

Siemens Financieringsmaatschappij N.V.

Semi annual report
March 31, 2006

Siemens Financieringsmaatschappij N.V.
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Statement of the Board of Directors

Siemens Financieringsmaatschappij N.V. ("the Company") acts as a Dutch finance company for the corporate activities of the Siemens Group and is a 100% subsidiary of Siemens AG.

The task of Siemens Financieringsmaatschappij N.V. is raising debt in the international money and capital markets for the Siemens Group. Its responsibility lies in safeguarding the Siemens Group's liquidity by establishing the necessary capital market instruments. Short term funding is managed by issuing Commercial Paper through the existing programs. For long term funding purposes bonds are issued in the capital market. Issuing will be either done under an existing Medium Term Note Program or by a single "Stand Alone Bond" transaction. To meet financial obligations under any circumstances, backstop facilities with various banks have been concluded.

Furthermore the Company acts as guarantor for Siemens Group companies.

Two new USD Bonds totalling USD 1 billion were issued in March 2006 under the current €5 billion Medium Term Note Programme. These include a floating rate Note of USD 0.5 billion maturing in 2011 and a 5.625% Note of USD 0.5 billion maturing 2016. The short term financing need during the period was covered through issuances of Commercial Papers.

The Company will continue its activities as financing company within the Siemens Group. Given its interrelatedness with the Siemens Group management refrains from commenting on the activity level and expected results for the near future.

All personnel are employed by the regional company Siemens Nederland N.V.

The Hague, May 4 2006

The Board of Directors

B.G. Trompert

Managing Director

J.W. Hesselink

Managing Director

Siemens Financieringsmaatschappij N.V.

Consolidated Balance Sheet

As per March 31, 2006 (Before appropriation of profit)

| ASSETS | Note | 31-3-2006 | 30-9-2005 |
|--|------|------------------|------------------|
| Current assets | | | |
| Siemens Group companies | 9 | 6.011.147 | 5.408.234 |
| Other receivables | 10 | 106.901 | 90.530 |
| | | <u>6.118.048</u> | <u>5.498.764</u> |
| Non-current assets | | | |
| Loans to Siemens AG | 11 | 2.496.800 | 2.500.000 |
| Other receivables | | 6.417 | 5.355 |
| | | <u>2.503.217</u> | <u>2.505.355</u> |
| Total assets | | 8.621.265 | 8.004.119 |
| LIABILITIES | | | |
| Shareholder's equity | | | |
| Issued and paid in share capital | | 10.256 | 10.256 |
| Share premium reserve | | 1.561 | 1.561 |
| Retained earnings | | 5.142 | 3.964 |
| Undistributed profit | | 1.209 | 7.734 |
| | 12 | <u>18.168</u> | <u>23.515</u> |
| Current liabilities | | | |
| Liabilities with Siemens Group companie | 13 | 112.433 | 63.790 |
| Other liabilities | 14 | 182.151 | 93.109 |
| Short term liabilities and current maturities of long term liabilities | 15 | 2.835.885 | 1.860.459 |
| | | <u>3.130.469</u> | <u>2.017.358</u> |
| Deferred income tax | 16 | 1.571 | 1.571 |
| Long term liabilities | 17 | 5.471.057 | 5.961.675 |
| Total liabilities | | 8.621.265 | 8.004.119 |

Consolidated Statement of Income
For the six months ended March 31, 2006

| | Note | 31-3-2006 | 31-3-2005 |
|---|------|-----------|-----------|
| Interest income | 19 | 182.801 | 153.295 |
| Interest expenses | 20 | -153.238 | -146.572 |
| Changes in fair value of derivative financial instruments and exchange rate differences | | -25.327 | -1.018 |
| Amortization agio | | -1658 | -1.650 |
| Other operating expenses | 21 | -590 | -831 |
| Total operating income | | 1.988 | 3.224 |
| General and administrative expenses | | -259 | -157 |
| Profit from ordinary activities before tax | | 1.729 | 3.067 |
| Income tax | | -520 | -887 |
| Profit after tax | | 1.209 | 2.180 |

