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.
Siemens Vision 2020
Value creation and cultural change

Scale up
Strengthen core
Drive performance

Foster ownership culture and leadership based on common values

Strategic direction
Operational consolidation
Optimization
Accelerated growth and outperformance

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Page 3 New York, May 27, 2015
## Siemens Vision 2020 on track
### Execution milestones until 2017

<table>
<thead>
<tr>
<th>Until</th>
<th>Execution steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2014</td>
<td>Implementation of new and simplified organization by Oct. 1</td>
</tr>
<tr>
<td></td>
<td>Introduction of incentive system 2015</td>
</tr>
<tr>
<td>Q2 2015</td>
<td>Stringent portfolio optimization - closing of announced divestments</td>
</tr>
<tr>
<td></td>
<td>Measures for structural optimization defined (governance &amp; support functions)</td>
</tr>
<tr>
<td></td>
<td>Decision on resource allocation for underperforming businesses</td>
</tr>
<tr>
<td>Q4 2015</td>
<td>Update on cost reduction progress</td>
</tr>
<tr>
<td></td>
<td>Update on measures for growth fields and innovation</td>
</tr>
<tr>
<td></td>
<td>Share buy-back executed (up to €4bn)</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>Update on execution of further portfolio optimization</td>
</tr>
<tr>
<td></td>
<td>Progress on cost reduction: Major portion of €1bn savings effective</td>
</tr>
<tr>
<td>Q4 2017</td>
<td>Underperforming business fixed</td>
</tr>
<tr>
<td></td>
<td>€1bn cost savings fully effective</td>
</tr>
</tbody>
</table>

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Executive Vision 2020
Capital allocation along strategic imperatives

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**Aero-derivative gas turbines and compressors**
- £785m purchase price and £200m for exclusive access to long-term aero-technology developments

**Rolls-Royce**

---

**Compressors, turbines and engines for Oil & Gas**
- Total consideration of US$7.6bn+
- Closing expected Summer 2015

**Dresser-Rand**

---

**Healthcare IT**
- Divestment to Cerner for US$1.3bn

**Microbiology**
- Divestment to Beckman Coulter for US$~450m

**Audiology**
- Divestment to EQT for €2.15bn

**Water Technologies**
- Divestment to AEA Partners

**Metals Technologies**
- Joint Venture Primetals Technologies with MHI

**B/S/H/**
- Divestment of 50% share to Bosch
  - Equity value €3.25bn – thereof €3.0bn cash purchase price and €250m dividend & special dividend

---

1. Areas of growth?
2. Potential profit pool?
3. Why Siemens?
4. Synergetic value?
5. Paradigm shifts?

---

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Installed base secures **recurring** service revenues with robust after sales margin

**Combined serviceable fleet** (small turbines and compressors)

<table>
<thead>
<tr>
<th></th>
<th>Small/medium gas turbines</th>
<th>Aero-derivative gas turbines</th>
<th>Steam turbines</th>
<th>Compressors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rolls-Royce</strong></td>
<td>2,500</td>
<td></td>
<td></td>
<td>1,600</td>
</tr>
<tr>
<td><strong>DRESSER-RAND</strong></td>
<td>1,500</td>
<td></td>
<td>62,000</td>
<td>32,500</td>
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<tr>
<td><strong>SIEMENS</strong></td>
<td>2,250</td>
<td></td>
<td>10,000</td>
<td>10,000</td>
</tr>
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**Six-fold increase of combined Siemens fleet Synergy potential close to €200m confirmed**
Our target to reduce complexity and achieve cost reduction of ~€1bn is on track

