

January 16, 2008

Dr. Gerhard Cromme
Chairman, Compliance Committee of the Supervisory Board
Siemens AG
Wittelsbacherplatz 2
80333 Munich, Germany

Dear Dr. Cromme:

On November 28, 2007, the Supervisory Board of Siemens AG (“Siemens”) decided to propose the “discharge” (*Entlastung*) of current and former members of the Managing Board and Supervisory Board at the *Jahreshauptversammlung* on January 24, 2008.

You have asked whether, since November 28, we have developed additional information during our investigation into corrupt practices at Siemens of the type that, when reported to the Compliance Committee and subsequently to the Supervisory Board, might cause the Supervisory Board to reconsider its *Entlastung* proposal. As described below, the answer to that question is yes.

Since November 28, 2007, we have obtained significant new information and developed very substantial leads from participants in Siemens’ amnesty program, as well as other sources, regarding topics relevant to our investigation. In particular, certain of this new information pertains to the conduct and knowledge of a number of individuals who have served on the Managing Board during the past several years. We do not consider it necessary or appropriate to identify these individuals at this time for several reasons. First, significant new information continues to be developed on virtually a daily basis and disclosure could impede the flow of information to us. Second, the investigation is ongoing and we are following up on the new information recently received. Third, in order to protect the reputations of individuals (and not to expose Siemens to any claims from such individuals), we do not believe it appropriate to identify anyone prior to conclusions being reached by us and the Compliance Committee. And fourth, information developed in the investigation may be relevant for governmental or judicial proceedings relating to these or other individuals or to Siemens, and for this reason, consistent with Siemens’ commitment to cooperate with public officials, should not be made public at this time.

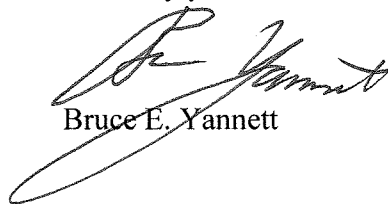
In light of these developments, you, the Compliance Committee and the Supervisory Board may wish to consider proposing that Siemens' shareholders postpone the decision on the discharge of any individual who serves or who at any time served on the Managing Board until such time as the Compliance Committee reaches conclusions as to the conduct of those individuals. We believe that if the Supervisory Board delays a vote on all individuals who have served at any time on the Managing Board, no negative inference should be drawn with respect to our potential future findings regarding any specific individual.

The additional information uncovered since November 28, 2007 relates only to current and former members of the Managing Board. With respect to those Supervisory Board members who have not previously served on the Managing Board, we are aware of no new factual information at this time that we believe might cause the Supervisory Board to reconsider its proposal that shareholders vote for *Entlastung* of any such Board members. We also are not aware of new factual information at this time that we believe might cause the Supervisory Board to reconsider its nomination of the three incumbent members -- Josef Ackermann, Gerhard Cromme and Iain Vallance

Further, it is worth noting that one current member of the Managing Board whose discharge is on the agenda, Peter Löscher, was not employed by Siemens during the period that the activities we are investigating took place. The logic of delaying the discharge of Peter Löscher may not obtain, but that is, of course, for the discretion of the Supervisory Board.

Finally, we note that the information in this letter is directed solely to you, the Compliance Committee, and the Supervisory Board, and may not be relied upon by any other person or entity. This letter speaks only as of the date hereof and is based on our understanding of the facts at this time.

Sincerely yours,



Bruce E. Yannett