

VTG AG

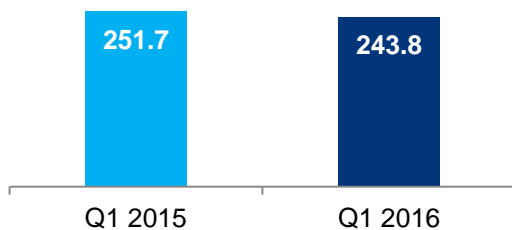
QUARTERLY STATEMENT Q1/2016

VTG has made a sound start into the new year although the economic environment has not yet gained momentum in a satisfactory manner. Temporary effects in the logistics business and a weaker intermodal business led to a slight decline in revenue in the first quarter of 2016. The EBITDA was somewhat weaker, too. However, results of the first quarter of the previous year were boosted by extraordinary income of € 1.8 million. In contrast, there was a strong upswing in earnings per share: Due to the recent refinancing and a further reduction of the tax quota earnings per share (EPS) tripled. Thus, initial signs of success on our way to reach our medium-term target to increase EPS to € 2.50 by 2018, are becoming manifest.

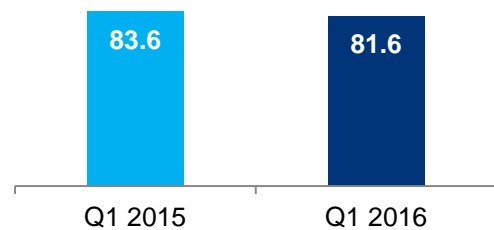
Investments in the first quarter of 2016 amounted to € 51.6 million and were slightly above last year's level. Investments for new build wagons were exclusively made in Europe, where some 400 wagons, primarily tank cars, were added in the first quarter. In addition, VTG took over the management of some further 900 wagons, causing the fleet to expand to more than 82,000 wagons at the end of the first quarter of 2016. Capacity utilization, at 90.6 %, was slightly below that of Q1 of the previous year but stable compared with the level obtained at the end of 2015.

With the results achieved in the first quarter of 2016 VTG continues to be confident to be on track to reach the annual targets concerning revenue and EBITDA.

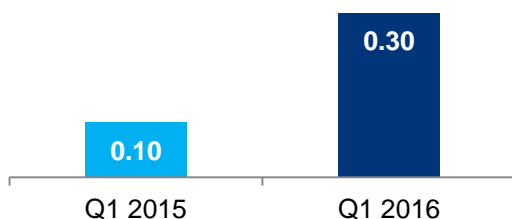
Revenue
(in € million)



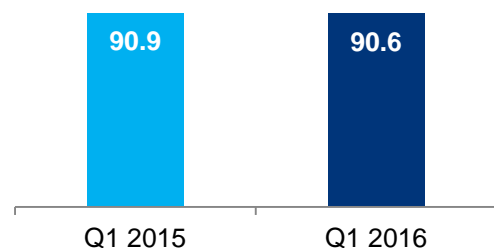
EBITDA
(in € million)



Earnings per share
(in €)



Utilization
(in %)



Business trend

Consolidated results of operations

in € million	Q1 2016	Q1 2015	Δ
Revenue	243.8	251.7	- 3.2 %
EBITDA	81.6	83.6	- 2.5 %
EBIT	34.9	34.8	+ 0.3 %
EBT	18.1	8.9	+ 103 %
EPS (in €)	0.30	0.10	+ 200 %

- Company revenue and EBITDA slightly below last year's level, EBT and EPS clearly improved.
- Revenue: Lower revenue in the Rail Logistics division, no extraordinary income in the Railcar division as last year and a weaker US dollar result in lower revenue.
- EBITDA: Due to a slightly lower revenue and neither positive nor negative one-time effects as contained in last year's result of € +1.8 m, the level of the previous year could not be maintained in Q1 2016.
- EBIT: Due to slightly lower depreciation and amortization EBIT remains at last year's level.
- EBT: Considerably lower interest expenses due to the refinancing realized in December 2015 and no one-off burdens in the financial result led to a doubling of pre-tax earnings (EBT).
- The effects mentioned caused the earnings per share (EPS) to triple.

