

SIEMENS

Analyst Meet Half-Year FY 2013

Siemens Ltd., April 29, 2013



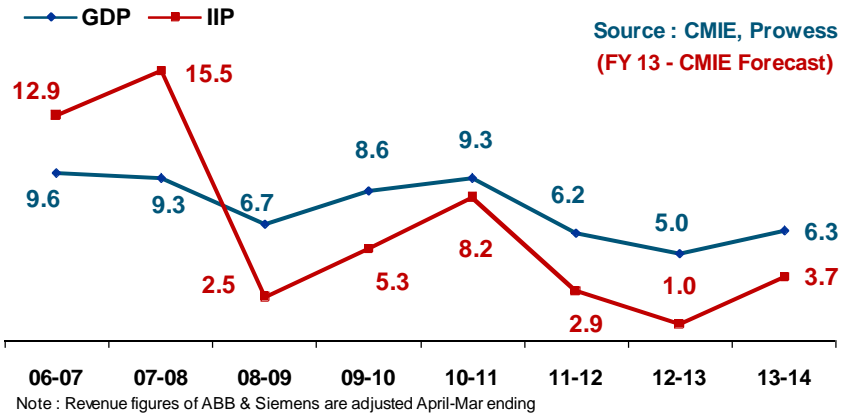
Operational Highlights

Financial Analysis

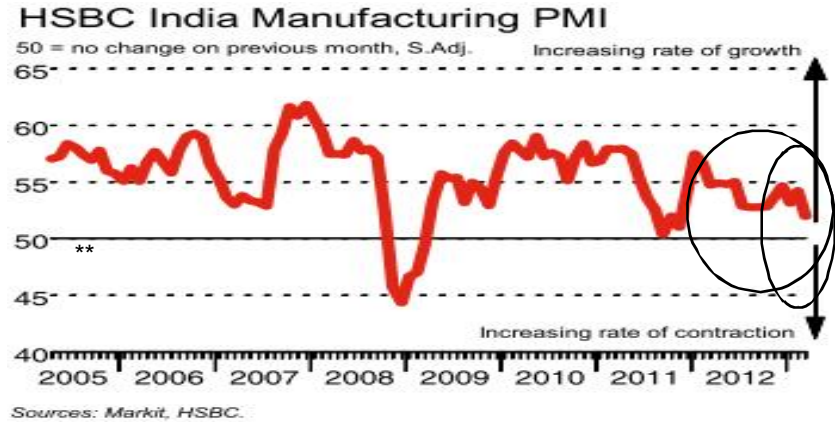
Future Outlook

Revival of Indian economy not in sight but lowest GDP growth of last 10 years witnessed instead

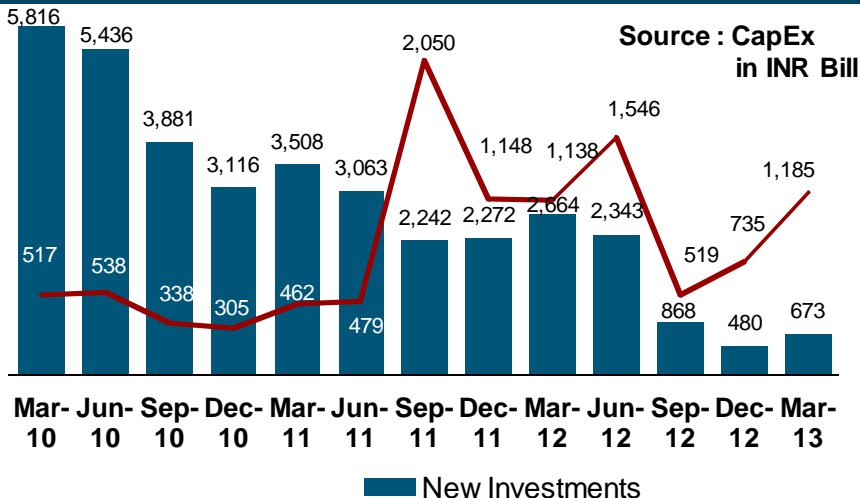
Real GDP & IIP (% Change)



PMI: Purchasing Manager's Index (HSBC)



New Investments & Shelved Projects



- FY 12-13 GDP numbers are the lowest in 10 years, while IIP has contracted in 6 out of 10 months
- PMI growth of March '13 was slowest in 16 months
- The Current Account Deficit (CAD) widened to record high 6.7% of GDP in Q3 FY12-13 mainly on account of muted exports
- New Capex investments declined by 57% in FY12-13 indicating a weak investment climate through the year
- In spite of RBI's recent move to reduce the repo rate, new investments are expected to remain weak even for FY13-14 on account of political uncertainties & upcoming elections
- Actual slight hope: Current inflation at record low 5.9%

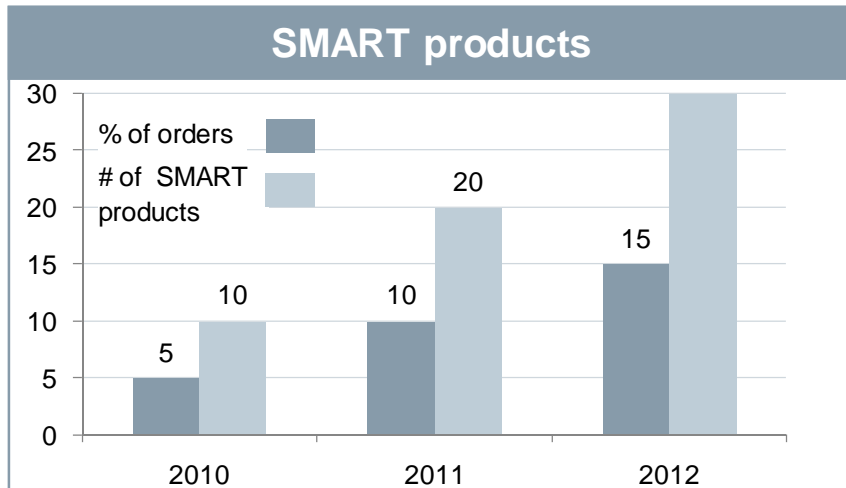
Siemens Ltd. – Key Achievements of H1 FY 2013

