

The background of the slide is a stylized, monochromatic 3D rendering of an industrial cityscape. It features various structures such as factories, power plants, and transportation hubs, all in shades of grey and white. The Siemens logo is prominently displayed in the top left corner.

**SIEMENS**

Airports

Rail Systems & Metros

Hospitals and  
Imaging Centers

Cement

Minerals

Pharmaceuticals

Food & Beverage

Chemicals

Automotive

Building and Hospitality

Power

Oil and Gas

Ports

Siemens Ltd., April 30, 2015

# Analyst Meet - Half-Year FY 2015

Sunil Mathur, Managing Director & CEO

Christian Rummel, Executive Director & CFO

## Economic Environment and Key Achievements

Company Performance – H1 FY 2015

Future Outlook

# India - macroeconomic environment

Sound policies...implementation is the key !!

## Macro policies addressing growth concerns

	2013	2014	2015 E	2016 E
GDP	5.1%	6.9%	7.4%	8.0%
Inflation	7.4%	9.5%	6.7%	5.0%
USD/INR	54.5	60.5	61.0	62.0
Deficit	4.9%	4.5%	4.1%	3.9%

## Tough decisions, grounded in economics

- Budget sets foundation for capacity buildup
- Govt. will focus its spend on infrastructure
- Soft commodity prices mainly oil are helping
- Government spending critical
- **Execution will be the key**

## Industrial indices improving

	Weight	Oct14	Jan15	2016E
<b>IIP (y-o-y %)</b>	<b>100%</b>	<b>(2.7)</b>	<b>2.6</b>	<b>4.4</b>
→ Manufacturing	75%	(5.6)	3.3	4.1
→ Mining	15%	4.5	(2.8)	3.3
→ Electricity	10%	13.7	2.7	7.5

## IIP volatile, gradual recovery underway

- Manufacturing driving IIP in past few months
- Sustainable growth questionable still
- Key sectors still missing growth
- Mining and electricity tapering off
- **Concerns over capacity under-utilisation**

# Budget Impact on Siemens Vertical Markets









Vertical Market (VM)	Proposals in Union Budget 2015-16	VM Impact
<p>Infrastructure</p>	<ul style="list-style-type: none"> <li>▪ <b>Infrastructure</b> outlay has been <b>increased</b> 1.5 times to Rs. 2800 bn with roads, railways and urban infrastructure the biggest beneficiaries</li> <li>➤ <b>Siemens impact:</b> Higher spend on infrastructure to generate higher demand for the relevant business divisions e.g. BT, EM, PD</li> </ul>	
<p>Railways</p>	<ul style="list-style-type: none"> <li>▪ In the <b>Railway</b> Budget 2015-16, <b>outlay raised 52%</b> to Rs. 1000 bn with PPP projects in coastal connectivity, gauge conversion, dedicated freight corridors (DFCs) and Mumbai suburban rail</li> <li>➤ <b>Siemens impact:</b> Opportunities in safety, signaling and rolling stock components (traction motors and propulsion systems)</li> </ul>	
<p>Smart City</p>	<ul style="list-style-type: none"> <li>▪ Investment of <b>Rs. 120 bn</b> in Dholera and Shendra-Bidkin Corridor in DMIC to set up basic infrastructure</li> <li>➤ <b>Siemens impact:</b> Limited impact on Siemens as major spend (~85%) on smart cities is in construction. However post construction significant opportunities in SG, EA, BT and HC.</li> </ul>	

