

A blurred photograph of a modern office hallway with large glass windows and a central revolving door. Several people in business attire are walking through the hallway, their figures slightly out of focus to convey a sense of movement and activity.

SIEMENS

Joe Kaeser, President and CEO – Ralf P. Thomas, CFO

Good Q3 results – Challenges in Energy Sector

Q3 FY 2014, Analyst and Press Call

July 31, 2014

Safe Harbour Statement

This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of Siemens’ management, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Siemens’ control, affect Siemens’ operations, performance, business strategy and results and could cause the actual results, performance or achievements of Siemens to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends. These factors include in particular, but are not limited to, the matters described in Item 3: Key information—Risk factors of our most recent annual report on Form 20-F filed with the SEC, in the chapter Risks of our most recent annual report prepared in accordance with the German Commercial Code, and in the chapter Risks and opportunities of our most recent interim report.

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.

All underlying margins are calculated by adjusting margins for the effects reported for the respective businesses in the relevant period. These effects are provided to assist in the analysis of the businesses’ results year-over-year and may vary from period to period. Underlying margins are not necessarily indicative of future performance. Other companies may calculate similar measures differently.

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.

Q3 FY 2014 – Strong bottom line improvements on flat top line

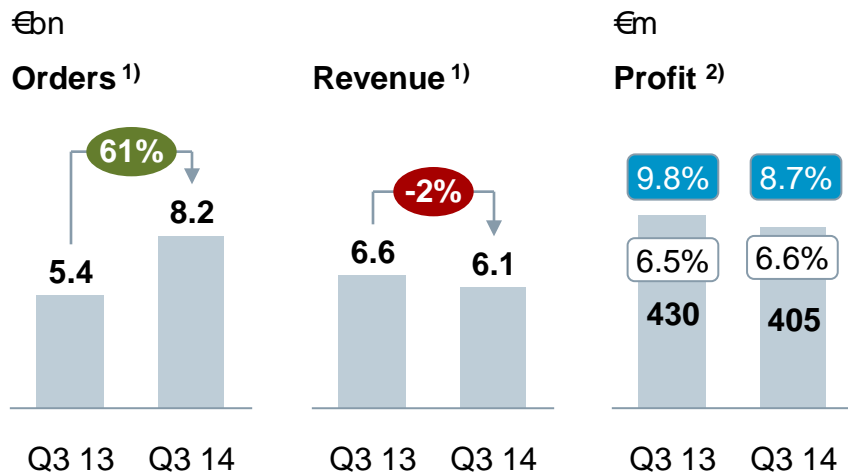
Siemens (in €m)	Q3 FY 13	Q3 FY 14	Change
Orders	20,113	19,411	0%¹⁾
Revenue	18,611	17,921	1%¹⁾
Book-to-bill ratio	1.08x	1.08x	
Total Sectors profit	1,269	1,739	37%
Net income	1,098	1,399	27%
Basic earnings per share net income (in €)	1.27	1.62	28%
Free cash flow (continuing operations)	996	1,127	13%

1) Change is adjusted for portfolio and currency translation effects

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Energy – Strong orders but operational challenges are continuing

Key Figures Energy



Division	Orders y-o-y ¹⁾	Revenue y-o-y ¹⁾	Profit margin	Underl. profit margin
Power Generation	45%	1%	15.5%	14.7%
Wind Power	219%	7%	2.7%	2.7%
Power Transmission	25%	-13%	-14.8%	-2.6%

Main developments in Q3

- **Strong book-to-bill** of 1.35 due to large orders primarily in Europe/CAME region
- **Market environment** remains **competitive in all areas**
- **Power Generation** – Strong profit contribution from product business; €26m gain on sale of engineering business
- **Wind** – Strong order growth; significantly lower contribution from offshore business call for higher focus on execution
- **Transmission** – Broad based, ongoing challenges remain; offshore grid connection efforts result in further charges of €128m

