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Joe Kaeser, President and CEO | Ralf P. Thomas, CFO

Solid close to fiscal 2013

Annual Press Conference
Berlin, Germany, November 7, 2013

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Safe harbour statement

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 “expects,” “looks forward to,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “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, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Siemens’ control, affect Siemens’ operations, performance, business strategy and results and could cause the actual results, performance or achievements of Siemens to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends. These factors include in particular, but are not limited to, the matters described in Item 3: Key information – Risk factors of our most recent annual report on Form 20-F filed with the SEC, in the chapter “Risks” of our most recent annual report prepared in accordance with the German Commercial Code, and in the chapter “Report on risks and opportunities” of our most recent interim report.

Further information about risks and uncertainties affecting Siemens is included throughout our most recent annual and interim reports, as well as our most recent earnings release, which are available on the Siemens website, www.siemens.com, and throughout our most recent annual report on Form 20-F and in our other filings with the SEC, which are available on the Siemens website, www.siemens.com, and on the SEC’s website, www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of Siemens may vary materially from those described in the relevant forward-looking statement as being expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

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.

Despite higher transformation efforts we achieved our revised fiscal 2013 guidance

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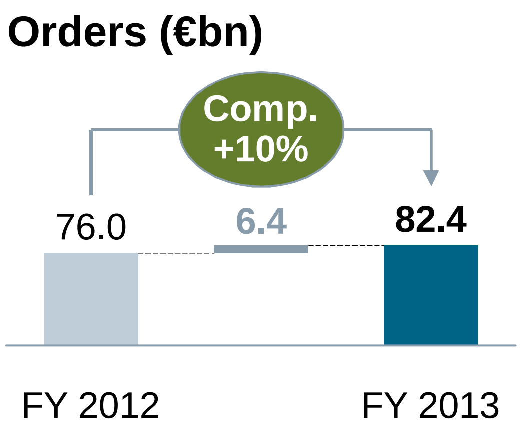
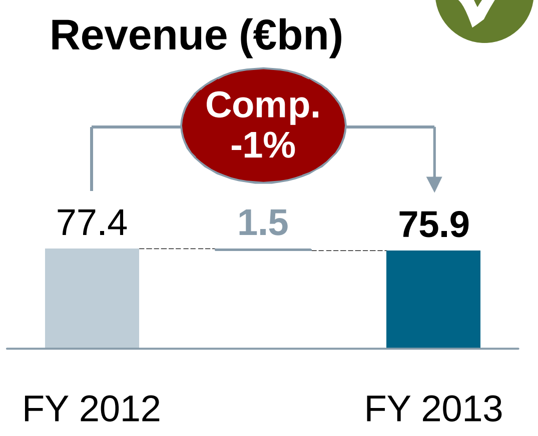
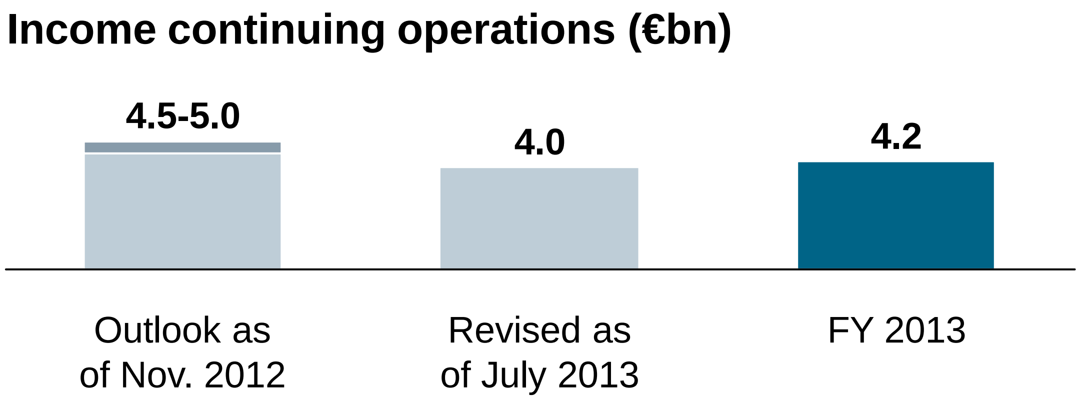
FY 2013 Outlook (as of Q3/2013)

- For fiscal 2013, we expect **clear order growth** and a **moderate decline in revenue compared** to the **prior year**, both on an **organic basis.**
- **Charges** associated with the **'Siemens 2014'** program in the Sectors are expected to total **approximately €1.0bn** for the **full fiscal year.**
- Given these developments and financial results for the first nine months, we expect **income from continuing operations** of **€4.0bn** in **fiscal 2013 including** the **solar business** and **NSN.**

FY 2013 Actual Performance







One Siemens cockpit – FY 2013

Call for focus on profitability & capital efficiency in FY 2014

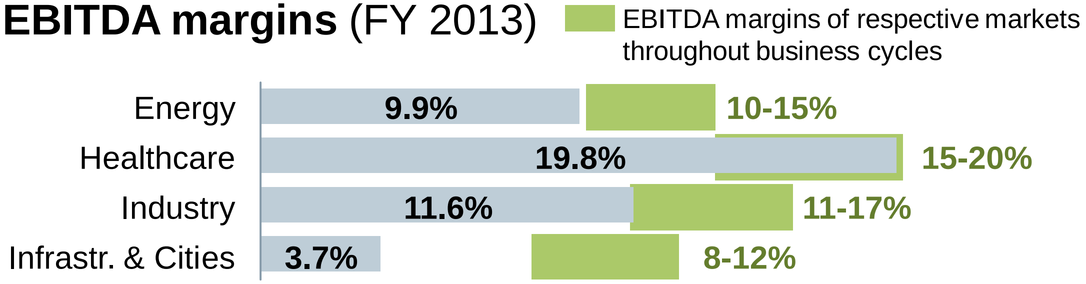
Financial target system

Growth[1)]

Revenue growth (rolling 4 quarters FY 13)

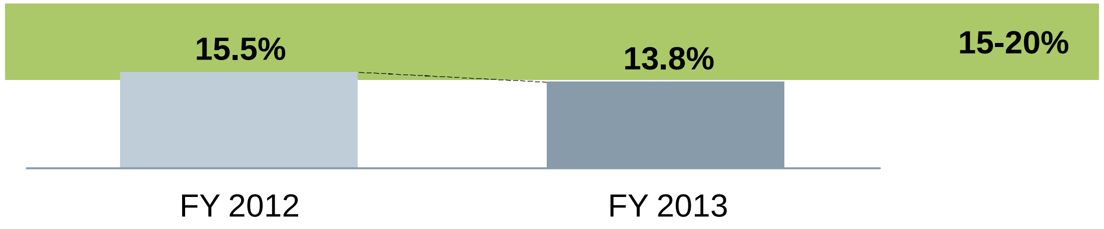
Margins compared to industry benchmarks

EBITDA margins (FY 2013)



