

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ►</td> <td>008</td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>12/01/1959</u></td> </tr> </table>	1b Three-digit plan number (PN) ►	008	1c Effective date of plan <u>12/01/1959</u>	
1b Three-digit plan number (PN) ►	008				
1c Effective date of plan <u>12/01/1959</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) DIEBOLD, INCORPORATED 5995 MAYFAIR ROAD NORTH CANTON, OH 44720	<table border="1"> <tr> <td>2b Employer Identification Number (EIN) <u>34-0183970</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>330-490-6817</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>339900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-0183970</u>	2c Sponsor's telephone number <u>330-490-6817</u>	2d Business code (see instructions) <u>339900</u>	
2b Employer Identification Number (EIN) <u>34-0183970</u>					
2c Sponsor's telephone number <u>330-490-6817</u>					
2d Business code (see instructions) <u>339900</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/15/2012</u>	<u>SCOTT HUNTER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") DIEBOLD, INCORPORATED 5995 MAYFAIR ROAD NORTH CANTON, OH 44720	3b Administrator's EIN 34-0183970 3c Administrator's telephone number 330-490-6817
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	526
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	382
c Other retired or separated participants entitled to future benefits.....	6c	62
d Subtotal. Add lines 6a , 6b , and 6c	6d	444
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	91
f Total. Add lines 6d and 6e	6f	535
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1B 1G 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>DIEBOLD, INCORPORATED</u>	D Employer Identification Number (EIN) <u>34-0183970</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>
2	Assets:
a	Market value 2a <u>14746752</u>
b	Actuarial value 2b <u>13497644</u>
3	Funding target/participant count breakdown:
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>457</u> <u>15144790</u>
b	For terminated vested participants 3b <u>69</u> <u>1274228</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>0</u>
(2)	Vested benefits 3c(2) <u>0</u>
(3)	Total active 3c(3) <u>0</u> <u>0</u>
d	Total 3d <u>526</u> <u>16419018</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>5.99 %</u>
6	Target normal cost 6 <u>87006</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/11/2012</u>
Signature of actuary	Date
<u>BLAKE A BAIETTO</u>	<u>11-06524</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>216-937-4000</u>
Firm name	Telephone number (including area code)
<u>1001 LAKESIDE AVENUE, SUITE 1900</u> <u>CLEVELAND, OH 44114</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1736152	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	539111	0
9	Amount remaining (line 7 minus line 8)	1197041	0
10	Interest on line 9 using prior year's actual return of <u>14.21</u> %	170100	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>6.50</u> % except as otherwise provided (see instructions)		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	1050000	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	317141	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	80.27 %
15	Adjusted funding target attainment percentage	15	80.27 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.37 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and liquidity shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/14/2011	79000				
01/13/2012	135000				
09/14/2012	168000				
			Totals ▶	18(b)	382000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 354749
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	87006	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	3238515	584230	
b Waiver amortization installment		0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	671236	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	317141	0	317141
36 Additional cash requirement (line 34 minus line 35)	36	354095	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	354749	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	654	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	654	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIEBOLD, INCORPORATED</u>	D Employer Identification Number (EIN) <u>34-0183970</u>

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>ARTISAN PARTNERS LP</u>	<u>875 E WISCONSIN AVENUE, SUITE 800</u> <u>MILWAUKEE, WI 53202</u>
<u>30-0551775</u>	

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation	
<u>PORTFOLIO ADVISORS LLC</u>	<u>9 OLD KINGS HIGHWAY SOUT</u> <u>DARIEN, CT 06820</u>
<u>06-1487853</u>	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>THE VANGUARD GROUP</u>	<u>100 VANGUARD BLVD.</u> <u>MALVERN, PA 19355</u>
<u>23-1945930</u>	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>EMERGING MARKETS INVESTMENT FUND</u>	<u>C/O CIBC MELLON TRUST COMPANY 320 BAY STREET, POB BOX 1</u> <u>TORONTO, ONTARIO M5H4A CA</u>

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

THE NORTHERN TRUST COMPANY

50 SOUTH LASALLE ST
CHICAGO, IL 60603

36-1561860

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LOOMIS SAYLES & CO.

04-3200030

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	9215	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON DELAWARE, INC.

52-2211537

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	29599	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

JP MORGAN INVESTMENT MANAGER

13-3200244

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	13808	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LSV ASSET MANAGEMENT

23-2772200

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	9051	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning	01/01/2011	and ending	12/31/2011
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A Name of plan DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES	B Three-digit plan number (PN)	► 008
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500 DIEBOLD, INCORPORATED	D Employer Identification Number (EIN) 34-0183970
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Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	DIEBOLD INC PENSION MASTER TRUST
--	----------------------------------

b Name of sponsor of entity listed in (a):	DIEBOLD, INCORPORATED
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c EIN-PN	34-0183970-017	d Entity code	M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	14008157
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
--	--

b Name of sponsor of entity listed in (a):	
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
--	--

b Name of sponsor of entity listed in (a):	
---	--

c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
---	--

c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
--	--

b Name of sponsor of entity listed in (a):	
---	--

c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
--	--

b Name of sponsor of entity listed in (a):	
---	--

c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
---	--

c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES	B Three-digit plan number (PN) ►	008
C Plan sponsor's name as shown on line 2a of Form 5500 DIEBOLD, INCORPORATED	D Employer Identification Number (EIN) 34-0183970	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	300000	303000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	14541316	14008157
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	14841316	14311157