Consolidated Statements of Cash Flows
As per March 31, 2006

| | 31-3-2006 | 30-9-2005 |
|---|-----------------------|----------------------|
| Cash flows from operating activities: | | |
| Net income | 1.209 | 7.734 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Amortization of prepayments | 1.658 | 1.983 |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in other current assets | -16.371 | -18 |
| Increase (decrease) in other current liabilities | 89.042 | -37.380 |
| Increase (decrease) in deferred income tax | 0 | 1.571 |
| Net cash provided by operating activities | <u>75.538</u> | <u>-26.110</u> |
| Cash flows from investing activities: | | |
| Change in receivables from Siemens Group companies, net | -487.496 | -243.010 |
| Change in receivables from third parties, net | -1.062 | 31.960 |
| Net cash provided by investing activities | <u>-488.558</u> | <u>-211.050</u> |
| Cash flows from financing activities: | | |
| Repayment and changes in fair value of medium term notes, net | 705.823 | 6.987 |
| Proceeds from issuance of commercial paper, net | -174.030 | 219.275 |
| Dividends paid | -6.556 | -4.608 |
| Net cash (used in) provided by financing activities | <u>525.237</u> | <u>221.654</u> |
| Net (decrease) increase in cash and cash equivalents | 112.217 | -15.506 |
| Cash and cash equivalents at beginning of year | 26.063 | 41.569 |
| Cash and cash equivalents at end of year | <u><u>138.280</u></u> | <u><u>26.063</u></u> |

The cash flow statement has been prepared using the indirect method.

Cash and cash equivalents relate to current accounts with Siemens Group companies and are presented under receivables from Siemens Group companies.

Notes to the Consolidated Interim Financial Statements

(1) Ultimate holding company

The company is part of a group, with Siemens AG, Berlin and Munich, Germany as the ultimate holding company.

(2) General

Unless mentioned otherwise, all amounts are stated in € 1,000.

(3) Solvency

Given the objectives of the company, the company is economically interrelated with the ultimate holding company, Siemens AG, Berlin and Munich, Germany. In assessing the solvency of the company also the solvency of the Siemens Group as a whole needs to be considered.

(4) Basis of presentation and consolidation principles

The accompanying consolidated financial statements include the accounts of Siemens Financieringsmaatschappij N.V. and its wholly owned subsidiaries Siemens Finance B.V. and Siemens Capital B.V.

Only participating interests of the Company in which the Company holds a majority interest or exercises substantial influence in some other way are consolidated.

Mutual debts, accounts receivable and transactions, as well as profits made within the consolidated companies have been eliminated in the consolidated financial statements.

(5) Accounting principles

The consolidated statements have been prepared in accordance with accounting principles generally accepted in the Netherlands (Dutch GAAP). Insofar as not stated otherwise, assets and liabilities are shown at nominal value. The income and expenses are accounted for in the period to which they relate.

Swaps are recorded at fair value, whereas the Bonds are adjusted by the fair value change of the swaps. Swaps to which hedge accounting is no longer applied are recorded at fair value, whereas the changes in fair value are accounted for in the income statements under changes in fair value of derivative financial instruments.

Accrued interests out of swaps are included in their fair value. Interest on the hedged item as well as the hedging instrument is separately accounted for under interest income and expenses.

The agio or disagio and deferred income are netted with the Bonds and written down over the duration of the loans.

Financial fixed assets are accounted for the share in the net equity value of the investment.

(6) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the balance sheet date. Transactions denominated in foreign currencies are translated at exchange rates at the date of the transaction. Exchange rate differences are accounted for in the profit and loss account.

