

Strengthen the core of Infrastructure & Cities and Siemens' position in Rail Automation

29 November 2012
Munich, Germany

Safe Harbour Statement

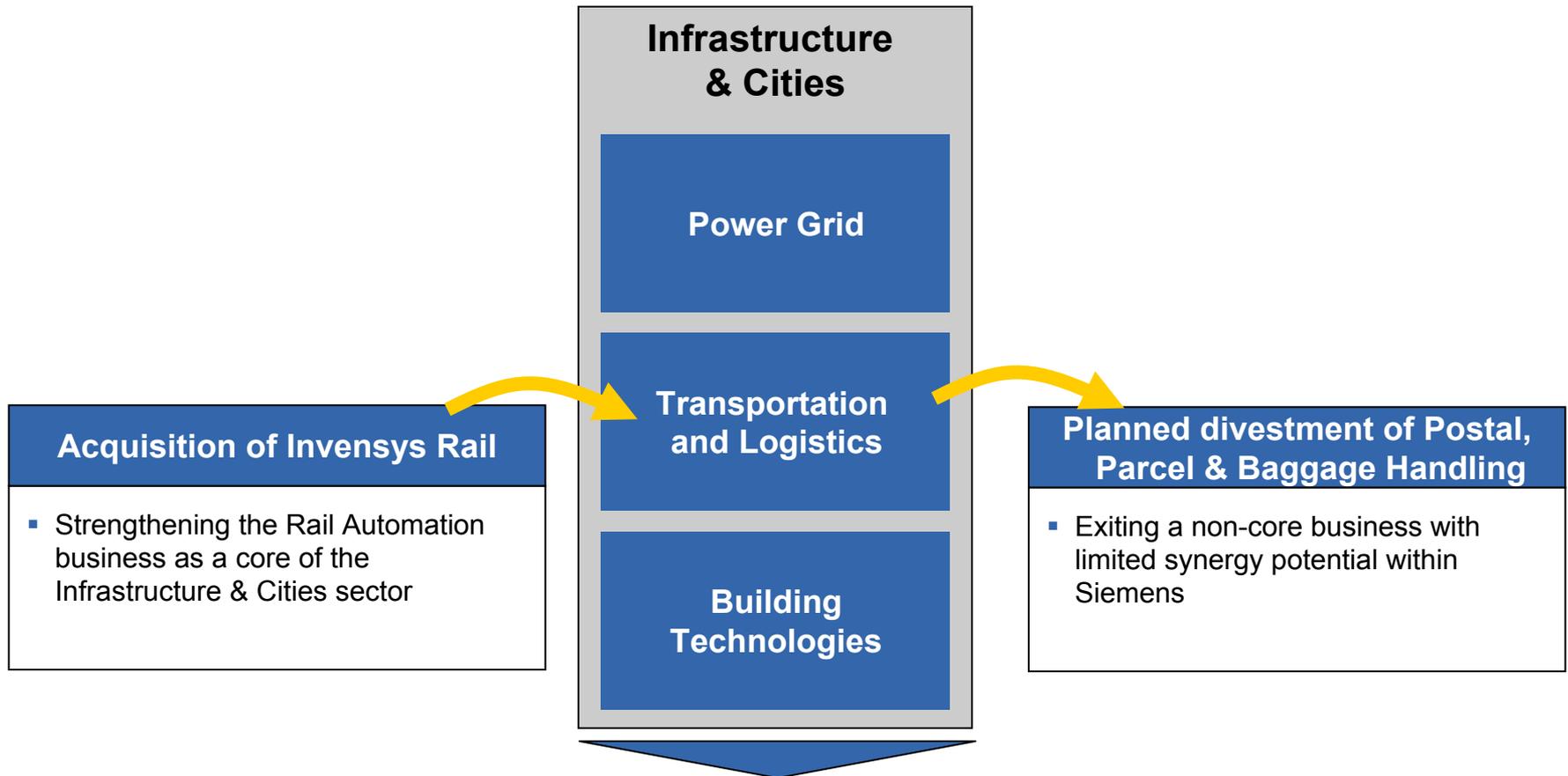
This document includes supplemental financial measures that are or may be non-GAAP financial measures. New orders and order backlog; adjusted or organic growth rates of revenue and new orders; book-to-bill ratio; Total Sectors profit; return on equity (after tax), or ROE (after tax); return on capital 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.

