

Shaping the future of Industrial Automation

The background of the slide is a photograph of an industrial setting. In the foreground, a hand holds a tablet displaying a 3D CAD model of a mechanical assembly. In the background, two men are working with industrial machinery. One man is standing and interacting with a control panel, while the other is crouching and working on a large, complex machine. The scene is brightly lit, suggesting a modern factory environment.

Anton S. Huber
CEO Industry Automation Division

Capital Market Day Siemens Industry
Hanover, April 11, 2013

Safe Harbour Statement

This document includes supplemental financial measures that are or may be non-GAAP financial measures. New orders and order backlog; adjusted or organic growth rates of revenue and new 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; cash conversion rate, or CCR; 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.

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 stockholders 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: 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.

Industry Automation

Four business units serve the automation market

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2012 Revenue: €9.6bn, employees: 40,000 ¹⁾



Industrial
Automation Systems



Siemens
PLM Software



Sensors and
Communication



Control Components and
Systems Engineering



Water
Technologies



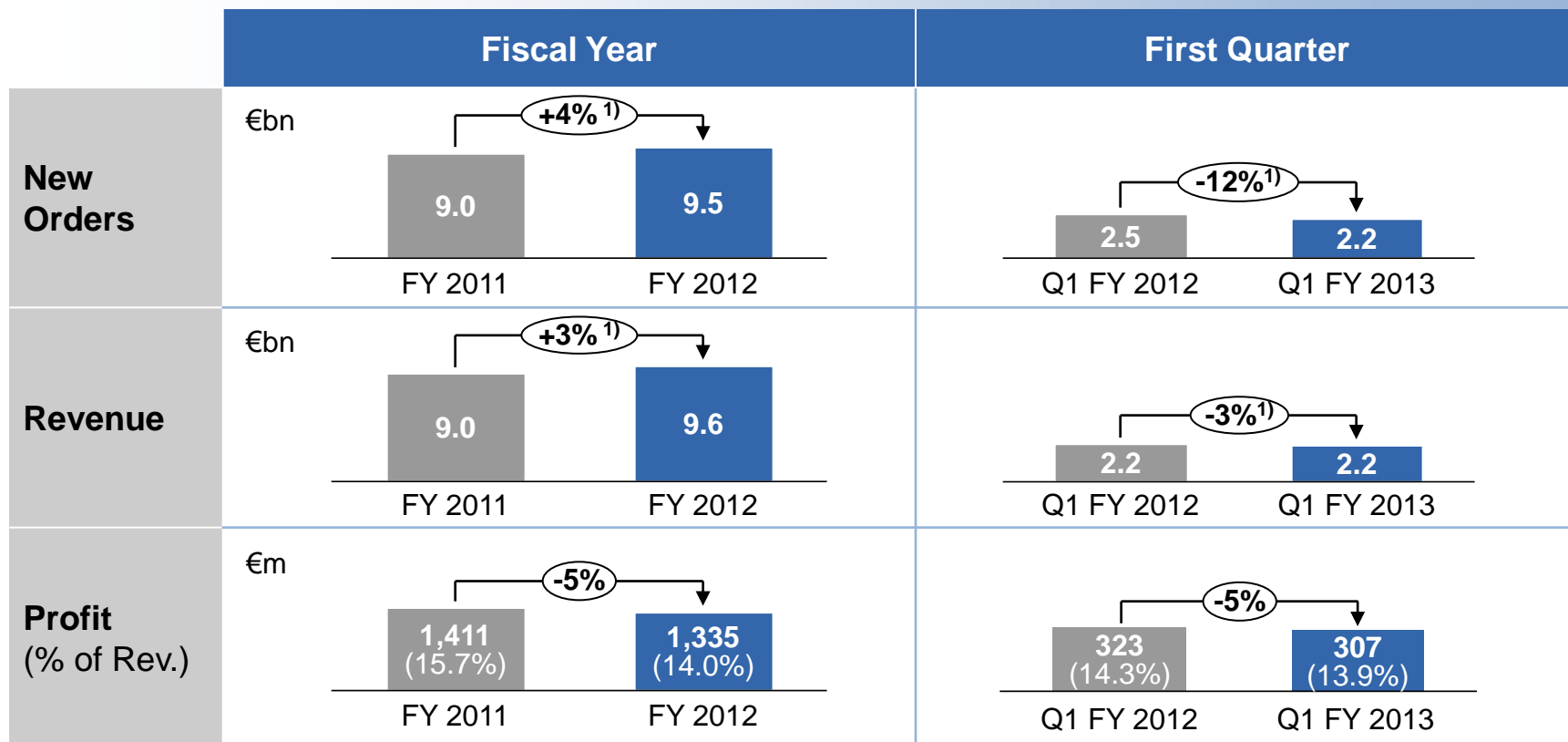
