the exception of the recognition of actuarial gains and losses, there were no changes in accounting policies compared to previous periods.

"EBITA" is the measure of segment profit (loss) used in segment reporting and comprises gross profit, selling, general and administration expenses, research and development expenses, other operating income and expenses and result from equity accounted investments.

In the case of information by geographical region, external sales are based on the location of the customer's registered office. In fiscal years 2009/2010 and 2008/2009, no single customer accounted for more than 10% of total net sales. The information disclosed for non-current assets relates to intangible assets without goodwill as well as property, plant and equipment and reworkable service parts. The allocation is given according to the location of the assets concerned.

Reconciliation of Segment Profit to Profit for the Period.

€k

	2009/2010	2008/2009
Operating profit (EBITA)	162,230	178,281
Goodwill amortization	0	0
Operating profit (EBIT)	162,230	178,281
Profit charges arising from the carve-out (Note 29)	0	–4,843
Finance income and finance costs	–6,015	–10,856
Profit before income taxes	156,215	162,582
Income taxes	–49,738	–49,091
Profit for the period	106,477	113,491
Profit attributable to non-controlling interests	–288	–166
Profit attributable to equity holders of Wincor Nixdorf AG	**106,189**	**113,325**

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

Reconciliation of Segment Assets and Segment Liabilities.

€k

	Sept. 30, 2010	Sept. 30, 2009
Total balance sheet assets	1,271,186	1,198,815
Non-operating miscellaneous intangible assets (goodwill)	–333,629	–332,906
Loans	–113	–337
Investments	–1,134	–1,126
Receivables from related companies	–281	–330
Non-operating miscellaneous assets and current income tax assets	–66,110	–66,515
Cash and cash equivalents	–19,959	–16,274
Deferred tax assets	–26,017	–22,656
Segment assets	**823,943**	**758,671**
Liabilities (Note 20)	679,496	656,475
Financial liabilities	–154,364	–166,765
Current income tax liabilities	–23,138	–28,529
Non-operating miscellaneous liabilities	–106,737	–94,639
Segment liabilities	**395,257**	**366,542**

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

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:

€k

	October 1, 1999
Product know-how	206,664
Goodwill	351,623
Negative goodwill	–1,274
	557,013

This affected net profit on operating activities as follows:

€k

	2009/2010	2008/2009
Amortization of product know-how	0	4,843

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

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

€k

	2009/2010	2008/2009
Net sales	2,239,471	2,250,206
Cost of sales	–1,676,994	–1,668,613
Gross profit	562,477	581,593
Gross margin (%)	*25.1%*	*25.8%*
Research and development expenses	–101,349	–102,852
Selling, general and administration expenses	–299,507	–300,024
Other operating income	556	21
Result from equity accounted investments	53	-457
Operating profit (EBIT)	162,230	178,281
Goodwill amortization	0	0
EBITA	162,230	178,281
Amortization/depreciation of property rights, licenses and property, plant and equipment and write-down of reworkable service parts	60,961	56,085
EBITDA	**223,191**	**234,366**

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

€k

	2009/2010	2008/2009
Profit attributable to equity holders of Wincor Nixdorf AG	106,189	113,325
Amortization of product know-how	0	4,843
Calculated tax effect	0	–1,453
Profit attributable to equity holders of Wincor Nixdorf AG before carve-out	**106,189**	**116,715**

30 Consolidation Group as of September 30, 2010.

Germany	Capital share in %
Wincor Nixdorf Aktiengesellschaft, Paderborn	
WINCOR NIXDORF International GmbH, Paderborn	100
WINCOR NIXDORF Banking Consulting GmbH, Paderborn	100
WINCOR NIXDORF Branch Technology GmbH, Paderborn	100
WINCOR NIXDORF Business Administration Center 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 Manufacturing GmbH, Paderborn	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	83.87