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: 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.

Strengthen the Infrastructure & Cities sector with active portfolio management



Acquisition of Invensys Rail

- Strengthening the Rail Automation business as a core of the Infrastructure & Cities sector

Planned divestment of Postal, Parcel & Baggage Handling

- Exiting a non-core business with limited synergy potential within Siemens

- **Strengthen the core**
- **Exit non-synergetic non-core businesses**
- **Focus**

Divestment of Baggage Handling, Postal and Parcel sorting

Portfolio Change

- Planned **divestment** of Baggage Handling, Postal and Parcel sorting activities

Strategic Rationale

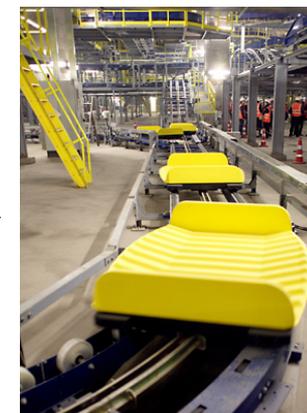
- Low synergies** of business with other Siemens divisions, due to high mechanical content
- Limited own value add** and **focus on system integration**
- Highly specialized **niche markets, dominated by mid-size companies**

Profile

- Mid-single digit profitable business** with **~€900m in sales** and **~3,600 employees in FY 2012**
- Market leading positions** in Baggage Handling, Postal and Parcel systems with global **footprint** and **installed base**
- Promising growth dynamics** in particular in Parcel and Baggage Handling

Proceeding

- Siemens is looking for the best owner that is willing to invest and probably create higher synergies for a sustainable growth perspective**



Siemens to acquire 100% of Invensys Rail shares

Compelling strategic rationale

Strengthening of a **resilient** and **high return** business model by combining two businesses with **similar cultures** and **attractive synergy potential**:

- Complementary **geographies**
- Strengthened **core business**
- Enhanced **customer coverage**

Attractive transaction economics

- **Enterprise value of ~€2.2bn¹⁾**
- Multiples Consensus 2013²⁾:
Sales 2.3x, EV/OPBIT 15.1x
- **Synergies >100m EBIT impact p.a.**
(80% cost synergies, 2/3 achieved by FY 2016)
- **M&A hurdle rates are achieved**

Transaction structure

- **Acquisition of 100%** of all rail companies of Invensys
- Pensions:
 - Siemens is **protected from liabilities** associated with the main **Invensys pension scheme**
 - **UK rail pension scheme transfer of ~900 members** – Siemens to be **compensated by Invensys**
- The transaction is **subject to approvals**:
 - Invensys **shareholder approval** at **General Meeting** planned for **Dec. 19th, 2012**
 - **Consent by lenders** of Invensys revolving credit facility
 - **Consent by UK pension regulator**
 - **Anti-trust approvals**
- **Closing expected by calendar Q2, 2013**

1) Equals £1.742bn, debt & cash free 2) Invensys FY 2013 (April to March)

Siemens Rail Automation is a strong business in the Infrastructure & Cities sector

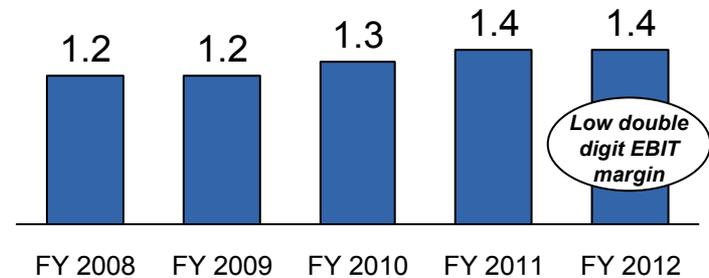


Business

- **Diverse product range** in Mass Transit and Mainline
- Product strategy geared towards **reliability**, optimum **availability**, **fault-free installation** and **maintenance**, rapid project execution as well as **perfect synchronization** of all components
- **160 years** of engineering experience and innovation

