

Siemens Q1 FY13

IR FLASHLIGHT

*The Analyst Call is being held
on January 23, at 8.30 a.m. CET / 7.30 a.m. GMT, and will be webcast on
www.siemens.com/investorrelations*

*The Press Conference is taking place in Munich
on January 23, at 7.30 a.m. CET / 6.30 a.m. GMT, and will be webcast on
www.siemens.com/press*

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 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: 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.

Financial highlights of Q1 FY13

- **Orders -5%¹⁾** in parts due to a higher volume from large orders in the prior year, with **Industry -9%, IC -9%, Energy -3% and Healthcare -1%**; **mixed regional picture: USA -26%, China +9%** and Germany **+8%**; EM decreased -6% and account for 36% of order intake
- **Revenue -1%** supported by **Healthcare +1%, Energy and IC flat, Industry -3%**; **growth in the Americas +5%** more than offset by declines in **China -10% and Germany -7%**; EM grew +3% & account for 33% of revenue
- **Book-to-bill ratio at 1.06**
- **Total Sectors Profit at €1.7bn (11.1% underlying margin)**, included charges of €50m for “Siemens 2014”:
 - **Energy margin 9.0% (underlying 10.2%)** impacted by **-€46m charges related to Iran (O&G)** and **-€28m project charges related mainly to grid connections to offshore wind-farms at Transmission**
 - **Healthcare margin 15.5% (underlying 16.8%)** driven by **favorable business mix and improvements in cost position resulting from the Sector’s ongoing Agenda 2013 initiative**
 - **Industry margin 10.8% (underlying 11.8%)** impacted by a more challenging market environment underlying margin IA 15.5% & DT 8.5%
 - **IC margin 3.1% (underlying 5.9%)**, largely due to **charges of €116m related to high-speed train issues**
- **FCF cont. ops. of -€1.4bn** mainly due to the weak cash performance at the Sector level
- **D/O incl. -€150m Solar (therein -€115m impairment charge)** and **+€79m Osram (post tax)**
- **Adjusted ind. Net Debt / EBITDA at 0.57x, following share buy back; ROCE at 16.7%**

1) All figures y-o-y on a comparable basis excluding currency translation and portfolio effects

Key items relating to Q1 FY13 (I)

Energy

- **Fossil Power Generation**
 - Margin: 19.6%
- **Wind Power**
 - Margin: 4.6%
- **Oil & Gas**
 - Margin: 2.0%
 - Incl. -€46m charges resulting from compliance with newly enacted sanctions on Iran, primarily on its oil and gas industries
 - Underlying margin: 5.7%
- **Power Transmission**
 - Margin: -1.2%
 - Incl. -€28m project charges related mainly to grid connections to offshore wind-farms
 - Underlying margin: 0.9%
 - The division expects continuing challenges in coming quarters

Healthcare

- **Sector Level**
 - Margin: 15.5%
 - Incl. PPA¹⁾ -€43m from Diagnostics
 - Underlying margin: 16.8%
- **Diagnostics**
 - Margin: 11.6%
 - Incl. PPA¹⁾ -€43m
 - Underlying margin: 16.0%

1) PPA = purchase price allocation

Key items relating to Q1 FY13 (II)

Industry

- **Industry Automation**
 - Margin: 13.9%
 - Incl. PPA¹⁾ -€37m related to UGS
 - Underlying margin: 15.5%
 - LMS acquisition closed shortly after quarter's end; purchase price amounted to €0.7bn

- **Drive Technologies**
 - Margin: 8.1%
 - Incl. PPA¹⁾ -€8m related to Flender
 - Underlying margin: 8.5%

Infrastructure & Cities

- **Transportation & Logistics**
 - Margin: -3.9%
 - Incl. -€116m charges particularly related to high speed trains
 - Underlying margin: 4.5%

- **Power Grid Solutions & Products**
 - Margin: 6.9%

- **Building Technologies**
 - Margin: 6.6%

1) PPA = purchase price allocation

Key items relating to Q1 FY13 (III)

