Siemens' Growth Gains Momentum

Orders and revenue rise again in all Sectors and regions
Strong Q4 completes record year for cash

Peter Löscher, President and Chief Executive Officer of Siemens AG

We completed fiscal 2010 very successfully. We are coming out of the economic downturn with full momentum. Our growth is gaining speed. Operationally, we achieved record profit twice in a row. We expect to take this positive momentum into the next fiscal year. We have to keep winning, order by order. We expect clear growth in new orders compared to fiscal 2010. Also, revenue should again grow moderately. We expect to continue the positive trend in earnings growth.

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Financial Highlights:

- For the second straight quarter, Siemens delivered order and revenue growth both year-over-year and on a sequential basis, in all three Sectors.
- Revenue rose 8% and orders climbed 25%, including growth in all reporting regions and double-digit increases in emerging economies. The book-to-bill ratio was 1.11 and the backlog for the Sectors totaled €87 billion.
- Total Sectors profit of €1.064 billion included impairment charges of €1.204 billion at Diagnostics.
- Net income (loss) was a negative €396 million due primarily to the impairment charges at Diagnostics and charges of €383 million for completing previously announced staff reductions at Siemens IT Solutions and Services. Basic EPS was a negative €0.54.
- Free cash flow from continuing operations was €2.990 billion for the quarter and €7.111 billion for the fiscal year.
- For fiscal 2010, orders rose 3% to €81.163 billion and revenue of €75.978 billion was nearly level with the prior year. Total Sectors profit of €7.789 billion exceeded the prior-year level even after the impairment charges mentioned above. Net income climbed 63%, to €4.068 billion. Siemens proposes a dividend of €2.70 per share compared to €1.60 per share in fiscal 2009.

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SIEMENS

Orders and Revenue

Strong order growth in a recovering economy

For the second straight quarter, all three Sectors posted strong sequential order growth. Orders climbed in all Sectors, and revenue growth was supported by Siemens' strong order backlog. Order and revenue growth benefited from overall positive currency translation effects between the periods under review, as well as tailwinds from a recovering global economy. Currency translation effects turned negative within the fourth quarter, taking €3.5 billion from the Sectors' combined order backlog. As a result the backlog decreased compared to the end of the third quarter, to €87 billion, despite a book-to-bill well above 1.

Revenue up in all Sectors and regions, with lift from currency

Revenue in Industry rose 9% compared to the prior-year period, led by shorter-cycle businesses. Healthcare revenue increased at all Divisions. The Energy Sector returned to organic revenue growth (adjusted for currency translation and portfolio effects), including a strong contribution from Renewable Energy. Revenue increases in all Sectors benefited from currency translation effects.

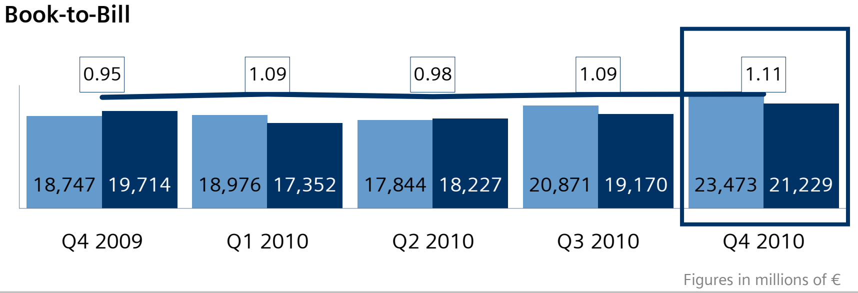
Revenue rose in all three of Siemens' reporting regions. Revenue from emerging markets rose 21%, to €7.055 billion, accounting for most of the increase in the quarter as well as nearly a third of revenue overall.

Higher volume from major orders in Energy drives order growth

Energy led all Sectors with 40% order growth, as global energy markets continued to improve and the volume from major orders increased substantially. Industry orders grew more than 20%, including double-digit increases in all Divisions except Mobility. Healthcare orders rose 14% with contributions from all Divisions.

Orders grew by double digits in all three reporting regions. All regions included a higher volume from major orders compared to the prior-year period. High double-digit growth in India included a large order at Fossil Power Generation.

Book-to-Bill



New Orders · Revenue · Book-to-Bill ratio

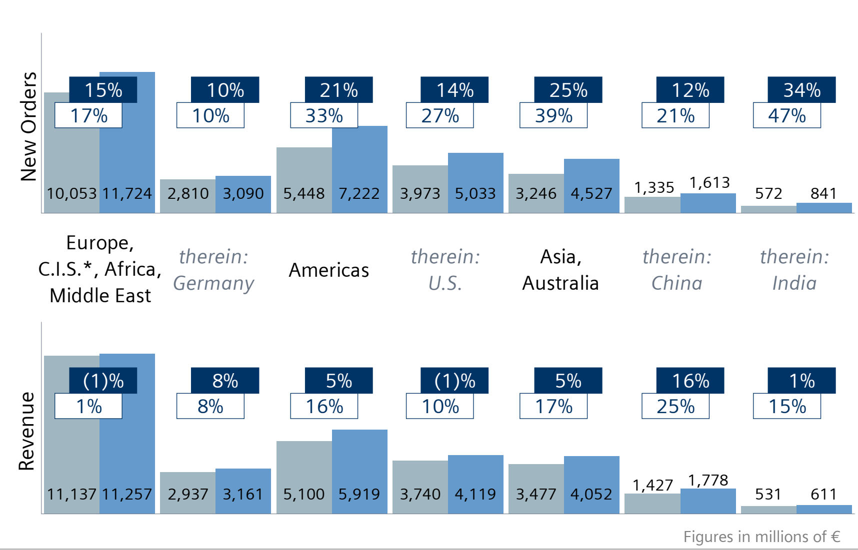
New Orders & Revenue

	Q4 2009	Q4 2010	% Change Actual	% Change Adjusted*
New Orders	18,747	23,473	25%	18%
Revenue	19,714	21,229	8%	2%

Figures in millions of €

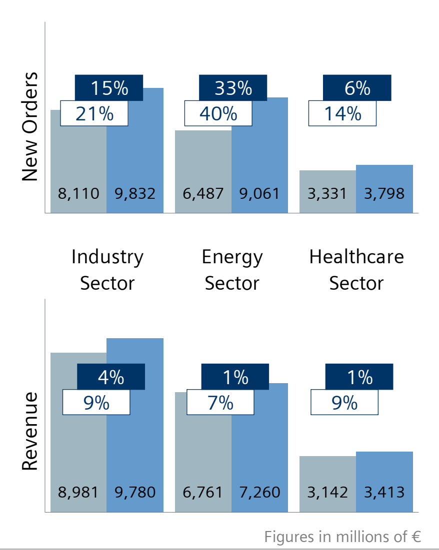
* Excluding currency translation and portfolio effects

New Orders & Revenue by Region



Q4 2009 · Q4 2010 · Actual change · * Commonwealth of Independant States
Adjusted change (throughout excluding currency translation and portfolio effects)