Europe	Capital share in %
Belgium	
Wincor Nixdorf NV, Zaventem	100
Denmark	
Wincor Nixdorf A/S, Ballerup	100
Finland	
Wincor Nixdorf Oy, Espoo	100
France	
Wincor Nixdorf SAS, Vélizy-Villacoublay	100
Greece	
Wincor Nixdorf Information Systems S.A., Kifissia/Athens	100
Great Britain	
CCi Solutions Limited, Wokingham	100
Datalect Group Ltd., Perivale, Middlesex	100
Wincor Nixdorf Banking Services Ltd., Wokingham	100
Wincor Nixdorf Ltd., Wokingham	100
Ireland	
Wincor Nixdorf Ltd., Dublin	100
Italy	
Wincor Nixdorf Retail Consulting S.r.l., Segrate//Milan	100
Wincor Nixdorf S.r.l., Assago/Milan	100
Malta	
Wincor Nixdorf Finance Malta Holding Limited, St Julians	100
Wincor Nixdorf Finance Malta Limited, St Julians	100
The Netherlands	
SecurCash B.V., Rotterdam	100
Wincor Nixdorf B.V., The Hague	100
Norway	
Wincor Nixdorf A/S, Oslo	100
Austria	
Wincor Nixdorf GmbH, Vienna	100
Poland	
Wincor Nixdorf Sp.z.o.o., Warsaw	100
Portugal	
Wincor Nixdorf Lda., Carnaxide	100
Russia	
LLC WINCOR NIXDORF, Moscow[1]	100
Sweden	
Wincor Nixdorf A.B., Solna	100
Switzerland	
BEB Industrie-Elektronik AG, Burgdorf	100
Wincor Nixdorf Finance AG, Baar	100
Wincor Nixdorf AG, Brüttisellen	100
Slovakia	
Wincor Nixdorf s.r.o., Bratislava	100
Spain	
Wincor Nixdorf S.L., Alcobendas/Madrid	100
Czech Republic	
Wincor Nixdorf s.r.o., Prague	100
Turkey	
Wincor Nixdorf Bilgisayar Sistemleri A.S., Istanbul	100
Ukraine	
LIMITED LIABILITY COMPANY WINCOR NIXDORF, Kiev[1]	100
Hungary	
Wincor Nixdorf Kft., Budapest	100

	Capital share in %
Americas	
Brazil	
Wincor Nixdorf Soluções em Tecnologia da Informação Ltda., São Paulo	100
Canada	
Connections Canada Inc., Mississauga/Ontario	100
Mexico	
Wincor Nixdorf IT Support S.A. de C.V., Mexico City[1]	99.998
Wincor Nixdorf S.A. de C.V., Mexico City[1]	100
USA	
Wincor Nixdorf Inc., Austin, Texas	100
Venezuela	
Wincor Nixdorf C.A., Caracas	100
Asia-Pacific	
Australia	
WINCOR NIXDORF AUSTRALIA PTY LTD, Sydney	100
China	
Wincor Nixdorf (Hong Kong) Ltd., Hong Kong	100
Wincor Nixdorf Retail & Banking Systems (Shanghai) Co., Ltd., Shanghai[1]	100
Wincor Nixdorf Retail & Banking Systems Manufacturing (Shanghai) Co., Ltd., Shanghai[1]	100
India	
Wincor Nixdorf India Private Ltd., Mumbai	100
Indonesia	
Pt. Wincor Nixdorf Indonesia, Jakarta Selatan	100
Malaysia	
WINCOR NIXDORF RETAIL SOLUTIONS (M) SDN. BHD, Kuala Lumpur	100
Wincor Nixdorf (M) Sdn. Bhd., Kuala Lumpur	100
Philippines	
WINCOR NIXDORF (PHILIPPINES) INC., Makati City	100
Singapore	
Wincor Nixdorf Pte. Ltd., Singapore	100
WINCOR NIXDORF MANUFACTURING PTE. LTD, Singapore	100
South Korea	
Wincor Nixdorf Ltd., Seoul	100
Taiwan	
Wincor Nixdorf Taiwan Ltd., Taipei	100
Thailand	
Wincor Nixdorf (Thailand) Co., Ltd., Bangkok	100
Africa	
Algeria	
Wincor Nixdorf EURL, Algiers[1]	100
Morocco	
Wincor Nixdorf S.A., Casablanca	96.5
Investments accounted for using the equity method	
WINSERVICE AS, Oslo, Norway[1]	50

