Facts and figures for shareholders Fiscal 2010

(October 1, 2009 – September 30, 2010)

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Dr. Gerhard Cromme
Chairman of the Supervisory Board

Although the consequences of the global financial and economic crisis continued to impact some of our businesses, we can look back on an extraordinarily successful fiscal year, with record results.

In fiscal 2010, the Supervisory Board performed the duties assigned to it by law, the Siemens Articles of Association and the Bylaws for the Supervisory Board. We regularly advised the Managing Board on the management of the Company and monitored the Managing Board's activities. We were directly involved in all major decisions regarding the Company. In written and oral reports, the Managing Board regularly provided us with timely and comprehensive information on Company planning and business operations as well as on the strategic development and current state of the Company. Deviations from business plans were explained to us in detail.

The Supervisory Board would like to thank the members of the Managing Board as well as the employees and employee representatives of all Siemens companies for their work. Together, they made fiscal 2010 another successful year for Siemens.

Peter Löscher
President and Chief Executive Officer

Sustainable, capital-efficient growth and continuous improvement for the benefit of our customers, employees and shareholders: that's what we're aiming for in everything we do. And the success we achieved in fiscal 2010 – despite a business environment that is still difficult in some parts of the world – confirms that we're on the right track. Throughout the crisis, we performed well compared to our most important competitors, returning our company to the ranks of the world's leading players. This positive development is primarily due to steps we took early on, even before the crisis hit. Siemens is again in an excellent competitive position and wields enormous business clout.

Building on this success, we've now established a framework for achieving further continuous improvement for the benefit of our customers, employees and shareholders – our new One Siemens financial target system. Charting our company's path for sustainable development in the years ahead, One Siemens defines metrics for revenue growth, capital efficiency and profitability as well as the optimization of our capital structure. It also specifies our future dividend policy, which will provide reliable orientation for all long-term investors. The unprecedented dividend of €2.70 that we'll be proposing for fiscal 2010 is a first step in implementing this new policy.

Fiscal 2010 – Financial summary

In fiscal 2010, we emerged from the economic downturn as a more focused company with strong operating momentum. Net income and Total Sectors profit climbed above the prior-year levels, and all three Sectors generated strong increases in free cash flow which resulted in a substantial increase in free cash flow for Siemens compared to the prior year. We also restored order growth following the economic downturn, particularly in our shorter-cycle businesses, and kept revenue almost level with the prior year. Order development was clearly more robust in the second half of fiscal 2010 than in the first half, as our Sectors took advantage of improving market conditions.

Successful completion of Fit42010. Fiscal 2010 also marked the culmination of our Fit42010 transformation program. The overarching aim of this program was to make our company a leading global competitor once again. To this end, we set clear targets for growth, profitability and liquidity. And we reached nearly all of these targets – a tremendous success in the face of the worldwide economic and financial crisis, which impaired our business growth in fiscal 2009 and 2010.

We kept revenue stable year-over-year. In fiscal 2010, revenue for Siemens was €75.978 bilion compared to €76.651 billion a year earlier. At the Sector level, revenue was nearly unchanged compared to fiscal 2009. Industry, our largest Sector by volume, offset declines in its longer-cycle businesses with revenue growth in faster-recovering, shorter-cycle businesses. Healthcare revenue increased steadily throughout the year, and came in above the prior-year level. Revenue at Energy was down in the first half of the fiscal year, but recovered well in the second half. The modest revenue decline for Siemens overall was due mainly to lower revenue at Siemens IT Solutions and Services and streamlining of Centrally managed portfolio activities. Revenue in fiscal 2010 benefited from positive currency translation effects. On a geographic basis, revenue rose 10% in Asia, Australia. This offset much of the decline in revenue in the much larger region Europe, C.I.S., Africa, and the Middle East. Revenue in the Americas was nearly unchanged, as double-digit growth in the region's emerging markets largely offset a decrease in the U.S.

We restored growth in new orders, which rose to €81.163 billion from €78.991 billion a year earlier. The patterns described above for revenue development in the Sectors were also evident in order development. Industry's shorter-cycle businesses delivered the majority of the Sector's order growth year-over-year, and Energy's strong second half included high double-digit growth in the fourth quarter compared to the prior-year quarter. Healthcare orders rose steadily through the year. Order development differed somewhat from revenue on a geographic basis. Orders climbed 18% in the Americas, with both the U.S. and emerging markets showing double-digit increases. Asia, Australia saw solid order growth, and together these regions offset lower orders in Europe, C.I.S., Africa, Middle East.