1) Comparable, i.e. adjusted for currency translation and portfolio effects

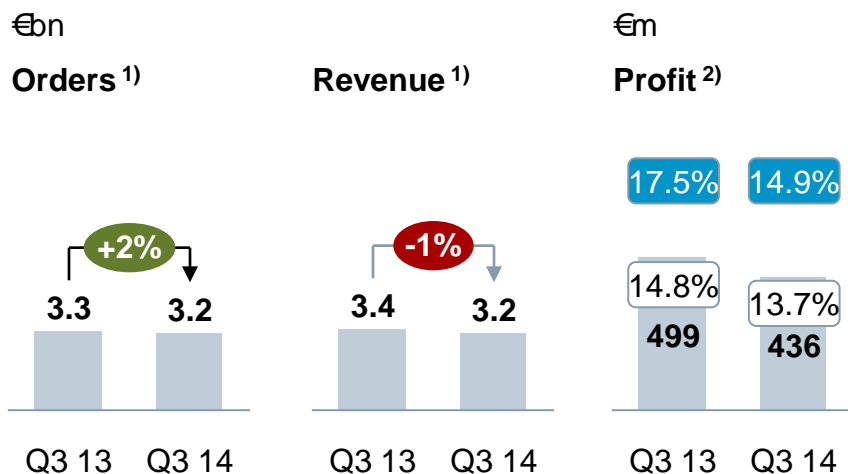
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% Profit margin % Underlying Profit margin

2) for underlying margin calculation please refer to Flashlight document

Healthcare – Solid quarter despite adverse currency effects

Key Figures Healthcare



Division	Orders y-o-y ¹⁾	Revenue y-o-y ¹⁾	Profit margin	Underl. profit margin
Diagnostics	1%	1%	11.0%	15.4%

Main developments in Q3

- **Orders** supported by a large particle therapy service order in China
- **Weaker profit margin on tough comparables** – Mainly impacted by adverse currency effects in the imaging and therapy systems business
- **Diagnostics** – Solid growth and profit development; divestment of non-core microbiology business to Beckman-Coulter announced

1) Comparable, i.e. adjusted for currency translation and portfolio effects

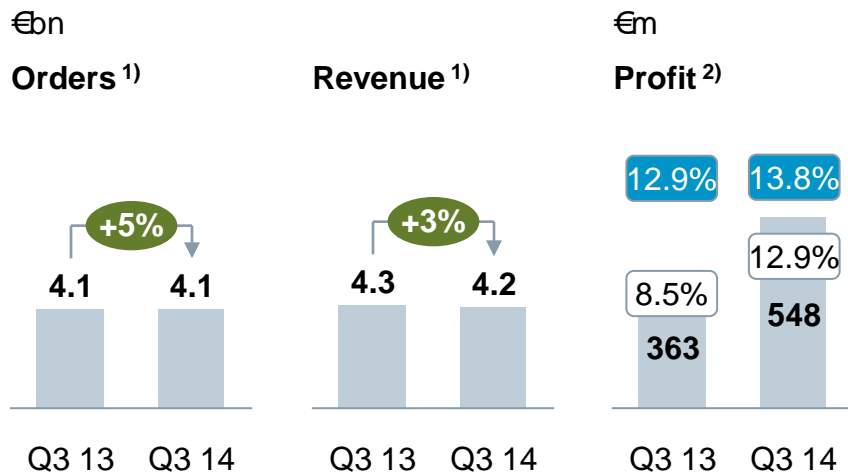
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% Profit margin % Underlying Profit margin

2) for underlying margin calculation please refer to Flashlight document

Industry – Improved performance on the back of organic revenue growth

Key Figures Industry



Division	Orders y-o-y ¹⁾	Revenue y-o-y ¹⁾	Profit margin	Underl. profit margin
Industry Automation	1%	3%	16.2%	17.6%
Drive Technologies	9%	2%	9.4%	9.7%