Capital market

VTG's share performance

in €	Q1 2016	Q1 2015	Δ
Closing price	26.88	22.86	+17.6 %
High	28.31	24.42	+15.9 %
Low	22.70	18.30	+ 24.0 %
Market capitalization	773 m	657 m	+17.6 %

- A weak global economy and a low oil price led to a turbulent start of the year on the German stock market.
- In Q1 2016, the DAX temporarily lost 20 %, but was able to reduce the losses by the end of the quarter.
- DAX and SDAX declined by 7.2 % and 3.2 % respectively.
- The VTG share was unable to escape this volatile environment of the stock market and lost 5.5 %.
- In March, VTG was able to win Joachim Herz Stiftung as a new major shareholder, holding 10 % of the voting rights.
- VTG's biggest shareholder so far, Wilbur Ross, reduced his share to now 20 %; Andreas Goer, holding 29 %, has become VTG's biggest single shareholder.

Results of divisions

Railcar

in € million	Q1 2016	Q1 2015	Δ
Revenue	129.0	132.5	- 2.7 %
EBITDA	82.0	82.8	- 1.0 %
EBITDA margin	63.6 %	62.5 %	+ 1.1 PP
Utilization	90.6 %	90.9 %	- 0.3 PP

- The lower level of revenue is basically due to the sale of a wagon fleet at the end of Q1 2015, and to a modified accounting concerning the management of an investor's fleet not having any effect on profit and loss (€ 2.5 m).
- In addition, the lower price for diesel, the reduced truck toll in Germany and a lack of momentum in global trade resulted in a slight decline of utilization and rental rates for intermodal cars.
- Capacity utilization of the tank car fleet was on a good level and partially counterbalanced the weakness in the intermodal business. Capacity utilization of standard freight cars was stable.
- Due to the lower revenue, EBITDA is also slightly below last year's figure.
- The EBITDA margin, however, is slightly up.
- Capacity utilization, standing at 90.6 %, is somewhat below last year's level, but stable compared with the level obtained at the end of 2015.

Rail Logistics

in € million	Q1 2016	Q1 2015	Δ
Revenue	74.2	77.5	- 4.3 %
EBITDA	1.1	0.2	> +100 %
EBITDA margin	16.1 %	3.8 %	12.3 PP

- Drop in revenue due to discontinuation of low margin business, production downtimes at customers, and very little demand for transport in the agricultural goods market segment.
- Due to the mild winter in Europe there was no significant rise in demand for heating oil and LPG.
- Division maintains the positive earnings trend of the previous quarters with a clearly improved margin.

Tank Container Logistics

in € million	Q1 2016	Q1 2015	Δ
Revenue	40.6	41.7	- 2.6 %
EBITDA	2.3	4.1	- 42.3 %
EBITDA margin	33.2 %	57.3 %	- 24.1 PP

- Increasing freight volumes in Europe and stable overseas transports.
- However, a weaker US dollar caused a drop in revenue compared with Q1 of the previous year.
- The decline in EBITDA is mainly due to extraordinary income amounting to € 1.5 m resulting from the sale of an associated company in the first quarter of 2015.

Financial position and net assets

Cash flow

in € million	Q1 2016	Q1 2015	Δ
Operating cash flow	66.3	93.2	- 26.9
Investing cash flow	- 37.6	13.1	- 50.7
Financing cash flow	- 25.8	- 30.6	4.8

- The drop in the operating cash flow is primarily due to extraordinary proceeds from the sale of a wagon fleet in the previous year (effect: € 12.2 m).
- In addition, the operating cash flow in Q1 2015 contained a sales tax of € 10 m on the sale of that wagon fleet, which was passed on to the tax office only in Q2 2015.
- The cash flow from investing activities in Q1 2015 was boosted by the sale of a wagon fleet and by the acquisition of AAE (effect: € 53.2 m).

Investments

in € million	Q1 2016	Q1 2015	Δ
Investments	51.6	50.5	+ 1.1
thereof:			
fixed assets	36.0	45.3	- 9.3
operate lease	15.6	5.2	+ 10.4
Order book (quantity)	2.150	2.450	- 300

- Investments were on last year's level with an increased part financed off-balance by means of operate lease contracts (€ 15.6 m).
- A substantial amount of investments was used to expand and modernize the fleet.
- In the quarter under review, investments in the wagon fleet were exclusively made in Europe.
- The number of wagons on order is slightly lower than in Q1 2015 and also lower than at the end of 2015 (2,300).
- 1,000 of the total number of wagons on order (2,150) are destined for the American market with delivery scheduled to commence mid-2017.

