

**The Company**

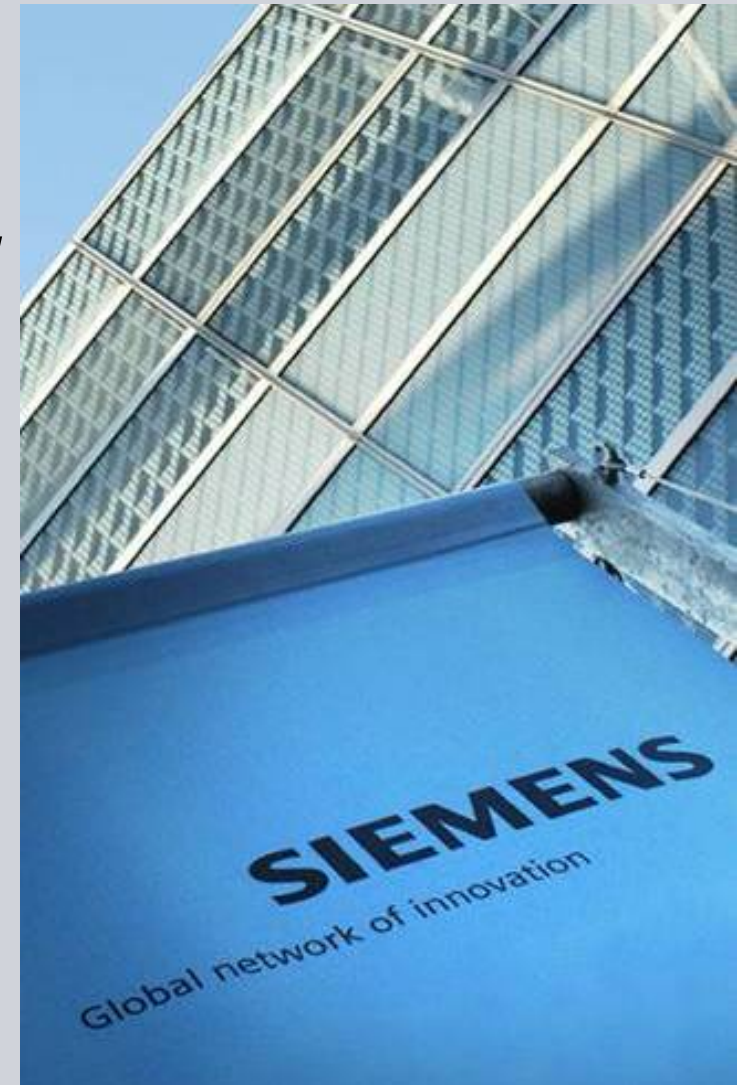
# Siemens 2007

Status: October 2007



## Our vision – Setting the pace

***A world of proven talent,  
delivering breakthrough innovations,  
giving our customers a unique  
competitive edge,  
enabling societies to master their  
most vital challenges  
and creating sustainable value.***



## Siemens' innovations have changed the world



### Energy



From the invention of the dynamo – to the world's most efficient gas turbines



### Automation



From the first electronic controls – to fully automated factories



### Healthcare



From the first views inside the body – to full-body 3D scans

## Siemens' innovations have changed the world



### Transportation



From the first electric railway – to 310-mph maglev trains



### Information technology



From the first digital general-purpose computer – to one of the largest software companies



### Lighting



From the first commercial metal filament lamp – to high-tech organic LEDs

## Innovation is our lifeblood

### Major R&D investments

- €5.7 billion in fiscal 2006\*
- 48,900 R&D employees worldwide
- 30,000 software engineers
- 150 R&D locations in over 30 countries around the world
- 10,410 inventions in 2006
- 62,000 active patents



\*Including R&D investments related to specific customer requirements, reclassified into cost of sales

### Major innovations

#### Our patent positions (2006):

- Germany: No. 1
- Europe: No. 2
- U.S.: No. 11







#### Recent breakthroughs:

- **Piezo injection**  
(Reduces fuel consumption by 20%)
- **Somatom Definition**  
(World's first dual source CT)
- **Combined cycle turbine**  
(World's largest and most powerful turbine; reduces pollutants: 40,000 tons of CO<sub>2</sub> / year)
- **Velaro E** (Europe's fastest train)

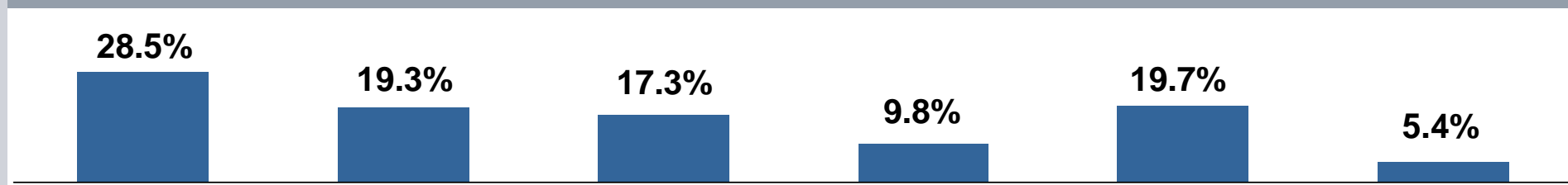
## Our innovations attract attention



## Active in six business areas

Automation and Control	Power	Transportation	Medical	Information and Communications	Lighting
					
Automation and Drives	Power Generation	Transportation Systems	Medical Solutions	Communications <sup>1)</sup>	OSRAM
Industrial Solutions and Services	Power Transmission and Distribution	Siemens VDO Automotive AG <sup>3)</sup>		Siemens IT Solutions and Services <sup>2)</sup>	
Siemens Building Technologies					

External sales of Operations Groups excluding Other Operations (as of September 30, 2006)



1) Effective Oct.1, 2006, Com is no longer a Siemens Group.

2) Siemens Business Services (SBS) Group until January 15, 2007

3) Subject to approval by regulatory authorities, the Group will be sold to Continental AG.

# Global megatrends raise the world's toughest questions



## Urbanization

- Today: 280 million people in megacities (> 10 million)
  - 2007: First time in human history more people living in cities than in rural areas
  - 2015: 350 million people in megacities
- **Challenge for infrastructure**

## Global megatrends

### Demographic change

- Average life expectancy increasing globally
  - Population growth from more than 6 billion to 8 billion by 2025
- **Challenges for infrastructure and healthcare**





# Siemens answers the world's toughest questions



- Percentage of 80+ generation to grow globally
- Healthcare costs in industrialized nations rise to €3.8 trillion in 2010 (2002: €2.9 trillion)
- In Germany, healthcare costs account for 10.7% of GDP

## Siemens today

- No. 1 in healthcare IT
- Technology leader in imaging systems
- Innovation leader in healthcare processes



## Healthcare



- Increasing consumption of oil (until 2030 CAGR 1.8%), natural gas (2.5%) and coal (1.6%) to fuel global energy demand requires efficient systems and solutions for oil & gas and mining industries
- Increasing world population requires efficient production and supply of food and goods

## Siemens today

- Leading solutions provider for mining, oil & gas industries
- Number 1 in industry automation



## Industry

## Siemens answers the world's toughest questions



- 1.1 billion people without drinking water
- 2.6 billion people not connected to wastewater systems
- 1.8 million children die annually as a consequence

### Siemens today

- Drinking water treatment
- Water distribution
- Wastewater treatment



## Water



- More than 40% increase in worldwide energy demand in the coming 25 years
- Increase of CO<sub>2</sub> emissions risk to global climate

### Siemens today

- Strong No. 2 in power technologies worldwide
- Complete range of fossil fuel, wind power, biomass and fuel cell systems
- Trendsetter in intelligent power generation and distribution
- Low-loss electricity transport



## Power

# Siemens answers the world's toughest questions



- 2010: Per passenger airline mileage will double compared to 1995
- Americans spend 3.5 billion hours a year stuck in traffic jams

## Siemens today

- High-performance rail systems
- Telematics solutions
- Fleet management
- Communications solutions



## Mobility



- Need for integrated security solutions for public places, airports, ports and critical infrastructure to protect people, processes and assets
- Need for more security in buildings and in critical and urban environments.

## Siemens today

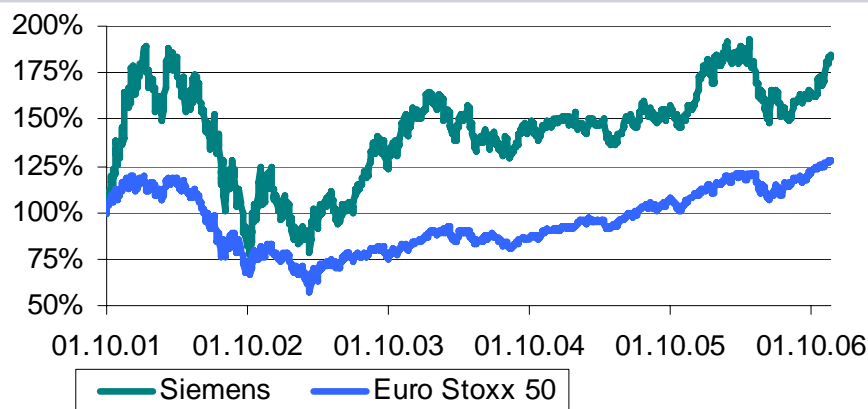
- From emergency control centers to fully integrated C4I command and control solutions
- Intelligent analytic-based video solutions, access control and intrusion protection for dedicated vertical markets
- Scanning and screening



## Security

## Committed to profit and growth

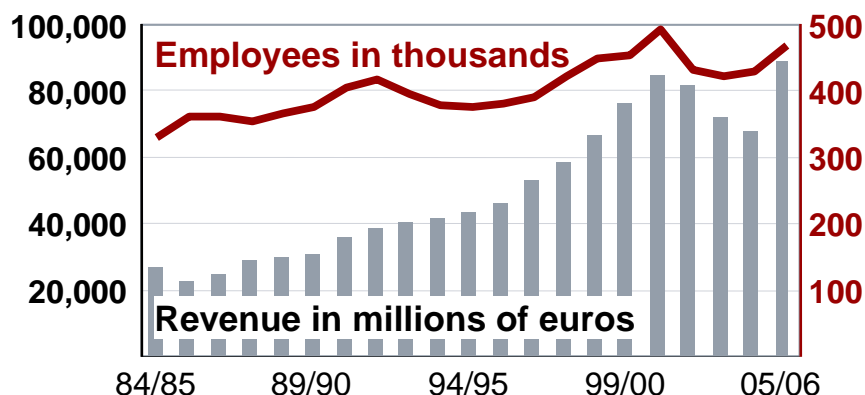
### Stock performance



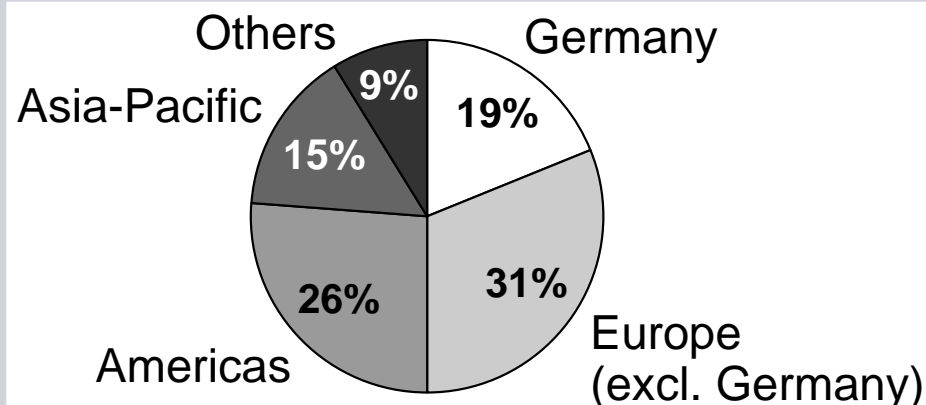
(in millions of euros;  
continuing operations)

	FY 2006	FY 2005
<b>Revenue</b>	87,325	75,445
<b>New orders</b>	96,259	83,791
<b>Net income</b>	3,033	2,248
<b>Net cash</b>	739	-1,489
<b>Employees</b>	<b>475,000</b>	<b>461,000</b>

