Q2 FY 2017
Another strong quarter – profitable growth continuing

Ralf P. Thomas, CFO
Q2 FY 2017 Analyst Call | Munich, May 4, 2017
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.

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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.

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Page 2 Munich, May 4, 2017
Q2 FY 2017
Another strong quarter – profitable growth continuing

- Successful closing of Siemens Gamesa merger and Mentor acquisition

- Orders +1% at €22.6bn despite tough comps - excluding €3.1bn Egypt orders up +17%
  Substantial volume from large orders and base orders clearly up

- Accelerated revenue growth to +5% supported by all Divisions; book-to-bill at 1.12x

- Strong quarter with 8 out of 9 Divisions in or above target range

- Industrial Business margin expansion to 12.1% (+120bps) driven by strong operational execution

- Net income stable at €1.5bn impacted by higher tax rate – EPS at 1.79€

- Strong Industrial Business free cash flow of €2.0bn, up 32% y-o-y
Major orders around the world secure further growth

**Energy Management (EM)**

- **HVDC link India**
  - India’s first HVDC link in VSC\(^1\) technology to support government’s vision of 24x7 power for all
  - Combined order volume ~$520m for Siemens and Sumitomo Electric

**Power & Gas (PG)**

- **12 industrial gas turbines for Argentina**
  - Four turnkey industrial power plants
  - Combined capacity of ~690 MW
  - Order volume ~$570m incl. long-term service contract

**Wind Power and Renewables (WP)**

- **EnBW Hohe See, Germany**
  - 497 MW complete offshore wind power plant solution
  - Delivery out of new Hull and Cuxhaven factories
  - Grid connection in 2019
  - Order volume ~€1.4bn

- **7 MW Turbine (SWT-7.0-154)**

**Mobility (MO)**

- **Rhine Valley network, Germany**
  - First order for 24 trains based on the new Mireo platform
  - 15 double-decker trainsets from the proven Desiro family
  - Customer Deutsche Bahn

**HVDC solution example**

\(^1\) VSC: Voltage Sourced Converter

**SGT-A65 TR gas turbine**

**Mireo mass transit platform**
## Power and Gas (PG)

<table>
<thead>
<tr>
<th></th>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>6.2</td>
<td>3.1</td>
<td>535</td>
<td>-14%</td>
</tr>
<tr>
<td>Q2 FY 17</td>
<td>3.9</td>
<td>3.9</td>
<td>461</td>
<td>-240bps</td>
</tr>
</tbody>
</table>

- Orders down due to tough comparables
- Revenue growth driven by rapid backlog conversion
- Strong execution & high service contribution

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

**Q2/16 - Iran effect:**
- Revenue: €174m
- Profit: €130m
- Margin: ~280bps

## Wind Power and Renewables (WP)

<table>
<thead>
<tr>
<th></th>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>2.1</td>
<td>1.5</td>
<td>137</td>
<td>+13%</td>
</tr>
<tr>
<td>Q2 FY 17</td>
<td>3.1</td>
<td>1.5</td>
<td>155</td>
<td>+90bps</td>
</tr>
</tbody>
</table>

- Sharply higher volume from large orders
- Revenue growth in onshore and service
- Higher productivity & capacity utilization, strong execution

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

*Margin as reported x.x%  Margin excl. severance (and excl. integration cost D-R for PG only)*
EM: Growth acceleration and margin expansion
BT: Continued outstanding performance across all metrics

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### Energy Management (EM)

<table>
<thead>
<tr>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
</tr>
<tr>
<td>3.0</td>
<td>3.6</td>
<td>172</td>
<td>225</td>
</tr>
</tbody>
</table>

- High volume of large orders
- Global revenue growth, led by transmission
- Profitability up broad based, led by High Voltage Products

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

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### Building Technologies (BT)

<table>
<thead>
<tr>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
</tr>
<tr>
<td>1.5</td>
<td>1.6</td>
<td>111</td>
<td>235</td>
</tr>
</tbody>
</table>

- Excellent top-line growth across all regions drove profitability

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Margin as reported  x.x%  Margin excl. severance
DF: Very strong short cycle momentum - clear market share gains
PD: Operational progress - realignment continues

