Ladies and gentlemen, dear shareholders,

Last Thursday, CFO Ralf P. Thomas presented the Q3 results of fiscal 2019 during an analyst call together with COO and CTO Roland Busch and Klaus Helmrich, member of the Managing Board and CEO of Siemens Digital Industries.

The third quarter of fiscal 2019 in a nutshell:

Increasing customer confidence and satisfaction is clearly visible in continued strong order growth ahead of market expectations. Orders grew 6% to €24.5bn on a comparable basis led by sharp growth in Siemens Gamesa Renewable Energy which recorded among others two orders for offshore wind-farms including service in Taiwan totaling €2.3bn. In addition, Mobility, which recorded a €1.2bn contract for high-speed trains including maintenance in Russia, and Siemens Healthineers showed significant order growth.

Revenue rose 2% to €21.3bn on a comparable basis and resulted in a strong book-to-bill ratio of 1.15. Order backlog reached a new record high of €144bn.

Adjusted EBITA Industrial Businesses (IB) declined to €1.9bn, due mainly to Digital Industries and Gas and Power. IB Adjusted EBITA margin was 9.6%.

Net income in Q3 FY 2019 came in at €1.1bn benefiting from a lower income tax rate year-over-year and substantially better results outside IB compared to Q3 FY 2018. Basic EPS of €1.28 was burdened by severance charges amounting to €0.09.

Siemens’ financial expectations for fiscal 2019 is shown on page 3. “Despite a significantly weaker environment in our key markets, we confirm our outlook for the year. As indicated already quite some time ago, geopolitics and geo-economics harm an otherwise positive investment sentiment. A robust mobility sector and stringent project execution will help us make good on our promises for the year,” said CEO Joe Kaeser.

On the day of the announcement, the Siemens share closed at €95.00 (-4.0%), underperforming the DAX (+0.5%). Despite confirming FY19 guidance, weak quarterly results mainly in Digital Industries weighed on share price.

This edition of the shareholder letter puts a spotlight on Sustainability at Siemens. Please see page 2.

Dear shareholders, I want to thank you for your trust and interest in Siemens and wish you a nice summer break.

Best regards

Sabine Reichel, Head of Investor Relations, Siemens AG
Our Industrial Businesses in Q3 2019

Operating Companies

<table>
<thead>
<tr>
<th>Digital Industries</th>
<th>Smart Infrastructure</th>
<th>Gas and Power*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue: €3.9bn</td>
<td>Adj. EBITA: €556m</td>
<td>Revenue: €4.3bn</td>
</tr>
<tr>
<td>Adjusted EBITA margin: 14.3%</td>
<td>Press Releases</td>
<td>Adjusted EBITA margin: 9.4%</td>
</tr>
</tbody>
</table>

**Strategic Companies**

| Siemens Mobility | Siemens Healthineers | Siemens Gamesa *
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<tbody>
<tr>
<td>Revenue: €2.1bn</td>
<td>Adj. EBITA: €220m</td>
<td>Revenue: €2.6bn</td>
</tr>
<tr>
<td>Adjusted EBITA margin: 10.4%</td>
<td>Press Releases</td>
<td>Adjusted EBITA margin: 15.2%</td>
</tr>
</tbody>
</table>

* Partial spinoff of Gas and Power planned; transfer of majority stake in Siemens Gamesa Renewable Energy (59%) to new company planned.

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**Sustainability at Siemens...**

**...in a nutshell**

Our sustainability initiatives are an essential aspect of successfully implementing the Siemens Strategy Program Vision 2020+. Our understanding of sustainability is fully based on our company values – responsible, excellent, innovative. At Siemens, we define sustainable development as the means to achieve profitable and long-term growth. In doing so, we, externally, align ourselves with the goals of the United Nations’ (UN) 2030 Agenda for Sustainable Development while, internally, striving to balance people, environment and profit.

**Important KPIs at a glance (FY 2018)**

- Our Environmental Portfolio is worth €39bn
- We help our customers reduce 609 mio tons of CO₂ emissions
- €100 mio will be invested until 2020 in internal energy efficiency measures to become CO₂-neutral by 2030
- >10,000 apprentices world-wide as part of our dual education program
- 765 supplier quality audits
- 24% proportion of women of total employees
- 55 anti-corruption projects in 40 countries worth > US$ 70 mio
- >€500 mio invested in training and education of employees
- 90,000 suppliers committed to Siemens supplier code of conduct
- 6.7% R&D intensity of total Siemens revenue
- ~65,000 granted patents
- 92% of waste recycling rate

[www.siemens.com/sustainability]
Info Corner – UN SDGs
The 17 UN Sustainable Development Goals (SDGs) are something very real to Siemens and absolutely present in the day-to-day business.

"I strongly believe that every company should serve society and if it doesn’t it should not exist.“, CEO Joe Kaeser

Find out where Siemens is putting the SDGs into practice – and get to know worldwide proof of this in our film:

Press to Play

Financial Calendar

Nov. 7, 2019 4th quarter FY19 financial results
Feb 5, 2020 1st quarter FY20 financial results and AGM

For further information, please click here

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How does Siemens assess the further course of fiscal 2019?
The favorable market environment for our short cycle businesses, which was a material basis for our outlook, has significantly deteriorated in the second half of the fiscal year. Nevertheless, we confirm our financial expectations for fiscal 2019, even though it becomes more challenging to achieve our expectation of moderate growth in revenue, net of currency translation and portfolio effects. We continue to anticipate that orders will exceed revenue for a book-to-bill ratio above 1. We expect that Adjusted EBITA margin for our Industrial Businesses will reach the lower half of the range of 11.0% to 12.0% excluding severance charges. Finally, we confirm our expectation of basic EPS from net income in the range of €6.30 to €7.00 excluding severance charges.

This outlook excludes charges related to legal and regulatory matters.

Notes and Forward-Looking Statements
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, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, 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.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Siemens’ net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.