Who can I trust to help me provide healthcare at its best?

Jim Reid-Anderson
CEO Healthcare Sector
Siemens AG

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The Integrated Healthcare Company

Global Leader in Imaging
Global Leader in Healthcare IT
Global Leader in Laboratory Diagnostics
Siemens Works Diligently on Advancing Patient Care

What if we could…

…save the half a million women who die every year of breast cancer?

…save 1 out of 6 men that will develop prostate cancer?

…help better target the #1 cause of death worldwide – Coronary Artery Disease?
Our Customers’ Challenges Determine Our Direction

Market trends …
- Growing and aging population
- Cost pressure
- Disease Orientation
- Established & emerging competition
- Healthcare IT

…create demand for improved healthcare...
- Increased demand for healthcare services
- Solutions to reduce overall costs
- New applications and clinical pathways
- Improved processes and workflow
- Flexible and customized IT solutions

Growing Population Increases Demand for Healthcare

Strong population growth, most notably in Africa and Asia


Increasing demand for healthcare services

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Siemens Healthcare
Aging Population and Rising of Chronic Diseases Challenge Healthcare Systems

- Percentage of 80+ generation to grow globally
- Older adults are more likely to have multiple chronic conditions
- Example USA: People with chronic conditions account for 83% of all U.S. healthcare spending


Rate of Global Healthcare Expenditures is Growing Rapidly

Global Health Care Expenditures

The Siemens Strategy Is to Address Customer Challenges Directly

**We help our customers to provide:**
- high-quality and patient-centered care
- along the entire healthcare continuum
- with superb innovations
- best processes
- and proven outcomes

**Formula for our Solutions**

*Quality Cost*

*of healthcare delivery*
We Focus & Deliver on Customer Excellence

Our business strategy of customer excellence, with five strategic imperatives

1. Customer Relations
   Knowing, understanding & winning customers

2. Customer-focused Innovation
   Innovating for fast growth and competitiveness

3. Operational Excellence
   Achieving best cost position

4. Financial Excellence
   Driving profitable growth and cash returns

5. High-performance Culture
   Living our values as a high-performance culture

Quality in Everything We Do

THE INTEGRATED HEALTHCARE COMPANY

Agenda

Global Healthcare Challenges

Siemens Strategic Approach

Healthcare Solutions for Advancing Patient Care

Questions and Answers
Imaging & IT Division

In-Vivo (in the body) diagnostics:
- generates insight into the living human body by means of X-ray, magnetic resonance, ultrasound waves, and contrast agents for selected applications
- Healthcare IT solutions help diagnose and manage patient data, and efficiently run entire healthcare institutions

- €7.1bn in sales
- 27,000 employees
- #1 and 2 positions in both imaging and healthcare IT
- €760m R&D spend ~ 11% of sales

Technology Fields
- Computed Tomography
- Magnetic Resonance
- Molecular Imaging
- Radiography/Angiography
- Ultrasound
- Healthcare IT

Computed Tomography: SOMATOM Definition

- allows you to scan any heart at any heart rate without the need of beta-blockers – at the lowest radiation dose ever achieved in CT
- allows direct visualization of vessels in the brain for the first time
- One-Stop Diagnosis in Acute Care

Courtesy of University Hospital of Munich – Grosshadern/Munich, Germany
Magnetic Resonance: MAGNETOM® ESSENZA

- The most affordable*, all-new 1.5T MRI, with broad application spectrum
- Helps customer achieve break-even quicker
- Enhances comfort for claustrophobic patients with ultra-short (145 cm) bore
- Features Tim Technology that allows for immediate scanning of larger body regions

*Results may vary. Data on file.

