

SIEMENS AKTIENGESELLSCHAFT

Form 6-K

July 28, 2011

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 6-K**

**Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934**

**July 28, 2011**

**Commission File Number: 1-15174**

**Siemens Aktiengesellschaft**

(Translation of registrant's name into English)

Wittelsbacherplatz 2

D-80333 Munich

Federal Republic of Germany

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☐

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☐

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Key figures

Earnings Release

Earnings Release Consolidated Financial Statements (preliminary and unaudited)

SUPPLEMENTAL DATA:

Additional Information (I) (preliminary and unaudited)

Additional Information (II) (preliminary and unaudited)

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(preliminary and unaudited, in millions of €, except where otherwise stated)

| Volume                |         |         |          |                       |                             |        |          |                       |
|-----------------------|---------|---------|----------|-----------------------|-----------------------------|--------|----------|-----------------------|
|                       |         |         | % Change |                       | 1 <sup>st</sup> nine months |        | % Change |                       |
|                       | Q3 2011 | Q3 2010 | Actual   | Adjusted <sup>2</sup> | 2011                        | 2010   | Actual   | Adjusted <sup>3</sup> |
| Continuing operations |         |         |          |                       |                             |        |          |                       |
| New orders            | 22,937  | 19,179  | 20%      | 25,644                | 54,425                      | 52,466 | 23%      | 22%                   |
| Revenue               | 17,844  | 17,425  | 2%       | 8,531                 | 23,164                      | 49,575 | 7%       | 7%                    |

| Earnings  |            |            |          |                                     |       |          |
|---|------------|------------|----------|-------------------------------------|-------|----------|
|   | Q3<br>2011 | Q3<br>2010 | % Change | 1 <sup>st</sup> nine months<br>2011 | 2010  | % Change |
| Total Sectors                                       |            |            |          |                                     |       |          |
| Adjusted EBITDA                                     | 2,276      | 2,541      | (10)%    | 7,432                               | 7,192 | 3%       |
| Total Sectors Profit <sup>8</sup>                   | 1,144      | 2,067      | (45)%    | 6,927                               | 5,882 | 18%      |
| in % of revenue (Total Sectors)                     | 6.5%       | 12.0%      |          | 13.1%                               | 12.0% |          |
| Continuing operations                               |            |            |          |                                     |       |          |
| Adjusted EBITDA                                     | 2,319      | 2,667      | (13)%    | 8,018                               | 7,756 | 3%       |
| Income from continuing operations                   | 763        | 1,428      | (47)%    | 5,783                               | 4,304 | 34%      |
| Basic earnings per share (in ¢)                     | 0.83       | 1.62       | (49)%    | 6.48                                | 4.86  | 33%      |
| Continuing and discontinued operations <sup>5</sup> |            |            |          |                                     |       |          |
| Net income  | 501        | 1,435      | (65)%    | 5,090                               | 4,464 | 14%      |
| Basic earnings per share (in ¢)                     | 0.53       | 1.62       | (67)%    | 5.70                                | 5.03  | 13%      |

| <b>Capital efficiency</b>                                 |                |                |  |  |
|---|----------------|----------------|--|--|
|   | <b>Q3 2011</b> | <b>Q3 2010</b> | <b>1<sup>st</sup> nine months 2011</b> | <b>1<sup>st</sup> nine months 2010</b> |
| <b>Continuing operations</b>                              |                |                |  |  |
| Return on capital employed (ROCE) (adjusted)              | <b>11.3%</b>   | 17.0%          | <b>26.0%</b>                           | 17.6%                                  |
| <b>Continuing and discontinued operations<sup>5</sup></b> |                |                |  |  |
| Return on capital employed (ROCE) (adjusted)              | <b>7.2%</b>    | 17.1%          | <b>22.2%</b>                           | 18.3%                                  |

| <b>Cash performance</b> |                |                |                                   |                                   |
|-------------------------|----------------|----------------|-----------------------------------|-----------------------------------|
|                         | <b>Q3 2011</b> | <b>Q3 2010</b> | <b>1<sup>st</sup> nine months</b> | <b>1<sup>st</sup> nine months</b> |
|                         |                |                | <b>months</b>                     |                                   |