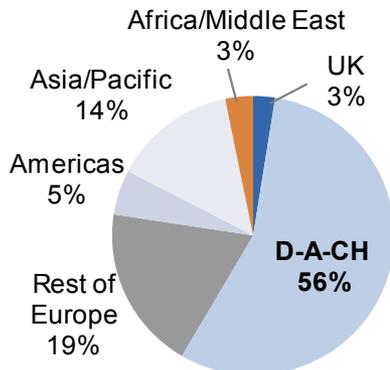
Revenues

in €bn, Siemens FY¹⁾

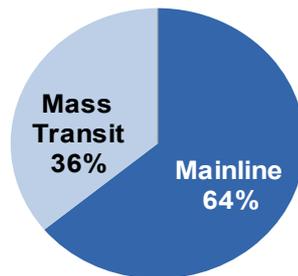


Revenue split (Siemens FY 2012)¹⁾

By geography



By business



Selected customers



1) Siemens FY October to September

Invensys Rail has a strong reputation and track record in the rail automation industry

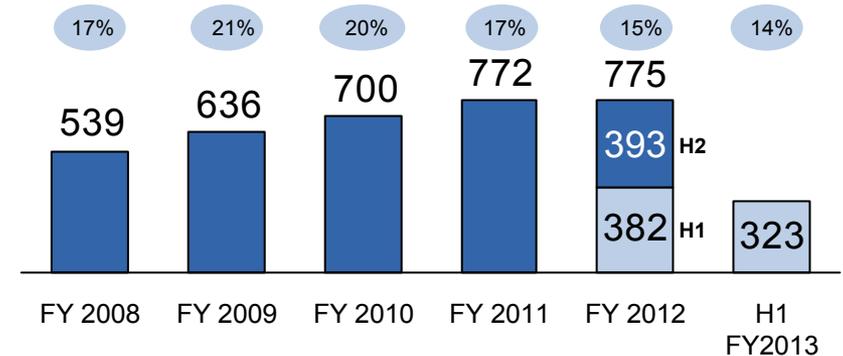


Business

- Pure play **software based signaling and control** company
- **State-of-the-art** railway control and communication solutions
- Strong track record as highly **competent and reliable** partner for transportation solutions with a **history of more than 150 years**

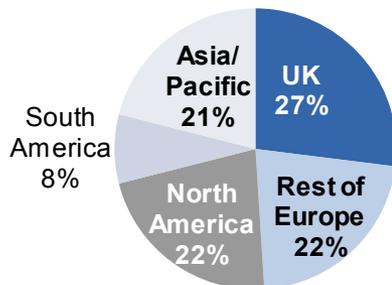
Revenues and Operating Margin %

in £m, Invensys Rail FY¹⁾

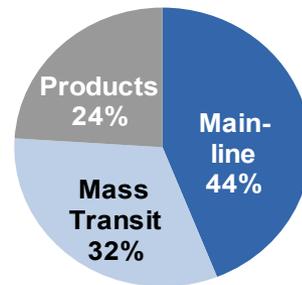


Revenue split (Invensys Rail FY 2012)¹⁾

By geography



By business



Selected customers



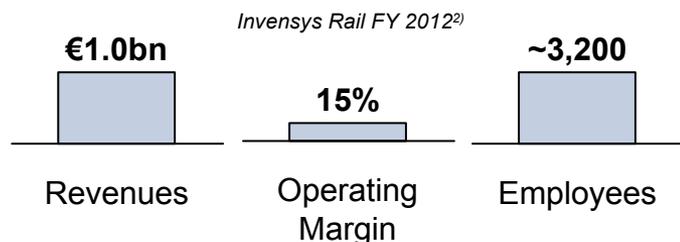
1) Invensys FY April to March, Source: Invensys H1 FY13 Earnings Release