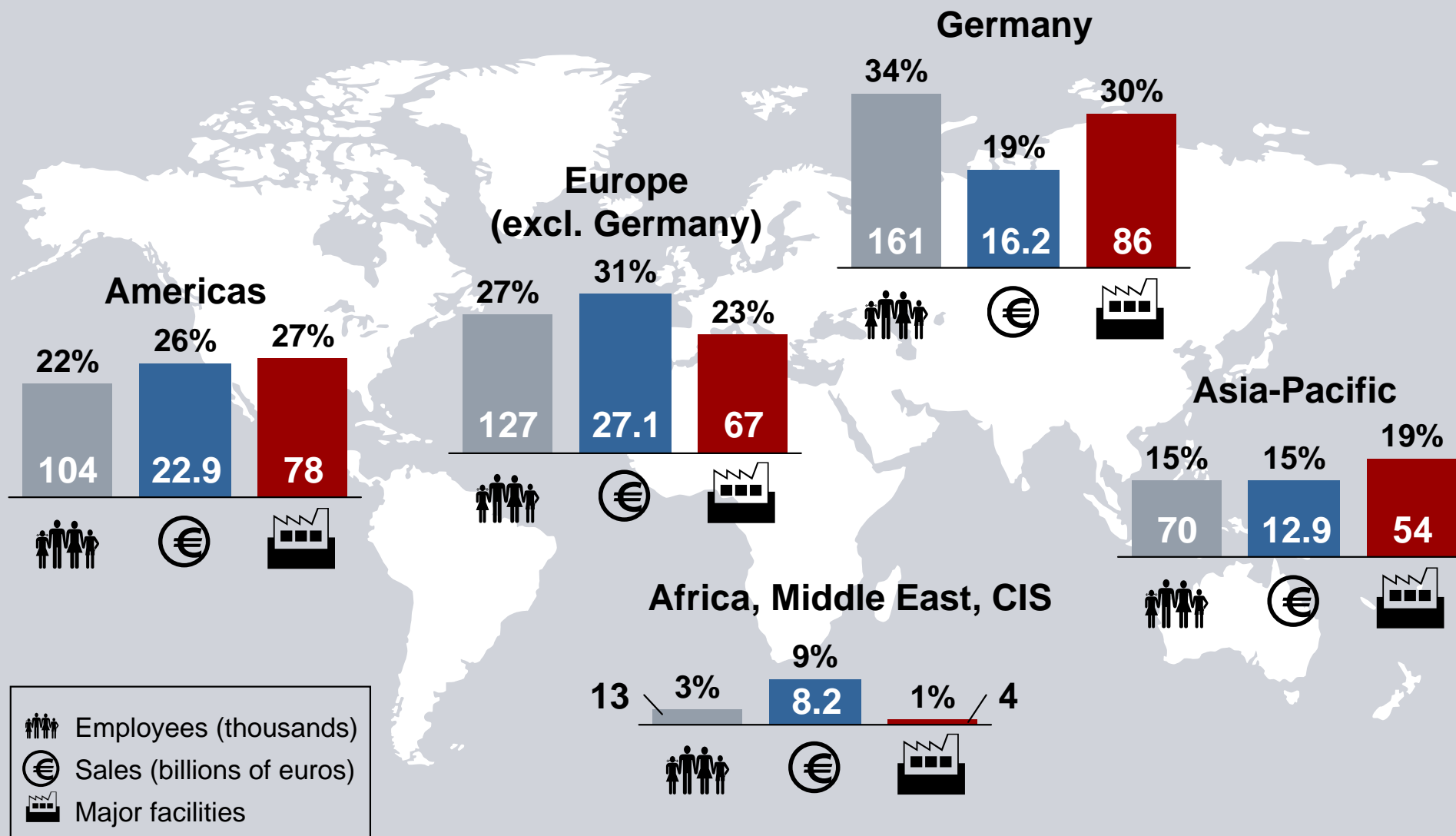
### Revenue and employees



### Revenue by Region

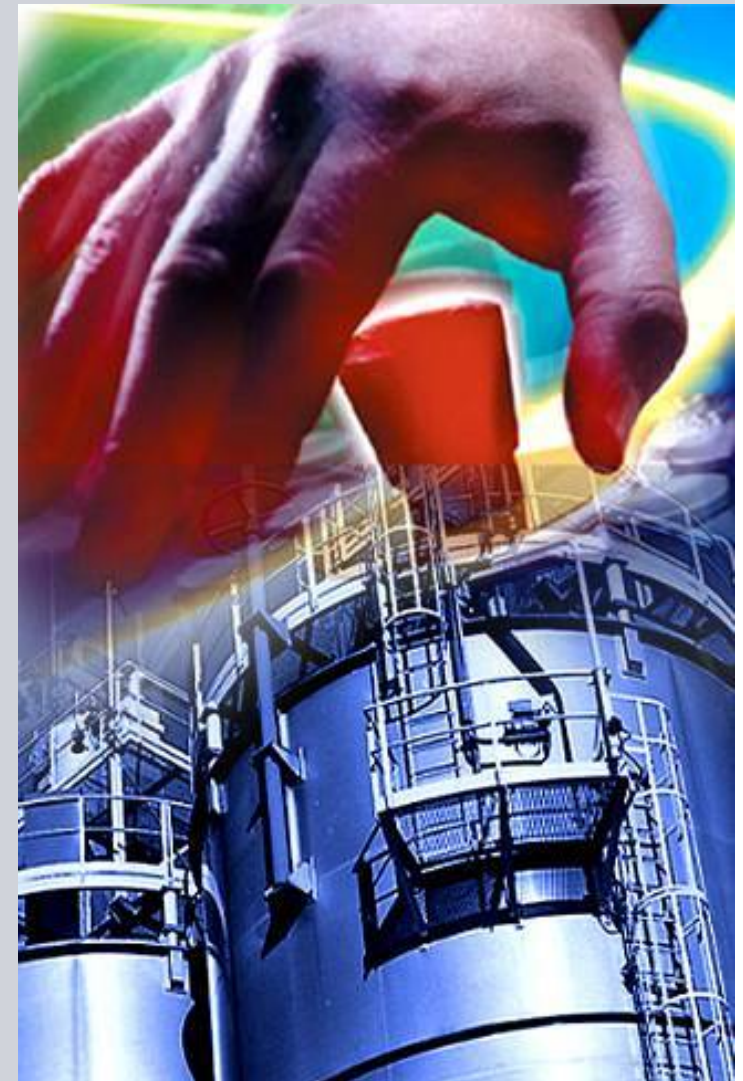


## Global presence – Basis for competitiveness



## Automation and Drives (A&D)

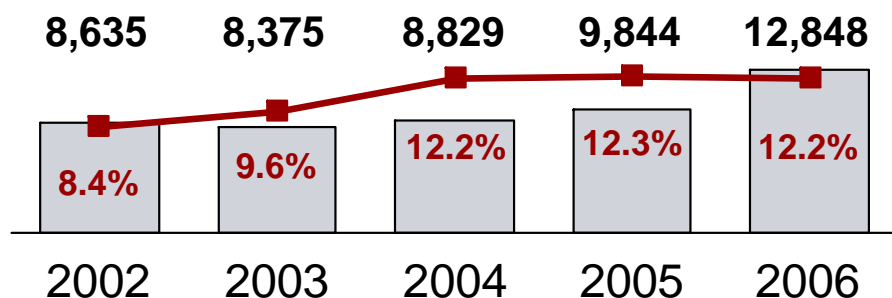
- **Total industry coverage**  
Siemens is the only company offering a **complete product and systems portfolio** for automation in all industry sectors.
- **Broad product range**  
Siemens A&D provides **24/7 online access** to its entire portfolio of roughly 137,000 different products.
- **Innovation leader**  
With **Totally Integrated Automation (TIA)**, an integrated and flexible product portfolio, Siemens A&D is applying all levers to increase its customers' productivity.



# Automation and Drives (A&D)

## Profit & growth (in millions of euros)

**Group profit margin** **Target: 11–13%**



**No. 1** Factory automation

**No. 2** Electrical equipment for buildings

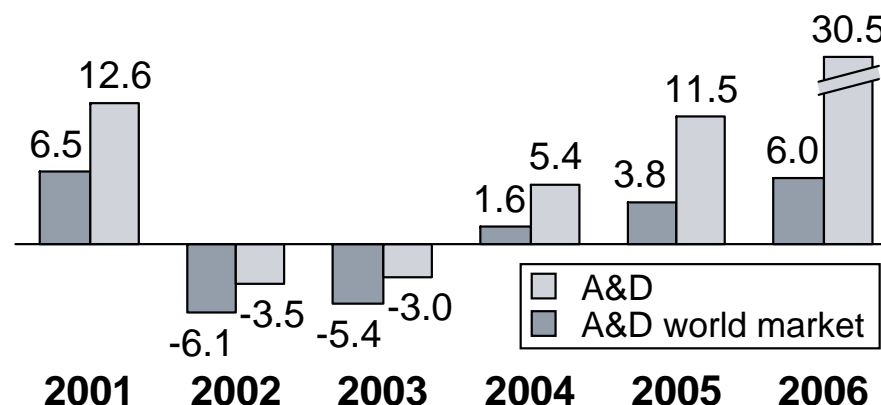
**No. 3** Process automation

(in millions of euros)

**FY 2006**

<b>Revenue</b>	12,848
<b>New orders</b>	14,108
<b>Group profit</b>	1,572
<b>Employees</b>	<b>70,528</b>

## Revenue growth vs. market development

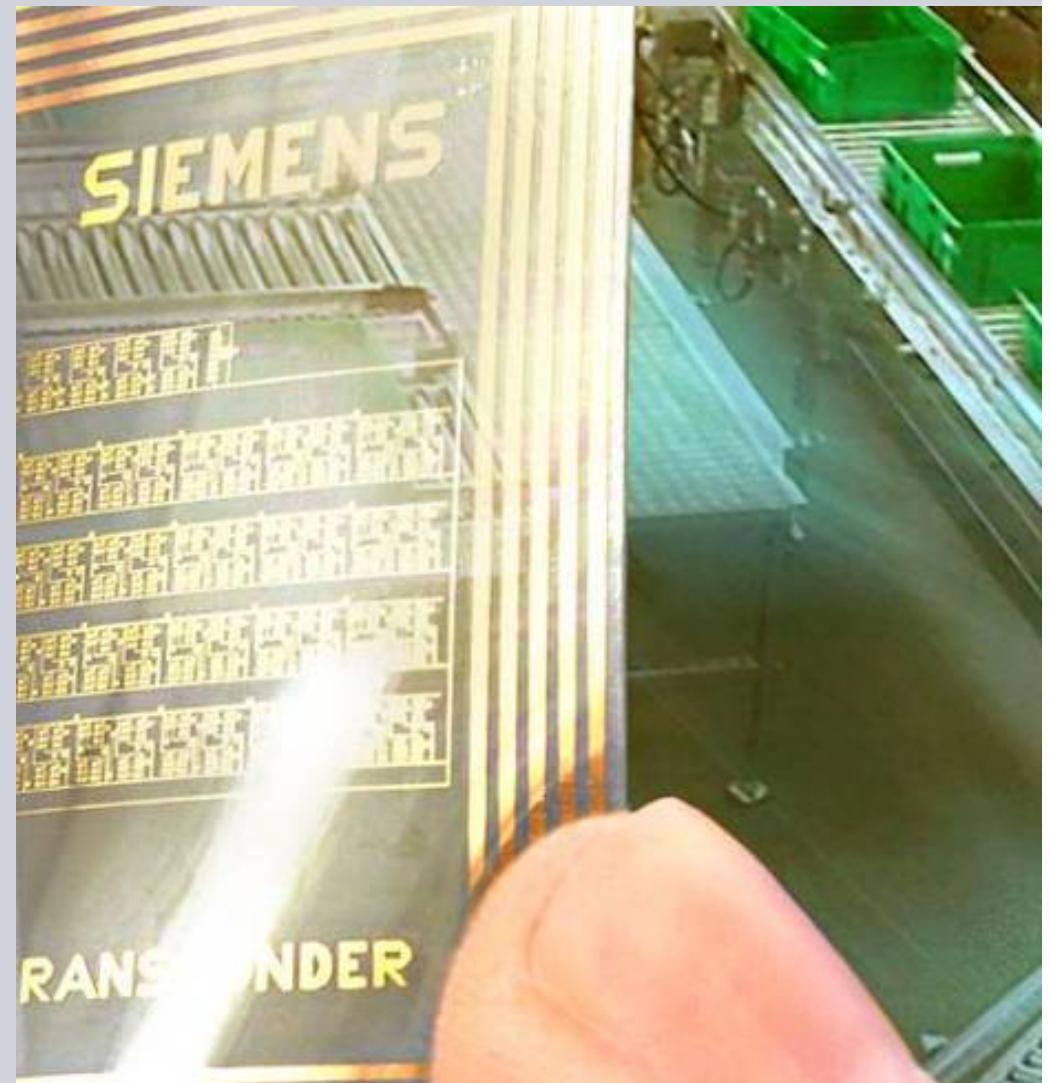


## Automation and Drives (A&D)

### RFID

Siemens is the leading provider of radio frequency identification systems.

RFID, which is **revolutionizing supply chain management**, offers far more possibilities than conventional bar code solutions.





## Automation and Drives (A&D)

### New orders in Q3

The world's first hybrid double-decker bus, commissioned by the Transport for London transit authority, is powered by A&D technology. Compared to diesel-powered vehicles, the hybrid double-decker, which serves London Bridge's Line 141, reduces exhaust emissions by 40% and fuel consumption by around 30%.

### Innovations in Q3

Siemens Sipat supports process analytical technology (PAT) in the pharmaceutical sector. The innovative software solution helps pharmaceutical companies improve production output, cut manufacturing costs and optimize response times within the supply chain.

FY  
2007

Q1

Q2

Q3

Q4

### Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	3,885	+19%
<b>New orders</b>	4,270	+19%
<b>Group profit</b>	507	+25%

\*April 1 to June 30, 2007

## Industrial Solutions and Services (I&S)

- **Industrial plants & services**

Siemens (I&S) is the world's **leading engineering and plant-building company** in the iron and steel industry as well as in the flat-product-rolling sector of the aluminum industry.

- **Water technologies**

With its broad array of technologies, Siemens is the **largest water and waste water treatment systems and services company** in the U.S.

- **Intelligent traffic systems**

Mobility is a basic human need, improves the quality of life and is a precondition for economic growth and social development. Intelligent traffic systems (ITS) from Siemens, the **leading vendor worldwide**, maintain mobility and are helping secure the future.

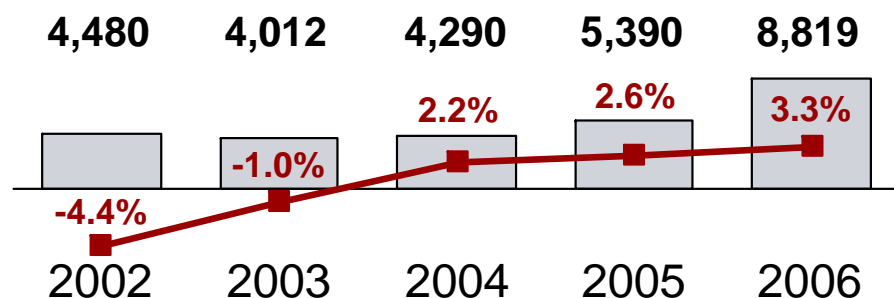


# Industrial Solutions and Services (I&S)

## Revenue (in millions of euros)

### Group profit margin

**Target: 4–6%**



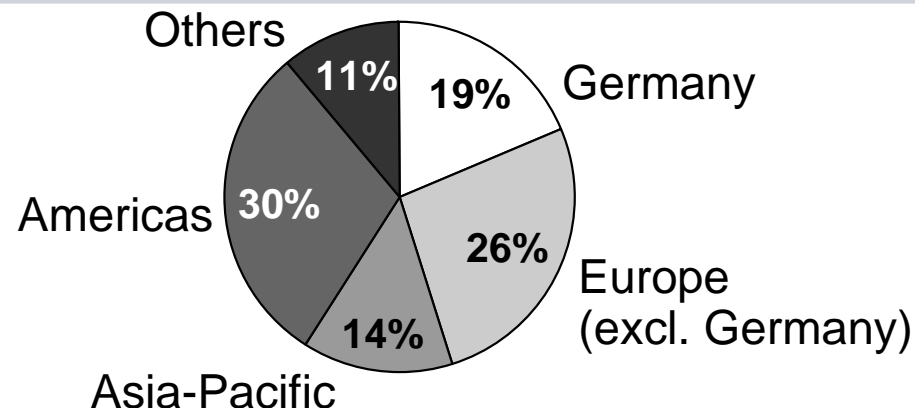
(in millions of euros)

**FY 2006**

<b>Revenue</b>	8,819
<b>New orders</b>	9,025
<b>Group profit</b>	289
<b>Employees</b>	<b>36,700</b>

- No. 1** Metal technologies
- No. 1** Water technologies
- No. 1** Intelligent traffic solutions
- No. 1** Airport logistics
- No. 1** Postal automation

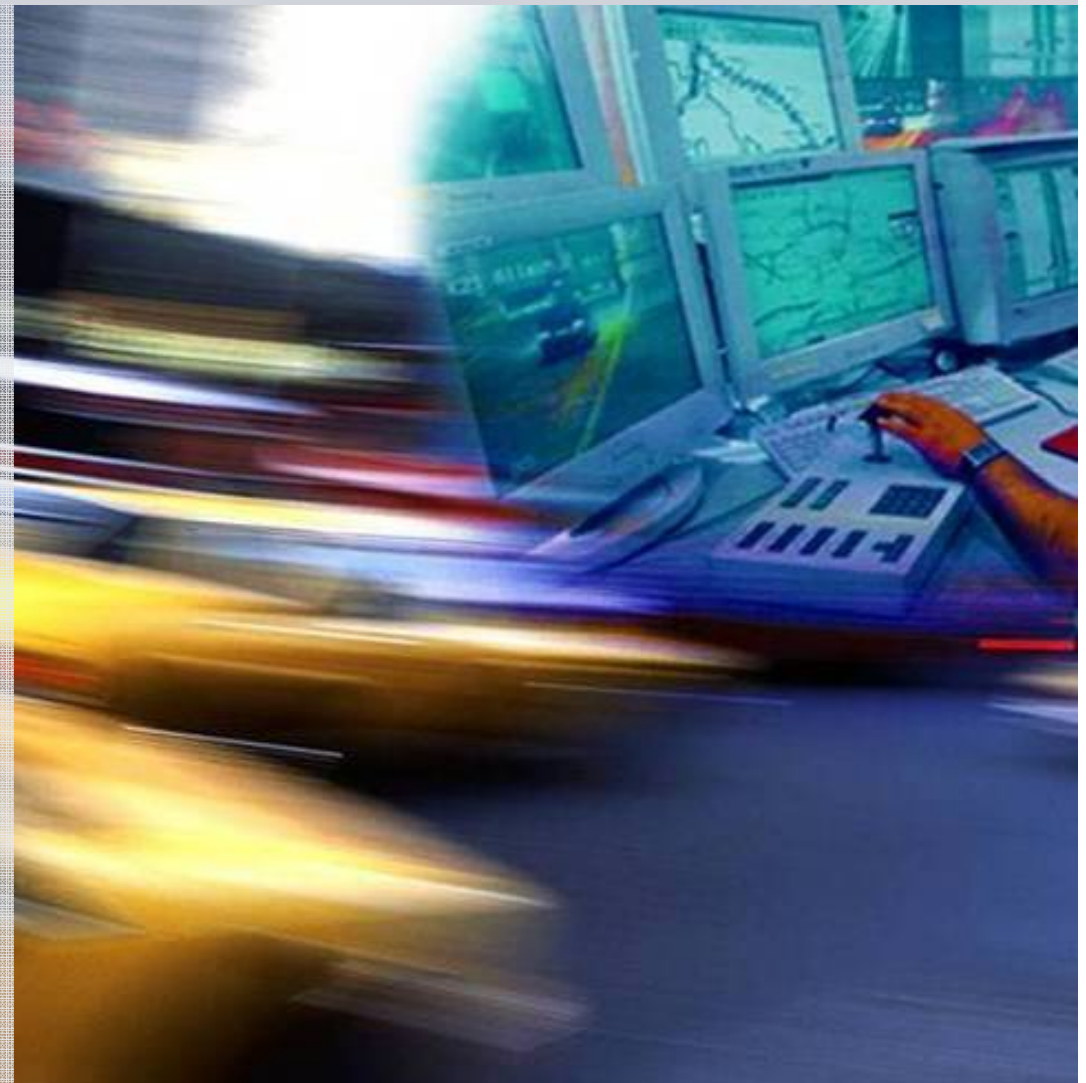
## Revenue by Region



## Industrial Solutions and Services (I&S)

### **Satellite-based toll**

Siemens' satellite-based toll system in the Seattle area is the first system of its kind to **combine real-time vehicle positioning with time- and road-specific cost calculations.**



## Industrial Solutions and Services (I&S)

### New orders in Q3

I&S is installing state-of-the-art propulsion, instrumentation and control systems in two new submarines for the German Navy. The order includes a permanent magnetic synchronous motor, fuel cells, switchgear and a marine automation system for type 212A vessels. Over the past 50 years, the company has equipped some 150 submarines worldwide.