1) 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 2009/2010:

- WINCOR NIXDORF International GmbH, Paderborn
- WINCOR NIXDORF Banking Consulting GmbH, Paderborn
- WINCOR NIXDORF Branch Technology GmbH, Paderborn
- WINCOR NIXDORF Business Administration Center 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 Manufacturing 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-Bartólomé, Madrid (Americas)

Jens Bohlen, Witten (Services)

Thomas Fell, Idstein (Retail)
(since November 1, 2010)

Khoon Hong Lim, Singapore (Asia-Pacific)

Dr. Herbert Machill, Espenau (Retail)
(until April 30, 2010)

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	Chief Executive Officer Forschungszentrum Jülich	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	Managing Partner 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
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 and Productions WINCOR NIXDORF International GmbH	10/23/2000	November 2, 2009
Michael Schild*	Programmer WINCOR NIXDORF Manufacturing 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 Auditor's Fees. The following fees for our Group auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, and its associated KPMG companies according to Section 271 (2) of the German Commercial Law as well as for member firms of the KPMG worldwide network, were recognized as expenses for services rendered during fiscal 2009/2010 and 2008/2009:

€k

	2009/2010	2008/2009
For audit fees	1,570	1,753
thereof for KPMG AG and its affiliated companies	858	848
For other certification or valuation services	226	49
thereof for KPMG AG and its affiliated companies	209	41
For tax consultancy	358	412
thereof for KPMG AG and its affiliated companies	247	360
For other services rendered to Wincor Nixdorf AG or its subsidiaries	119	121
thereof for KPMG AG and its affiliated companies	17	70
	2,273	**2,335**

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, 2010 the following notifications exist:

	Date	Equity interest
Oddo Asset Management/ODDO ET CIE, Paris, France	June 30, 2009	> 3% (3.04%)
Neuberger Berman LLC/Neuberger Berman Holdings LLC/ Neuberger Berman Group LLC/NBSH Acquisition LLC, New York, USA	October 6, 2009	< 3% (2.84%)
Credit Suisse Securities (Europe) Limited, London, Great Britain/ Credit Suisse Group AG, Zurich, Switzerland	January 13, 2010	< 3% (2.546%)
Schroder International Selection Fund, Luxembourg, Luxembourg	January 14, 2010	< 3% (2.99%)
DWS Investment GmbH, Frankfurt, Germany	January 15, 2010	> 3% (3.037%)
Capital Income Builder, Inc., Los Angeles, USA	June 10, 2010	< 3% (2.91%)
Threadneedle Asset Management Holding SARL, Luxembourg, Luxembourg/ Threadneedle Asset Management Holdings Limited, London, Great Britain/ Threadneedle Asset Management Limited, London, Great Britain	June 11, 2010	< 3% (2.95%)
Capital Research and Management Company, Los Angeles, USA	June 14, 2010	< 3% (2.77%)
Ameriprise Financial, Inc., Minneapolis, USA	July 9, 2010	< 3% (2.6%)
AMUNDI Paris, France	July 14, 2010	> 3% (3.42%)
Governance for Owners Group LLP, London, Great Britain	August 9, 2010	> 3% (3.061%)
Schroders plc/Schroder Administration Limited/ Schroder Investment Management, London, Great Britain	September 14, 2010	< 3% (2.9521%)
Blackrock Inc., New York, USA/Blackrock Financial Management Inc., New York, USA/Blackrock Holdco2, Inc., Wilmington, USA	September 17, 2010	< 5% (4.75%)

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).

35 Events after the Balance Sheet Date. No events of particular significance have occurred after the balance sheet date.

Paderborn, November 18, 2010
Wincor Nixdorf Aktiengesellschaft, Paderborn

Heidloff	Auerbach	Dr. Wunram
President and Chief Executive Officer	Executive Vice President	Executive Vice President

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by the Wincor Nixdorf Aktiengesellschaft, comprising the income statement, the statement of comprehensive income, the balance sheet, the cash flow statement, changes in equity and the notes to the group financial statements, together with the group management report for the business year from October 01st, 2009 to September 30th, 2010. 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 § 315 a Abs. 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 (Handelsgesetzbuch "German Commercial Code") 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 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 § 315 a 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 24th, 2010

KPMG AG
Wirtschaftsprüfungsgesellschaft

Dr. Bartels-Hetzler	Rehnen
German Public Auditor	German Public Auditor

Glossary.