# Budget Impact

## on Siemens Vertical Markets (contd.)

Positive  
impactNegative  
impact

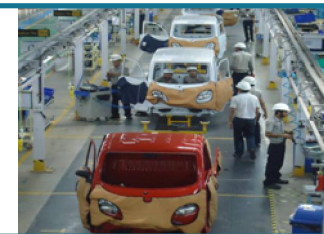
Neutral

Vertical Market (VM)	Proposals in Union Budget 2015-16	VM Impact
 <p data-bbox="198 615 343 672">Power Generation</p>	<ul style="list-style-type: none"> <li>▪ Set up <b>5 ultra-mega power plants</b> each of 4,000 MW, with pre-awarded clearances/fuel linkages in <b>plug and play mode</b></li> <li>➤ <b>Siemens impact:</b> <i>Significant impact if we partner with key EPC players. Revised bidding norms awaited</i></li> </ul>	
 <p data-bbox="198 943 343 972">Power T&amp;D</p>	<ul style="list-style-type: none"> <li>▪ <b>Allocation</b> to transmission &amp; distribution (T&amp;D) segment <b>increased</b> by 26% to Rs. 63.5 bn</li> <li>▪ 'Electrification by 2020' for the balance <b>20,000 villages</b> including off-grid Solar Power</li> <li>➤ <b>Siemens impact:</b> <i>Significant opportunities in EM products and solution</i></li> </ul>	
 <p data-bbox="189 1225 314 1253">Oil &amp; Gas</p>	<ul style="list-style-type: none"> <li>▪ Subsidy of Rs. 300 bn implies flat realisation, lower interest cost, <b>improves liquidity for upstream oil companies</b></li> <li>➤ <b>Siemens impact:</b> <i>Improved liquidity could trigger investments by upstream oil companies, however lower crude prices may affect Capex</i></li> </ul>	

## Siemens Ltd. Partnering in PM's vision

### Make in India

- Siemens has 23 factories, 8 Centers of Competence and 11 R&D Centers
- Strong focus on localization
- We are pioneers in infrastructure solutions, and automation & software solutions for industry



### Smart Cities

- Siemens is involved in the Restructured Accelerated Power Development and Reforms Programme (R-APDRP) program
- Siemens has a Centre of Excellence, competencies and portfolio (Energy Efficiency, Traffic Management, T&D, Metros / LRTs, etc.)



### 24x7 Energy

- Power Generation, Transmission & Distribution, including Smart Grids



### Skill Development

- SITRAIN
- ITI Upgradation
- Engineering Colleges
- Siemens Scholarship





## Siemens at Hannover Messe 2015



Honorable Prime Minister of India Mr. Narendra Modi referred to Siemens during his speech at Hannover Messe 2015:

*“...Today, you can easily think of companies like **Siemens** as Indian!”*

Mr. Modi visited the Siemens Technical Academy in Berlin.

Siemens India reaffirmed its commitment to Partner India at the Hannover Fair, showcasing integrated technologies for manufacturing automation and Smart Cities from the comprehensive electrification, automation and digitalization portfolio

# Key Achievements

## H1 FY 2015



- First GIS contract with **Fixed Series Compensators** from PowerGrid
- Contract for **220kV GIS** substation from Bihar Grid worth Rs. 317 crore



- Signed **MOU** with **CII** for Siemens to spearhead the conceptualization and implementation of **pilot Smart City** projects



- Order worth Rs. 450 crore from Diesel Locomotive Works for propulsion / control equipment from our **factories** at **Kalwa & Nashik**