### Innovations in Q3

Sittraffic Sicuro from I&S is a new automatic parking ticket dispenser with two key advantages. First, it can be equipped with an integrated strong box to prevent vandalism and theft. And second, its slim design makes it an attractive addition to the urban environment.

### Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	2,149	-4%
<b>New orders</b>	2,502	+43%
<b>Group profit</b>	95	+25%

FY  
2007

Q1

Q2

Q3

Q4

\*April 1 to June 30, 2007

## Siemens Building Technologies (SBT)

### Electronic security

- Complete physical security system and command and control center provided for Asian Games in Doha, Qatar

### Energy efficiency

- SBT solutions have saved customers over €1 billion in energy costs so far, earning SBT the award for "Best Energy Service Provider" in Europe.

### Total Building Solutions

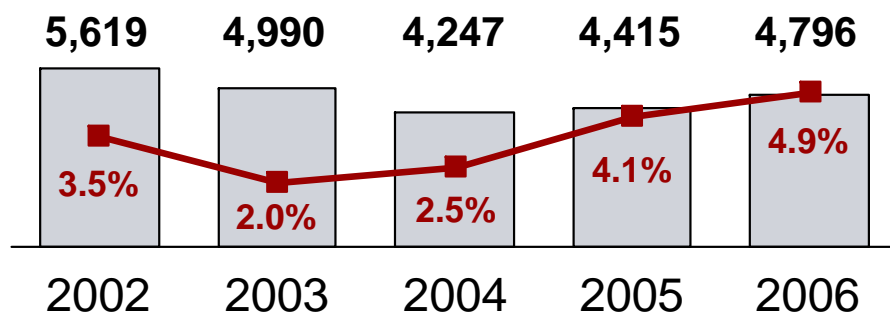
- Building automation, fire protection and security from a single source are combined with additional medical and IT solutions in the Lakeside Hospital, Omaha, U.S.



# Siemens Building Technologies (SBT)

## Revenue (in millions of euros)

**Group profit margin** Target: 7-9%



(in millions of euros)

**FY 2006**

<b>Revenue</b>	4,796
<b>New orders</b>	5,235
<b>Group profit</b>	234

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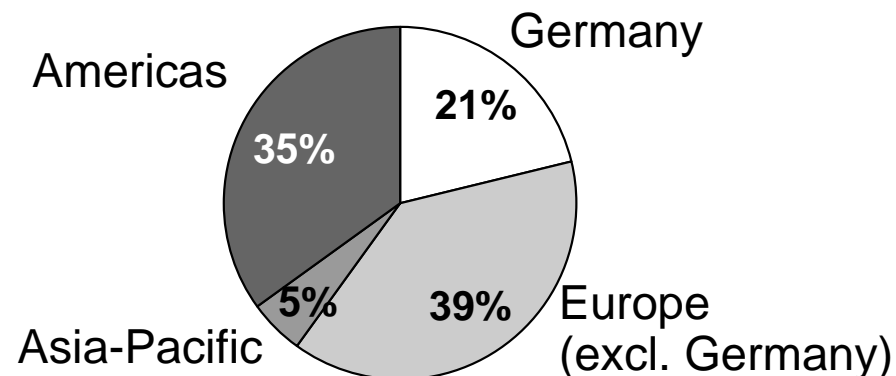
**Employees** **28,622**

**No. 1** Fire safety

**No. 2** Building automation

**Top 5** Electronic security

## Revenue by Region



## Siemens Building Technologies (SBT)

### Intelligent video analytics

SBT's Sistore CCTV system automatically digitalizes and analyzes pictures from video cameras in real time and triggers alarms if suspicious actions are detected.





# Siemens Building Technologies (SBT)

## New orders in Q3

Complete with shopping, residential and entertainment facilities, Sihlcity – located in the south of Zurich – is Switzerland’s largest private building complex. All of the project’s energy management, lighting, window blind, heating, ventilation and air-conditioning systems are controlled by a Desigo system from SBT.

## Innovations in Q3

SBT is expanding its range of air quality sensors. The Group’s new Symaro multi-sensors can simultaneously measure carbon dioxide concentrations, air temperature and air humidity, enabling users to control building ventilation and achieve energy savings of up to 50% while maintaining the same level of comfort.

FY  
2007

Q1

Q2

Q3

Q4

## Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	1,161	+3%
<b>New orders</b>	1,269	+11%
<b>Group profit</b>	80	+122%

\*April 1 to June 30, 2007

## Power Generation (PG)

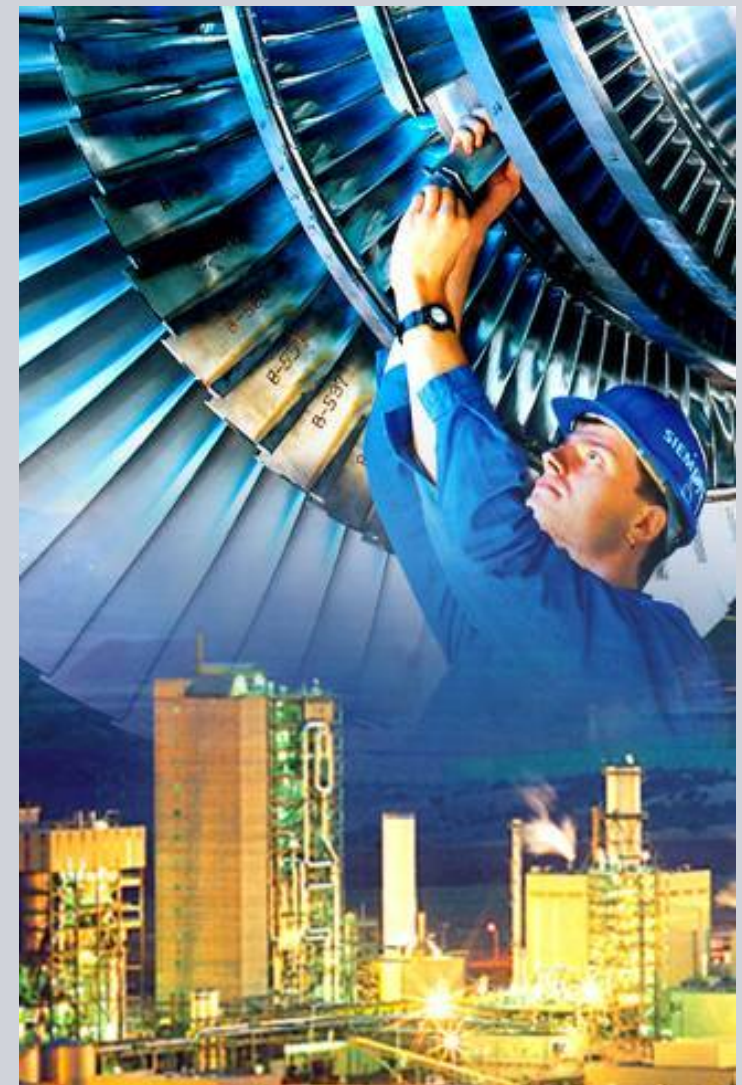
- **Power generation**

Siemens and its joint venture companies offer customers **all key power generation technologies**, including instrumentation and controls.

Siemens power plants generate **one-fifth of the world's electric power capacity**.

- **Industrial applications**

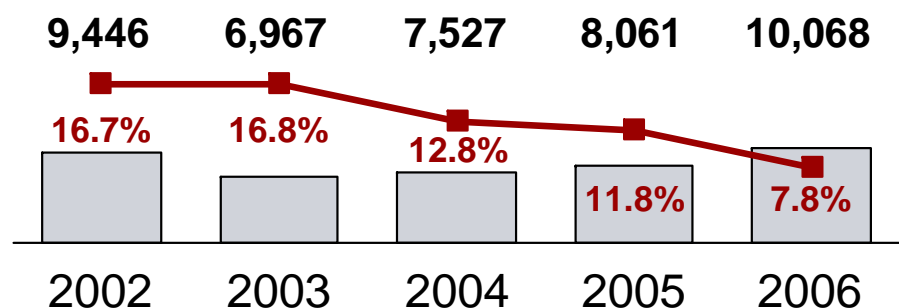
Siemens is a **major supplier** of rotating equipment for industrial applications, particularly in the oil and gas industry.



# Power Generation (PG)

## Revenue (in millions of euros)

**Group profit margin** **Target: 10-13%**



(in millions of euros)

**FY 2006**

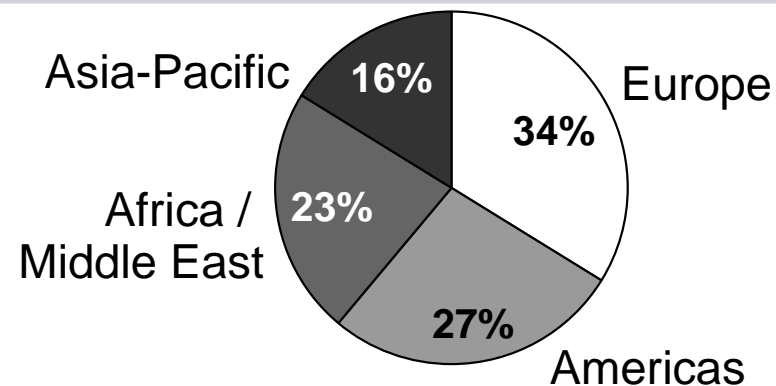
<b>Revenue</b>	10,068
<b>New orders</b>	12,532
<b>Group profit</b>	782
<b>Employees</b>	<b>36,427</b>

**No. 1** Instrumentation & controls

**No. 2** Fossil-fuel power plants

**No. 2** Industrial applications

## Revenue by Region



## Power Generation (PG)

### High-performance power plants

The Mainz-Wiesbaden power plant in Germany, with an efficiency rate of 58%, is one of the most efficient combined cycle power plants in the world. Siemens is pushing efficiency even further with its latest innovation, the world's largest and most powerful gas turbine. The new turbine has a capacity comparable to that of 13 jumbo jet engines and generates enough power to supply a city the size of Hamburg. In combined cycle mode at the E.ON power plant in Irsching, Germany, it will have an efficiency rate of more than 60%, reducing CO<sub>2</sub> emissions at the plant by up to 40,000 tons a year.



# Power Generation (PG)

## New orders in Q3

PG is building another offshore wind farm in the UK. For the Gunfleet Sands project located off the east coast of England, Siemens is supplying 30 wind power systems with a combined output of 108 megawatts. Gunfleet Sands is already the third British offshore project to use Siemens' largest wind turbine, which has a capacity of 3.6 megawatts. The customer is DONG Energy A/S of Denmark.

## Innovations in Q3

PG and the Norwegian energy company Hydro have teamed up to leverage Hydro's Hywind concept for developing floating wind turbines. Siemens will supply the first wind turbine for a demonstration unit, which will be located off the coast of Norway.

FY  
2007

Q1

Q2

Q3

Q4

## Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	2,863	+9%
<b>New orders</b>	3,942	+59%
<b>Group profit</b>	290	+32%

\*April 1 to June 30, 2007

## Power Transmission and Distribution (PTD)

- **Transmission and distribution**

Siemens is the **world's second largest solutions provider** to power utilities and industrial customers, offering reliable, safe and economical transport and distribution of electricity from the power plant to the consumer.

- **Energy management**

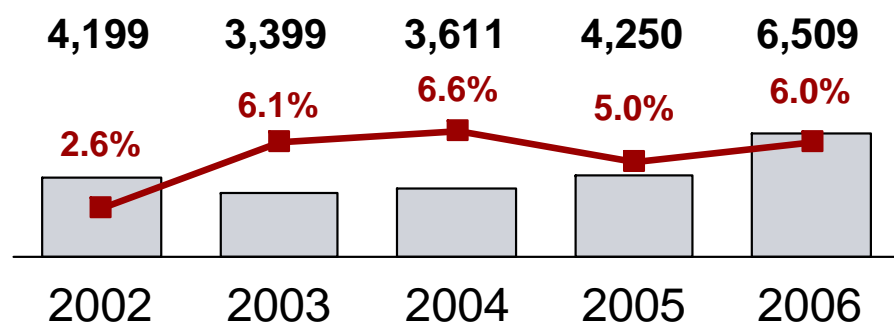
Siemens is a leading supplier of energy management systems for the **control** and **economical handling** of power transmission and distribution.



# Power Transmission and Distribution (PTD)

## Revenue (in millions of euros)

### Group profit margin Target: 5-7%



(in millions of euros)

**FY 2006**

<b>Revenue</b>	6,509
<b>New orders</b>	8,028
<b>Group profit</b>	390

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**Employees** **27,510**

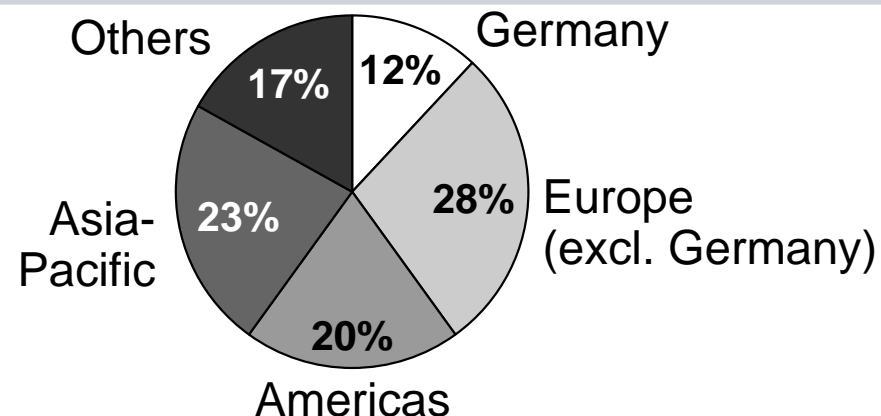
**No. 1** Energy automation

**No. 1** High-voltage

**No. 2** Medium-voltage

**No. 2** Transformers

## Revenue by Region



## Power Transmission and Distribution (PTD)

### Innovative power transmission

Siemens supplied the power electronics and equipment for the **high-voltage direct-current transmission** link between Tasmania and the Australian mainland. Electricity generated in hydro power plants in Tasmania can be delivered to load centers in Victoria.

In return, the island can replenish its base load in dry periods through electricity imports from the mainland.





# Power Transmission and Distribution (PTD)

## New orders in Q3

With its new high-voltage direct-current transmission (HVDC) system linking Yunnan Province in the southwest of China with Guangdong Province on the country's south coast, Siemens is revolutionizing HVDC technology. The system will be the first to transmit electricity at a direct-current voltage of 800 kilovolts. With a transmission capacity of 5,000 kilowatts, it will also be the most powerful long-distance HVDC link in the world.

## Innovations in Q3

PTD has developed a high-voltage direct-current transmission system based on a new generation of converters using voltage-sourced converter technology. HVDC Plus is suitable for direct-current links up to the 1,000 megawatt range. The transmission system allows the low-loss transport of electrical energy from offshore wind farms to the coast as well as the economical and eco-friendly supply of power to oil platforms from supply systems on the mainland.

## Performance in Q3



(in millions of euros)	<b>Q3 2007*</b>	<b>vs. Q3/06</b>
<b>Revenue</b>	1,922	+12%
<b>New orders</b>	2,392	+15%
<b>Group profit</b>	152	+49%

FY  
2007

Q1

Q2

Q3

Q4

\*April 1 to June 30, 2007

## Transportation Systems (TS)

- **Mass transit**

Siemens has equipped **every third subway system** in Europe with signaling and operations control systems.

- **Main line**

Siemens has built the **world's fastest** train in series production.

- **Freight transport**

Our **rail innovations** lay the basis for international and regional rail freight traffic, supplementing and providing an alternative to truck transport.