The exchange rates of currencies of non-euro countries used in preparation of the financial statements were as follows:

| Currency | ISO code | Exchange rate (€) | | |
|----------------|----------|-------------------|-------------------|-------------------|
| | | March 31, 2006 | Sept. 30, 2005 | March 31, 2005 |
| 1 U.S. Dollar | USD | 1.2140 | 1.2042 | 1.2964 |
| 1 Swiss Franc | CHF | 1.5801 | 1.5561 | 1.5486 |
| 1 Polish Zloty | PLN | 3.9425 | 3.9185 | 4.0807 |

(7) Risk Management

The amounts received at the issue of the bonds and notes are lent to group companies. In principle, all bonds and notes bear fixed interest rates, whereas all loans to group companies bear floating interest rates. Remaining interest risks are hedged using interest rate swaps. Under the interest rate swap agreements outstanding, the Company agrees to pay a variable rate of interest times a notional principle amount, and receive in return an amount equal to a specified fixed rate of interest times the same notional amount. These derivative transactions are entered into with Financial Institutions or with Siemens AG, all of which are on market terms.

The Company does not hold any derivatives for trading or speculative purposes. Siemens AG guarantees all long-term liabilities. Exchange rate risks are in principle hedged through natural hedges and using FX instruments.

(8) Taxation

Taxes are based on the applicable tax laws and rates, taking into account any fiscal facilities. Insofar as valuations for tax purposes differ from the principles as applied in these financial statements, and these result in deferred tax liabilities, a provision is formed for these liabilities, calculated according to the corporation tax rate applicable as at balance sheet date. The taxation on result comprises both taxes payable in the short term and deferred taxes, taking account of tax facilities and non-deductible costs. Taxes are based on the applicable tax laws and rates, taking into account any fiscal facilities.

(9) Current assets from affiliated companies

| | 31-3-2006 | 30-9-2005 |
|---|-----------|-----------|
| Loans to Siemens Group companies | 5.574.945 | 5.022.019 |
| Positive market value Interest Rate Derivatives | 251.869 | 360.152 |
| Positive fair value of foreign currency derivatives | 46.053 | 0 |
| Other receivables from Siemens Group companies | 138.280 | 26.063 |
| | 6.011.147 | 5.408.234 |

The loans to Siemens Group companies all have a maturity of less than one year. The average effective interest rate is 3.5% (first half 2005 2.5%). Mainly due to increase of the dollar related loans. The other receivables from group companies represent interest accruals and current account balances.

The positive fair value of foreign currency derivatives relates to a foreign currency derivative, hedging the interest rate risk due to intercompany loans in USD, which funds were derived out of bonds in €, issued July 2001.

(10) Other receivables

| | 31-3-2006 | 30-9-2005 |
|---|-----------|-----------|
| Positive market value Interest Rate Derivatives | 58.532 | 46.666 |
| Loans to related companies | 43.851 | 43.846 |
| Other receivable | 4.519 | 18 |
| | 106.901 | 90.530 |

The loans to related companies represent a loan issued by Siemens Capital B.V. to Fujitsu Siemens Computers (Holding) B.V., a joint venture between Fujitsu Limited, Japan and Siemens AG, Germany. This loan bears an interest rate based upon the floating 3-month EURIBOR (Euro Interbank Offered Rate) interest rate plus a margin of 20 basis points.

(11) Loans to Siemens AG

This represents a long-term loan agreement between Siemens Finance B.V. and Siemens AG. Siemens Finance B.V. derived the funds out of the issue of €2.5 billion Convertible Notes on June 4, 2003. The loan has to be repaid in 2010, and bears a fixed interest rate of 1.4375%. As the loan is related to the convertible Note, repayments can occur while investors can convert the Note into stocks or the cash equivalent.

(12) Shareholder's equity

The authorised share capital of Siemens Financieringsmaatschappij N.V. is divided in 50,000 shares with a nominal value of €1 thousand each, of which 10,256 shares have been issued and paid in.