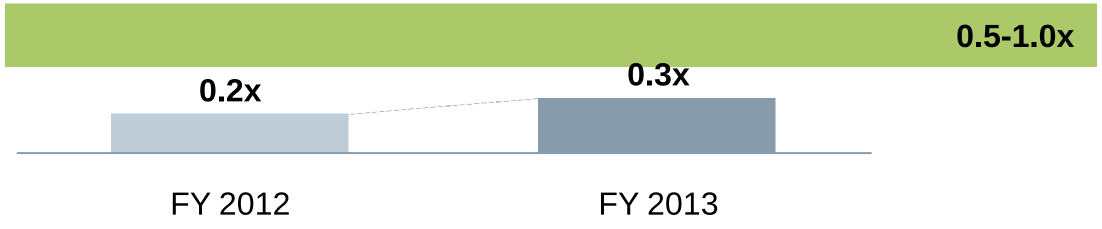
Capital efficiency

ROCE adjusted (continuing operations)



Capital structure

Adjusted industrial net debt/EBITDA

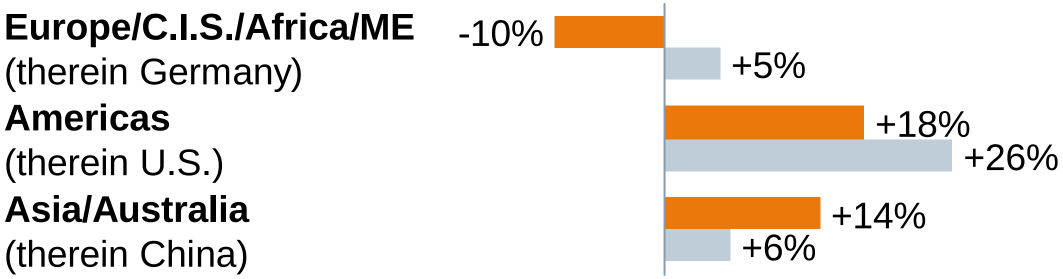


1) As reported

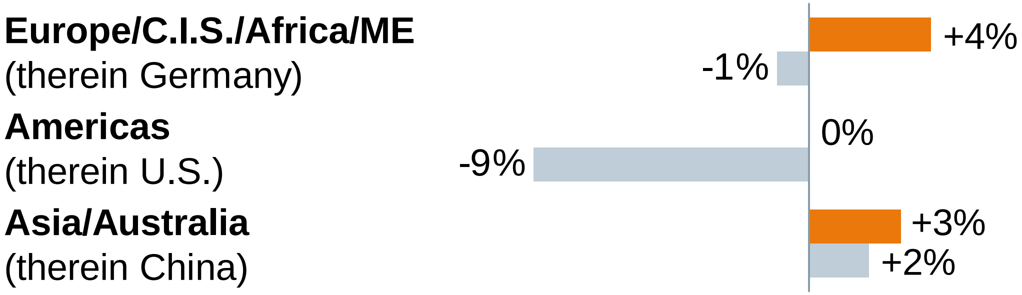
Growth is driven by emerging markets

Regional business split

Q4 FY 13 Order growth y-o-y[1)]



Q4 FY 13 Revenue growth y-o-y[1)]



Key developments

- **Europe: Lower volume** of **large orders**
- **Americas: Sharp recovery** of **U.S. Wind business** and **large Fossil** orders
- **China: Strength** in **Healthcare** and **Transportation & Logistics**
- **Emerging markets up 21%** and accounting for **37%** of **order volume**

- **Softness in industrial short-cycle business**
- **Continued weakness** in **Southern Europe** compensated by **Northern Europe** and **Africa**
- **U.S.: Down** on **tough comps (Wind** at **peak** in **2012)**
- **Emerging markets up 8%** and accounting for **36%** of **revenue**
- **China: Healthcare compensates** for **lower Energy revenues**