Main developments in Q3

- **Improved short cycle businesses** with positive order growth particularly in **China**
- **Industry Automation** – Strong profit contribution due to favorable product mix and sustained lower PPA related effects from UGS acquisition
- **Drive Technologies** – Improved cost position and higher share of Motion Control business
- **Metals Technologies** in “Discontinued Operations” as of Q3 FY14

1) Comparable, i.e. adjusted for currency translation and portfolio effects

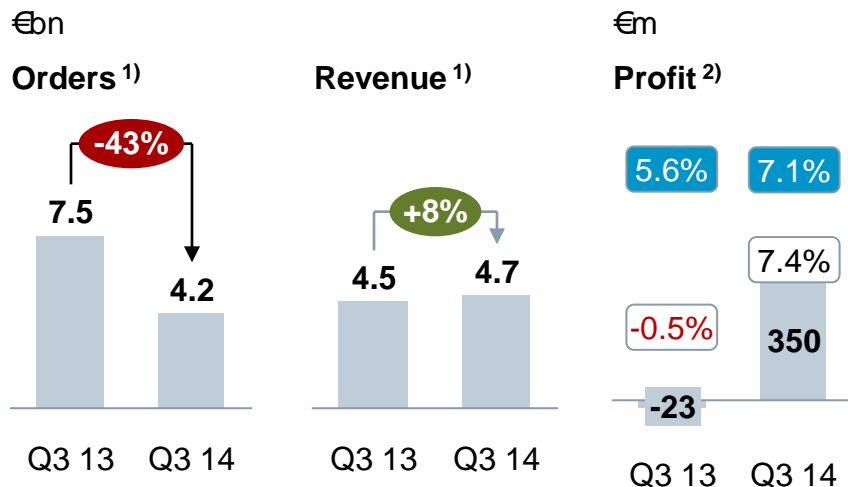
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% Profit margin % Underlying Profit margin

2) for underlying margin calculation please refer to Flashlight document

Infrastructure & Cities – Significant profit improvement continues

Key Figures Infrastructure & Cities



Division	Orders y-o-y ¹⁾	Revenue y-o-y ¹⁾	Profit margin	Underl. profit margin
Transportation & Logistics	-72%	17%	6.2%	5.5%
Power Grid Solutions & Products	5%	3%	8.4%	8.4%
Building Technologies	-3%	1%	7.6%	7.6%

1) Comparable, i.e. adjusted for currency translation and portfolio effects

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Main developments in Q3

- **Order decline on tough comparables** (€3bn rolling stock order in prior year)
- **Transportation & Logistics** – Profit surges on growth conversion and stringent project execution
- **Power Grid Solutions & Products** – Solid execution stabilize margins
- **Building Technologies** – Optimized go-to-market concepts bear fruit

% Profit margin % Underlying Profit margin

2) for underlying margin calculation please refer to Flashlight document

Invensys: Integration on track

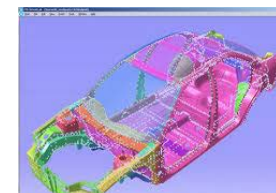
LMS: Good progress - but way to go on growth

Invensys Rail¹⁾



- **Major strategic goals accomplished**, integration ahead of schedule ✓
- **Synergies (€100m) on track**, 2/3 to be achieved until FY 16 ✓
- **Market leader in Rail Automation** ✓
- **Large project wins**: Metro North, KTCS Kazakhstan, etc. ✓
- **EVA accretive in FY 2018 reconfirmed** ✓

LMS²⁾



- Currently **low double digit comparable revenue growth³⁾** due to **lower market growth** (mid single digit) ✓
- **Revenue synergies**: in **LMS & PL above plan**, in **IA/DT delayed** due to **longer lead times**. ✓
- **EBITDA margin**: **low double digit** with synergy ramp up potential ✓
- **Portfolio integration, R&D roadmap and focused special sales force on track** ✓

