

Munich, Germany, July 15, 2010

### **Siemens expects multi-billion-euro orders for rail and wind systems in Russia**

**In connection with German Chancellor Angela Merkel's visit to Russia, Siemens President and CEO Peter Löscher today signed memorandums of understanding in Yekaterinburg to supply wind power and railway technologies with a total value of several billion euros.**

**"Green technologies from Siemens will help Russia reach its targets for energy efficiency and climate protection," said Löscher. Under the agreements, Siemens is to modernize 22 railway switching yards by 2026 and supply Russian Railways (RZD) with 240 regional trains over the next ten years. Siemens is also to install wind turbines with a total capacity of up to 1,250 megawatts in Russia by 2015. In order to manufacture most of the products in Russia, three joint ventures with Russian partners are planned.**

The agreements will enable Siemens to break into the most important Russian rail automation market. A joint venture between RZD, the All-Russian Railway Research Institute and Siemens aims to modernize a total of 22 railway switching yards across the country by 2026. In addition, RZD and Siemens have reached an agreement to jointly produce 240 regional trains, with a total of 1,200 coaches, for RZD. The trains will be a specialized version of the Desiro, which will be produced in Russia starting in 2012. For this purpose, Siemens is planning a joint venture with RZD subsidiary Aeroexpress. With these steps, the company is intensifying its focus on production in Russia: in May 2010, Siemens announced the joint production with Sinara of 221 locomotives for RZD in Yekaterinburg. With 88,000 kilometers of track, Russia boasts the world's second-largest railway network, in which RZD intends to invest some €380 billion by 2030.

Russia plans to install wind power systems with a total capacity of roughly 5,000 megawatts by 2020. Siemens wants to install at least 1,250 megawatts of capacity by 2015 alone. To achieve this goal, the company is planning to establish a joint venture with the Russian companies Rostechnologii and RusHydro. Siemens will retain a majority stake in the new company, which aims to manufacture wind turbine components for the Russian market. The agreement of the strategic partnership will make Siemens a pioneer in the Russian market for renewable energies.

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The planned establishment of these three joint ventures represents a further step in Siemens' rigorous efforts to regionalize production in key markets.

Peter Löscher also signed an agreement making Siemens a partner in the new Skolkovo Innograd Foundation in Yekaterinburg. Löscher will be a member of the foundation's board of trustees. Skolkovo Innograd will establish a research center devoted, among other things, to energy efficiency.

**Siemens AG** (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the industry, energy and healthcare sectors. For over 160 years, Siemens has stood for technological excellence, innovation, quality, reliability and internationality. The company is the world's largest provider of environmental technologies, generating €23 billion – nearly one-third of its total revenue – from green products and solutions. In fiscal 2009, which ended on September 30, 2009, revenue totaled €76.7 billion and net income €2.5 billion. At the end of September 2009, Siemens had around 405,000 employees worldwide. Further information is available on the Internet at:

[www.siemens.com](http://www.siemens.com).