Below Sector

- **Equity Investments**
 - Profit: +€135m
 - NSN equity investment income +€51m (Siemens share)
 - NSN reported restructuring charges and associated items -€257m
 - Results from Equity Investments is expected to be volatile in coming quarters
- **Financial Services (SFS)**
 - Profit: +€117m
 - Total assets: €17.4bn
- **Real Estate (SRE)**
 - Profit: +€45m incl. disposal gain
- **Corporate Items & Pensions -€166m**
 - therein
 - Corporate items -€68m
 - Pensions -€98m
- **Eliminations, Corporate Treasury, Others**
 - Income of +€20m

Discontinued Operations

- **Discontinued operations: Total -€81m**
 - therein
 - Osram:**
 - Revenue increase y-o-y -1% nominal, -1% comparable
 - Income (post tax): +€79m
 - Solar:**
 - Loss of -€150m (post tax)
 - Incl. -€115m impairment charges (pre-tax)
 - *FY12: loss of -€28m in Q1 FY12 (post tax)*

Orders

Orders						
€m	Q1 FY12	Q4 FY12	Q1 FY13	Y-o-Y Q1 FY12 - Q1 FY13 (nominal)	Y-o-Y Q1 FY12 - Q1 FY13 (comparable) ¹⁾	Q-o-Q Q4 FY12 - Q1 FY13 (nominal)
Energy Sector	7,166	8,678	7,120	-1%	-3%	-18%
Fossil Power Generation	2,742	3,366	3,239	18%	16%	-4%
Wind Power	1,541	2,305	1,162	-25%	-25%	-50%
Oil & Gas	1,422	1,529	1,404	-1%	-7%	-8%
Power Transmission	1,553	1,552	1,386	-11%	-12%	-11%
Healthcare Sector	3,284	3,960	3,286	0%	-1%	-17%
<i>Therein</i>						
Diagnostics	927	1,054	961	4%	2%	-9%
Industry Sector	4,901	4,825	4,509	-8%	-9%	-7%
<i>Therein</i>						
Industry Automation	2,452	2,387	2,182	-11%	-12%	-9%
Drive Technologies	2,297	2,324	2,253	-2%	-3%	-3%
Infrastructure & Cities Sector	4,679	4,389	4,364	-7%	-9%	-1%
Transportation & Logistics	1,937	1,227	1,357	-30%	-31%	11%
Power Grid Solutions & Products	1,496	1,662	1,709	14%	12%	3%
Building Technologies	1,353	1,580	1,367	1%	-1%	-13%
Total Sectors	20,029	21,853	19,280	-4%	-5%	-12%
Equity Investments						
SFS	197	247	203			
Reconciliations						
CMPA	72	70	67			
SRE	554	655	600			
Corp. Items & Pensions	136	116	126			
Elim., CT & Other recon.	-1,195	-1,445	-1,135			
Siemens (Cont. Ops.)	19,792	21,495	19,141	-3%	-5%	-11%

1) adjusted for currency translation and portfolio effects

Revenue

Revenue						
€m	Q1 FY12	Q4 FY12	Q1 FY13	Y-o-Y Q1 FY12 - Q1 FY13 (nominal)	Y-o-Y Q1 FY12 - Q1 FY13 (comparable) ¹⁾	Q-o-Q Q4 FY12 - Q1 FY13 (nominal)
Energy Sector	6,130	7,596	6,285	3%	0%	-17%
Fossil Power Generation	2,612	2,989	2,582	-1%	-3%	-14%
Wind Power	896	1,471	1,137	27%	23%	-23%
Oil & Gas	1,239	1,235	1,252	1%	-5%	1%
Power Transmission	1,465	2,017	1,384	-6%	-7%	-31%
Healthcare Sector	3,152	3,786	3,252	3%	1%	-14%
<i>Therein</i>						
Diagnostics	925	1,055	961	4%	2%	-9%
Industry Sector	4,702	5,634	4,633	-1%	-3%	-18%
<i>Therein</i>						
Industry Automation	2,249	2,648	2,218	-1%	-3%	-16%
Drive Technologies	2,161	2,611	2,092	-3%	-5%	-20%
Infrastructure & Cities Sector	4,055	5,002	4,141	2%	0%	-17%
Transportation & Logistics	1,399	1,705	1,370	-2%	-3%	-20%
Power Grid Solutions & Products	1,353	1,784	1,435	6%	4%	-20%
Building Technologies	1,370	1,599	1,402	2%	0%	-12%
Total Sectors	18,039	22,018	18,310	2%	-1%	-17%
Equity Investments						
SFS	197	247	203			
Reconciliations						
CMPA	78	69	67			
SRE	567	654	600			
Corp. Items & Pensions	121	118	126			
Elim., CT & Other recon.	-1,146	-1,404	-1,179			
Siemens (Cont. Ops.)	17,856	21,703	18,128	2%	-1%	-16%

