

Healthcare Sector

Munich, Germany, September 29, 2009

Siemens maintains leading position in the global healthcare market

Market-oriented innovations and rigorous cost management strengthen competitiveness

Start of next integration phase in laboratory diagnostics business yields additional synergies

Siemens' Healthcare Sector has done extremely well in the crisis, particularly compared to its competitors. "We have the best product, service and solutions portfolio in the healthcare market and an unparalleled understanding of the needs of our customers. This as well as our rigorous cost management and market-oriented innovations have made us a leading company in the healthcare industry," said Hermann Requardt, CEO of Siemens' Healthcare Sector at the Siemens Healthcare Capital Market Day in London. "We are now in an excellent position to reap above-average profits from the future worldwide growth of healthcare markets," added Requardt. The Healthcare Sector's program to reduce sales and administrative costs is right on schedule. "We've made major progress in reducing complexity and costs," said Michael Sen, CFO of the Healthcare Sector. The focus will now be on increasing capital efficiency and on higher cash generation. Siemens Healthcare is expecting additional synergies in its laboratory diagnostics business.

In the last few years, Siemens' Healthcare Sector has rigorously oriented its portfolio toward future growth markets. In the area of imaging devices – such as X-ray units, computed tomography scanners and magnetic resonance imaging systems – and in the field of laboratory devices for clinical diagnostics, Siemens has the world's largest installed base, giving it a solid foundation for future growth stemming from recurring sales in the service and reagent businesses, for example. Such businesses account for about half of Siemens Healthcare's total revenue and, even, for more than 85 percent of the revenue of its Diagnostics Division.

Siemens Healthcare aims to strengthen its competitiveness through rigorous cost management. Plans call for reducing consultant costs by 39 percent by the end of fiscal 2010 compared to fiscal 2008 and cutting IT costs by 11 percent over the same period. The Healthcare Sector also intends to substantially reduce its complexity. The number of legal entities is slated to be cut by slightly

more than a third by the end of fiscal 2010 compared to fiscal 2008 and the number of suppliers by more than a quarter.

The integration of the three diagnostics companies acquired over the last few years – Diagnostic Products Corp. (DPC), Bayer Diagnostics and Dade Behring – is well under way. Siemens Healthcare has already achieved about two thirds of the €500 million in cost savings that this move was intended to generate by the end of fiscal 2010. The last third is expected to be realized by the end of fiscal 2010. Siemens Healthcare is also anticipating further savings of around €100 million by fiscal 2011. The company assumes that the implementation of the second phase of the integration will result in restructuring charges of up to €100 million in fiscal 2010.

Some 30 percent of Siemens Healthcare's research and development capacities are now located in high-growth markets in order to develop products tailored to local requirements. Last fiscal year, Siemens Healthcare sourced about 14 percent of its purchasing volume from low-cost countries. In fiscal 2010, this figure is expected to be 17 percent. In the last two fiscal years, Siemens Healthcare generated annual organic revenue growth of more than ten percent in Brazil, China and India alone – among other things, with products based on its SMART approach (**S**imple, **M**aintenance friendly, **A**ffordable, **R**eliable and robust, **T**imely to market). Oriented toward specific market requirements, these economical products are notable for their easy handling, maintenance-friendliness and reliability. Developed and produced in emerging countries, a large proportion of these devices are now also exported.

The **Siemens Healthcare Sector** is one of the world's largest suppliers to the healthcare industry and a trendsetter in medical imaging, laboratory diagnostics, medical information technology and hearing aids. Siemens offers customers products and solutions for the entire range of patient care from a single source – from prevention and early detection to diagnosis, and on to treatment and aftercare. By optimizing clinical workflows for the most common diseases, Siemens also makes healthcare faster, better and more cost-effective. Siemens Healthcare employs some 49,000 employees worldwide and operates in over 130 countries. In fiscal year 2008 (to September 30), the Sector posted revenue of 11.2 billion euros and profit of 1.2 billion euros. For further information please visit: www.siemens.com/healthcare.

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,

2 / 3

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. For Siemens, particular uncertainties arise, among others, from: changes in general economic and business conditions (including margin developments in major business areas and recessionary trends); the possibility that customers may delay the conversion of booked orders into revenue or that prices will decline as a result of continued adverse market conditions to a greater extent than currently anticipated by Siemens' management; developments in the financial markets, including fluctuations in interest and exchange rates, commodity and equity prices, debt prices (credit spreads) and financial assets generally; continued volatility and a further deterioration of the capital markets; a worsening in the conditions of the credit business and, in particular, additional uncertainties arising out of the subprime, financial market and liquidity crises; future financial performance of major industries that Siemens serves, including, without limitation, the Sectors Industry, Energy and Healthcare; the challenges of integrating major acquisitions and implementing joint ventures and other significant portfolio measures; the introduction of competing products or technologies by other companies; a lack of acceptance of new products or services by customers targeted by Siemens; changes in business strategy; the outcome of pending investigations and legal proceedings, including corruption investigations to which Siemens is currently subject and actions resulting from the findings of these investigations; the potential impact of such investigations and proceedings on Siemens' ongoing business including its relationships with governments and other customers; the potential impact of such matters on Siemens' financial statements; as well as 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 does not intend or assume any obligation to update or revise these forward-looking statements in light of developments which differ from those anticipated.