Notes and forward-looking statements

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 “expect,” “look forward to,” “anticipate” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders 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, of which many are beyond Siemens’ control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in disclosures, in particular in the chapter Risks in the Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of Siemens may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

This document includes – in IFRS not clearly defined – supplemental financial measures that are or may be non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Siemens’ net assets and financial positions or results of operations 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.

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.
Digital Factory – adapting organization to major market trends

Key figures FY 2014: Orders € 9.2bn; Employees 43,100; Margin target 14% - 20%

<table>
<thead>
<tr>
<th>PLM Software</th>
<th>Factory Automation</th>
<th>Control Products</th>
<th>Motion Control</th>
<th>eCar Powertrain Systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven software solutions to create, validate and manage product and process knowledge across the product lifecycle 9,700 employees #1 Digital Manufacturing #2 in CAX, MES</td>
<td>World market leader in automation with integrated automation portfolio for all industries 11,300 employees #1 in Discrete Automation</td>
<td>Products and systems to switch, protect and control low-voltage consumers 6,500 employees #2 in Control Components</td>
<td>Leading supplier of products, systems and solutions: Drives, Motion Control Motors, CNC Solutions for machinery and plants 9,100 employees #1 CNC controllers #2 Converters</td>
<td>High quality powertrain components and charging systems for electric and hybrid vehicles 400 employees</td>
</tr>
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Customer Services

Integrated service offering from a single source throughout the product lifecycle
#1 Maintenance outsourcing;
#2 Repair network for motors and drives
#1 Service for machine tool manufacturers
The implementation of our vision of a “Digital Enterprise” started in 2007 with the acquisition of UGS

Our vision 2007:

Entering the PLM Business is the only strategic alternative for A&D
Today we are almost there with our unique software suite for integrated mechatronic engineering  (Will be exhibited at Hanover Fair 2016)

Process Planning  >  Equipment Selection  >  Automation Design  >  Automation Engineering  >  Virtual Commissioning

Teamcenter Manufacturing  >  Line Designer  >  Automation Designer  >  TIA Portal  >  Process Simulate & PLCSIM Advanced

Product availability:

- ✓
- ✓
- Limited release
- ✓
- ✓
Requirements to drive enterprise competitiveness – more than increasing sophistication of manufacturing automation

- Shorter innovation cycles
- More complex products
- Larger data volumes

- Individualized mass production
- Volatile markets
- High productivity

- Energy and resource efficiency as key competitive factors
- Cost reduction

Enabling proven productivity gains up to 50 percent!
Only a holistic approach automating the whole value add workflow will lead to sustainable competitiveness.
2015: Digital Enterprise Software Suite – The Siemens answer to Industrie 4.0 requirements
Maserati enhances its competitiveness by digitalizing its core processes

Challenges for automotive industry and example Maserati

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<th>Enhancing flexibility</th>
<th>Increasing efficiency</th>
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<td>• Time-to-market reached in 16 instead of 30 months</td>
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<td>• Larger data volumes</td>
<td>• Suppliers connected to data stream</td>
<td>• High productivity</td>
<td>• 3 times more cars produced than before at same very high quality standards</td>
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<th>Example Maserati</th>
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Siemens Industry Software supports the whole design, make and maintenance process of Rolls-Royce turbines

- Requirements
  - Teamcenter
- Design
  - Teamcenter/NX
- Plan/Simulate
  - Teamcenter/Tecnomatix
- Make
  - Teamcenter/SIMATIC IT
- Assemble
  - SIMATIC IT
- Deliver
  - SIMATIC IT
- Operate
  - Teamcenter/SIMATIC IT

Full work flow transparency – consistent data all times – increased quality – increased speed of workflow
2007: Initial Situation at Automation & Drives (A&D) – multiple uncoordinated data sources
One single Teamcenter System\(^1\) connects more than 12,500 Siemens engineers globally, enabling fast and efficient development of innovative Siemens industrial products.

Across all Siemens businesses, a total of appr. 25,000 users benefit from the capabilities of Teamcenter.

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\(^1\) IEC Teamcenter (covering Digital Factory Division and Process Industries and Drives Division)
Thank you.