We increased Total Sectors profit to €7.789 billion. The Sectors' combined profit came in 4% higher than the prior year, even after impairment charges at Healthcare's Diagnostics Division in the fourth quarter. Industry took its profit up 29% year-over-year, to €3.478 billion, as successful profitability initiatives improved capacity utilization and reduced costs. Energy generated profit of €3.562 billion, a 7% increase compared to the prior fiscal year, on strong project execution. Profit at Healthcare was significantly lower, at €748 million compared to €1.450 billion in fiscal 2009, due to the impairment charges mentioned above.

During the fourth quarter of fiscal 2010 we completed a strategic review that reassessed the medium-term growth prospects and long-term market development of the laboratory diagnostics business. Following completion of the annual impairment test, Diagnostics took impairment charges at the close of the fourth quarter of €1.204 billion, including €1.145 billion for goodwill.

Income from continuing operations rose substantially. Total Sectors profit in fiscal 2010 came in higher despite the impairment charges related to Healthcare's Diagnostics Division, while burdens below the Sectors were lower in the current fiscal year than in fiscal 2009. These factors combined to increase income from continuing operations to €4.112 billion from €2.457 billion in the prior year. The difference year-over-year was due mainly to Equity Investments, which had a loss of €191 million in fiscal 2010 compared to a loss of €1.851 billion in fiscal 2009, including impairment charges primarily related to our stake in NSN. The lower loss from Equity Investments in fiscal 2010 was partly offset by a loss of €537 million (pretax) at Siemens IT Solutions and Services, which posted a profit of €90 million (pretax) a year earlier. The loss in the current period stemmed from a strategic reorientation aimed at strengthening the competitive position of the business in preparation for operating on a standalone basis. Completing previously announced staff reductions occasioned charges of €399 million (pretax) in fiscal 2010 at Siemens IT Solutions and Services. In contrast, Siemens Financial Services raised its pretax profit significantly compared to the previous year, to €447 million, and contributed substantially to the strong results of Siemens. Net Income rose to €4.068 billion, up from €2.497 billion. Basic EPS was €4.49 compared to €2.65 in fiscal 2009.

We generated substantial cash flow from continuing operations. A strong cash performance in the Sectors, particularly in the second half of the fiscal year, drove free cash flow from continuing operations from 3.786 billion in fiscal 2009 up to €7.111 billion in fiscal 2010. Besides a strong operating performance in the Sectors, cash flow from operating activities also benefited from positive changes in net working capital including substantially higher billings in excess of costs, particularly in the Energy Sector, compared to a decrease in these payments in fiscal 2009. In contrast, fiscal 2010 included higher cash outflows related to income taxes and pension plans. For comparison, negative changes in net working capital in fiscal 2009 included €1.008 billion in cash outflows for payments to authorities in the U.S. and Germany following resolution of legal proceedings, and substantial cash outflows stemming from project charges. The impairment charges at Diagnostics and NSN mentioned above had no cash impact in the periods under review. Free cash flow in both periods included approximately €0.8 billion in outflows related to staff reduction measures.

To our shareholders and employees. The Siemens Managing Board and Supervisory Board propose a dividend of €2.70 per share. The prior-year dividend was €1.60 per share. Our employees played an invaluable role in keeping Siemens on a positive, stable course during the worst global economic crisis in generations. We're now rewarding their tremendous achievements with a special remuneration totaling €310 million for non-management employees.

Outlook for fiscal 2011. With continuing improvement in Siemens' markets, we expect organic order intake to show a clear increase compared to fiscal 2010. Supported also by our already strong order backlog, we expect revenue to return to moderate organic growth. We further anticipate income from continuing operations to exceed reported fiscal 2010 results by at least 25% to 35%. This outlook excludes effects that may arise from legal and regulatory matters.