To be
divested

Market growth CAGR (2012 >2018e)



1) As of Dec. 31, 2012, excluding CS and w/o LMS

Despite market weakness core automation business shows robust performance



Bottom line impacted by restructuring projects, change of business mix and M&A activities

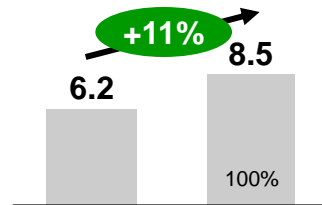
1) Y-o-Y on a comparable basis, i.e. excluding currency translation and portfolio effects

Worldwide presence to tap global opportunities

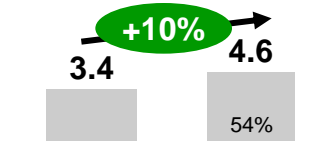
External revenue ¹⁾ by regions FY 2012

€bn/CAGR in %

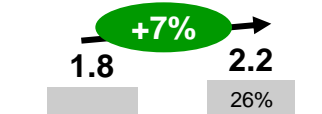
World



Europe,
Middle East,
Africa



Americas



Asia,
Australia



FY 2009 FY 2012

We are where the market is

17 factories worldwide ²⁾:

- Asia: 3
- Americas: 5
- Europe: 9; thereof Germany: 4

43 R&D centers worldwide:

- Asia: 6
- Americas: 14
- Europe: 23
- >80% of R&D staff are software engineers



Adapting our footprint to follow the global growth pattern

1) W/o intercompany business, incl. Water Technologies and Service business. Total revenue FY 2012: € 9.6bn

2) As of Sep. 30, 2012 w/o factories Water Technologies

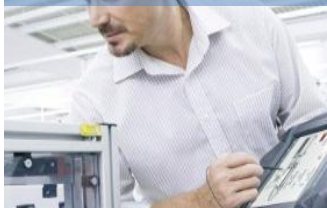
Signature industries of Industry Automation

Discrete Automation

Automotive



Machine Builders



Aerospace and Defense



Process Automation

Food & Beverage



Pharma



Chemical



SIMATIC DCS system enables full exploitation of PLC potential in hybrid vertical markets