New Orders & Revenue by Sectors



Q4 2009 · Q4 2010 · Actual change
Adjusted change

Income and Profit

Total Sectors profit burdened by impairment charges

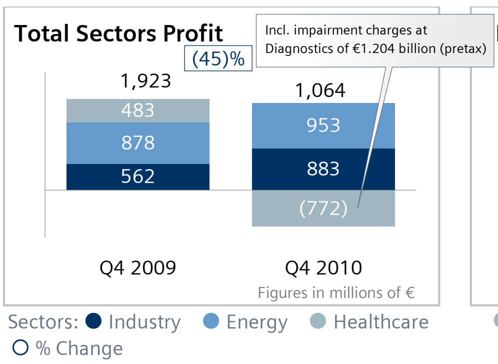
Total Sectors profit in the fourth quarter declined to €1.064 billion, as a negative result at Healthcare due to substantial impairment charges more than offset higher Sector profit at Energy and Industry. Sector profit at Energy climbed both year-over-year and on a consecutive basis throughout the fiscal year, reaching a new high at €953 million. Industry's Sector profit of €883 million was held back by charges of €125 million at Industry Solutions related to current cost estimates for a project engagement with a local partner in the U.S. and charges of €122 million for staff reduction measures. Healthcare posted a loss of €772 million, after charges of €1.204 billion for impairments and €96 million associated with particle therapy contracts at Workflow & Solutions.

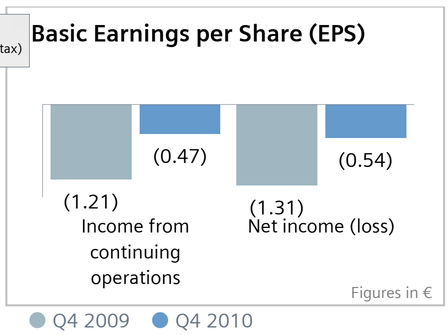
Impairment and staff reduction charges burden income from continuing operations

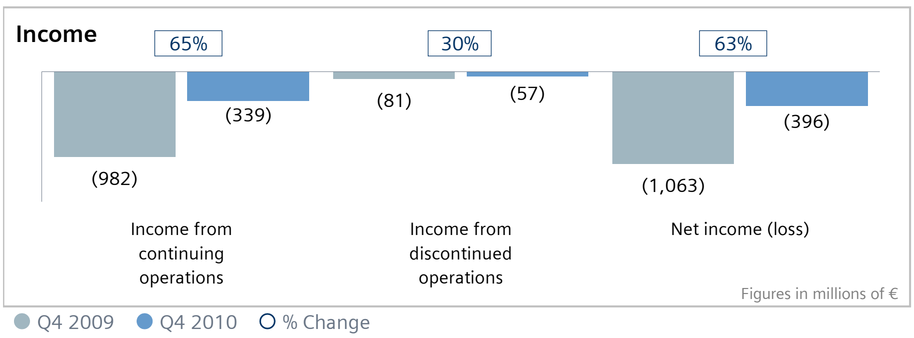
Continuing operations showed a loss of €339 million in the current period compared to a loss of €982 million a year earlier. Corresponding basic EPS in the current period was a negative €0.47 compared to a negative €1.21 a year earlier. The current period includes the €1.204 billion in charges mentioned above for Healthcare and a loss of €463 million at Siemens IT Solutions and Services resulting primarily from €383 million in charges for completing previously announced staff reductions. The current period also included €310 million related to special remuneration for non-management employees worldwide.

Positive factors for continuing operations included a lower loss from Equity Investments compared to the prior-year period and higher income from Siemens Financial Services. For comparison, the fourth quarter a year ago included impairments of €1.850 billion related to Siemens' equity stake in Nokia Siemens Networks B.V. (NSN).

Net income (loss) was a negative €396 million in the current period compared to a negative €1.063 billion in the fourth quarter a year earlier. Basic EPS was a negative €0.54 in the current period compared to a negative €1.31 in the prior-year period. The primary driver of net income in both periods was continuing operations and the related factors discussed above.







Cash, Return on Capital Employed (ROCE), Pension Funded Status

Sectors deliver another strong year-end cash performance

Free cash flow at the Sector level climbed 7% compared to the prior-year quarter, to € 3.881 billion, driven by strong operating performances in the Sectors. The impairment charges of €1.204 billion at Diagnostics had no impact on free cash flow.

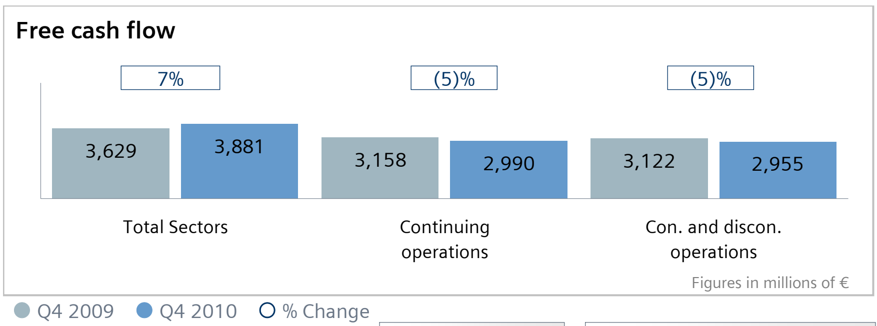
Free cash flow from continuing operations was €2.990 billion compared to €3.158 billion in the strong year-end quarter a year earlier. The current period included higher payments related to income taxes and lower cash inflows from Siemens IT Solutions and Services, which continued to face operational challenges in highly competitive markets. Both periods included approximately €0.2 billion in outflows related to staff reduction measures.

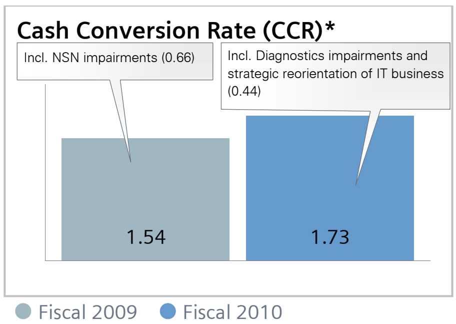
Burdens on income affect capital efficiency metric in fourth quarter

ROCE in the fourth quarter did not reflect Siemens' overall progress with capital efficiency during fiscal 2010, due to the substantial burdens on income from continuing operations in the quarter. On a continuing basis, ROCE was a negative 4.4%, compared to a negative 10.4% in the fourth quarter a year earlier. Negative income from continuing operations in both periods included substantial impairments, including the €1.204 billion (pretax) in impairment charges in Healthcare in the current period and impairments of €1.850 billion (pretax) related to NSN in the prior-year period. The current period also includes €417 million (pretax) in costs associated with the previously announced strategic reorientation of Siemens IT Solutions and Services.

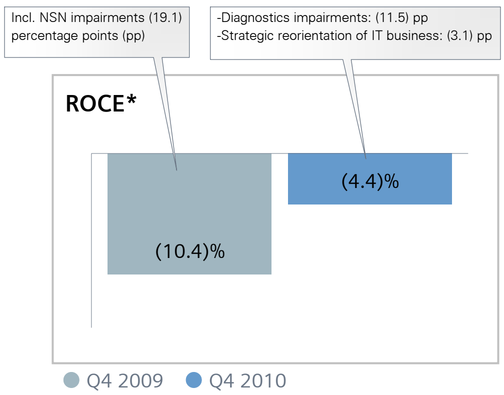
Pension plan underfunding increases

The underfunding of Siemens' principal pension plans as of September 30, 2010 amounted to €6.4 billion, compared to €6.1 billion as of June 30, 2010. Siemens' defined benefit obligation (DBO) increased during the quarter due to a further decrease in the discount rate assumption, as well as accrued service and interest costs. These factors were largely offset by a particularly strong return on plan assets. As of September 30, 2009 the underfunding of Siemens' principal pension plans amounted to €4.0 billion.

