

Siemens Financieringsmaatschappij N.V.

# Interim Report 2009

October 2008 - March 2009

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**SIEMENS**

# Siemens Financieringsmaatschappij N.V.

## Interim Report 2009

October 2008–March 2009

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# Siemens Financieringsmaatschappij N.V.

## Report of the Board of Directors

Herewith we present the half-yearly financial statements of Siemens Financieringsmaatschappij N.V. ("the Company" or "SFM") as of March 31, 2009.

### General

SFM acts as a finance company for corporate activities. SFM's objectives, as contained in its Articles of Association (Article 2), are participating in, financing and managing companies, enterprises and other business undertakings, withdrawing and lending money and, in general conducting financial transactions, issuing securities and doing all such further acts as are incidental or may be conducive thereto in the broadest sense.

Because SFM acts as a finance company for the Siemens Group, it does not have any markets in which it competes and, therefore, SFM cannot make a statement regarding its competitive position in any markets.

SFM is economically depended on Siemens AG. Siemens AG acts as a guarantor for all bonds and notes issued by SFM. The capital raised through the issuance of Bonds and Notes is invested within the Siemens Group for at least 95%.

### Revenues and earnings

Given its interrelatedness with the Siemens Group, management refrains from commenting on revenues and earnings for the near future.

### Business Overview

At December 18, 2008 a Supplement to the Prospectus dated May 30, 2008 increasing the medium term note program value from EUR 5.0 billion to EUR 10.0 billion was published. The Company's net assets and liabilities increased over the first six months of fiscal year 2008/2009, mainly due to the issuance of new bonds in total of EUR 4.0 billion.

In the past six months Siemens Financieringsmaatschappij N.V. issued 20 Commercial Papers totalling an amount of EUR 845 million. At balance date EUR 150 million was outstanding.

### Organizational Structure

SFM is a directly wholly-owned subsidiary of Siemens Aktiengesellschaft.

### Trend Information

Given its interrelatedness with the Siemens Group, management refrains from commenting on the activity level and expected results for the near future.

## **Statement of the Board of Directors**

The half-yearly financial statements give a true and fair view of the assets, liabilities, financial position and results.

The half-yearly directors' report gives a true and fair overview of the situation on the balance sheet date, the developments during the half financial year and the expected developments.

The Hague, April 27, 2009

B.G. Trompert  
CEO

G.J.J. van der Lubbe  
CFO

# Siemens Financieringsmaatschappij N.V.

## Statement of Income (unaudited)

In thousands of EUR

	Notes	Six months ended March 31,	
		2009	2008
Interest income		644,497	520,994
Interest expenses		(731,381)	(542,139)
Interest related income		55,400	27,752
Net balance of fair value changes of financial instruments		(395,305)	372,289
Net balance of other financial income and expenses		449,199	(366,844)
<b>Total operating income</b>		<b>22,410</b>	<b>12,052</b>
Miscellaneous income and expenses		(225)	(335)
<b>Profit before tax</b>		<b>22,185</b>	<b>11,717</b>
Income tax expense	6	(5,276)	(3,126)
<b>Profit from ordinary activities after tax</b>		<b>16,909</b>	<b>8,591</b>
Result from Participations		-	864
<b>Profit for the period</b>			
Attributable to equity holders of the parent		<b>16,909</b>	<b>9,455</b>

# Siemens Financieringsmaatschappij N.V.

## Balance sheet (unaudited)

(In thousands of EUR before appropriation of result)

<b>ASSETS</b>	<b>Notes</b>	<b>March 31, 2009</b>	<b>Sept. 30, 2008</b>
<b>Non-current assets</b>			
Derivative financial instruments	10	1,518,372	410,056
		<b>1,518,372</b>	<b>410,056</b>
<b>Current assets</b>			
Cash and Cash equivalents			
Receivables from Associates	9	17,979,177	18,453,075
Derivative financial instruments	10	493,203	38,362
Tax assets		1,769	692
Other current assets		6	-
		<b>18,474,155</b>	<b>18,492,129</b>
<b>Total Assets</b>		<b>19,992,527</b>	<b>18,902,185</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Shareholders' equity</b>			
Issued and paid in share capital		10,256	10,256
Share premium reserve		1,561	1,561
Retained earnings		32,661	2,415
Undistributed profit		16,909	35,790
		<b>61,387</b>	<b>50,022</b>
<b>Non-current liabilities</b>			
Long term debt	8	18,299,299	13,061,130
Derivative financial instruments		12,254	51,865
Deferred tax liabilities		10,985	6,469
		<b>18,322,538</b>	<b>13,119,464</b>
<b>Current liabilities</b>			
Short term debt and current maturities of long term debt		1,213,142	1,024,076
Liabilities to Associates		-	4,212,197
Derivative financial instruments		18,930	317,510
Other current financial liabilities		376,530	178,916
		<b>1,608,602</b>	<b>5,732,699</b>
<b>Total Liabilities and equity</b>		<b>19,992,527</b>	<b>18,902,185</b>

