

The Siemens logo is displayed in a white rectangular box in the top left corner. The word "SIEMENS" is written in a bold, teal, sans-serif font. Below the logo box, there are two horizontal white lines. The background of the slide is a light blue geometric pattern of triangles and squares.

SIEMENS

Ralf P. Thomas, CFO

Disciplined execution of Vision 2020

Deutsche Bank German, Swiss & Austrian Conference
Berlin, June 17, 2015

Notes and forward-looking statements

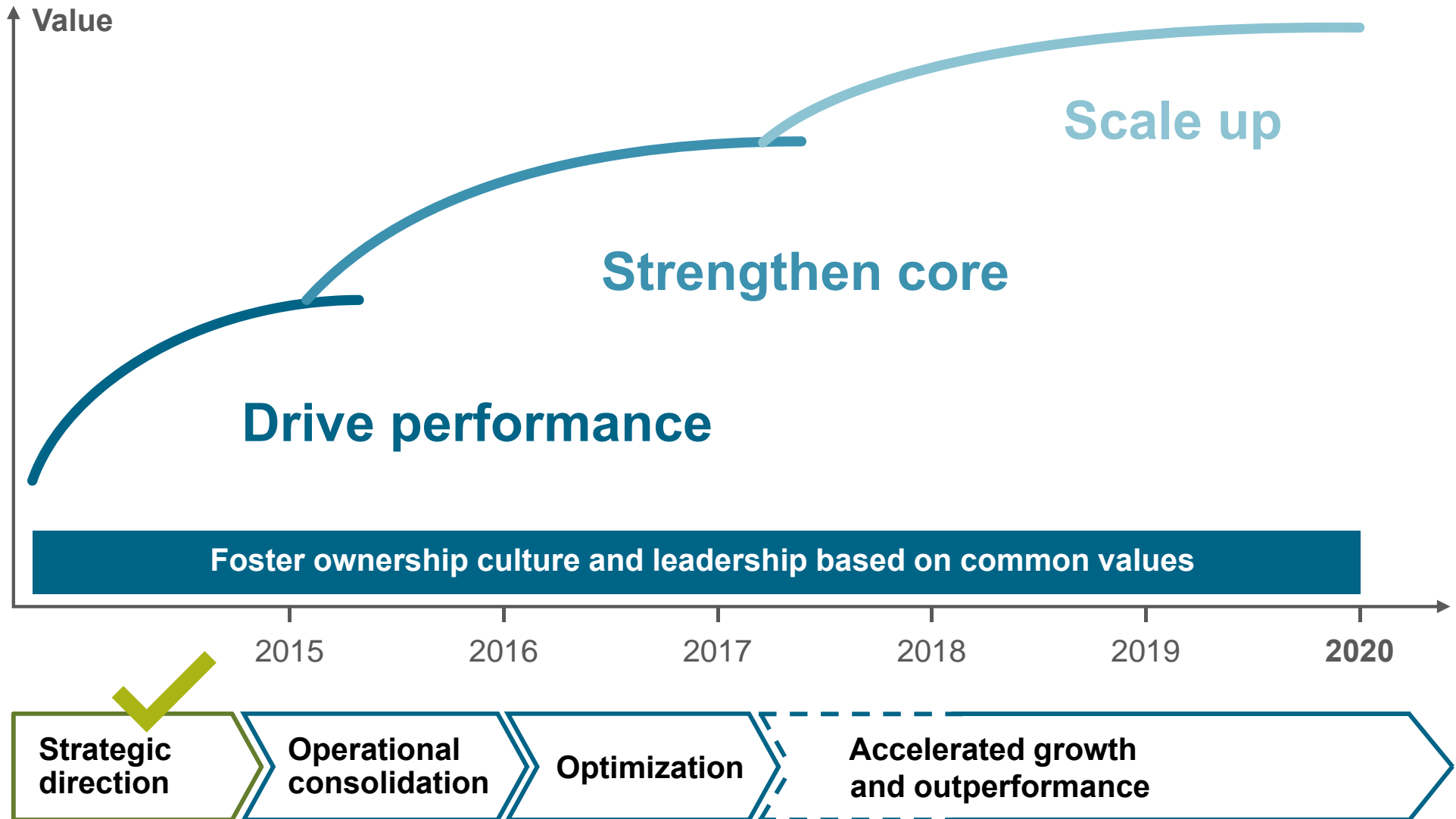
This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of Siemens’ management, of which many are beyond Siemens’ control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in disclosures, in particular in the chapter Risks in the Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of Siemens may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

This document includes – in IFRS not clearly defined – supplemental financial measures that are or may be non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Siemens’ net assets and financial positions or results of operations as presented in accordance with IFRS in its Consolidated Financial Statements. Other companies that report or describe similarly titled financial measures may calculate them differently.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Siemens Vision 2020

Value creation and cultural change




Siemens leverages digitalization technologies to create new business opportunities

Major digitalization technologies ...

-  **Mobile and collaboration**
-  **Connectivity and Internet of Things**
-  **Cloud technologies**
-  **Big data and analytics**



... leveraged along our entire portfolio ...

Digitalization	
Automation	
Electrification	

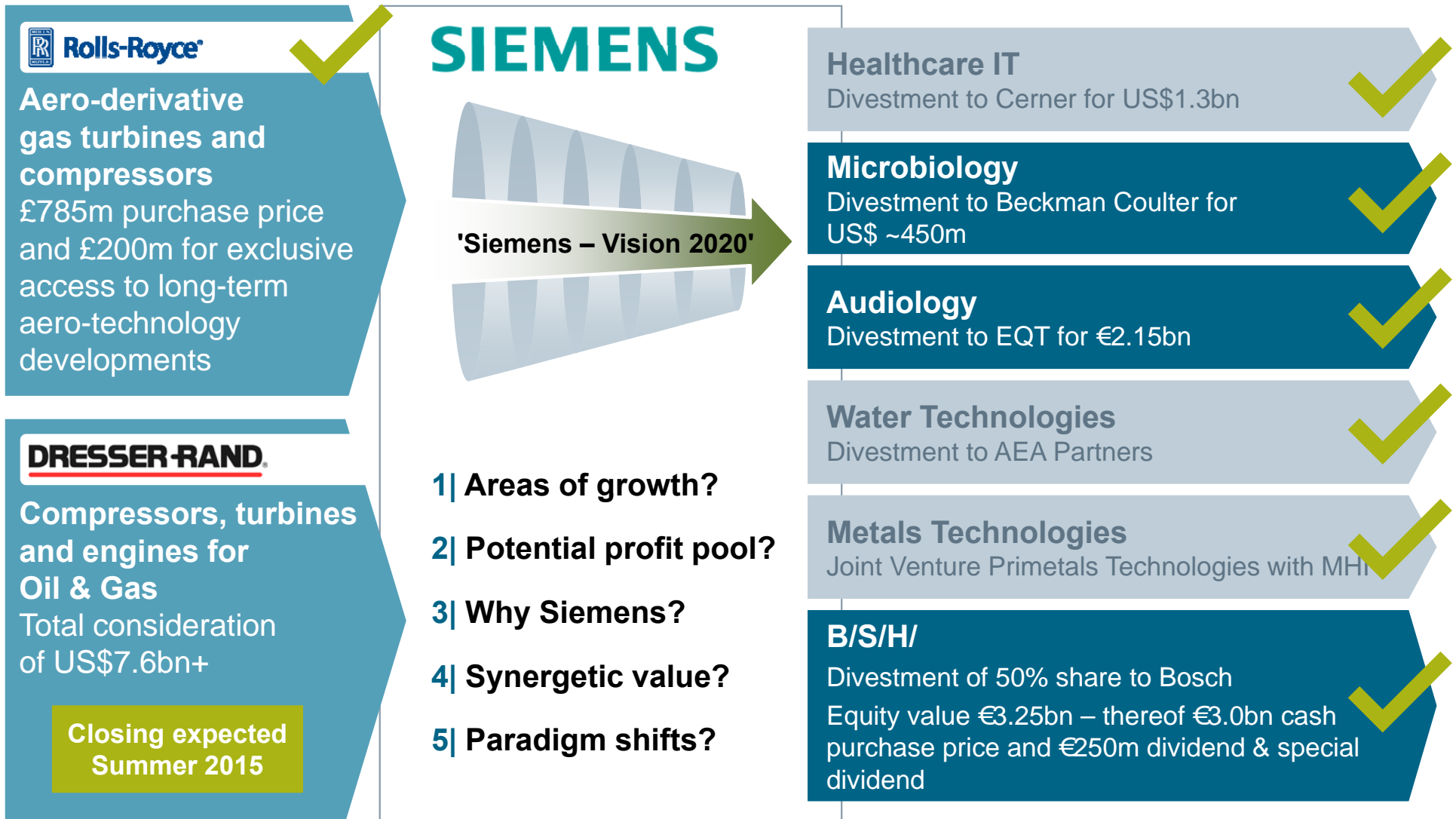
... to create attractive business opportunities