Key figures Fiscal 2010[1, 2]

(in millions of €, except where otherwise stated)

Revenue growth

FY 2010[3]	(3)%
FY 2009[3]	0%

Profit margin FY 2010

Industry	**10.0%**
Industry Automation	16.8%
Drive Technologies	12.3%
Building Technologies	6.6%
OSRAM	12.2%
Industry Solutions	0.7%
Mobility	7.9%
Energy	**14.0%**
Fossil Power Generation	15.9%
Renewable Energy	11.3%
Oil & Gas	11.7%
Power Transmission	12.4%
Power Distribution	13.9%
Healthcare[7, 8]	**7.5%**
Imaging & IT	19.6%
Workflow & Solutions	1.8%
Diagnostics[7, 8]	(16.3)%
Siemens IT Solutions and Services	**(12.9)%**
Siemens Financial Services*	**30.4%**

Margin ranges * Return on Equity[9]

ROCE (continuing operations)

FY 2010[10]	10.4%
FY 2009[10]	6.1%

Target corridor: 14 – 16%

Cash conversion (continuing operations)

FY 2010[11]	1.73
FY 2009[11]	1.54

Target: 1 minus revenue growth rate

Adjusted industrial net debt/adjusted EBITDA (continuing operations)

FY 2010	0.08
FY 2009	0.31

Target corridor: 0.8 – 1.0

Growth and profit

	FY 2010	FY 2009	% Change Actual	% Change Adjusted[3]
Continuing operations				
New orders	**81,163**	78,991	3%	1%
Revenue	**75,978**	76,651	(1)%	(3)%
Total Sectors				
Profit Total Sectors	**7,789**	7,466	4%	
in % of revenue (Total Sectors)	**10.7%**	10.3%		
EBITDA (adjusted)	**11,042**	9,524	16%	
in % of revenue (Total Sectors)	**15.2%**	13.1%		
Continuing operations				
EBITDA (adjusted)	**10,034**	9,219	9%	
Income from continuing operations	**4,112**	2,457	67%	
Basic earnings per share (in euros)[4]	**4.54**	2.60	75%	
Continuing and discontinued operations[5]				
Net income	**4,068**	2,497	63%	
Basic earnings per share (in euros)[4]	**4.49**	2.65	69%	

Return on capital employed

	FY 2010	FY 2009
Continuing operations		
Return on capital employed (ROCE)	**10.4%**	6.1%
Continuing and discontinued operations[5]		
Return on capital employed (ROCE)	**10.3%**	6.2%

Free cash flow and Cash conversion

	FY 2010	FY 2009
Total Sectors		
Free cash flow	**10,934**	7,606
Cash conversion	**1.40**	1.02
Continuing operations		
Free cash flow	**7,111**	3,786
Cash conversion	**1.73**	1.54
Continuing and discontinued operations[5]		
Free cash flow	**7,013**	3,641
Cash conversion	**1.72**	1.46

Net debt and Capital structure

	FY 2010	FY 2009
Net debt	**5,560**	9,309
Net debt/adjusted EBITDA (cont.)	**0.55**	1.01
Adjusted industrial net debt	**819**	2,873
Ad. ind. net debt/adjusted EBITDA (cont.)	**0.08**	0.31

Employees (in thousands)

	Sept. 30, 2010 Cont. Op.	Sept. 30, 2010 Total[6]	Sept. 30, 2009 Cont. Op.	Sept. 30, 2009 Total[6]
Employees	**405**	**405**	405	405
Germany	**128**	**128**	128	128
Outside Germany	**277**	**277**	277	277

1 New orders and order backlog; adjusted or organic growth rates of Revenue and new orders; book-to-bill ratio; Total Sectors Profit; ROE; ROCE; Free cash flow; cash conversion rate; adjusted EBITDA; adjusted EBIT; earnings effect from purchase price allocation (PPA effects) and integration costs; net debt and adjusted industrial net debt are or may be non-GAAP financial measures. 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 our Investor Relations website under *www.siemens.com/nonGAAP*.

2 October 1, 2009 – September 30, 2010.

3 Adjusted for portfolio and currency translation effects.

4 Earnings per share – attributable to shareholders of Siemens AG. For fiscal 2010 and 2009 weighted average shares outstanding (basic) (in thousands) amounted to 868,244 and 864,818 shares, respectively.

5 Discontinued operations primarily consist of former Com activities, comprising carrier networks, enterprise networks and mobile devices activities.

6 Continuing and discontinued operations.

7 Including (9.7)pp for Healthcare and (32.8)pp for Diagnostics related to €1.204 billion (pretax) impairments at Diagnostics.

