

Energy Sector Fossil Power Generation Division

Charlotte, North Carolina, November 16, 2011

Siemens Energy completes expansion of its Charlotte, North Carolina, Energy Hub with the official opening of new gas turbine manufacturing plant

\$350 million total investment results in more than 700 new jobs filled with 400 more to come by 2014, bringing total employment to more than 1800

Siemens Energy, along with state and local public officials, and a host of community leaders, celebrated the official grand opening of the new 450,000-square-foot Gas Turbine production plant adjacent to its existing Steam Turbine-Generator manufacturing plant in Charlotte, NC, today. The event marks another important milestone in Siemens' growth strategy in the U.S., further demonstrating the company's stated commitment to U.S. investment and its confidence in the long-term future of the U.S. energy market. When fully operational in spring 2012, the new gas turbine factory will complete Siemens' Charlotte Energy Hub, which in this one location will provide the engineering, manufacturing, servicing and other support functions related to the supply of Siemens' highly efficient gas and steam turbines and generators to markets around the world.

"Today marks an important milestone for Siemens Energy and for Charlotte," said Randy Zwirn, president and CEO of Siemens Energy, Inc. and CEO of the Energy Service Division. "This state-of-the-art gas turbine manufacturing facility represents the expansion of our U.S. manufacturing footprint, the incredible opportunity for increasing American exports, and for creating even more highly skilled jobs in the region. It also further expands our capabilities to help our customers optimize their investments and competitively generate electricity to meet the nation's growing needs. Nearly 50% of the work in both the steam turbine-generator and gas turbine factories is for servicing customer-owned equipment or manufacturing replacement elements for existing plants." Zwirn added, "We would like to thank the North Carolina and Charlotte government leaders for their support in helping to make this expansion possible."

"As the global market leader in the advanced gas turbine business, our investment in this new manufacturing facility in Charlotte is a bold move that further demonstrates Siemens' confidence in the U.S. as the right location for a global manufacturing hub," said Roland Fischer, CEO of the

1 / 3

Fossil Power Generation Division of Siemens Energy. “Despite the economic and policy uncertainties that exist, we are producing and exporting cleaner, more efficient power generation solutions paramount to solving the world’s energy challenges,” continued Fischer. “This Charlotte facility will play a vital role in addressing increased demand for reliable, clean and affordable energy right here in the U.S. and around the world.”

At Siemens’ newly-expanded Charlotte hub and at the company’s gas turbine production facility in Berlin, Germany, gas turbines can, as demand dictates, be manufactured at either location for both 60-Hz and 50-Hz markets. However, as Siemens’ Americas hub, Charlotte will be primarily producing gas turbines for the Americas region and other 60-Hz markets, while Berlin is the main production hub for 50-Hz gas turbines, designed for use in Europe and other 50-Hz markets.

In March 2010, Siemens Energy announced it would expand its worldwide manufacturing and service center for power generation equipment in Charlotte, adding gas turbine production and service capabilities to an existing plant for electric generators and steam turbines and LEED Gold certified engineering facility. The groundbreaking for this state-of-the-art facility took place in October 2010. It was designed based on LEAN manufacturing principles and U.S. LEED Gold green building standards, making it the most advanced gas turbine production plant in operation.

The day also celebrated the first gas turbine leaving the expanded facility, an SGT6-5000F gas turbine that will be exported to the 250-megawatt La Caridad 1 combined cycle power plant in Sonora State, Mexico. Officials from the customer, Grupo Mexico, joined Siemens at the grand opening as the turbine was prepared for shipping. During the ceremony, it was also announced that the Siemens Energy and Grupo Mexico signed another agreement to supply a second 250-megawatt combined cycle power plant featuring the SGT6-5000F for its La Caridad 2 project, located adjacent to the La Caridad 1 plant.

Siemens has exported more than \$600 million worth of power generation equipment from Charlotte. With the company’s expanded production capabilities, Siemens Charlotte expects to ramp up exports to more than \$400 million annually to markets all over the world. This includes the SGT-8000H, the world’s most efficient gas turbine in combined cycle.

To staff the entire expanded Siemens Energy Charlotte facility, including an expansion to the existing engineering facility, more than 700 high-skilled jobs have already been added to the nearly 700-person existing workforce, with 400 more to be hired by 2014. In addition, it is estimated that another 2,000 indirect jobs will be created as a result of the economic impact of this investment. Siemens has partnered with local universities and community colleges, including the University of

2 / 3

North Carolina and Central Piedmont Community College, to offer skills assessment and training opportunities to prepare its expanded workforce with the advanced skills needed to operate the sophisticated production systems, thus helping to ensure the company's high-quality, precision manufacturing specifications are met.

Viewed by many as "the new energy capital of the U.S.," Charlotte is home to more than 250 energy-related companies, and with its expansion Siemens Energy is now the largest equipment manufacturer. With the addition of gas turbines, Charlotte is Siemens Energy's North American hub, producing the full range of fossil power generation equipment used by central station power producers (generators, steam turbines and gas turbines). Siemens' Charlotte facility now boasts more than one million square feet of space under roof, with 80- to 100-foot high manufacturing bays and is operational 24 hours/day, 365 days/year.

Siemens has operations and personnel in all 50 states and employs a total workforce of approximately 60,000 in the U.S., of which more than 2,300 work at 22 locations in the state of North Carolina.

The **Siemens Energy Sector** is the world's leading supplier of a complete spectrum of products, services and solutions for power generation in thermal power plants and using renewables, power transmission in grids and for the extraction, processing and transport of oil and gas. In fiscal 2011 (ended September 30), the Energy Sector had revenues of EUR27.6 billion and received new orders totaling approximately EUR34.8 billion and posted a profit of more than EUR4.1 billion. On September 30, 2011, the Energy Sector had a work force of more than 97,000. Further information is available at: www.siemens.com/energy.