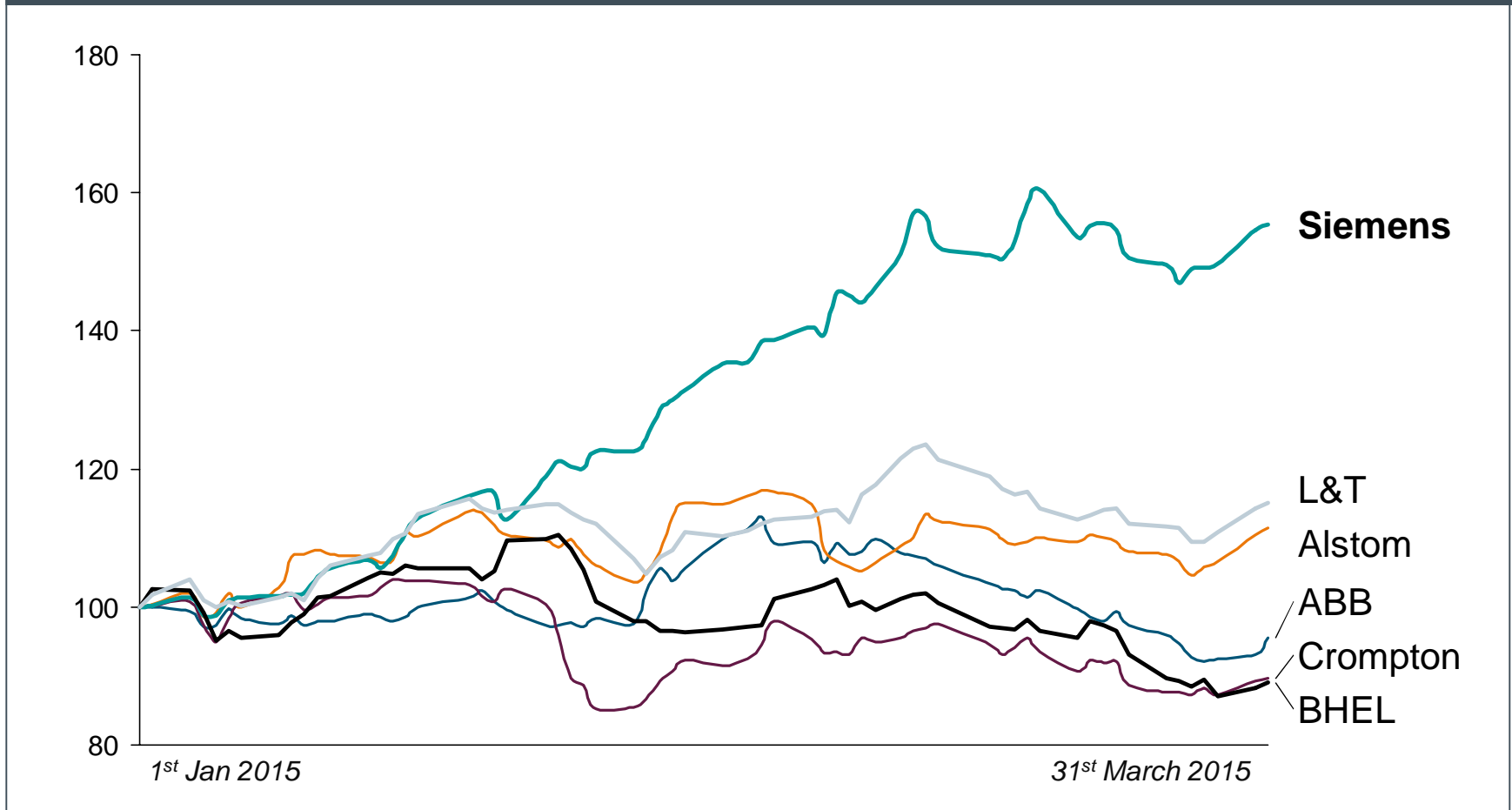


- Won recognition for **International Efficiency (IE)** class industrial motors **manufactured in India**, displayed at Hannover Messe 2015