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	14841316	14311157
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	382000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		382000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		997017
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1379017

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1796411	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1796411
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	34571	
(2) Contract administrator fees	2i(2)	33467	
(3) Investment advisory and management fees	2i(3)	43257	
(4) Other	2i(4)	1470	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		112765
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1909176

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-530159
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BOBER, MARKEY, FEDOROVICH & COMPANY

(2) EIN: 34-1523030

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		50000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>DIEBOLD INC PENSION PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIEBOLD, INCORPORATED</u>	D Employer Identification Number (EIN) <u>34-0183970</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-5160382</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



CERTIFIED PUBLIC ACCOUNTANTS/BUSINESS ADVISORS
A PROFESSIONAL CORPORATION

AKRON CLEVELAND

INDEPENDENT AUDITORS' REPORT

**The Plan Administrator and Participants
Diebold, Incorporated Retirement Plan for Hourly Employees
North Canton, Ohio**

We were engaged to audit the financial statements of Diebold, Incorporated Retirement Plan for Hourly Employees (the "Plan") as of December 31, 2011 and 2010 and for the years then ended, as listed in the accompanying index. These financial statements are the responsibility of management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, Diebold, Incorporated (the "Plan Administrator") instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 5 and 6, which was certified by The Bank of New York Mellon, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

BOBER, MARKEY, FEDOROVICH & COMPANY

October 10, 2012

Diebold, Incorporated Retirement Plan for Hourly Employees
Financial Statements
December 31, 2011 and 2010

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DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
ANNUAL REPORT INDEX
December 31, 2011 and 2010

The following financial statements and other information of Diebold, Incorporated Retirement Plan for Hourly Employees are included herewith:

- Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010;
- Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2011 and 2010;
- Statements of Accumulated Plan Benefits as of December 31, 2011 and 2010;
- Statements of Changes in Accumulated Plan Benefits for the years ended December 31, 2011 and 2010;
- Notes to Financial Statements

All other supplemental schedules and notes for which provision is made in the applicable rules and regulations of the Department of Labor Regulations are not required under the related instructions or are inapplicable and, therefore, have been omitted.

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DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES

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DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Investments, at fair value		
Plan interest in Diebold, Incorporated Master Trust (note 5)	\$ 14,008,157	\$ 14,541,316
Contribution receivable	<u>303,000</u>	<u>300,000</u>
Net assets available for benefits	<u>\$ 14,311,157</u>	<u>\$ 14,841,316</u>

See accompanying notes to financial statements.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Additions attributable to:		
Investment income		
Plan interest in net investment income from		
Diebold, Incorporated Master Trust (note 5)	\$ 997,017	\$ 1,929,262
Employer contribution (note 3)	<u>382,000</u>	<u>300,000</u>
Total additions	<u>1,379,017</u>	<u>2,229,262</u>
 Deductions arising from:		
Benefits and expenses		
Pension benefits paid	1,796,411	1,848,758
Investment management fee	43,257	46,525
Administrative expenses	<u>69,508</u>	<u>82,486</u>
Total deductions	<u>1,909,176</u>	<u>1,977,769</u>
 Net (decrease) increase in net assets available for benefits	 (530,159)	 251,493
 Net assets available for benefits		
Beginning of period	14,841,316	14,589,823
End of period	<u>\$ 14,311,157</u>	<u>\$ 14,841,316</u>

See accompanying notes to financial statements.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Statements of Accumulated Plan Benefits
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Actuarial present value of accumulated plan benefits (note 2(c))		
Vested benefits:		
Participants currently receiving payments	\$ 12,673,253	\$ 12,723,684
Other participants	<u>792,147</u>	<u>961,022</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 13,465,400</u>	<u>\$ 13,684,706</u>

See accompanying notes to financial statements.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Statements of Changes in Accumulated Plan Benefits
For the years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Actuarial present value of accumulated plan benefits at beginning of period	\$ 13,684,706	\$ 14,448,432
Increase (decrease) during the year attributable to:		
Increase in interest due to decrease in discount period	1,086,853	1,149,545
Benefits paid	(1,796,411)	(1,848,758)
Change of assumptions (note 2c)	227,075	30,594
Actuarial losses (gains)	263,177	(95,107)
Net decrease	<u>(219,306)</u>	<u>(763,726)</u>
Actuarial present value of accumulated plan benefits at end of period	<u>\$ 13,465,400</u>	<u>\$ 13,684,706</u>

See accompanying notes to financial statements.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

NOTE 1: DESCRIPTION OF THE PLAN

The following brief description of the Diebold, Incorporated Pension Plan for Hourly Employees (the "Plan") is provided for general information purposes only. Participants and users of the financial statements should refer to the Plan document for more complete information.