Interventional Radiography: Artis zeego®

- First multi-axis system with robotic assisted positioning:
  better patient access, sophisticated 3D imaging from head to toe, compactly parked in clinical work space
- Clear treatment advantages with obese patients, patients with liver cancer or when performing complex interventions in the angio suite
Ultrasound: ACUSON S2000™

- Volumetric acquisition, data rendering, and advanced post-processing enables more photo-realistic visualization of a volume compared to the competitive systems
- Enhances fetal-parental bonding
- Allows better diagnosis of irregular fetal development
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Healthcare IT: Seamless Information Access and Flow Are Key to Enable Healthcare Efficiency

- The next-generation Healthcare IT
- The most common imaging Software
Workflow & Solutions Division

Standards of Care:
Supporting healthcare professionals to define disease-specific standards of care by means of clinical workflow, leveraging the entire healthcare portfolio

Solution Fields
- Customer Services
- Global Solutions
- Audiology Solutions
- Oncology
- Cardiology
- Neurology

- €1.5bn in sales
- 7,000 employees
- Strong clinical process focus
- €136m R&D spend ~ 9% of sales

Audiology Solutions: Vibe

- It's a brand-new style concept
- Unique, user friendly shape
- Special position in the ear
- Looks like a headset or accessory
- It's a chic addition to your personal look
Prostate Cancer: Siemens is improving the Standard of Care

Current Healthcare Situation:
- 1 in 6 men will develop prostate cancer
- A man dies of prostate cancer every 18 minutes
- Mortality rate decreases, incidence increases
- Traditional screening, diagnosis, and treatment are suboptimal

Siemens solution:
Improving specificity of current PSA tests by using a multi-marker panel for prostate cancer:
- tPSA
- fPSA
- cPSA
- Testosterone
- Her-2/new
in combination with Ultrasound screening and REMIND™ clinical decision support software.

Outcome:
- up to 50% reduction of false-positive results is possible, thus saving unnecessary biopsies*
- Cost saving potential up to $5 bn in the US alone based on optimized clinical workflow

*results may vary, data on file

Improve Healthcare Institutions’ bottom line with Electronic Patient Records

“Rhoen Clinics”

Largest project in 2007: Electronic Patient Records in Germany
- Pilot completed successfully
- Rollout in 46 facilities started
- Joining 130 different IT systems
- Registering ~1,400,000 patients per year
- Access by 15,000 users

Benefits:
→ Seamless access to patient records, inside and outside of facilities
→ Productivity gain, retention of patients
→ Increasing the number of cases
Diagnostics Division

Laboratory Diagnostics

In-vitro (in the glass) diagnostics: Analyses body fluids and tissues by means of reagents and laboratory equipment

- €3.3bn in sales
- 14,800 employees
- Largest clinical diagnostics company in the world
- €300m R&D spend ~ 9% of sales
- 125,000 + instruments installed

Chemistry/Immunoassay
- Integrated Immunoassay
- Clinical Chemistry
- Specialty Immunoassay
- Hematology
- Hemostasis
- Microbiology
- Molecular
- Blood Gas
- Diabetes & Urinalysis
- Automation
- Informatics

Diagnostics: What Type of Tests Are Performed?

Examples of types of tests using body fluids:
- Whole blood
- Urine
- Serum
- Blood plasm
- Saliva

Chemistry
- Cholesterol
- Glucose
- Therapeutic drug monitoring
- Drugs of abuse testing

Immunoassay
- Cardio-vascular
- Hormones
- Cancer
- Allergy

Hematology
- Cell counting

Hemostasis
- Pre- & post-operatives
- Deep vein thrombosis
- Hemophilia
- Aspirin resistance

Microbiology
- Bacteria
- Meningitis
- Straphylococcus
- Antibiotics
- Penicillin
- Streptomycin

Molecular
- HIV
- Hepatitis
- Cancer
Diagnostics: Patient Sample Pathway

Diagnosis

Lab

Centrifuge

Instruments

Processing

Analysis

LIS

Treatment & monitoring

Customers:
- Hospital Labs
- Reference Labs
- Drug Court Labs
- Physician Offices

Diagnostics: Dimension® Integrated Diagnostic Systems

- Consolidating multiple analyzer info into one integrated system technology for less labor, less space, quicker test results
- #1 brand globally in the central laboratory