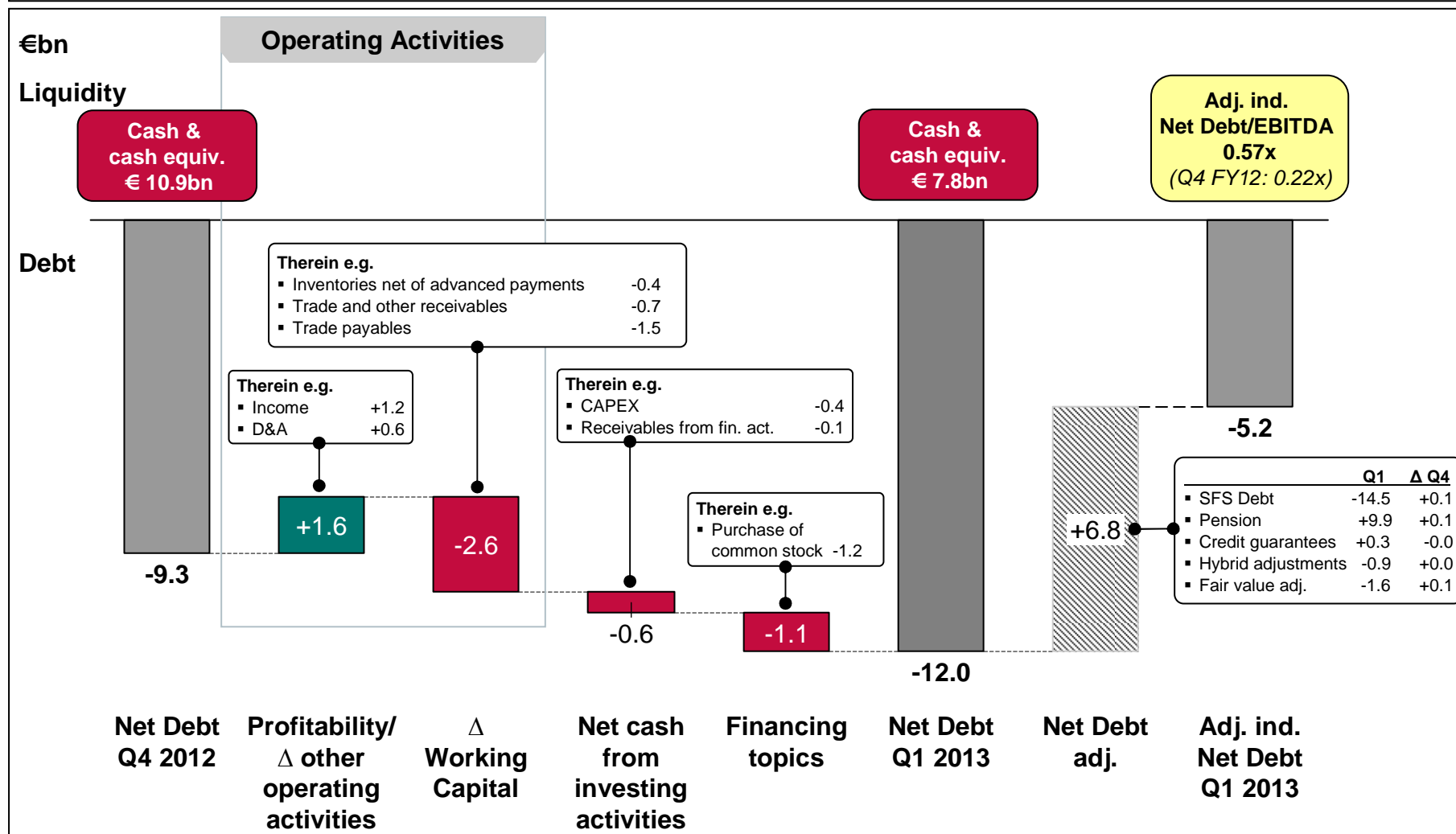
1) adjusted for currency translation and portfolio effects

