



Press Conference
First quarter, Fiscal 2011

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Check against delivery.

Siemens off to a strong start in the new fiscal year

Last November, when we released our annual financial statements, I noted that we are a normal company, playing in the Champion's League. Today, with the first quarter of the new fiscal year behind us, we can safely say that we have maintained our momentum from last year, and are off to a strong start in the new year.

Siemens achieves record results

New orders grew 19 percent compared to the same quarter last year, to 22.6 billion euros. Revenue grew twelve percent to 19.5 billion euros. All Sectors have been showing double-digit growth rates. We are growing in every region, especially the emerging markets. This is the third quarter in a row in which new orders and revenue both rose. The book-to-bill ratio is 1.16. Our order backlog continues to grow and has already reached 92 billion euros. And this growth has not been at the expense of profits. On the contrary, we're setting a record: with nearly 1.8 billion euros in income from continuing operations, we are absolutely at a peak level. The figures show that Siemens is fully on a growth course.

Strong global economic recovery

Our ambition for the future has been established in our company framework "One Siemens": it is capital-efficient growth. Conditions for that are excellent. The global economy is recovering faster and more vigorously than expected: in the industrialized countries, where demand is growing for modernizing existing infrastructures, and much more strongly in the emerging markets, whose development is catching up to the industrialized nations at high speed.

Siemens is profiting from the growth of cities – including Munich

Most of all, it is cities, as customers for green infrastructure solutions, are more and more becoming the focal point of our activities. In the first quarter, we received large numbers of orders to build up modern traffic technology systems in major European cities: The city of Munich has ordered the new generation of its subway system from us. The order for the

initial 21 trains comes to 185 million euros. Including a further option, that figure may climb as high as 550 million euros.

The city of Oslo is also relying on Siemens technology. The city is already running 83 metro trains from Siemens today. And recently it ordered another 32 vehicles from us. And I might also mention the Eurostar, that will soon be running between London and Paris. This is also a satisfying achievement for us.

The prerequisite for these successes is our effective cooperation and collaboration with cities. Throughout the world, we are a reliable partner for infrastructure. But that success is also based on our undiminished innovative strength. The number of registrations per inventor at Siemens has doubled over the past ten years. That is a fantastic achievement. Siemens has never been so innovative!

We hold nearly 58,000 active patents, more than 18,000 of them in “green” technologies. Again and again, our innovations make it possible to de-couple growth from the consumption of resources. Instead, we are able to combine growth with sustainability. The best example comes from our Energy Sector: the H Class gas turbine. The American utility Florida Power and Light has already ordered six turbines of this generation, which will start going into operation in 2013. And that was just the beginning, now the second large order is also ahead. In 2013 as well, the Bugok 3 gas and steam power plant is to go on line in South Korea. It will achieve efficiencies above the previous record of 60 percent, and can supply electricity to some 300,000 people.

We’re also ahead in innovations in our Healthcare Sector. Our unique MR/PET whole-body scanner, which recently made its world debut at Munich’s Klinikum rechts der Isar, can revolutionize the diagnosis of many different illnesses. These pioneering achievements further strengthen our core business for the future.

Siemens is focusing on its growth fields

Additionally, in the past weeks and months we’ve pressed ahead with a number of portfolio changes: Siemens IT Solutions and Services and Atos Origin, plan to establish a new European IT service champion together. We’ve sold our remaining share of just under 20 percent of Gigaset. We will transfer our entire minority interest in Krauss-Maffei Wegmann

to the Wegmann Group. Electronics Assembly Systems is now a part of ASM Pacific Technology, where it has been successfully integrated. Today, the Industry, Energy and Healthcare Sectors generate 94 percent of our total revenue. After the Siemens IT Solutions and Services transaction is complete, that figure will rise to 99 percent.

Some ten years ago, these three Sectors were contributing only half our revenue. Today, Siemens is set up in a clear and focused way. With our new corporate framework, “One Siemens”, we intend to keep continuously improving relative to our competitors and to the market as a whole.

To sum up: Siemens is off to a vigorous start for the new 2011 fiscal year. Capital-efficient growth is our aspiration. We have lived up to it. Orders and revenue grew in all regions, particularly in emerging markets. From this our business in Germany benefits as well. We delivered record bottom-line performance. We are fully on track to reach the targets we set for fiscal 2011.