The changes in shareholder's equity can be specified as follows:

| | Issued and paid-in capital | Share premium reserve | Retained earnings | Undistributed profit | Total |
|---|----------------------------|-----------------------|-------------------|----------------------|--------|
| Balance as at September 30, 2004 | 10.256 | 1.561 | 3.964 | 4.608 | 20.389 |
| Appropriation of undistributed profit | 0 | 0 | 4.608 | -4.608 | 0 |
| Dividend | 0 | 0 | -4.608 | 0 | -4.608 |
| Profit for the year ended September 30, 2005 | 0 | 0 | 0 | 7.734 | 7.734 |
| Balance as at September 30, 2005 | 10.256 | 1.561 | 3.964 | 7.734 | 23.515 |
| Appropriation of undistributed profit | 0 | 0 | 7.734 | -7.734 | 0 |
| Dividend | 0 | 0 | -6.556 | 0 | -6.556 |
| Profit for the half-year ended March 31, 2006 | 0 | 0 | 0 | 1.209 | 1.209 |
| | 10.256 | 1.561 | 5.142 | 1.209 | 18.168 |

(13) Liabilities with Siemens Group companies

This represents a loan agreement with Siemens Nederland N.V., the Dutch regional company fully owned by Siemens AG amounting to €44 million and loans with Siemens AG amounting €61 million. Siemens Capital B.V. is the borrower in these agreements.

The remainder represents the negative fair value of foreign currency derivatives hedging interest rate risk with Siemens AG.

(15) Other liabilities

| | 31-3-2006 | 30-9-2005 |
|--------------------------------|-----------|-----------|
| Interest accrual bonds payable | 178.665 | 92.198 |
| Payable income tax | 287 | 911 |
| Other accruals | 3.199 | 0 |
| | 182.151 | 93.109 |

The increase in interest accruals on bonds is mainly due to the higher accrual on the interest's payable on bonds with a coupon-date in July.

(15) Short term liabilities and current maturities of long term liabilities

| | 31-3-2006 | 30-9-2005 |
|----------------------------------|-----------|-----------|
| 5.00% 2001/2006 EUR Bonds | 1.603.110 | 1.625.270 |
| 2.50% 2001/2007 CHF Bonds (EMTN) | 157.061 | 0 |
| 5.50% 1997/2007 EUR Bonds | 1.014.555 | 0 |
| commercial paper PLN | 12.154 | 94.578 |
| commercial paper USD | 49.005 | 140.611 |
| | 2.835.885 | 1.860.459 |

Also refer to note 17 for further details.

(16) Deferred income tax

The provision for deferred tax liabilities comprises the tax impact of the differences between commercial and tax profit determination of swaps to which hedge accounting is no longer applied. The deferrals with a residual term of one year and less amount to nil.

(17) Long term liabilities

Siemens constantly monitors funding options available in the capital markets as well as trends in the availability and cost of such funding, with a view to ensuring an appropriate overall funding situation.

Siemens AG has an agreement with financial institutions under which it may issue up to €3.0 billion commercial paper. The Company participates in this agreement as issuer. As per March 31, 2006 the Company has commercial paper outstanding amounting to €61 million.

The Company also participates in agreements with financial institutions under which it can act as an issuer of up to €5.0 billion in European Medium-Term Notes (EMTN). In March 2006 USD 1.0 billion was issued by the Company under this program. At March 31, 2006 the Company has liabilities totalling €1.0 billion under this program.

The 5.5% 1997/2007 Bond was issued as a tri-bond in the currencies FFR, DEM and NLG. After the

introduction of the euro the bonds were converted into one EUR Bond with a nominal value of €1.0 billion.

In 2001 the Company issued two Bonds of €2 billion each. After partial repayment in 2004 the remaining liability amounts €1.6 billion for the 5% Bond maturing in 2006 and €2.0 billion for the 5.75% Bond maturing in 2011

Siemens AG concluded a multi-currency revolving credit facility of USD 5.0 billion expiring March 2012 provided by a syndicate of international banks. Borrowings under this credit facility bear interest of 0.15% above either EURIBOR (Euro Interbank Offered Rate) in case of a draw down in euros, or LIBOR (London Interbank Offered Rate) in case of a draw down in the other currencies agreed on.