1) Change is adjusted for currency translation and portfolio effects

Development of the Sectors – Key Figures

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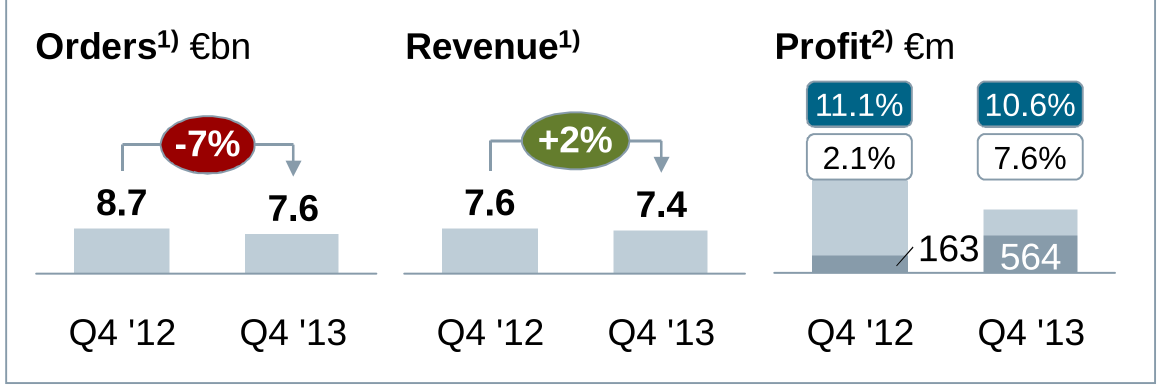
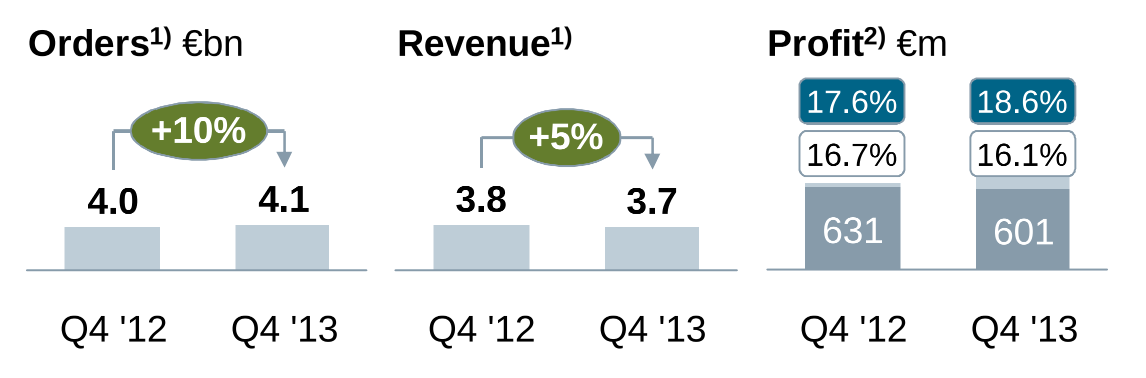
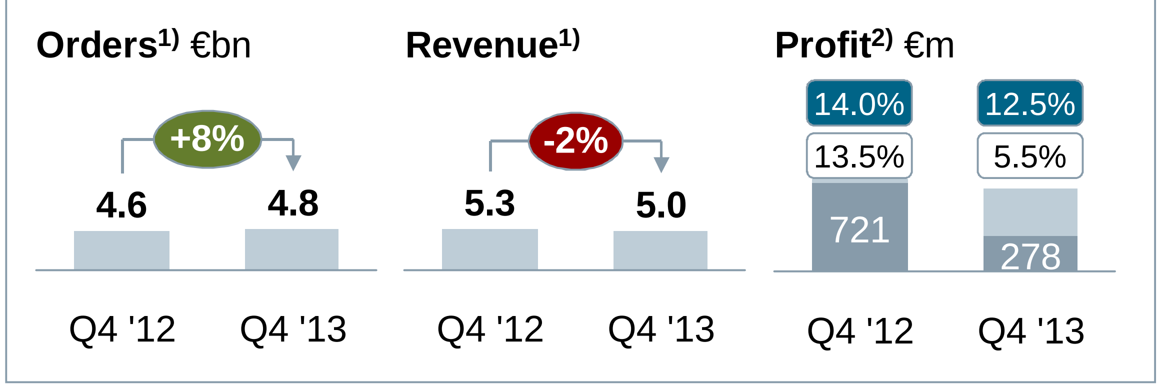
Energy



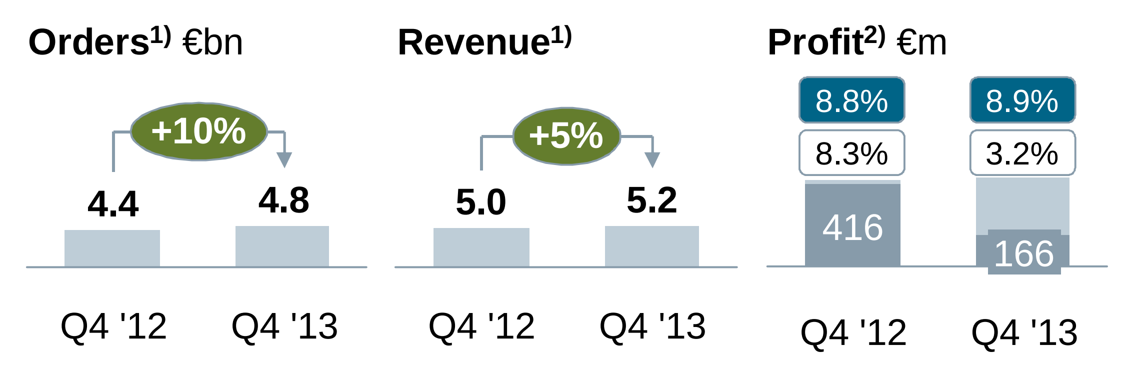
Healthcare



Industry



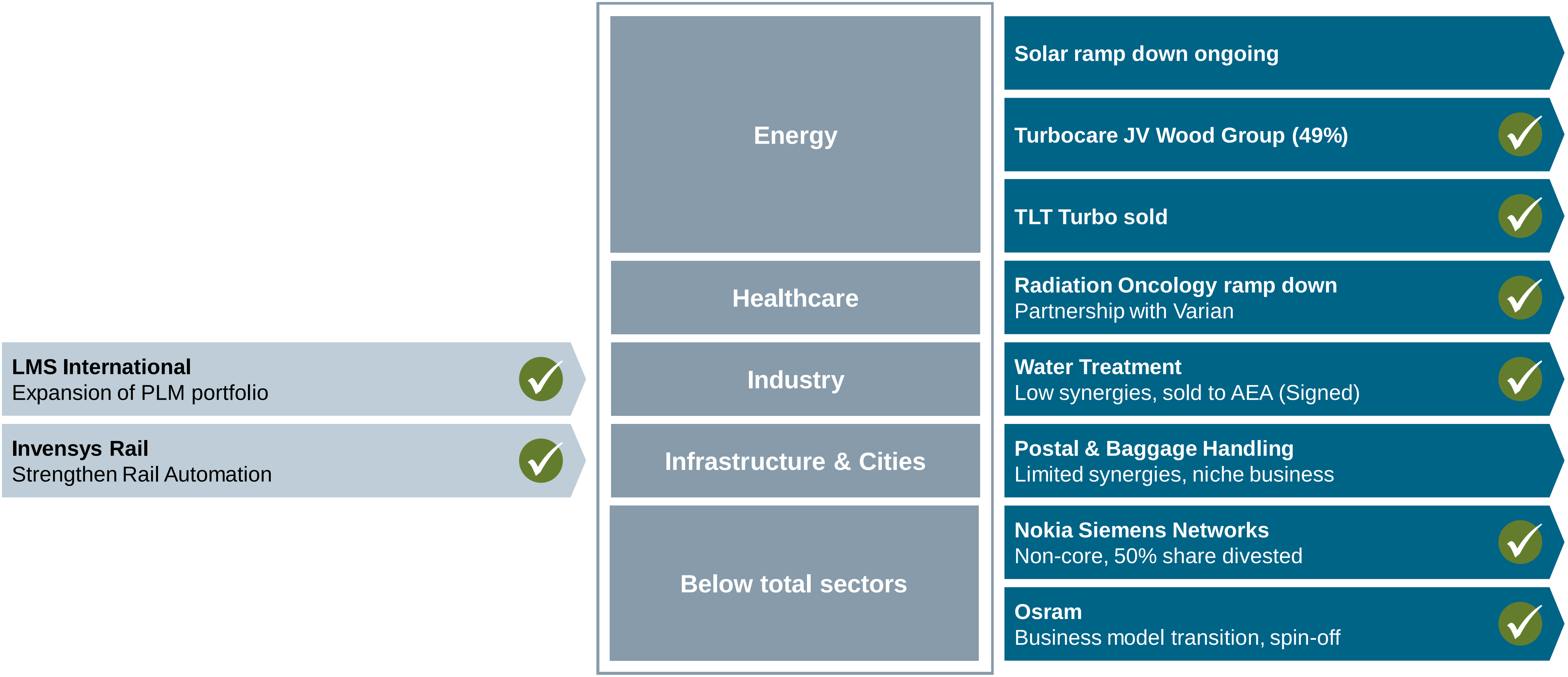
Infrastructure and Cities



1) Comparable, i.e. adjusted for currency translation and portfolio effects
2) For underlying margin calculation please refer to Flashlight document