Vertical software	Digital services
<p>€2.4^{bn} Revenue FY 2014</p> <p>Profitability ++</p> <p>+9% Market growth</p>	<p>€0.5^{bn} Revenue FY 2014</p> <p>Profitability +++</p> <p>+15% Market growth</p>
Enhanced automation	Classic services
<p>€19^{bn} Revenue FY 2014</p> <p>Profitability ++</p> <p>+6% Market growth</p>	<p>€14^{bn} Revenue FY 2014</p> <p>Profitability +++</p> <p>+3% Market growth</p>
Enhanced electrification (~€37bn)	

Note: Figures Industrial Business
© Siemens AG 2015

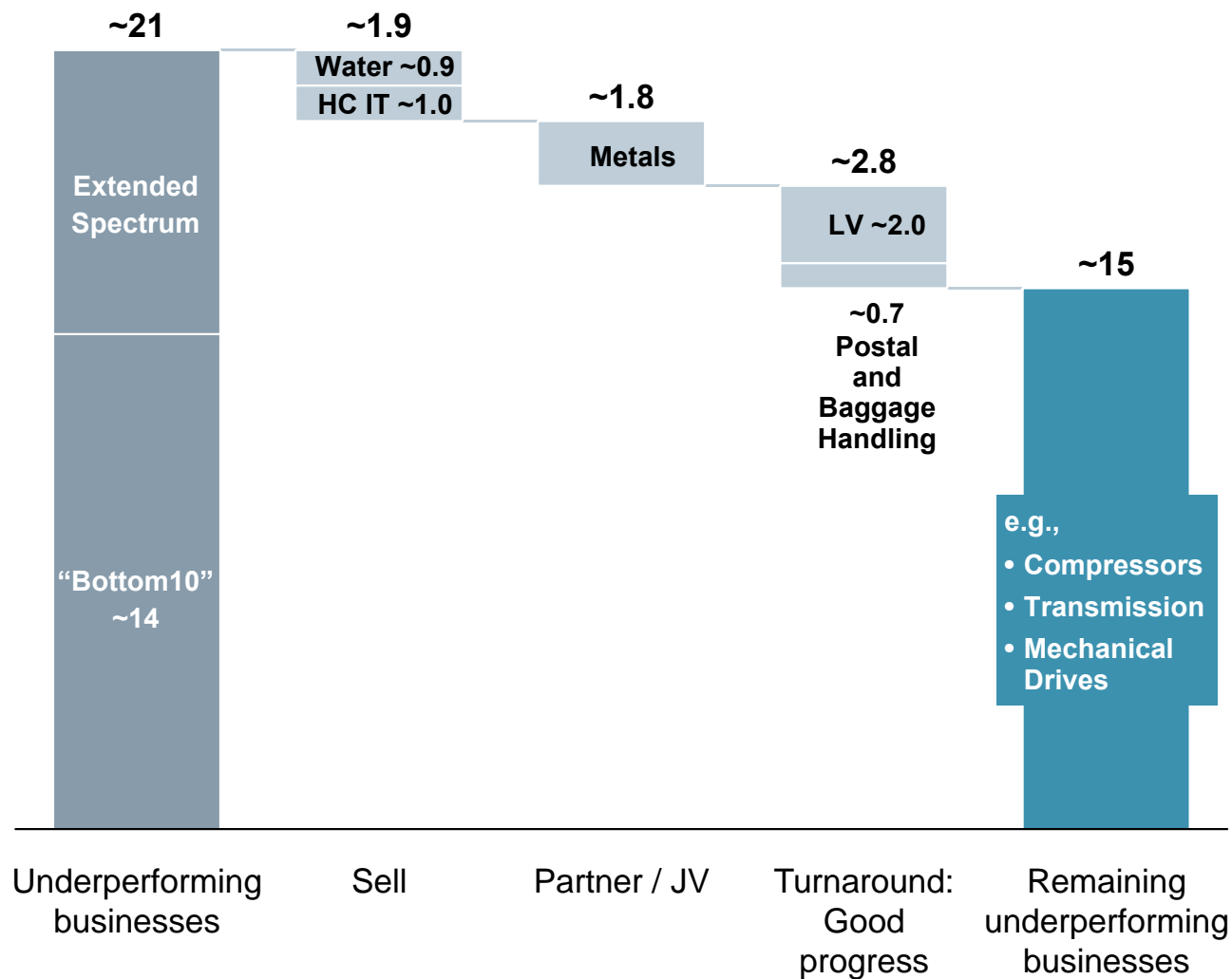
Executing Vision 2020

Capital allocation along strategic imperatives



Fixing remaining underperforming businesses is key priority – other options remain

Revenue FY 2013 in €bn

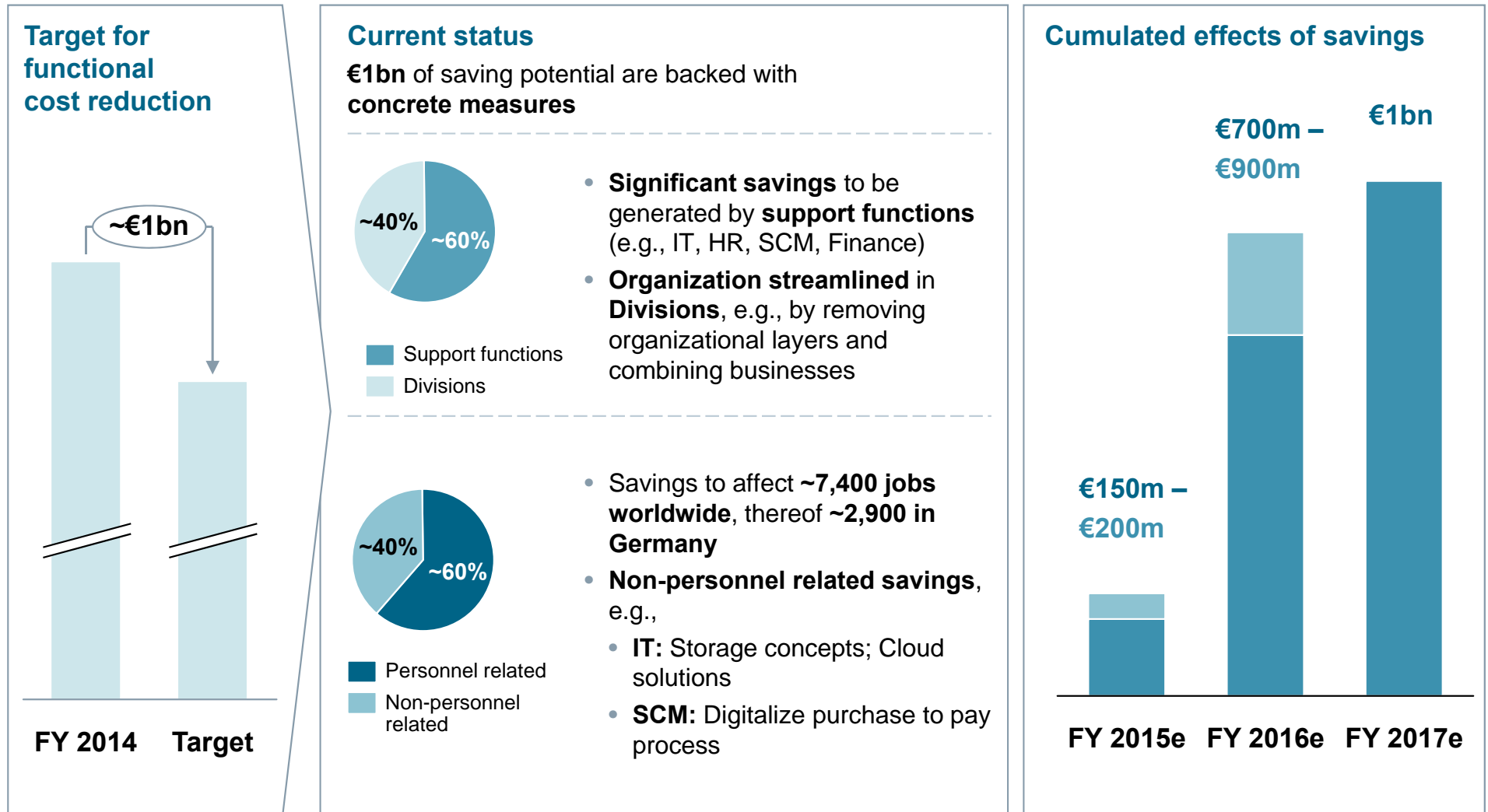


- Footprint optimization
- Reverse integration
- Partnering
- Tight Managing Board control