# Siemens outperforms the BSE capital goods index and the competition in Q2 FY 2015

Bombay Stock Exchange share price development



Source: BSE daily weighted average price 1st Jan to 31st Mar 2015

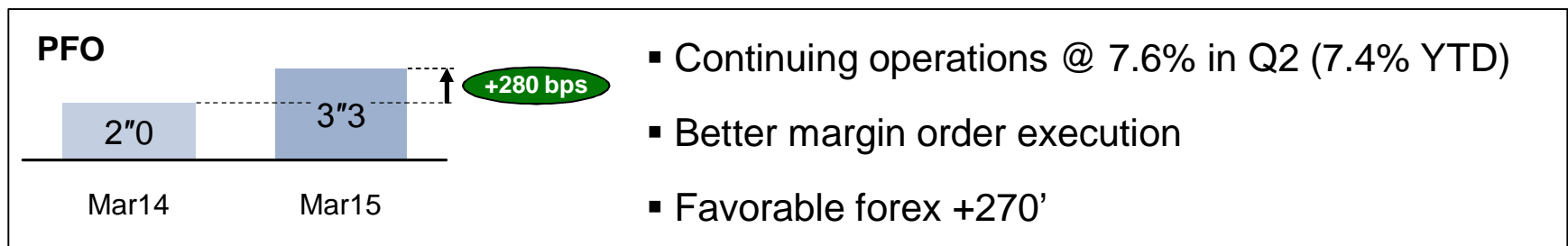
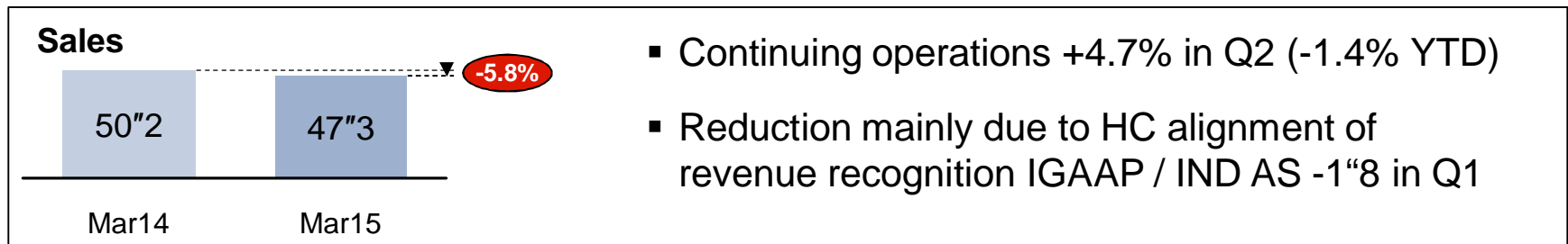
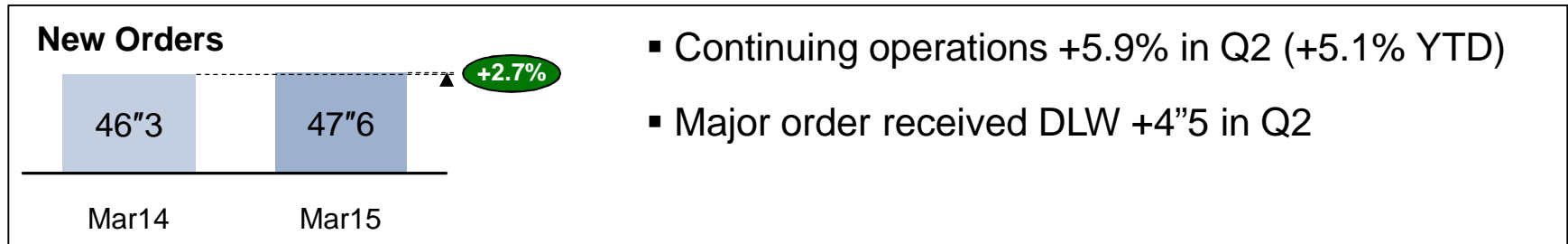
Economic Environment and Key Achievements