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€3bn



€7bn

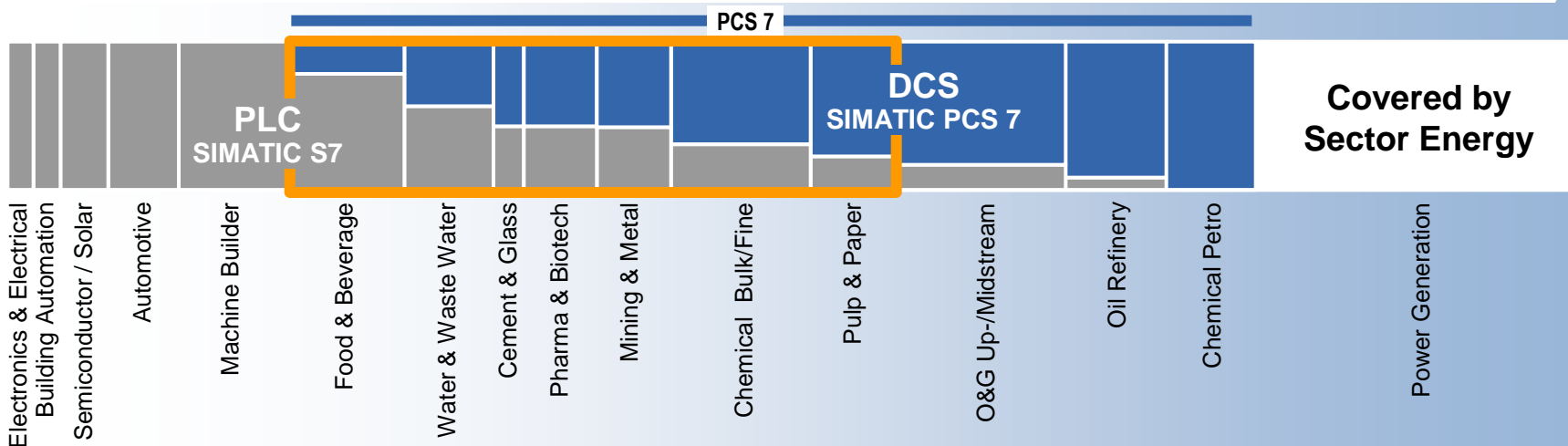


€8bn

**Discrete
(PLC)**

**Hybrid
Primary (DCS)/Secondary (PLC)**

**Process
(DCS)**



Source market: ARC 2011

€x

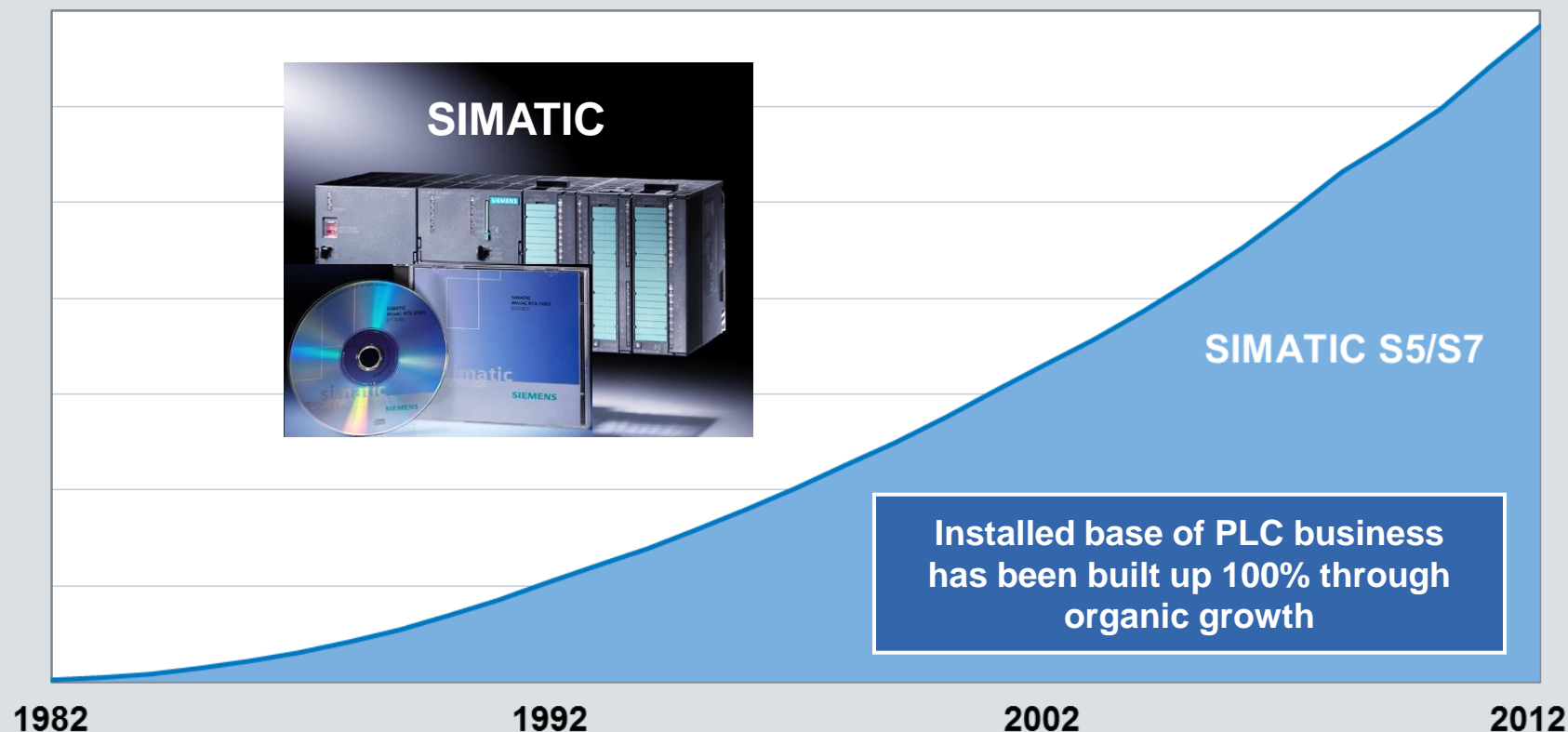
PLC/DCS market size for respective verticals