Dimension Vista® Intelligent Lab System

- Immuno
- Chemistry
- Drug
- Cardiac
Diagnostics: Flexible, Customized Automation Solutions

- Automating pre- and post-analytical processes
- Connecting multiple instruments together to improve workflow
- Reducing human errors

Pre-analytical
- Decapping
- Centrifuge
- Sample sorting
- Sample splitting
- Transport to analyzers

Post analytical
- Technical validation
- Re-capping
- Sample sorting
- Sample storage

ADVIA® Labcell® Automation Solution

Diagnostics: Broadest Test Menu in the Industry

Providing comprehensive solutions for customers

<table>
<thead>
<tr>
<th>Disease State</th>
<th>Test Menu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allergy</td>
<td>Immunosuppressive &amp; therapeutic drug monitoring</td>
</tr>
<tr>
<td>Anemia/iron metabolism</td>
<td>Infectious disease</td>
</tr>
<tr>
<td>Autoimmune/rheumatoid</td>
<td>Inflammation</td>
</tr>
<tr>
<td>Bone metabolism</td>
<td>Liver fibrosis</td>
</tr>
<tr>
<td>Cancer</td>
<td>Metabolic</td>
</tr>
<tr>
<td>Cardiovascular</td>
<td>Nephropathies</td>
</tr>
<tr>
<td>Coagulation disorders</td>
<td>Nutritional assessment</td>
</tr>
<tr>
<td>Diabetes</td>
<td>Pancreatic disease</td>
</tr>
<tr>
<td>Drugs of abuse/toxicology</td>
<td>Reproductive endocrinology</td>
</tr>
<tr>
<td>Growth</td>
<td>Thyroid function</td>
</tr>
<tr>
<td>Hepatic diseases</td>
<td></td>
</tr>
</tbody>
</table>
Diagnostics: U.S. Customer Satisfaction at the Top of the Industry

Siemens Healthcare Diagnostics ranks #1 in overall service performance

<table>
<thead>
<tr>
<th>Competitor</th>
<th>Service Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitor A</td>
<td>5.15</td>
</tr>
<tr>
<td>Competitor B</td>
<td>5.10</td>
</tr>
<tr>
<td>Competitor C</td>
<td>5.07</td>
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<tr>
<td>Competitor D</td>
<td>4.93</td>
</tr>
<tr>
<td>Competitor E</td>
<td>4.93</td>
</tr>
<tr>
<td>Siemens Healthcare Diagnostics</td>
<td>5.31</td>
</tr>
</tbody>
</table>

Industry Average = 5.12

Source: Service Trak 2008

Scale: 1=Very Poor, 2=Poor, 3=Fair, 4=Good, 5=Very Good, 6=Excellent

Efficient Siemens Healthcare Solutions: Leveraging Our Complete Portfolio

Siemens Healthcare Diagnostics

Healthcare IT

In-vitro
One Siemens Solution For a New Model of Healthcare Services

Hospital da Luz, Lisbon, Portugal

- Complete Medical IT
- Medical Imaging
- Intensive Care
- Lighting from OSRAM
- Building infrastructure / HVDC
- Electrical installation
- IT and communication infrastructure
- Service

>> seamless integration of information flow
>> seamless integration of building automation and Hospital Information System

Siemens Healthcare Invests at the Top of the Industry to Drive Innovation Leadership

R&D investment

Over €1 billion spent annually

% of revenue invested in R&D

9%-11%

3%-9%

Siemens Healthcare

Industry average

Innovating for fast growth and competitiveness

Source: Siemens internal Assessment
We Hold #1 Positions in Each of Our Markets and Will Strategically Leverage Our Position

Siemens Healthcare provides ... Answers for Life!

The Integrated Healthcare Company

Advancing Patient Care

A Comprehensive Portfolio

Leveraging all of Siemens
Siemens Healthcare Provides … Answers for Life!