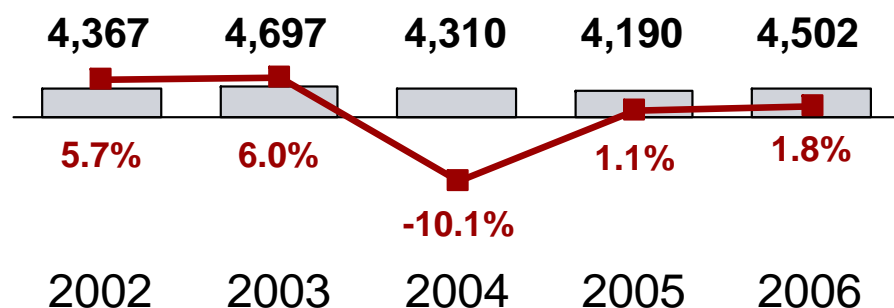


# Transportation Systems (TS)

## Revenue (in millions of euros)

### Group profit margin

**Target: 5-7%**



(in millions of euros)

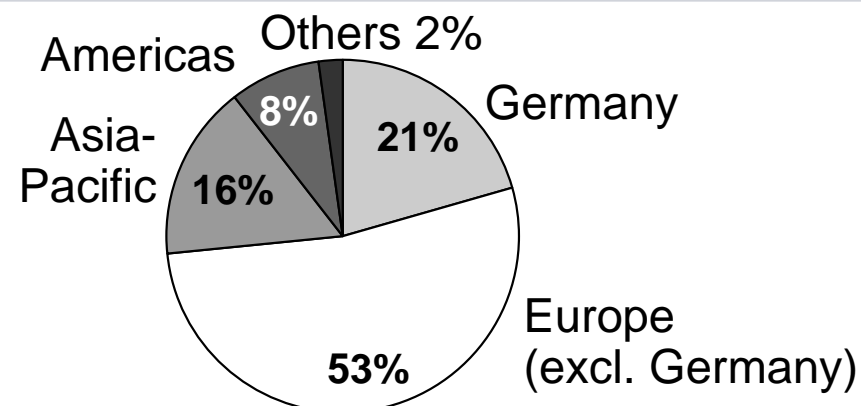
**FY 2006**

<b>Revenue</b>	4,502
<b>New orders</b>	6,173
<b>Group profit</b>	80
<b>Employees</b>	<b>18,864</b>

**No. 1** Rail automation

**No. 1** Turnkey systems

## Revenue by Region



## Transportation Systems (TS)



### VELARO E

is one of the first **high-speed multiple-unit trains** in Europe. The Velaro concept includes the seamless integration of European train control and communications systems. Built for a **top speed of 350 km/h**, it is the **world's fastest** passenger train, providing passengers with top-class comfort and high-tech facilities.

# Transportation Systems (TS)

## New orders in Q3

Infrabel, the infrastructure operator for Belgian Railways, has signed a master agreement with TS and Alstom Transportation to modernize its signaling equipment. The €414-million project, which will enable Infrabel to improve reliability and on-time performance, will be completed over a period of five years. Siemens will supply, among other things, the operations control system, while Alstom will provide new signal towers and trackside components.

## Innovations in Q3

Velaro, the world's fastest high-speed train in series production, is now carrying its first passengers. The Spanish government and Renfe, Spain's national railway company, inaugurated Velaro operations in June 2007. Built at Siemens plants in Germany and Spain, the trains, which can reach top speeds of over 400 km/hour under test conditions and can be operated at speeds of up to 350 km/hour, are now linking Madrid with Sevilla and Tarragona (Barcelona).

FY  
2007

Q1

Q2

Q3

Q4

## Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	1,006	+2%
<b>New orders</b>	658	-58%
<b>Group profit</b>	24	+41%

\*April 1 to June 30, 2007

## Siemens VDO Automotive AG (SV)\*

- **Global presence**

**Every second car** in the world has Siemens technology inside.

- **Top customer base**

**All top ten car producers** in the world rely on Siemens.

- **Innovation leader**

Siemens is a **first mover** in driver assistance, fuel-saving technologies and telematics.



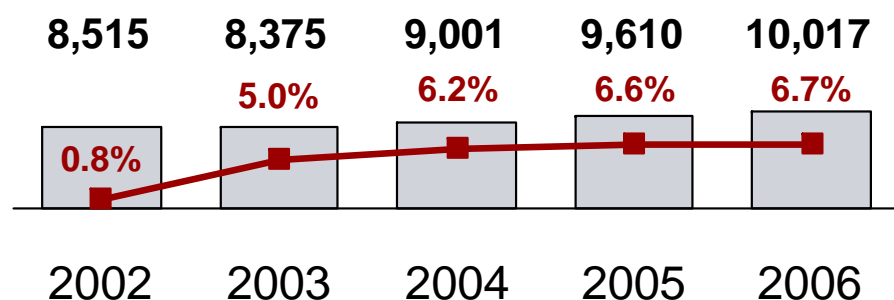
3) Subject to approval by regulatory authorities, the Group will be sold to Continental AG.

# Siemens VDO Automotive AG (SV)

## Revenue (in millions of euros)

### Group profit margin

**Target: 5–6%**



(in millions of euros)

**FY 2006**

<b>Revenue</b>	10,017
<b>New orders</b>	10,014
<b>Group profit</b>	669
<b>Employees</b>	<b>53,000</b>

**No. 1** Safety electronics

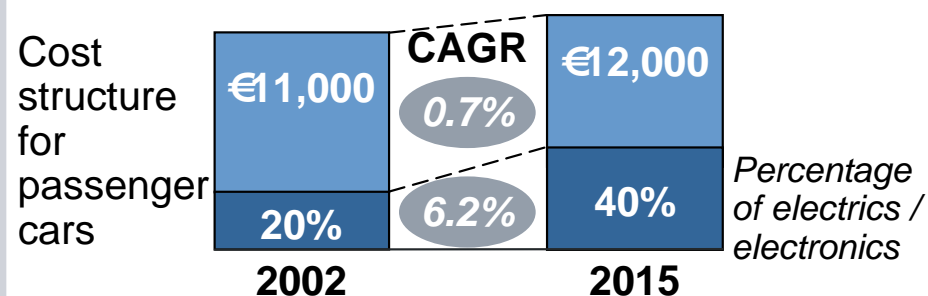
**No. 1** Instrument clusters

**No. 1** Fuel supply systems

**No. 1** Body electronics

**No. 1** Tachographs

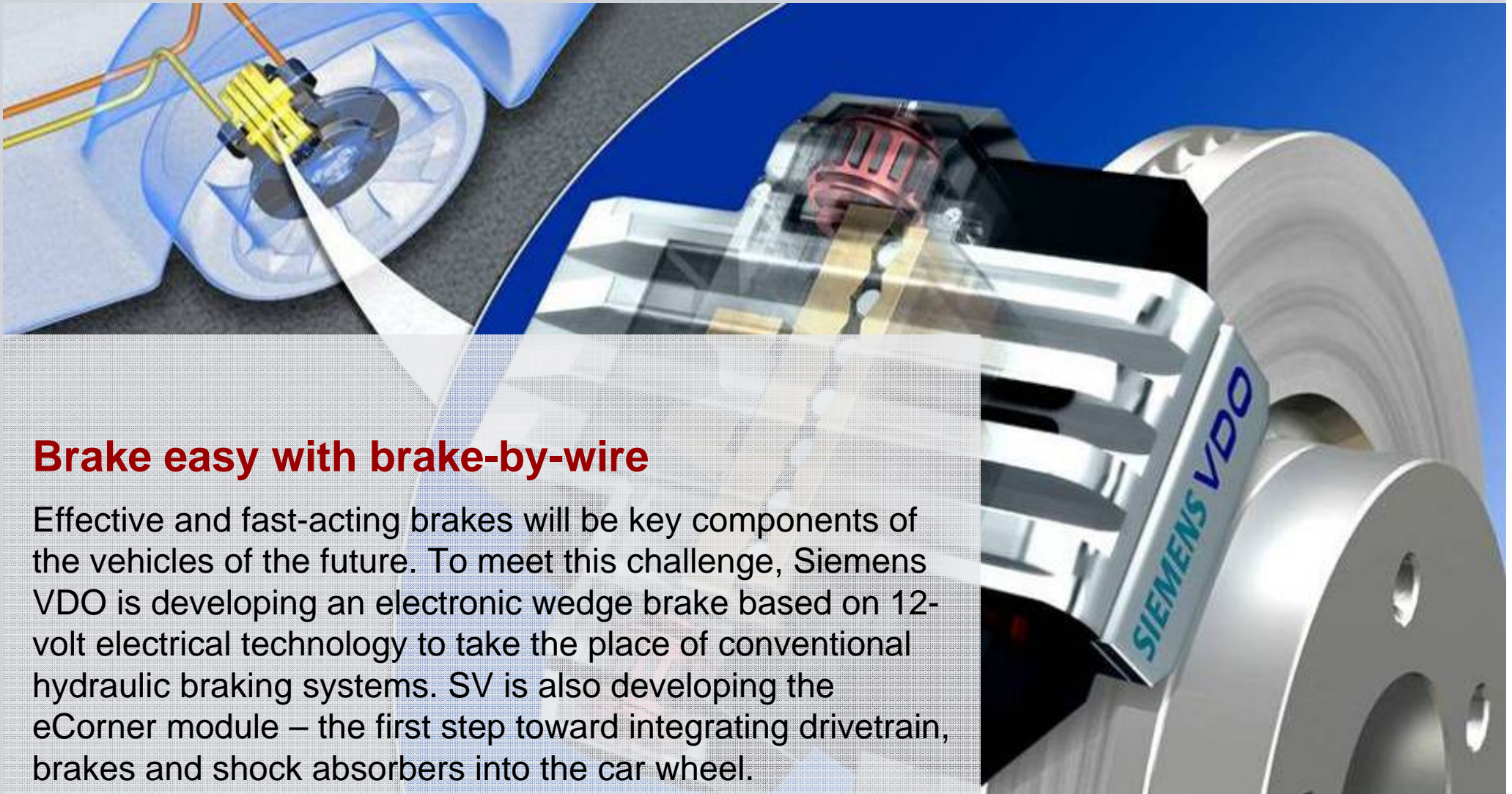
## Leveraging growth potential



Automotive electronics generates 50% of SV revenue.

Source: McKinsey / VDA

## Siemens VDO Automotive AG (SV)



### **Brake easy with brake-by-wire**

Effective and fast-acting brakes will be key components of the vehicles of the future. To meet this challenge, Siemens VDO is developing an electronic wedge brake based on 12-volt electrical technology to take the place of conventional hydraulic braking systems. SV is also developing the eCorner module – the first step toward integrating drivetrain, brakes and shock absorbers into the car wheel.



# Siemens VDO Automotive AG (SV)

## Innovations in Q3

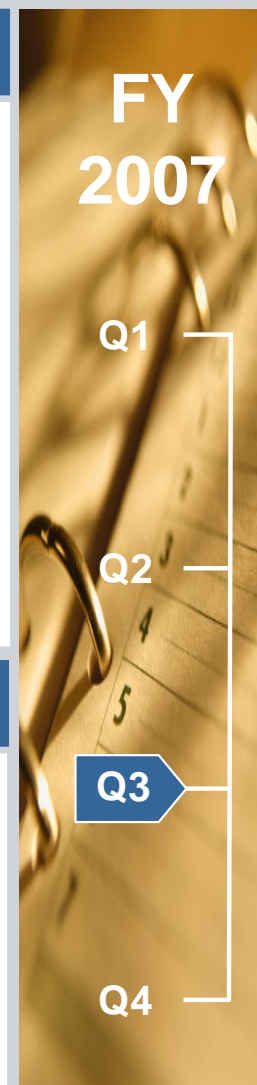
Siemens VDO system to warn wrong-way drivers

Siemens VDO is conducting research on a wrong-way warning system that can protect drivers from dangerous mistakes. Based on the synergistic integration of camera-based traffic sign recognition and navigation systems, the new electronic assistant can prevent serious accidents by detecting and warning drivers before they head the wrong way up freeway ramps and one-way streets.

## Performance in Q3



(in millions of euros)	<b>Q3 2007*</b>	<b>vs. Q3/06</b>
<b>Revenue</b>	2,731	+5%
<b>New orders</b>	2,719	+5%
<b>Group profit</b>	214	+38%



\*April 1 to June 30, 2007

## Medical Solutions (Med)

**The world's first integrated diagnostic company that combines in-vivo diagnostics and in-vitro diagnostics with healthcare IT**

- **In-vivo diagnostics (imaging systems)**

Example: Siemens' Somatom Definition is the world's first dual source CT system. Using two Straton X-ray sources and detectors, it is **faster than the beating heart** and is the **most precise** CT on the market today.

- **Healthcare IT**

Soarian is the world's most extensive software platform for coordinating independent hospital processes – linking clinical, financial, diagnostic and administrative procedures for patient-centered care.

- **In-vitro diagnostics (laboratory systems)**

Its acquisition of DPC and Bayer Diagnostics have made Med No.2 in immunodiagnostics worldwide. With the planned acquisition of Dade Behring, Siemens aims to become the world market leader in comprehensive clinical laboratory diagnostics. \*

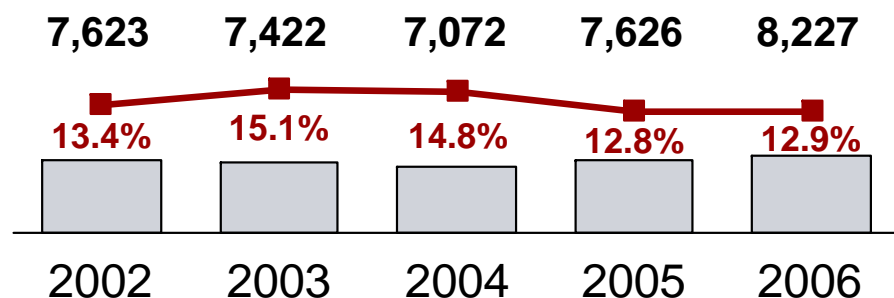


\*) Subject to approval by regulatory authorities

## Medical Solutions (Med)

### Revenue (in millions of euros)

**Group profit margin** **Target: 11-13%**



**No. 1** Healthcare IT

**No.1 / No. 2** Imaging systems

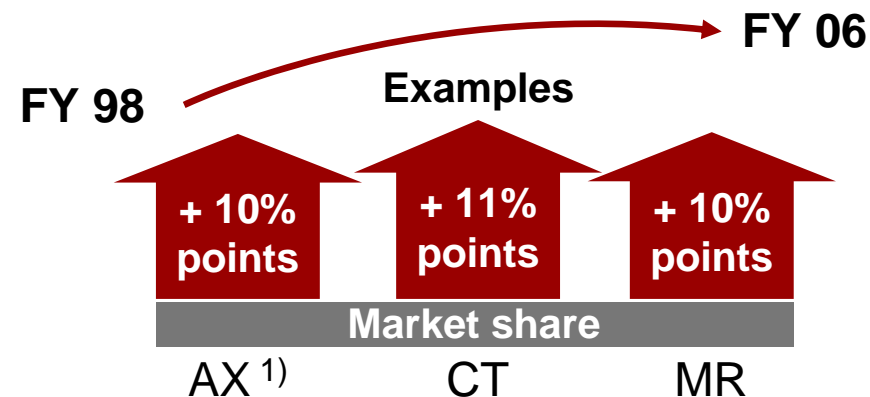
**No. 2** Immunodiagnostics

(in millions of euros)

**FY 2006**

<b>Revenue</b>	8,227
<b>New orders</b>	9,334
<b>Group profit</b>	1,061
<b>Employees</b>	<b>36,000</b>

### Technology trendsetter



1) Angiography, fluoroscopic, radiographic systems  
As of September 30, 2006

## Medical Solutions (Med)

### Somatom Definition – Faster than a beating heart

Siemens' new Somatom Definition scanner is the world's first dual source computed tomography system. With two Straton X-ray sources and two detectors, it is the fastest scanner of its kind. When conducting heart scans, for example, doctors no longer need to administer beta blockers to lower patients' heart rates. Somatom Definition reduces radiation exposure 50% compared to conventional CT scanners. The system is also blazing a new trail in oncology diagnostics by enabling doctors to differentiate and characterize tumor tissues.



## Medical Solutions (Med)

### New orders in Q3

Med has signed an agreement with network and IT service provider British Telecommunications (BT) to provide identity and access management services to global companies worldwide. BT has excellent international market access, while Med is a global supplier of a leading identity and access management suite. The new project will further consolidate the two companies' successful partnership.

