

Munich, Germany, December 15, 2008

Siemens AG reaches a resolution with German and U.S. authorities

Siemens AG announced today that legal proceedings against it arising from allegations of bribing public officials were concluded on the same day in Munich, Germany, and in Washington, DC. Siemens will pay total fines and penalties of about €1 billion.

In Munich, the public prosecutor announced the termination of the legal proceeding alleging the failure of the former Managing Board of Siemens AG to fulfill its supervisory duties. Siemens agreed to pay a fine of €395 million. The payment of this fine marks the conclusion of this legal proceeding in Germany. In a similar action in October 2007 relating to Siemens' former telecommunications or Com Group, Siemens paid €201 million. This brings the total amount payable to authorities in Germany in connection with these legal proceedings to €596 million. The investigations of former members of the Managing Board, employees of Siemens AG and other individuals remain unaffected by this settlement.

In Washington, DC, Siemens AG pled guilty in Federal Court to charges of knowingly circumventing and failing to maintain adequate internal controls and failing to comply with the books and records provisions of the U.S. Foreign Corrupt Practices Act (FCPA). In related cases, three Siemens foreign subsidiaries pled guilty to individual counts of conspiracy to violate the FCPA. In connection with these pleas, Siemens and the three subsidiaries agreed to pay a fine of US\$450 million (approximately €350 million) to resolve charges leveled by the United States Department of Justice (DOJ). At the same time, Siemens settled a civil action against it brought by the U.S. Securities and Exchange Commission (SEC) for violations of the FCPA. Siemens agreed to the disgorgement of profits in the amount of US\$350 million (approximately €270 million).

The agreement reflects the U.S. prosecutors' express recognition of Siemens' "extraordinary cooperation" as well as Siemens' new and comprehensive compliance program and extensive remediation efforts. Based on these facts, the lead agency for U.S. federal government contracts, the Defense Logistics Agency (DLA), issued a formal determination that Siemens remains a responsible contractor for U.S. government business.

1 / 2

Under the terms of the plea and settlement agreements reached today in the United States, Siemens has engaged Dr. Theo Waigel, former German Finance Minister, as compliance monitor to evaluate and report on the company's progress in implementing and operating its new compliance programs. Waigel, who was recommended by Siemens, will be the first non-U.S. national appointed to serve as a compliance monitor.

"Siemens is closing a painful chapter in its history. For Siemens, the corruption cases in Germany and the U.S. are now over. Today marks the end of an unprecedented two-year effort to resolve extremely serious matters for the company. Based on robust leadership processes, Siemens has established a sustainable culture of compliance," said Gerhard Cromme, Chairman of Siemens' Supervisory Board.

"We regret what happened in the past. But we have learned from it and taken appropriate measures. Siemens is now a stronger company," said Peter Löscher, Siemens' President and CEO.

For convenience purposes the U.S. fines (payable in US\$) were translated in Euro (EUR) based on an exchange rate of 1.30US\$.

Siemens AG (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the industry, energy and healthcare sectors. The company has around 430,000 employees (in continuing operations) working to develop and manufacture products, design and install complex systems and projects, and tailor a wide range of solutions for individual requirements. For over 160 years, Siemens has stood for technical achievements, innovation, quality, reliability and internationality. In fiscal 2008, Siemens had revenue of €77.3 billion and a net income of €5.9 billion (IFRS). Further information is available on the Internet at: www.siemens.com.