In addition Siemens AG established a revolving credit facility for an aggregate amount of €450 million expiring in September 2012 provided by a German Bank. The Company participates in both revolving credit facilities. As at March 31, 2006, the full amount of this line of credit remained unused.

In June 2003, Siemens Finance B.V. issued €2.5 billion of Convertible Notes, which are fully and unconditionally guaranteed by Siemens AG. The Convertible Notes have a 1.375% coupon and are convertible into approximately 44.5 million shares of Siemens AG (the "Shares") at a conversion price of €56.1681 per Share, which is subject to change under certain circumstances, or the cash equivalent amount at the discretion of Siemens Finance B.V. The conversion right is contingently exercisable by the holders upon the occurrence of one of several conditions, most notably, upon the Siemens' share price having exceeded 110% of the conversion price on at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of any calendar quarter. This condition was fulfilled as per December 31, 2003. As such holders currently have the possibility to exercise their conversion right.

End of March 2006 the first investor exercised his right for conversion. The outstanding amount of the loan was decreased by €3.2 million. Following the agreement between Siemens Finance B.V. and Siemens AG the difference between this €3.2 and the value of the stocks is paid by Siemens AG. Siemens Finance B.V. may, at any time after June 18, 2007, redeem the notes outstanding at their principal amount together with interest accrued thereon, if Siemens' share price exceeds 130% of the conversion price on any 15 of 30 consecutive trading days before notice of early redemption. Unless previously redeemed, converted or repurchased and cancelled, the notes mature on June 4, 2010.

The Bonds are adjusted by the fair value change of the related swaps, and the agio or disagio is netted with the related Bonds.

The long term liabilities consist of the following loans:

| | 31-3-2006 | 30-9-2005 |
|--|-----------|-----------|
| 5.75% 2001/2011 EUR Bonds | 2.152.618 | 2.265.899 |
| 2.50% 2001/2007 CHF Bonds (EMTN) | 0 | 158.866 |
| 5.50% 1997/2007 EUR Bonds | 0 | 1.036.910 |
| 5,625% 2006/2016 USD Bonds (EMTN) | 410.748 | 0 |
| FRN 2006/2011 USD Bonds (EMTN) | 410.892 | 0 |
| 1.375% 2001/2011 EUR Convertible Notes | 2.496.800 | 2.500.000 |
| | 5.471.058 | 5.961.675 |

(18) Obligations not shown in the consolidated balance sheet

The Company furthermore has provided guarantees for Siemens Group companies. As per March 31, 2006 the outstanding guaranties amounted to €28 million (2005: €31 million).

Siemens Financieringsmaatschappij N.V. is the head of a fiscal unity for corporate income tax. As a consequence Siemens Financieringsmaatschappij N.V. is liable for any debt arising for any other member of the fiscal unity.

(19) Interest income

| | 31-3-2006 | 31-3-2005 |
|----------------------------------|-----------|-----------|
| Interest SWAPS | 70.169 | 73.951 |
| Interest Siemens Group companies | 112.069 | 78.303 |
| Interest related companies | 563 | 1.041 |
| | 182.801 | 153.295 |

(20) Interest expenses

| | 31-3-2006 | 31-3-2005 |
|---|-----------|-----------|
| Interest short term and long term liabilities | -152.385 | -146.572 |
| Interest Siemens Group companies | -853 0 | 0 |
| | -153.238 | -146.572 |

(21) Other operating expenses

These represent the guarantee fee paid to Siemens AG, acting as guarantor when issuing bonds and notes and the amortisation of issuance costs.

(22) Related party transactions

- Related parties may include the Siemens Group companies and their related parties and the directors of the companies.
- During the period the Company has entered into transactions with related parties, primarily finance transactions. These transactions are in principle priced based on prevailing market conditions at that moment, i.e. at arms' length, including a small mark-up for the Company.
- The directors of the Company received their salary through another Siemens Group company. No other transactions were concluded with the directors.
- For volumes of transactions and outstanding balances at period-end with related parties, reference is made to the notes of the financial statements.