FY	13	14	15e	17e	20e
Margin	-4%	-3%	+1%	~6%	>8%

Our target to reduce complexity and achieve cost reduction of ~€1bn is on track

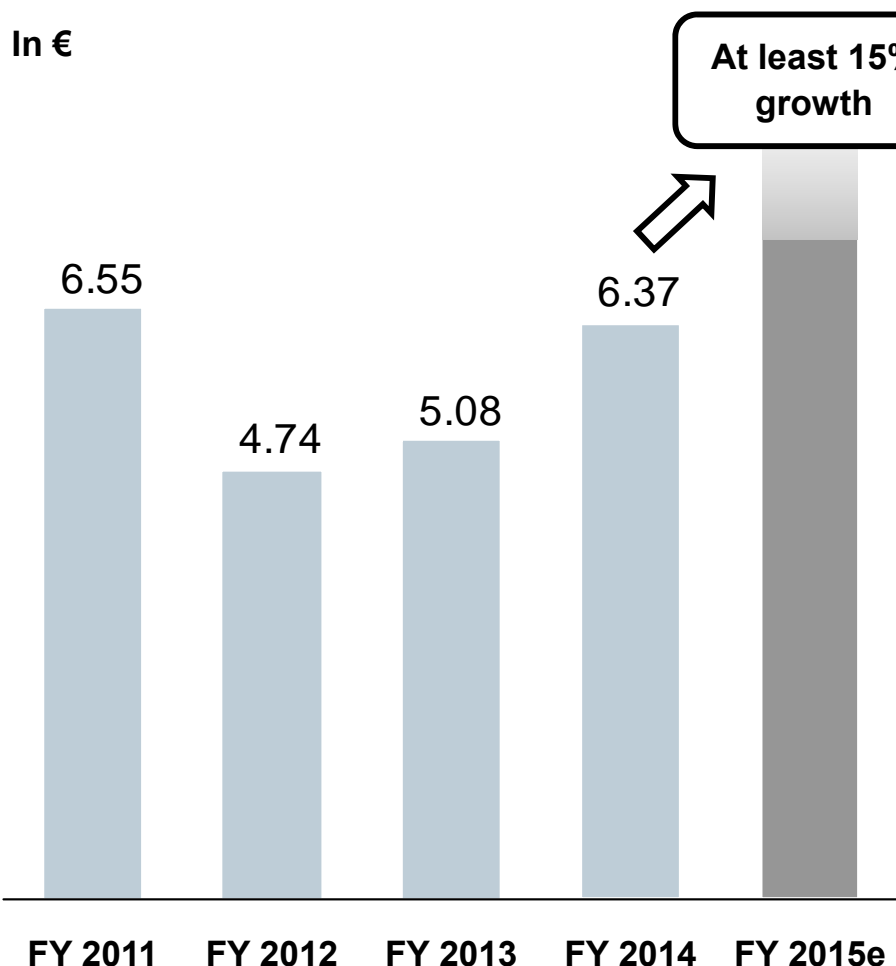
Current status of functional cost reduction



Outlook Fiscal 2015 confirmed despite weakening indicators

Basic earnings per share (Net income)

In €



- We believe that our business **environment will be complex in fiscal 2015**, among other things due to **geopolitical tensions**.
- We expect **revenue** on an **organic basis** to remain **flat year-over-year**, and orders to exceed revenue for a **book-to-bill ratio above 1**.
- Furthermore, we expect that **gains from divestments** will enable us to **increase basic earnings per share (EPS)** from **net income** by **at least 15% from €6.37 in fiscal 2014**.
- For our **Industrial Business**, we expect a profit **margin* of 10–11%**.
- This outlook excludes impacts from legal and regulatory matters.

**Effective with fiscal 2015, our enhanced profit definition excludes amortization of intangible assets acquired in business combinations.*

Appendix

One Siemens Financial Framework – Clear targets to measure success & accountability

One Siemens Financial Framework

Siemens

Growth:
Siemens > most relevant competitors¹⁾
 (Comparable revenue growth)

Capital efficiency
 (ROCE²⁾)

15-20%

Total cost productivity³⁾
3-5% p.a.

Capital structure
 (Industrial net debt/EBITDA)