Hybrid industries

Installed base of PLC systems is foundation of the excellent profitability of manufacturing automation

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Installed base SIMATIC S7/S5 (cumulated revenue > €20bn)



Driving growth in developed markets

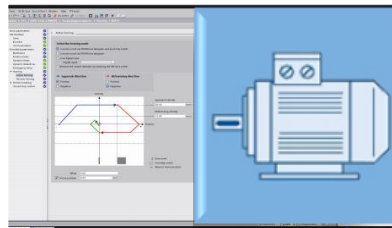
New high performance CPU will accelerate organic growth

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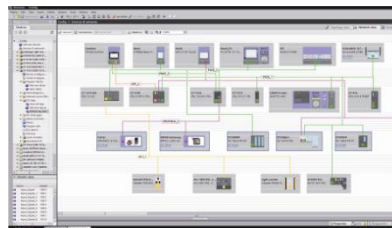
SIMATIC S7-1500



Enhanced IT security by hardware and software based access protection



Integrated drive systems



Engineering fully supported by new engineering platform TIA Portal

Driving growth in developed markets

New, fully integrated automation engineering environment

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Industry Automation

SIMATIC Controller



- S7-300/400
- WinAC
- S7-1200
- **S7-1500 *NEW**

SIMATIC HMI



- Basic panels
- Comfort panels
- WinCC runtime

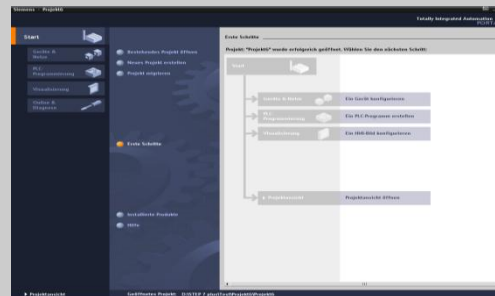
SIMATIC NET



- Profibus
- Profinet
- IWLAN

TIA Portal

One engineering tool for all automation engineering tasks



- Supporting customer engineering workflow
- Intuitive Engineering

Drive Technologies

SINAMICS

G120 *NEW



SIMOTION

Next expansion stages



SINUMERIK

Future expansion stages



Providing customer software tools to significantly reduce engineering hours for advanced automation solutions

TIA Portal

Highly attractive software tools for customers

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Long-term partnership with BMW

- Unique long-term commitment (15 years) from automotive customer
- PLC hardware, engineering and visualization based on TIA Portal in all plants worldwide



BMW commits to Siemens for 15 years as single preferred supplier of new automation technology – globally

