

Siemens Financieringsmaatschappij N.V.

Interim Report 2008

October 2007 - March 2008

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SIEMENS

Siemens Financieringsmaatschappij N.V.

Interim Report

General

Siemens Financieringsmaatschappij N.V. ("the Company" or "SFM") acts as a finance company for corporate activities. SFM's objectives, as contained in its Articles of Association (Article 2), are participating in, financing and managing companies, enterprises and other business undertakings, withdrawing and lending money and, in general conducting financial transactions, giving securities and doing all such further acts as are incidental or may be conducive thereto in the broadest sense.

Because SFM acts as a finance company for the Siemens group, it does not have any markets in which it competes and, therefore, SFM cannot make a statement regarding its competitive position in any markets.

SFM is economically depended on Siemens AG. Siemens AG acts as a guarantor for all bonds and notes issued by SFM. The capital raised through the issuance of Bonds and Notes is invested within the Siemens group for at least 95%.

Revenues and earnings

Given its interrelatedness with the Siemens Group, management refrains from commenting on the activity level and expected results for the near future.

Business Overview

The Company's net assets and liabilities increased over the first six months of fiscal year 2007/2008 due to new loans and deposits with associated companies.

In the past six months Siemens Financieringsmaatschappij N.V. issued 94 Commercial Papers totaling an amount of EUR 4.6 billion. At balance date EUR 0.5 billion was outstanding.

Organisational Structure

SFM is a directly wholly-owned subsidiary of Siemens Aktiengesellschaft. Siemens Finance B.V. is directly wholly-owned subsidiary of SFM.

Trend Information

As per April 1, 2008 the shares in Siemens Finance B.V. were sold by Siemens Financieringsmaatschappij N.V. to Siemens International Holding B.V. Siemens Finance B.V. will be consolidated until this date.

Siemens Financieringsmaatschappij N.V.

Consolidated Statement of Income (unaudited)

In thousands of EUR

	Notes	For the period ended March 31,	
		2008	2007
Interest income		350,344	332,200
Interest expenses		(336,678)	(283,705)
Net balance of fair value measurement of financial instruments		(691)	(51,775)
Total operating income		12,975	(3,280)
Miscellaneous income and expenses		(367)	(391)
Profit before tax		12,608	(3,671)
Income tax expense		(3,353)	848
Profit from ordinary activities after tax		9,255	(2,823)
Profit for the period			
Attributable to equity holders of the parent		9,255	(2,823)

Siemens Financieringsmaatschappij N.V.

Consolidated Balance sheet (unaudited)

(In thousands of EUR before appropriation of result)

ASSETS	Notes	March 31, 2008	September 30, 2007
Current assets			
Cash and Cash equivalents		1,260,780	-
Receivables from Associates		13,835,714	9,397,679
Tax assets		121	-
Derivative assets		736,133	175,274
		15,832,748	9,572,953
Non-current assets			
Loans to Associates		42,105	-
Deferred tax assets		1,317	3,709
		43,422	3,709
Total Assets		15,876,170	9,576,662
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LIABILITIES AND EQUITY	Notes	March 31, 2008	September 30, 2007
Current liabilities			
Short term debt and current maturities of long term debt		527,639	1,134,357
Liabilities to Associates		7,161,383	6,820
Tax accruals		-	909
Other current financial liabilities		186,927	197,015
		7,875,949	1,339,101
Long term liabilities			
Long term debt		7,975,870	8,222,465
		7,975,870	8,222,465
Shareholders' equity			
Issued and paid in share capital		10,256	10,256
Share premium reserve		1,561	1,561
Retained earnings		3,279	5,503
Undistributed profit		9,255	(2,224)
		24,351	15,096
Total Liabilities and equity		15,876,170	9,576,662

Siemens Financieringsmaatschappij N.V.