1) Invensys Rail consolidated since May 2013

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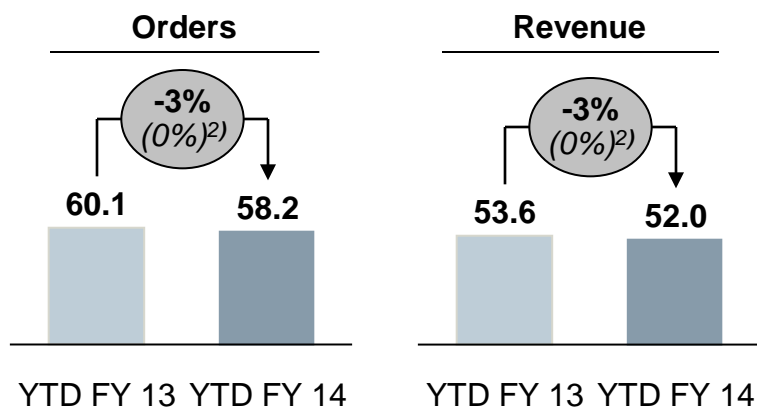
2) LMS consolidated since January 2013 3) excluding deferred revenue adjustments from purchase price allocation

One Siemens cockpit – YTD Q3 2014

Significant improvements in capital efficiency over prior year

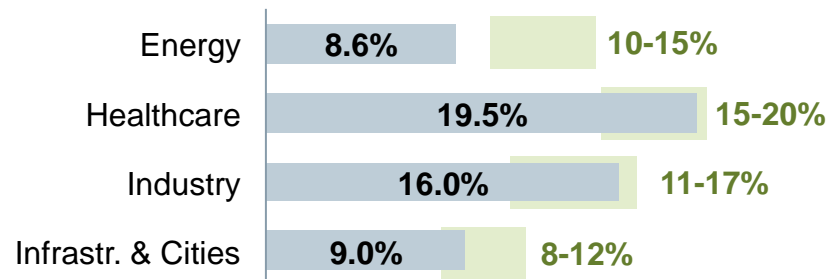
Financial target system

Growth¹⁾



Margins compared to industry benchmarks

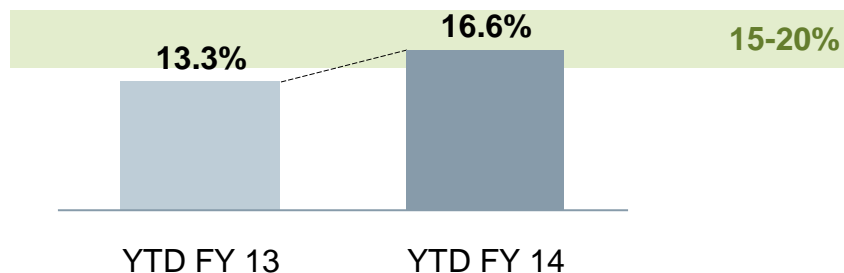
EBITDA Margins (YTD FY 2014)



EBITDA margins of respective markets throughout business cycles

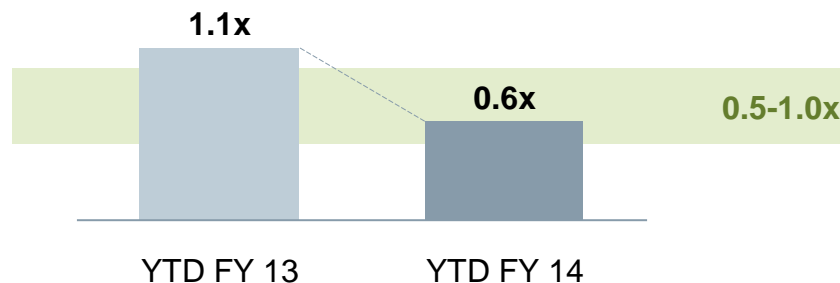
Capital efficiency

ROCE adjusted (continuing operations)