Driving growth in emerging markets: Example China

Long-term strategy and investments are starting to pay off

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Portfolio SIMATIC CPUs

High Performance CPUs

SIMATIC S7-1500



SIMATIC S7-300

Mainstream CPUs

SIMATIC S7-1200



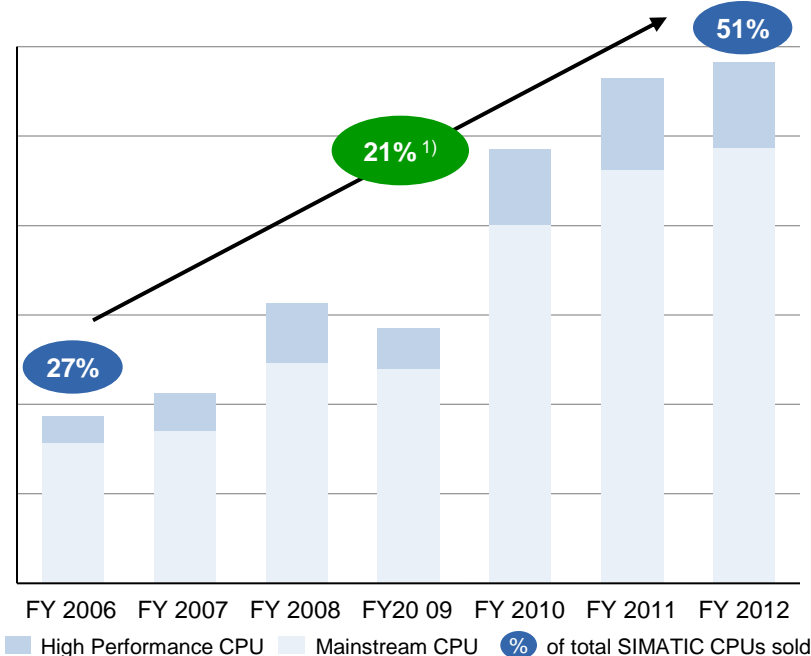
SIMATIC S7-200CN



S7-200 SMART PLC



China has become Siemens' most important PLC market



Siemens Industry Automation is the leading PLC provider in China

Industrial Software business with high growth and margin potential based on recurring license fees

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IT Strategic Partnerships

Siemens Industry Software
Market size 2012: €18bn

Browse

Desktop Productivity
(document-centric)

Business Support
(transaction/record-centric)



Industrial Operations
(product/plant-centric)