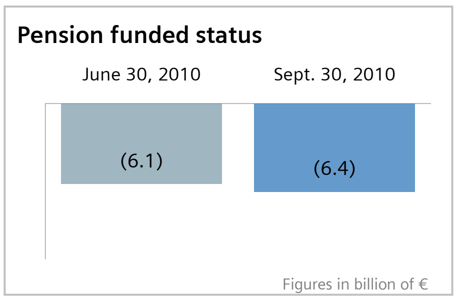




* Continuing operations (fiscal year basis, due to negative result in fourth quarter)



* Continuing operations



Industry Sector

Broad-based growth, strong profit performance

Industry produced strong increases in profit, revenue and orders compared to the fourth quarter a year ago, on successful implementation of profitability initiatives throughout the fiscal year as well as improved market conditions. Profit climbed to €883 million, with all Divisions except Industry Solutions contributing strong increases. Both periods under review included net charges for staff reduction measures, amounting to €122 million in the current period and €173 million in the prior-year period. In addition, profit in the current period was held back by charges of €125 million at Industry Solutions related to current cost estimates for a project engagement with a local partner in the U.S.

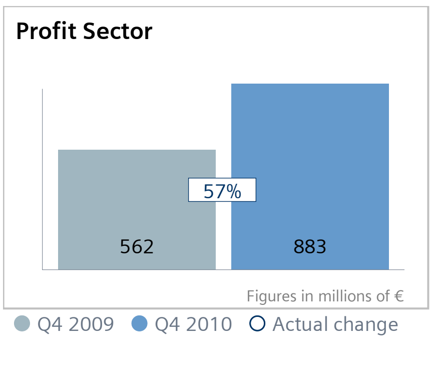
Fourth-quarter revenue grew 9% year-over-year, with the strongest growth coming from Industry Automation, OSRAM and Drive Technologies. Orders climbed 21% compared to the prior-year period, including double-digit increases in all Divisions except Mobility, where orders came in below the prior-year period. On a geographic basis, revenue rose on double-digit growth in the Americas and Asia, Australia. Orders climbed strongly in all three regions, including 35% growth in emerging markets worldwide. For Industry as a whole, currency translation effects added 7 percentage points to order growth and 6 percentage points to revenue growth. The positive effect on revenue growth was driven primarily by Industry's shorter-cycle businesses. The Sector's book-to-bill ratio was slightly above 1, and its order backlog was €28 billion.

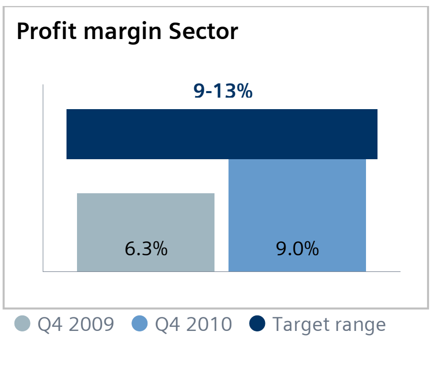
Profit climbs on double-digit revenue growth

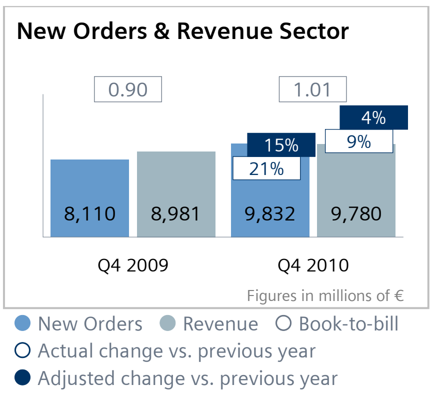
Fourth-quarter profit at **Industry Automation** climbed 61% year-over-year, to €334 million, driven by increased demand and higher capacity utilization. For comparison, the current period benefited from a €19 million gain from the sale of a business while the prior-year period included €22 million in net charges for staff reduction measures. Revenue and orders grew 21% and 25%, respectively, on growth in all business units and in all regions. Purchase price accounting (PPA) effects related to the Division's fiscal 2007 acquisition of UGS Corp. were €39 million in the current period compared to €33 million a year earlier.

Longer-cycle businesses see signs of stabilization

Drive Technologies delivered a strong fourth-quarter performance, driven primarily by its shorter-cycle businesses. Profit of €281 million was up sharply from the prior-year period due to higher revenue, increased capacity utilization and an improved business mix. Net charges for staff reduction measures in the current period amounted to €28 million, compared to €30 million in the prior-year period. Revenue rose in all regions, including increasing signs of stabilization in the Division's longer-cycle businesses. Orders climbed 20%, with all three regions reporting strong increases in demand.







Typically strong year-end quarter

Building Technologies more than doubled its fourth-quarter profit, to €148 million, on higher earnings in all businesses. Net charges for staff reduction measures in the current period amounted to €20 million, while the prior-year period included net charges for staff reduction measures of €29 million as well as losses on divestments. Broad-based topline growth of 7% in revenue and 10% in orders included strong demand for energy efficiency solutions and from emerging markets.

Broad-based profit increase, steady demand growth

OSRAM swung to a profit of €137 million in the fourth quarter from a loss in the same period a year earlier. All business units contributed to the profit performance, which was due in large part to higher revenue and associated increases in capacity utilization. For comparison, the Division's turnaround program in the prior-year period included net charges for staff reduction measures of €18 million and €40 million in charges for major impairments and inventory write downs.

Fourth-quarter revenue climbed 18% year-over-year on strong demand for LEDs and automotive solutions. OSRAM intends to continue investing in market expansion and production capacity in coming quarters.

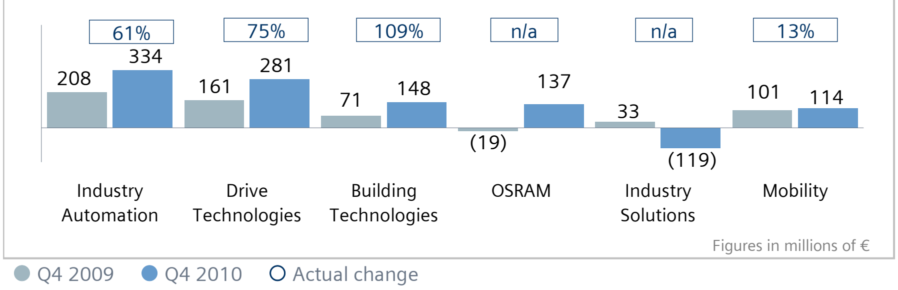
Profit burdened by project charge

Industry Solutions posted a loss of €119 million in the fourth quarter, due primarily to a €125 million charge related to current cost estimates for a project engagement with a local partner in the U.S. Net charges for staff reduction measures in the current period amounted to €62 million, compared to €69 million in the prior-year period. Orders came in sharply higher compared to the prior-year period, when the Division saw a sharp drop in orders in its metals technologies business. In contrast, the current period included two major contract wins for this business in the Americas. As expected, fourth-quarter revenue for the Division came in lower year-over-year due primarily to low levels of order intake in prior periods.