- Siemens IC Sector won an order worth over Rs. 350 crores to supply traction motors for Diesel Locomotive Works
- Siemens Energy Sector won a Rs. 100-crore order from BSRM – largest private sector-funded GIS project in Bangladesh
- Siemens Industry Sector won an order worth Rs. 97 crores for installing a pelletization plant at Surana Industries
- Siemens Healthcare Sector installed India's first simultaneous PET-MRI at Indraprastha Apollo Hospital – enables diagnosis of diseases and precise therapy at a very early stage



SMART success by Siemens in India

Focus on strengthening portfolio



A few significant SMART wins for H1 2013:

- Rs 100-crore order for gas-insulated switchgear substation: largest order for GIS in Bangladesh
- Rs 97-crore order from Bhuvaneshwar Power for SST600 steam turbines
- Vandana Global: First win in induction furnace iron-making segment
- Order inflow of 17x Medium Voltage Drives (Perfect Harmony) from Cement Industry



Steam Turbines SST600 45 to 150MW

- 13x units sold
- Localization ramp-up: from 30% to 100% in 3 yrs



Steel Plant Products

- Sinter plant, blast furnace, billet caster, converter, ladle furnace, vacuum arc degasser



Ring Main Unit (RMU)

- Cost savings up to 30%
- Key component of city power distribution and smart grid projects



C-arm Mobile X-rays

- Locally developed
- 100% local VA
- Exported to 12 countries

Siemens Ltd. has 22 factories in India

Ongoing optimization of utilized capacity



Existing Industry Factories – 6

IIA LV Switchgear Kalwa	
IDT Motors & Generators Kalwa	
IDT MV Drives & Relays Nashik	
IDT MD Flender Kharagpur	
IDT Winery, Chennai	
IMT Morgan Turbhe, Navi Mumbai	



Existing Infrastructure & Cities Factories – 7

LMV MS switchboards Kalwa	
LMV Ring Main Units Goa	
LMV GP Aurangabad	
SG Relays & Systems Goa	
RA Railway Bogies Aurangabad	
BT Building Automation Pondicherry (2x)	

Existing Energy Factories – 7

ET TR Power Transformer Kalwa	
ET HP HV Circuit Breaker Aurangabad	
ET HP Instrument Trafo Aurangabad	
ET HP GIS Aurangabad	
ET HP HV Isolators Hyderabad	
EO Steam Turbine Baroda	
ES Gas Turbine service Bangalore	

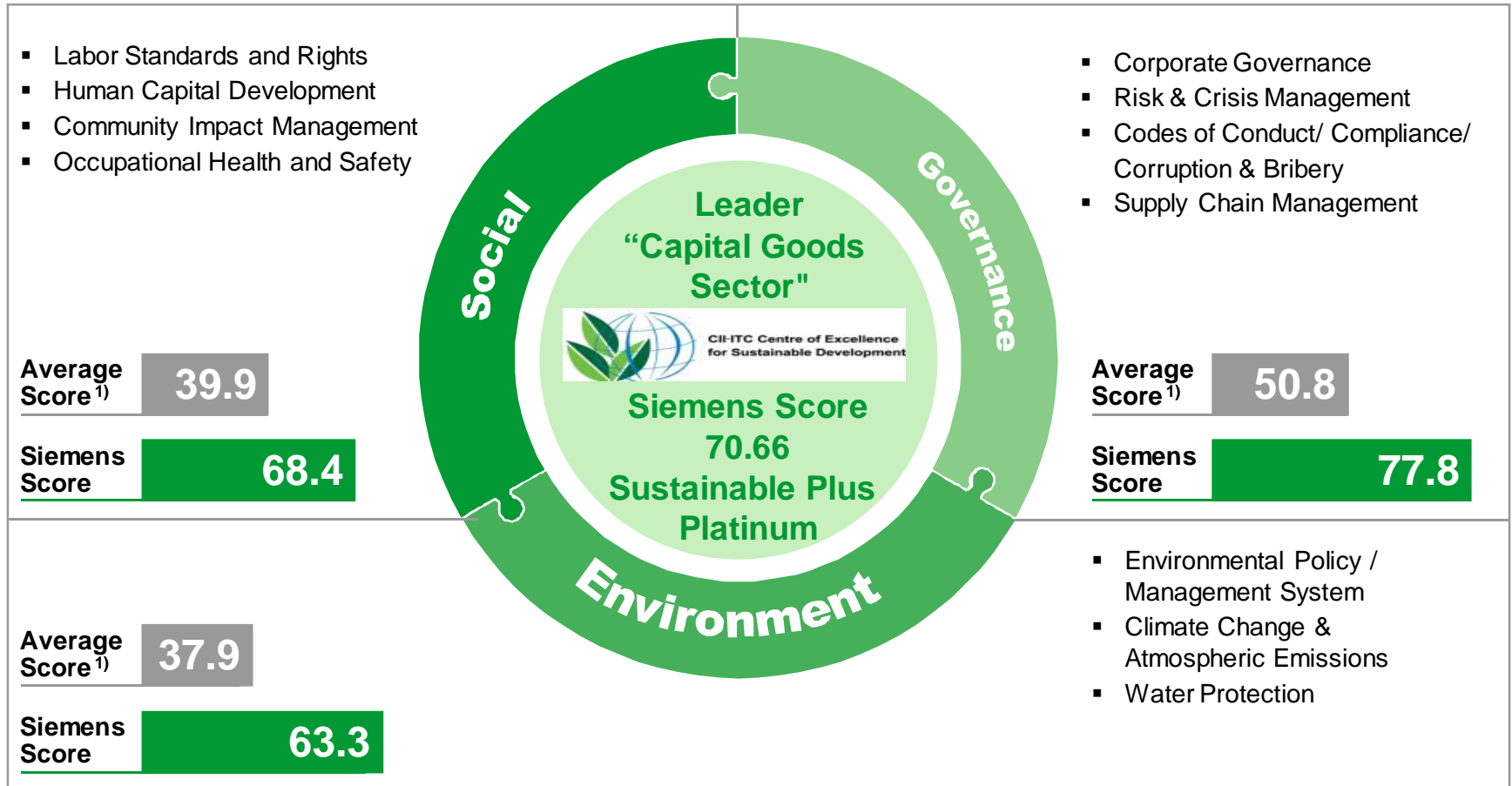
Existing Healthcare Factories – 2

CP X-Rays & C-Arms Goa	
DX Diagnostic Reagents Baroda	



Siemens is a strong performer in the Capital Goods sector – Ranked No.1

Siemens is perceived as one of the leaders in Sustainability as indicated by CII Sustainability Rating