(a) General

The Plan is a defined benefit pension plan designed to provide retirement benefits to former employees of the Canton, Ohio Plant of Diebold, Incorporated (the Company) who were within the bargaining units of Lodge 1191 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers (AFL-CIO-CFL) and the Safe Workers' Organization, Chapter 1, Inc. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was amended in 2002 for the Uruguay Round Agreements Act, the Uniform Services Employment and Reemployment Rights Act of 1994, the Small Business Job Protection Act of 1996, and the Taxpayer Relief Act of 1997 (collectively referred to as GUST), and the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). The Plan was frozen effective July 1, 2000. Effective January 1, 2008, a 75 percent joint and survivor annuity payment option was added to the Plan.

(b) Retirement Dates

The normal retirement date of a participant is the later of the 65th anniversary of his or her date of birth or the 5th anniversary of the date the employee commenced participation in the Plan. Any employee who has attained 30 or more years of benefit service may retire regardless of age. The early retirement date of a participant is the 62nd anniversary of his or her date of birth if such participant has 10 or more years of benefit service; an alternate early retirement date is the 60th anniversary of the date of birth if the participant has 10 or more years of benefit service and elects to receive actuarially reduced benefits. Any employee who has completed 15 or more years of benefit service and becomes incapacitated by total and permanent disability is retired and receives a disability retirement benefit. In addition, any participant who has five or more years of vesting service but whose service is broken before the age of 65 retains the right to receive a vested deferred pension benefit commencing at the age at which he or she could have elected to retire or would have been retired by the Company.

(c) Benefit Service

Benefit service is computed to the nearest month and is credited and computed for each calendar year for each employee on the basis of his or her total hours of service during such calendar year and prior to retiring. An employee who is credited with at least one hour of service in any week is credited with an entire week (45 hours). Any calendar year in which the employee has 1,600 or more hours of service is counted as one year of benefit service. The maximum number of years of benefit service which can be acquired by an employee cannot exceed 30 years.

(d) Trust Fund Management

Under the terms of the trust agreement between The Bank of New York Mellon (the "Trustee") and the Plan, the Trustee manages the trust funds and executes transactions on behalf of the Plan. All investments and a portion of the investment income included in the financial statements have been reported to the Plan by the Trustee for the years ended December 31, 2011 and 2010 as having been determined through the use of fair values of all assets of the trust fund.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

- (e) **Vested Benefits**
Vested benefits means the retirement benefit to which an employee, whose service terminated after his or her vesting date, is entitled. After five years of vesting service, such vested benefit is 100 percent of the employee's accrued benefit.
- (f) **Preretirement Survivor Annuity**
Effective January 1, 1985, an active or terminated employee who has attained his or her vesting date, is married to an eligible surviving spouse, and who dies before his or her pension starting date, has a preretirement survivor annuity provided, as of the date of death, for the eligible surviving spouse.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (a) **Basis of Accounting**
The accompanying financial statements of the plan are prepared on the accrual basis of accounting and are in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- (b) **Use of Estimates**
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Due to investments in partnerships within the Master Trust not being traded on an active market, the values as of any particular date are not necessarily indicative of amounts that may ultimately be realized as a result of future sales or other dispositions of investments held. The estimated values may differ significantly from the values that would have been used had an active market for the securities existed. Actual results could differ from those estimates.
- (c) **Actuarial Present Value of Accumulated Plan Benefits**
The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment. The significant assumptions underlying the actuarial computations include:
- Assumed retirement based at age 62 for employees who have 10 years of service and age 65 for all others;
 - Assumed valuation interest rates for 2011 and 2010 of 8.25 percent and 8.50 percent, respectively compounded annually;
 - Assumed turnover and disability rates based on published statistical data and tables;
 - Assumed mortality rates based upon the RP-2000 Combined Healthy Mortality Table with separate male and female rates, projected to the valuation date (January 1, 2012) for December 31, 2011 results.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

The actuarial cost method used by the actuary is the unit credit cost method. This is a method under which an accrued benefit is calculated as of the beginning of the year and as of the end of the year for each benefit that may be payable in the future. The accrued benefit is based on the Plan's accrual formula and upon service as of the beginning or end of the year. For benefits where the Plan's accrual formula is not relevant, benefits are assumed to accrue on a straight-line basis over the period during which the employee earns credited service. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for the employed participants and is the present value of all benefits for other participants.

The December 2011 calculation of the actuarial present value of accumulated benefits contains a \$227,075 change in actuarial assumption due to a 0.25 percent decrease in the interest discount rate and a change in mortality table from RP-2000 projected to the valuation date (January 1, 2011) to RP-2000 projected to the valuation date (January 1, 2012).

The December 2010 calculation of the actuarial present value of accumulated benefits contains a \$30,594 change in actuarial assumption due to a change in mortality table from RP-2000 projected to the valuation date (January 1, 2010) to RP-2000 projected to the valuation date (January 1, 2011).