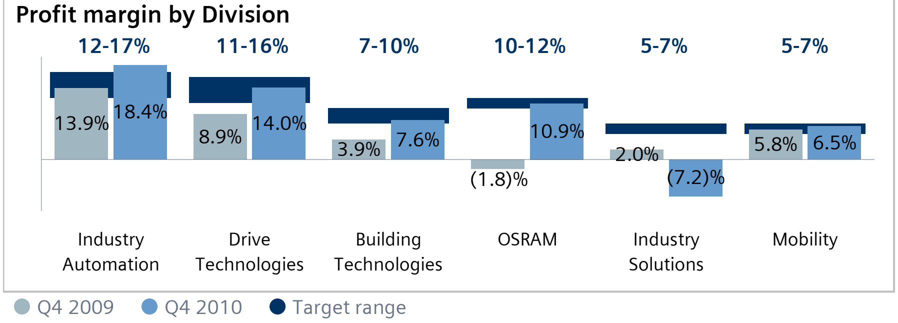
Stable revenue and profit

Fourth-quarter profit at **Mobility** rose to €114 million on stable revenue, as the Division continued to benefit from the execution of programs to improve performance in its project business.

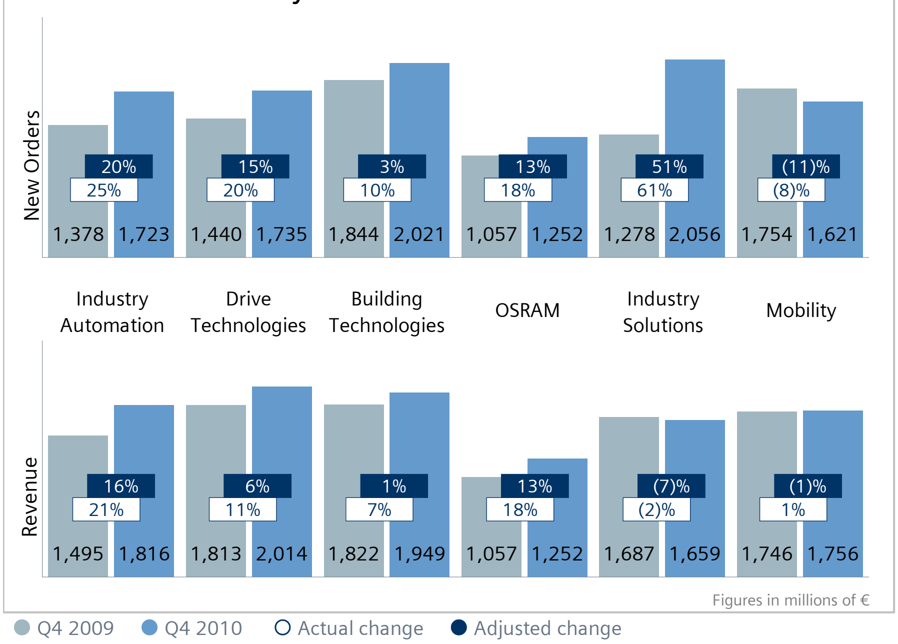
Profit by Division



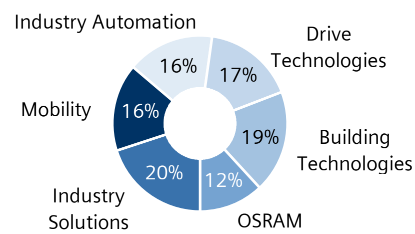
Profit margin by Division



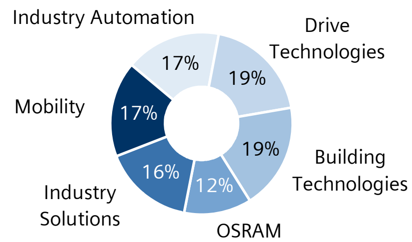
New Orders & Revenue by Division



New Orders: Weight of Divisions*



Revenue: Weight of Divisions*



* Unconsolidated basis

Energy Sector

Strong profit performance, robust order growth

The **Energy** Sector delivered higher fourth-quarter profit and revenue along with a 40% jump in new orders compared to the prior-year period. Profit rose 9%, to €953 million, driven primarily by increased earnings at Fossil Power Generation and Renewable Energy. In strengthening global energy markets, the Sector recorded increased expenses for R&D, marketing and selling associated with growth.

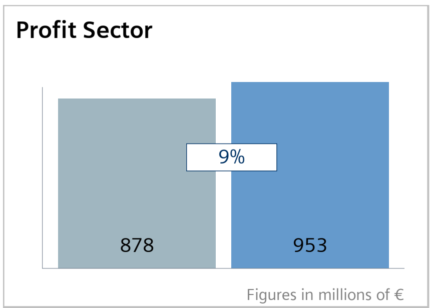
Revenue rose 7% year-over-year, to €7.260 billion, on positive currency translation effects as well as particularly strong conversion of orders from the backlog. On a regional basis, revenue grew in the Americas and the region comprising Europe, the Commonwealth of Independent States, Africa and the Middle East (Europe/CAME). Revenue declined modestly in Asia, Australia. The high double-digit increase in Energy orders for the quarter included demand growth at all Divisions and in all three regions, confirming improved conditions in global energy markets. For comparison, the prior-year quarter included significantly lower volume from larger orders, particularly at Fossil Power Generation. The book-to-bill ratio in the current period was 1.25, and the Sector's order backlog at the end of the quarter was €53 billion.

Large projects drive high double-digit order growth

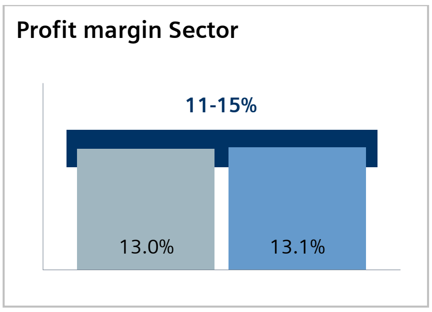
Fossil Power Generation continued its strong profit performance in improving global markets for power generation, increasing fourth-quarter profit to €389 million. Revenue came in below the prior-year period. In the current period, the Division improved its business mix with a higher proportion of revenue from its service business and conversion of higher-margin orders in its product business. Orders climbed 59% compared to the prior-year quarter, fueled by a number of large projects in the solutions and service business in Europe/CAME and Asia, Australia.