COMPANY TERMINOLOGY.

(Application) Suite: A group of applications sold as a complete package. Wincor Nixdorf has developed the Retail Banking Suite (ProClassic/Enterprise Retail Banking Solution Suite) for the banking industry and the TP Application Suite for its retail customers.

Banking (Segment): The segment within Wincor Nixdorf dealing with the development, manufacture and sale of hardware, software and services for customers in the banking industry.

Cash Cycle Management: (see also Cash Management)

Cash Office: This refers to the cash office in a retail branch where cash from the checkouts is counted and prepared for collection.

Cash Management: The term Cash Management is used to describe all the measures in place to assure the short-term availability of cash in the company. It covers the full range of tasks and measures implemented to provide sufficient liquidity and achieve the greatest possible level of transaction efficiency. Cash Management goes beyond the simple administration of cash resources; it involves the active, targeted control of cash with a view to assuring and maintaining the company's ability to meet its payment obligations.

Cash Points: Machines or devices in which money is held or stored, such as ATMs, safes, automated teller safes, checkout systems, etc.

Cash Recycling System: Cash machine that counterfeit-checks deposited banknotes and subsequently makes this cash available for withdrawals.

Cash Systems: Cash systems include devices for dispensing or depositing cash as well as combined cash recycling systems for self-service and teller/cashier operation.

CCDM, Cash/Check Deposit Module: Module that automates the process of accepting and identifying banknotes and checks.

Checkout Systems: Systems, made up of hardware and software, used for the process of scanning and payment of goods in retail outlets.

Consulting: In most cases, consulting services are unrelated to a specific product and are offered when the client either lacks the required in-house expertise or the time. It is a general term that can be used to describe a range of professional activities. It is often used in the context of business or IT consulting.

Distribution Channels: Distribution (or sales) channels are the various channels used for communication with customers. Offering hardware, software and services through a number of different distribution channels is often referred to as multichannel distribution (see also Multichannel).

Electronic Checkout System (EPOS): Electronic checkout (or electronic point-of-sale) systems are taken to include all types of checkout systems that function electronically rather than mechanically.

Electronic Point-of-Sale (EPOS) Device: (see also Electronic Checkout System).

Intelligent Deposit: Solutions, consisting of hardware and software, which automate the process of taking in and processing items such as bottles (reverse vending systems) as well as cash and/or checks (CCDM).

Managed Services: Standardized services associated with the operation of IT systems and information and communication infrastructures within the retail and banking environment.

Multichannel: Under the multichannel principle, transactions that are executed using various distribution or sales channels, such as counter, Internet or ATM transactions, can be settled and managed through a uniform system that makes it possible to use identical applications and data sets.

Multivendor: Under the multivendor principle, the products of one supplier can be combined with the products of another supplier. Alternatively, the products of a third-party supplier that are already installed within a customer's system may be integrated into a specific software architecture.

Net-centric Principle: In the case of software applications designed around this principle, the entire software required to run equipment is no longer installed on the client systems, ATMs or EPOS systems, but rather on a central server.

Non-cash Products: These are systems deployed for the purpose of presenting information and processing transactions, such as statement printers and kiosk or money transfer terminals.

Outsourcing: This term refers to the delegation of operational functions and duties to outside suppliers.

Payment Processing: Processing of payment transactions from initial entry in the device (see also Talking Devices on page 150) to transmission, authorization and off-line processing.

PCI: Stands for Peripheral Component Interconnect, a standard for connecting computers and their peripherals.

Point-of-sale (POS) Systems: Checkout systems.

Product Related Services: Product Related Services are those directly connected with the product after installation and during its life cycle (e.g., maintenance services).

Professional Services: These involve providing specialized services to businesses. Wincor Nixdorf offers consulting and integration services. The term also covers all services relating to the implementation of a solution.