**Company Performance – H1 FY 2015**

Future Outlook

# Siemens Limited

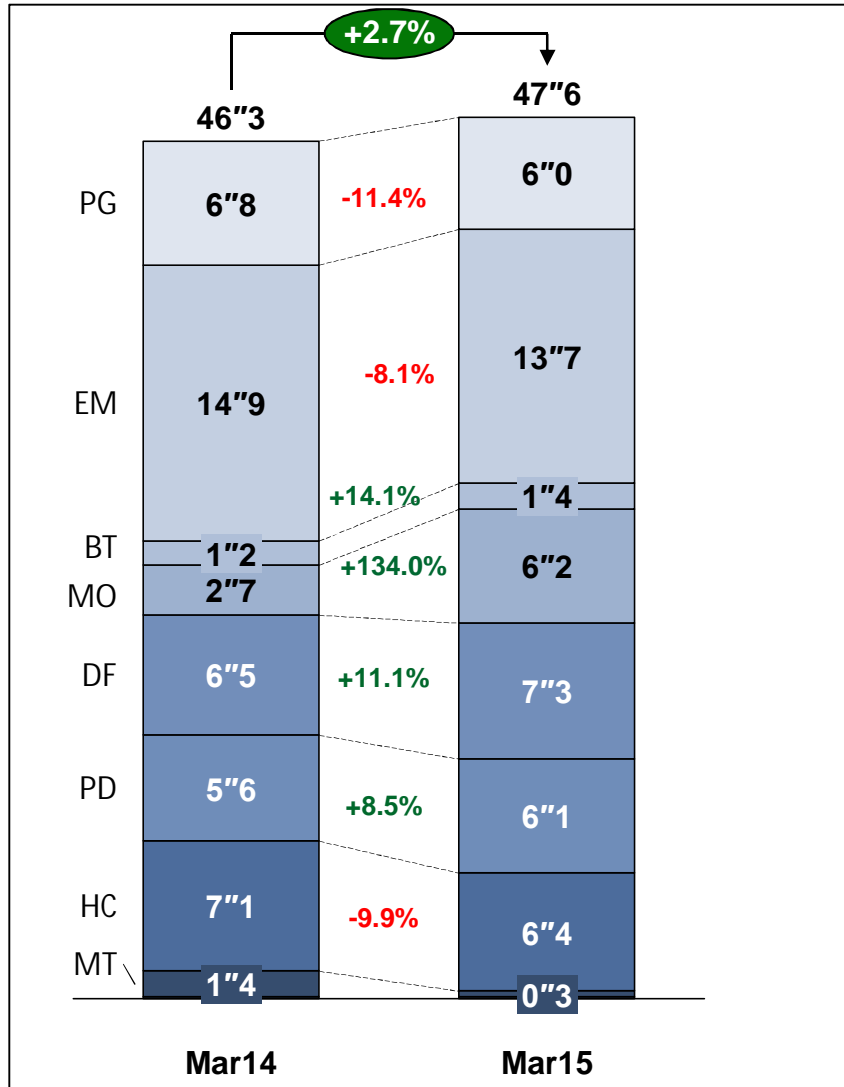
## Performance 2015 YTD



# New Orders (YTD)

Order Growth continues (+5.1% YTD cont. operations)

(in Billion Rs.)

