

## Siemens to acquire simulation software supplier CD-adapco

- Siemens expands portfolio for industry software
- CD-adapco a leader in computational fluid dynamics (CFD) simulation
- Purchase price of \$970 million

Siemens and CD-adapco have entered into a stock purchase agreement for the acquisition of CD-adapco by Siemens. The purchase price is \$970 million. CD-adapco is a global engineering simulation company with software solutions covering a wide range of engineering disciplines including Fluid Dynamics (CFD), Solid Mechanics (CSM), heat transfer, particle dynamics, reactant flow, electrochemistry, acoustics and rheology. Last fiscal year, CD-adapco had over 900 employees and revenue of close to \$200 million with software-typical double digit margins. On average, CD-adapco increased its revenue at constant currencies by more than 12 percent annually over the past three fiscal years. Siemens expects this business to continue to experience strong growth in the future.

“As part of its Vision 2020, Siemens is acquiring CD-adapco and sharpening its focus on growth in digital business and expanding its portfolio in the area of industry software. Simulation software is key to enabling customers to bring better products to the market faster and at less cost. With CD-adapco, we’re acquiring an established technology leader that will allow us to supplement our world-class industry software portfolio and deliver on our strategy to further expand our digital

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enterprise portfolio,” said Klaus Helmrich, member of the Managing Board of Siemens.

CD-adapco is a global engineering simulation company with a unique vision for Multidisciplinary Design eXploration (MDX). Engineering simulation provides the most reliable flow of information into the design process, which drives innovation and lowers product development costs. CD-adapco simulation tools, led by the flagship product STAR-CCM+, allow engineers to discover better designs, faster. CD-adapco now has over 3,200 customers worldwide. Its software is currently used by 14 of the 15 largest carmakers, by all of the top ten suppliers to the aerospace industry and by nine of the ten largest manufacturers in the energy and marine sectors.

CD-adapco CEO and President Sharron MacDonald said, “I am pleased for both the employees and the customers of CD-adapco. The opportunities that come with the acquisition by Siemens are endless. The vision of our founders will be realized in the integration of these world-class engineering and manufacturing technologies and a business strategy that will allow engineering simulation to impact more products and companies than ever before.”

CD-adapco is headquartered in Melville, New York, U.S., and has 40 locations worldwide. Siemens expects synergy impact on EBIT to be in the mid-double-digit million range within five years of closing, mainly from revenue. Closing of the transaction is subject to customary conditions and is expected in the second half of fiscal year 2016.

CD-adapco will be integrated into the PLM software business of Siemens’ Digital Factory (DF) Division. DF is the industry leader in automation technology and a leading provider of Product Lifecycle Management (PLM) software. “By adding

advanced engineering simulation tools such as CFD to our portfolio and experienced experts in the field to our organization, we're greatly enhancing our core competencies for model-based simulation that creates a very precise digital twin of the product," said Anton Huber, CEO of the Digital Factory Division.

The Digital Factory Division bundles all Siemens' businesses serving the discrete manufacturing sectors – for example, car and aircraft construction, machine construction and electronics. Its portfolio includes high-performance, fully integrated software and hardware technologies for implementing seamless data-technical links between development, production and suppliers. Siemens is currently the only company offering technologies that comprehensively merge the virtual world of product development and the real world of manufacturing. New products can be designed, tested and optimized on the computer, while the corresponding production processes are already being planned and implemented. As a result, customers profit from enhanced efficiency, greater flexibility and faster market readiness.

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Joint Press Release  
by Siemens, CD-adapco

**Siemens AG** (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 165 years. The company is active in more than 200 countries, focusing on the areas of electrification, automation and digitalization. One of the world's largest producers of energy-efficient, resource-saving technologies, Siemens is No. 1 in offshore wind turbine construction, a leading supplier of gas and steam turbines for power generation, a major provider of power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. The company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal 2015, which ended on September 30, 2015, Siemens generated revenue of €75.6 billion and net income of €7.4 billion. At the end of September 2015, the company had around 348,000 employees worldwide. Further information is available on the Internet at [www.siemens.com](http://www.siemens.com).

**CD-adapco** (<http://www.cd-adapco.com>) is a global engineering simulation company with a unique vision for Multidisciplinary Design eXploration (MDX). Engineering simulation provides the most reliable flow of information into the design process, which drives innovation and lowers product development costs. The simulation tools of CD-adapco, led by the flagship product STAR-CCM+<sup>®</sup>, allow customers to discover better designs, faster. The company's solutions cover a wide range of engineering disciplines including Computational Fluid Dynamics (CFD), Computational Solid Mechanics (CSM), heat transfer, particle dynamics, reactant flow, electrochemistry, acoustics and rheology. On average, CD-adapco increased its revenue at constant currencies by more than 12 percent annually over the past three fiscal years. CD-adapco employs over 900 talented individuals, working at 40 strategic locations across the globe.

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.

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