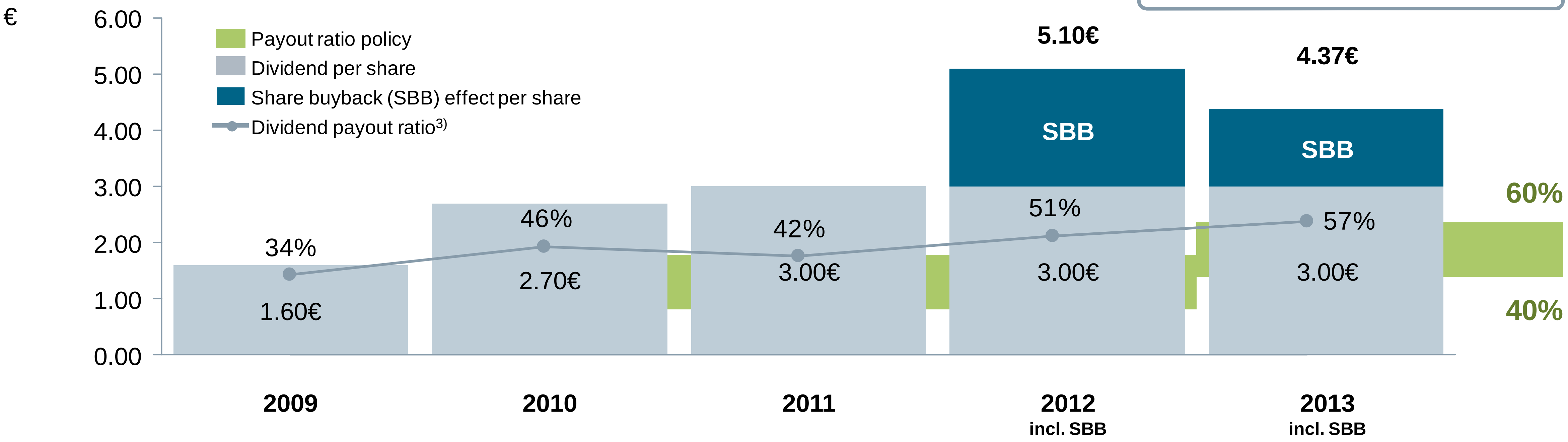
% Profit margin
% Underlying Profit margin

Further progress in strengthening core activities by active portfolio management



Attractive shareholder return driven by stable dividend & share buyback

Corrected version from Nov 12, 2013



	2009	2010	2011	2012 incl. SBB	2013 incl. SBB
Share-holder re-turn in €m	**1,388**	**2,349**	**2,629**	**4,294**	**3,686**[1)]
Yield[2)]	2.4%	2.9%	3.9%	6.1%	4.9%

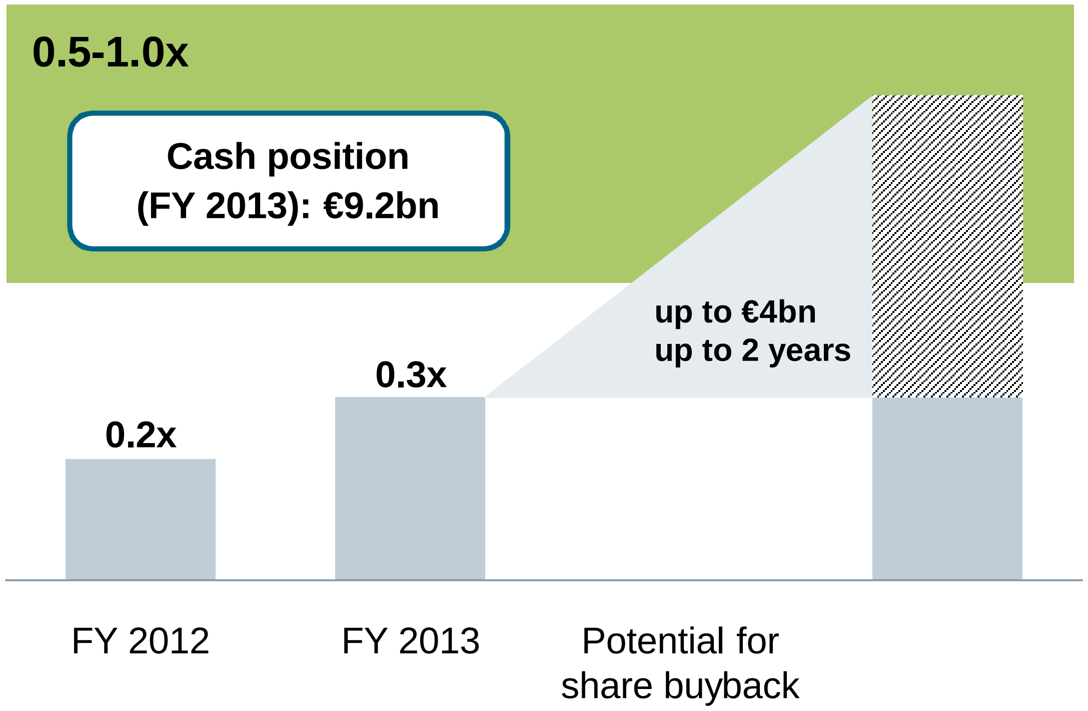
1) Shares outstanding assumption of 845m (at AGM on January 28th 2014)
2) Calculation based on share price at AGM; for 2013 on closing share price of €89.06 on Sep. 30, 2013
3) Net Income all-in adjusted for exceptional non-cash items: Impairments at NSN (2009) & DX (2010), Impairments at Solar and NSN Restructuring (2012)

Note: 2012 comparable to 2013 (incl. IAS 19R), 2009-2011 as reported (excl. IAS 19R)

Further optimization of capital structure through share buyback

Optimize capital structure ...