Siemens to acquire Invensys Rail: Creating a global player in Rail Automation



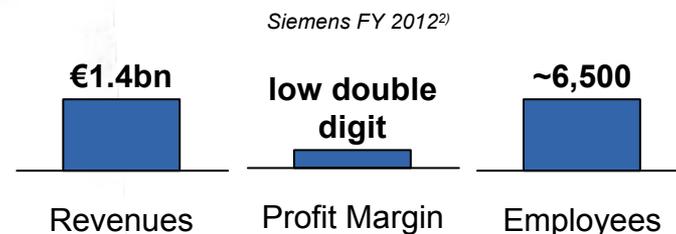
Invensys Rail

- Strong track record as a highly competent and reliable partner for complex transportation solutions to **100+ customers in 20+ countries**

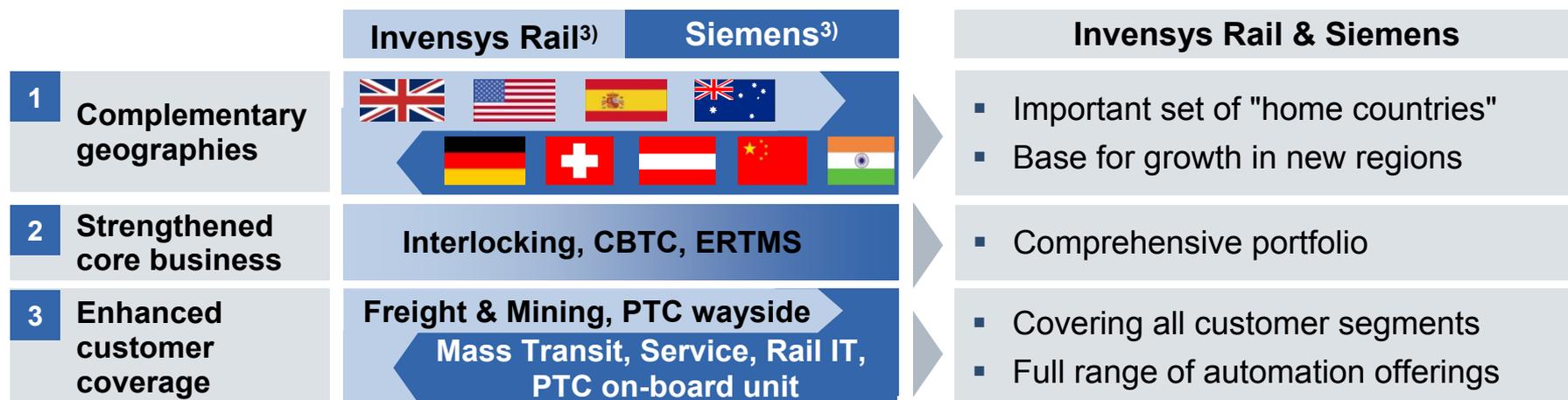


Siemens Rail Automation¹⁾

- Established and successful player in the Rail Automation industry with **400+ customers in 40+ countries**



Joint future



1) Rail Automation is part of the Mobility & Logistics division in the Infrastructure & Cities sector