Profit & Margin

Profit & Margin							
€m	Q1 FY12	Q4 FY12	Q1 FY13	Margin Q1 FY12	Margin Q4 FY12	Margin Q1 FY13	EBITDA Margin Q1 FY13
Energy Sector	507	346	567	8.3%	4.6%	9.0%	10.8%
Fossil Power Generation	580	376	507	22.2%	12.6%	19.6%	
Wind Power	-26	134	52	-2.9%	9.1%	4.6%	
Oil & Gas	90	-111	25	7.3%	-9.0%	2.0%	
Power Transmission	-145	-40	-16	-9.9%	-2.0%	-1.2%	
Healthcare Sector	364	631	503	11.6%	16.7%	15.5%	20.4%
<i>Therein</i>							
Diagnostics	67	86	111	7.3%	8.2%	11.6%	
Industry Sector	556	726	500	11.8%	12.9%	10.8%	14.0%
<i>Therein</i>							
Industry Automation	323	403	307	14.3%	15.2%	13.9%	
Drive Technologies	194	286	169	9.0%	10.9%	8.1%	
Infrastructure & Cities Sector	200	416	128	4.9%	8.3%	3.1%	4.8%
Transportation & Logistics	27	73	-54	1.9%	4.3%	-3.9%	
Power Grid Solutions & Products	82	200	100	6.0%	11.2%	6.9%	
Building Technologies	85	153	92	6.2%	9.6%	6.6%	
Total Sectors	1,627	2,119	1,698	9.0%	9.6%	9.3%	
Equity Investments	75	44	135				
SFS	199	100	117	35.7% ¹⁾	17.9% ¹⁾	20.3% ¹⁾	
Reconciliations							
CMPA	0	-24	1				
SRE	5	88	45				
Corporate Items and Pensions	-166	-386	-166				
Elim., CT & Other recon.	39	-16	20				
Siemens Pre-Tax Profit (Cont. Ops.)	1,780	1,925	1,850				
Taxes	-466	-519	-555				
Income from Cont. Ops.	1,314	1,406	1,295				
Income from discontinued operations	70	-216	-81				
Net Income (All-In)	1,383	1,191	1,214				
<i>therein</i> Minority interest	18	53	16				
Basic EPS from Cont. Ops.	1.48	1.55	1.52				
Basic EPS from Net income (all-in)	1.56	1.30	1.42				

1) SFS: RoE after tax

Net Debt Bridge as of Q1 FY13



Pension underfunding at -€8.9bn in Q1

- **No change in underfunding** due mainly to the **increase in DBO** driven by a decrease in the discount rate assumption and from accrued service and interest cost. This effect was **offset by a positive actual return on plan assets**
- Funded status of pension benefits excludes -€0.4bn related to Osram

in €bn	FY 2011 ¹⁾	FY 2012 ¹⁾²⁾	Q1 FY 2013 ¹⁾²⁾
Defined benefit obligation (DBO) of pension benefits	27.1	33.0	33.5
Fair value of plan assets	21.0	24.1	24.6
Funded status of pension benefits	(6.2)	(8.9)	(8.9)
DBO of other post-employment benefits (mainly unfunded)	0.8	0.7	0.7
Discount rate	4.5%	3.2%	3.0%
Expected return on plan assets (EROPA)/Interest Income (IAS 19R) ²⁾	1.4	0.9	0.2
Actual return on plan assets	n.a.	3.2	0.8

1) Figures exclude Osram which is classified as "discontinued operations".

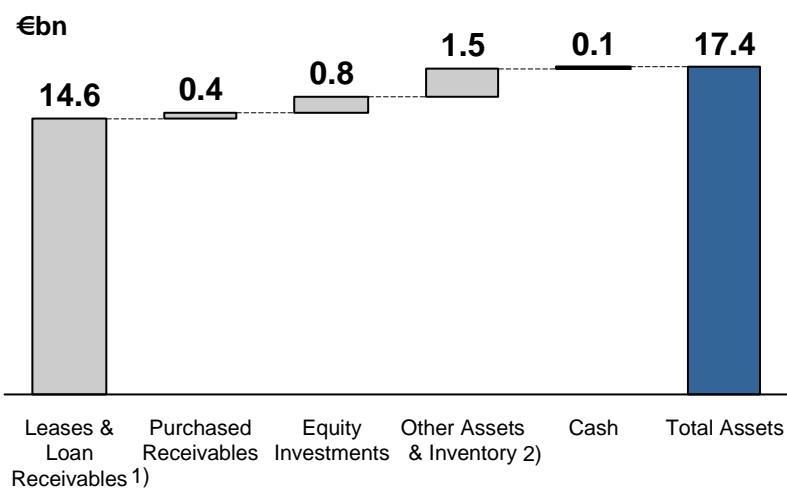
2) IAS 19R (revised) has been adopted as of beginning of FY 2013 (leading to interest income based on a „high-quality corporate bond“ rate). FY 2012 information have been adjusted accordingly.