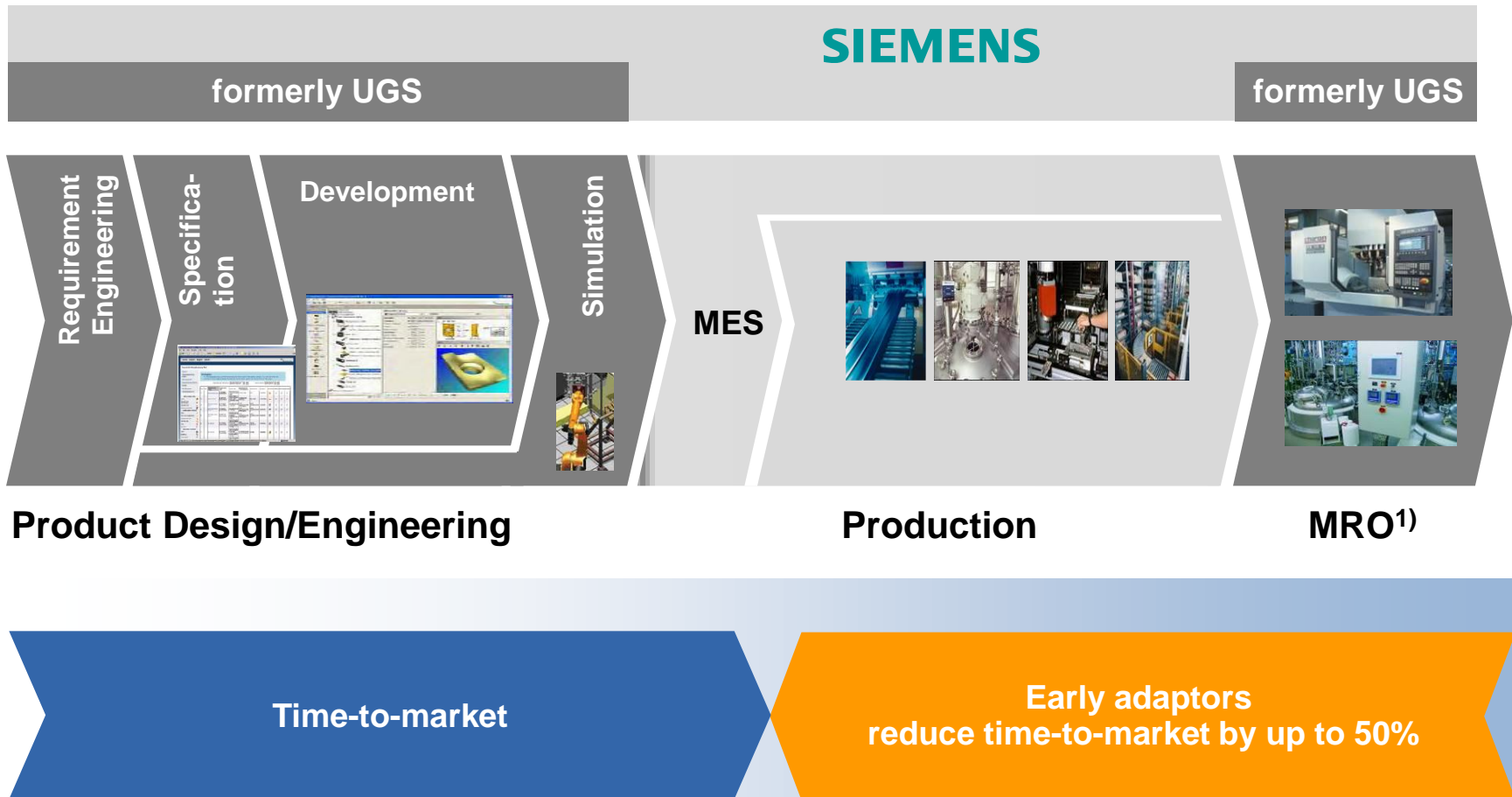
IT Infrastructure
(hardware-centric)



Siemens operates its software business as a product business and cooperates with all IT service providers selected by customers to build their IT solutions!

Seamless software support along the whole value-add process is key to accelerate time-to-market