1) Average score of all assessed companies in the Capital Goods sector

Source: Sustainability Office, Siemens Ltd. India

Urban Mela – Key Achievements

Promoting Brand Siemens:

- Interaction with ~ **2,40,000** citizens – creating awareness about how Siemens is ‘Transforming cities for the better through sustainable technology’.

Moving closer to customers:

- **35** expert dialogues on varied topics attended by over **450** customers / prospects

Attracting young talent:

- ~ **40,000 (16%)** visitors at Siemens pavilion across five cities were students from engineering and management institutes

Thought leadership dialogues:

- **Bringing multiple decision makers to a common platform** to showcase our capabilities.
- Over **75** key decision makers visited our booth across five cities
- Panel discussion in association with Economic Times involving key stake holders & decision makers, to discuss future of cities.
- **12** key decision makers participated across **3 cities**, attended by **70** major customers.

Urban Mela – Taking it closer to our markets

Helping enhance image of brand Siemens

- 87% found the appearance, information & experience at Siemens pavilion excellent.
- 95% respondents opined that Siemens Pavilion helped create a more positive perception about Siemens.
- The theme 'Turning grey cities into green', children's painting competition were much appreciated
- City simulation game, green city index, water calculator apps were star attractions across all age groups
- Corporate citizenship initiative – Project Asha & 'Push Back Corruption' were found engaging



Operational Highlights

Siemens Ltd. vigorously following global 5-point program

- **reduce costs:** Each Sector has clear targets for cutting costs, Manufacturing Community seeking ways to reduce cost of goods sold, optimizing worldwide utilized capacity
- **strengthen core activities:** HQ led initiatives of focusing on SMART Strategy
- **strengthen go-to-market approach across all Sectors:** Siemens One Program, City Account Management
- **optimize infrastructure:** consolidating Siemens group companies in India
- **reduce complexity:** streamlining internal processes and systems