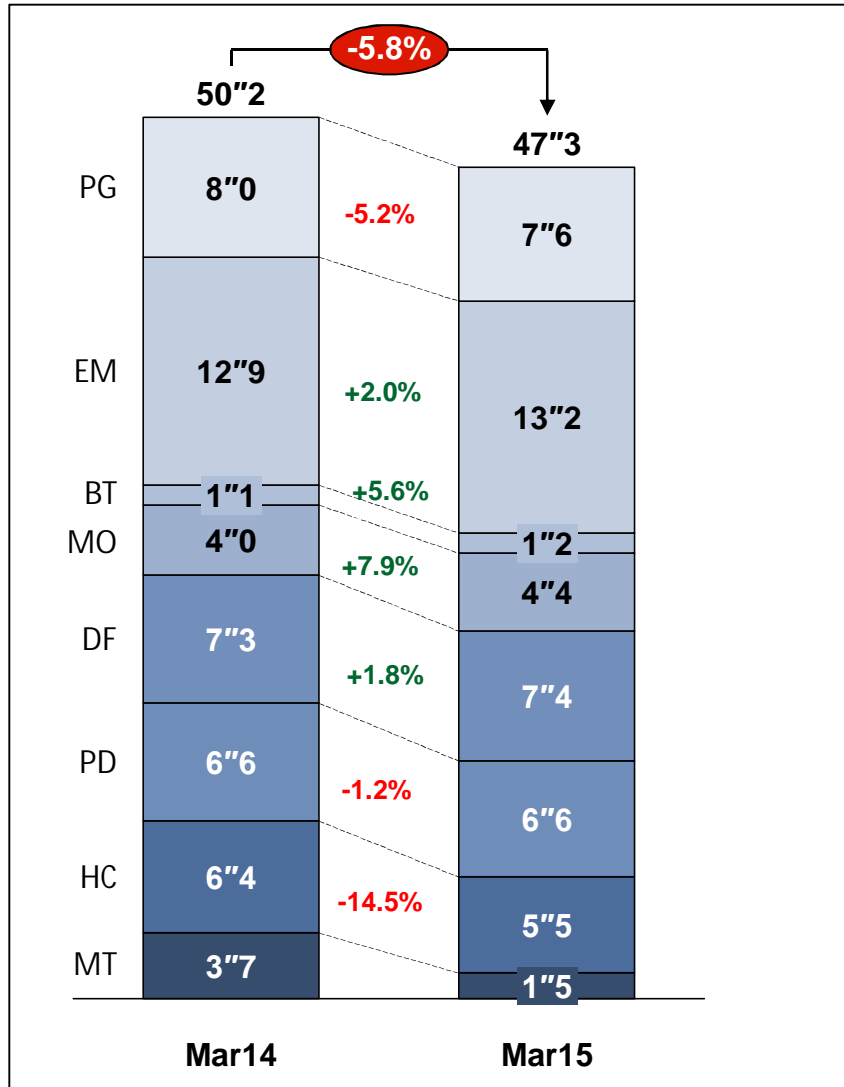


- Slowdown in Capex of Power Generation projects
- Transmission and Distribution begins to pick up with Government support
- Railways releasing large orders and enquiries (Siemens won 4,500 order from DLW)
- Industrial Capex still sluggish

# Net Sales (YTD)

Revenue in line with expectations (-1.4% YTD cont. operations)

(in Billion Rs.)



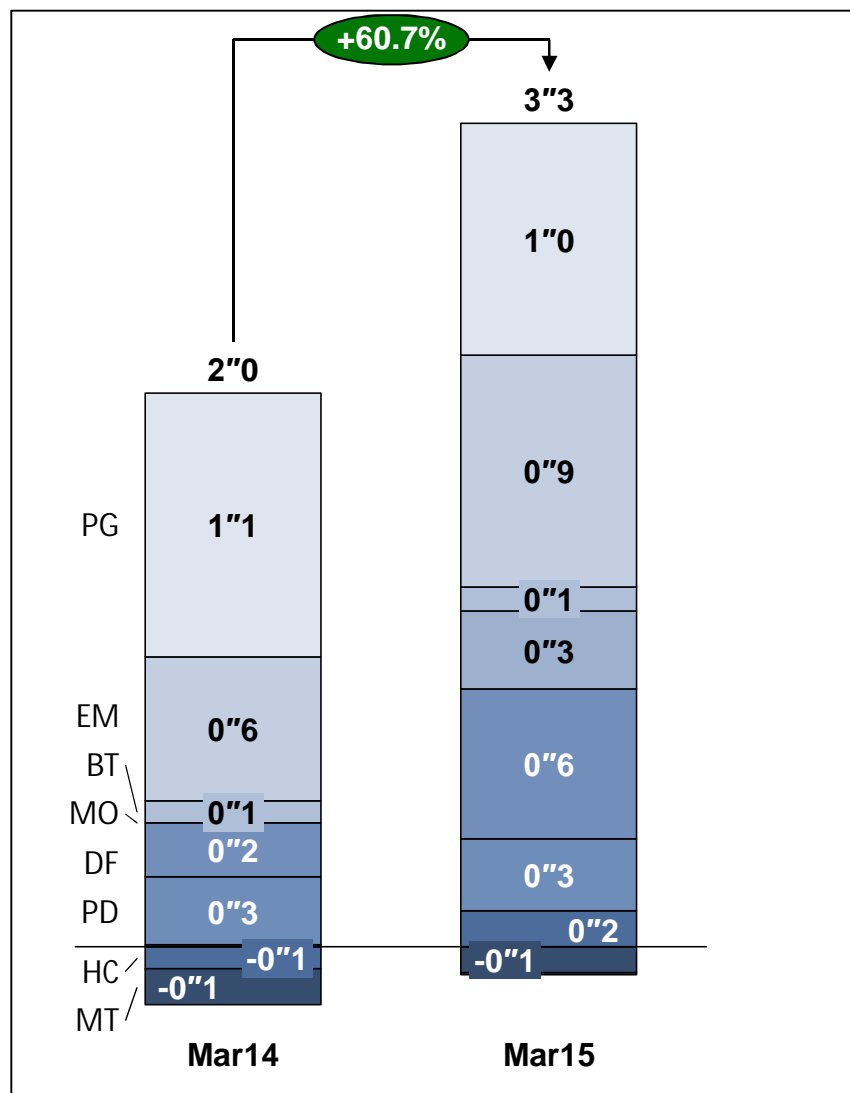
- HC: Alignment of revenue recognition in IGAAP/IND AS -1.8; underlying growth 14%