(d) Recently Issued Accounting Guidance

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. ASU 2011-04 amended ASC 820, to converge the fair value measurement guidance in U.S. GAAP and International Financial Reporting Standards ("IFRS"). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the financial statements of the Plan.

(e) Reclassifications

The Plan has reclassified the presentation of certain prior-year information to conform to the current presentation.

NOTE 3: FUNDING POLICY

Company contributions of \$382,000 and \$300,000 were made to the Plan for the years ended December 31, 2011 and 2010, respectively. The Company met the minimum funding requirements of ERISA for 2011 and 2010.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

NOTE 4: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

In the event of permanent termination of the Plan, the assets then remaining in the trust fund, subject to provision for expenses incident to such termination, are allocated in the following priority: first, to retirees who began receiving benefits at least three years before termination, including benefits to individuals who would have received benefits for at least three years had they retired that long ago; second, to all other individuals guaranteed under the termination insurance provisions of ERISA; third, among all other uninsured vested benefits; and fourth, among all other benefits under the Plan. In the event the Plan assets are not sufficient to accomplish the above method of termination, the assets are distributed pro rata to participants based on the present value at termination date of their individual benefits, with all accrued funded rights non-forfeitable in any case.

In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees.

NOTE 5: INVESTMENTS

The Company has adopted a pension investment policy designed to achieve an adequate funding status based on expected benefit payouts and to establish an asset allocation that will meet or exceed the return assumption while maintaining a prudent level of risk. The Company utilizes the services of an outside consultant in performing asset / liability modeling, setting appropriate asset allocation targets along with selecting and monitoring professional investment managers.

The Company has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, all investment information is certified complete and accurate or derived from information certified complete and accurate by the Trustee as of and for the years ended December 31, 2011 and December 31, 2010, with the exception of certain partnership/joint venture interests within the Master Trust. The fair value of these investments within the Master Trust was \$24,060,284 and \$22,452,284 as of December 31, 2011 and 2010, respectively, with related appreciation of \$2,438,945 and \$2,769,497, respectively.

Assets of the Plan are maintained on a commingled basis with assets of one other pension plan of the Company in a Master Trust for investment purposes, with the allocation of assets, earnings, and expenses among the funds maintained by the Trustee for the years ended December 31, 2011 and 2010. The Plan's equitable share of the Master Trust's assets was approximately 2.9 percent and 3.2 percent, at December 31, 2011 and 2010, respectively.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

The assets of the Master Trust as reported by the Trustee at December 31, 2011 and 2010 were:

	2011	2010
Investments, at fair value:		
Cash and short-term investments	\$ 51,516,627	\$ 2,354,872
Mutual funds	15,132,549	18,240,208
Corporate stocks, common and preferred	67,870,558	78,578,282
Fixed income securities	73,675,828	70,819,471
Emerging markets	17,333,739	25,666,285
Common and collective trusts and other	191,414,796	193,940,705
Alternative investments	50,652,435	44,559,174
Real estate	16,442,611	14,179,893
Total investments held by Master Trust	<u>484,039,143</u>	<u>448,338,890</u>
Net (purchases) sales pending	(79,072)	2,052,372
Accrued interest and dividends	1,304,373	1,593,941
Other receivables	49,807	58,904
Total assets held by Master Trust	<u>\$ 485,314,251</u>	<u>\$ 452,044,107</u>
Master Trust assets attributable to the Plan	<u>\$ 14,008,157</u>	<u>\$ 14,541,316</u>

Investments that represent five percent or more of the Master Trust are as follows for the years ended December 31, 2011 and 2010:

	2011	2010
Russell 1000 Fund	\$ 68,662,646	\$ 74,904,923
JPM CB Extended Duration Fund	\$ 61,474,068	\$ 58,210,813
JP Morgan Extended Duration Sector Fund	\$ 61,278,082	\$ 60,771,415
Cash and short-term investments ^	\$ 51,440,242	\$ 2,354,872
Blackstone Alternative Investment ^	\$ 26,592,151	\$ 22,106,890
The Emerging Markets Investor Fund *	\$ 17,333,739	\$ 25,666,285

^ Shown for comparative purposes only. Investment does not exceed five percent of the Master Trust at December 31, 2010.

* Shown for comparative purposes only. Investment does not exceed five percent of the Master Trust at December 31, 2011.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

During the years ended December 31, 2011 and 2010, income from the Master Trust consisted of:

	2011	2010
Net appreciation (depreciation) in fair value of invested assets		
Mutual funds	\$ (31,282)	\$ 4,455,689
Corporate stocks, common and preferred	(7,752,249)	12,929,967
Fixed income securities	7,306,301	3,492,533
Emerging markets	(5,332,546)	4,180,003
Common and collective trusts and other	27,919,829	21,934,787
Alternative investments	1,924,206	4,416,883
Real estate	2,262,718	1,179,893
Total net appreciation in fair value of invested assets	26,296,977	52,589,755
Interest	4,828,189	4,332,260
Dividends	2,316,080	2,415,884
Other income	162,999	24,814
Total Master Trust income	<u>\$ 33,604,245</u>	<u>\$ 59,362,713</u>
Master Trust income attributable to the Plan	<u>\$ 997,017</u>	<u>\$ 1,929,262</u>

NOTE 6: FAIR VALUE MEASUREMENTS

The fair value framework described in FASB ASC 820, *Fair Value Measurements*, requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to value the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment.