2) Invensys FY from April to March, Siemens FY from October to September

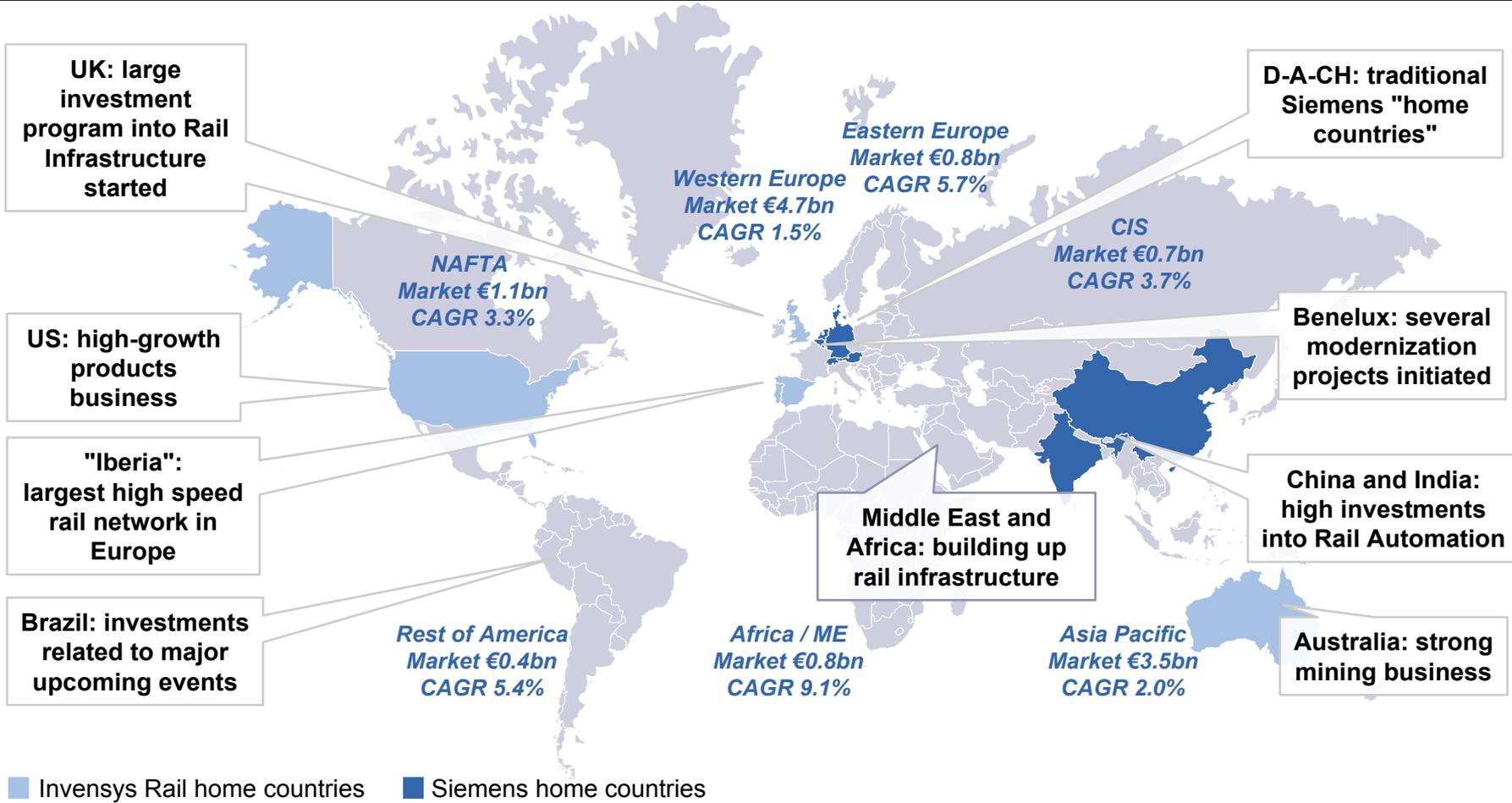
3) Indicative only. Partly overlaps

Note: CBTC = Communications-based train control

ERTMS = Europ. Rail Traffic Management System

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1 Highly complementary regional activities are basis for growth in new regions and segments



Highly complementary regional strengths in developed and attractive home countries

Take advantage of initial successes of Siemens Rail Automation and Invensys Rail in Emerging Markets

Combined, Siemens and Invensys Rail offer an unmatched broad and comprehensive portfolio

2 Strengthened core business

Invensys Rail

- Highly **flexible** Invensys signaling systems for a broad range of different customer requirements
- Extensive **product portfolio**, e.g. level crossings



Siemens Rail Automation

- Ability of Siemens signaling systems to **adapt** to high-end market requirements

3 Enhanced customer coverage

Invensys Rail

- Good position in the freight business
- Large freight offering (Level crossing, Locomotive products)
- PTC wayside offering