# Profit from Operations (PFO) (YTD)

## Profitability improved in almost all Divisions

(in Billion Rs.)



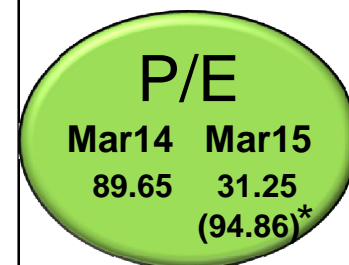
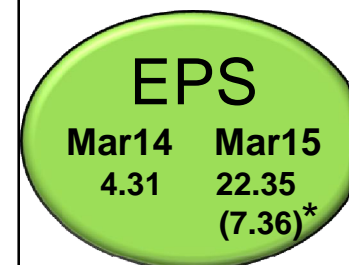
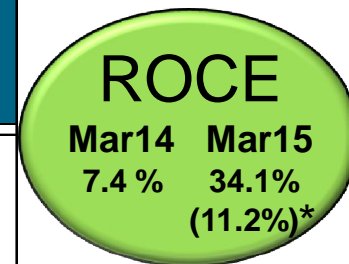
- Execution of better margin orders
- Conscious cost management
- Forex gain of +270'

# Key Financials

## Order growth maintained, Profit improved

(in Billion Rs.)

	Quarter ended March 2014	Quarter ended March 2015	Six Months ended March 2014	Six Months ended March 2015	Twelve Months ended Sept 2014
<b>New Orders</b>	26"2	<b>26"7</b> 1.8%	46"3	<b>47"6</b> 2.7%	103"2
<b>Sales</b>	26"6	<b>25"9</b> -2.6%	50"2	<b>47"3</b> -5.8%	104"5
<b>Order Backlog</b>	121"8	<b>101"7</b> -16.5%	121"8	<b>101"7*</b> -16.5%	121"0
<b>Profit from Operations</b>	1"3	<b>1"9</b>	2"0	<b>3"3</b>	3"6
<b>% to Sales</b>	4.8%	<b>7.5%</b>	4.1%	<b>6.9%</b>	3.5%
<b>Other income &amp; Finance Costs</b>	0"1	<b>0"3</b>	0"1	<b>0"6</b>	1"0
<b>Exceptional item</b>	0"0	<b>0"1</b>	0"2	<b>7"1</b>	3"8
<b>Profit before tax</b>	1"3	<b>2"4</b>	2"3	<b>11"0</b>	8"4
<b>% to Sales</b>	5.0%	<b>9.2%</b>	4.6%	<b>23.3%</b>	8.1%
<b>Profit after tax</b>	0"9	<b>1"6</b>	1"5	<b>8"0</b>	6"0



\* Excluding effect of sale of MT business (Order backlog correction 17"7 )

Economic Environment and Key Achievements

Company Performance H1 FY 2015

**Future Outlook**

## Continued Focus on Driving Profitable Growth !

1

- **Focus** on winning projects where the government thrust on spending is high e.g. in the **Energy** and **Railway** segments

2

- **Lead** the discussion with Industry partners to drive **digitalisation** and higher levels of **automation** in factories

3

- **Partner** with city stakeholders to reap the full potential of urban infrastructure with **Smart City** solutions

4

- **Diligent execution** of order book to ensure capital efficient and **profitable growth** !

Thank You!