Adjusted industrial net debt/EBITDA



... via share buyback – key facts

Scope

- **Planned buyback volume** up to **€4bn**
- **Execution period** up to **2 years**

Reasons

- **Focus on continued shareholder return**
- **Following capital structure target** of **One Siemens Framework**

Outlook Fiscal 2014

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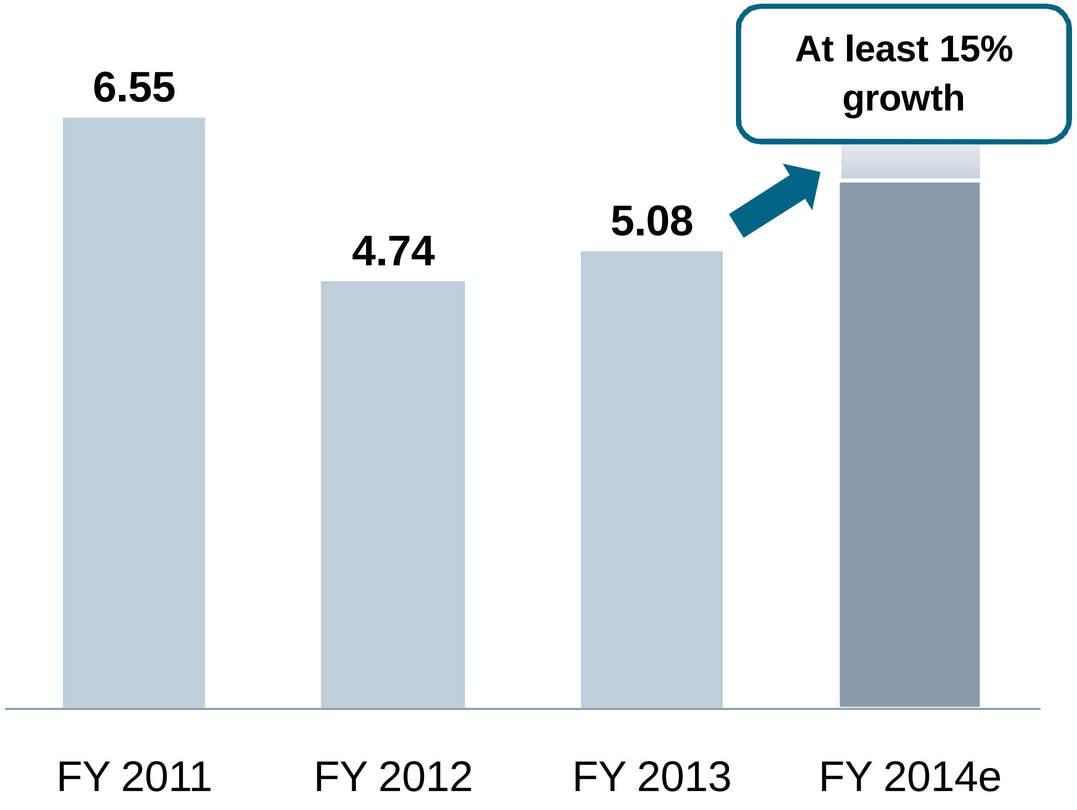
Basic earnings per share (Net income), in €



- We expect our **markets** to **remain challenging** in fiscal 2014.
- Our **short-cycle businesses** are **not anticipating a recovery until late** in the **fiscal year**.
- We expect orders to exceed revenue, for a **book-to-bill ratio above 1**.
- Assuming that **revenue** on an **organic basis remains level year-over-year**, we expect **basic earnings per share (Net Income)** for **fiscal 2014** to **grow by at least 15% from €5.08** in fiscal 2013.
- This outlook is based on **shares outstanding** of **843 million** as of September 30, 2013.
- Furthermore, it excludes impacts related to legal and regulatory matters.

Our roadmap to shape 'Siemens beyond 2014'

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Managing board

- [x] Combine Sector and Region responsibility
- [x] Streamline Management Board
- [x] Foster accountability and alignment through individual incentive model

Regional organization – Secure and optimize customer interface

- [ ] Set-up and implement lead country concept
- [ ] Further bundle support office functions in the regions

Corporate priorities

- [ ] Monitor stringent delivery on productivity program Siemens 2014
- [ ] Optimize corporate core
- [ ] Evaluate process industries opportunities

- [ ] **Strategic concept 'Siemens beyond 2014'**
- [ ] **Implementation 'Siemens beyond 2014'**

Announcement

'Siemens beyond 2014' in operation

October 2013 — May 2014 — October 2014

Appendix

Q4 FY 2013 – Key figures

Siemens (continuing operations), €m	Q4 FY 12	Q4 FY 13	Change
Orders	21,251	21,011	+3%[1)]
Revenue	21,444	21,168	+3%[1)]
Book-to-bill ratio	0.99x	0.99x	
Total Sectors profit	1,932	1,609	-17%
Income from continuing operations	1,230	1,075	-13%
Basic earnings per share (in €)	1.35	1.20	-11%
Free cash flow	4,328	4,357	+1%