### Digital Factory (DF)

<table>
<thead>
<tr>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
</tr>
<tr>
<td>2.6</td>
<td>2.9</td>
<td>363</td>
<td>15.5%</td>
</tr>
<tr>
<td>+9%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>+11%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>+33%</td>
<td>+270bps</td>
</tr>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>482</td>
<td>18.2%</td>
</tr>
<tr>
<td>2.4</td>
<td>2.7</td>
<td>89</td>
<td>4.5%</td>
</tr>
<tr>
<td>+50%</td>
<td>+200bps</td>
<td>+50%</td>
<td>+200bps</td>
</tr>
</tbody>
</table>

- Strong top-line growth and margin expansion driven by short cycle demand from automotive & machine building
- Top-line growth particularly in China and Europe

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

### Process Industries and Drives (PD)

<table>
<thead>
<tr>
<th>Orders (€bn)</th>
<th>Revenue (€bn)</th>
<th>Profit (€m)</th>
<th>Profit margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
</tr>
<tr>
<td>2.3</td>
<td>2.3</td>
<td>89</td>
<td>4.1%</td>
</tr>
<tr>
<td>-1%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>+1%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>+50%</td>
<td>+200bps</td>
</tr>
<tr>
<td>Q2 FY 16</td>
<td>Q2 FY 17</td>
<td>134</td>
<td>6.1%</td>
</tr>
<tr>
<td>2.1</td>
<td>2.2</td>
<td>4.5%</td>
<td>4.1%</td>
</tr>
<tr>
<td>+270bps</td>
<td>+200bps</td>
<td>+50%</td>
<td>+200bps</td>
</tr>
</tbody>
</table>

- Growth in Process Automation offset by decline in commodity related businesses
- Higher margin Process Automation drives profitability

Margin as reported | Margin excl. severance
MO: Stringent execution and resumption of top line growth
HC: Solid performance with strength in Asia

**Mobility (MO)**

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
<th>Profit</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€bn</td>
<td>€bn</td>
<td>€m</td>
<td></td>
</tr>
<tr>
<td>1.8</td>
<td>1.9</td>
<td>153</td>
<td>8.2%</td>
</tr>
<tr>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 16)</td>
</tr>
<tr>
<td>+19%1)</td>
<td>+7%1)</td>
<td>+39%</td>
<td>+250bps</td>
</tr>
<tr>
<td>2.2</td>
<td>2.0</td>
<td>213</td>
<td>10.8%</td>
</tr>
<tr>
<td>(Q2 FY 17)</td>
<td>(Q2 FY 17)</td>
<td>(Q2 FY 17)</td>
<td>(Q2 FY 17)</td>
</tr>
</tbody>
</table>

- Broad based order growth with strong U.S. contribution
- Profit up on increased revenue and larger share from high margin rail infrastructure business

**Healthineers (HC)**

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
<th>Profit</th>
<th>Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€bn</td>
<td>€bn</td>
<td>€m</td>
<td></td>
</tr>
<tr>
<td>3.2</td>
<td>3.4</td>
<td>555</td>
<td>17.2%</td>
</tr>
<tr>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 17)</td>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 17)</td>
</tr>
<tr>
<td>+2%1)</td>
<td>+2%1)</td>
<td>+6%</td>
<td>+40bps</td>
</tr>
<tr>
<td>3.3</td>
<td>3.4</td>
<td>588</td>
<td>16.7%</td>
</tr>
<tr>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 17)</td>
<td>(Q2 FY 16)</td>
<td>(Q2 FY 17)</td>
</tr>
</tbody>
</table>

- Double digit order growth in China
- Revenue growth driven by Diagnostic Imaging
- Final U.S. FDA clearance for Atellica™ Solution

1) Comparable, i.e. adjusted for currency translation and portfolio effects
Volatility at CMPA remains
Mentor & Gamesa with additional PPA-effects in H2 FY 17

Below Industrial Business – Q2 FY 2017

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>in €m</td>
<td>2,492</td>
<td>207</td>
<td>3</td>
<td>18</td>
<td>-231</td>
<td>-168</td>
<td>-75</td>
<td>1,458</td>
<td>25</td>
<td>1,483</td>
<td></td>
</tr>
</tbody>
</table>