8 Profit margin including PPA effects for Healthcare is 6.1% and for Diagnostics (21.2)%.

9 Return on equity is calculated as Income before income taxes divided by average allocated equity of fiscal 2010 (€1.470 billion).

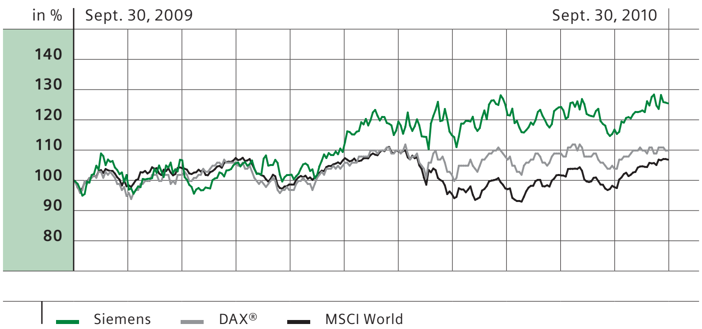
10 FY 2010: including (2.8)pp related to the impairments at Diagnostics as well as (0.8)pp related to €460 million (pretax) charges for strategic reorientation of the IT business;
FY 2009: including (4.6)pp related to €1.850 billion (pretax) impairments at NSN.

11 FY 2010: including (0.44) related to the impairments at Diagnostics as well as to the charges for strategic reorientation of the IT business;
FY 2009: including (0.66) related to the impairments at NSN.

The Siemens share / Investor relations

Siemens on the capital market. Siemens stock performed exceptionally well in fiscal 2010, closing at €77.43 per share on September 30, 2010. This was an increase of 22.4% over the closing price a year earlier. For shareholders who reinvested their dividends, the gain amounted to 25.4% (fiscal 2009: 1.3%). The Siemens share clearly outperformed the German and international stock markets, whose leading indices, DAX 30 and MSCI World, appreciated in the same period by 9.8% and 6.8%, respectively. At the Annual Shareholders' Meeting, the Managing Board and the Supervisory Board will propose significantly increasing the dividend payment by €1.10 to €2.70 per share. After three years in which our dividend remained stable despite a weak economic environment, this proposal reflects our improved earnings situation in fiscal 2010.

Share price



In dialogue with our investors. We take our responsibility to maintain an intensive dialogue with the capital market very seriously. Cultivating close contacts with our shareholders, we keep them informed of all major developments throughout Siemens.

As part of our investor relations work, we provide information on the Company's development in quarterly, semiannual and annual reports. Our CEO and CFO also maintain close contact with investors through roadshows and conferences. In addition, Siemens holds Sector Capital Markets Days at which the management of our Sectors informs investors and analysts about the Sectors' business strategies and market environments.

We also provide extensive information online at *www.siemens.com/investors*.

Stock market information
(in €, except where otherwise stated)

	FY 2010[1]	FY 2009[1]
Stock price range (Xetra closing prices, Frankfurt)		
High	79.37	66.45
Low	60.20	35.52
Year-end	77.43	63.28
Number of shares (year-end, in millions)	914	914
Market capitalization (year-end, in millions of euros)[2]	67,351	54,827
Basic earnings per share – continuing operations	4.54	2.60
Basic earnings per share[3]	4.49	2.65
Dividend	2.70[4]	1.60

1 Fiscal year from October 1 to September 30
2 On the basis of outstanding shares
3 On the basis of continuing and discontinued operations
4 To be proposed to the Annual Shareholders' Meeting

Financial calendar[1]

First-quarter financial report	**Jan. 25, 2011**
Annual Shareholders' Meeting – Olympiahalle, Munich, 10:00 a.m.	**Jan. 25, 2011**
Ex-dividend date	**Jan. 26, 2011**
Second-quarter financial report / Semiannual Press Conference	**May 4, 2011**
Third-quarter financial report	**July 28, 2011**
Preliminary figures for fiscal 2011 / Press conference	**Nov. 10, 2011**
Annual Shareholders' Meeting for fiscal 2011	**Jan. 24, 2012**

1 Provisional. Updates will be posted at *www.siemens.com/financial-calendar*.

Detailed information about fiscal 2010 and the Company can be found in the Siemens Annual Report for 2010. Available in English, German, French and Spanish, the Report can be downloaded at *www.siemens.com/annual-report*.

Printed copies of the Annual Report are available free of charge from:

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