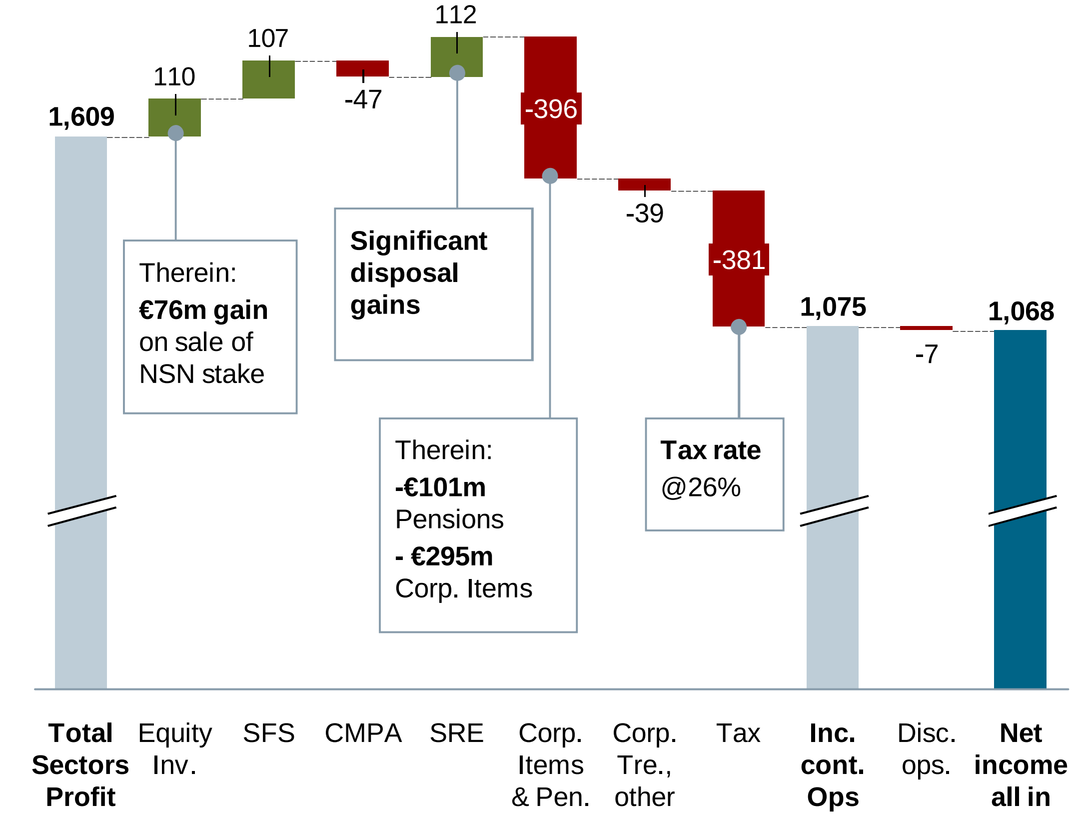
1) Change is adjusted for currency translation and portfolio effects

Below total sectors

FY 2014 – Lower volatility in Equity Investments expected

Q4 FY 2013 'Below total sectors'

€m

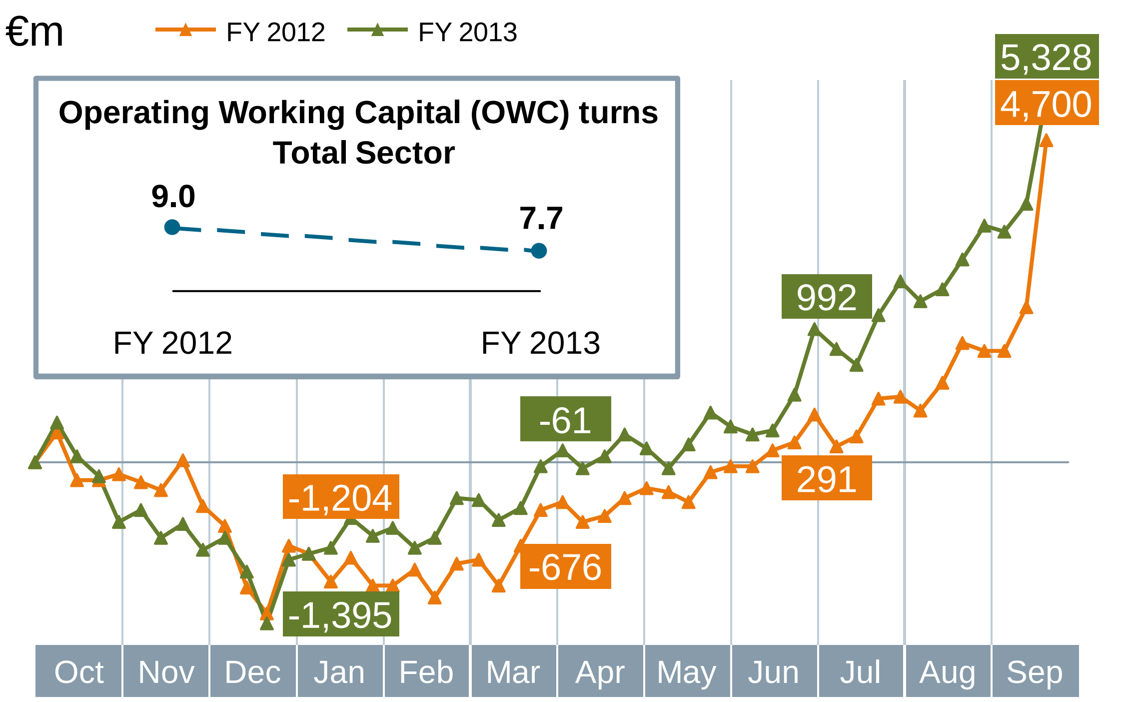


What to expect in FY 2014

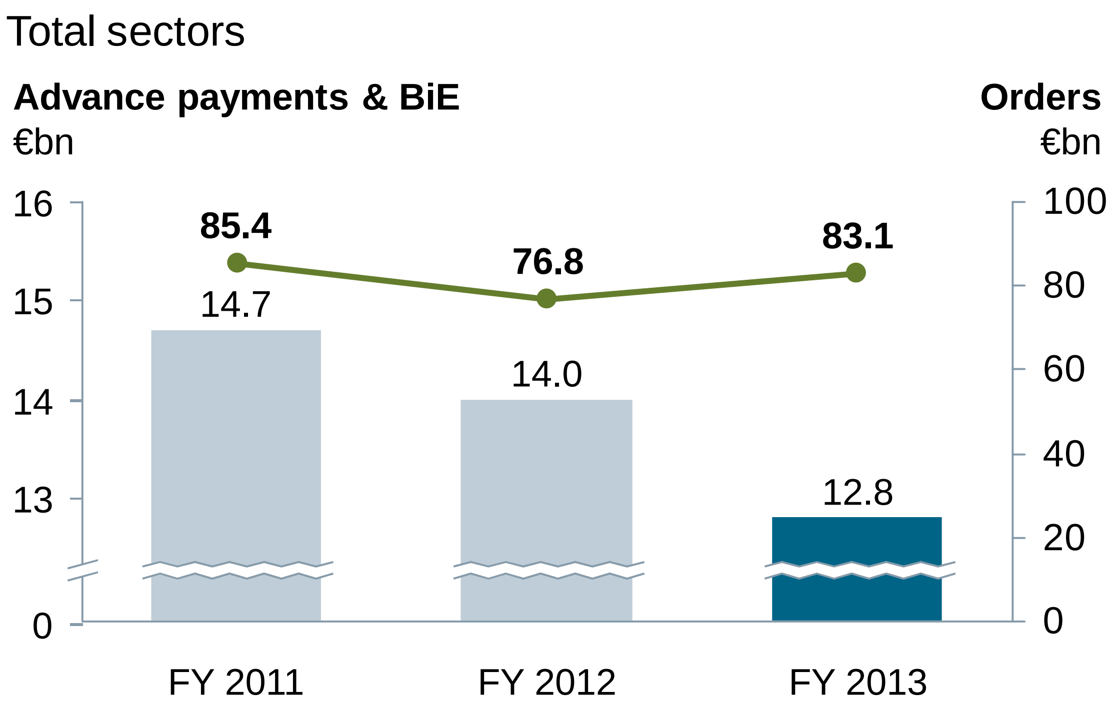
- **Equity Investments**
  - Lower volatility through NSN exit
  - Expect ~€100m contribution for FY 2014
- **SFS & CMPA** in line with FY 2013
- **SRE** dependent on disposal gains
- **Corporate Items & Pensions**
  - Run rate of approx. -€250m per quarter
  - H2 typically higher than H1
- **Corp. Treasury and other interest expense** – run rate of approx. -€50m per quarter is safe
- **Disc. Ops** – expect approx. -€100m impact