up to 1.0x

Dividend payout ratio
40-60%⁴⁾

Profit Margin ranges of businesses (excl. PPA)⁵⁾

PG
11-15%

EM
7-10%

MO
6-9%

PD
8-12%

SFS⁶⁾
15-20%

WP
5-8%

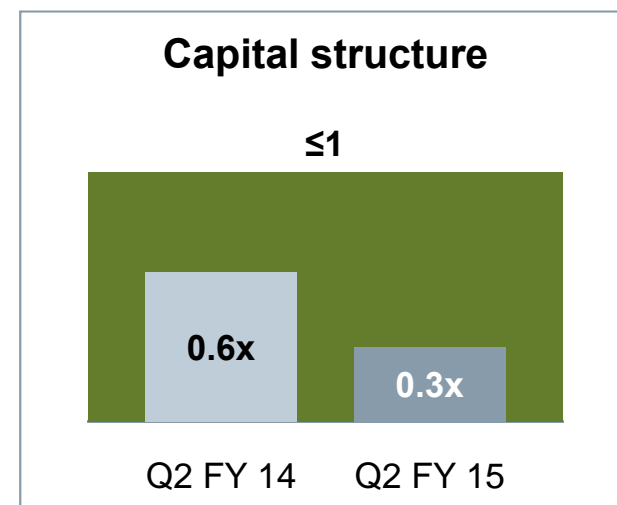
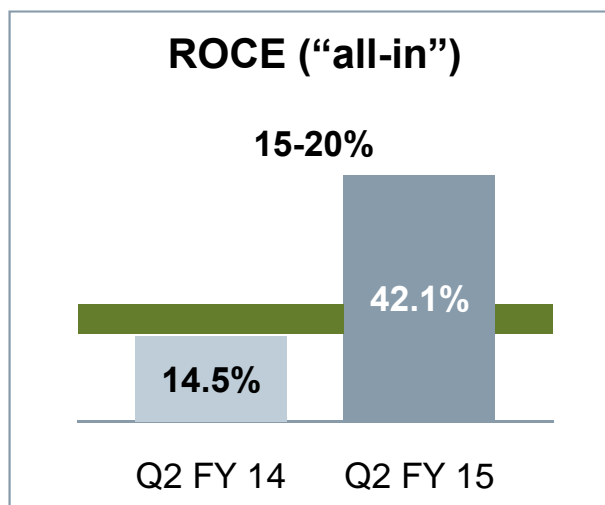
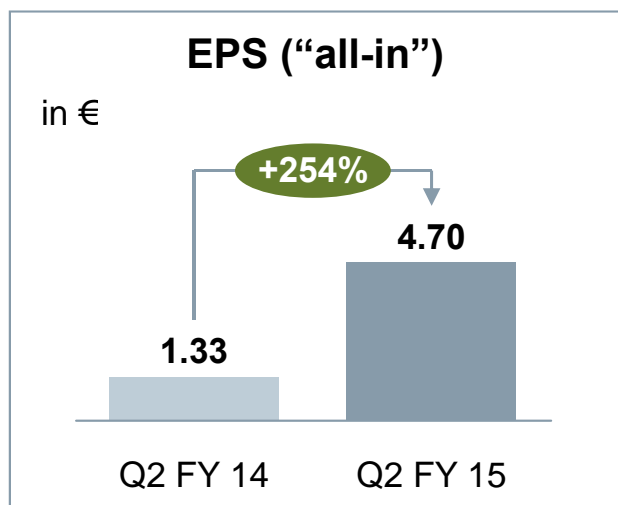
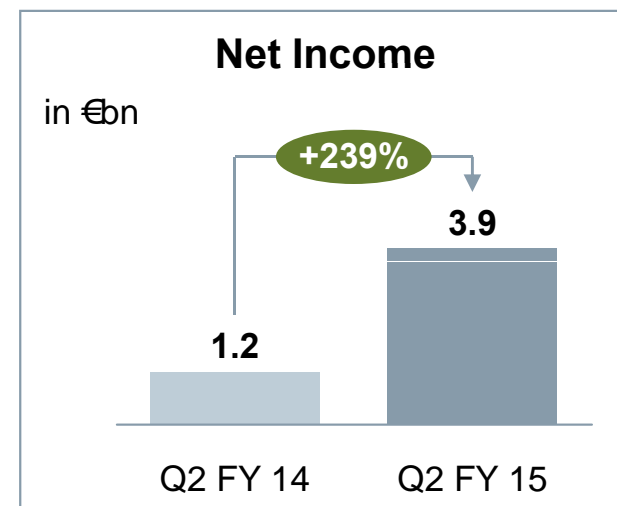
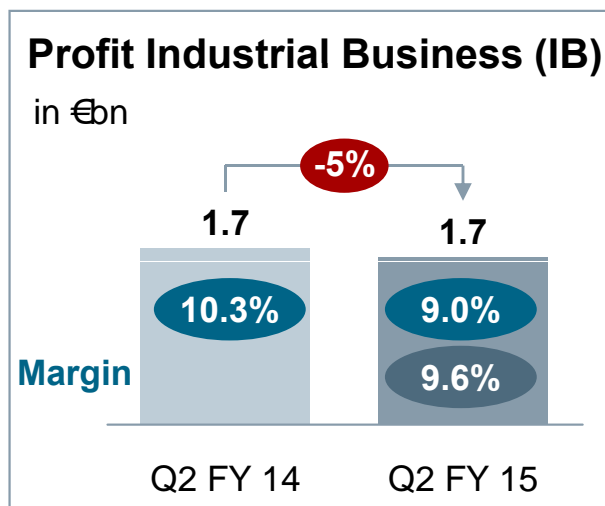
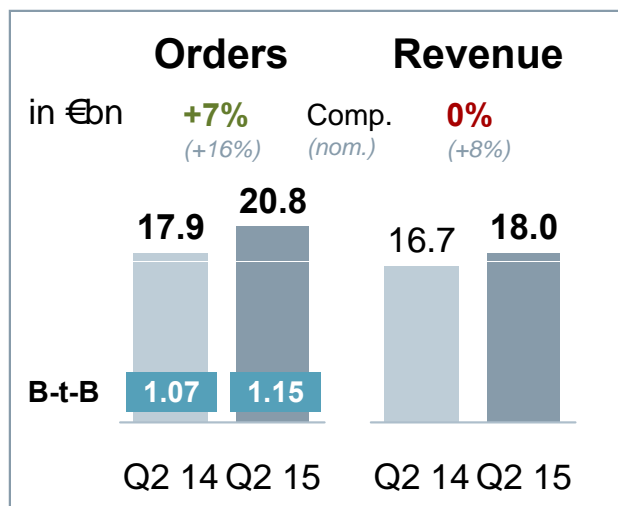
BT
8-11%

DF
14-20%

HC
15-19%

1) ABB, GE, Rockwell, Schneider, Toshiba, weighted; 2) Based on continuing and discontinued operations; 3) Productivity measures divided by functional costs (cost of sales, R&D, SG&A expenses) of the group; 4) Of net income excluding exceptional non-cash items; 5) Excl. acquisition related amortization on intangibles; 6) SFS based on return on equity after tax

Financial Cockpit

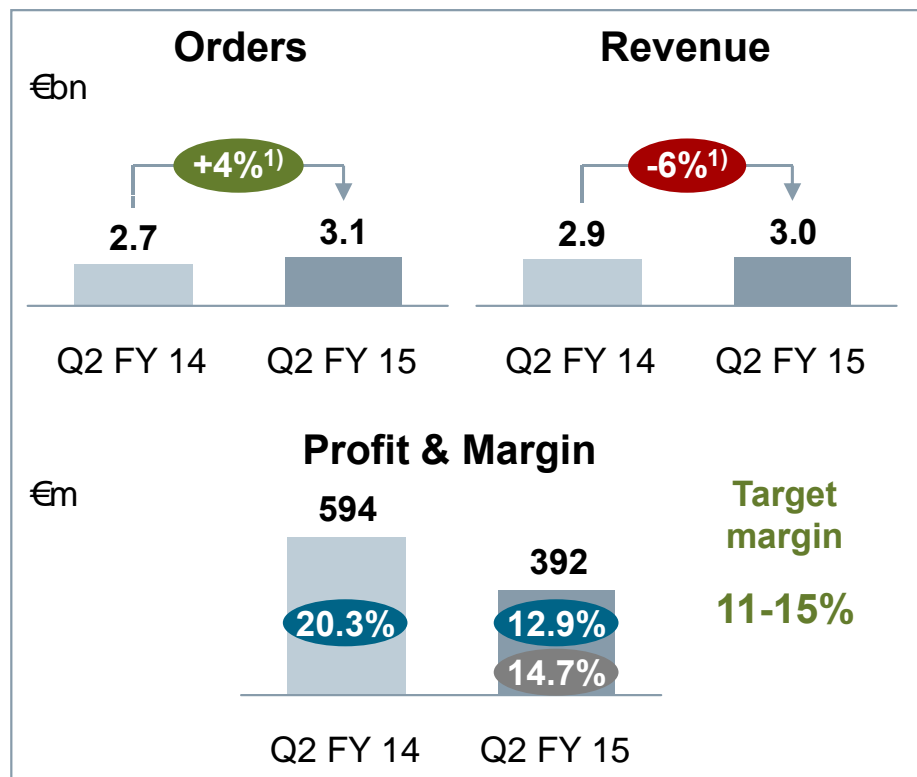


x.x% Margin as reported

x.x% Margin excl. severance

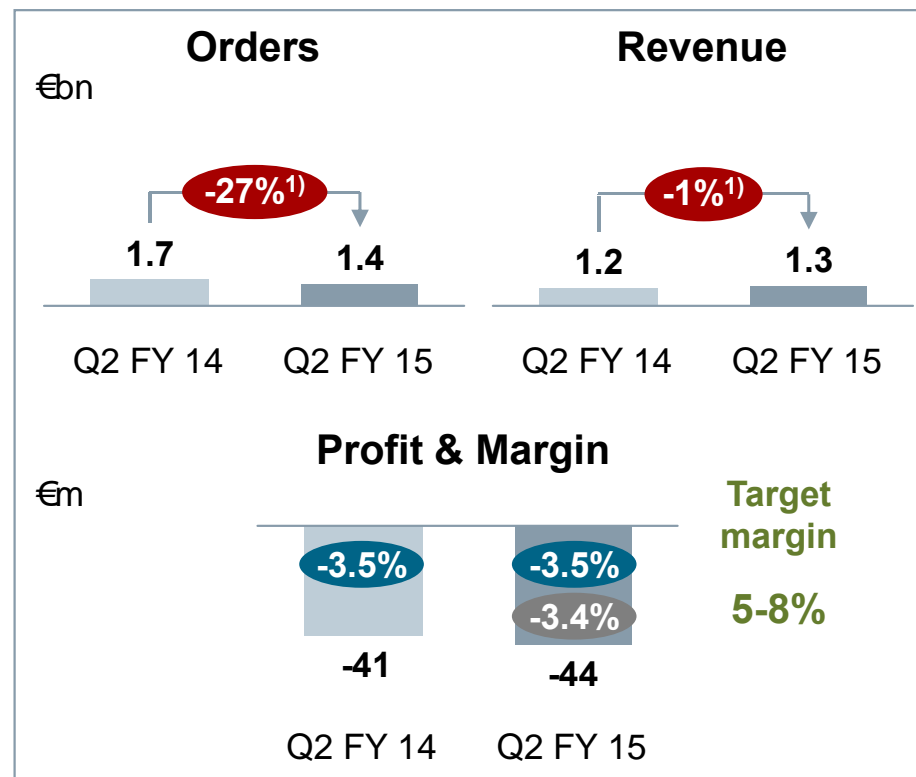
PG: Accelerating innovation and productivity actions WP: Continued operational challenges impact margin