### Innovations in Q3

In what could prove to be a turning point in diagnosis and therapy for millions of patients suffering from neurological diseases, strokes and cancer, Med has developed a prototype for the world's first full-function imaging system for human beings. The system can perform magnetic resonance imaging (MRI) and positron emission tomography (PET) examinations simultaneously. Testing will begin in Germany this year.

### Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	2,431	+32%
<b>New orders</b>	2,517	+21%
<b>Group profit</b>	307	+31%

FY  
2007

Q1

Q2

Q3

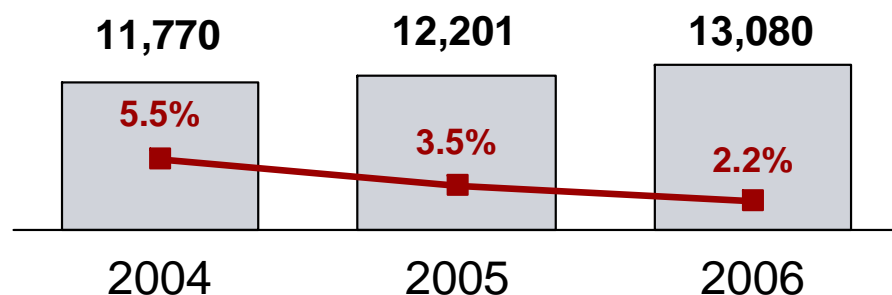
Q4

\*April 1 to June 30, 2007

## Communications (Com) \*

### Revenues <sup>1)</sup> (in millions of euros)

**Group profit margin** Target: 8–11%



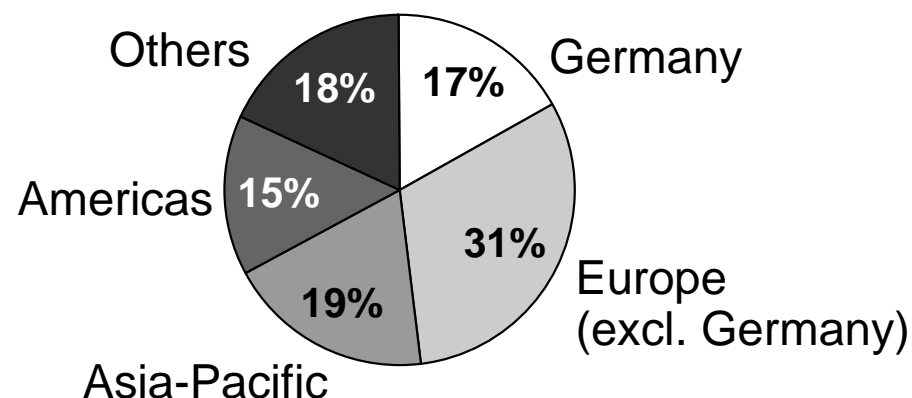
(in millions of euros)

**FY 2006**

<b>Revenue <sup>1)</sup></b>	13,080
<b>New orders <sup>1)</sup></b>	13,571
<b>Group profit <sup>1)</sup></b>	283
<b>Employees</b>	<b>51,000</b>

\* Effective Oct. 1, 2006, Com is no longer a Siemens Group. Since the launch of the Nokia Siemens Networks joint venture on April 1, 2007, Com's remaining business activities have been bundled in the separate legal entity Siemens Enterprise Communications GmbH & Co. KG.

### Revenue <sup>1)</sup> by Region



<sup>1)</sup> Concerning the former Group Communications (Com)  
As of September 30, 2006

## **Siemens Enterprise Communications GmbH & Co. KG**

Some 15,000 employees in 80 countries develop and implement a forward-looking portfolio of products, applications and services tailored to specific customer needs. Solutions are based on open standards and can be seamlessly integrated into existing infrastructures. Rounding out the portfolio, comprehensive services – including consulting, implementation and maintenance – are making business processes faster, more efficient and more secure.

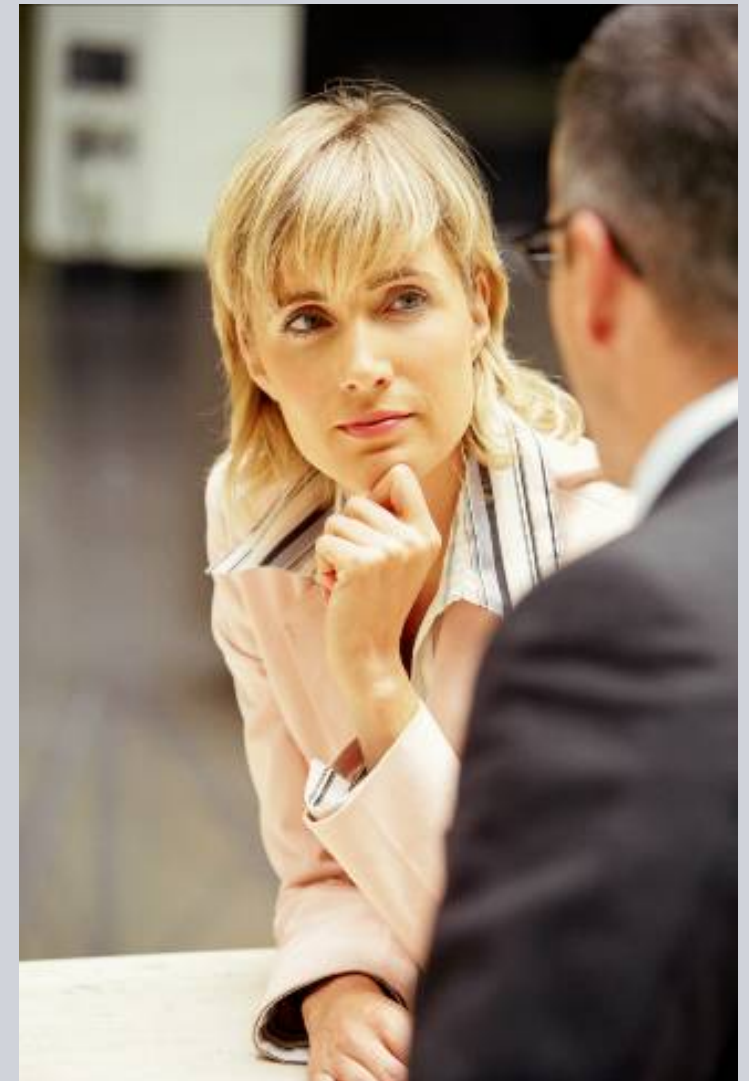


Siemens Enterprise Communications GmbH & Co. KG – a wholly owned, Munich-based Siemens subsidiary – is one of the world's leading vendors of open communications solutions for companies of every size.

## Siemens IT Solutions & Services (SIS)

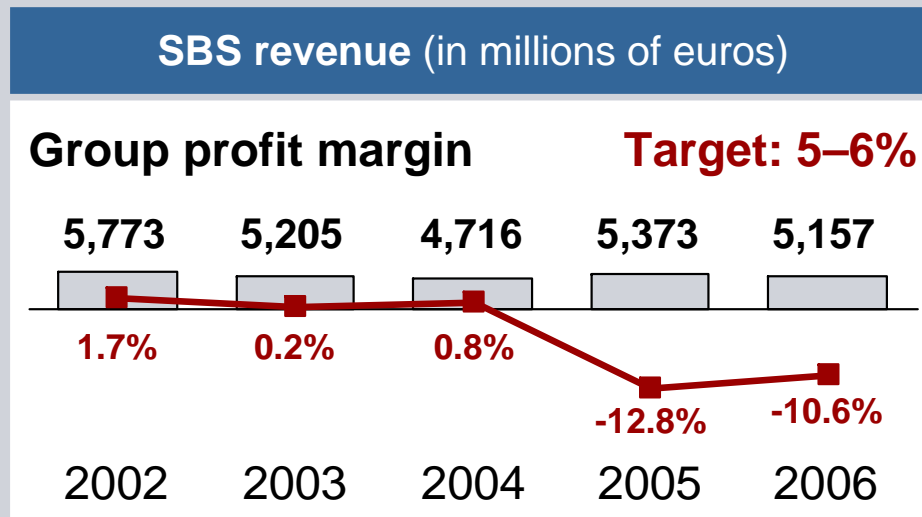
Siemens IT Solutions & Services has four strategic pillars:

- SIS supplements the portfolios of the other Siemens Groups with specialist IT know-how.
- SIS is continuing to develop its existing IT outsourcing and IT solutions business with external customers, who account for some 60% of the Group's total revenue.
- SIS operates Siemens' entire IT infrastructure.
- SIS develops software for the products and services of the other Siemens Groups.

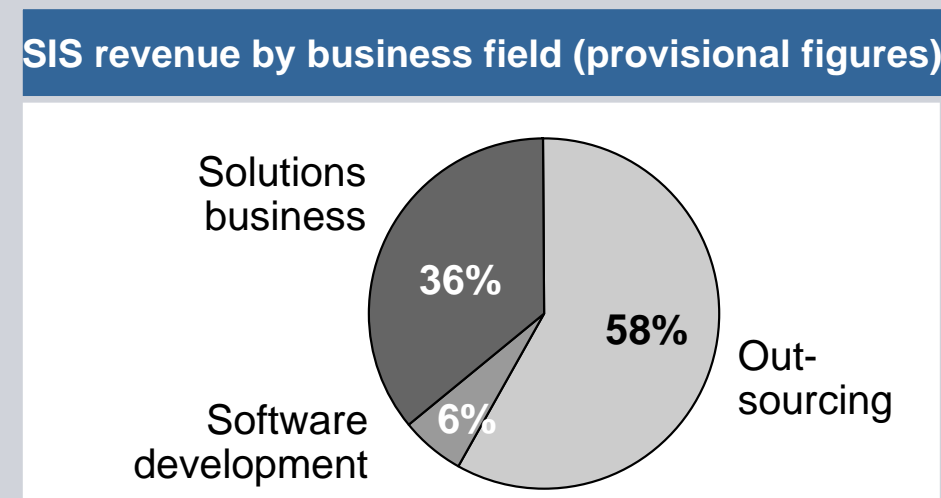
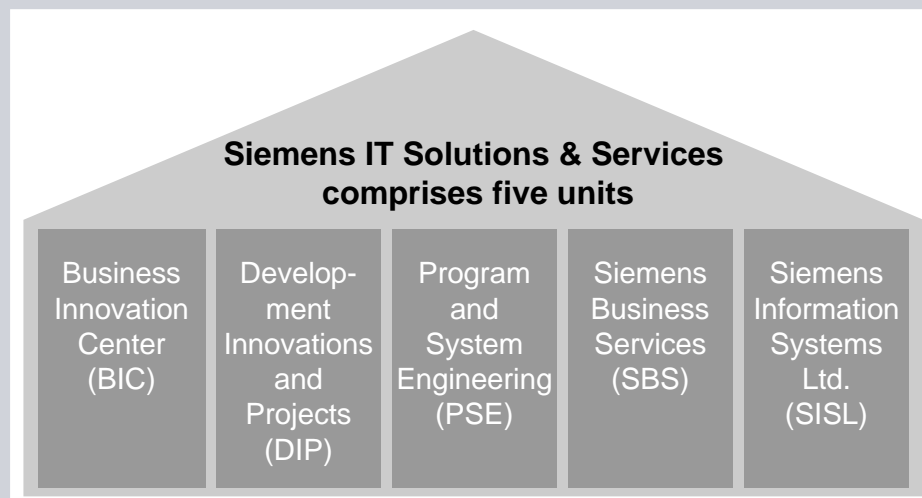




# Siemens Business Services\* / Siemens IT Solutions & Services (SIS)\*\*



SBS (in millions of euros)	FY 2006
<b>Revenue</b>	5,157
<b>New orders</b>	5,014
<b>Group profit</b>	-549
<b>Employees</b>	<b>34,300</b>



\* SBS became part of the new Group Siemens IT Solutions and Services (SIS) in January 2007.

\*\* Since January 2007

# Siemens IT Solutions and Services (SIS)

## New orders in Q3

TerraSAR-X, the German radar satellite, is now orbiting the earth with the help of software provided by SIS. On behalf of the German Aerospace Center (DLR) and Astrium GmbH, the Group developed, among other things, the control software used for the satellite's high-tech testing and ground control systems. TerraSAR-X was launched from Kazakhstan's Baikonur Cosmodrome on June 15, 2007.

## Innovations in Q3

Citizens of the Czech Republic can now apply for passports with electronically stored photos that help ensure error-free identification. The required biometric data is stored on an RFID chip. SIS supplied the complete system for recording and producing the data. The Group will also operate the system, which can record digital fingerprints as well as images, for four years.

## Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	1,257	+3%
<b>New orders</b>	1,094	-8%
<b>Group profit</b>	66	n/a

FY  
2007

Q1

Q2

Q3

Q4

\*April 1 to June 30, 2007

## Lighting (Osram)

### General lighting

- Osram products illuminate **households, commercial** and **public** buildings in around 150 countries.

### Automotive lighting

- Our product range includes lamps and LEDs for **cars, trucks, motorcycles** and **bikes**.

### Display / optics

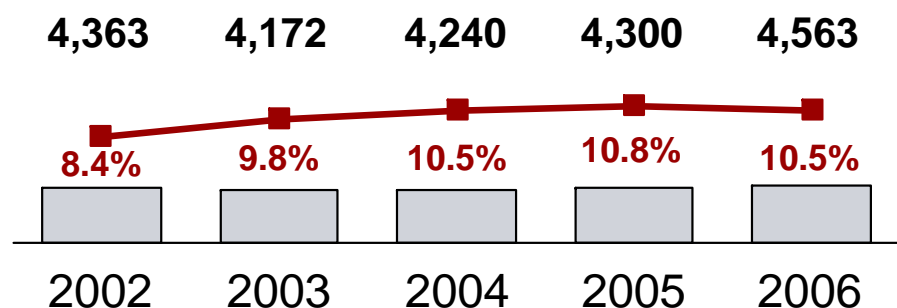
- Osram's special purpose lamps are setting new standards in **cinema, video** and **data projection**. Our state-of-the-art XBO projector lamp has even **received an OSCAR®**.