Consolidated Statements of Cash Flows (unaudited)

	Notes	Period ended March 31,	
		2008	2007
Cash flows from operating activities:			
Profit before taxation		12,608	(3,671)
Proceeds from issuance of notes		-	-
Repayment of notes		-	(1,146,415)
Proceeds from issuance of Commercial Paper, net		(606,719)	453,500
Payment of transaction cost		-	-
(Increase) decrease in receivables from Associates		(3,833,236)	933,696
Increase (decrease) in liabilities to Associates		7,154,563	(1,089)
(Increase) decrease in derivative assets		(560,859)	32,499
(Increase) decrease in loans to Associates		(42,105)	-
Increase (decrease) in other current financial liabilities		(10,089)	141,144
Increase (decrease) in fair value of notes		(246,594)	(367,735)
Income taxes paid		(1,990)	(948)
<i>Net cash provided by operating activities</i>		<i>1,865,579</i>	<i>40,981</i>
Cash flows from investing activities:			
Divestment of subsidiary (deconsolidation)		-	-
<i>Net cash provided by investing activities</i>		<i>-</i>	<i>-</i>
Cash flows from financing activities:			
Dividend paid		-	-
<i>Net cash (used in) provided by financing activities</i>		<i>-</i>	<i>-</i>
Net (decrease) increase in cash and cash equivalents		1,865,579	40,981
Cash and cash equivalents at beginning of year		73,294	47,282
Cash and cash equivalents at end of year / Period		1,938,873	88,263

Siemens Financieringsmaatschappij N.V.

Consolidated Statement of Changes in Equity (unaudited)

Shareholders' equity

	Issued and paid- in capital	Share premium reserve	Retained earnings	Un- distributed profit	Total
Balance as at October 1, 2006	10,256	1,561	72,027	(66,524)	17,320
Appropriation of undistributed profit	-	-	(66,524)	66,524	-
Dividend	-	-	-	-	-
Profit for the year ended Sept. 30, 2007	-	-	-	(2,224)	(2,224)
Balance as at September 30, 2007	10,256	1,561	5,503	(2,224)	15,096
Appropriation of undistributed profit	-	-	(2,224)	2,224	-
Dividend	-	-	-	-	-
Profit for the period ended March 31, 2008	-	-	-	9,255	9,255
Balance as at March 31, 2008	10,256	1,561	3,279	9,255	24,351

Siemens Financieringsmaatschappij N.V.

Notes to the interim Consolidated Financial Statements

1. Basis of presentation

Reporting entity

Siemens Financieringsmaatschappij N.V. (“the Company” or “SFM”) is a company domiciled in the Netherlands. The address of the Company’s registered office is Prinses Beatrixlaan 800, 2595 BN, The Hague, Netherlands. The company is registered in the Commercial Register at September 14, 1977, number 27092998.

The consolidated financial statements of the Company as at and for the semi-annual period ending March 31, 2008 comprise the Company and its subsidiary (together referred to as the “Group”). The Group primarily is involved in the financing of Siemens AG Group companies.

The consolidated annual report 2007 of the Group and this interim Report as per March 2008 are available at www.siemens.com/sfm and at request via Post Office Box 16068, 2500 BB Den Haag.

2. Declaration of conformity

The consolidated interim accounts have been drawn up in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. It does not contain all the information that is required for a full year financial report and needs to be read in combination with the annual accounts 2007 of the Group.

3. Principles applied in drawing up financial statements

The consolidated interim accounts have been drawn up in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the European Commission and the interpretations of these standards by the IASB. The principles applied in drawing up the interim accounts of the Group are similar to those applied by drawing up the annual accounts 2007 of the Group.

4. Adjustments and estimates

The preparation of the interim accounts in conformity with IFRS requires that the management makes adjustments and estimates and should specify the assumptions that influence the application of the accounting policies and the reported value of assets and liabilities, and of income and expenses. The actual results may deviate from these estimates. Unless explained otherwise, the estimates made by the management in drawing up the interim accounts are similar to those used by drawing up the annual accounts 2007.

5. Business Overview

The Company’s net assets and liabilities increased over the first six months of fiscal year 2007/2008 due to additional loans and deposits with associated companies.

In the past six months Siemens Financieringsmaatschappij N.V. issued 94 Commercial Papers totaling an amount of EUR 4.6 Billion. At balance date EUR 0.5 billion was outstanding.

Siemens Financieringsmaatschappij N.V.

6. Related party transactions

During the first 6 month's of this fiscal year, the Company lent the proceeds of issuances of notes and bonds to related parties only.

7. Cash and Cash equivalents

The wholly owned subsidiary Siemens Finance B.V. received intracompany loans which are mainly placed as intragroup Lending. Surpluses are deposited on short term with external banks.

8. Events after the balance sheet date

As per April 1, 2008 the shares in Siemens Finance B.V. were sold by Siemens Financieringsmaatschappij N.V. to Siemens International Holding B.V. Siemens Finance B.V. will be consolidated until this date.

Between March 31, 2008 and May 5, 2008 no events occurred that would have resulted in an adjustment of the book values of the Company.