Siemens Rail Automation

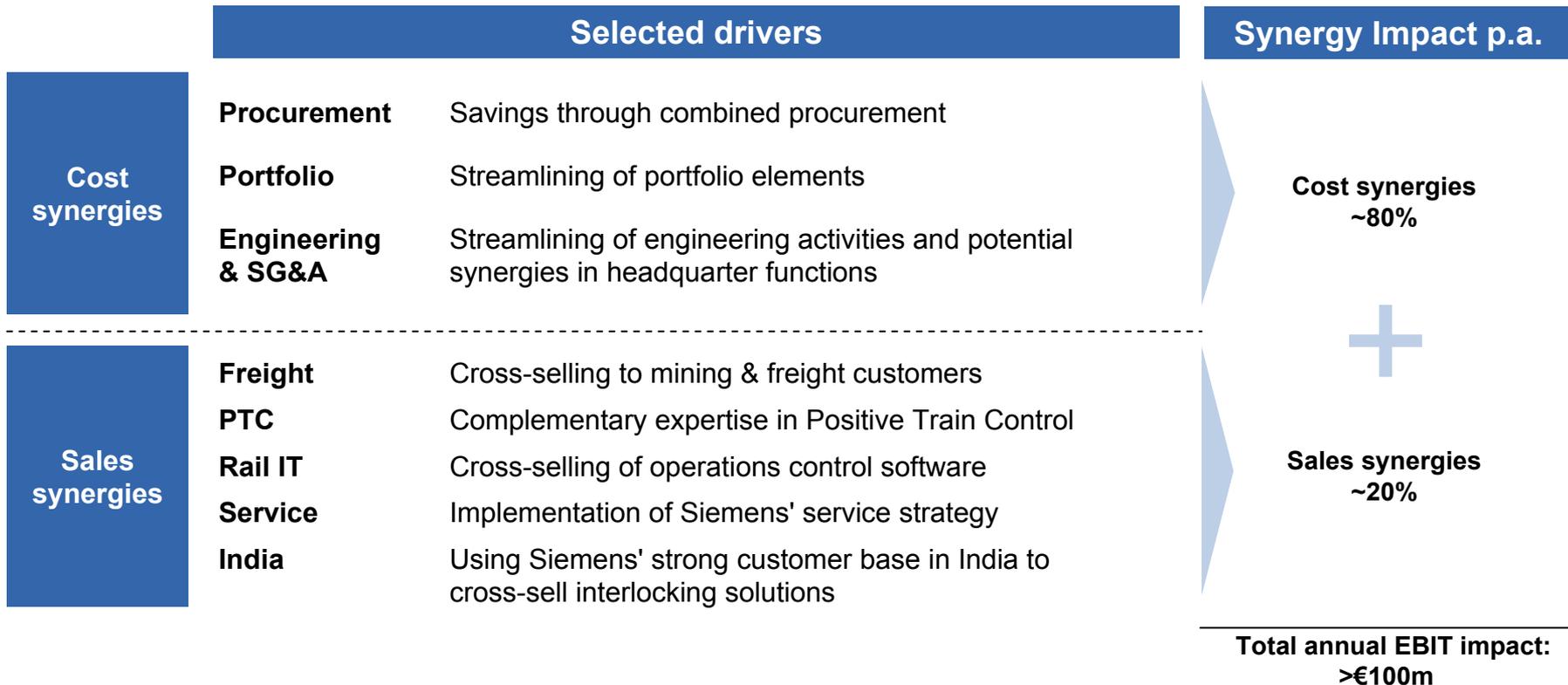
- Good position in hump control solutions for freight
- Rail IT offerings
- Dedicated service business
- PTC on-board offering

Combined offering

- Broader, more **comprehensive offering**
- Combination of **different world standards**
- Joint base in **freight business** to fully serve market segment, e.g. industrial and mining
- Innovative **Rail IT** solutions
- **Complete offering for PTC** customers