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Challenges in H1 FY2013

Prolonged slowdown in the economy –impact on Revenues

Capacity utilisation leads to Pricing pressures

Delays in offtake by customers due to unavailability of land or financing

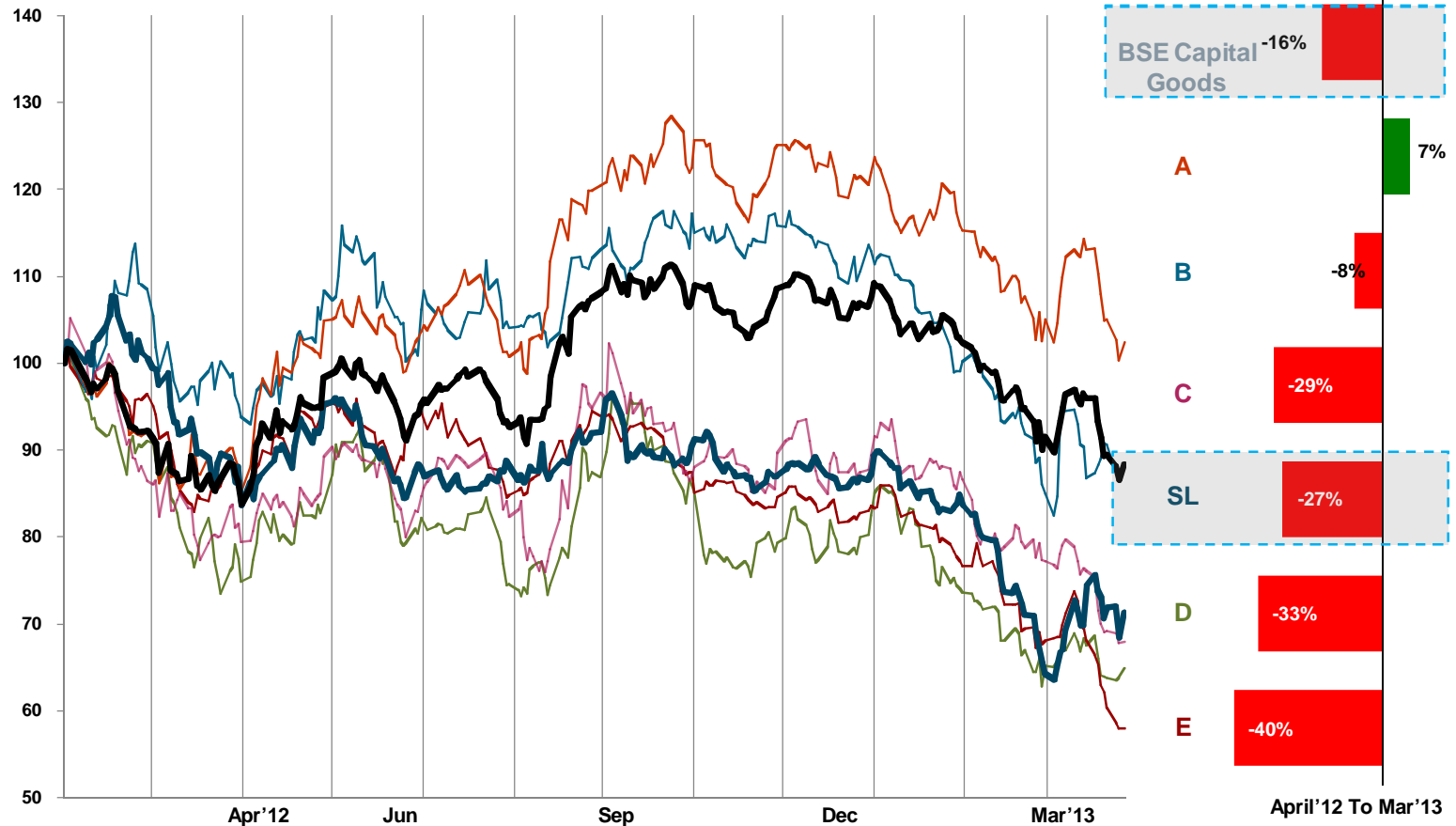