Current status of functional cost reduction

<table>
<thead>
<tr>
<th>Target for functional cost reduction</th>
<th>Current status</th>
<th>Cumulated effects of savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>~€1bn</td>
<td>€1bn of saving potential are backed with concrete measures</td>
<td>€700m – €900m – €1bn</td>
</tr>
<tr>
<td>FY 2014 Target</td>
<td>Current status of functional cost reduction: €1bn of saving potential are backed with concrete measures.</td>
<td>FY 2015e FY 2016e FY 2017e</td>
</tr>
<tr>
<td></td>
<td>Significant savings to be generated by support functions (e.g., IT, HR, SCM, Finance)</td>
<td>€150m – €200m</td>
</tr>
<tr>
<td></td>
<td>Organization streamlined in Divisions, e.g., by removing organizational layers and combining businesses</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Savings to affect ~7,400 jobs worldwide, thereof ~2,900 in Germany</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-personnel related savings, e.g.,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- IT: Storage concepts; Cloud solutions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- SCM: Digitalize purchase to pay process</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Personnel related</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-personnel related</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Support functions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Divisions</td>
<td></td>
</tr>
</tbody>
</table>
Fixing remaining underperforming businesses is key priority – other options remain

Revenue FY 2013 in €bn

- Extended Spectrum
  - “Bottom10” ~14

- Underperforming businesses
  - Sell
  - Partner / JV
  - Turnaround: Good progress
  - Remaining underperforming businesses

- Footprint optimization
- Reverse integration
- Partnering
- Tight Managing Board control

FY 13 14 15e 17e 20e
Margin -4% -3% +1% ~6% >8%

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Cornerstones for Vision 2020
Future focus on growth, innovation and productivity

Value

Scale up
- Innovation initiative
- Growth focus
  - Current spectrum
  - Adjacent fields
- Ongoing productivity drive

Strengthen core
- Resource allocation defined / adjustments designed
- Portfolio adjustments conducted

Drive performance
- New structural set-up designed
- Restructuring accelerated / footprint adjustments designed
- Functional cost reduction measures defined
- Underperforming businesses analyzed

Foster ownership culture and leadership based on common values


Accelerated growth and outperformance

Strategic direction • Operational consolidation • Optimization

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Outlook Fiscal 2015 confirmed despite weakening indicators

We believe that our business **environment will be complex in fiscal 2015**, among other things due to **geopolitical tensions**.

We expect **revenue** on an **organic basis** to remain **flat year-over-year**, and orders to exceed revenue for a **book-to-bill ratio above 1**.

Furthermore, we expect that **gains from divestments** will enable us to **increase basic earnings per share (EPS) from net income** by at least 15% from €6.37 in fiscal 2014.

For our **Industrial Business**, we expect a profit margin* of 10–11%.

This outlook excludes impacts from legal and regulatory matters.

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*Effective with fiscal 2015, our enhanced profit definition excludes amortization of intangible assets acquired in business combinations.*
Restructuring and operational consolidation in FY 2015 is financed by disposal gains

Basic earnings per share (Net income)

In €

At least 15% growth

Guidance includes

6.37

IO 2014 FY 2015e

In €bn

~1.6
~0.2
~0.3
~0.3
~0.1
~0.75

B/S/H gain Audiology gain HC IT gain Unify No more income B/S/H No more income Audiology Restructuring1)

post tax pre tax

FY 2015eFY 2014

~1.4

1) Midpoint of range of mid to high three digit million Euro assumed

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Oil & Gas exposure still limited - "Secondary impact" could be higher

Direct Oil & Gas exposure
(Estimate in % of FY 2014 orders incl. Rolls-Royce pro forma)

Exposure along value chain

"Secondary" effects

Siemens orders FY 2014 in selected Oil exporting countries with strong NOCs (mainly OPEC, Russia, Kazakhstan)

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Oil & Gas – Recent acquisitions leverage attractive offerings and market access

Onshore

- O&G extraction
- O&G production
- Pipeline
- LNG

Siemens
Rolls-Royce
Dresser-Rand

Offshore

- O&G extraction
- Subsea
- FPSO

FPSO = Floating, Production, Storage and Offloading; LNG = Liquefied Natural Gas

Portfolio and growth synergies

- Advanced offering from drives to solutions, e.g. compressor train with Siemens turbines
- Efficient service for joint installed base and pull through of additional offerings
- Improved market access together with other divisions