Therein:
- -€100m Pensions
- -€181m Corp. Items

Including effects related to:
- Asset retirement obligation of ~€314m
- Impairment of Primetals of -€230m

Tax rate @34%

Expectations for H2 FY 2017

- **SFS**: H2 in line with prior year
- **CMPA**: includes other portfolio elements; volatility remains; H2 broadly in line with prior year
- **SRE**: H2 in line with prior year, dependent on disposal gains
- **Corporate Items**: H2 in line with prior year
- **Pension**: ~€125m per quarter
- **PPA**: in line with H1 FY 2017 plus additional effects of ~€0.3bn from Mentor and Gamesa
- **Elimination, Corporate Treasury, Other**: H2 in line with prior year, including higher interest expenses
- **Tax**: expect 26 – 30% for FY 2017
Significant operational free cash flow improvement – Overall more balanced development

Free cash flow

€m
-728  812  84
Q1 FY 16  Q2 FY 16  H1 FY 16

+1.4bn
738  1,452
Q1 FY 17  Q2 FY 17

Industrial Business free cash flow

€m
1,477
Q2 FY 16

1,951
Q2 FY 17

• Strong free cash flow improvement driven by PG, BT, DF
• Net operating working capital increase mainly due to Mentor integration
Siemens Vision 2020
A strong foundation to drive profitable growth

Ownership culture drives high performance team

Drive performance
- Continuous productivity improvement
- Stringent project execution
- Fix underperforming businesses

Strengthen core
- Stringent capital allocation

Scale up
- Innovation initiative
- Customer and market focus
- Digitalization at work

Operational consolidation
Optimization
Accelerated growth and outperformance
Continuous productivity drives operational performance – Siemens Operating Model key to ensure culture of adaptability

Gross margin improvement on track

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014</td>
<td>28.6%</td>
</tr>
<tr>
<td>FY 2015</td>
<td>28.9%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>29.9%</td>
</tr>
<tr>
<td>H1 FY 17</td>
<td>31.8%</td>
</tr>
</tbody>
</table>

+120bps y-o-y

Ongoing rigorous total cost productivity in % of total cost base

<table>
<thead>
<tr>
<th>Year</th>
<th>Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2015</td>
<td>~4%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>~5%</td>
</tr>
<tr>
<td>FY 2017e</td>
<td></td>
</tr>
</tbody>
</table>

~€3bn ~€4bn

At least 4% of total cost base

Divisional productivity programs + Functional productivity initiatives

Siemens Operating Model drives change towards a fast learning, innovative and agile company

1) Total cost base: Sum of cost of sales, R&D and SG&A expenses
Productivity deep dive:
Supply chain management drives competitiveness

SCM performance indicators

Cost & Value Engineering (CVE) in €bn

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017e</th>
<th>FY 2020 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3</td>
<td>3.4</td>
<td>5.6</td>
<td>&gt;12</td>
</tr>
</tbody>
</table>

Global Value Sourcing In % of procurement volume (~€40bn)

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017e</th>
<th>FY 2020 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>26%</td>
<td>27%</td>
<td>29%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Ramp up of Cost & Value Engineering on track

- Cross functional and divisional approach
- More than 200 CVE-experts operational; >600 planned until 2020
- Teamcenter Product Cost Management software as backbone

Example Power Generation

- Project in Bolivia: 22 Heat Recovery Steam Generators for SGT800 turbine
- Deep analysis of material & manufacturing process with suppliers and e-bidding
- 26% cost savings versus initial offer

Example Energy Management

- Benchmark of internal factory with external supplier
- Value flow optimization along lean principles
- ~30% savings potential of manufacturing cost identified
Siemens Software business strengthened by small bolt-on acquisition and partnership

Mobility – Acquisition of HaCon

- Implementation of Mobility digitalization strategy to expand intermodal digital offering
- Leading software provider for public transportation, mobility and logistics
- Trip planning software used by more than 100 customers in ~25 countries
- ~300 employees
- Closing in first half of CY 2017 expected

Energy Management - Partnership with SAP

- Global reseller agreement between SAP & Siemens
- Siemens Meter Data Management solution EnergyIP combined with SAP for utilities solution
- Address digital end-to-end scenarios for utility customers in an increasingly distributed energy landscape
- Real-time processing of data will change business models