Note: PTC = Positive Train Control

The transaction results in significant cost and revenue synergies



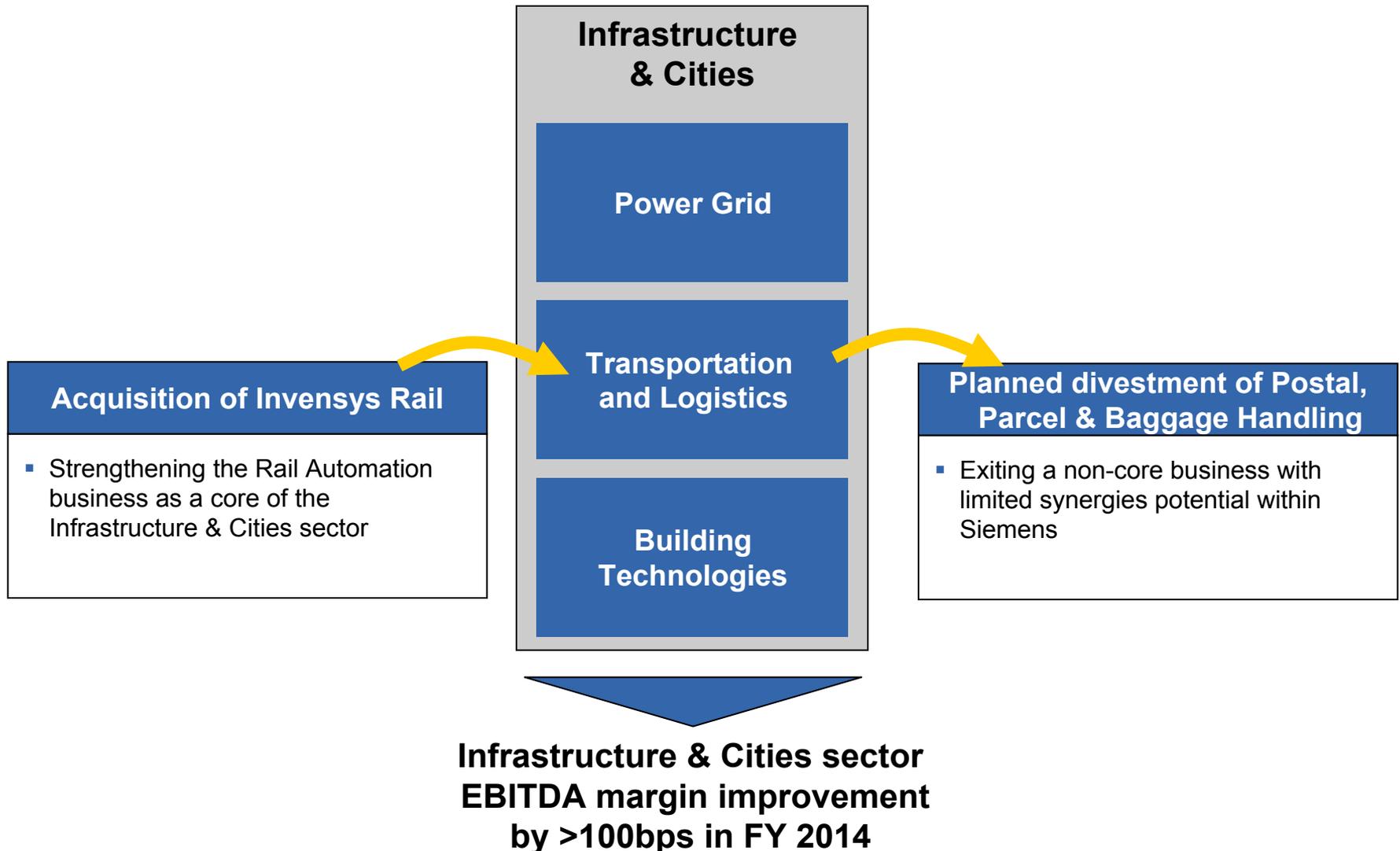
Fast ramp-up of synergy potential: 2/3 of synergies achieved by FY 2016, full synergies by FY 2018

A combination of key factors will ensure the success of an acquisition of Invensys Rail



- 1** Rail Automation business model is resilient. Installed base and well established customer relationships provide long-term revenue streams.
- 2** Siemens and Invensys Rail have long standing experience in Rail Automation with similar cultures, which will ensure a successful integration.
- 3** Transaction realizes significant revenue and cost synergies.
- 4** Siemens and Invensys Rail address largely complementary regional customer bases.
- 5** The combination of product portfolio and customer base offers new business opportunities.
- 6** The new company will be an innovation leader and a global player in the Rail Automation business.

Strengthen the Infrastructure & Cities sector with active portfolio management



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Reconciliation and Definitions for Non-GAAP Measures



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