Free cash flow
Seasonal strong finish in fiscal Q4

Free cash flow development ("all-in")



Advance payments / Billings in Excess



Operating working capital mainly impacted by change in customer payment behavior

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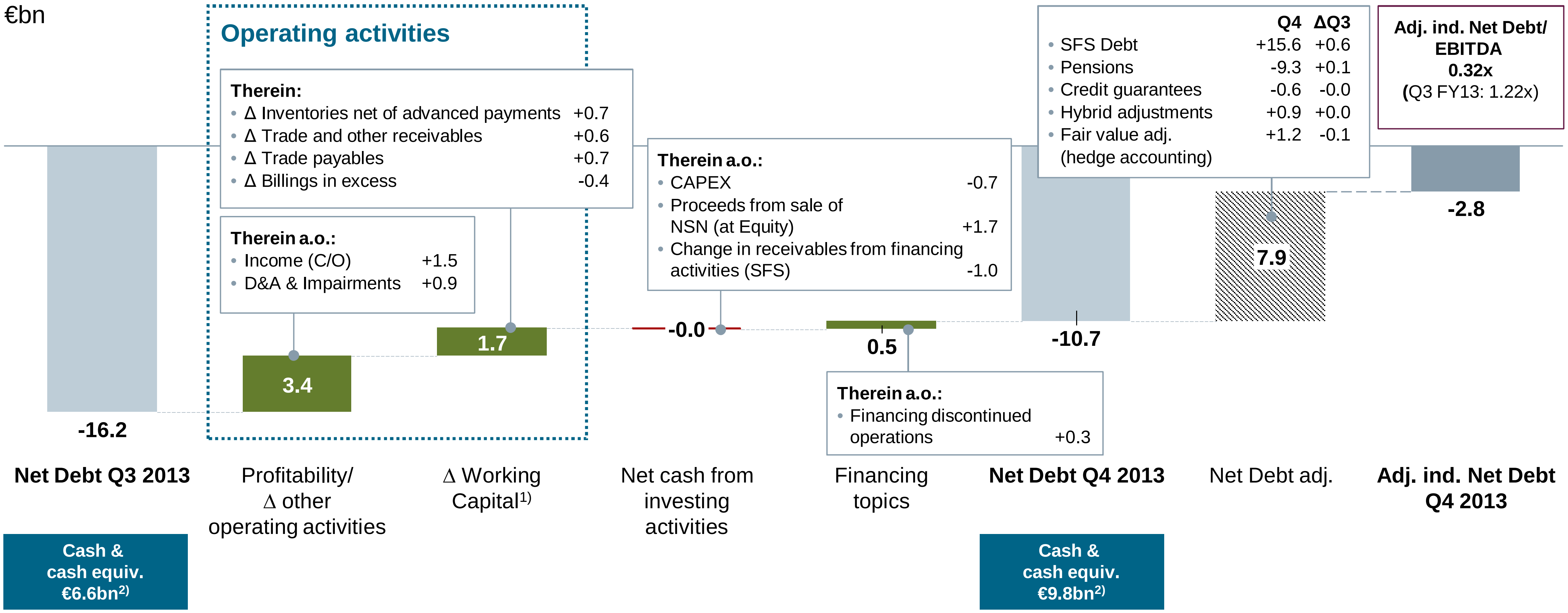
Net Debt Bridge as of Q4 FY13



1) Includes net cash used in inventories less advanced payments received, net cash provided by trade and other receivables, net cash provided by trade payables and net cash used in billings in excess of cost and in estimated earnings on uncompleted contracts and related advances (included in the consolidated statements of cash flow in change in other assets and liabilities)
2) Including available-for-sale financial assets

One Siemens financial framework sets the aspiration

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One Siemens

Financial target system

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Outperforming revenue growth	Capital efficiency	Capital structure
Growth (nominal) > most relevant competitors	ROCE (cont. ops.)[1)] **15-20%**	Adjusted industrial net debt/EBITDA **0.5-1.0x**
M&A hurdle rates 1) EVA accretive within 3 years after integration 2) 15 percent cash return within 5 years after closing[3)]	SFS ROE[2)] **15-20%**	**Payout ratio** (Dividend + Share buyback) **40-60%**[4)]

Sectors

Top EBITDA margins of respective markets throughout business cycles			
Energy **10-15%**	Healthcare **15-20%**	Industry **11-17%**	Infrastructure & Cities **8-12%**

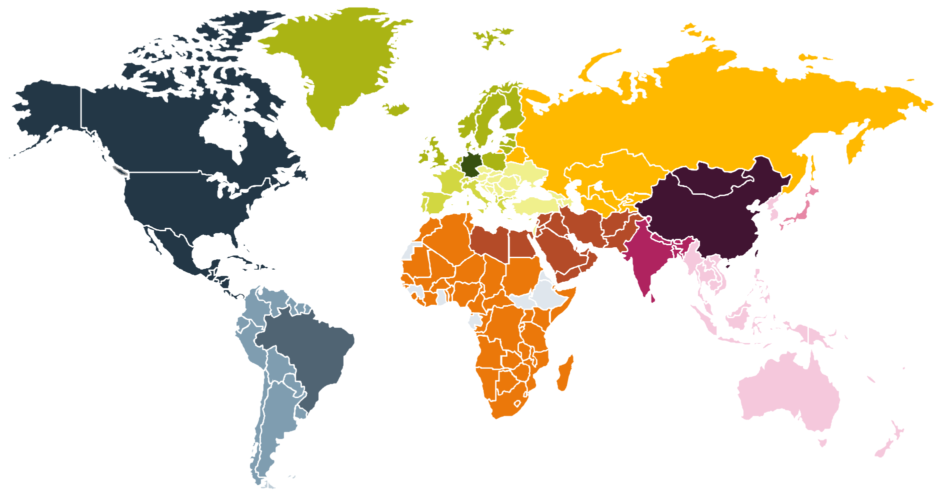
Continuous improvement relative to market/competitors