# Lighting (Osram)

## Revenue (in millions of euros)

**Group profit margin** **Target: 10-11%**



**No. 1** Automotive lighting

**No. 2** General lighting

**No. 2** Opto semiconductors

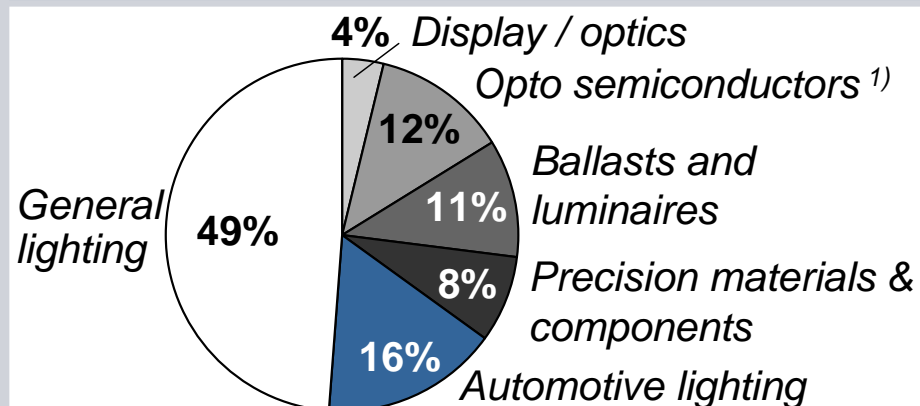
**No. 3** Display / optics

(in millions of euros)

**FY 2006**

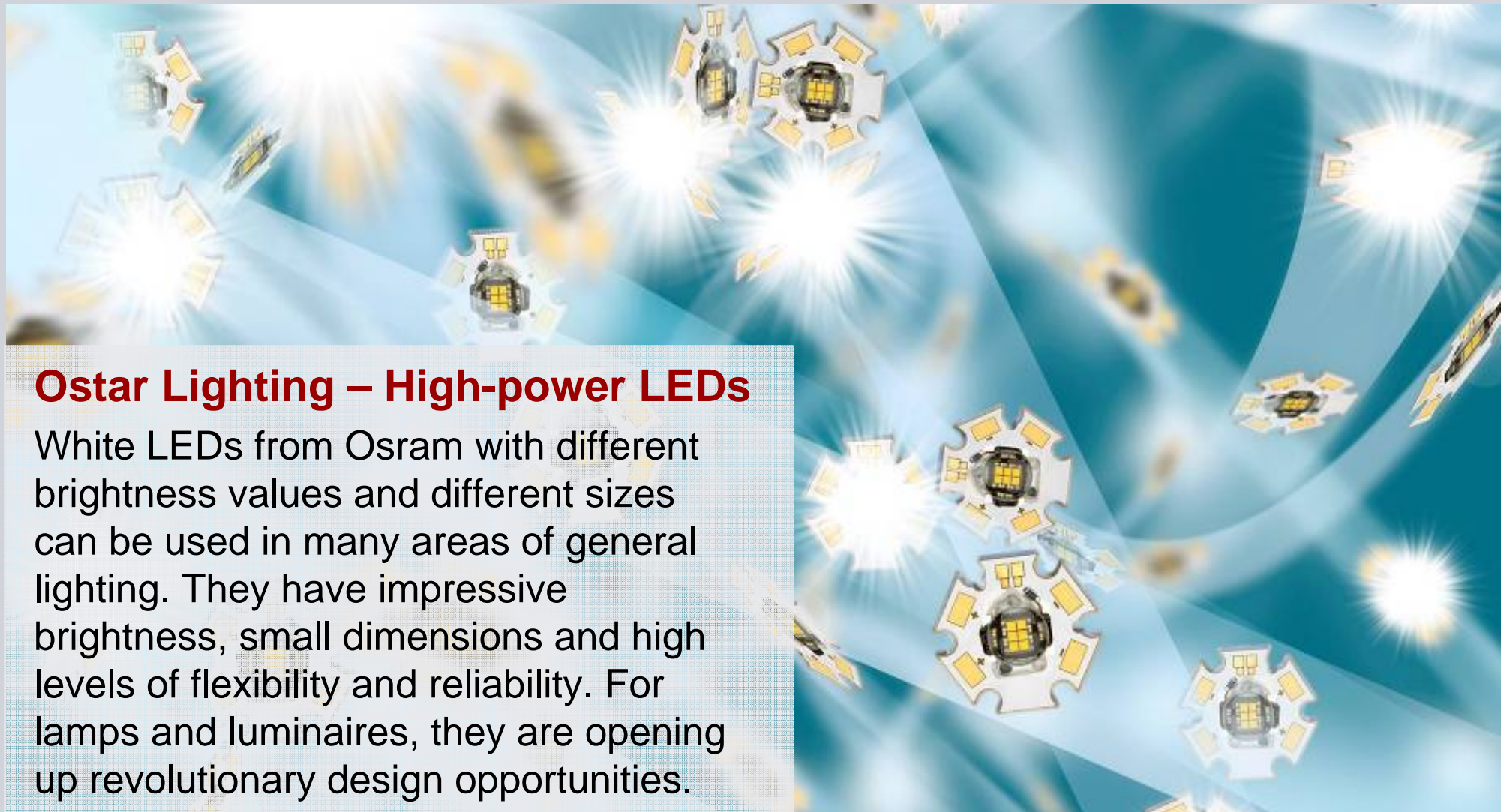
<b>Revenue</b>	4,563
<b>New orders</b>	4,563
<b>Group profit</b>	481
<b>Employees</b>	<b>40,000</b>

## Revenue by Division



1) LED revenue is included in opto semiconductors.

## Lighting (Osram)



### **Ostar Lighting – High-power LEDs**

White LEDs from Osram with different brightness values and different sizes can be used in many areas of general lighting. They have impressive brightness, small dimensions and high levels of flexibility and reliability. For lamps and luminaires, they are opening up revolutionary design opportunities.

## OSRAM

### New orders in Q3

High-power LEDs from OSRAM Opto Semiconductors play a prominent role in the interior and exterior lighting of the Opel GTC concept car. Thanks to thin-film technology, which has led to a quantum leap in brightness, these tiny light sources are so powerful that only a few are needed for all the car's exterior lighting. With their short response times, they contribute significantly to road safety. And with a service life of more than 50,000 hours, they will last as long as the car itself.

### Innovations in Q3

At the Laser Fair 2007 World of Photonics, Osram showcased the world's first and smallest surface mountable (SMT) high-power laser for the continuous wave (cw) mode.

The laser is dustproof, economical and extremely powerful, making it ideal for high-volume applications in the automobile and healthcare sectors.

The tiny 2.5 mm high laser has a footprint of only 6.0 x 4.5 mm<sup>2</sup>.

FY  
2007

Q1

Q2

Q3

Q4

### Performance in Q3



(in millions of euros)

**Q3 2007\*** vs. Q3/06

**Revenue** 1,124 +3%

**New orders** 1,124 +3%

**Group profit** 116 +5%

\*April 1 to June 30, 2007

## Siemens Financial Services (SFS)

### Our business

- Providing financial services for Siemens as well as third-party customers
- Financing sales and major infrastructure projects
- Managing financial and insurance risks as well as pension funds

### Proven track record

- Leasing & receivables financing:  
Total assets of €10 billion
- Equity participations: Total assets of €357 million
- Project finance: About 300 projects worldwide, total volume more than €30 billion
- Treasury: 10.6 million transactions a year, €49.8 billion in managed assets
- Pensions & investments:  
€19.4 billion in assets under management
- Insurance: Brokered premium volume of €539 million

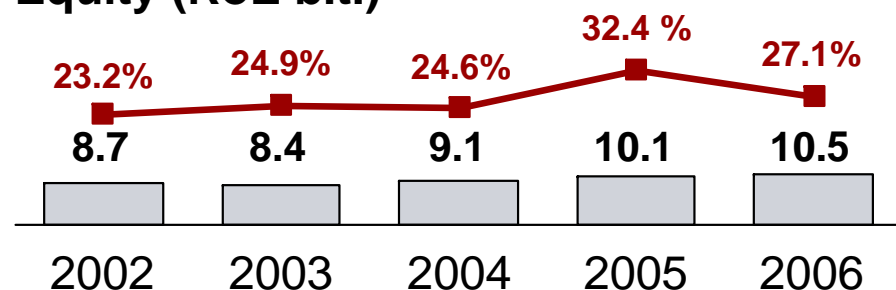


# Siemens Financial Services (SFS)

## Total assets (in billions of euros)

Group's Return on Equity (RoE b.t.)

Target: 18-22%



(in millions of euros)

FY 2006

<b>Total assets</b>	10,522
<b>New leasing volume p.a.</b>	3,008
<b>IBIT</b>	307
<b>Employees</b>	1,764

## SFS product portfolio

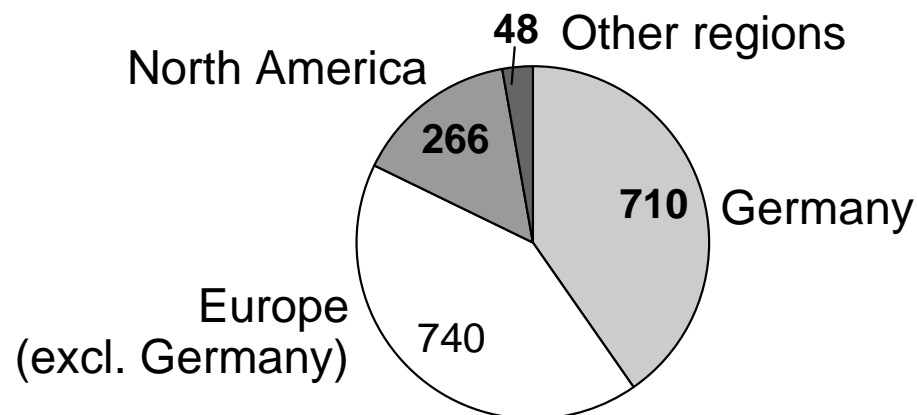
Provide interest and dividend income

- Asset finance & leasing
- Receivables financing
- Asset-based lending
- Equity & project participation

Provide fee income

- Project & export financing
- Investment management
- Industrial insurance solutions
- Private finance solutions
- Treasury & financing services

## Employees by Region





## Siemens Financial Services (SFS)

### More than a bank

- We build strong relationships with our customers in B2B markets.
- The combination of financial expertise and industry know-how enables us to create value through tailored financial solutions.



# Siemens Financial Services (SFS)

## New orders in Q3

Shanghai's Tongji University, a major national university directly supervised by the State Education Ministry, is setting up a public-private partnership with Siemens and Germany's Asklepios Kliniken to build a new €100-million hospital in the Shanghai International Medical Zone.

## Innovations in Q3

In a new SFS study entitled "Financial Solutions and Public Services," some two-thirds of Europe's public-sector financial experts report that they are increasingly included in the strategic decision-making processes (Germany: 68%) needed to deliver public goods and services, which are expected to require investments in the multi-billion range over the coming years. Cost-cutting is the key priority for 31% of the 400 experts surveyed (Germany: 35%).

FY  
2007

Q1

Q2

Q3

Q4

## Performance in Q3



(in millions of euros)	Q3 2007*	vs. Q3/06
<b>Revenue</b>	168	+1%
<b>New orders</b>	166	+1%
<b>Group profit</b>	57	-11%

\*April 1 to June 30, 2007

## Siemens Real Estate (SRE)

- **Siemens Real Estate (SRE)**

SRE ensures the market-oriented **provision** as well as the professional and profit-oriented **development** and **commercialization** of buildings and land.

(in millions of euros)

**FY 2006**

**Total revenue** 1,705

**Income before taxes** 122

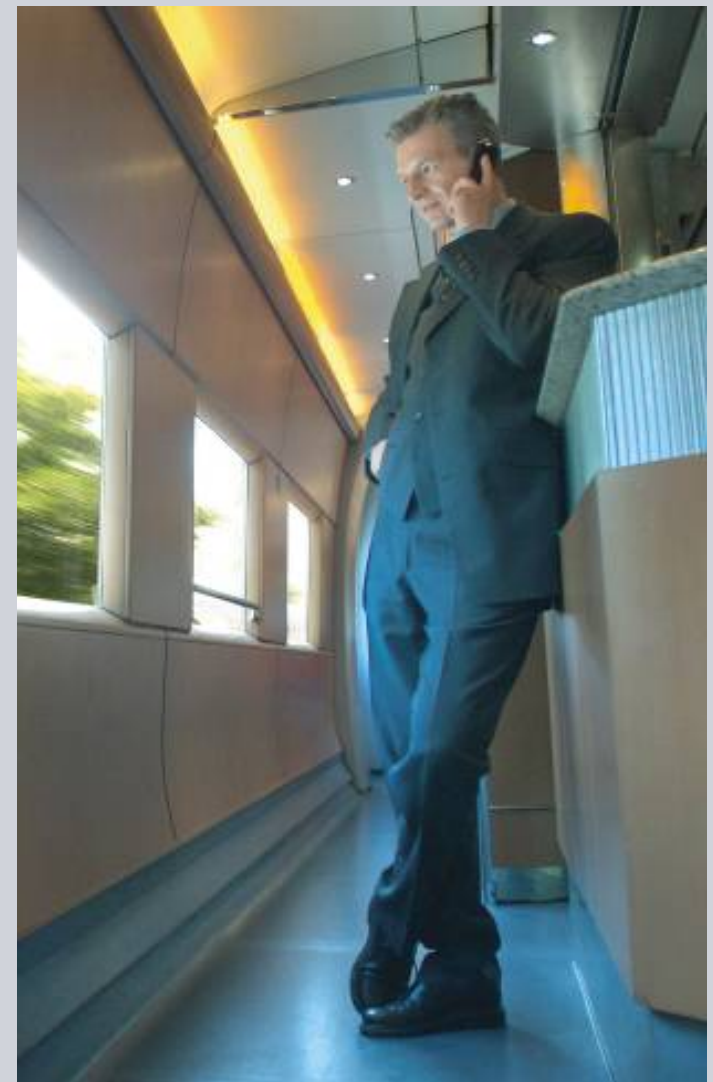
**Employees** 2,400



## Nokia Siemens Networks

The 50-50 joint venture was launched on April 1, 2007 and holds a leading position in the telecommunications infrastructure industry. The company:

- started as one of the Big Three suppliers that cover approximately 50 per cent of the total market
- holds a leading position in key carrier markets (No. 2 in wireless networks, No. 2 in telco services, No. 3 in wireline networks)
- had pro forma revenues of about €17 billion in calendar year 2006
- has a global reach in developed and emerging markets and operates in some 150 countries
- has a strong customer base with approximately 600 customers worldwide.



## BSH Bosch und Siemens Hausgeräte

- **Part of people's everyday life**

Bosch and Siemens jointly develop and produce **high-quality home appliances**, covering the entire spectrum of cooking, cooling, home laundry, dishwashing and consumer products and networked home appliances.

- **Leading position**

With revenue of more than €7.3 billion, BSH is the **No. 1** home appliance manufacturer in Germany and Western Europe and No. 3 worldwide.



## Fujitsu Siemens Computers (FSC)

- **Broad portfolio**

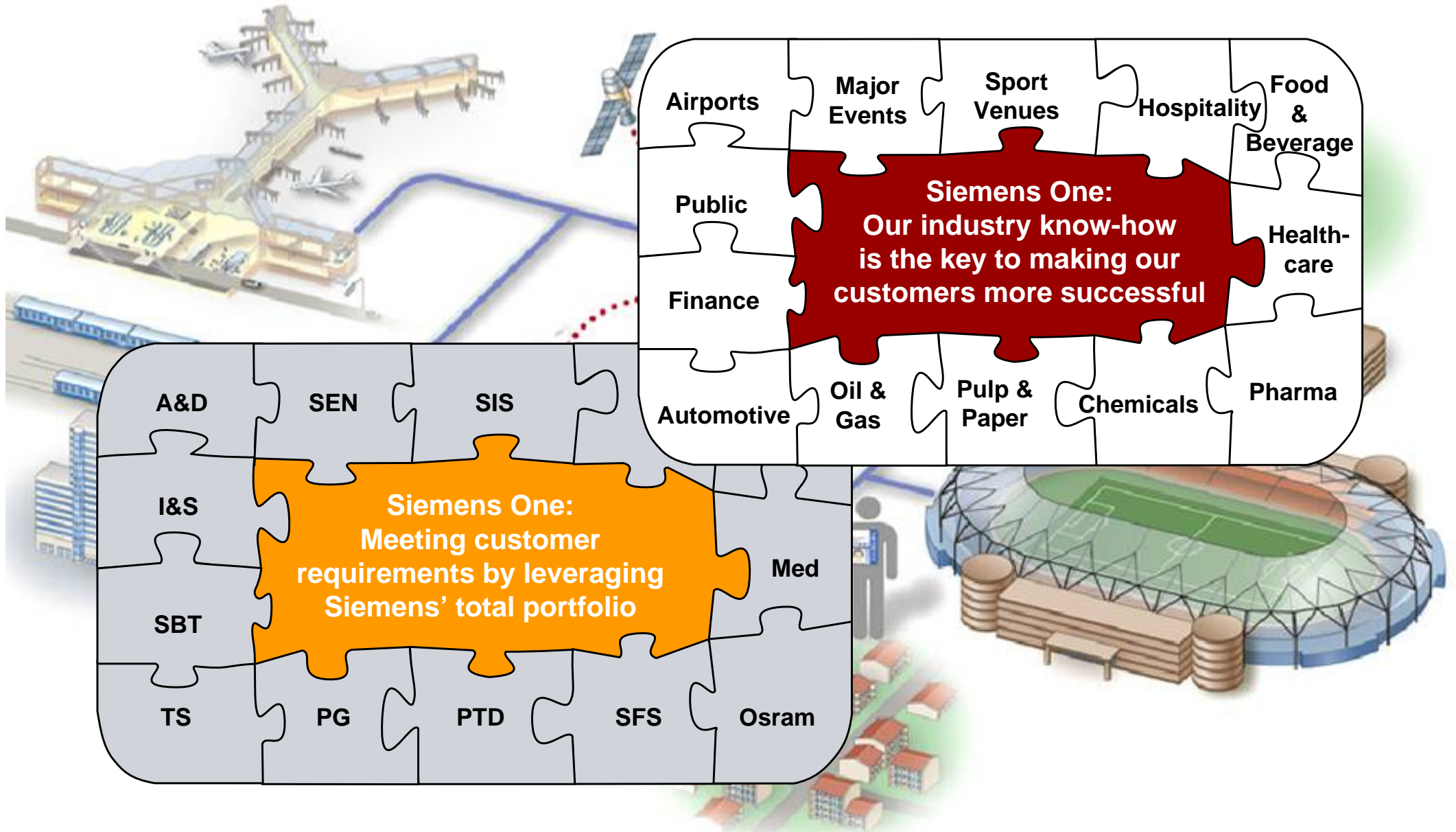
With a wide-ranging portfolio of exceptional depth, FSC's offerings extend from **hand-held-devices** and **desktop computers** to enterprise-class **IT infrastructure** solutions.