Retail (Segment): The development, production, logistics, marketing and sale of hardware together with software and other services for Wincor Nixdorf's retail customers.

Rollout: Rollout describes the process of implementing new technologies, products or applications; in other words, the launch for final use and consumption. Alternatively, it can also mean large-scale installation projects such as EPOS systems or ATMs in branch offices or stores under a stipulated project timetable.

Self-checkout: This checkout procedure is executed at the checkout counter without a cashier. The customer scans the products and pays for them at the machine using cash or a debit or credit card.

Self-service Systems: Equipment or devices that permit consumers or bank customers to execute transactions without the assistance of service or sales personnel or banking staff. Self-service products are, for example, ATMs, self-checkout systems or kiosk terminals.

Serviceability: Compilation, processing and analysis of detailed information about system components and overall system status as a basis of efficient management of services workflow.

Service-oriented Architecture (SOA): Flexible, scalable IT architecture that is designed to support data processing by means of modularizing and interconnecting processes and systems. Heterogeneous system environments are efficiently adjusted to changing business processes with the help of a software platform.

Service(s): This term is used to refer to all those parts of our portfolio, such as consulting, that do not consist of hardware or software.

Software Solutions: A software solution is software that is tailored to a customer's individual needs. It may comprise one or more software applications and is integrated into the customer's IT environment.

Solution(s): A solution is a combination of at least two of the following: hardware, software and services/consulting.

Supply Chain: The term supply chain describes the management of materials procurement throughout a company's entire value chain and includes suppliers and buyers. At Wincor Nixdorf, it is specifically used to cover the following processes: materials planning, purchasing, goods receipt (central warehouse), warehouse administration (central warehouse), distribution to sales outlets and returns processing (central warehouse).

Talking Devices: Products capable of issuing status messages autonomously, providing identity-related data as requested and – if the need arises – reporting errors or malfunctions automatically. Serviceability requirements are taken into account as soon as initial ideas concerning the features of new products are formulated.

TCO (Total Cost of Ownership): The total costs of hardware, software or a service, including all direct and indirect costs (including consequential costs).

Thin Client (Smart Client): Refers to a computer as a network device (in this case: ATMs, POS systems or other terminals) whose functionality is limited to essential tasks.

Transaction Management: Processing and forwarding, including authentication, of data relating to financial transactions executed within the banking industry.

FINANCIAL TERMINOLOGY.

Amortization/Depreciation: The systematic allocation of the depreciable amount of an asset over its useful life. In the case of an intangible asset or goodwill, the term "amortization" is generally used instead of "depreciation." Both terms have the same meaning.

Carve-out: The demerger of one or more business units from a company, group of companies or a group corporation. The Retail and Banking business was demerged from the Siemens Group on October 1, 1999.

Cash Flow: Cash flow describes the change in cash and cash equivalents during the period under review.

Corporate Governance: Responsible management and control of a company based on the principle of creating value over the long term.

Declaration of Conformity: The declaration made by the Board of Directors and the Supervisory Board pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) relating to implementation of the recommendations of the Government Commission on German Corporate Governance.

Deferred Taxes: Temporary differences between taxes calculated on the basis of accounting profit on the one hand and taxable profit on the other, the aim being to present tax expense on the basis of accounting profit.

Dividend Yield: Shows how much a com-pany pays out in dividends each year relative to its share price: dividend amount divided by the current share price, multiplied by 100.

EBITA (Operating Profit): Earnings before interest, taxes and amortization of goodwill and product know-how. Wincor Nixdorf uses EBITA as an indicator of the underlying profitability of its core Retail and Banking businesses.

EBITDA: Earnings before interest, taxes, depreciation and amortization of goodwill, product know-how and licenses.

Free Float: The free float of a public company is an estimate of the proportion of shares that are not held by large owners and that are not stock with sales restrictions. It is a measure of how many shares are reasonably liquid and therefore excludes those shares held by strategic shareholders.

International Financial Reporting Standards: The aim of these standards is to make it easier to compare company data. In accordance with an EU directive, all quoted companies are obliged to present their financial statements and reports in line with these rules.

Net Debt: Miscellaneous securities plus cash in hand and at bank (including checks), minus bank liabilities.