Net assets

in € million	03/31/2016	12/31/2015
Assets	3,034.7	3,047.1
non-current	2,691.8	2,708.1
current	342.9	339.0
Equity	739.5	748.2
Equity ratio (in %)	24.4	24.6
Liabilities	2,295.2	2,298.9
non-current	1,974.9	1,934.7
current	320.3	364.2

- Total assets of the VTG group remained almost the same as on the reference day December 31, 2015.
- Non-current debt remains covered by non-current assets.
- The equity ratio of 24.4 % continues to be at a good level.

Opportunities and risks

The VTG Group's 2015 annual report sets out significant opportunities and risks that could have an impact on the business situation, net assets, financial position or results of operations of the VTG Group. It also sets out the structure of the Group's risk management system. In the three months of 2016, no further significant risks or opportunities emerged beyond those already set out in the VTG Group's 2015 annual report. There are therefore currently no known risks whose occurrence, alone or in combination with other risks, could endanger the company as a going concern. In relation to this, please also refer to the section "Cautionary note regarding forward-looking statements".

Report on expected developments

Based on current economic expectations and the resulting estimates regarding the performance of the individual operational divisions, the Executive Board of the VTG Group anticipates a generally positive trend in business in 2016. The last financial year was shaped significantly by the integration of AAE, along with the measures to increase efficiency and exploit synergies. These measures will continue to have a positive impact on the company's performance in the current financial year. The Executive Board therefore expects revenue for the Group of between € 1.03 billion and € 1.07 billion for the financial year 2016. Based on the planned investments and the measures set out above, it is anticipated that EBITDA (earnings before interest, taxes, depreciation and amortization) will be between € 345 million and € 355 million.

Cautionary note regarding forward-looking statements

This quarterly report contains a number of statements relating to the future development of VTG. These statements are based on assumptions and estimates. Although we are confident that these anticipatory statements are realistic, we cannot guarantee them. For our assumptions involve risks and uncertainties which may give rise to situations in which the actual results differ substantially from the expected ones. The potential reasons for such differences include market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. VTG neither intends to nor assumes any separate obligation to update any statement concerning the future to reflect events or circumstances after the date of this report.

CONSOLIDATED INCOME STATEMENT

in € million	Q1 2016	Q1 2015
Revenue	243.8	251.7
Changes in inventories	0.5	2.0
Other operating income	5.5	9.0
Cost of materials	-108.1	-116.4
Personnel expenses	-24.3	-23.2
Other operating expenses	-36.4	-40.0
Earnings from companies accounted for using the equity method	0.6	0.5
Earnings before interest, taxes, depreciation and amortization (EBITDA)	81.6	83.6
Impairment, amortization and depreciation	-46.7	-48.8
Earnings before interest and taxes (EBIT)	34.9	34.8
Financial loss (net)	-16.8	-25.9
Earnings before taxes (EBT)	18.1	8.9
Taxes on income and earnings	-6.3	-3.6
Group net profit	11.8	5.3
Thereof relating to		
Shareholders of VTG Aktiengesellschaft	8.7	2.9
Vendor Loan Note	-	0.8
Hybrid capital investors	3.1	2.2
Non-controlling interests	-	-0.6
	11.8	5.3
Earnings per share (in €, undiluted and diluted)	0.30	0.10