- **Leading IT company**

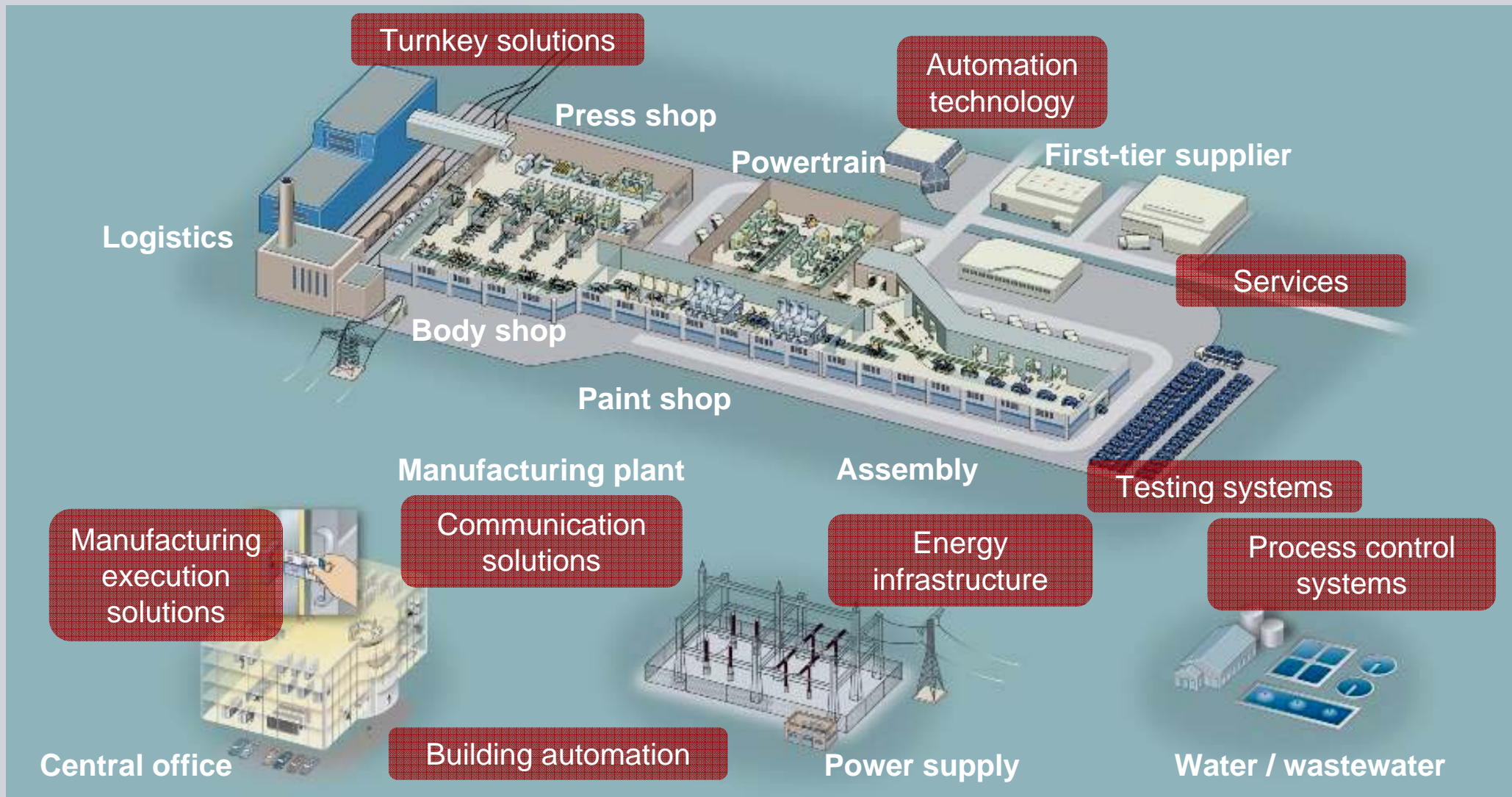
With revenue of roughly €6 billion, Fujitsu Siemens Computers is the leading European IT provider with a strategic focus on **next-generation mobility** and **dynamic data center** solutions.



# Siemens One – Understanding customer needs



## A leader in automotive plant construction





## Example – BMW in Leipzig

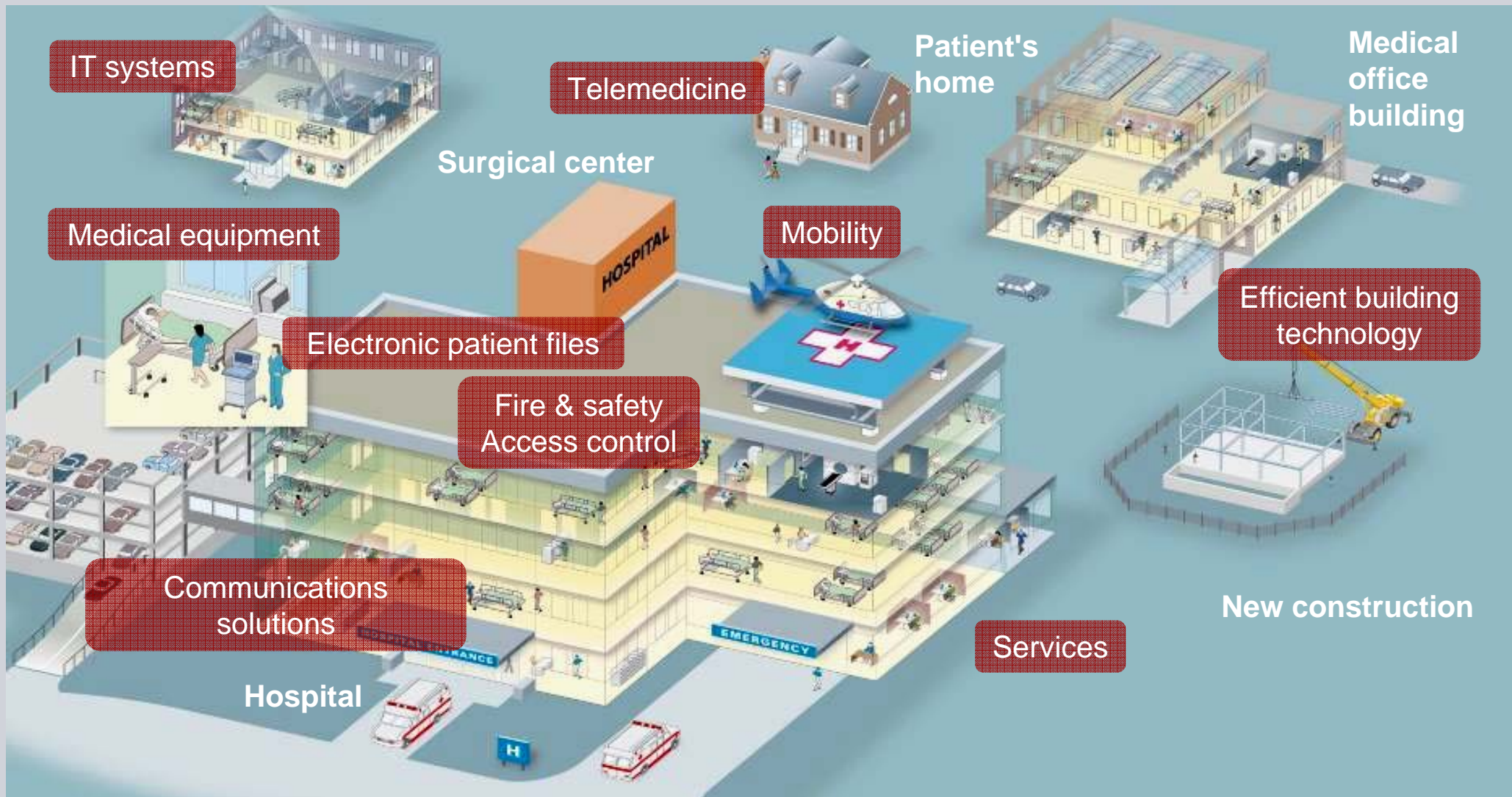
### Facts and figures

- The BMW group is a leading automobile and motorcycle manufacturer, focusing on premium standards and outstanding quality in all its products

### Siemens' contributions (Highlights)

- Automation and process control solutions for body shop, paint shop and final assembly
- Energy, communications, IT and building infrastructures
- Services for the whole factory
- High synergy and cost efficiency through standardized hardware and software

## Leading digital hospital provider



## Example – Hospital da Luz in Lisbon, Portugal

### Facts and figures

- A single campus with cutting-edge technology
- More than 30 specialist clinics, emergency hospital, residential hospital, senior residential house
- 280 beds and 10 operating rooms

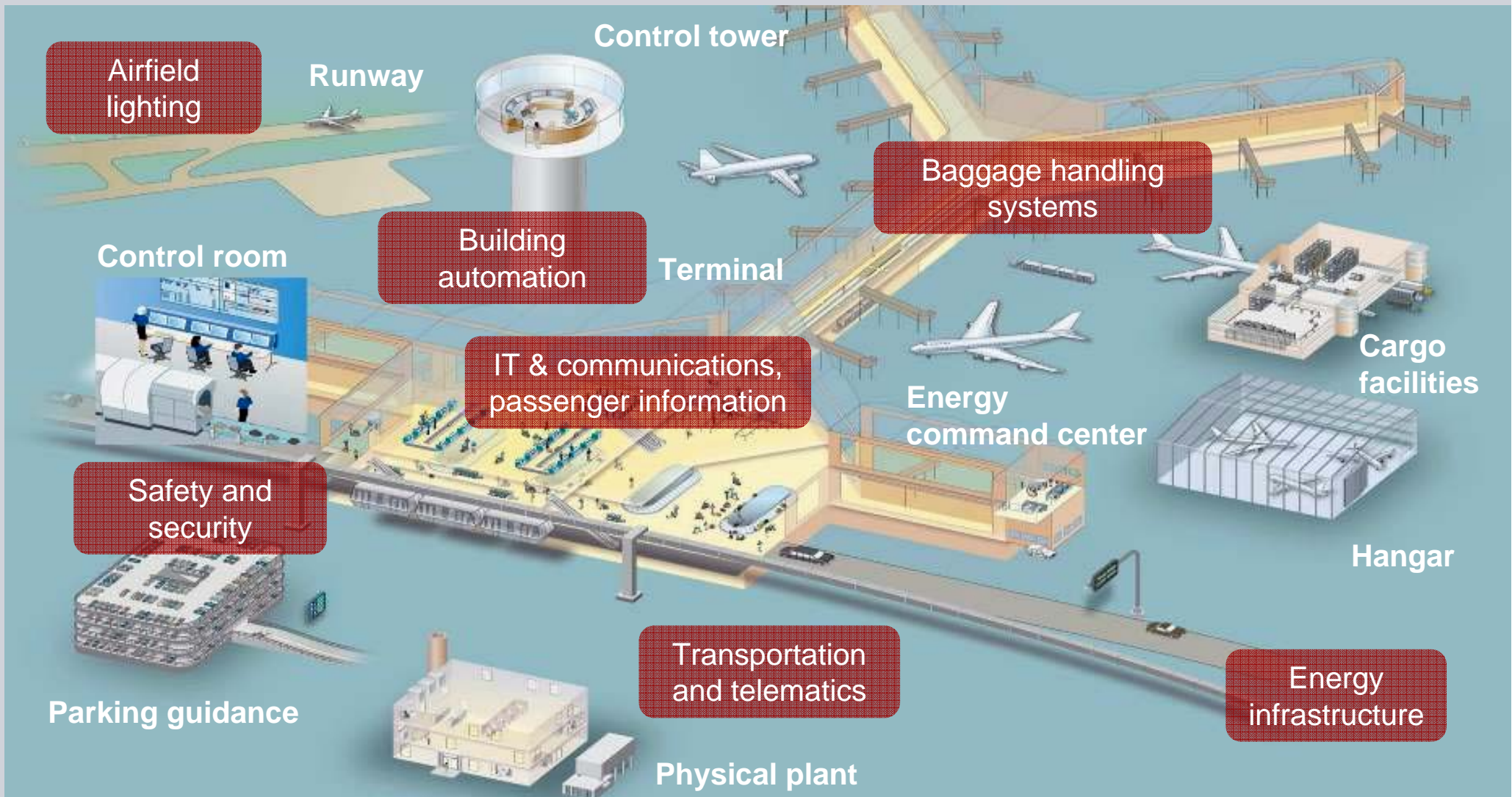
### Siemens' contributions (Highlights)

Integrated medical equipment, information systems, communications and building technology solutions:

- Diagnostics equipment
- Healthcare information systems
- Communications networks
- Lighting and electrical installations
- Infrastructure security and operations
- Maintenance (proactive services and repair)
- Power supply and distribution



## Leading partner for airports



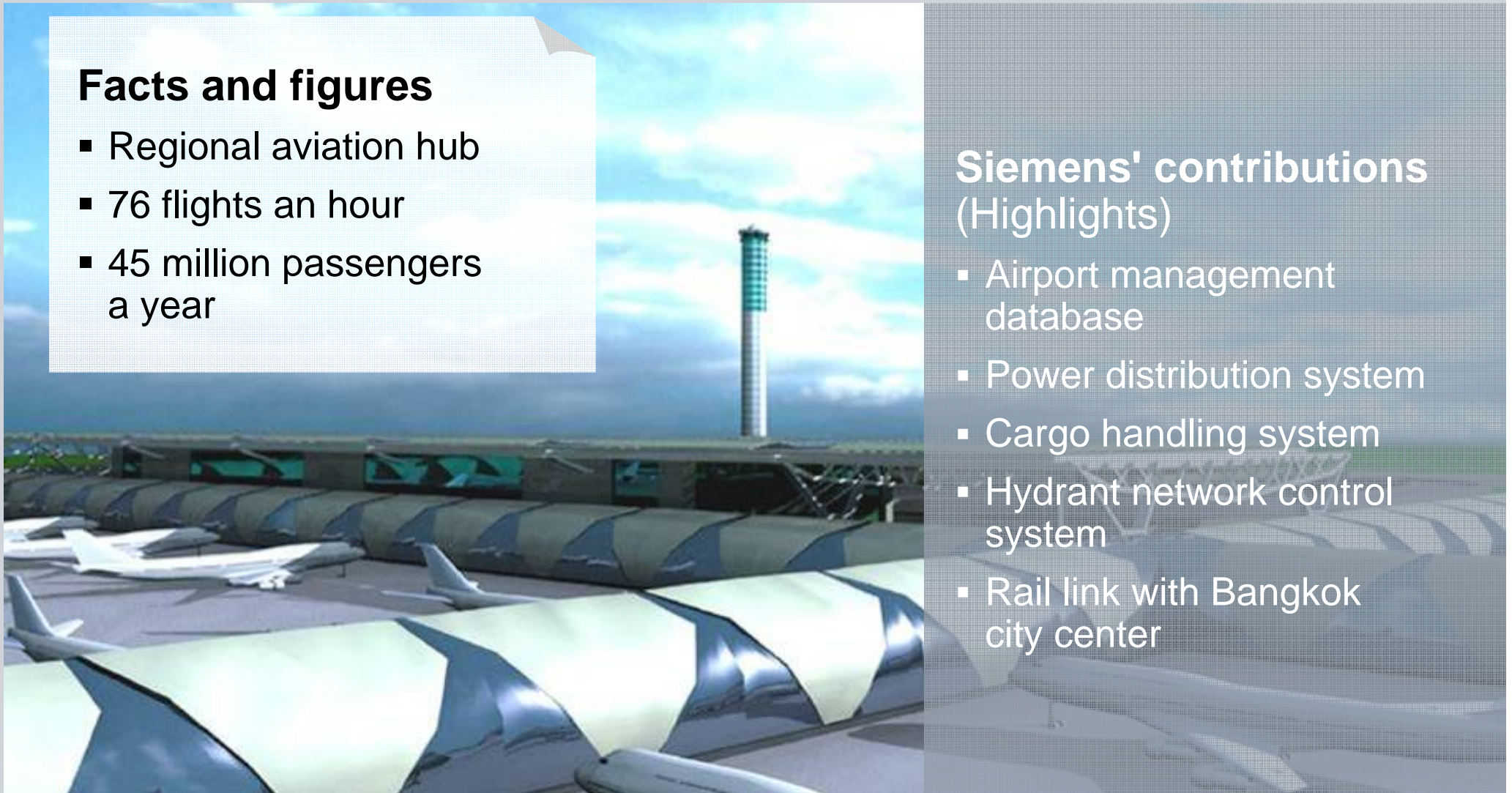
## Example – Bangkok International Airport