Volatility in commodity and forex rates

Competitor Performance on BSE

Stock Performance

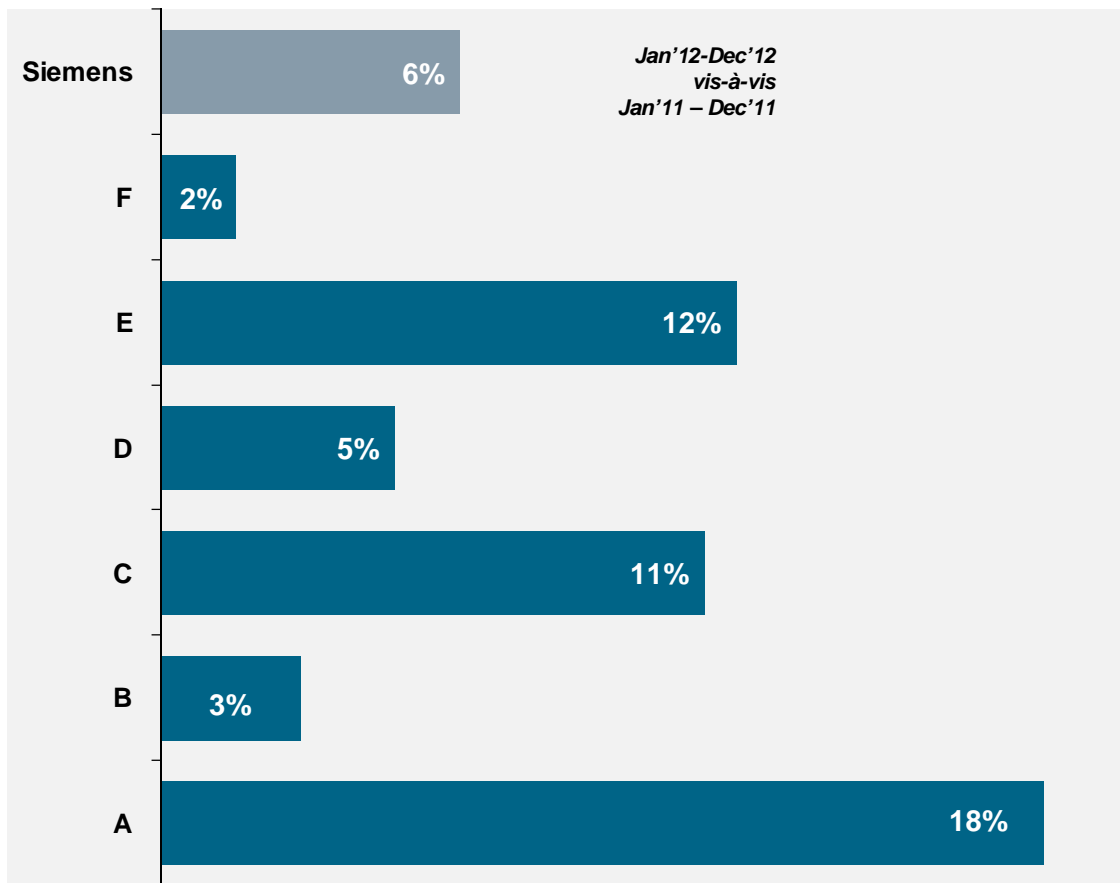
Current fiscal year FY 2012- 13

Source : Bseindia



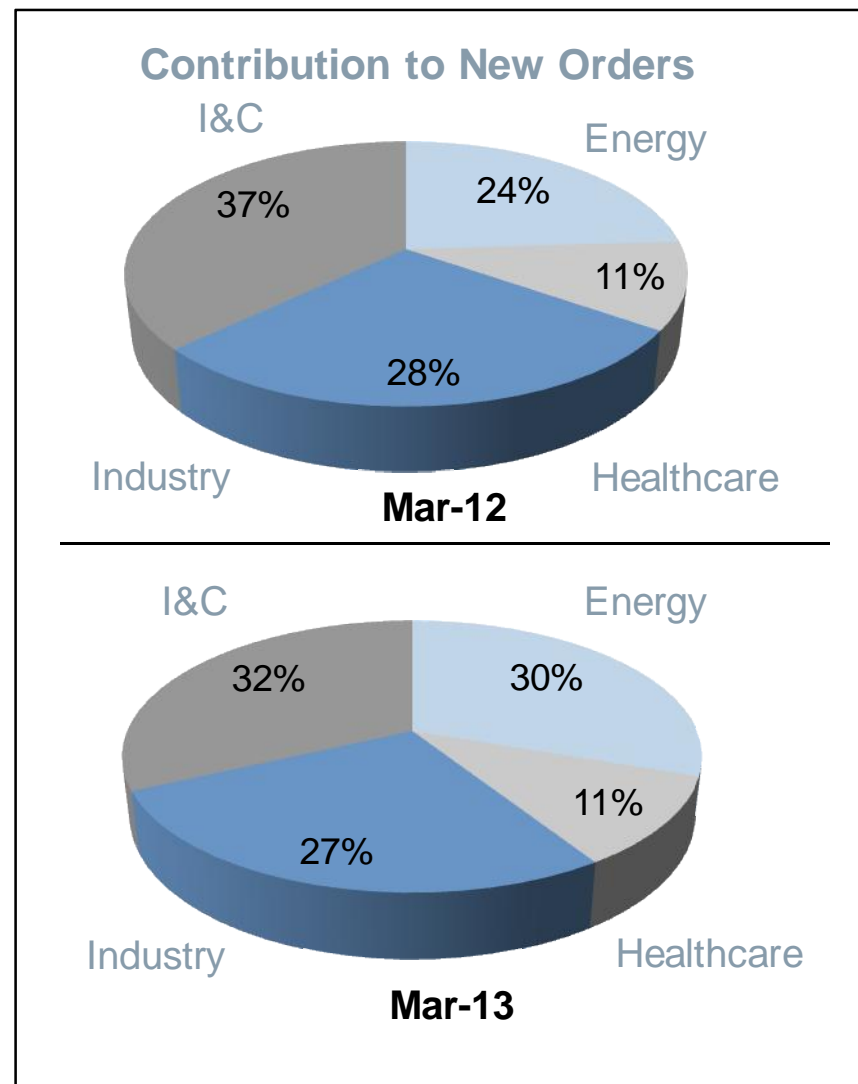
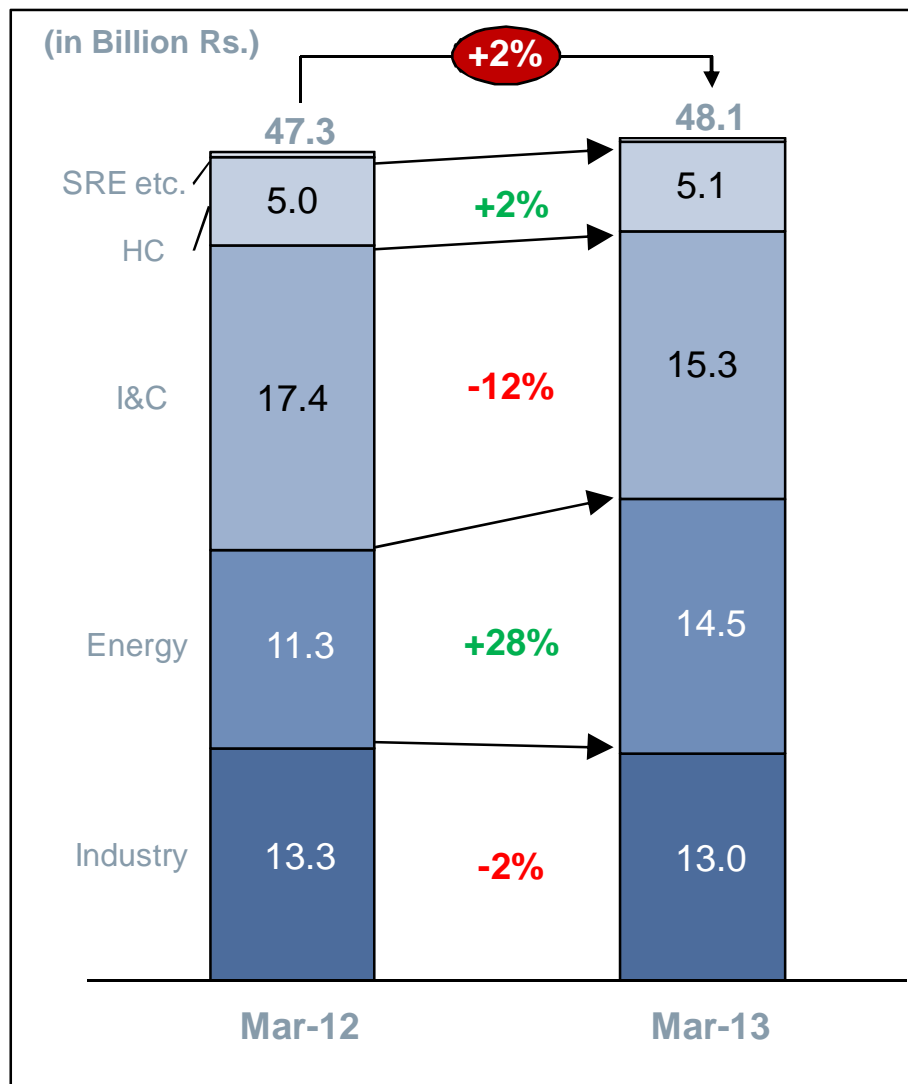
Competition Cockpit (as of December 2012)