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Hanover Fair 2017
Siemens is the frontrunner for the Digital Enterprise

Key highlights

- Digital twin across the entire value chain – for products, for production and complete plants
- R&D collaboration to digitalize the adidas SPEEDFACTORY
- Rapid expansion of MindSphere ecosystem
  Around 70 million assets and connected sensors
- Siemens part manufacturing platform for additive manufacturing announced

(Copyright: adidas AG)
Guidance FY 2017

We confirm our expectations for fiscal 2017 presented with our results for Q1 FY 2017.

We continue to expect modest growth in revenue, net of effects from currency translation and portfolio transactions, and anticipate that orders will exceed revenue for a book-to-bill ratio above 1.

We expect the profit margin of our Industrial Business in the range of 11.0% to 12.0%, and basic EPS from net income in the range of €7.20 to €7.70.

This outlook now includes portfolio changes already closed by the middle of fiscal 2017, particularly the acquisition of Mentor Graphics and the Gamesa merger, which are expected to burden Industrial Business profit margin and basic EPS from net income in fiscal 2017.

The outlook continues to exclude charges related to legal and regulatory matters as well as potential burdens associated with pending portfolio matters.
One Siemens Financial Framework
Clear targets to measure success and accountability

One Siemens Financial Framework

<table>
<thead>
<tr>
<th>Growth: Siemens &gt; most relevant competitors¹</th>
<th>Capital efficiency (ROCE²)</th>
<th>Capital structure (Industrial net debt/EBITDA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Comparable revenue growth)</td>
<td>15 – 20%</td>
<td>up to 1.0x</td>
</tr>
<tr>
<td></td>
<td>Total cost productivity³</td>
<td>Dividend payout ratio</td>
</tr>
<tr>
<td></td>
<td>3 – 5% p.a.</td>
<td>40 – 60%⁴</td>
</tr>
</tbody>
</table>

Profit Margin ranges of businesses (excl. PPA)⁵

<table>
<thead>
<tr>
<th>PG</th>
<th>11 – 15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>WP</td>
<td>5 – 8%</td>
</tr>
<tr>
<td>EM</td>
<td>7 – 10%</td>
</tr>
<tr>
<td>BT</td>
<td>8 – 11%</td>
</tr>
<tr>
<td>MO</td>
<td>6 – 9%</td>
</tr>
<tr>
<td>DF</td>
<td>14 – 20%</td>
</tr>
<tr>
<td>PD</td>
<td>8 – 12%</td>
</tr>
<tr>
<td>HC</td>
<td>15 – 19%</td>
</tr>
<tr>
<td>SFS⁶</td>
<td>15 – 20%</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 18 Munich, May 4, 2017 Q2 FY 2017 Analyst Call
### Siemens Vision 2020

Clear intents for our seven overarching goals

<table>
<thead>
<tr>
<th>GOAL</th>
<th>INTENT</th>
<th>KPI</th>
</tr>
</thead>
</table>
| 1    | Implement stringent company governance with effective support functions | Live lean governance and drive continuous optimization | €1bn cost savings by FY 2016 achieved  
Continued productivity of 3-5% |
| 2    | Strengthen portfolio | Sharpen our business focus in electrification, automation, and digitalization | Tap growth fields  
> 8% margin in underperforming businesses |
| 3    | Execute financial target system | Grow our company value | 15-20% ROCE  
Growth > most relevant competitors |
| 4    | Expand global management | Get closer to our customers and markets | > 30% of Division and BU management outside Germany |
| 5    | Be a partner of choice for our customers | Foster an intimate and trusting partnership with our customers | ≥ 20% improvement in Net Promoter Score |
| 6    | Be an employer of choice | Unleash the full potential of our people | > 75% approval rating in leadership and diversity in SGES |
| 7    | Foster Ownership Culture | Ignite pride and passion for Siemens, through a new mindset and equity ownership | ≥ 50% increase in number of employee shareholders |
**Financial cockpit – Q2 FY 2017**