# Siemens Financieringsmaatschappij N.V.

<b>Statements of Cash Flows</b> (unaudited)	<b>Six months ended March 31,</b>		
	<b>Notes</b>	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities:</b>			
Profit before taxation		22,185	11,717
Proceeds from issuance of notes		3,981,600	-
Repayment of notes		-	-
Proceeds from issuance of Commercial Paper, net		149,674	(606,718)
Payment of transaction cost		(8,700)	-
(Increase) decrease in receivables from Associates		619,981	(3,607,443)
Increase (decrease) in liabilities to Associates		(4,212,197)	5,320,784
(Increase) decrease in derivative financial instruments		(1,901,348)	(660,642)
(Increase) decrease in loans to Associates		-	-
Increase (decrease) in other current financial liabilities		197,614	90,338
Increase (decrease) in fair value of notes		1,304,662	(246,594)
Dividend received		-	864
Income taxes paid		(1,838)	(1,990)
<b>Net cash provided by operating activities</b>		<b>151,633</b>	<b>300,316</b>
<b>Cash flows from investing activities:</b>			
		-	-
<b>Net cash provided by investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities:</b>			
Dividend paid	7	(5,544)	-
<b>Net cash (used in) provided by financing activities</b>		<b>(5,544)</b>	<b>-</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>146,089</b>	<b>300,316</b>
Cash and cash equivalents at beginning of year		41,883	72,794
<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>187,972</b>	<b>373,110</b>

# Siemens Financieringsmaatschappij N.V.

## Statement of Changes in Equity (unaudited)

<b>Shareholders' equity</b>	<b>Issued and paid- in capital</b>	<b>Share premium reserve</b>	<b>Retained earnings</b>	<b>Un- distributed profit</b>	<b>Total</b>
Balance as at October 1, 2007	10,256	1,561	4,366	(1,951)	14,232
Appropriation of undistributed profit	-	-	(1,951)	1,951	-
Dividend	-	-	-	-	-
Profit for the year ended Sept. 30, 2008	-	-	-	35,790	35,790
Balance as at September 30, 2008	10,256	1,561	2,415	35,790	50,022
Appropriation of undistributed profit	-	-	35,790	(35,790)	-
Dividend	-	-	(5,544)	-	(5,544)
Profit for the period ended March 31, 2009	-	-	-	16,909	16,909
<b>Balance as at March 31, 2009</b>	<b>10,256</b>	<b>1,561</b>	<b>32,661</b>	<b>16,909</b>	<b>61,387</b>



# Siemens Financieringsmaatschappij N.V.

## Notes to the half yearly Financial Statements

### 1. Basis of presentation

#### Reporting entity

Siemens Financieringsmaatschappij N.V. ("the Company" or "SFM") is a company domiciled in the Netherlands. The address of the Company's registered office is Prinses Beatrixlaan 800, 2595 BN, The Hague, Netherlands. The company is registered in the Commercial Register at September 14, 1977, number 27092998.

The annual report 2008 of SFM and this half yearly Report as per March 2009 are available at [www.siemens.com/sfm](http://www.siemens.com/sfm) and at request via Post Office Box 16068, 2500 BB Den Haag.

### 2. Declaration of conformity

The half yearly accounts have been drawn up in accordance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. It does not contain all the information that is required for a full year financial report and needs to be read in combination with the annual accounts 2008 of the Company, which have been prepared in accordance with IFRS. No segment information is included as the Company can not be divided into segments.

### 3. Principles applied in drawing up financial statements

The half yearly accounts have been drawn up in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and approved by the European Commission and the interpretations of these standards by the IASB. The principles applied in drawing up the half yearly accounts of the Company are similar to those applied by drawing up the annual accounts 2008 of the Company.