Revenue growth Y-o-Y for last 12 months

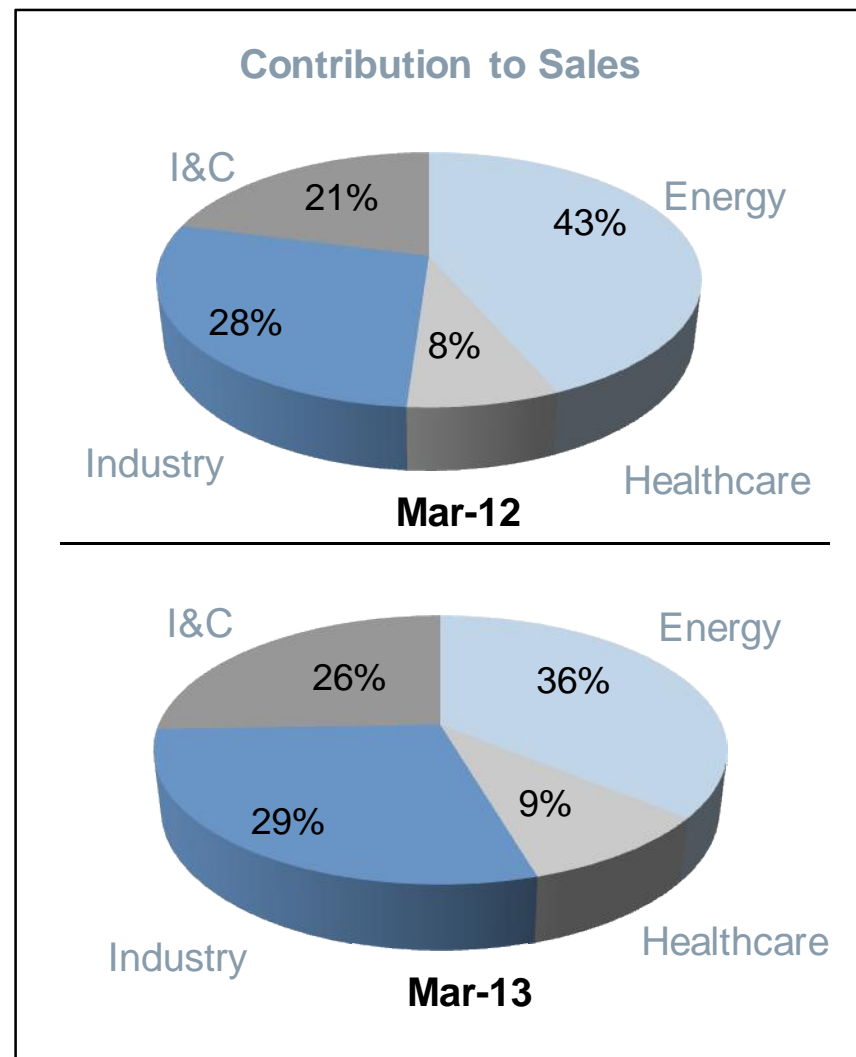
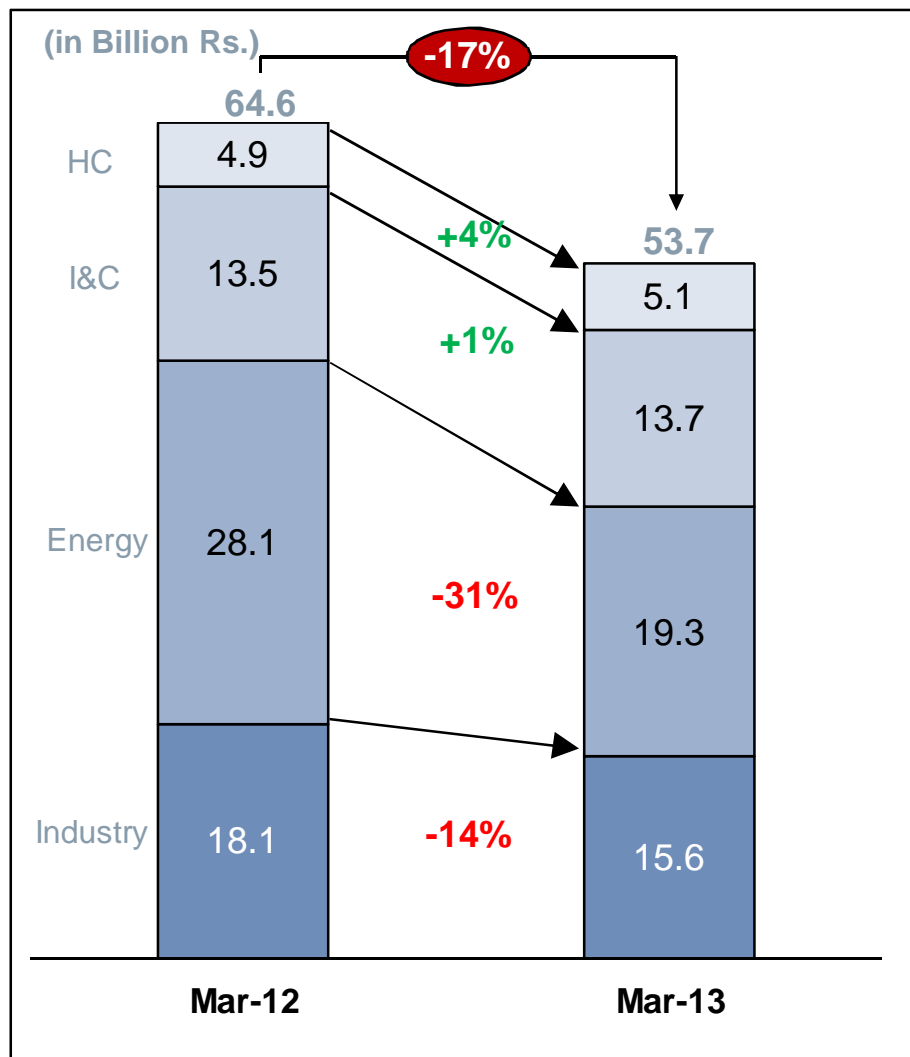


