

Key figures – Fiscal 2004

in billions of euros	2004	2003	Percentage change
Net income	3.405	2.445	+39
Group profit	4.998	4.295	+16
New orders	80.830	75.056	+9*
Sales	75.167	74.233	+3*
Net cash	3.262	1.773	+84
Dividend (in euros)	1.25	1.10	+14

*comparable

Employees (I)

	2004*	Change (adjusted)
Worldwide	430,000	+ 2,000
Germany	164,000	- 4,000
International	266,000	+ 6,000

* September 30

Employees (II)

7,000 new hires in Germany

More than 2,000 new apprentices

**Another 100 new apprenticeships
in eastern Germany**

**400 new apprenticeships in Regional
Organization Germany**

Groups (I)

A&D, Med, PG, Osram, SV, SFS, PTD

Outstanding performances through *top+* implementation and trailblazing innovations

SBT, I&S, L&A

Back on track

Transportation Systems

- Technical problems under control
- Two-step modification concept for Combino
- Expert certification

Groups (II)

I&C

Mixed results

SBS

- Successes in international activities in business process outsourcing
- Adjustments due to fundamental market changes

Com

- Strong position in mobile networks, enterprise networks and cordless phones
- Problems in mobile phones and, in some cases, fixed networks

Key figures – Q1 2005

in billions of euros	Q1 05	Q1 04
Net income	1.001	0.726
Group profit	1.433	1.361
New orders	21.537	20.490
Sales	18.167	18.329

Fiscal 2005 – Outlook

Depending on exchange rates higher
Sales growth

- Top-performing Groups to continue success path
- I&S, L&A and SBT are moving toward margin targets
 - TS expected to be back in the black

Special effects at I&C

Net income expected to be higher on a
comparable basis

Continuity and change

Business portfolio

Innovation

Customer focus

Global presence

Employee orientation

Financial management

Responsibility

Continuity and change

Business portfolio

Enormous opportunities for continued growth in electrical engineering and electronics

Systematic expansion of our business portfolio

Examples:

Siemens VDO, SBT, L&A,
water processing and wind power

Organic growth plus acquisitions

Continuity and change

Innovation

Innovation is our lifeblood

8,200 invention reports in fiscal 2004 –
Patent applications filed for 2/3 of these

Part of the Siemens Management System

Continuity and change

Innovation

Example – Medical Solutions

Somatom
Sensation 64



Avanto
Tim



quicklab



Continuity and change

Innovation

Example – Information and Communications

HiPath OpenScape



Continuity and change

Innovation

Example – Automation and Control, Power

Remote services



Continuity and change

Innovation

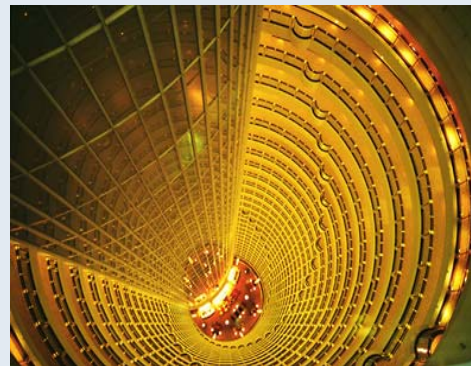
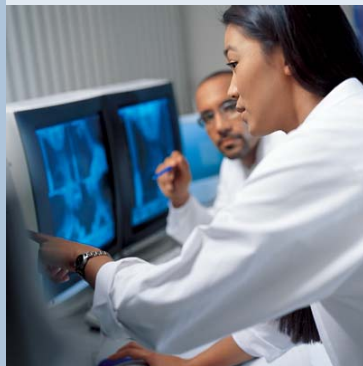
Global network of innovation with more than 45,000 researchers worldwide –
Major focus in Germany, U.S. and UK

Expansion of research activities particularly
in China, India and Russia

Continuity and change

Customer focus

Siemens One – Single-source solutions through cross-Group cooperation



Examples – Hospitals, sports venues, hotels and specific industry sectors

Continuity and change

Global presence

80 percent of sales outside Germany

Globally networked in research, software and hardware development, purchasing, production, maintenance and services

New opportunities in China, India, Russia and Central, Eastern and Southeastern Europe

Continuity and change

Employee orientation

A well-trained and highly qualified workforce at all levels

Systematic development of high potentials

Internationalization of our management team

Continuity and change

Financial management

Financial solidity through conservative financial management

Economic Value Added (EVA) –
Our key performance yardstick

Decision-making and monitoring processes based on good corporate governance

Summary

Top priority: Measures to secure future activities at Information and Communications

***top*⁺ measures to enable previous problem Groups to reach margin targets**

Secure top-performing Groups

"Profit and Growth" through organic measures and acquisitions in new high-growth markets

"Leadership excellence"