Power and Gas (PG)



- Positive effects by strong project execution
- Higher R&D for innovation push
- Expect operational margins at the lower end of the corridor

Wind Power and Renewables (WP)



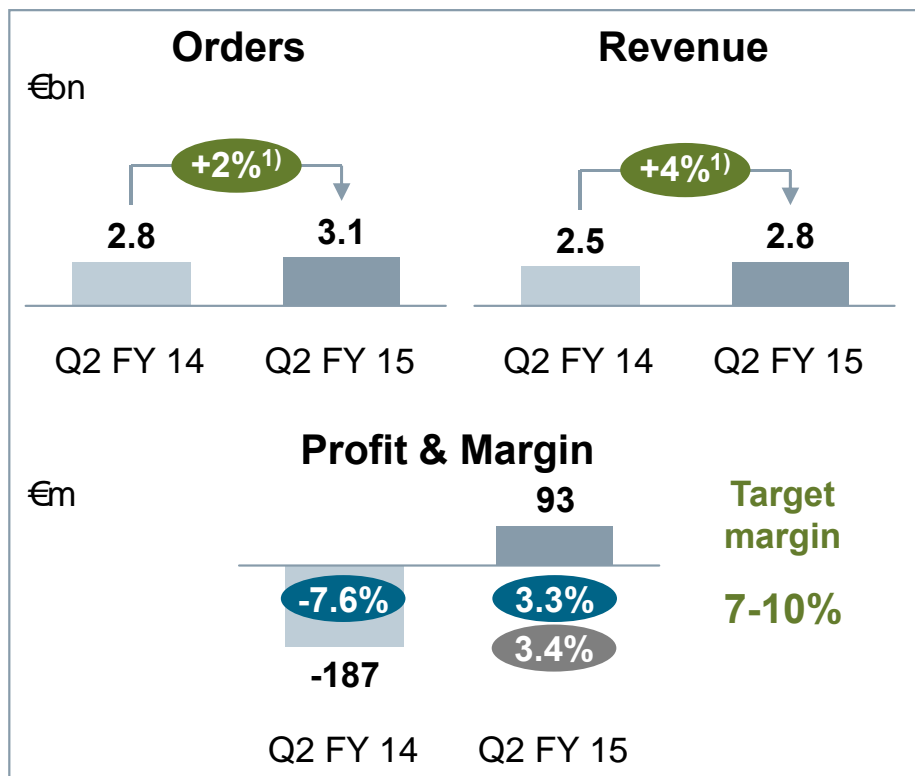
- Sharply lower offshore order volume
- Main bearings still a topic
- Ramping up commercial scale production of a new turbine offering

1) Comparable, i.e. adjusted for currency translation and portfolio effects

x.x% Margin as reported x.x% Margin excl. severance

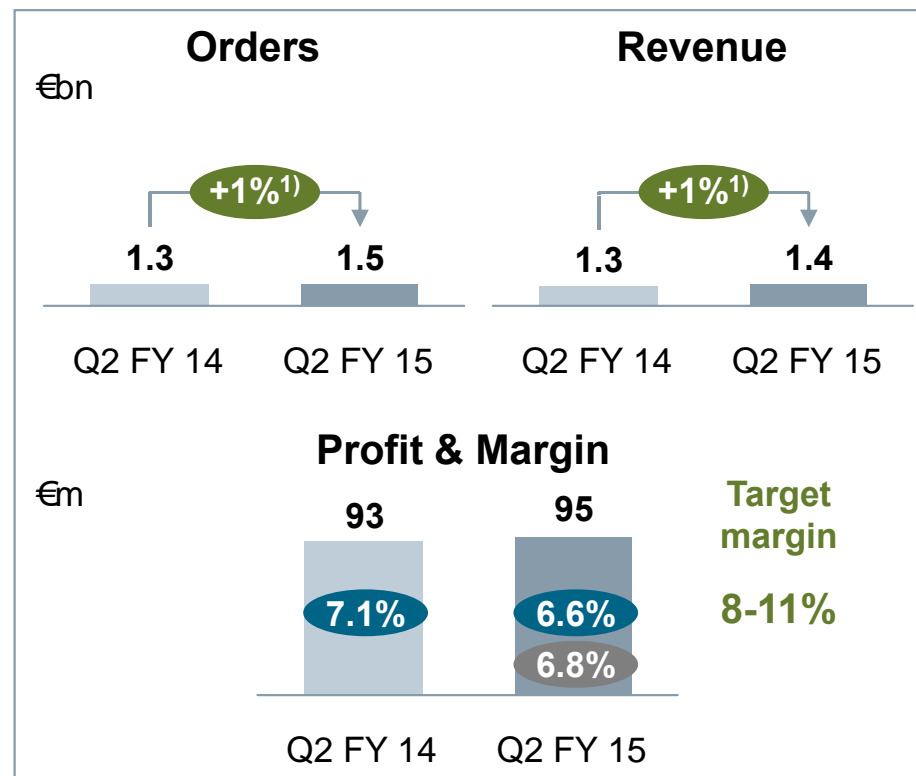
EM: Progress in execution of legacy projects BT: Productivity push to mitigate CHF strength

Energy Management (EM)



- Substantial order growth in Americas due to large HVDC order
- Adverse mix due to large revenue portion with low margins

Building Technologies (BT)



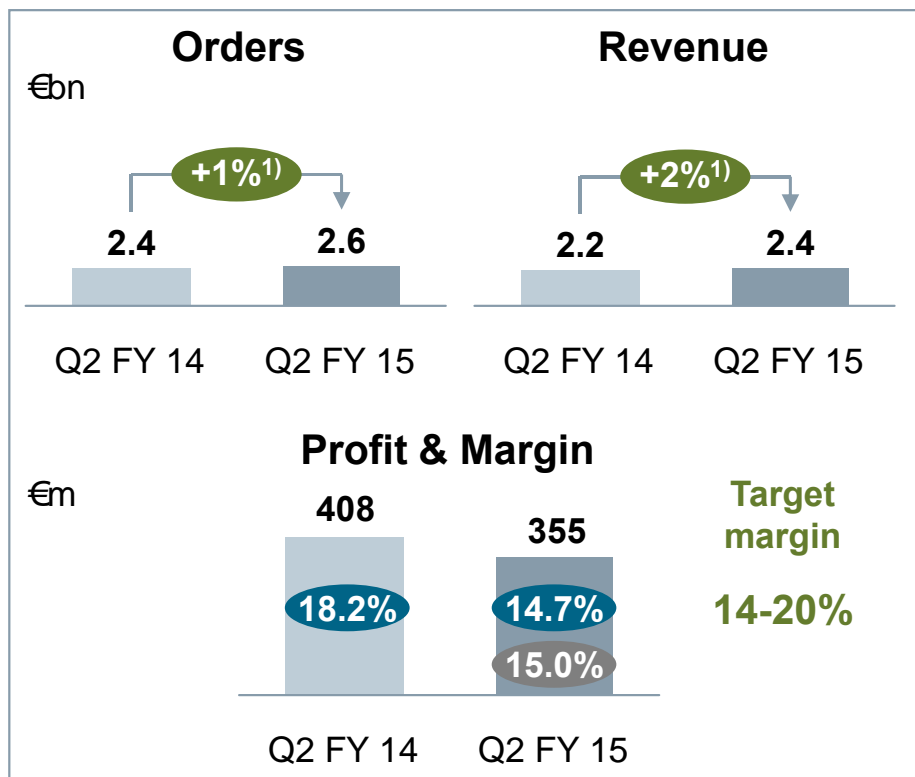
- Order growth driven by the U. S.
- Mid-term productivity measures to compensate for adverse profit impact of CHF appreciation initiated