Profit for the Period: Profit of the Group before it is divided into "Profit attributable to minority interest" and "Profit attributable to equity holders of Wincor Nixdorf AG."

Profit for the Period (before Carve-out): Profit for the period, adjusted for amortization of product know-how identified as part of the carve-out and adjusted for the amount of deferred taxes associated therewith.

Revolving Facility: Line of credit that can be utilized repeatedly up to the end of the agreed term despite the borrower already having made repayments. The revolving credit can be utilized in part or in full, and in our specific case the amounts borrowed can be denominated in various currencies (multicurrency revolving facility).

R&D Expenditure: Expenditure on research and development activities.

Volatility: Intensity of price fluctuations of a stock, currency or bulk commodity compared to the market development.

Working Capital: Working capital is defined as inventories plus trade receivables, less trade payables, less prepayments received and deferred income.

Financial Calendar 2010/2011.*

January 24, 2011:
Three-month interim report, 2010/2011

January 24, 2011:
Annual General Meeting

May 4, 2011:
Half-year interim report, 2010/2011

July 28, 2011:
Nine-month interim report, 2010/2011

For further dates and information, please feel free to visit the website of Wincor Nixdorf AG at www.wincor-nixdorf.com – "Investor Relations/Financial Calendar" section.

This Annual Report is available on the Internet in an HTML and PDF format, and can be accessed by visiting www.wincor-nixdorf.com, Investor Relations/Reports & Financial Data.

*All dates are of a preliminary nature and may be subject to change.

EDITORIAL DETAILS.

Published by.
Wincor Nixdorf AG
Corporate Communications
Heinz-Nixdorf-Ring 1
D-33106 Paderborn
Germany
Phone +49 (0) 52 51 693-30
Fax +49 (0) 52 51 693-67 67
info@wincor-nixdorf.com
www.wincor-nixdorf.com

Corporate Communications.
Phone +49 (0) 52 51 693-52 00
Fax +49 (0) 52 51 693-52 22
andreas.bruck@wincor-nixdorf.com

Investor Relations.
Phone +49 (0) 52 51 693-50 50
Fax +49 (0) 52 51 693-50 56
investor-relations@wincor-nixdorf.com

Design.
W.A.F. Werbegesellschaft mbH, Berlin

Photographs.
Thomas Gasparini, Peine

Printed by.
Bonifatius GmbH, Druck-Buch-Verlag, Paderborn

MIX
Paper from responsible sources
FSC® C011558
www.fsc.org

ClimatePartner
printed climate-neutrally
CO_2 emissions of this product have been compensated with emission reduction certificates.
Certificate Number: 048-53323-1210-1342
www.climatepartner.com

International Subsidiaries.

Algeria
Wincor Nixdorf EURL
Ben Aknoun, 25,
Rue Mustapha Khoudja
16306 Algeria
Phone +213 21 94 55 63
Fax +213 21 94 55 59

Australia
Wincor Nixdorf Australia Pty Ltd.
Building C, Ground Level,
Suite 5
14 Rodborough Road
Frenchs Forest, NSW 2086
Phone +61 2 9453 5894
Fax +61 2 9453 5936

Austria
Wincor Nixdorf GmbH
Guglgasse 7–9
1030 Vienna
Phone +43 1 74 33 03 00
Fax +43 1 74 33 03 02 20

As of end of May 2011:
Modecenterstrasse 17–19
1110 Vienna
Phone +43 1 74 33 03 00
Fax +43 1 74 33 03 02 20

Belgium
Wincor Nixdorf S. A./N.V.
Ikaros Business Park
Ikaroslaan 45
1930 Zaventem
Phone +32 27 12 94 60
Fax +32 27 12 94 99

Brazil
Wincor Nixdorf Soluções em Tecnologia da Informação Ltda.
Avenida Guido Caloi, 1935
Bloco C – Terreo
05802-140 – São Paulo
Phone +55 11 55 16 13 37
Fax +55 11 55 16 13 31

Canada
Wincor Nixdorf Canada Inc.
5466 Timberlea Blvd, Unit A
Mississauga, Ontario L4W 2T7
Phone +1 905 890 0777
Fax +1 905 206 0777