CONSOLIDATED BALANCE SHEET

ASSETS in € million	03/31/2016	12/31/2015
Goodwill	340.5	340.5
Other intangible assets	97.5	99.2
Tangible fixed assets	2,178.6	2,197.4
Companies accounted for using the equity method	30.5	29.9
Other investments	3.0	2.9
Derivative financial instruments	-	0.5
Other financial assets	13.8	10.9
Other assets	0.1	0.2
Deferred income tax assets	27.8	26.6
Non-current assets	2,691.8	2,708.1
Inventories	24.8	24.1
Trade receivables	160.1	148.2
Derivative financial instruments	0.9	0.2
Other financial assets	19.8	18.8
Other assets	35.6	47.6
Current income tax assets	2.1	2.3
Cash and cash equivalents	99.6	97.8
Current assets	342.9	339.0
	3,034.7	3,047.1
SHAREHOLDERS' EQUITY AND LIABILITIES in € million	03/31/2016	12/31/2015
Subscribed capital	28.8	28.8
Additional paid-in capital	323.7	323.7
Retained earnings	137.2	136.5
Revaluation reserve	-0.2	-0.2
Equity attributable to shareholders of VTG Aktiengesellschaft	489.5	488.8
Equity attributable to hybrid capital investors of VTG Aktiengesellschaft	250.0	259.4
Equity	739.5	748.2
Provisions for pensions and similar obligations	72.3	71.1
Deferred income tax liabilities	149.6	148.6
Other provisions	10.9	10.6
Financial liabilities	1,704.2	1,663.9
Derivative financial instruments	37.9	40.5
Non-current liabilities	1,974.9	1,934.7
Provisions for pensions and similar obligations	4.1	3.4
Current income tax liabilities	20.9	21.5
Other provisions	52.4	59.0
Financial liabilities	72.2	101.7
Trade payables	125.4	131.6
Derivative financial instruments	20.9	20.6
Other financial liabilities	8.0	16.5
Other liabilities	16.4	9.9
Current liabilities	320.3	364.2
	3,034.7	3,047.1

CONSOLIDATED CASH FLOW STATEMENT

in € million	Q1 2016	Q1 2015
Operating activities		
Group net profit	11.8	5.3
Impairment, amortization and depreciation	46.7	48.8
Financing income	-0.3	-0.5
Financing expenses	17.1	26.4
Taxes on income and earnings	6.3	3.6
EBITDA	81.6	83.6
Other non-cash expenses and income	-0.4	-0.5
Income taxes paid	-4.5	-2.0
Income taxes reimbursed	-	3.7
Profit/loss on disposals of fixed asset items	-1.4	-3.4
Changes in		
Inventories	-0.7	-1.7
Trade receivables	-11.7	-9.4
Trade payables	-5.6	-1.0
Other assets and liabilities	9.0	23.9
Cash flows from operating activities	66.3	93.2
Investing activities		
Payments for investments in intangible and tangible fixed assets	-36.3	-42.5
Proceeds from disposal of intangible and tangible fixed assets	1.8	33.9
Proceeds from disposal of non-current assets held for sale	-	1.3
Payments for/proceeds from investments in financial assets and company acquisitions (less cash and cash equivalents received)	-0.3	19.4
Proceeds from disposal of financial assets	0.2	-
Financial receivables (incoming payments)	0.5	0.5
Financial receivables (outgoing payments)	-3.7	-
Receipts from interest	0.2	0.5
Cash flows used in / from investing activities	-37.6	13.1
Financing activities		
Payment for the acquisition of non-controlling interests	-5.1	-
Payment to non-controlling interests	-0.7	-
Raising of hybrid capital	-	173.6
Dividend payment to hybrid capital investors	-12.5	-
Repayment of vendor loan note	-	-86.2
Receipts from the taking up of (financial) loans	18.3	5.0
Repayments of bank loans and other financial liabilities	-17.4	-107.3
Interest payments	-8.4	-15.7
Cash flows used in financing activities	-25.8	-30.6
Change in cash and cash equivalents	2.9	75.7
Effect of changes in exchange rates	-1.1	3.1
Balance at beginning of period	97.8	80.4
Balance of cash and cash equivalents at end of period	99.6	159.2
of which freely available funds	96.8	146.5