### Orders in €bn
- **B-t-B**: Q2 FY 16: 1.17, Q2 FY 17: 1.12
- **Q2 FY 16**: 22.3, Q2 FY 17: 22.6
- **Q2 FY 16-Q2 FY 17**: +1% (+2%)
- **Comp. (nom.)**: Q2 FY 16: 1.79, Q2 FY 17: 1.79
- **Q2 FY 16-Q2 FY 17**: 0%

### Revenue
- **Q2 FY 16**: 19.0, Q2 FY 17: 20.2
- **Q2 FY 16-Q2 FY 17**: +5% (+6%)

### Profit Industrial Business (IB) in €bn
- **Q2 FY 16**: 11.4%, Margin: 10.9%
- **Q2 FY 17**: 12.4%, Margin: 12.1%
- **Q2 FY 16-Q2 FY 17**: +18%

### Net Income in €bn
- **Q2 FY 16**: 1.5
- **Q2 FY 17**: 1.5
- **Q2 FY 16-Q2 FY 17**: 0%

### EPS (“all-in”) in €
- **Q2 FY 16**: 1.78
- **Q2 FY 17**: 1.79
- **Q2 FY 16-Q2 FY 17**: 0%

### ROCE (“all-in”)
- **Q2 FY 16**: 14.9%
- **Q2 FY 17**: 13.3%
- **Q2 FY 16-Q2 FY 17**: +18%
- **Capital structure**
  - **Q2 FY 16**: 1.2x
  - **Q2 FY 17**: 1.2x
  - **Q2 FY 16-Q2 FY 17**: ≤1

### Capital structure
- **Q2 FY 16**: 13.3%
- **Q2 FY 17**: 13.3%
- **Q2 FY 16-Q2 FY 17**: 0%

**Margin**
- **Margin as reported**: X.X%
- **Margin excl. severance**: X.X%
Net debt bridge – Q2 FY 2017

Operating Activities

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1 FY17</th>
<th>Q2 FY17</th>
<th>ΔQ1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentor Graphic acquisition</td>
<td>-3.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAPEX</td>
<td>-0.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Net Debt Q1 2017: -19.8

Net Debt Q2 2017: -26.0

Net Debt adjustments: -13.5

Net Debt bridge – Q2 FY 2017

Cash flows from operating activities

Cash flows from investing activities

Financing and other topics

Cash & cash equiv. €10.8

Cash & cash equiv. €11.2

1) Including current available-for-sale financial assets
SFS Key figures – Q2 FY 2017

Key financials SFS

- **Assets** €27.2bn
- **Income before income taxes** €207m
- **Return on Equity after tax** 26.3%
- **Operating and Investing Cash Flow** €171m

### Assets

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leases &amp; Loans</td>
<td>24.0</td>
</tr>
<tr>
<td>Equity</td>
<td>1.3</td>
</tr>
<tr>
<td>Other Assets &amp; Inventory</td>
<td>1.6</td>
</tr>
<tr>
<td>Cash</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>27.2</strong></td>
</tr>
</tbody>
</table>

### Liabilities and Equity

<table>
<thead>
<tr>
<th></th>
<th>€bn</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td>27.2</td>
</tr>
<tr>
<td><strong>Allocated Equity</strong></td>
<td>2.7</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>23.2</td>
</tr>
<tr>
<td><strong>Accruals &amp; Other Liabilities</strong></td>
<td><strong>1.3</strong></td>
</tr>
</tbody>
</table>

1) Operating and finance leases, loans, asset-based lending loans, factoring and forfaiting receivables
2) Intercompany receivables, securities, (positive) fair values of derivatives, tax receivables, fixed assets, intangible assets, land and building, prepaid expenses and inventories
Provisions decreased in Q2, mainly due to slightly increased discount rate assumptions and strong equity performance