|   |      |       | 2011  | 2010  |
|---|------|-------|-------|-------|
| <b>Continuing operations</b>                              |      |       |       |       |
| Free cash flow  | 992  | 2,088 | 2,405 | 4,112 |
| Cash conversion rate                                      | 1.30 | 1.46  | 0.42  | 0.96  |
| <b>Continuing and discontinued operations<sup>5</sup></b> |      |       |       |       |
| Free cash flow  | 861  | 2,129 | 1,727 | 4,058 |
| Cash conversion rate                                      | 1.72 | 1.48  | 0.34  | 0.91  |

### Liquidity and capital structure

|   | June 30, 2011 | September 30, 2010 |
|---|---------------|--------------------|
| Cash and cash equivalents                 | 13,006        | 14,108             |
| Total equity (shareholders of Siemens AG) | 30,992        | 28,346             |
| Net debt                                  | 5,731         | 5,560              |
| Adjusted industrial net debt              | 243           | 2,189              |

### Employees in thousands

|                  | June 30, 2011         |                    | September 30, 2010    |                    |
|------------------|-----------------------|--------------------|-----------------------|--------------------|
|                  | Continuing operations | Total <sup>6</sup> | Continuing operations | Total <sup>6</sup> |
| <b>Employees</b> | 353                   | 421                | 336                   | 405                |
| Germany          | 114                   | 131                | 110                   | 128                |
| Outside Germany  | 239                   | 290                | 225                   | 277                |

1 New orders and order backlog; adjusted or organic growth rates of Revenue and new orders; book-to-bill ratio; Total Sectors Profit; ROE (after tax); ROCE (adjusted); Free cash flow; cash conversion rate; adjusted EBITDA; adjusted EBIT; adjusted EBITDA margins, earnings effect from purchase price allocation, or PPA effects; net debt and adjusted industrial net debt are or may be non-GAAP financial measures. 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 our Investor Relations website under [www.siemens.com/nonGAAP](http://www.siemens.com/nonGAAP).

2 April 1, 2011 June 30, 2011 and October 1, 2010 June 30, 2011.

3 Adjusted for portfolio and currency translation effects.

4 Earnings per share attributable to shareholders of Siemens AG. For fiscal 2011 and 2010 weighted average shares outstanding (basic) (in thousands) for the third quarter amounted to 873,911 and 868,863 respectively and for the first nine months to 872,755 and 867,890 shares respectively.

Discontinued operations primarily consist of OSRAM, Siemens IT Solutions and Services and Siemens former Com activities, comprising carrier networks, enterprise networks and mobile devices activities.

6 Continuing and discontinued operations.

7 Calculated by dividing adjusted industrial net debt as of June 30, 2011 and 2010 by annualized adjusted EBITDA.

8 Beginning with fiscal 2011, central infrastructure costs which were formerly reported in Corporate items are allocated primarily to the Sectors. The total amount to be allocated is determined at the beginning of the fiscal year and is charged in set portions in all four quarters. Presentation of prior-year information has been adjusted to conform to the current-year presentation.

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**Earnings Release Q3 2011**

**April 1 to June 30, 2011**

**Munich, Germany, July 28, 2011**

Strong Growth in Third Quarter

Orders and revenue rise

Burdens hold back profit and income

**Peter Löscher, President and Chief**

**Executive Officer of Siemens AG**

We continued to grow in the third quarter and are on track to reach our targets for fiscal 2011, said Siemens CEO Peter Löscher. New orders again rose sharply, driven by a large order at Mobility. We're vigorously tackling operating challenges. Our markets are still robust, although risks are tending to increase in the global economic environment.

**Financial Highlights:**

Orders climbed 20%, to 22.937 billion, and the order backlog reached a new high of 96 billion. Orders were up 25% on an organic basis, excluding currency translation and portfolio effects.

Revenue rose 2%, to 17.844 billion, with increases in all regions driven by emerging market growth. Organic revenue grew 8% compared to the prior-year period.