1) After tax, adjusted primarily for SFS debt, pension plans and similar commitments, hedge accounting of bonds 2) After tax
3) Cash return: Free cash flow divided by average capital employed 4) Of net income excluding exceptional non-cash items

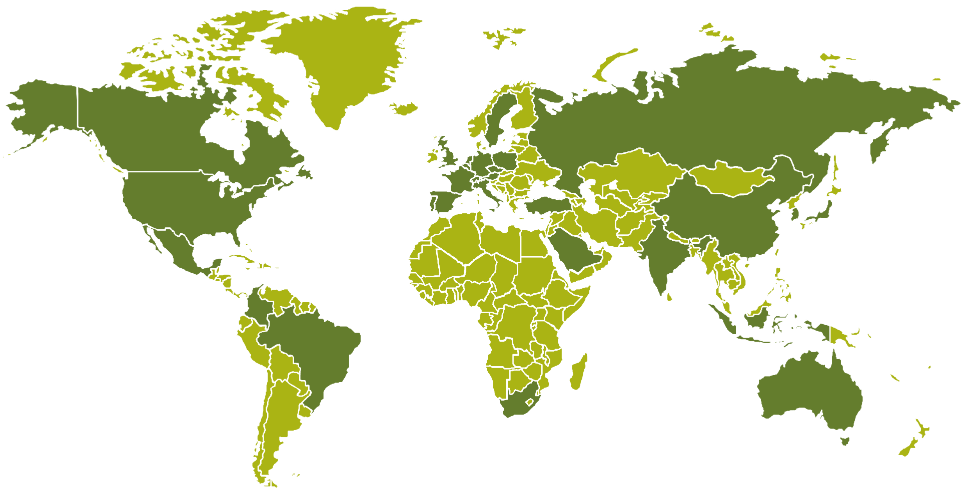
Improve customer proximity through simplified regional organization

Simplified regional set-up as of Nov. 1, 2013

Old set-up: 14 regional Clusters



New set-up: 30 Lead countries



Lead Countries Assigned Countries

- **Elimination of** one **organizational level (Clusters)**
- **30 Lead Countries**, covering >85% of Siemens' business; other Countries are **assigned** to Lead Countries; **Lead countries** report to **Managing Board**
- **Strengthened countries** and increased **customer proximity** to increase regional business
- **Direct interaction** between Lead Countries and global headquarters to speed up decision making
- **Optimization** of **support functions** to improve **productivity**

Operational priorities, clear roles & responsibilities and value culture set the stage for review of strategy 'Siemens beyond 2014'

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Management model

- Resource allocation
- Accountability
- Corporate Core
- Corporate Memory

Customer Proximity

- Lead country concept
- Localization
- Net Promoter Score (NPS) Metric for key accounts

Operational Excellence

- Risk management
- Capital efficiency
- Process optimization
- Benchmarking
- Productivity

Innovation Management

- SW Architecture
- Partner models (VCs, …)
- Innovation Board
- Operational execution in Sector business

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Reconciliation and definitions for non-GAAP measures

This document includes supplemental financial measures that are or may be non-GAAP financial measures.
Orders and order backlog; adjusted or organic growth rates of revenue and orders; book-to-bill ratio; Total Sectors profit; return on equity (after tax), or ROE (after tax); return on capital employed (adjusted), or ROCE (adjusted); Free cash flow, or FCF; adjusted EBITDA; adjusted EBIT; adjusted EBITDA margins, earnings effects from purchase price allocation, or PPA effects; net debt and adjusted industrial net debt are or may be such non-GAAP financial measures.
These supplemental financial measures should not be viewed in isolation as alternatives to measures of Siemens' financial condition, results of operations or cash flows as presented in accordance with IFRS in its Consolidated Financial Statements. Other companies that report or describe similarly titled financial measures may calculate them differently.
Definitions of these supplemental financial measures, a discussion of the most directly comparable IFRS financial measures, information regarding the usefulness of Siemens' supplemental financial measures, the limitations associated with these measures and reconciliations to the most comparable IFRS financial measures are available on Siemens' Investor Relations website at www.siemens.com/nonGAAP. For additional information, see supplemental financial measures and the related discussion in Siemens' most recent annual report on Form 20-F, which can be found on our Investor Relations website or via the EDGAR system on the website of the United States Securities and Exchange Commission.

Revenue growth – Performance against competition

To illustrate management's perspective on the Company's performance against competition, Siemens compares its own revenue growth rate with the weighted average revenue growth rate of its Sectors' most relevant competitors, including, among others, ABB, GE, Philips, Rockwell and Schneider. Revenue growth for Siemens and its competitors is calculated as the actual growth rate over a rolling four quarter period compared to the same period a year earlier. Siemens competitors revenue growth is derived as the weighted average growth rate of dedicated competitor baskets defined for each Siemens Sector. Each Sector basket's growth rate is based upon the most recent reported competitor revenues publicly available at the time of calculation. The Sector competitor baskets revenue growth rates are weighted by the revenue of the respective Siemens Sector.
This measure may provide useful information to investors with respect to management's view on Siemens' growth compared to competitor growth. However, we caution investors, that this measure is subject to certain limitations, which include the following: The metric is defined by Siemens and, as such, is not based on a generally accepted framework that is also relevant for other companies; accordingly, other companies may define a similarly titled measure differently.
In calculating this measure, Siemens relies on data published by its competitors for which Siemens assumes no responsibility. In addition, the data may not be directly comparable as a result of differing presentation currencies and reporting standards being used by our competitors in the data's presentation.
Furthermore, subject to limited exceptions, no adjustments are made for currency translation effects, portfolio changes and changes in reporting structure for either the Siemens or the competitor data. Because the public availability of relevant competitors' data at the time of calculation may not coincide with the availability of Siemens' data, some competitor data used may relate to a different time period than the Siemens data

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