1) Comparable, i.e. adjusted for currency translation and portfolio effects

DF: Temporarily softer and stronger outlook

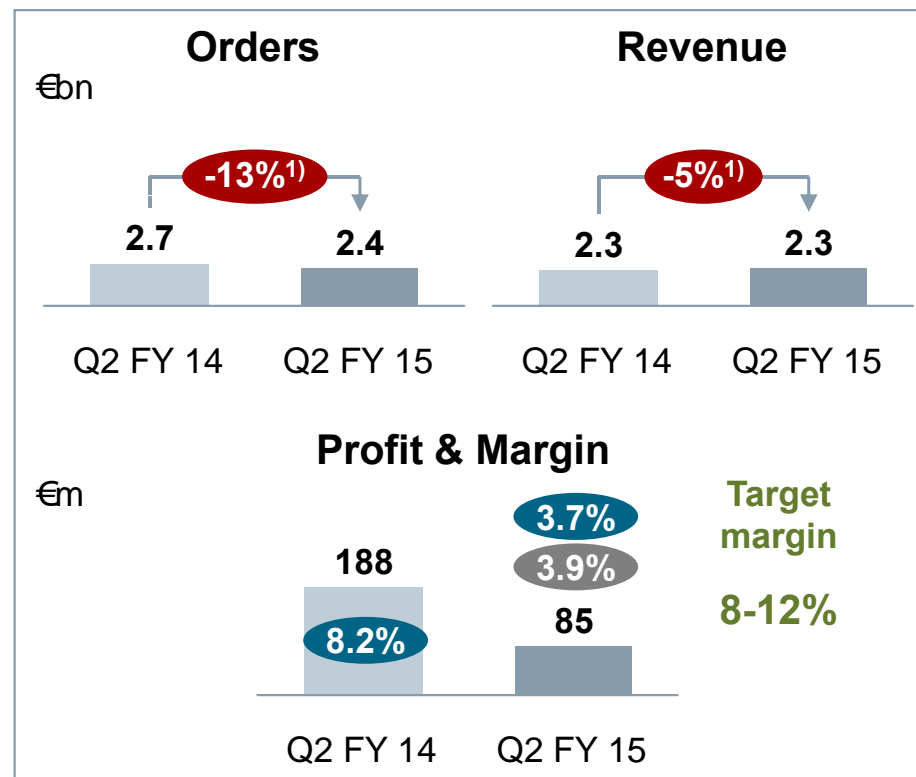
PD: Commodity related weakness weighs on margin

Digital Factory (DF)



- Order growth driven by motion control and industry software (PLM)
- Lower revenue share from high margin products and weaker China channels

Process Industries and Drives (PD)

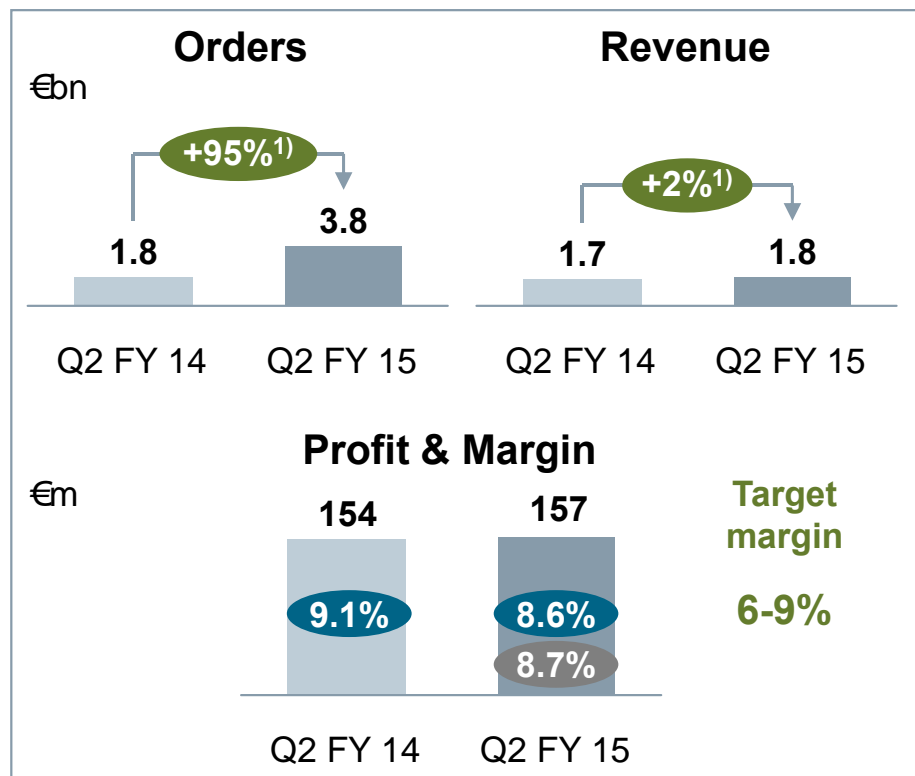


- Weaker demand in commodity related industries (O&G, Metals, Mining, Cement)
- Margin impact from operational challenges in O&G/Marine & Large Drives solutions

1) Comparable, i.e. adjusted for currency translation and portfolio effects

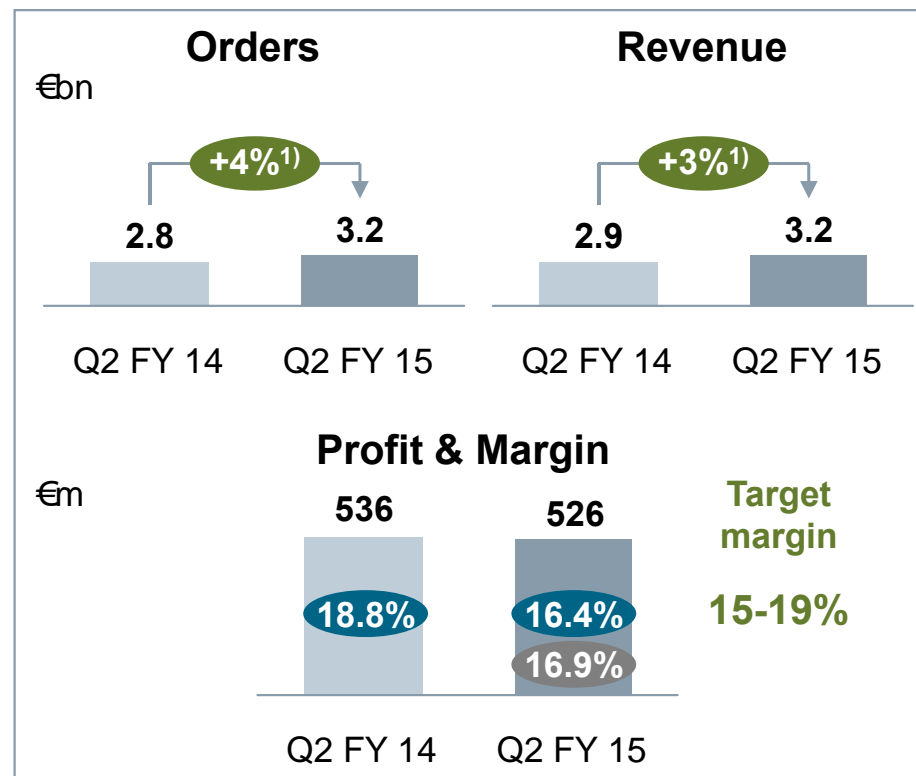
MO: Stringent project execution HC: Higher growth and solid margin

Mobility (MO)



- Revenue growth driven by execution of turnkey projects & rail infrastructure bus.
- Higher revenue and net positive effects related to high speed trains foster margin

Healthcare (HC)