The three levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs, other than quoted prices in active markets that are observable either directly or indirectly.

Level 3: Unobservable inputs for which there is little or no market data.

Level 1 - Fair value of investments categorized as Level 1 are determined based on period end closing prices in active markets on which the individual securities are traded.

Level 2 - Fair value of investments categorized as Level 2 are determined based on the latest available ask price or latest trade price if listed. The fair value of unlisted securities is established by fund managers using the latest reported information for comparable securities and financial analysis. If the manager believes the fund is not capable of immediately realizing the fair value otherwise determined, the manager has the discretion to determine an appropriate value. Common collective trusts are valued at their net asset value ("NAV") which is used for expedience purposes, on the last day of the period.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

Level 3 - Fair value of investments categorized as Level 3, represent the Plan's interest in private equity, hedge and property funds. The fair value for these assets is determined based on the NAV, which is used for expedience purposes, as reported by the underlying investment managers.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2011:

	Fair Value	Level 1	Level 2	Level 3
Total investments held by Master Trust:				
Cash and short-term investments	\$ 51,516,627	\$ 51,516,627	\$ -	\$ -
Mutual funds:				
U.S. mid growth	15,132,549	15,132,549	-	-
Equity securities:				
U.S. mid cap value	14,746,533	14,746,533	-	-
U.S. small cap core	16,185,733	16,185,733	-	-
International developed markets	36,938,292	36,938,292	-	-
Fixed income securities:				
U.S. corporate bonds	67,413,383	-	67,413,383	-
International corporate bonds	2,283,951	-	2,283,951	-
U.S. government	3,389,088	-	3,389,088	-
Other fixed income	589,406	-	589,406	-
Emerging markets	17,333,739	-	17,333,739	-
Common collective trusts:				
Real estate (a)	16,442,611	-	-	16,442,611
Other (b)	191,414,796	-	191,414,796	-
Alternative investments:				
Multi-strategy hedge funds (c)	26,592,151	-	-	26,592,151
Private equity funds (d)	24,060,284	-	-	24,060,284
Total	\$ 484,039,143	\$ 134,519,734	\$ 282,424,363	\$ 67,095,046

- (a) **Real estate common collective trust** The objective of the real estate fund is to achieve long-term returns through investments in a broadly diversified portfolio of improved properties with stabilized occupancies. As of December 31, 2011, investments in this fund included approximately 46 percent office, 23 percent residential, 19 percent retail and 12 percent industrial, cash and other. As of December 31, 2010, investments in this fund included approximately 33 percent office, 21 percent residential, 23 percent retail and 23 percent industrial, cash and other. Investments in the real estate fund can be redeemed once per quarter subject to available cash, with a 45 day notice.
- (b) **Other common collective trusts** At December 31, 2011 approximately 64 percent of the CCTs are invested in fixed income securities including approximately 43 percent in corporate bonds, 35 percent in mortgage-backed securities and 22 percent in US Treasury and other. Approximately 36 percent of the CCTs at December 31, 2011 are invested in Russell 1000 Fund large cap index funds. At December 31, 2010, 61 percent of the CCTs are invested in fixed income securities including approximately 35 percent in corporate bonds, 40 percent in mortgage-backed securities and 25 percent in US Treasury and other. Investments in fixed income securities can be redeemed daily.
- (c) **Multi-strategy hedge fund** The objective of the multi-strategy hedge funds is to diversify risks and reduce volatility. At December 31, 2011 and 2010, investments in this class include approximately 35 percent long/short equity, 35 percent arbitrage and event investments and 30 percent in directional trading, fixed income and other. Investments in the multi-strategy hedge fund can be redeemed semi-annually with a 95 day notice.

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

- (d) **Private equity funds** The objective of the private equity funds is to achieve long-term returns through investments in a diversified portfolio of private equity limited partnerships which offer a variety of investment strategies, targeting low volatility and low correlation to traditional asset classes. At December 31, 2011 and 2010 investments in this private equity fund include approximately 50 percent in buyout private equity funds which usually invest in mature companies with established business plans, 30 percent in special situations private equity and debt funds which focus on niche investment strategies and 20 percent in venture private equity funds which invest in early development or expansion of business. At December 31, 2011 and 2010, the Master Trust had unfunded commitments of underlying funds of \$5,617,510 and \$6,011,895, respectively.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2010:

	Fair Value	Level 1	Level 2	Level 3
Total investments held by Master Trust:				
Cash and short-term investments	\$ 2,431,248	\$ 2,431,248	\$ -	\$ -
Mutual funds:				
U.S. mid growth	18,163,832	18,163,832	-	-
Equity securities:				
U.S. mid cap value	16,309,220	16,309,220	-	-
U.S. small cap core	19,143,544	19,143,544	-	-
International developed markets	43,125,518	43,125,518	-	-
Fixed income securities:				
U.S. corporate bonds	65,720,469	-	65,720,469	-
International corporate bonds	2,478,682	-	2,478,682	-
Mortgage-backed securities	70,819	-	70,819	-
U.S. government	708,195	-	708,195	-
Other fixed income	1,841,306	-	1,841,306	-
Emerging markets	25,666,285	-	25,666,285	-
Common collective trusts:				
Real estate (a)	14,179,893	-	-	14,179,893
Other (b)	193,940,705	-	193,940,705	-
Alternative investments:				
Multi-strategy hedge funds (c)	22,106,890	-	-	22,106,890
Private equity funds (d)	22,452,284	-	-	22,452,284
Total	\$ 448,338,890	\$ 99,173,362	\$ 290,426,461	\$ 58,739,067

The following table summarizes the changes in fair value of the Master Trust's level 3 investments for the year ended December 31, 2011:

	Total	Real estate	Alternative investments
Balance, beginning of year	\$ 58,739,067	\$ 14,179,893	\$ 44,559,174
Acquisitions	5,394,386	-	5,394,386
Dispositions	(1,536,230)	-	(1,536,230)
Realized gain, net	686,829	-	686,829
Unrealized gain, net	3,810,994	2,262,718	1,548,276
Balance, end of year	<u>\$ 67,095,046</u>	<u>\$ 16,442,611</u>	<u>\$ 50,652,435</u>

DIEBOLD, INCORPORATED RETIREMENT PLAN FOR HOURLY EMPLOYEES
Notes to Financial Statements
December 31, 2011 and 2010

The following table summarizes the changes in fair value of the Master Trust's level 3 investments for the year ended December 31, 2010:

	Total	Real estate	Alternative investments
Balance, beginning of year	\$ 37,761,839	\$ -	\$ 37,761,839
Acquisitions	15,539,853	13,000,000	2,539,853
Dispositions	(383,009)	-	(383,009)
Realized gain, net	2,180,324	-	2,180,324
Unrealized gain, net	3,640,060	1,179,893	2,460,167
Balance, end of year	<u>\$ 58,739,067</u>	<u>\$ 14,179,893</u>	<u>\$ 44,559,174</u>

NOTE 7: TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated January 24, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). As of December 31, 2011, the Company believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

NOTE 8: PARTY-IN-INTEREST

Certain Plan investments are managed by the Trustee and, therefore, these transactions are party-in-interest transactions. Fees are paid by the Master Trust for asset custody and management to parties-in-interest. These fees are pursuant to arrangements exempted from the prohibited transaction rules.

NOTE 9: SUBSEQUENT EVENTS

The Company has evaluated subsequent events through October 10, 2011, the date the financial statements were available to be issued. There were no subsequent events that have occurred, which would require adjustments to or disclosure in the financial statements.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Diebold, Inc. Pension Plan for Hourly Employees	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">B Three-digit plan number (PN) ►</td> <td style="width:30%; text-align: center;">008</td> </tr> </table>	B Three-digit plan number (PN) ►	008
B Three-digit plan number (PN) ►	008		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Diebold, Incorporated	D Employer Identification Number (EIN) 34-0183970		
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other			
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500			

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2011</u>			
2 Assets:			
a Market value	2a		14,746,752
b Actuarial value	2b		13,497,644
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	457	15,144,790
b For terminated vested participants	3b	69	1,274,228
c For active participants:			
(1) Non-vested benefits	3c(1)		0
(2) Vested benefits	3c(2)		0
(3) Total active	3c(3)	0	0
d Total	3d	526	16,419,018
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5		5.99 %
6 Target normal cost	6		87,006

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Blake A. Baietto Signature of actuary	October 11, 2012 Date
	Blake A Baietto Type or print name of actuary	11-06524 Most recent enrollment number
	Towers Watson Delaware Inc. Firm name	(216) 937-4000 Telephone number (including area code)
	1001 Lakeside Avenue, Suite 1900 Cleveland OH 44114 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. Schedule SB (Form 5500) 2011 v.012611

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	1,736,152	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	539,111	0
9 Amount remaining (line 7 minus line 8).....	1,197,041	0
10 Interest on line 9 using prior year's actual return of <u>14.21</u> %	170,100	
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>6.50</u> % except as otherwise provided (see instructions).....		0
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	1,050,000	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	317,141	0

Part III Funding percentages

14 Funding target attainment percentage	14	80.27 %
15 Adjusted funding target attainment percentage	15	80.27 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	90.37 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/14/2011	79,000				
01/13/2012	135,000				
09/14/2012	168,000				
Totals •			18(b)	382,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	354,749

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	87,006	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	3,238,515	584,230	
b Waiver amortization installment.....		0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.....	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	671,236	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	317,141	0	317,141
36 Additional cash requirement (line 34 minus line 35)	36	354,095	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	354,749	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	654	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	654	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:				
a Schedule elected	☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008	☐ 2009	☐ 2010	☐ 2011
42 Amount of acceleration adjustment	42	0		
43 Excess installment acceleration amount to be carried over to future plan years	43	0		

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2011

Retirement is assumed to occur at age 62 for former employees with at least 10 years of service and at age 65 for all others.