Siemens Financieringsmaatschappij N.V.

Company Balance Sheet

As per March 31, 2006 (Before appropriation of profit)

| ASSETS | Note | 31-3-2006 | 30-9-2005 |
|--|------|------------------|------------------|
| Current assets | | | |
| Siemens Group companies | 2 | 5.913.405 | 5.391.850 |
| Other receivables | 3 | 63.051 | 46.684 |
| | | <u>5.976.456</u> | <u>5.438.534</u> |
| Non-current assets | | | |
| Financial fixed assets | 4 | 4.666 | 5.177 |
| Other non-current assets | | 6.417 | 5.355 |
| | | <u>11.083</u> | <u>10.532</u> |
| Total assets | | 5.987.539 | 5.449.066 |
| LIABILITIES | | | |
| | Note | 31-3-2006 | 9-30-2005 |
| Shareholder's equity | | | |
| Issued and paid in share capital | | 10.256 | 10.256 |
| Share premium reserve | | 1.561 | 1.561 |
| Retained earnings | | 5.142 | 3.964 |
| Undistributed profit | | 1.209 | 7.734 |
| | 5 | <u>18.168</u> | <u>23.515</u> |
| Current liabilities | | | |
| Liabilities with Siemens Group companies | 6 | 7.017 | 19.944 |
| Other liabilities | 7 | 150.641 | 81.902 |
| Short term liabilities and current maturities of long term liabilities | 8 | 2.835.885 | 1.860.459 |
| | | <u>2.993.543</u> | <u>1.962.305</u> |
| Deferred Income Tax | | 1.571 | 1.571 |
| Long term liabilities | 9 | 2.974.257 | 3.461.675 |
| Total liabilities | | 5.987.539 | 5.449.066 |

Company Statement of Income
For the six months ended March 31, 2006

| | Note | 31-3-2006 | 31-3-2005 |
|---|------|-----------|-----------|
| Interest income | 11 | 163.866 | 134.434 |
| Interest expenses | | -135.280 | -128.601 |
| Changes in fair value of derivative financial instruments and exchange rate differences | | -25.327 | -1.018 |
| Amortisation of Agio | | -1.658 | -1.650 |
| Other operating expenses | | -590 | -831 |
| Total operating income | | 1.011 | 2.334 |
| General and administrative expenses | | -234 | -152 |
| Profit from ordinary activities before tax | | 777 | 2.182 |
| Tax on profit from ordinary activities | | -234 | -601 |
| Profit from ordinary activities after tax | | 543 | 1.581 |
| Result from participations | | 666 | 599 |
| Profit after tax | | 1.209 | 2.180 |

Notes to the Company Interim Financial Statements

(1) General

The Company interim accounts are published together with the consolidated Interim Report of Siemens Financieringsmaatschappij N.V. The principles for valuation of assets and liabilities and determination of results are the same as for the consolidated balance sheet and statement of income. Where items from the balance sheet and statement of income are not explained in detail below, reference is made to the notes to the consolidated balance sheet and statement of income. In this respect explicit reference is made to notes 1 to 3 and 5 to 8 of the consolidated financial statements, which are equally applicable to the Company interim financial statements.

(2) Current assets with affiliated companies

| | 31-3-2006 | 30-9-2005 |
|---|------------------|------------------|
| Loans to Siemens Group companies | 5.574.945 | 5.022.019 |
| Positive market value Interest Rate Derivatives | 251.869 | 360.152 |
| Positive fair value of foreign currency derivatives hedging interest rate risks | 46.053 | 0 |
| Other receivables from Siemens Group companies | 40.538 | 9.679 |
| | <u>5.913.405</u> | <u>5.391.850</u> |

The loans to Siemens Group companies all have a maturity of less than one year. The average effective interest rate is 3,5% (first half 2005 2.5%). Mainly due to increase of the dollar related loans. The positive fair value of foreign currency derivatives relates to foreign currency derivatives, hedging the interest rate risk due to intercompany loans in USD, which funds were derived out of bonds in € issued July 2001.