Strong performance in wind, continuing build-up in solar

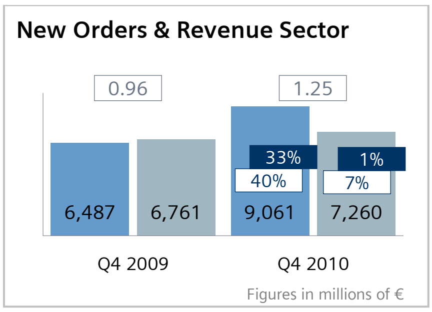
Renewable Energy remained on its profitable growth path in the fourth quarter. The Division's strong order backlog lifted revenue to a new high, at €977 million. Profit also rose year-over-year, even after significant expenses and investments to expand the Division's wind business and build up its solar business. Large contract wins in Europe/CAME and the Americas took orders up strongly compared to the prior-year period. The Division expects impacts on profitability in the first half of fiscal 2011 related to the build-up of its solar business and seasonal effects in the wind business.



Q4 2009 Q4 2010 Actual change



Q4 2009 Q4 2010 Target range



New Orders Revenue Book-to-bill
Actual change vs. previous year
Adjusted change vs. previous year

Growth in turbines business, less favorable revenue mix

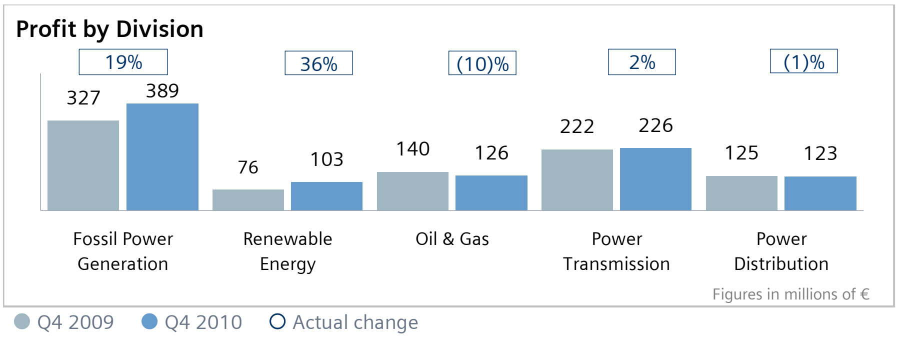
Revenue and orders at **Oil & Gas** were up 8% compared to the same period a year earlier, due primarily to growth in the industrial turbines business. A less favorable revenue mix and higher functional costs reduced fourth-quarter profit to €126 million.

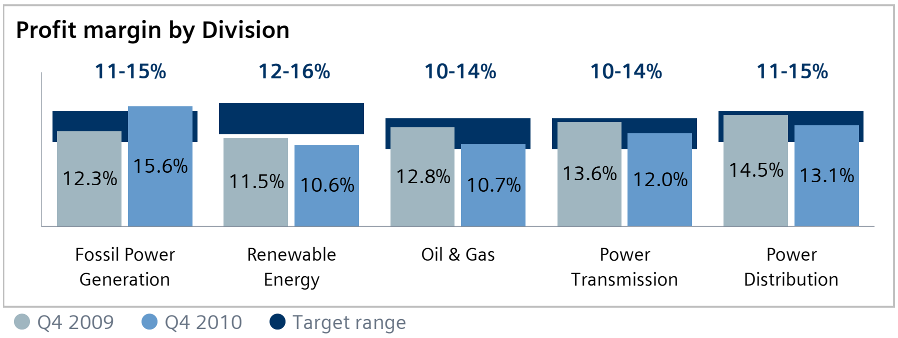
Strong growth, stable profit contribution

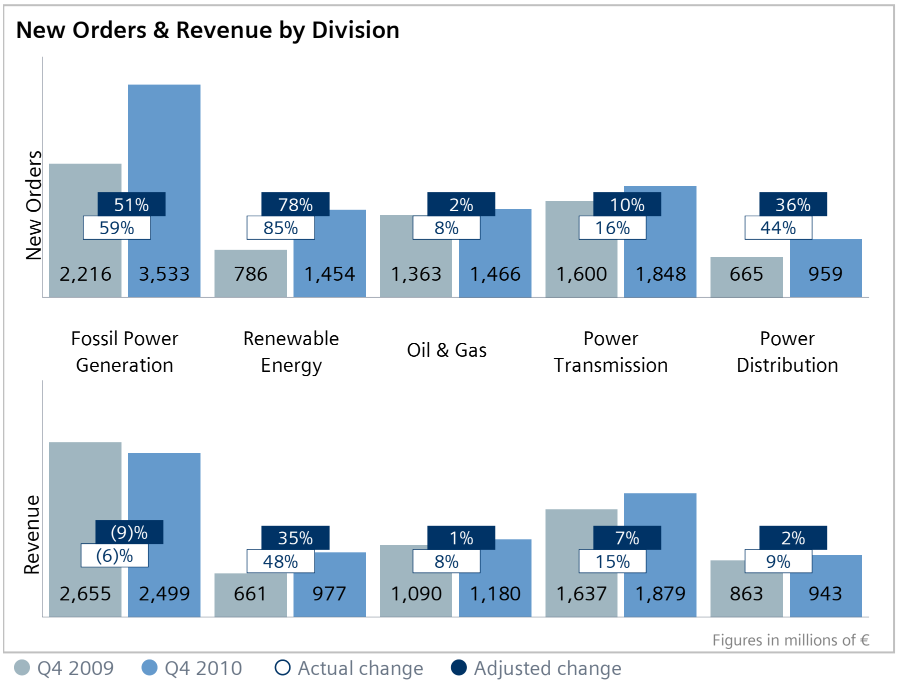
Fourth-quarter profit at **Power Transmission** rose to €226 million on the strength of increased revenue. Profit was held back in part by higher marketing and selling expenses associated with growth and by pricing pressure due mainly to new market entrants. Revenue increased 15% year-over-year, most notably in the transformers business. Orders rose 16%, including a large off-shore grid access project for a wind-farm in Germany.

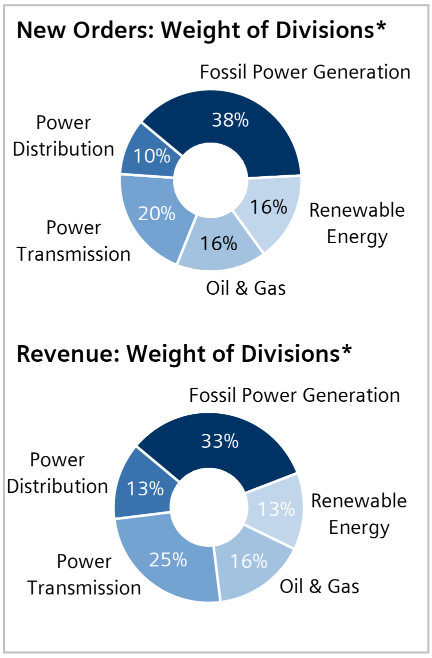
Distribution orders climb as markets stabilize

Power Distribution posted fourth-quarter profit of €123 million, close to the prior-year level despite increased expenses for marketing, selling and new technologies such as smart grids. All business units contributed to a 9% increase in revenue. The Division's markets showed stronger signs of stabilization, particularly compared to the prior-year period which included a sharp drop in orders in the medium-voltage business. As a result, reported fourth-quarter orders came in 44% above the level a year earlier.