Key figures by division

in € million	Railcar		Rail Logistics		Tank Container Logistics		Reconciliation		Group	
	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1	Q1
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External revenue	129.0	132.5	74.2	77.5	40.6	41.7	-	-	243.8	251.7
Internal revenue	7.2	6.2	0.7	0.2	-	-	-7.9	-6.4	0.0	0.0
Changes in inventories	0.5	2.0	-	-	-	-	-	-	0.5	2.0
Segment revenue	136.7	140.7	74.9	77.7	40.6	41.7	-7.9	-6.4	244.3	253.7
Segment cost of materials*	-9.8	-12.9	-68.3	-71.2	-33.6	-34.6	7.8	6.1	-103.9	-112.6
Segment gross profit	126.9	127.8	6.6	6.5	7.0	7.1	-0.1	-0.3	140.4	141.1
Other segment income and expenditure	-44.9	-44.9	-5.5	-6.3	-4.7	-3.0	-3.7	-3.3	-58.8	-57.5
Segment earnings before interest, taxes, depreciation and amortization (EBITDA)	82.0	82.8	1.1	0.2	2.3	4.1	-3.8	-3.5	81.6	83.6
Impairment, amortization of intangible and depreciation of tangible fixed assets	-44.9	-45.7	-0.4	-0.4	-1.2	-2.6	-0.2	-0.1	-46.7	-48.8
thereof impairments**	-	-	-	-	-	-1.3	-	-	0.0	-1.3
Segment earnings before interest and taxes (EBIT)	37.1	37.1	0.7	-0.2	1.1	1.5	-4.0	-3.6	34.9	34.8
thereof earnings from companies accounted for using the equity method	0.5	0.5	-	-	0.1	-	-	-	0.6	0.5
Financial result	-15.4	-25.0	-0.1	-0.3	-0.2	-0.2	-1.1	-0.4	-16.8	-25.9
Earnings before taxes (EBT)	21.7	12.1	0.6	-0.5	0.9	1.3	-5.1	-4.0	18.1	8.9
Taxes on income and earnings									-6.3	-3.6
Group net profit									11.8	5.3

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

** The impairments relate to financial assets.

Management of capital structure

in € million	03/31/2016	12/31/2015
Financial liabilities	1,776.4	1,765.7
Correction, deduction of transaction costs	12.4	13.0
Cash and cash equivalents	-99.6	-97.8
Investment securities	-0.3	-0.3
Financial receivables	-16.3	-13.1
Net financial debt	1,672.6	1,667.5
Provisions for pensions	76.4	74.5
Adjusted net financial debt	1,749.0	1,742.0
EBITDA	350.0*	336.5
Ratio of adjusted net financial debt / EBITDA	5.0*	5.2

* Average EBITDA forecast for 2016.

Other financial commitments

in € million	due within 1 year		between 1 and 5 years		more than 5 years		Total	
	03/31/ 2016	12/31/ 2015	03/31/ 2016	12/31/ 2015	03/31/ 2016	12/31/ 2015	03/31/ 2016	12/31/ 2015
	Obligations from rental, leasehold and leasing agreements	46.7	43.1	108.2	96.8	48.4	44.0	203.3
Purchase commitments	64.3	58.9	118.5	129.9	-	-	182.8	188.8
Total	111.0	102.0	226.7	226.7	48.4	44.0	386.1	372.7

Material events after the balance sheet date

There were no events of special significance after the end of the first three months of the financial year.

FINANCIAL CALENDAR AND CONTACT INFORMATION

Financial calendar 2016

February 23	Preliminary Results FY 2015
April 5	Annual Report FY 2015
April 5	Financial Statements Press Conference, Hamburg
April 5	Analyst Conference, Hamburg
May 12	Interim Disclosure for the 1st Quarter 2016
May 31	Annual General Meeting, Hamburg
August 30	Half-Yearly Financial Report 2016
November 17	Interim Disclosure for the 3rd Quarter 2016

Investor Relations

Christoph Marx
Head of Investor Relations
Telephone: +49 (0) 40 23 54-1351
Telefax: +49 (0) 40 23 54-1350
E-mail: christoph.marx@vtg.com

Alexander Drews
Investor Relations Manager
Telephone: +49 (0) 40 23 54-1352
Telefax: +49 (0) 40 23 54-1350
E-mail: alexander.drews@vtg.com

Corporate Communications

Gunilla Pendt
Head of Corporate Communications
Telephone: +49 (0) 40 23 54-1341
Telefax: +49 (0) 40 23 54-1340
E-mail: gunilla.pendt@vtg.com

VTG Aktiengesellschaft

Nagelsweg 34
D-20097 Hamburg
Telephone: +49 (0) 40 2354-0
Telefax: +49 (0) 40 23 54-1199

For further information go to www.vtg.de