SFS Key Figures Q1 FY 13

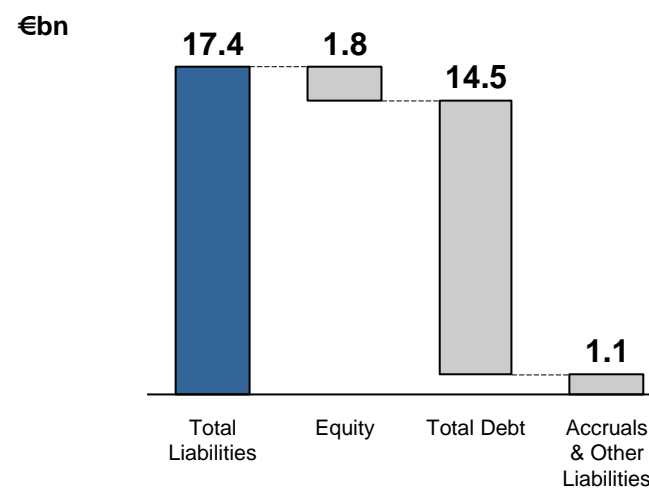
Key Financial Data SFS

- Assets: €17.4bn
- Profit before Tax: €117m
- Return on Equity after tax: 20.3%
- Operating and Investing Cash Flow: €30m