Capital structure

Adjusted industrial net debt/EBITDA

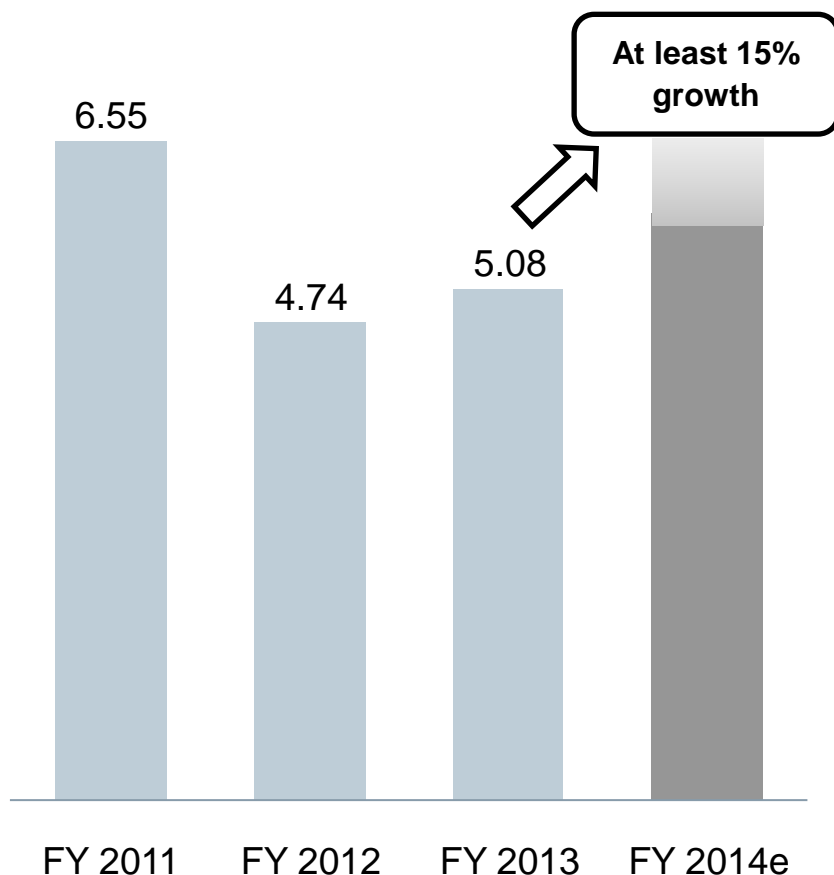


1) As reported 2) Change is adjusted for portfolio and currency translation effects

Outlook Fiscal 2014 confirmed

Basic earnings per share (Net income)

In €



- We expect **revenue** on an **organic basis** to **remain level year-over-year**, and orders to exceed revenue for a **book-to-bill ratio above 1**.
- Given these developments and financial results for the first nine months, we expect **basic earnings per share (Net Income)** for fiscal 2014 to **grow by at least 15% from €5.08** in fiscal 2013.
- This outlook is based on shares outstanding of 843 million as of September 30, 2013.
- Furthermore, it excludes impacts related to legal and regulatory matters.

Financial calendar

July

July 31, 2014

Q3 Earnings Release and Analyst/Press Call

August

August 4 - 6, 2014

Q3 US Roadshow (Chicago, San Francisco, Los Angeles)

September

September 16, 2014

Switzerland Roadshow (Zürich)

Siemens Communication contacts

Investor Relations

Internet: www.siemens.com/investorrelations

Email: investorrelations@siemens.com

IR-Hotline: +49 89 636-32474

Fax: +49 89 636-32830

Press

Marc Langendorf +49 89 636-41360

Alexander Becker +49 89 636-36558

Wolfram Trost +49 89 636-34794

Internet: www.siemens.com/press

Email: press@siemens.com

Phone: +49 89 636-33443

Fax: +49 89 636-35260

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 or as alternatives to measures of Siemens' net assets and financial positions or results of operations 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.