Plan Name: Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN: 34-0183970 / 008
Plan Sponsor: Diebold, Incorporated
Valuation Date: January 1, 2011

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2011

Type of Base		Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2011	809,915	7	809,915	133,255
2	Shortfall	01/01/2010	2,679,714	6	2,428,600	450,975
Total					3,238,515	584,230

Plan Name: Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN: 34-0183970 / 008
Plan Sponsor: Diebold, Incorporated
Valuation Date: January 1, 2011

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Diebold, Incorporated
EIN/PN	34-0183970/008
Plan Name	Diebold, Incorporated Pension Plan for Hourly Employees
Valuation Date	January 1, 2011
Enrolled Actuary	Blake A. Baietto
Enrollment Number	11-06524

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V-Statement of Actuarial Assumptions and Methods

Plan Sponsor

Diebold, Incorporated

EIN/PN

34-0183970/008

Discount Rates

Current plan year PPA effective interest rate: 5.99%

Prior plan year PPA effective interest rate: 6.50%

3-Segment Rates

Applicable month: September

Transition election: No

Assumed Cost of Living Adjustments

None.

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan-related Expenses

Administrative expenses of \$87,006 are included in the Target Normal Cost. This is equal to the actual administrative expenses paid in the prior year.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Mortality

For all participants: The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants is used for purposes of determining Funding Target and Target Normal Cost (both disregarding at-risk assumptions).

The RP-2000 Combined Healthy Mortality Tables for males and females with projection to the valuation date using Scale AA is used for purposes of calculating ASC 960 liabilities.

Disabled Mortality

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the prescribed mortality assumption for disabled participants eligible for Social Security Disability under Revenue Ruling 96-7 is used.

For ASC 960 purposes, the 1985 Pension Disability Mortality Tables for males and females is used.

Retirement

Age 62 for former employees with at least 10 years of service; age 65 for all others.

Disability Rates (per 100 employees)

Not applicable.

Compensation Increases

Not applicable.

Future Increases in Social Security

Not applicable.

Future Increases in Maximum Benefits and Plan Compensation Limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC §415. Plan compensation is limited to the maximum presently allowed under IRC §401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Representative Termination Rates (per 100 employees) not Due to Disability, Retirement or Mortality

Not applicable.

Form of Payment

For valuation purposes, participants are assumed to elect the single life form.

Marriage

85% of male and 50% of female participants are assumed to be married. In addition, male spouses are assumed to be three years older than female spouses.

Employees

It was assumed there will be no new or rehired employees.

Asset Method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date.

The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.82%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.82%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.69%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.69%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.4. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant Data

Employee data was supplied by Diebold, Incorporated as of the valuation date.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2011 is used to determine the maximum deductible contribution for the tax year ending December 31, 2011.

Benefits not Included in Valuation

None.

PBGC Premium Funding Target

The Alternative Premium Funding Target was determined using the assumptions described above.

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are truncated to be consistent with the instructions for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V-Summary of Plan Provisions

Plan Sponsor Diebold, Incorporated

EIN/PN 34-0183970/008

Main Specifications of Plan as of January 1, 2011 for Diebold, Incorporated Pension Plan for Hourly Employees

Effective Date

December 1, 1959 (last amended effective January 1, 2010). Effective July 1, 2000, participants covered under the Diebold, Incorporated, Hamilton, Ohio Pension Plan for Employees Represented by Local No. 43 Metal Polishers, Buffers, Platers and Helpers International Union, and the Pension Plan for Employees Represented by Safeworkers' Organization Chapter No. 1 were merged into this plan.

Eligibility:

Full-time employees in bargaining unit represented by the Lodge 1191 of the International Brotherhood of Boilermakers, Iron Shipbuilders, Bladesmiths, Forgers and Helpers are eligible for immediate participation.

Effective July 1, 2000, participants covered under the Diebold, Incorporated, Hamilton, Ohio Pension Plan for Employees Represented by Local No. 43 Metal Polishers, Buffers, Platers and Helpers International Union, and the Pension Plan for Employees Represented by Safeworkers' Organization Chapter No. 1 were merged into this plan. All such participants are either currently in receipt of benefits, or are terminated participants entitled to future benefits.

Normal Retirement

Eligibility: Age 65 with 5 years of service.