* Unconsolidated basis

Healthcare Sector

Goodwill impairment outweighs strong results at Imaging & IT

In the **Healthcare** Sector, strong year-end results at Imaging & IT were more than offset by charges at other Divisions. Impairment charges at Diagnostics totaled €1.204 billion. An additional impact came from €96 million in charges associated with current cost estimates for completion of particle therapy contracts at Workflow & Solutions. As a result, Healthcare posted a loss of €772 million for the quarter. PPA effects related to past acquisitions at Diagnostics were €47 million. In addition, Healthcare recorded €36 million of integration costs associated with the next phase of integration activities at Diagnostics. In the fourth quarter a year earlier, PPA effects and integration costs totaled €66 million.

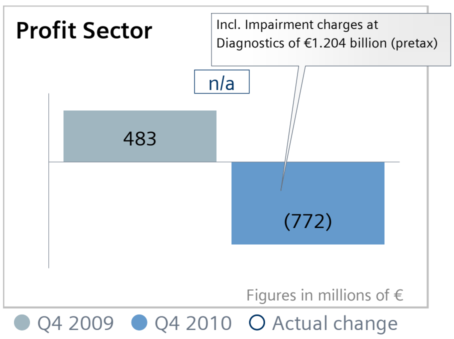
Fourth-quarter orders for Healthcare climbed 14% and revenue rose 9%. Order growth came primarily from the Americas, offsetting softness in Europe/CAME, while revenue growth was led by Asia, Australia. In addition to organic growth, volume benefited from currency translation effects amounting to nine percentage points for orders and eight percentage points for revenue. Healthcare's book-to bill ratio was 1.11 for the quarter, and its order backlog was €7 billion.

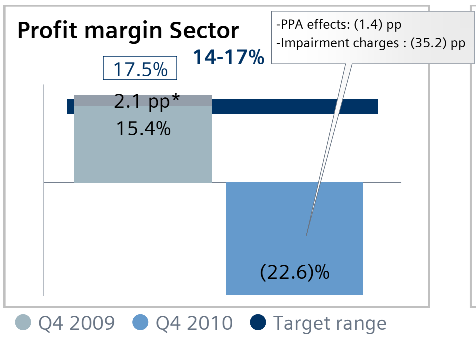
Growth and profit in strong year-end performance

Imaging & IT turned in a strong fourth quarter with €392 million in profit, a 10% increase compared to the prior-year period due in part to higher revenue and a favorable product mix. Revenue increased 8% and orders climbed 18% year-over-year. Double-digit order growth in the Americas included strong demand in the U.S. On an organic basis, orders increased 9% and revenue rose 1% compared to the prior-year quarter.

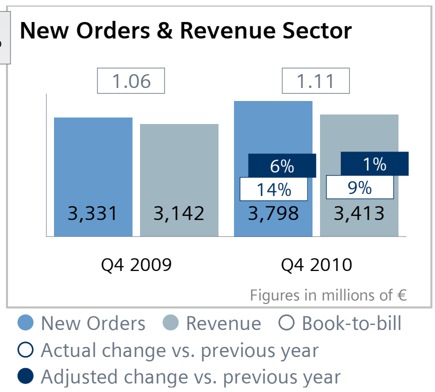
Particle therapy charges burden solutions business

Workflow & Solutions posted a loss of €62 million in the fourth quarter after taking €96 million of the charges mentioned above associated with particle therapy contracts. The charges stemmed from tests of prototype technology, resulting in a revised assessment of the additional costs required to complete the projects.





* Margin impact of PPA effects and integration costs in percentage points (pp)

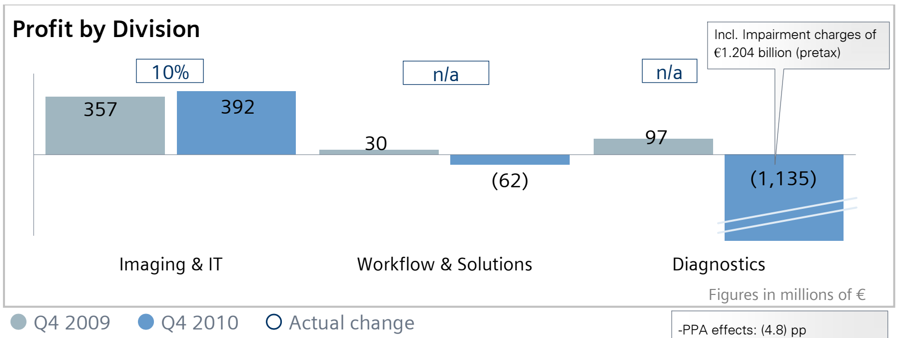


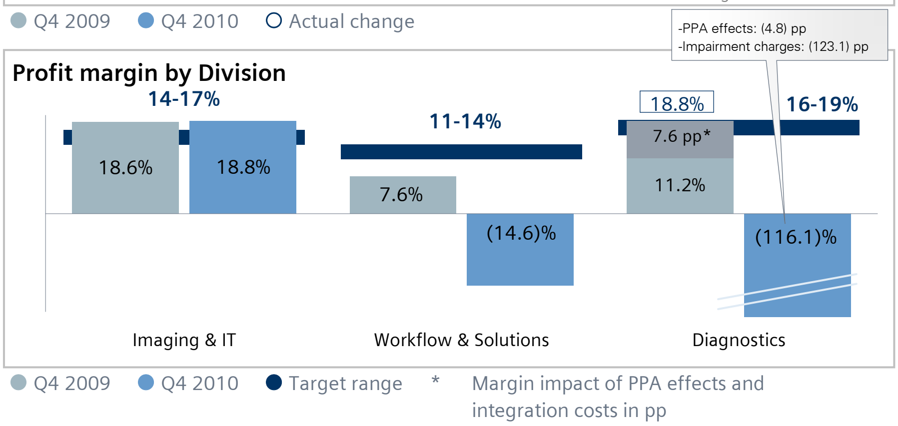
Impairment of goodwill at Diagnostics

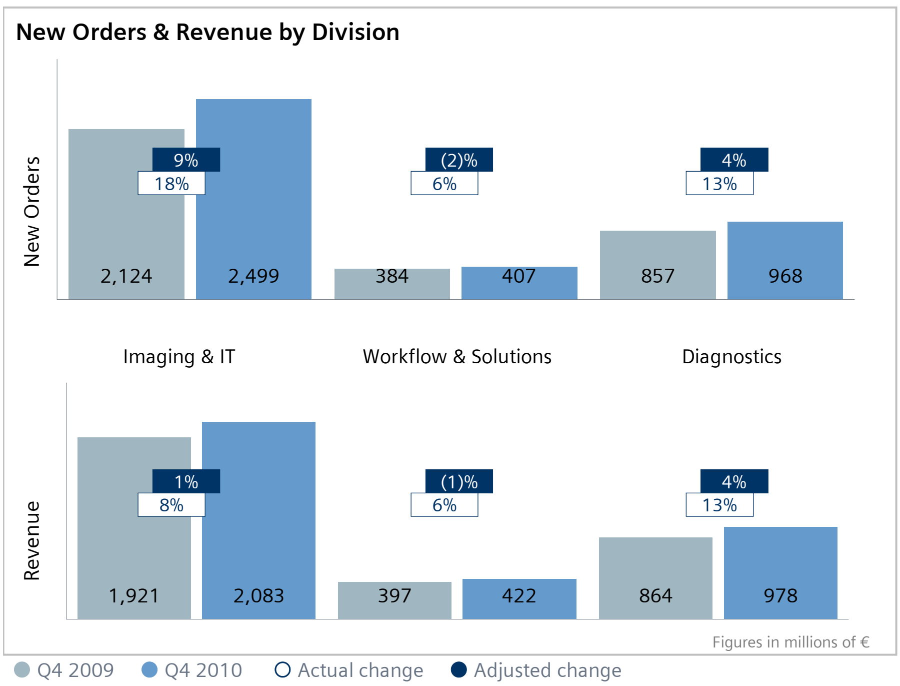
Diagnostics recorded a loss of €1.135 billion in the fourth quarter, primarily including the €1.204 billion in impairment charges mentioned earlier. On an operating basis, profit was held back by a less favorable revenue mix and higher functional costs compared to the same quarter a year earlier.