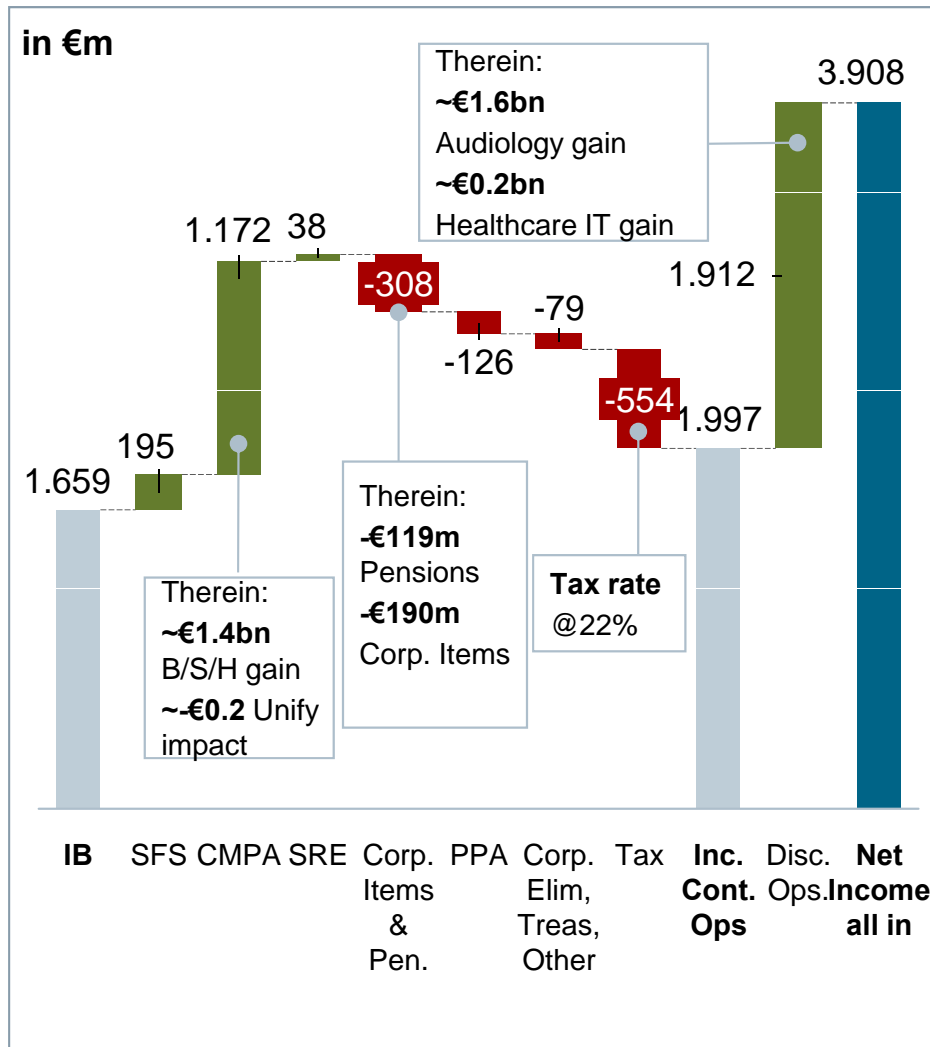


- Revenue strong in Europe and good in China, US flat
- Includes €61m gain on sale of Microbiology business

1) Comparable, i.e. adjusted for currency translation and portfolio effects

Below Industrial Business materially benefitting from disposal gains

Below Industrial Business (Q2 FY 2015)



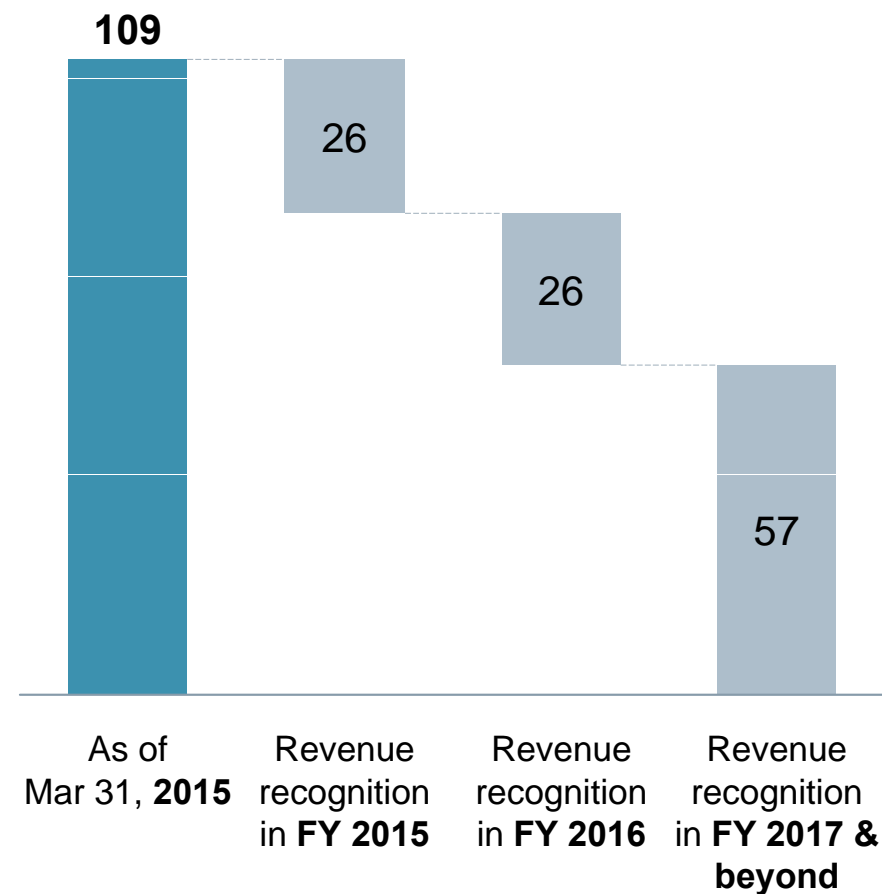
Expectations for H2 FY 2015

- **SFS:** H2 in line with prior year
- **CMPA:**
 - B/S/H closed, no further equity income
 - Negative impact from other portfolio elements (e.g. Unify, Postal & Baggage Handling, Metals) & M&A related costs
- **SRE:** Lower than prior year, dependent on disposal gains
- **Corporate Items:** H2 > H1; volatility related to warrants, among others
- **Pension:** ~-€125m per quarter
- **Treasury:** Volatility depending on interest rates
- **PPA:** Quarterly run-rate to increase by mid-to-high double digit €m after Dresser-Rand closing
- **Discont. Operations:** Limited impact in H2

Clear progress in executing legacy projects – reduced project charges on better backlog quality

Order backlog revenue recognition

in €bn (Industrial Business)