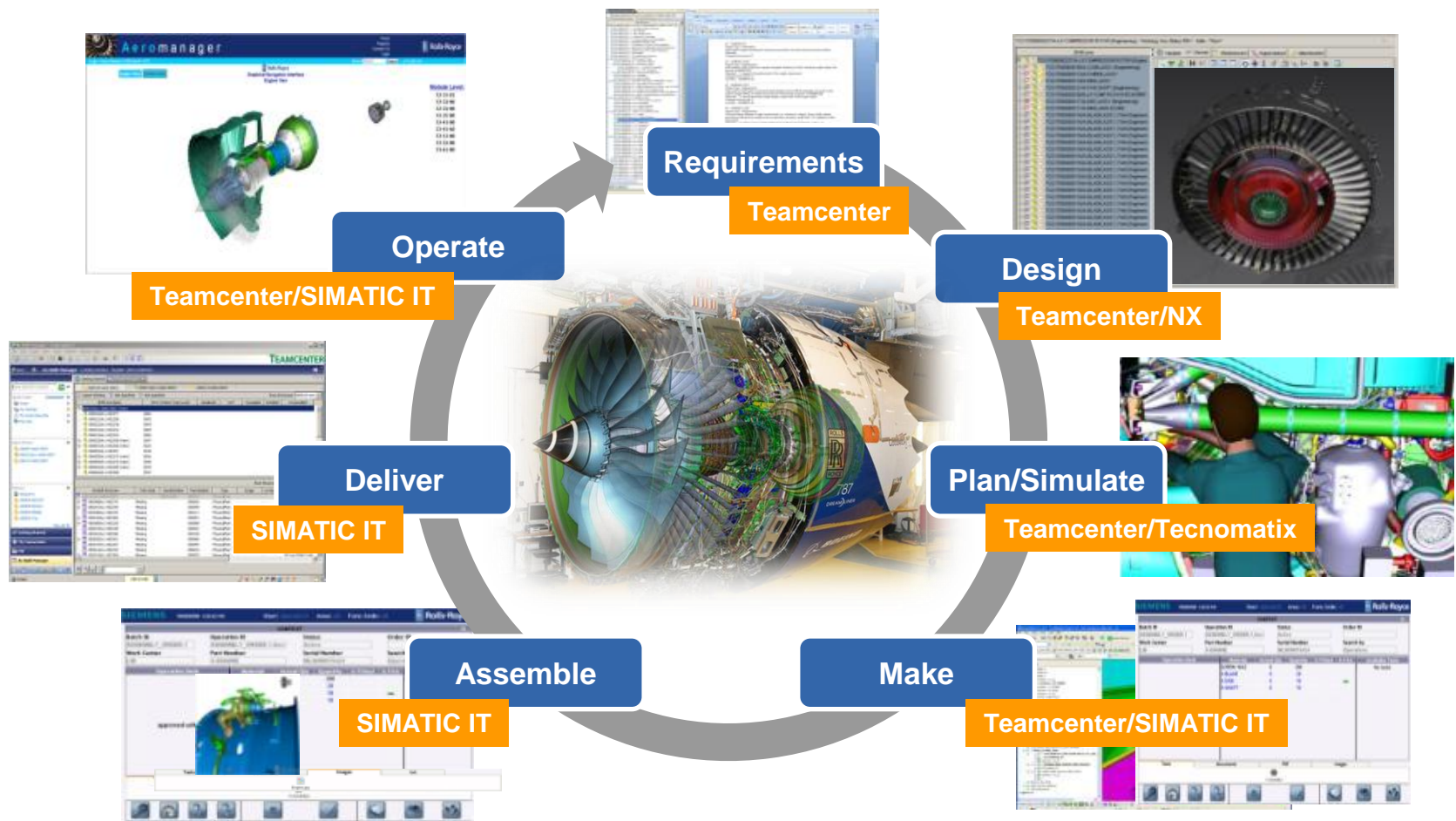
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1) MRO: Maintenance, Repair, Overhaul

Siemens Industry Software supports the whole design, make and maintenance process of Rolls-Royce turbines

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IA's contribution to Industry 2014 targets

Main levers

Top Priority: Strengthen core activities

Cost Reduction

- Optimized global footprint – Procurement
- SG&A Process Optimization
- R&D Process Optimization

Strengthen core activities

- **Sell water treatment activities:**
 - ~€1bn revenue; **4,500 FTE**
- **Ramp down of:**
 - Solar inverters and Electronic Design and Manufacturing Services **~350 FTE**
- **Reduce low margin solution business** in non-core applications

Process Optimization

- Streamline **Product Lifecycle Management** processes to increase overall **efficiency** and **effectiveness**
- Accelerate innovation speed:
Significantly **reduce Time to Profit**
- Increase sales productivity by expanding partner network

Optimized global footprint

- **Expanding Chinese manufacturing footprint:**
 - **Chengdu**
 - **Dalian**
 - **Suzhou**

Remaining in the driver seat to shape the future of industrial automation



Strengthen leading position in Automation

by driving growth with recent innovations TIA Portal and S7 1500 CPU

Continue to expand the industry software business

primarily by organic efforts but also by M&A opportunities

Drive operational excellence and profitability

by optimizing portfolio and business processes

Reconciliation and Definitions for Non-GAAP Measures



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