### Facts and figures

- Regional aviation hub
- 76 flights an hour
- 45 million passengers a year

### Siemens' contributions (Highlights)

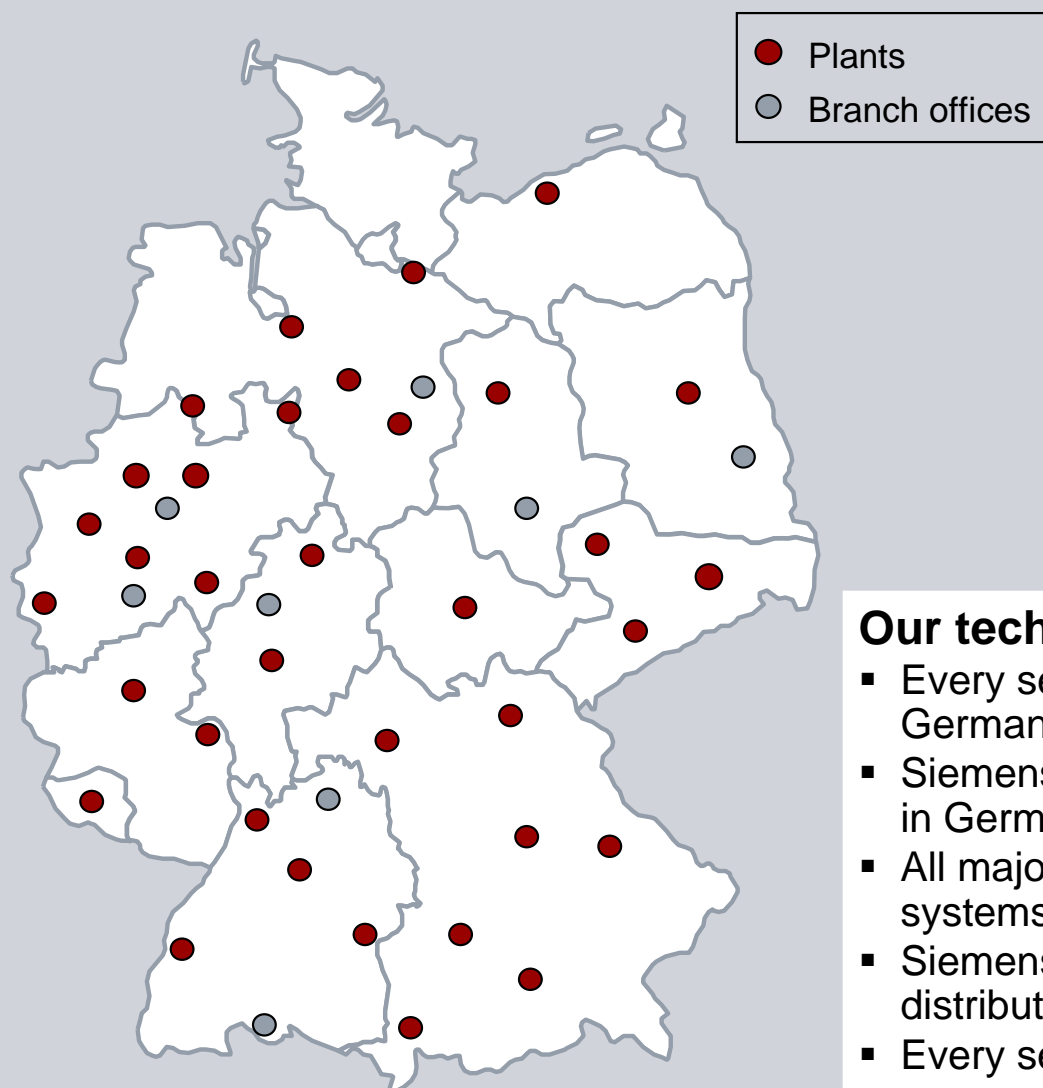
- Airport management database
- Power distribution system
- Cargo handling system
- Hydrant network control system
- Rail link with Bangkok city center



**The world is our home**



## Germany – A strong base in our home market



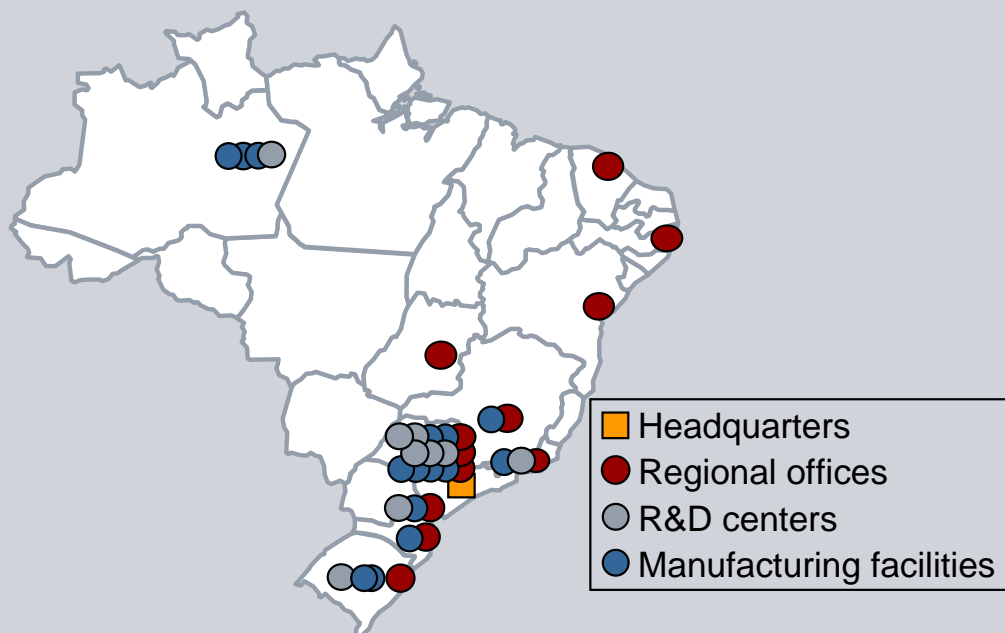
### Overview 2006

<b>Revenue</b> (in millions of euros)	<b>16,200</b>
<b>Employees</b>	<b>161,000</b>
<b>Regions</b>	<b>9</b>
<b>Branch offices</b>	<b>35</b>
<b>Plants</b>	<b>86</b>

### Our technology – Backbone of the infrastructure

- Every second computed tomography scanner used in German clinics is from Siemens
- Siemens technology generates half the electrical power in Germany
- All major German airports use Siemens baggage handling systems
- Siemens technology is installed at every postal distribution center
- Every second urban traffic light is from Siemens

## Brazil – Leading position and a 100-year history



### Overview 2006

<b>Revenue</b> (in millions of euros)	<b>1,808</b>
<b>Employees</b>	<b>12,448</b>
<b>Regional offices</b>	<b>12</b>
<b>R&amp;D centers</b>	<b>8</b>
<b>Facilities</b>	<b>15</b>

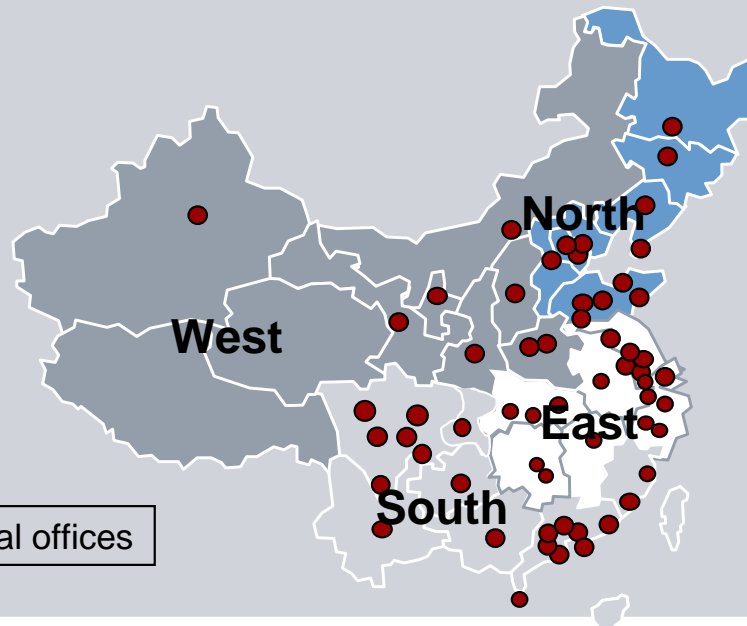
### Modernizing the country's infrastructure

- Siemens equipment and systems are responsible for 50% of the electrical power generated in Brazil
- More than 25% of the country's telecommunications passes through Siemens equipment





## China – Strong base in a dynamic environment



### Overview 2006

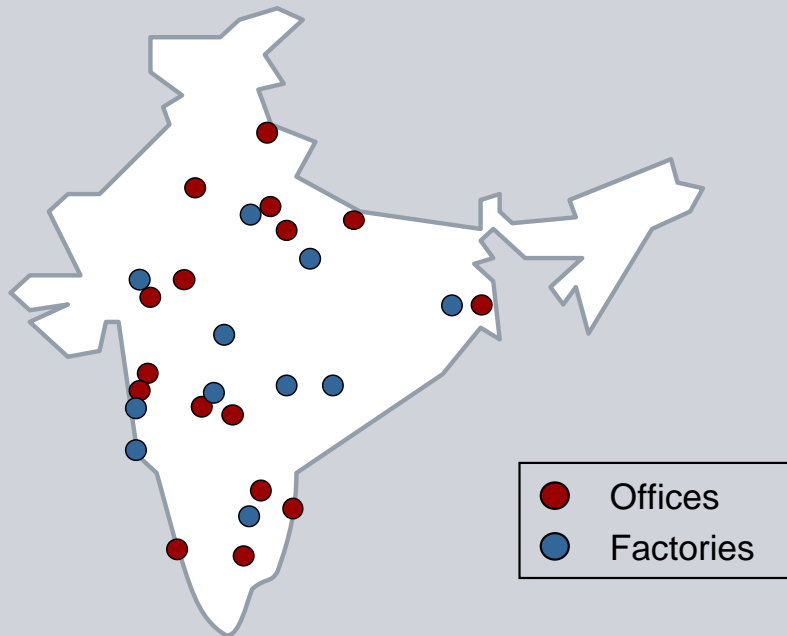
<b>Revenue</b> (in millions of euros)	<b>4,400</b>
<b>Employees</b>	<b>43,000</b>
<b>Regional offices</b>	<b>60</b>
<b>Companies</b>	<b>&gt;75</b>

### Contributions to China's infrastructure

- Waigaoqiao power plant
- 60 high-speed trains



## India – Long association, trusted partner



### Overview 2006

<b>Revenue</b> (in millions of euros)	<b>1,152</b>
<b>Employees</b>	<b>15,025</b>
<b>Regional offices</b>	<b>15</b>
<b>Factories</b>	<b>17</b>

### Siemens – Key partner in India's infrastructure development

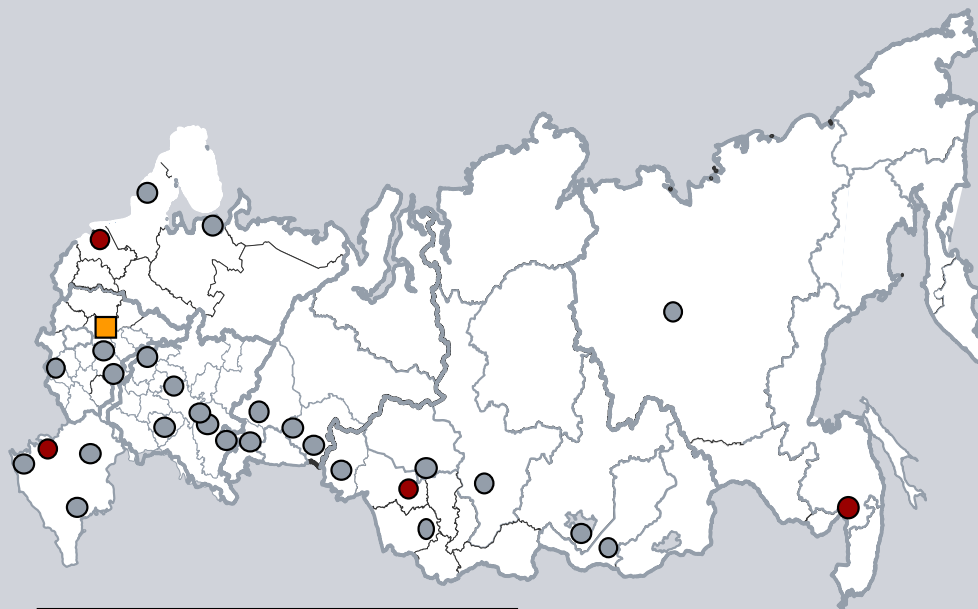
- About 35% of installed power base uses Siemens technology
- Active participation in two newly privatized airports
- Developing suburban rail network in Mumbai



## Russia – High reputation, dynamic growth

### Highlights

- Velaro RUS trains for Moscow-St. Petersburg high-speed rail link
- SCADA energy management system for RAO UES
- Intelligent traffic system for Third Ring highway (Moscow)
- Converter modernization in Nizhny Tagil metal plant
- Postal sorting center in St. Petersburg
- NGN networks installation and extension
- Diagnostic equipment for the National Healthcare Project



	Siemens Central Office
	Siemens district office
	Group office

### Overview 2006

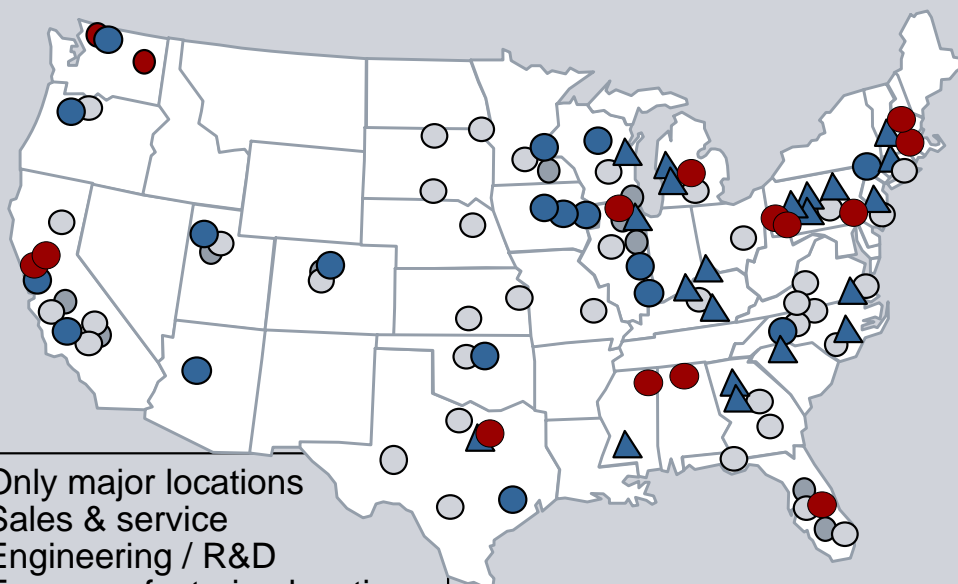
**Revenue** (in millions of euros) **1,205**

**Employees** **4,000**

**Offices** **30**



## U.S. – Broad presence in the world’s toughest market



- Only major locations
- Sales & service
- Engineering / R&D
- ▲ Top manufacturing locations
- Manufacturing / assembly

### Overview 2006

<b>Revenue</b> (in millions of dollars)	<b>21,400</b>
<b>Employees</b>	<b>67,000</b>
<b>R&amp;D</b> (in millions of dollars)	<b>1,100</b>
<b>Global business HQs</b>	<b>11</b>
<b>Locations</b>	<b>783</b>

### Siemens is improving the infrastructure

- 90% of all U.S. mail is processed by our postal automation systems
- Our innovations can be found in more than 50% of all cars on the nation's roads.
- We produce lighting and control systems for more than half of the nation's 100 busiest airports.