China
Wincor Nixdorf Retail & Banking Systems (Shanghai) Ltd.
Block 70
No 36 Yi Wei Road
Wai Gao Qiao,
Free Trade Zone
Shanghai 200 131
PR China
Phone +86 21 6168 7999
Fax +86 21 5046 1625

Wincor Nixdorf (Hong Kong) Ltd.
11/F, Southwest,
Somerset House, Taikoo Place,
979 King's Road, Quarry Bay,
Hong Kong
Phone +852 28 04 10 89
Fax +852 29 05 10 99

Czech Republic
Wincor Nixdorf s.r.o.
Lužná 591
160 00 Prague 6
Phone +420 2 33 03 41 10
Fax +420 2 33 03 41 19

Denmark
Wincor Nixdorf A/S
Tempovej 14
2750 Ballerup
Phone +45 44 77 89 10
Fax +45 44 77 89 22

Finland
Wincor Nixdorf Oy
Vitikka 2
02630 Espoo
Phone +358 (0) 207 520 520
Fax +358 (0) 207 520 502

France
Wincor Nixdorf SAS
6, avenue Morane Saulnier
78140 Vélizy Villacoublay
Phone +33 (0)1 30 67 07 07
Fax +33 (0)1 30 67 07 08

Greece
Wincor Nixdorf Information Systems S. A.
14th km, Athens –
Lamia Nat. Road
Zip Code 14564
P.O. Box. 51399 - Kifisia
Phone +30 21 06 24 08 00
Fax +30 21 06 24 09 00

Hungary
Wincor Nixdorf Kft.
Kunigunda útja 58
1037 Budapest
Phone +36 1 430 2550
Fax +36 1 430 2560

India
Wincor Nixdorf India Private Ltd.
RNA Corporate Park,
2nd Floor,
Near Chetna College,
Kalanagar, Bandra East
Mumbai 400051
Phone +91 22 6140 6666
Fax +91 22 6140 6698

Indonesia
PT. Wincor Nixdorf Indonesia
Sentra Mulia Building,
6th Floor #606
JL. H.R. Rasuna Said
Kav. X-6 No.8
Jakarta Selatan 12940
Phone +62 21 25527900
Fax +62 21 25527999

Ireland
Wincor Nixdorf Ltd.
2015-2016 Orchard Avenue
Citywest Business Campus
Dublin, 24
Phone +353 14 66 09 60
Fax +353 14 69 81 06

Italy
Wincor Nixdorf s.r.l.
Centro Direzionale Milanofiori
Viale Milanofiori,
Strada 2, Ingresso C3
20090 Assago MI
Phone +39 02 52863 1
Fax +39 02 52863 835

Malaysia
Wincor Nixdorf (Malaysia) Sdn Bhd
Suites K-10-01 to 04
Level 10
Solaris Mont Kiara
No 2 Jalan Solaris
50480 Kuala Lumpur
Phone +60 3 6209 6000
Fax +60 3 6203 7535

Mexico
Wincor Nixdorf S.A. de C.V.
Campos Eliseos #400 Piso 14
– Colonia Polanco
Delegación Miguel Hidalgo –
C.P. 11560 México DF
Phone +52 55 5387 9600
Ext. 1000
Fax +52 55 5387 9670

Morocco
Wincor Nixdorf S. A.
226, Boulevard Zerktouni
20000 Casablanca
Phone +212 22 49 09 09
Fax +212 22 47 10 72

Netherlands
Wincor Nixdorf B.V.
Binckhorstlaan 287A
2516 BC The Hague
Phone +31 7 03 49 59 59
Fax +31 7 03 49 59 99

SecurCash B.V.
Kiotoweg 221
3047 BG Rotterdam
Phone +31 10 238 33 55
Fax +31 10 238 33 59

Norway
Wincor Nixdorf A/S
Strømsveien 102
0663 Oslo
Phone +47 23 05 26 00
Fax +47 23 05 26 01

Philippines
Wincor Nixdorf (Philippines) Inc.
24th Floor of Trident Tower,
312 Sen. Gil Puyat Avenue
1200 Makati City
Phone +63 2 902 2600
Fax +63 2 902 2640