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Page 14 New York, May 27, 2015
One Siemens Financial Framework – Clear targets to measure success & accountability

### Siemens

<table>
<thead>
<tr>
<th><strong>Growth:</strong></th>
<th><strong>Capital efficiency</strong></th>
<th><strong>Capital structure</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Siemens &gt; most relevant competitors&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Total cost productivity&lt;sup&gt;3&lt;/sup&gt;</td>
<td>Dividend payout ratio</td>
</tr>
<tr>
<td>(Comparable revenue growth)</td>
<td>3-5% p.a.</td>
<td>40-60%&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th><strong>up to 1.0x</strong></th>
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<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

### Profit Margin ranges of businesses (excl. PPA)<sup>5</sup>

<table>
<thead>
<tr>
<th></th>
<th>PG</th>
<th>EM</th>
<th>MO</th>
<th>PD</th>
<th>SFS&lt;sup&gt;6&lt;/sup&gt;</th>
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</thead>
<tbody>
<tr>
<td>PG</td>
<td>11-15%</td>
<td>7-10%</td>
<td>6-9%</td>
<td>8-12%</td>
<td>15-20%</td>
</tr>
<tr>
<td>WP</td>
<td>5-8%</td>
<td>8-11%</td>
<td>14-20%</td>
<td>15-19%</td>
<td></td>
</tr>
</tbody>
</table>

1) ABB, GE, Rockwell, Schneider, Toshiba, weighted; 2) Based on continuing and discontinued operations; 3) Productivity measures divided by functional costs (cost of sales, R&D, SG&A expenses) of the group; 4) Of net income excluding exceptional non-cash items; 5) Excl. acquisition related amortization on intangibles; 6) SFS based on return on equity after tax

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Page 15

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Financial Cockpit

Orders
- Revenue
- Margin
- Net Income

Profit Industrial Business (IB)

EPS (“all-in”)

ROCE (“all-in”)

Capital structure

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**Power and Gas (PG)**

### Orders

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.7</td>
<td>3.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+4%</td>
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</table>

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>2.9</td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-6%</td>
<td></td>
</tr>
</tbody>
</table>

### Profit & Margin

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>594</td>
<td>392</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20.3%</td>
<td>12.9%</td>
</tr>
</tbody>
</table>

**Wind Power and Renewables (WP)**

### Orders

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1.7</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-27%</td>
<td></td>
</tr>
</tbody>
</table>

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1.2</td>
<td>1.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-1%</td>
<td></td>
</tr>
</tbody>
</table>

### Profit & Margin

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Q2 FY 14</th>
<th>Q2 FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>-41</td>
<td>-44</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-3.5%</td>
<td>-3.4%</td>
</tr>
</tbody>
</table>

**Key Points**

- Positive effects by strong project execution
- Higher R&D for innovation push
- Expect operational margins at the lower end of the corridor

1) Comparable, i.e. adjusted for currency translation and portfolio effects

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EM: Progress in execution of legacy projects
BT: Productivity push to mitigate CHF strength

Energy Management (EM)

Orders
€bn
- Q2 FY 14: 2.8 (2.5% growth)
- Q2 FY 15: 3.1 (4% growth)

Revenue
€bn
- Q2 FY 14: 2.5
- Q2 FY 15: 2.8 (1% growth)

Profit & Margin
€m
- Q2 FY 14: -187 (7.6% margin)
- Q2 FY 15: 93 (3.3% margin)

Building Technologies (BT)

Orders
€bn
- Q2 FY 14: 1.3 (1% growth)
- Q2 FY 15: 1.5

Revenue
€bn
- Q2 FY 14: 1.3
- Q2 FY 15: 1.4

Profit & Margin
€m
- Q2 FY 14: 93 (7.1% margin)
- Q2 FY 15: 95 (6.6% margin)