Competition Basket	+ 6%
Siemens Ltd.	+ 6%

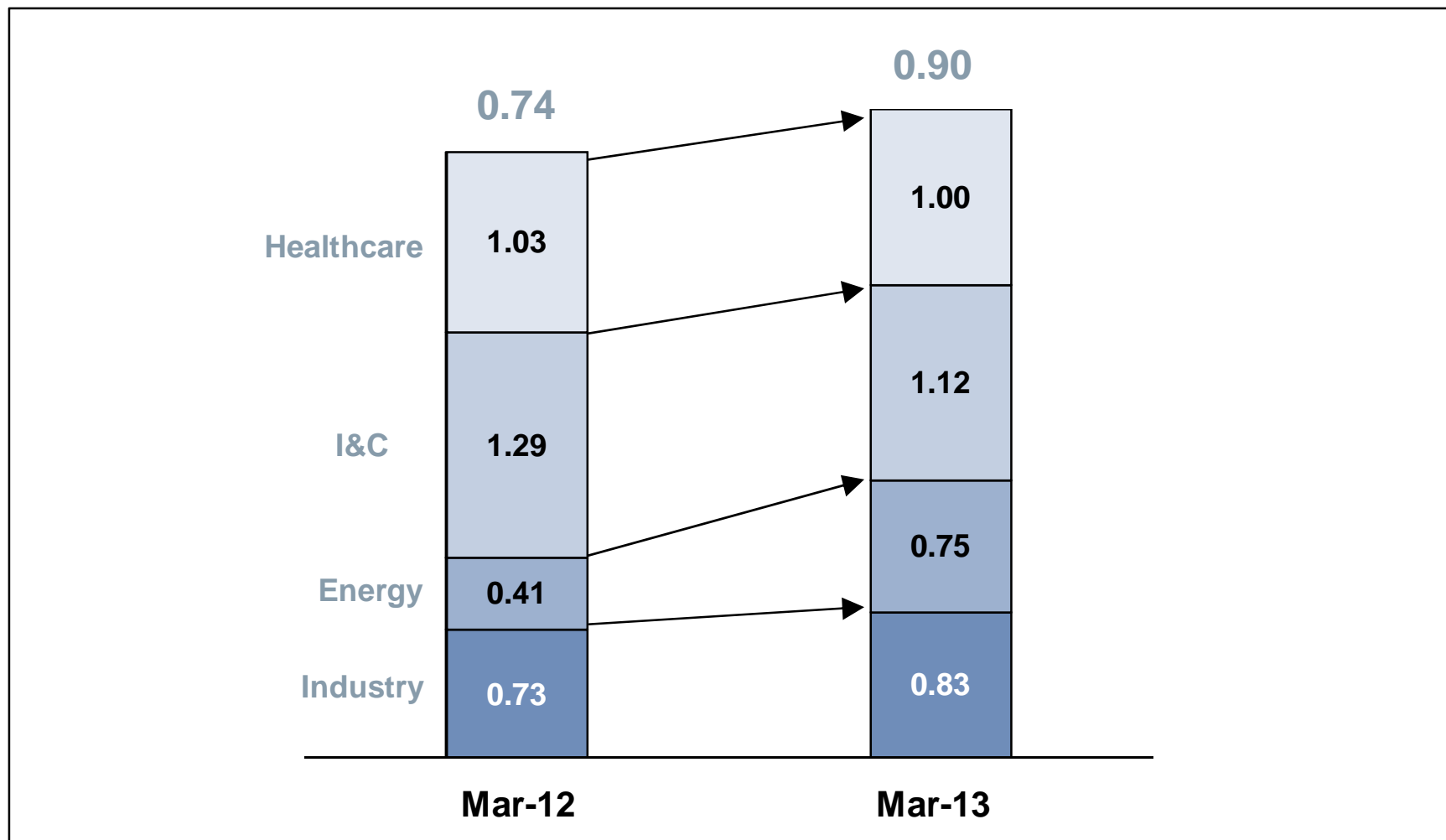
New Orders



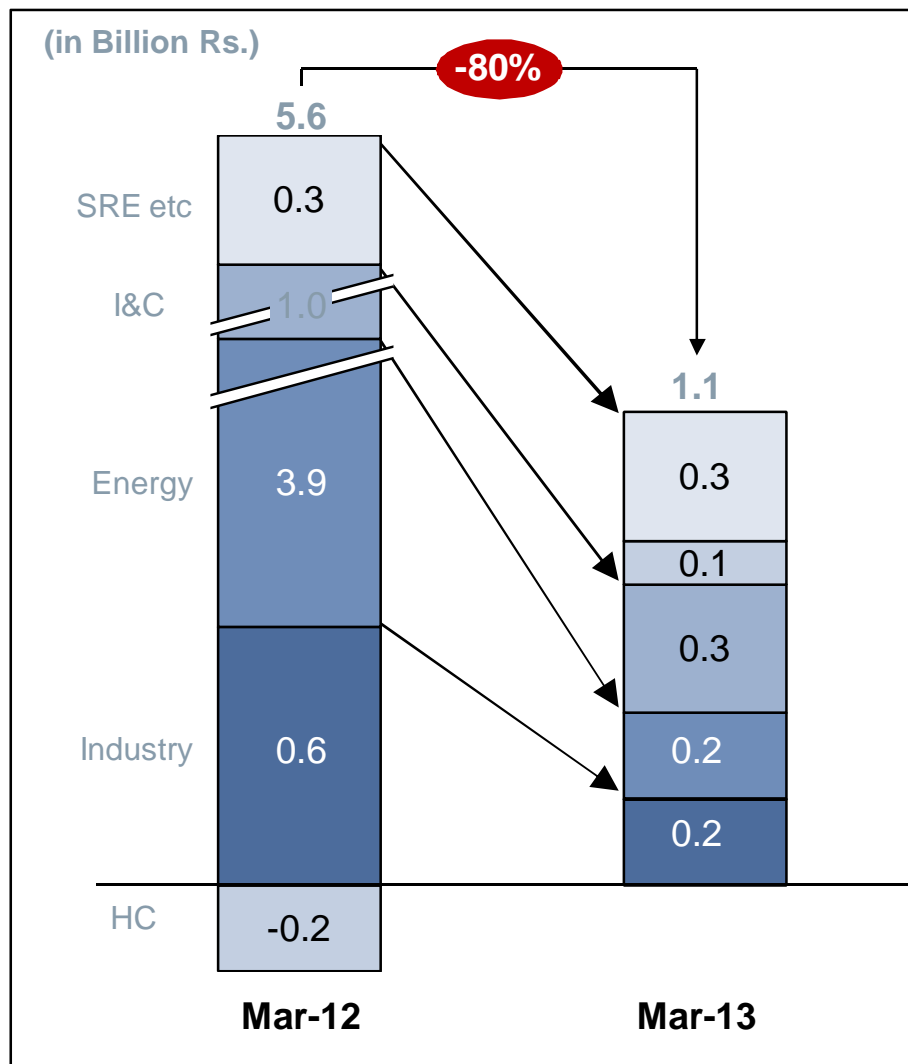
Sales



Book to Bill Ratio (Base business)



Profit from Operations (PfO)

