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U.S. Mayors See Big Economic Opportunity in Fighting Climate Change

A survey of 140 mayors from 40 states also highlights concern over potential financial obstacles for infrastructure projects, according to a study sponsored by Siemens for The U.S. Conference of Mayors.

- A majority of cities (77%) report their infrastructure budget for 2009 has been adversely affected by the global economic crisis.
- However, nearly two-thirds of all U.S. mayors surveyed believe that fighting climate change with technological innovation represents a “enormous” economic opportunity.
- Optimizing the infrastructure of cities is considered a major way to address global warming and environmental protection.
- Mayors of larger cities, in particular, viewed the expansion of public mass transit as a key way to fight climate change.

Energy efficient lighting, renewable energy and a SMART GRID for electricity distribution hold the biggest technological potential, according to U.S. mayors in a recent survey.

The opinion research company, GlobeScan, surveyed 140 mayors from 40 different states in the U.S. The survey was prepared for The U.S. Conference of Mayors (USCM), sponsored by Siemens and released over the weekend at USCM’s annual conference in Providence, R.I. The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are more than 1,200 such cities in the country today. Each city is represented in the Conference by its chief elected official, the mayor.

The survey is part of a series of studies sponsored by Siemens that look at sustainable development of cities. Siemens is currently preparing a project called the “European Green City Index,” which will analyze the infrastructure of 30 major cities in Europe.

All studies to-date have shown that most investments in technologies to fight climate change have paid for themselves relatively quickly. But about half of the mayors in the current survey view the current economic crisis as a potential obstacle to their efforts to combat global warming. Four of five cities report that their infrastructure budget for 2009 decreased due to the weak economy.

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“We must invest available resources in ways that make our infrastructure more sustainable,” said Tom Cochran, USCM CEO and Executive Director.

The economic stimulus packages could help in this regard, the mayors noted in the survey. About half of the mayors expect an increase in their infrastructure budgets of up to five percent coming from the stimulus money. About a quarter of the mayors expect an increase of between five and 15 percent.

Cochran added, “The U.S. will not be economically competitive in the future global marketplace if we fail to invest in our infrastructure, especially systems in our cities and metropolitan areas which underpin so much of the nation’s economic output.” He concluded, “We must rebuild and modernize our nation’s infrastructure to make our systems more energy efficient, less reliant on foreign oil, and more environmentally sensitive and protective.”

Nearly two thirds of all mayors (and three quarters of all mayors of large cities) believe that expanding public mass transit offers the most effective lever to reduce greenhouse gases.

George Nolen, president and CEO of U.S.-based Siemens Corp., said: “Siemens in the U.S. is pleased to see the high level of awareness among the mayors for environmental solutions and their technologies even in difficult economic times.” He stated, “What is most impressive is the fact that climate and environmental protection is now being seen more from a business case perspective – and this alone will help us more effectively address these issues. Many of the technologies needed are available today and can pay back their initial investment through energy savings in a surprisingly short time. With our environmental portfolio, Siemens is in a good position to make a substantial contribution to reducing greenhouse gas emissions and to fighting climate change.”

Siemens has earned revenues of nearly EUR19 billion with its environmental portfolio last fiscal year, roughly a quarter of Siemens total revenues. It helped customers to save 148 million tons of CO2 in 2008 which is equal to the emissions of New York, London and Hong Kong. In 2011 the company aims a total revenue of EUR25 billion with the environmental portfolio.

The study is available through download at www.siemens.com/sustainablecities on June, 16th.

Siemens is a leading provider of efficient infrastructure solutions, and has one of the largest environmental portfolios today.

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