Poland
Wincor Nixdorf Sp. z o.o.
ul. Popularna 82
02-226 Warschau
Phone +48 2 25 72 42 00
Fax +48 2 25 72 42 09

Portugal
Wincor Nixdorf Portugal
Rua Nossa
Senhora da Conceição, 5
2794-086 Carnaxide
Phone +351 214 201 800
Fax +351 214 201 891

Russian Federation
Wincor Nixdorf LLC
RF, Krasnoproletarskaya str., 16,
bld. 2, entrance 5
127473 Moscow
T/F +7 (495) 739 2300

Singapore
Wincor Nixdorf Pte Ltd.
2 Kallang Sector
Singapore 349277
Phone +65 67 47 38 28
Fax +65 67 47 15 77

Slovakia
Wincor Nixdorf s.r.o.
Vajnorská 98/D
83104 Bratislava
Phone +421 2 49 25 81 11
Fax +421 2 49 25 82 11

South Korea
Wincor Nixdorf Ltd.
13F DaeYong Bldg.,
44–1 Yeouido-Dong,
Yeongdeungpo-Gu,
Seoul, Korea (150–714)
Phone +82 2 787 15 00
Fax +82 2 787 15 99

Spain
Wincor Nixdorf S. L.
Valportillo Primera, 11
Polígono Industrial Alcobendas
28108 Alcobendas - Madrid
Phone +34 91 484 3800
Fax +34 91 484 3883

Sweden
Wincor Nixdorf AB
Anderstorpsvägen 12
Box 53
SE-17174 Solna
Phone +46 (0) 8 470 09 00
Fax +46 (0) 8 470 09 99

Switzerland
Wincor Nixdorf AG
Stationsstrasse 5
8306 Brüttisellen
Phone +41 44 835 34 00
Fax +41 44 835 35 00

BEB Industrie-Elektronik AG
Oberburgstrasse 10
3400 Burgdorf
Phone +41 34 420 88 33
Fax +41 34 420 88 39

Taiwan
Wincor Nixdorf Ltd.
3F, No. 1, Alley 30
Lane 358 Rueiguang Road
Neihu District
Taipei, Taiwan 114
R.O.C.
Phone +886 2 7720 3780
Fax +886 2 7720 2500

Thailand
Wincor Nixdorf (Thailand) Co. Ltd.
G, 22/F, Thai CC Tower,
889 South Sathorn Road,
Yannawa
Sathorn, Bangkok
Thailand 10120
Phone +66 2672 3999
Fax +66 2672 3909

Turkey
Wincor Nixdorf Bilgisayar Sistemleri A. S.
Kosuyolu Mahallesi
Cenap Sahabettin Sok. No. 43
34718 Kadiköy-Istanbul
Phone +90 21 65 44 10 00
Fax +90 21 65 45 18 30

Ukraine
LLC Wincor Nixdorf KIV (Kiev)
Pimonenko str. 13,
Office 7B–38
04050 Kiew, UA
Phone +380 44 4998 312/13
Fax +380 44 4929 709

United Kingdom
Wincor Nixdorf UK Limited
Alba House
Mulberry Business Park
Fishponds Road
Wokingham, Berkshire
RG41 2GY
Phone +44 (0) 118 936 5000
Fax +44 (0) 118 936 5070

USA
Wincor Nixdorf Inc.
8505 Cross Park Drive, Ste 300
Austin, TX 78754
Phone +1 512 252 5622
Fax +1 512 252 5699

Venezuela
Wincor Nixdorf C. A.
Av. Paseo Colón
Edificio Polar Torre Oeste,
Piso 13
Plaza Venezuela, Los Caobos
Caracas 1050-A
P.O. Box 60167
Phone +58 212 2199000
Fax +58 212 2198902

Wincor Nixdorf AG
Corporate Communications
Heinz-Nixdorf-Ring 1
33106 Paderborn
Germany
Phone +49 (0) 5251693-30
Fax +49 (0) 5251693-6767
info@wincor-nixdorf.com
www.wincor-nixdorf.com

Order No. R40670-J-Z741-1-7600
Printed in Germany