Progress in project execution

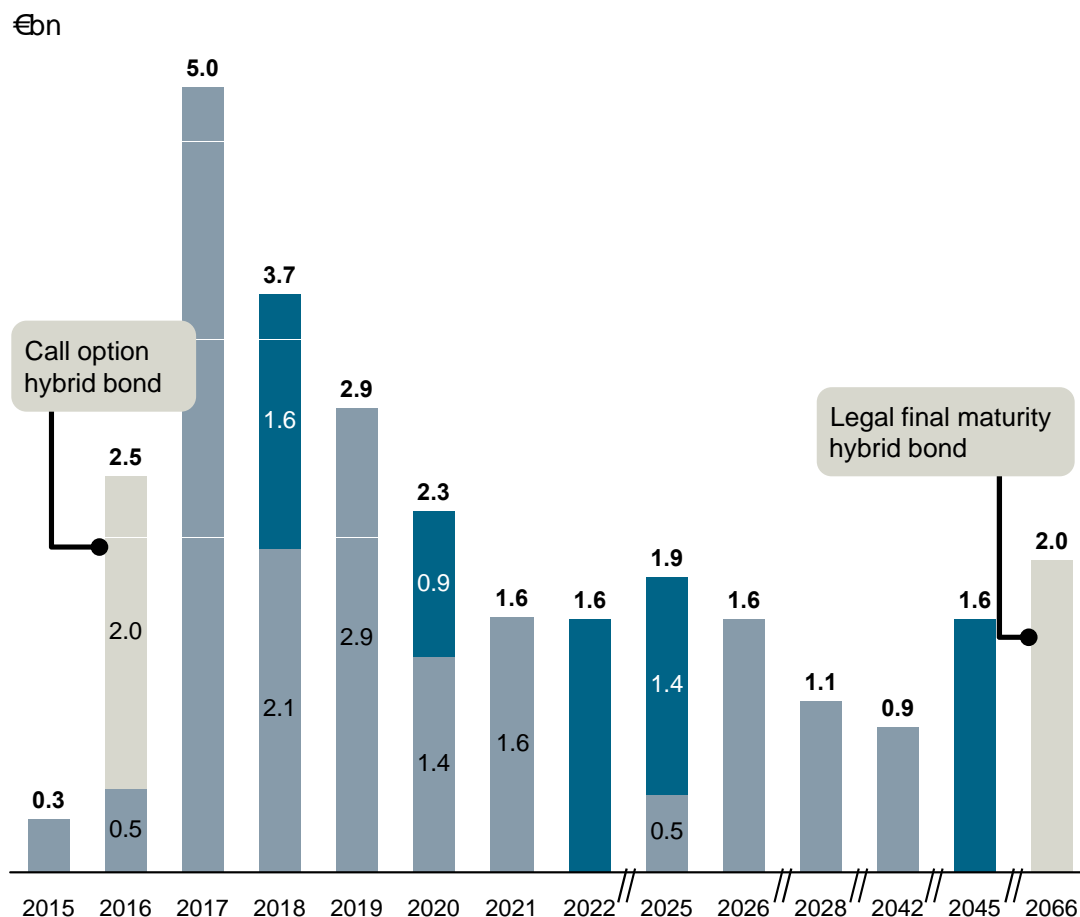
- Implementation of “**corporate memory**” supports improvement in **backlog quality** and **risk mitigation**
- **H1 FY 2015** with **stringent project execution**
- **Three North Sea offshore grid connection projects** in **commercial operation** as of **April 2015**



Successful US\$7.75bn transaction completed

Strong balance sheet & well balanced maturity profile

Balanced Maturity Profile¹⁾



1) Based on financial year; FX rates as of May 27, 2015: €/\$ = 1.09 €/\$ = 0.71 €/\$ = 1.35

■ US\$ 7.75bn Transaction

© Siemens AG 2015

Transaction details (US\$)

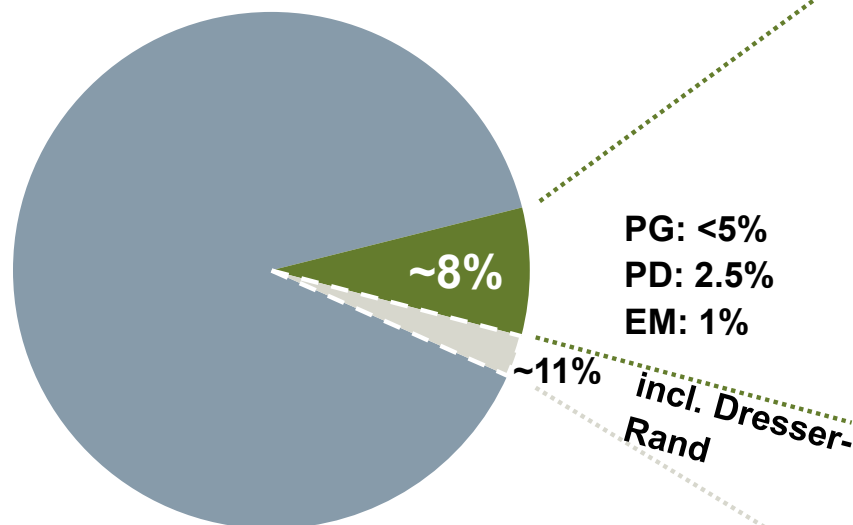
- 1.25bn, 3 year fixed at 1.45%
- 0.5bn, 3 year floating at LIBOR + 28bps
- 1.0bn, 5 year fixed at 2.15%
- 1.75bn, 7 year fixed at 2.9%
- 1.5bn, 10 year fixed at 3.25%
- 1.75bn, 30 year fixed at 4.4%

- **US\$7.75 bn bond issuance with balanced maturities and attractive rates**
- **A+ / A1 Rating Confirmed**

Oil & Gas exposure still limited - "Secondary impact" could be higher

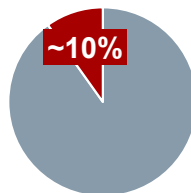
Direct Oil & Gas exposure

(Estimate in % of FY 2014 orders incl. Rolls-Royce pro forma)

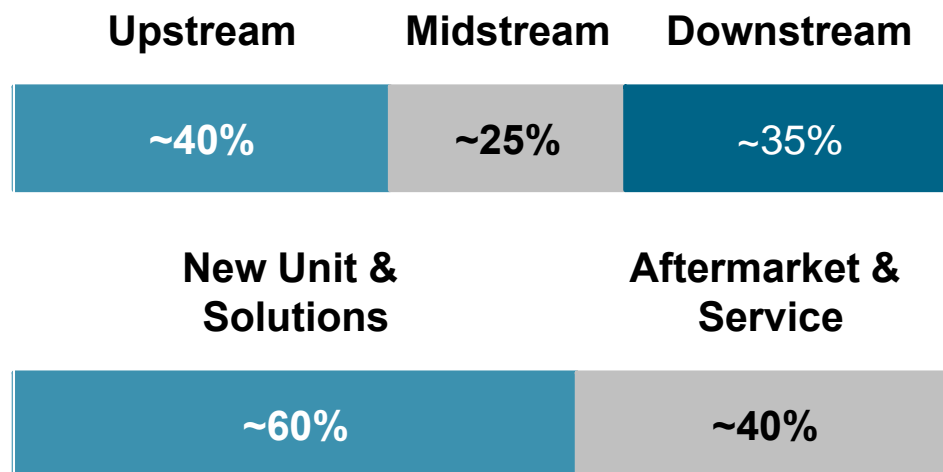


"Secondary" effects

Siemens orders FY 2014 in selected Oil exporting countries with strong NOCs (mainly OPEC, Russia, Kazakhstan)

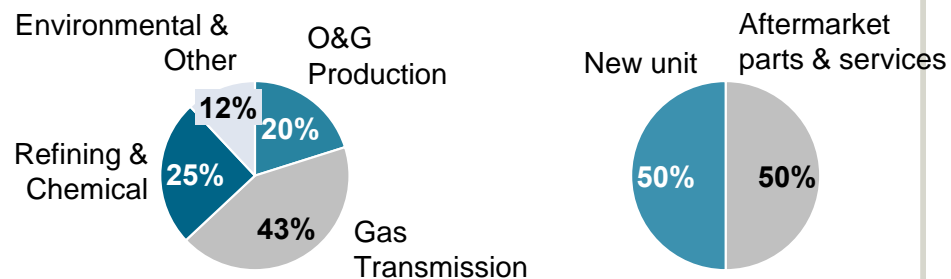


Exposure along value chain



Dresser-Rand:


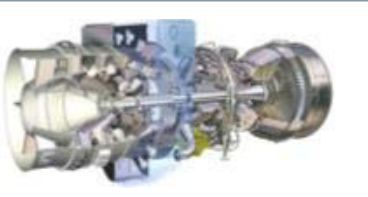



Orders and Revenue FY 2014 of \$2.8bn



Source: Dresser-Rand, 10-K Filing, Annual Report 2014

Installed base secures recurring service revenues with robust after sales margin

Combined serviceable fleet (small turbines and compressors)

	 Small/medium gas turbines	 Aero-derivative gas turbines	 Steam turbines	 Compressors
 Rolls-Royce		2,500		1,600
DRESSER-RAND	1,500		62,000	32,500
SIEMENS	2,250		10,000	10,000



**Six-fold increase of combined Siemens fleet
Synergy potential close to €200m confirmed**

Financial calendar

June

June 17, 2015

Deutsche Bank German, Swiss & Austrian Conference (Berlin)

July

July 30, 2015

Q3 Earnings Release and Analyst Call

August

Siemens Investor Relations contacts



Investor Relations

Internet: www.siemens.com/investorrelations

Email: investorrelations@siemens.com

IR-
Hotline: +49 89 636-32474

Fax: +49 89 636-32830