The other receivables from affiliated companies represent interest accruals and current account balances.

(3) Other receivables

| | 31-3-2006 | 30-9-2005 |
|---|---------------|---------------|
| Positive market value Interest Rate Derivatives | 58.532 | 46.666 |
| Tax receivables | 645 | 0 |
| Other receivables | 3.874 | 18 |
| | <u>63.051</u> | <u>46.684</u> |

(4) Financial fixed assets

This represents the subsidiaries Siemens Finance B.V. and Siemens Capital B.V., both fully owned companies by Siemens Financieringsmaatschappij N.V.

| | |
|---|--------|
| Balance at September 30, 2005 | 5.177 |
| Dividend | -1.177 |
| Profit for the half-year ended March 31, 2006 | 666 |
| Balance at March 31, 2006 | 4.666 |

These subsidiaries are valued according to the equity method on the basis of net asset value. The net asset value is calculated on the basis of the accounting principles of Siemens Financieringsmaatschappij N.V. wherever as possible. See also note 5 to the consolidated interim financial statements.

(5) Shareholder's equity

For the review of the composition of the shareholder's equity, we refer to the notes to the consolidated financial statement.

(6) Current liabilities with Siemens Group companies

| | 31-3-2006 | 30-9-2005 |
|---|-----------|-----------|
| Negative fair value of foreign currency derivatives hedging interest rate risks with Siemens AG | 7.017 | 19.944 |
| | 7.017 | 19.944 |

(7) Other liabilities

| | 31-3-2006 | 30-9-2005 |
|--------------------------------|-----------|-----------|
| Interest accrual bonds payable | 150.354 | 80.991 |
| Payable income tax | 287 | 911 |
| | 150.641 | 81.902 |

The increase in interest accruals on bonds is mainly due to the higher accrual on the interest's payable on bonds with a coupon-date in July.

(8) Short term liabilities and current maturities of long term liabilities

| | 31-3-2006 | 30-9-2005 |
|----------------------------------|-----------|-----------|
| 5.00% 2001/2006 EUR Bonds | 1.603.110 | 1.625.270 |
| 2.50% 2001/2007 CHF Bonds (EMTN) | 157.061 | 0 |
| 5.50% 1997/2007 EUR Bonds | 1.014.555 | 0 |
| commercial paper PLN | 12.154 | 94.578 |
| commercial paper USD | 49.005 | 140.611 |
| | 2.835.885 | 1.860.459 |

For further details of the liabilities as at March 31, 2006 reference is made to the notes at the consolidated financial statements.

(9) Long term liabilities

| | 31-3-2006 | 30-9-2005 |
|-----------------------------------|-----------|-----------|
| 5.75% 2001/2011 EUR Bonds | 2.152.618 | 2.265.899 |
| 2.50% 2001/2007 CHF Bonds (EMTN) | 0 | 158.866 |
| 5.50% 1997/2007 EUR Bonds | 0 | 1.036.910 |
| 5,625% 2006/2016 USD Bonds (EMTN) | 410.748 | 0 |
| FRN 2006/2011 USD Bonds (EMTN) | 410.892 | 0 |
| | 2.974.257 | 3.461.675 |

(10) Obligations not shown in the consolidated balance sheet

The Company furthermore has provided guarantees for affiliated companies. As per March 31, 2006 the outstanding guaranties amounted to €28 million (2005 €31 million).

Siemens Financieringsmaatschappij N.V. is the head of a fiscal unity for corporate income tax. As a consequence Siemens Financieringsmaatschappij N.V. is liable for any debt arising for any other member of the fiscal unity.

(11) Interest income

| | 31-3-2006 | 31-3-2005 |
|----------------------------------|-----------|-----------|
| Interest SWAPS | 70.169 | 73.951 |
| Interest Siemens Group companies | 93.697 | 60.483 |
| | 163.866 | 134.434 |