- Substantial order growth in Americas due to large HVDC order
- Adverse mix due to large revenue portion with low margins

1) Comparable, i.e. adjusted for currency translation and portfolio effects

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DF: Temporarily softer and stronger outlook
PD: Commodity related weakness weighs on margin

### Digital Factory (DF)

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>€bn</td>
<td></td>
</tr>
<tr>
<td>Q2 FY 14</td>
<td>2.4</td>
</tr>
<tr>
<td>Q2 FY 15</td>
<td>2.6</td>
</tr>
</tbody>
</table>

- Order growth driven by motion control and industry software (PLM)
- Lower revenue share from high margin products and weaker China channels

### Process Industries and Drives (PD)

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>€bn</td>
<td></td>
</tr>
<tr>
<td>Q2 FY 14</td>
<td>2.7</td>
</tr>
<tr>
<td>Q2 FY 15</td>
<td>2.4</td>
</tr>
</tbody>
</table>

- Weaker demand in commodity related industries (O&G, Metals, Mining, Cement)
- Margin impact from operational challenges in O&G/Marine & Large Drives solutions

1) Comparable, i.e. adjusted for currency translation and portfolio effects

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### Mobility (MO)

<table>
<thead>
<tr>
<th></th>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit &amp; Margin (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 14</td>
<td>1.8</td>
<td>1.7</td>
<td>154 (9.1%)</td>
</tr>
<tr>
<td>Q2 FY 15</td>
<td>3.8</td>
<td>1.8</td>
<td>157 (8.6%)</td>
</tr>
</tbody>
</table>

**Note:** Revenue growth driven by execution of turnkey projects & rail infrastructure business.

**Note:** Higher revenue and net positive effects related to high speed trains foster margin.

### Healthcare (HC)

<table>
<thead>
<tr>
<th></th>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit &amp; Margin (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 14</td>
<td>2.8</td>
<td>2.9</td>
<td>536 (18.8%)</td>
</tr>
<tr>
<td>Q2 FY 15</td>
<td>3.2</td>
<td>3.2</td>
<td>526 (16.4%)</td>
</tr>
</tbody>
</table>

**Note:** Revenue strong in Europe and good in China, US flat.

**Note:** Includes €61m gain on sale of Microbiology business.

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1) Comparable, i.e. adjusted for currency translation and portfolio effects

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Weaker Euro with limited windfall for H1 profitability, acceleration expected in H2 FY 2015

FX impact in FY 2015

Quarterly average EUR/USD rates

Hedging strategy and effects

- Limited impact on profitability in H1 due to consistent hedging policy:
  - ≥75% of product business exposure at least three months in advance
  - Large project businesses fully hedged at time of order booking
- Margin windfall in H2 as favorable hedging rates take effect
- Medium term some positive structural effects from weaker Euro against major currencies (USD, CNY, GBP, INR, among others)
- Strong focus on natural hedging to mitigate risk from currency volatility

New York, May 27, 2015

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Financial calendar

May

May 27, 2015
Bernstein Strategic Decisions Conference (New York)

May 28, 2015
Canada Roadshow (Toronto)

June

June 10, 2015
Exane European CEO Conference (Paris)

June 11, 2015
JP Morgan European Capital Goods Conference (London)

June 17, 2015
Deutsche Bank German, Swiss & Austrian Conference (Berlin)

July

July 30, 2015
Q3 Earnings Release and Analyst Call
## Siemens Investor Relations contacts

<p>| | |</p>
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<tr>
<th></th>
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<tr>
<td><strong>Internet:</strong></td>
<td>[<a href="http://www.siemens.com/investorrelations">www.siemens.com/investorrelations</a>]</td>
</tr>
<tr>
<td><strong>Email:</strong></td>
<td><a href="mailto:investorrelations@siemens.com">investorrelations@siemens.com</a></td>
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<td>+49 89 636-32474</td>
</tr>
<tr>
<td><strong>Fax:</strong></td>
<td>+49 89 636-32830</td>
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