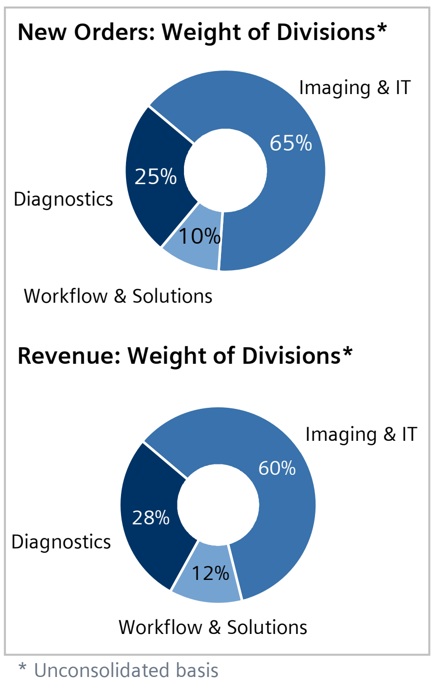
PPA effects and integration costs were also higher year-over-year. In the fourth quarter a year earlier, these impacts were €43 million and €23 million, respectively. In the current period, PPA effects were €47 million, and the Division also recorded €36 million in costs for integration activities. Organic revenue and orders were up 4% year-over-year. As reported, revenue and orders rose 13% led by double-digit growth in Asia, Australia and the Americas as well as strong growth in emerging markets across all regions.

During the fourth quarter Siemens completed a strategic review that reassessed the medium-term growth prospects and long-term market development of the laboratory diagnostics business, and subsequently announced a preliminary estimate of goodwill impairment charges. Following completion of the annual impairment test, Diagnostics took impairment charges at the close of the quarter of €1.204 billion including €1.145 billion for goodwill, below the announced estimate due to positive currency translation effects.









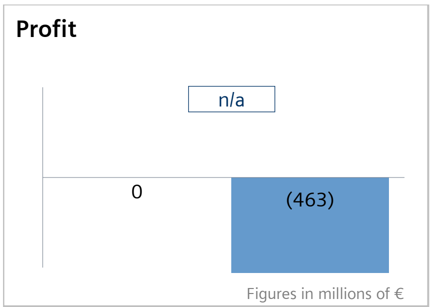
Equity Investments and Cross-Sector Businesses

Loss at Equity Investments related to stake in NSN

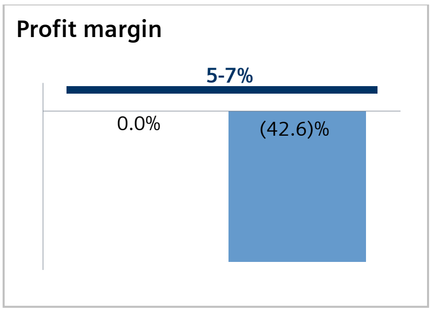
Equity Investments recorded a loss of €181 million in the fourth quarter, due primarily to a loss of €241 million related to Siemens' stake in NSN. A year earlier, Equity Investments recorded a loss of €1.980 billion due mainly to an impairment of €1.634 billion on Siemens' stake in NSN and an equity investment loss of €328 million related to NSN, including a charge of €216 million related to an impairment of deferred tax assets. The prior-year period also included a loss of €52 million related to Enterprise Networks B.V. Siemens' income from Equity Investments is expected to be volatile in coming quarters.

Staff reduction impacts at Siemens IT Solutions and Services

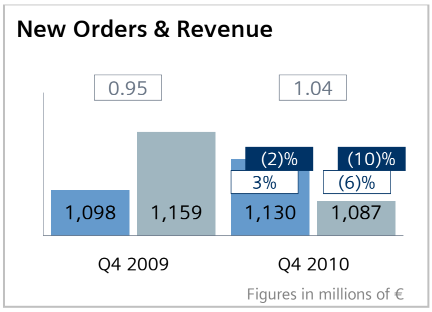
Siemens IT Solutions and Services posted a loss of €463 million, due primarily to charges of €383 million for completing previously announced staff reductions related to a strategic reorientation of the business aimed at strengthening its competitive position. Charges for staff reduction measures in the same period a year earlier were €22 million. Profit in the current period was also burdened by project charges. The business continued to face operational challenges in highly competitive markets.



Q4 2009 Q4 2010 Actual change



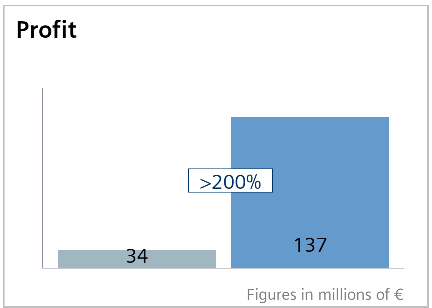
Q4 2009 Q4 2010 Target range



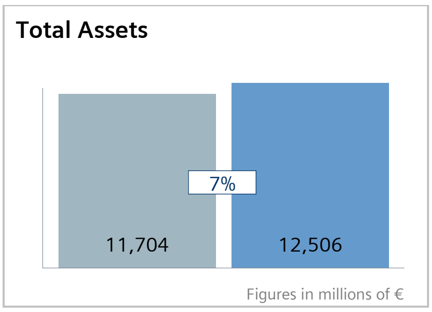
New Orders Revenue Book-to-bill
Actual change vs. previous year
Adjusted change vs. previous year

Exceptional results from Siemens Financial Services

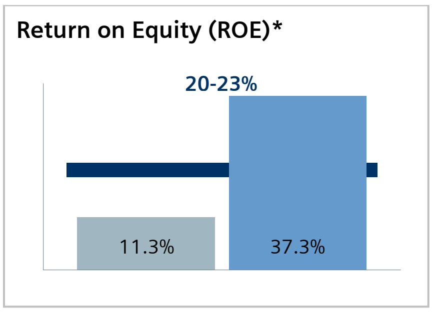
Siemens Financial Services (SFS) delivered €137 million in profit (defined as income before income taxes) in the fourth quarter, up from €34 million in the same period a year earlier. The increase was due mainly to an improved credit environment, enabling SFS to generate higher interest results and post significantly lower loss reserves in its commercial finance business. Profit benefited also from net gains related to various investments. Total assets rose to €12.506 billion, due primarily to currency translation effects.



