

Infrastructure & Cities (IC) Analyst Call

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Safe Harbour Statement

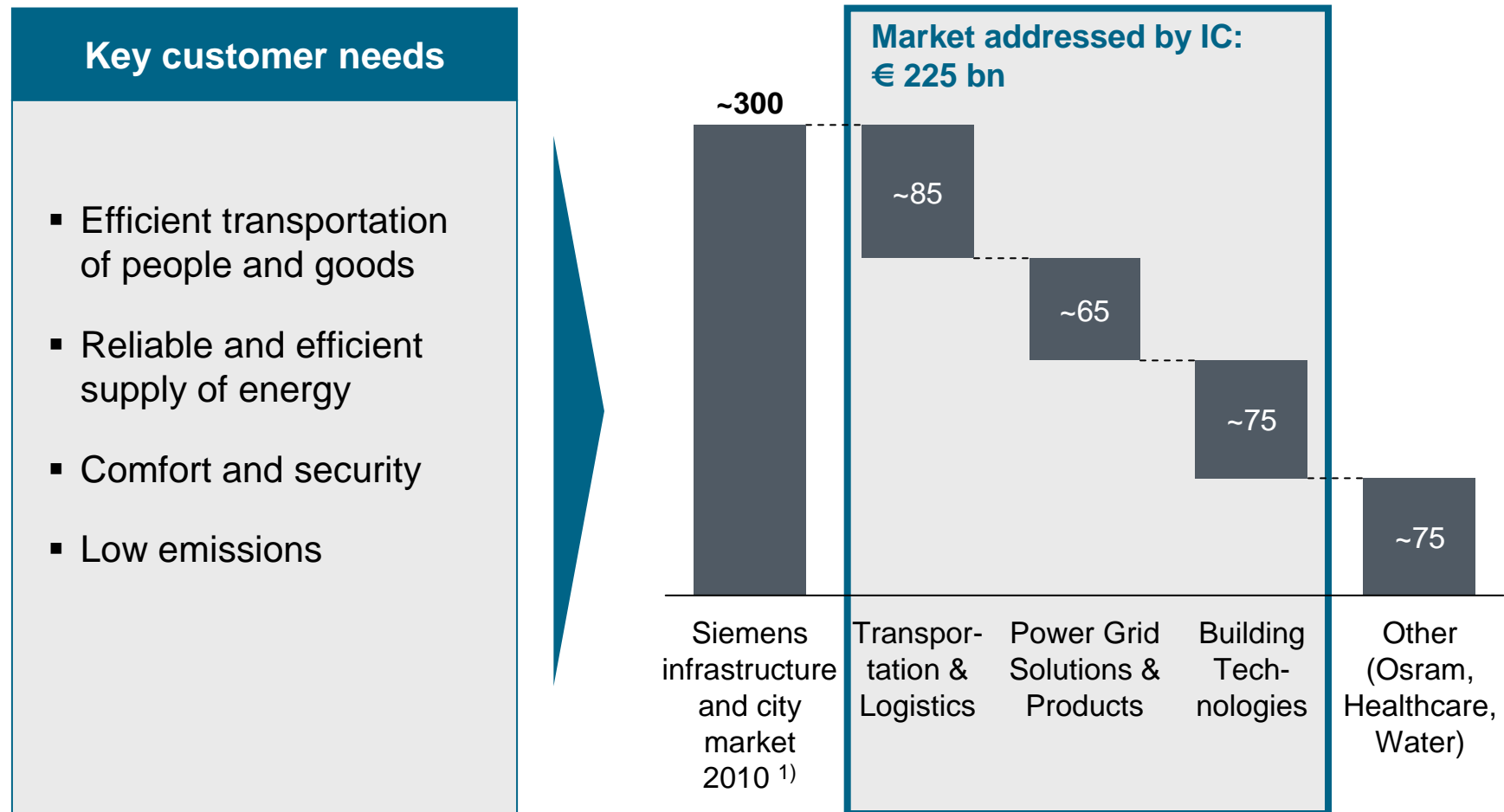
This document contains forward-looking statements and information – that is, statements related to future, not past, events. These statements may be identified by words such as “expects,” “looks forward to,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “will,” “project” or words of similar meaning. 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. In particular, Siemens is strongly affected by changes in general economic and business conditions as these directly impact its processes, customers and suppliers. This may negatively impact our revenue development and the realization of greater capacity utilization as a result of growth. Yet due to their diversity, not all of Siemens’ businesses are equally affected by changes in economic conditions; considerable differences exist in the timing and magnitude of the effects of such changes. This effect is amplified by the fact that, as a global company, Siemens is active in countries with economies that vary widely in terms of growth rate. Uncertainties arise from, among other things, the risk of customers delaying the conversion of recognized orders into revenue or cancelling recognized orders, of prices declining as a result of adverse market conditions by more than is currently anticipated by Siemens’ management or of functional costs increasing in anticipation of growth that is not realized as expected. Other factors that may cause Siemens’ results to deviate from expectations include developments in the financial markets, including fluctuations in interest and exchange rates (in particular in relation to the US\$, British £ and the currencies of emerging markets such as China, India and Brazil), in commodity and equity prices, in debt prices (credit spreads) and in the value of financial assets generally. Any changes in interest rates or other assumptions used in calculating obligations for pension plans and similar commitments may impact Siemens’ defined benefit obligations and the anticipated performance of pension plan assets resulting in unexpected changes in the funded status of Siemens’ pension and other post-employment benefit plans. Any increase in market volatility, deterioration in the capital markets, decline in the conditions for the credit business, uncertainty related to the subprime, financial market and liquidity crises, including the sovereign debt crisis in the Eurozone, or fluctuations in the future financial performance of the major industries served by Siemens may have unexpected effects on Siemens’ results. Furthermore, Siemens faces risks and uncertainties in connection with: disposing of business activities, certain strategic reorientation measures, including reorganization measures relating to its segments; the performance of its equity interests and strategic alliances; the challenge of integrating major acquisitions, implementing joint ventures and other significant portfolio measures; the performance, measurement criteria and composition of its environmental portfolio; the introduction of competing products or technologies by other companies or market entries by new competitors; changing competitive dynamics (particularly in developing markets); the risk that new products or services will not be accepted by customers targeted by Siemens; changes in business strategy; the interruption of our supply chain, including the inability of third parties to deliver parts, components and services on time resulting for example from natural disasters; the outcome of pending investigations, legal proceedings and actions resulting from the findings of, or related to the subject matter of, such investigations; the potential impact of such investigations and proceedings on Siemens’ business, including its relationships with governments and other customers; the potential impact of such matters on Siemens’ financial statements, and various other factors. More detailed information about certain of the risk factors affecting Siemens is contained throughout this report and in Siemens’ 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 may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends to, nor assumes any obligation to, update or revise these forward-looking statements in light of developments which differ from those anticipated.