### 4. Adjustments and estimates

The preparation of the half yearly accounts in conformity with IFRS requires that the management makes adjustments and estimates and should specify the assumptions that influence the application of the accounting policies and the reported value of assets and liabilities, and of income and expenses. The actual results may deviate from these estimates. Unless explained otherwise, the estimates made by the management in drawing up the half yearly accounts are similar to those used by drawing up the annual accounts 2008.

### 5. Cash and cash equivalents

For the purpose of the half yearly cash flow statement, cash and cash equivalents are comprised of the following:

Cash and cash equivalents (in thousands of EUR)	Notes	March 31,	
		2009	2008
Current account		159,400	289,369
Accrued interest on receivables from Associates		28,572	83,741
<b>Total cash and cash equivalents</b>		<b>187,972</b>	<b>373,110</b>

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## 6. Income taxes

Income tax expense is recognized based on management's best estimate of the effective income tax rate for the complete fiscal year. The estimated effective tax rate used for the year to September 30, 2009 is 23.65%.

## 7. Dividends

In December 2008 a dividend of EUR 5,543,785 relating to the fiscal year ending September 30, 2008, was paid.

## 8. Debt

At December 18, 2008, the Company increased its medium term note program from EUR 5 billion as of September 30, 2008 to EUR 10 billion.

In February 2009, the Company issued EUR 4.0 billion fixed-interest notes under the program in two tranches comprising EUR 2.0 billion 4,125% note due February 20, 2013 and EUR 2.0 billion 5,125% note due February 20, 2017. The nominal amount outstanding under the medium term note program was approximately EUR 8.9 billion as of March 31, 2009.

## 9. Commitments and contingencies

The following table presents the undiscounted amount of maximum potential future payments for each major group of guarantees:

<b>Guarantees in Mio. EUR</b>	<b>March 31, 2009</b>	<b>Sept. 30, 2008</b>
Credit guarantees	6	8
Performance guarantees	26	36
<b>Total Commitments</b>	<b>32</b>	<b>44</b>

Credit guarantees cover certain financial obligations of the Associates and of third parties in cases where the Company is the contractual partner. These guarantees generally provide that in the event of default or non-payment by the primary debtor, the Company will be required to settle such financial obligations. In addition, the Company provided credit guarantees generally as credit-line guarantees with variable utilization to the Associates. The maximum amount of these guarantees is subject to the outstanding balance of the credit or, in case where a credit line is subject to variable utilization, the nominal amount of the credit line. These guarantees usually have terms of between one year and five years. Any of these guarantees are guaranteed either as covering financial obligations of the Associates or by means of explicit counter guarantees in case of third party guarantees on request of an Associate.

Furthermore, the Company issued performance guarantees of the Associates, which include performance bonds and guarantees of advance payments in cases where Associates are the general partner or are a subsidiary partner in a consortium. In the event of non-fulfillment of contractual obligations by the (consortium) partner(s), the Company will be required to pay up to an agreed-upon maximum amount. These agreements span the term of the contract, typically

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ranging from three months to seven years. Generally, consortium agreements provide for fallback guarantees as a recourse provision among the consortium partners. No significant liability has been recognized in connection with these guarantees. As of August 1, 2008 the Company discontinued the issuance of new guarantees.

## 10. Related party transactions

During the first 6 month's of this fiscal year, the Company lent the proceeds of issuances of notes and bonds to related parties only. The following table provides information regarding loans to and deposits from related parties during the six months ended March 31, 2009 and 2008.

<b>Loans to Associates</b> (in thousands of EUR)		<b>Interest received</b>	<b>Loans on March 31</b>
USA Treasury	2009	168,684	12,186,854
	2008	186,256	8,233,155
Dutch Treasury	2009	43,222	1,642,050
	2008	1,736	432,993
Dutch Holdings	2009	63,020	3,637,000
	2008	106,432	3,669,200
UK Treasury	2009	6,597	292,222
	2008	12,000	558,229
<b>Deposits from Associates</b> (in thousands of EUR)		<b>Interest received</b>	<b>Loans on March 31</b>
Dutch Treasury	2009	54,124	-
	2008	73,548	5,300,112

## 11. Derivative financial instruments

The interest rate risk of the EUR 4.0 billion notes issued in February is covered with new interest rate swaps. These interest rate swaps are designated as hedges of the issued notes. Compared to September 30, 2008, two additional hedge packages are in place:

- 1) EUR 2.0 billion maturing February, 2013
- 2) EUR 2.0 billion maturing February, 2017

## 12. Events after the balance sheet date

Between March 31, 2009 and April 27, 2009 no events occurred that would have resulted in an adjustment to the book values of the Company.

