The Transformation is well on track
Capital Market Day
London, December 5, 2013
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Further information about risks and uncertainties affecting Siemens is included throughout our most recent annual and interim reports, as well as our most recent earnings release, which are available on the Siemens website, www.siemens.com, and throughout our most recent annual report on Form 20-F and in our other filings with the SEC, which are available on the Siemens website, www.siemens.com, and on the SEC’s website, www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of Siemens may vary materially from those described in the relevant forward-looking statement as being expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.
Low and Medium Voltage Division
Scope: Low and Medium Voltage (LV and MV) Switchgear for Power Distribution

LMV Revenue FY 2013: €4.0bn

IC LMV business scope
- LV Control Products & Systems
- LV Solar Inverters
- Door Entry Systems & Home Automation
- Wiring Accessories
- LV Power Distribution
- MV Power Distribution
- MV Transformers
- LV & MV Services

Other Siemens Divisions or not served
## Low and Medium Voltage Division

Core market of critical power/infrastructure not served in the past

### Old structure until FY 2011

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of total LMV market</th>
</tr>
</thead>
<tbody>
<tr>
<td>MV</td>
<td>20%</td>
</tr>
<tr>
<td>LV</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Missing business focus

- **MV**
  - Distribution grids
    - Utilities
    - Municipalities
  - Critical power / infrastructure
    - Critical Infrastr.
    - Data Center
    - Oil & Gas
  - Industrial automation
    - OEM (Manufacturing)
  - Wiring Accessories & Residential Products
    - Residential buildings

### Missing scale & channel

- **LV**
  - Critical Infrastr.
  - Mining
  - Chemical
  - Com. Buildings
  - Oil & Gas
  - Data Center
  - Critical Infrastr.
### Low and Medium Voltage Division

Combining LV and MV to capture unserved markets

#### % of total LMV market

<table>
<thead>
<tr>
<th>% of total LMV market</th>
<th>Distribution grids</th>
<th>Critical power/infrastructure</th>
<th>Industrial automation</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>Utilities</td>
<td>Critical Infrastr.</td>
<td>OEM (Manufacturing)</td>
</tr>
<tr>
<td>50%</td>
<td>Municipalities</td>
<td>Data Center</td>
<td>Com. Buildings</td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td>Oil &amp; Gas</td>
<td>Mining</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chemical</td>
<td>Chemical</td>
</tr>
</tbody>
</table>

**IC LMV**

Focus on electrical power distribution

- **Products & Components**
- **Systems & Solutions**

**Fix**

- **Residential**
  - Residential buildings
New IC LMV setup: Clear focus on Products & Components and Systems & Solutions in two distinct Business Units

- **Products & Components**
  - Distributors
  - Panel builders/power OEM

  - **Indirect channels**
    - 50% of Division
    - Complete LV and MV product portfolio out of one hand
    - Focus on scale in product factories

  - **National accounts**

- **Systems & Solutions**
  - National accounts
  - Global accounts & EPCs
  - Utilities, municipalities

  - **Direct sales**
    - Totally integrated LV and MV power supply for power critical applications
    - Focus on local project execution

**Global product / system platforms**

1) Original Equipment Manufacturer
2) Engineering Procurement Construction companies
3) Thereof 90% low voltage
Successful transformation driven by key action fields

**Power Devices and Components**

**Improve**

- Healthy LV/MV component business with double digit profit margin\(^1\):
  - Continue invest into portfolio and DTC\(^2\)

**LV Systems**

**Transform**

- LV system business with single digit profit margin:
  - Merge with experienced MV system and solution business to realize synergies in purchasing, SCM\(^3\) and R&D
  - Focus on power critical verticals

**Residential and Retail**

**Fix**

- Sub-critical business with limited regional presence:
  - Consolidation and partnerships

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1) EBITDA  
2) Design - To - Cost  
3) Supply Chain Management

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Transform
Driving profit through supply chain synergies within LMV

Global consolidation of LV and MV AIS system factories completed by end of FY 2014

MV Air Insulated Switchgear (AIS)

LV systems

Joint factories

Planned productivity\(^1\) gains FY 2012 to FY 2014: > €300m
Transformation investment FY 2012 and FY 2013: €46m
Headcount reduction FY 2013 and FY 2014: 900
Factories closed since FY 2011: 6

1) Base productivity and transformation program

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**Transform**
From commodity switchboards to high end compact switchboards and partners

Change of switchboard mix

**Drive switchboard business through partners**
- Develop former LV partners for MV and vice versa
- Complete LV and MV portfolio out of one hand

**Drive own business with high end compact switchboards**
- Focus on power critical verticals
- Differentiation through Totally Integrated Power (TIP)

**Ramp down own low margin commodity switchboards**
- Shift business towards partners, keep product volumes
- Country specific programs in place

**Number of switchboards sold**

<table>
<thead>
<tr>
<th></th>
<th>High margin</th>
<th>Low margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switchboards through partners</td>
<td>+10% p.a.</td>
<td></td>
</tr>
<tr>
<td>High end compact switchboards</td>
<td>+4% p.a.</td>
<td></td>
</tr>
<tr>
<td>Commodity switchboards</td>
<td>-10% p.a.</td>
<td></td>
</tr>
</tbody>
</table>