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; 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 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’ annual report on Form 20-F for fiscal 2010, 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.

The IC Sector provides a more focused approach on the infrastructure and city market



Siemens' infrastructure and city market in € bn*)



*) Excluding market addressed by Energy and Industry

Source: Internal

London is a successful proof point of our approach

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Example for successful cooperation in London

Siemens and London – a close partnership

- We started working intensively with London in 2007
 - City Account Manager installed to drive early engagement and representing our entire portfolio
 - We offer the specific domain know-how
- **Interurban mobility:** 1,200 vehicles for regional trains
 - **Automated video surveillance:** Comprehensive CCTV services to improve community safety
 - **Hybrid Buses:** Consume ~40% less fuel and emissions
 - **Toll System:** City congestion charging system and enforcement of low-emission zone
 - **E-mobility project:** Supply of software solutions, related services and charging stations
 - **Smart Grid:** Collaboration with UK Power Networks to develop a power distribution concept for 2020



Shanghai: We have successfully transferred our approach in fast growing markets

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Example for successful cooperation in Shanghai

- City Account Manager established in September 2010
- Close cooperation with Shanghai government and authorities
- Participation in the study of Low-Carbon development of Hongqiao Business District
- **Metro:** Switchgear systems for 5 metro lines, propulsion system for 138 cars of Metro Line 11 South expansion
- **Green building solutions** for Shanghai International Cancer Hospital
- **Building Energy Saving** and energy consumption monitoring systems for 4 big hospitals
- **Smart Grid:** Strategic cooperation agreement with Shanghai government of new technologies
- **E-Mobility:** Delivery and installation of 144 charging stations for e-cars in the city



New organizational setup of IC Sector is tailored to market needs and focused on business types

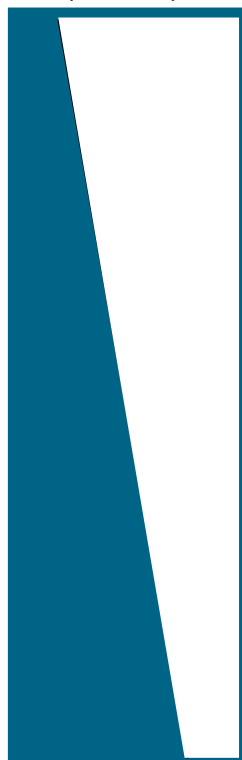







Solutions/
Systems
(~50%)

Transportation and
Logistics

Power Grid Solutions
& Products

Building Technologies



| Center of Competence and Account Management for Infrastructure* and Cities | | |
|---|--|--|
| <p>Mobility and Logistics</p>  <ul style="list-style-type: none"> ▪ Rail Automation ▪ Infrastructure Logistics ▪ Complete Transportation and e-Vehicle Infrastructure | <p>Smart Grid</p>  <ul style="list-style-type: none"> ▪ Energy Automation ▪ Rail Electrification ▪ Services | <p>Building Technologies</p>  <ul style="list-style-type: none"> ▪ Building Automation ▪ Fire Safety & Security |
| <p>Rail Systems</p>  <ul style="list-style-type: none"> ▪ High Speed and Commuter ▪ Metro, Coaches, Light Rail ▪ Locomotives and Components ▪ Customer Services and Transportation Solutions | <p>Low Medium Voltage</p>  <ul style="list-style-type: none"> ▪ Low Voltage ▪ Medium Voltage | <ul style="list-style-type: none"> ▪ Control Products & Systems |

Products/
Services
(~50%)

* under responsibility of respective lead Division

Driving value for the IC Sector

Cost savings and efficiency improvement (examples)

- **Cost efficient** new IC Sector set-up:
 - **Lean Sector** headquarters
 - **Removal of one organizational layer** within Rail Systems
 - **Consolidated organizational structure** within Building Technologies by merging Fire Safety and Security Solutions

- **Combined sales channels** provide better market coverage

- **Cost synergies:** e.g. LMV
 - Optimization of factory footprint
 - Assembly concepts, type and routine testing
 - Supply chain processes and increase of global value sourcing

Investments for growth (examples)

- Sales:** e.g.
- **Establish City Centers of Competence and strengthen** city account managers
 - Ramp up of **sales resources and infrastructure for e-Mobility**
 - **Define additional focus markets,** e.g. Municipalities
- Portfolio:** e.g.
- Investments in **Smart Grid Applications**
- Regions:** e.g.
- **Focus** on federal business in the US
 - **Regional expansion in Russia**
 - Identified growth areas, e.g. **boost product volume in emerging markets**

IC top-management agenda