### Q2 FY 2017 Key financials – Pension and similar obligations

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>Q1 FY 2017</th>
<th>Q2 FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation (DBO)</td>
<td>(35.6)</td>
<td>(36.8)</td>
<td>(42.2)</td>
<td>(39.0)</td>
<td>(38.4)</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>26.3</td>
<td>27.1</td>
<td>28.7</td>
<td>28.1</td>
<td>28.1</td>
</tr>
<tr>
<td>Provisions for pensions and similar obligations</td>
<td>(9.3)</td>
<td>(9.8)</td>
<td>(13.7)</td>
<td>(11.1)</td>
<td>(10.5)</td>
</tr>
<tr>
<td>Discount rate</td>
<td>3.0%</td>
<td>3.0%</td>
<td>1.7%</td>
<td>2.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Interest Income</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Actual return on plan assets</td>
<td>2.9</td>
<td>0.5</td>
<td>3.3</td>
<td>-0.5</td>
<td>0.3</td>
</tr>
</tbody>
</table>

1) All figures are reported on a continuing basis.
2) Fair value of plan assets including effects from asset ceiling (Q2 2017: €-0.1bn); difference between DBO and fair value of plan assets additionally resulted in net defined benefit assets (Q2 FY 2017: €+0.2bn); Defined Benefit Obligation (DBO), including other post-employment benefit plans (OPEB).

Note: Beginning with fiscal 2017, we report ‘provisions for pensions and similar obligations’ as presented in the Consolidated Statements of Financial Position, which also include Siemens’ underfunding of other post-employment benefit plans. Prior years are presented on a comparable basis.
Executing Vision 2020
Underperforming businesses on track to meet FY 17 expectations

Underperforming businesses (~€14.5bn revenue in FY 2016)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017e</th>
<th>2020e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit Margin</td>
<td>-4%</td>
<td>-3%</td>
<td>+1%</td>
<td>+3%</td>
<td>~6%</td>
<td>&gt;8%</td>
</tr>
</tbody>
</table>

- Footprint adjustments ongoing
- Sharpened scope

Fiscal 2017 expectations:
- In 6% range
- Under special management attention

FY 2017 Priorities:
- Clear accountability and tight monitoring
- Rigorous execution of business plans with focus on sustainable competitiveness; e.g. set up of Mechanical Drives business as standalone company within Siemens
- Partnering and divestitures remain an option
Executing Vision 2020 – Portfolio strengthening continues along our strategic imperatives

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

Integration ahead of plan

Closing of acquisition | EV of US$4.5bn

Closing of merger
Siemens share 59%

Siemens Turbomachinery Equipment GmbH
Divestment to Colfax announced
Cash consideration of €195m

Listing preparation announced

50/50 joint venture closed

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Page 25
Munich, May 4, 2017

Q2 FY 2017 Analyst Call
Merger of Siemens Wind Power and Gamesa closed as planned

**Transaction description & rationale**

- **Merger** of the entire Siemens Wind Power business incl. Service with Gamesa closed on April 3, 2017
- Creation of a global **leader in the wind power industry** with a well balanced geographic footprint and a large installed base
- **New management team appointed** with Ignacio Martin as CEO for the transition phase and Andrew Hall as CFO
- **Announcement of Rosa García** as non-executive Chairwoman of the combined company’s Board of Directors
- **New company brand** reflects strengths of united company
- **Ownership**: Siemens 59%, Iberdrola ~8%, free float ~33%
- **Global HQ and listing in Spain**
- Siemens to **fully consolidate** the combined and listed entity as of Q3 FY17

**Key figures** (pro forma, LTM Dec 2016; source prospectus)

<table>
<thead>
<tr>
<th>Combined business 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed Base</td>
</tr>
<tr>
<td>Backlog</td>
</tr>
<tr>
<td>Revenue</td>
</tr>
<tr>
<td>LTM recurrent EBIT</td>
</tr>
<tr>
<td>LTM recurrent EBIT Margin</td>
</tr>
<tr>
<td>Synergies</td>
</tr>
</tbody>
</table>

1) Excluding transaction adjustments (e.g. effects from purchase accounting), incl. Adwen; EBIT adjusted for normalization items (-€6m) and stand-alone effects (+€121m), excluding synergies
Financial calendar

May

May 4-5, 2017
Roadshow UK (London)

May 8, 2017
Roadshow Germany (Frankfurt)

May 15, 2017
Healthineers Teach-In call (Webcast)

May 31, 2017
Roadshow Canada (Toronto) and U. S. (New York)

June

June 16, 2017
JP Morgan European Capital Goods CEO Conference (London)

August

August 3, 2017
Q3 Earnings Release
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