

Rio de Janeiro, Brazil, June 18th, 2012

Siemens discloses first findings in a first ever made study about how Rio de Janeiro is going to be in the future, from 2030 to 2040

Rio de Janeiro is one of the most iconic cities in the world, but for some decades, especially after losing its post as the national capital in 1960, it has suffered with lack of safety, economic and social problems. But in recent years it has been thriving again and now is on the right track to become a sustainable and innovative gateway to Latin America and a model for large cities in the region. This is one major conclusions drawn from the study "Pictures of the Future Rio 2030-2040", a future scenario of the city of Rio de Janeiro. Some of the first conclusions of this exclusive study, which should be finalized in November, were disclosed today, June 18th, by Siemens Brazil CEO, Paulo Stark during a presentation at the Urban Summit, a side event organized by UN-Habitat, United Cities and Local Governments (UCLG) and the Prefeitura of Rio de Janeiro.

Rio de Janeiro in 2012 is already a vibrant city with a bright future ahead. And, according to one of the highlight conclusions of the study, if the right measures continue to be applied and further improvements, especially in education, healthcare, infrastructure and stimulus for economic development, by 2030 Rio can become the Latin American capital of business, tourism and high tech research and development hub. "Rio de Janeiro has all the necessary elements to become a true symbol of sustainable development in the south hemisphere by combining a unique blend of wealthy, creative, livable and social balanced conditions", said Paulo Stark.

To come to these conclusions, the study intends to deepen the analyses of a variety of data, organized under a rigorous future scenario methodology. During the process, Siemens's specialists' team carried out 80 interviews with opinion leaders and experts from Rio de Janeiro, in different domains, experts and uses. "The specialists are showing us a vision on how Rio can make this happen. Part of the solution is using the right technologies and part of the solution is deploying the right policies. But the magic recipe is to combine both", said Paulo Stark, CEO and president of Siemens Brazil.

Among the major trends found, is that new technologies in transportation could help Rio and Sao Paulo form a powerful regional cluster. They supplement each other in various domains and are connected by a high-speed public transport system seamless integrated in both cities transport systems. This economic power cluster is a gateway for the whole of Latin America and a global player

The recent discoveries in the pre salt will certainly put Rio as a reference for the oil and gas Industry. By utilization of its pre-salt oil&gas resources Rio has a significant share of the world market for exporting oil&gas and also exports semi-finished and higher value products derived from that natural resources, as well in a next step deep sea mining. Another trend detected is of Rio increasing role's a leading innovation and R&D hub in Latin America for oil/gas, IT, biotech and affordable solutions. This will result in Rio attracting talents from everywhere around the globe.

Rio should increase its lead as a hub for international tourism and in particular for South America. The city also should consolidate its positioning as event city of South America hosting international events, trade shows and conferences on a regular basis. There will also be a strengthening in creative industry including media and fashion. Media productions in high volume are produced for Latin America as well as for international entertainment. The fashion industry generates international brands inspired by entertainment and media contents generated in Rio.

Some of the major challenges that Rio must overcome in order to achieve a better a sustainable future are, security, transportation and education. Concerning security, a key motive driver behind is related to social equity. Driving away drug gangs is crucial movement that has begun with great results, which allows the state to become more effective on social programs based on the inclusion of a large part of the population that were practically excluded from the benefits of the State's presence. This process, known as "pacification", means greater social inclusion. The study also reveals that areas formerly known as *favelas* and also the not so poor areas of the suburbs have to be under continuous efforts towards integration by a comprehensive and affordable mobility concept and urban decentralization e.g. economic development, healthcare services and education. To become safer is good, but does not guarantee a long term safety if not altogether with economic opportunities and integration.

Transportation is also another challenge for the city. Today, going from one part of Rio to another can take hours – particularly for poorer people, who may have to commute several times between buses. Upgrading and integrating the transport network means greater social inclusion. Another challenge for Rio is Education. Due its dynamic economy, currently Rio de Janeiro faces a scarcity

2 / 4

of highly qualified workers. At the same time wages for the numerous low skilled workers are very low. Making education more broadly available means greater social inclusion and will bring Rio to another level of competitiveness.

Cities are the growth engines of the future, offering their populations greater opportunities for education, employment and prosperity. Yet, the negative effects of their growth result in traffic congestion, informal settlements, urban sprawl, environmental pollution, exploitation of resources and pollution. Some of those problems are still happening, but are being step by step being worked by the government and society. These challenges show that social inclusion and greater equity are key on making Rio work as a city for all its inhabitants. The same is true for many other developing and emerging country cities. According to the study, Rio is on a good path to overcome these challenges – with a combination of the right policies and the right technologies.

About Pictures of the Future Methodology

The ongoing project "Pictures of the Future Rio 2030-2040" is based on trend analysis of the most important issues concerning the development of the city and is being endorsed by Siemens Corporate Technology and Siemens Brazil in closed cooperation with City of Rio de Janeiro. It incorporates the same scenario planning and strategic foresight methodology used by Siemens in the research and development of future technologies. It is Multi-stage research methodology based on two main steps. First, it is necessary to understand the current issues (Extrapolation): During the extrapolation step trends and influencing factors have to be identified on a broad scale of domains e.g. society, emerging technologies, economy, and ecology or polices to show the development of different relevant domains in the future and how they interact and impact each other. In a next step hypotheses have to be derived and verified for the scenario development. After the validation of the research findings with external and internal opinion e.g. key industry partners, stakeholders and research and development institutions the main enablers e.g. technologies, services or new business models have to be identified for today to set up the right steps for addressing the vision.

The study is part of Siemens substantial annual research and development investment and aims to present the technology perspective on solutions to the most pressing challenges in our region. Globally, Siemens has been undertaking comprehensive 'Pictures of the Future' research programs since 2001 to explore the technologies that we believe will shape life in the future. This research delves into major technology trends and looks at work in progress in the 130 Siemens laboratories worldwide.

More information about Siemens' activities in Rio is available at www.siemens.com/rio20.

Press material can be downloaded at www.siemens.com/press/rio20.

Siemens AG (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the fields of industry, energy and healthcare as well as providing infrastructure solutions, primarily for cities and metropolitan areas. For over 160 years, Siemens has stood for technological excellence, innovation, quality, reliability and internationality. The company is the world's largest provider of environmental technologies. Around 40 percent of its total revenue stems from green products and solutions. In fiscal 2011, which ended on September 30, 2011, revenue from continuing operations totaled €73.5 billion and income from continuing operations €7.0 billion. At the end of September 2011, Siemens had around 360,000 employees worldwide on the basis of continuing operations. Further information is available on the Internet at: www.siemens.com.