Benefit: The benefit payable upon reaching Normal Retirement is the product of the applicable benefit rate, as shown below, multiplied by years of Benefit Service (to a maximum of 30 years):

Retirement Date	Benefit Rate
Prior to 5/1/1996	\$20.00
5/1/1996 - 4/30/1997	21.00
5/1/1997 - 4/30/1999	22.00
5/1/1999 - 4/30/2000	23.00
5/1/2000 - 4/30/2002	24.00
5/1/2002 & thereafter	25.00

Plan Name: Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN: 34-0183970 / 008
Plan Sponsor: Diebold, Incorporated
Valuation Date: January 1, 2011

SCHEDULE SB ATTACHMENTS

Early Retirement

With 30 years of Service ("30 and Out"): An employee retiring with at least 30 years of Benefit Service may retire immediately and receive an unreduced benefit as determined under the normal retirement benefit above. (A monthly supplement is payable to age 62, but directly from Company funds.)

With Less than 30 years of Benefit Service: An employee retiring between ages 60 and 65 with at least 10 years of Benefit Service is eligible for an early retirement benefit based on the formula in the normal retirement benefit section above, actuarially reduced for commencement prior to age 62.

Disability Retirement Benefit

An employee with at least 15 years of Benefit Service who becomes disabled under the terms of the Plan is entitled to a benefit based on the formula in the normal retirement benefit and is not adjusted for early commencement.

Termination Benefit

An employee terminating his service with 5 or more years of Vesting Service is eligible for a deferred vested benefit commencing at age 65 equal to the accrued normal retirement benefit. The employee may elect his benefit to commence as early as age 60 in accordance with the early retirement reductions above if the individual had 10 years of Benefit Service.

Pre-Retirement Death Benefit Option

An eligible spouse of a vested participant that dies prior to commencement will receive a spouse benefit equal to the amount of a 50% Joint & Survivor Annuity payable at the earliest of age 60 or death.

Retiree Medical Supplemental Benefits After Age 65

A participant who was not on the active payroll on May 1, 1992, and retired after May 1, 1995, on or after age 65 shall receive a monthly supplemental benefit equal to \$4.20 times his years of Benefit Service (maximum 30 years).

Form of Payment

The benefit is normally payable on a single life basis if not married, otherwise the benefit is payable on an actuarially reduced 50% Joint Survivor basis.

Changes in Plan Provisions Since Last Actuarial Valuation

There have been no changes since the previous valuation.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Main Specifications of Plan as of January 1, 2011 for participants of the former Diebold, Incorporated Pension Plan for Employees of Safeworkers' Organization Chapter No. 1

Effective Date

July 1, 1966 (as last amended effective January 1, 2002).

Eligibility: Members of Safeworkers' Organization Chapter No. 1.

Normal Retirement

Eligibility: Age 65 and 5 years of Benefit Service, or any age and 30 years of Benefit Service.

Benefit: \$19.00 per month per year of Benefit Service, to a maximum of 30 years, for participants retiring on or after October 1, 1988 and prior to October 1, 1991.

Early Retirement

Eligibility: Age 62, or any age and 25 years of Benefit Service, or age 40 and 10 years of Benefit Service.

Benefit: The amount of the benefit is determined as in the Normal Retirement benefit above except that the amount is actuarially reduced from age 62 for early commencement. As a minimum benefit, persons age 62 or over and persons with 25 or more years of Benefit Service receive at least \$7.15 times years of Benefit Service (maximum of 35 years).

Temporary Supplemental Retirement Benefits
(Paid directly by Company, no costs included in valuation)

Eligibility: Employees who retire on or after July 1, 1977 with 30 or more years of Benefit Service.

Benefit: An amount of \$200/month payable from date of retirement (or age 58 whichever is later) to age 62.

Disability Retirement

Eligibility: Totally and permanently disabled after 10 years or more of Benefit Service.

Benefit: The accrued normal retirement benefit payable immediately.

Vested Benefit

Eligibility: Any age and 5 years of Vesting Service.

Benefit: The accrued benefit deferred to age 62, or payable when he meets early retirement requirements, on an actuarially reduced basis.

Pre-Retirement Death Benefit

Eligibility: Eligible upon death of a married participant after completion of 5 years of Vesting Service.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011

SCHEDULE SB ATTACHMENTS

Benefit: If death occurs prior to age 55, the surviving spouse will receive a benefit commencing at the date the participant would have attained age 55 as if the participant had terminated employment on the date of his death, survived to age 55 and retired with benefits based on the qualified joint and survivor annuity.

If death occurs on or after age 55, the surviving spouse will receive the benefit as if the participant had retired the day before death and elected the qualified joint and survivor annuity.

Any benefit the employee or his surviving spouse may ultimately receive is reduced to pay for this coverage as follows:

Attained Age	Reduction Factor
Under 55	0.12%
55 - 65	0.60%

Changes in Plan Provisions Since Last Actuarial Valuation

There have been no changes since the previous valuation.

Plan Name:	Diebold, Incorporated Pension Plan for Hourly Employees
EIN / PN:	34-0183970 / 008
Plan Sponsor:	Diebold, Incorporated
Valuation Date:	January 1, 2011