- FY 12
- FY 14e
Innovation
Innovative technologies develop new markets and increase competitiveness

Stable R&D – investment with focus on products

- > 1,100 R&D headcounts
- 5 R&D hubs in Americas, Europe and Asia
- > 1,400 granted patents and models
- Leading position in standardization bodies

Software
FY 12 FY 13

Intelligent substations for cable networks

Converter-connected battery storage solutions

Distribution Grid Automation

Storage & Microgrids

New global switchgear platforms

Global Circuit Breaker Portfolio

+1%

Italy: Enhancing grid stability at in-feed from photovoltaic

Germany: Enabling black-start-capability for an industrial power plant (autonomy in case of supply grid outage)
Strong global presence
Further strengthening footprint in emerging markets

Revenues by region in €bn

<table>
<thead>
<tr>
<th>Region</th>
<th>FY 11</th>
<th>FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>1.0</td>
<td>1.3</td>
</tr>
<tr>
<td>Europe</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Asia¹)</td>
<td>1.0</td>
<td>1.2</td>
</tr>
</tbody>
</table>

¹) Including Russia and Middle East

Note: Revenue according to company location; includes intersegment business

Global factory sites as of FY 13

- Developed Markets: 46%
- Emerging Markets: 54%

1) Including Russia and Middle East
Clear differentiation through integrated LV-MV offering
Totally Integrated Power (TIP)

<table>
<thead>
<tr>
<th>OEM and panel-builders</th>
<th>Example China</th>
<th>Power critical applications in infrastructure and industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIP: Joint approach for LV-MV license partners</td>
<td>Orders</td>
<td>Example: Factory of large international car-maker in Tianjin</td>
</tr>
<tr>
<td>Products: SIVACON S4/S8, NXAirS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Example China

- Orders:
  - FY 12
  - FY 13
  - +24%

Sales productivity: +35%

Complete LV and MV product portfolio out of one hand

- One frame contract
- One sales force

Power critical applications in infrastructure and industry

- Example: Factory of large international car-maker in Tianjin

Totally integrated LV and MV Power Supply

- Power distribution optimized across LV and MV providing the most cost effective and energy efficient solution
- Integrated planning and commissioning
- One stop shop for customer

Example China in FY 14
Data Centers
A special focus of BT & LMV

**Strong foundation**
- Complete solution portfolio (across power supply, HVAC\(^1\), Fire Safety & Security)
- Advanced integration capabilities

**Emphasis on Data Centers**
- Reliable power supply
- Totally Integrated Power (TIP)
- Complete LV/MV portfolio
- Tool based support for planners
- Power distribution optimized across LV and MV providing the most cost effective and energy efficient solution
- 3 joint (BT & LMV) Data Center specific CoCs\(^2\) in US, EU, Asia

LMV is the Sector’s provider of Data Center power solutions

**Achievements**
Direct Data Center Orders (BT & LMV):

\[ +59\% \]

<table>
<thead>
<tr>
<th>FY 12</th>
<th>FY 13</th>
</tr>
</thead>
</table>

**Customer example**
Reduction up to 30% of the overall facilities’ power consumption and 70% of cooling power!

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1) HVAC = Heating, Ventilation, Air Conditioning  
2) CoC = Center of Competence

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LMV realizes synergies within IC and Siemens
LMV serves the power level for all Siemens markets with a common portfolio

1. Complete and aligned LV and MV product portfolio
2. Integrated intelligent power platform

One stop shop
Clear path to reach Profit Margin of peers and continue growth

The transformation is well on track

Profit improvement driven by synergies from new IC LMV setup

Critical power is our business: Outperforming a growth market
Reconciliation and definitions for non-GAAP measures

This document includes supplemental financial measures that are or may be non-GAAP financial measures. Orders and order backlog; adjusted or organic growth rates of revenue and orders; book-to-bill ratio; Total Sectors profit; return on equity (after tax), or ROE (after tax); return on capital employed (adjusted), or ROCE (adjusted); Free cash flow, or FCF; adjusted EBITDA; adjusted EBIT; adjusted EBITDA margins, earnings effects from purchase price allocation, or PPA effects; net debt and adjusted industrial net debt are or may be such non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation as alternatives to measures of Siemens' financial condition, results of operations or cash flows as presented in accordance with IFRS in its Consolidated Financial Statements. Other companies that report or describe similarly titled financial measures may calculate them differently.

Definitions of these supplemental financial measures, a discussion of the most directly comparable IFRS financial measures, information regarding the usefulness of Siemens' supplemental financial measures, the limitations associated with these measures and reconciliations to the most comparable IFRS financial measures are available on Siemens' Investor Relations website at www.siemens.com/nonGAAP. For additional information, see supplemental financial measures and the related discussion in Siemens’ most recent annual report on Form 20-F, which can be found on our Investor Relations website or via the EDGAR system on the website of the United States Securities and Exchange Commission.