Q4 2009 Q4 2010 Actual change



Sept. 30, 2009 Sept. 30, 2010
Actual change



Q4 2009 Q4 2010 ROE Target range

* ROE is calculated as annualized Income before income taxes of Q4 divided by average allocated equity for Q4 2010, which was €1.466 billion compared to €1.208 billion in the prior-year period.

Centrally Managed Portfolio Activities, Corporate Activities and Eliminations

Sale announced for electronics assembly systems

Centrally managed portfolio activities posted a loss of €83 million in the fourth quarter compared to a loss of €138 million in the prior-year period. The current period includes a net loss of €92 million related to electronics assembly systems, as operating profit from the business was more than offset by a net loss of €106 million related to its announced sale to ASM Pacific Technology. A year earlier, a loss of €29 million for the electronics assembly systems business included charges for staff reduction measures. In addition, the fourth quarter a year earlier included net expenses related to divested businesses.

Bundling costs outweigh real estate disposal gains

Income before income taxes at **Siemens Real Estate** (SRE) was a negative €25 million in the fourth quarter, compared to a positive €15 million in the same period a year earlier. The change includes lower net gains related to sales of real estate. In addition, both periods included costs associated with Siemens' program to bundle its real estate assets into SRE, including impairments. During the current quarter, assets with a book value of €293 million were transferred to SRE as part of the program. SRE will continue to incur costs associated with the real estate bundling program in coming quarters, and expects to continue with real estate disposals depending on market conditions.

Corporate items include special employee remuneration

Corporate items and pensions totaled a negative €769 million in the fourth quarter compared to a negative €595 million in the same period a year earlier. The difference was due primarily to Corporate items, which were a negative €736 million compared to a negative €481 million in the fourth quarter of fiscal 2009. The current quarter includes higher personnel-related expenses, including expenses of €310 million related to special remuneration for non-management employees. After allocation of the remuneration to the Sectors is determined in the first quarter of fiscal 2011, the expenses will be booked at the Sector level. The current period also includes charges related to legal and regulatory matters and costs of €34 million related to the strategic reorientation of Siemens IT Solutions and Services, primarily for centrally managed carve-out activities. These factors were partly offset by a gain on the divestment of a business. For comparison, the prior-year period included net charges of €169 million related to the global SG&A program and other personnel-related restructuring measures. In addition, both periods included negative results related to an asset retirement obligation. Centrally carried pension expenses totaled €33 million in the fourth quarter, down from €114 million in the prior-year period, due primarily to lower benefit costs related to Siemens' principal pension plans.

Beginning with fiscal 2011, central infrastructure costs currently included in Corporate items will be allocated primarily to the Sectors. Financial information for prior periods will be reported on a comparable basis. Fiscal 2010 central infrastructure costs to be allocated totaled €585 million.

Centrally managed activities related to establishing Siemens IT Solutions and Services as a separate legal entity and wholly owned subsidiary of Siemens are expected to result in substantial charges in coming quarters.

Increased expenses from Corporate Treasury activities

Income before income taxes from **Eliminations, Corporate Treasury and other reconciling items** was a negative €158 million in the fourth quarter compared to a negative €100 million in the same period a year earlier. The current period includes changes in fair market values for derivatives not qualifying for hedge accounting from Corporate Treasury activities.

Outlook for fiscal 2011

With continuing improvement in Siemens' markets, we expect organic order intake to show a clear increase compared to fiscal 2010. Supported also by our already strong order backlog, we expect revenue to return to moderate organic growth. We further anticipate income from continuing operations to exceed reported fiscal 2010 results by at least 25% to 35%. This outlook excludes effects that may arise from legal and regulatory matters.

Note and Disclaimer

All figures are preliminary and unaudited. This Earnings Release should be read in conjunction with information Siemens published today regarding legal proceedings.
Financial Publications are available for download at:
www.siemens.com/ir → Publications & Events.

New orders and order backlog; adjusted or organic growth rates of Revenue and new orders; book-to-bill ratio; Total Sectors Profit; return on equity, or ROE; return on capital employed, or ROCE; Free cash flow; cash conversion rate, or CCR; adjusted EBITDA; adjusted EBIT; earnings effect from purchase price allocation (PPA effects) and integration costs; net debt and adjusted industrial net debt are or may be 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' annual report on Form 20-F, which can be found on Siemens' Investor Relations website or via the EDGAR system on the website of the United States Securities and Exchange Commission.

Starting today at 9.00 a.m. CET, we will provide a live video webcast of the annual press conference with CEO Peter Löscher and CFO Joe Kaeser. You can access the webcast at
www.siemens.com/pressconference.
The accompanying slide presentation can also be viewed here, and a recording of the conference will subsequently be made available as well.
Also today at 4.00 p.m. CET, you can follow a conference in English with analysts and investors live on the Internet by going to
www.siemens.com/analystconference

This document contains forward-looking statements and information – that is, statements related to future, not past, events. These statements may be identified by words such as "expects," "looks forward to," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "project" or words of similar meaning. 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. In particular, Siemens is strongly affected by changes in general economic and business conditions as these directly impact its processes, customers and suppliers. This may negatively impact our revenue development and the realization of greater capacity utilization as a result of growth. Yet due to their diversity, not all of Siemens' businesses are equally affected by changes in economic conditions; considerable differences exist in the timing and magnitude of the effects of such changes. This effect is amplified by the fact that, as a global company, Siemens is active in countries with economies that vary widely in terms of growth rate. Uncertainties arise from, among other things, the risk of customers delaying the conversion of recognized orders into revenue or cancellations of recognized orders, of prices declining as a result of continued adverse market conditions by more than is currently anticipated by Siemens' management or of functional costs increasing in anticipation of growth that is not realized as expected. Other factors that may cause Siemens' results to deviate from expectations include developments in the financial markets, including fluctuations in interest and exchange rates (in particular in relation to the U.S. dollar), in commodity and equity prices, in debt prices (credit spreads) and in the value of financial assets generally. Any changes in interest rates or other assumptions used in calculating pension obligations may impact Siemens' defined benefit obligations and the anticipated performance of pension plan assets resulting in unexpected changes in the funded status of Siemens' pension and post-employment benefit plans. Any increase in market volatility, further deterioration in the capital markets, decline in the conditions for the credit business, continued uncertainty related to the subprime, financial market and liquidity crises, or fluctuations in the future financial performance of the major industries served by Siemens may have unexpected effects on Siemens' results. Furthermore, Siemens faces risks and uncertainties in connection with certain strategic reorientation measures; the performance of its equity interests and strategic alliances; the challenge of integrating major acquisitions and implementing joint ventures and other significant portfolio measures; the introduction of competing products or technologies by other companies; changing competitive dynamics (particularly in developing markets); the risk that new products or services will not be accepted by customers targeted by Siemens; changes in business strategy; the outcome of pending investigations, legal proceedings and actions resulting from the findings of, or related to the subject matter of, such investigations; the potential impact of such investigations and proceedings on Siemens' business, including its relationships with governments and other customers; the potential impact of such matters on Siemens' financial statements, and various other factors. More detailed information about certain of the risk factors affecting Siemens is contained throughout this report and in Siemens' 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 may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends to, nor assumes any obligation to, update or revise these forward-looking statements in light of developments which differ from those anticipated.