Assets



Liabilities



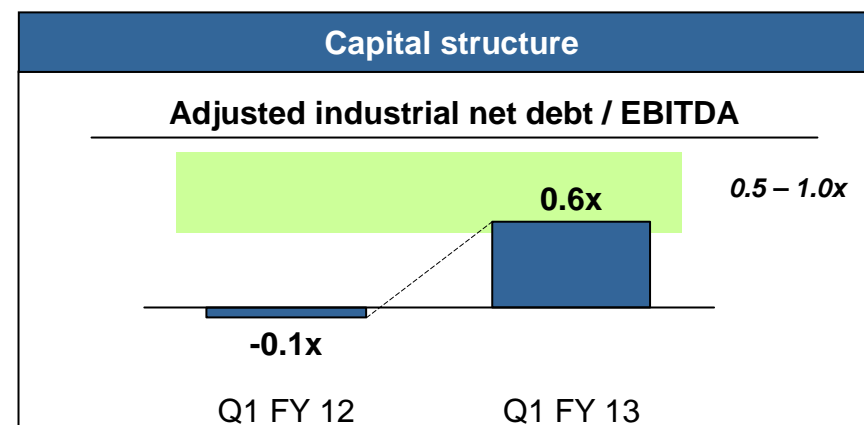
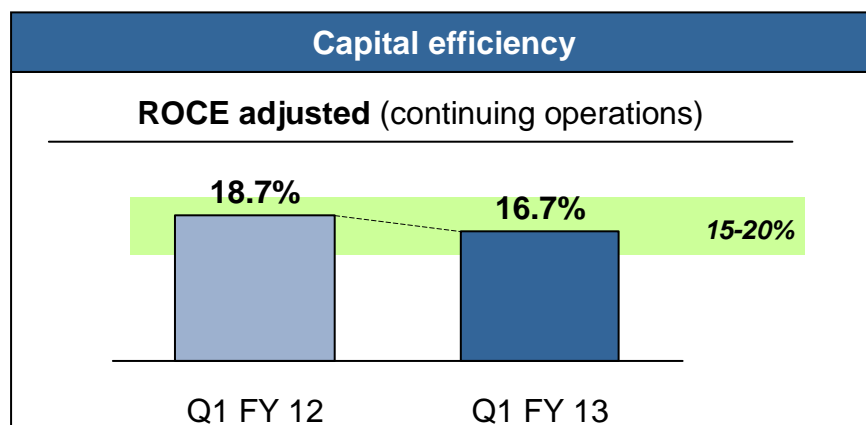
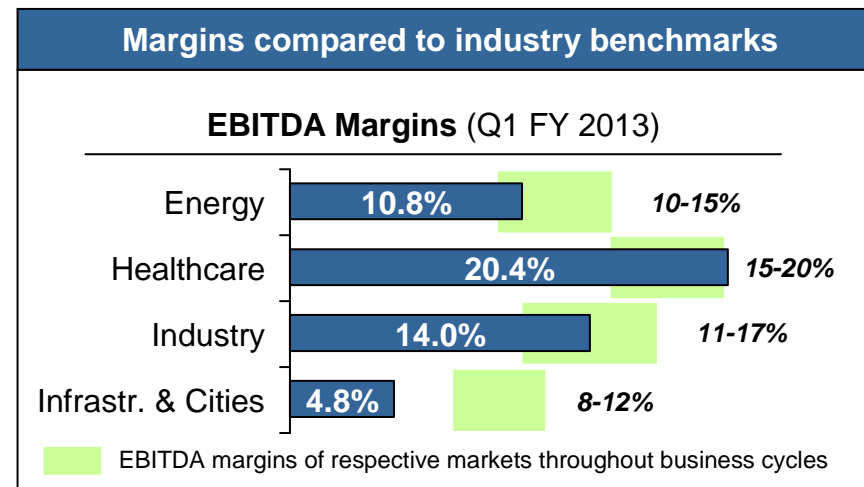
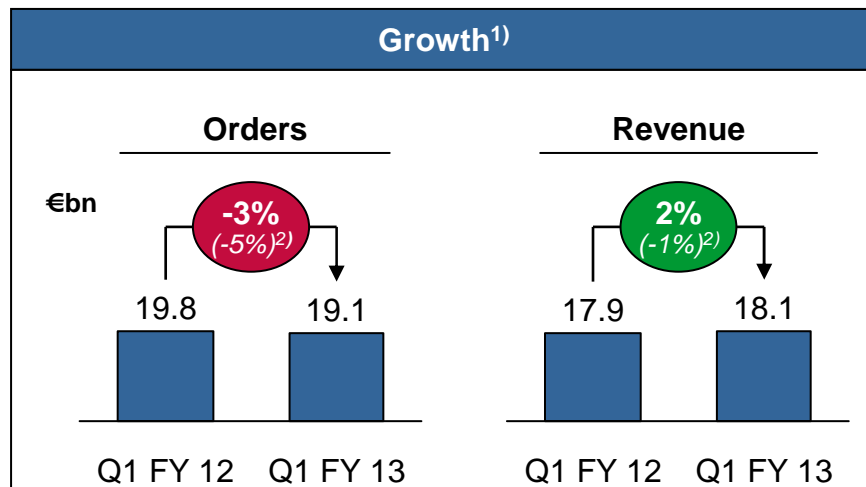
1) Operating and finance leases, originated and purchased loans and asset-based lending loans

2) Other assets & inventory includes: Intercompany receivables, securities, fair values (positive) derivatives / FX, tax receivables, fixed assets, intangible assets, land and building, prepaid expenses and inventories.

One Siemens cockpit Q1 FY 2013



Financial target system



- 1) As reported
- 2) Comparable, i.e. adjusted for currency translation and portfolio effects

Outlook 2013

- In fiscal 2013, Siemens begins implementation of '**Siemens 2014**', a company-wide program **supporting our One Siemens framework** for sustainable value creation.
- The **goal** of the program is to raise our **Total Sectors profit margin to at least 12% by fiscal 2014**.
- In the **first year** of the program, we expect **moderate order growth** and **revenue approaching the level of fiscal 2012**, both on an organic basis.
- We expect **income from continuing operations** in the range from **€4.5 to €5.0 billion, including** the effect of **retrospective adoption of IAS 19R**. This **includes charges** totaling approximately **€1.0 billion** for program-related **productivity measures** in the Sectors, with the **productivity gains** realized in our results for **fiscal 2014**.



This outlook is based on a number of conditions, notably that revenue develops as expected particularly for businesses that are sensitive to short-term changes in the economic environment.

Furthermore, it excludes impacts related to legal and regulatory matters and significant portfolio effects.

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; 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.