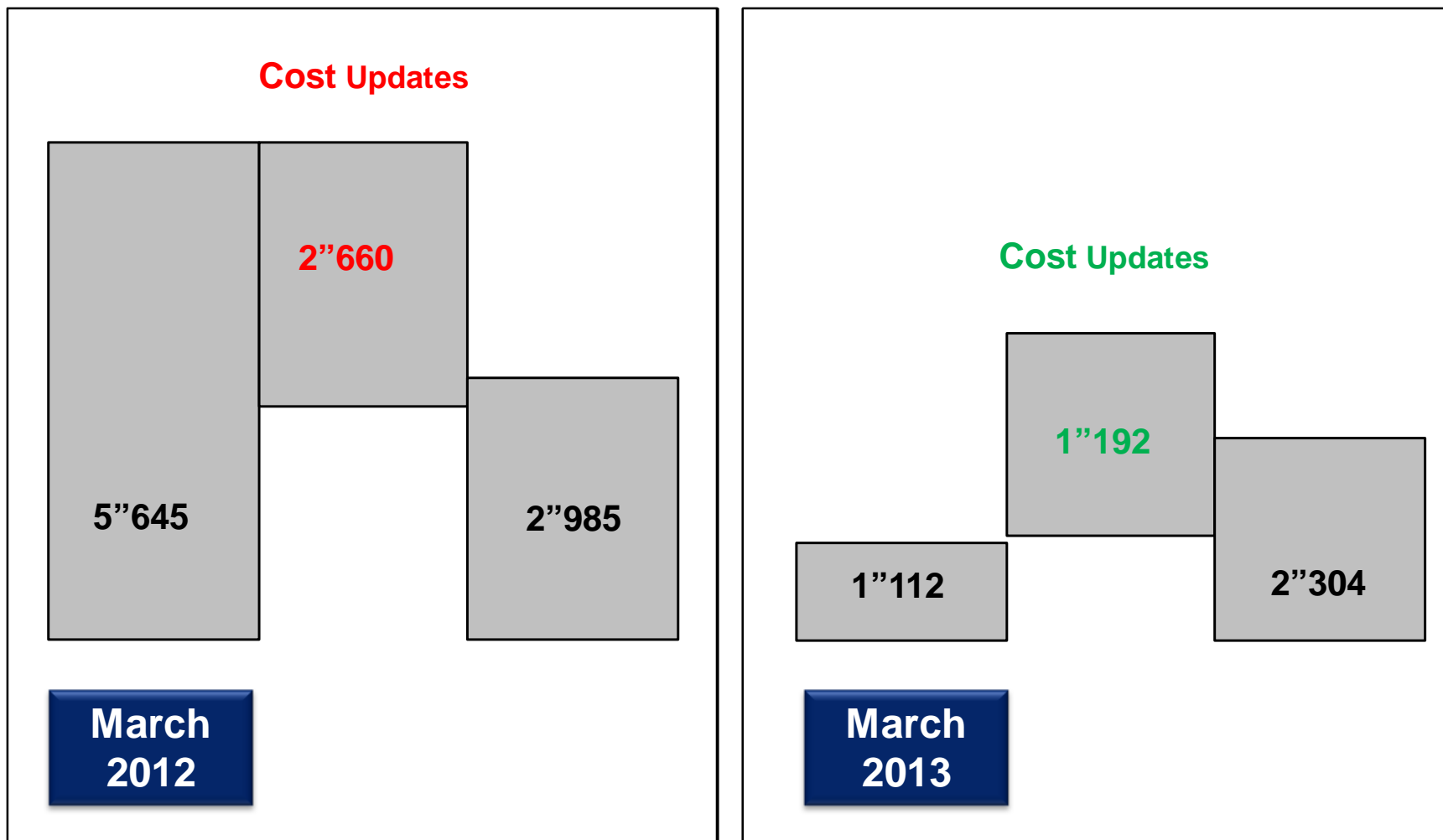


PfO down by 80% to Rs. 1.1 billion

Factors affecting PfO include:

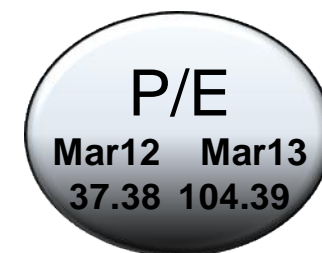
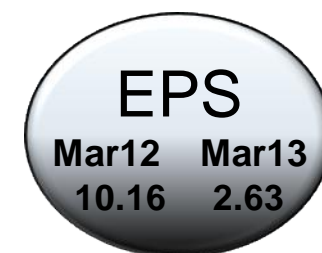
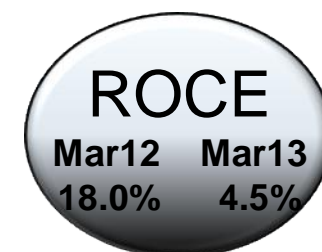
- Reduced volumes
- Pricing pressures
- Delays in off take by customers
- Increase in project costs
- Currency & Commodity impacts

PFO – Impact of Cost Updates



Financial highlights of Siemens Ltd. – H1 FY 2013

	Quarter ended Mar 2012	Quarter ended Mar 2013	+/-%	Six months ended Mar 2012	Six months ended Mar 2013	+/-%
New orders	18,492	28,141	52%	47,355	48,075	2%
Sales	39,882	29,077	-27%	64,591	53,696	-17%
Order backlog	146,181	129,283	-12%	146,181	129,283	-12%
Profit from Operations	4,957	143	-97%	5,645	1,112	-80%
% to Sales	12.4%	0.5%		8.7%	2.1%	
Other income & Finance Costs	13	41	215%	218	23	-89%
Prior period items	551	-	-100%	551	-	-100%
Profit before tax	4,419	184	-96%	5,312	1,135	-79%
% to Sales	11.1%	0.6%		8.2%	2.1%	
Profit after tax	2,975	299	-90%	3,577	936	-74%



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To Sum Up

- We expect the economic environment to continue be uncertain and challenging
- The Company will continue focus on globally-announced 5-point program:
 - reduce costs
 - strengthen core activities
 - strengthen go-to-market approach across all Sectors
 - optimize infrastructure
 - reduce complexity

**Going ahead:
Committed to sustainable growth**



Thank You!