Total Sectors profit was 1.144 billion, including strong profit growth in Industry and burdens on profit of 682 million related to an arbitration decision and 381 million related to particle therapy.

Income from continuing operations was 763 million and corresponding basic EPS was 0.83.

Free cash flow from continuing operations was 992 million, down from 2.088 billion in the prior-year period due in part to a build-up of net working capital associated with growth.

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| Media Relations:<br>Alexander Becker<br>Phone: +49 89 636-36558<br>E-mail: becker.alexander@siemens.com |       |

Oliver Santen  
Phone: +49 89 636-36669  
E-mail: [oliver.santen@siemens.com](mailto:oliver.santen@siemens.com)  
Siemens AG,  
80333 Munich, Germany

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**Orders and Revenue****Strong order intake lifts****backlog to new high**

Orders climbed 20% compared to the third quarter a year ago, led by a 3.7 billion contract for trains in Germany. This helped lift the order backlog to a new high of 96 billion at the end of the quarter. Third-quarter revenue rose 2% year-over-year. Currency translation effects took 5 percentage points from reported growth in both orders and revenue for the quarter. Currency translation effects had a particularly strong influence on reported results including for the U.S., India and China. On an organic basis, excluding portfolio effects along with currency translation effects, orders increased 25% and revenue rose 8% year-over-year. The book-to-bill ratio for Siemens overall was 1.29.

**Rolling stock contract****drives order growth**

The large order for trains noted above helped lift Industry orders by more than 50% compared to the same period a year ago. Energy orders were nearly level year-over-year. Healthcare orders for the third quarter declined in a challenging environment.

On a geographic basis, substantial order growth came from the region comprising Europe, the Commonwealth of Independent States, Africa and the Middle East (Europe/CAME), due to the trains order mentioned above, and from Asia, Australia, including double-digit increases in China and India. On a global basis, orders in emerging markets grew 5% compared to the prior-year period and accounted for 6.378 billion or 28% of total orders for the quarter. On an organic basis, third-quarter emerging market orders were up 12% year-over-year.

**Revenue rises in all regions,****led by emerging markets**

Third-quarter revenue rose in Industry, including double-digit increases at Drive Technologies and Industry Automation, and in Energy, including double-digit increases at Fossil Power Generation and Oil & Gas. Reported revenue in Healthcare came in lower compared to the prior-year period due primarily to strong negative currency translation effects and a significant revenue reduction effect related to particle therapy projects.

On a geographic basis, demand in emerging markets took revenue higher in all regions. Revenue in emerging markets globally grew faster than revenue overall, at 8% for the quarter, and accounted for 5.897 billion or 33% of total revenue for the quarter. On an organic basis, third-quarter emerging market revenue was up 14% year-over-year.

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**Income and Profit****Total Sectors profit burdened by impacts in Energy, Healthcare**

Total Sectors profit in the third quarter came in at 1.144 billion, down from 2.067 billion in the same period a year earlier due to substantial profit impacts affecting the Energy and Healthcare Sectors. Following Siemens' previous decision to exit its nuclear power joint venture with Areva S.A., an adverse arbitration decision resulted in a payment to Areva. This had an associated profit impact of a negative 682 million within the Fossil Power Generation Division. Profit in Healthcare included 381 million in negative impacts resulting from a reevaluation of the commercial feasibility of particle therapy for general patient treatment.

Industry increased its third-quarter profit 23% year-over-year, to 872 million. While the Energy Sector delivered another strong operating performance, the negative impact related to the arbitration decision mentioned above held third-quarter profit to 263 million, down from 875 million a year earlier.

Similarly, Healthcare's reported profit was 8 million, primarily due to the profit impacts mentioned above. For comparison, Healthcare profit of 482 million in the third quarter a year earlier benefited from a 40 million effect related to a joint venture.

**Total Sectors profit takes income down**

Income from continuing operations was 763 million, down from 1.428 billion a year earlier. Corresponding basic earnings per share (EPS) were 0.83 compared to 1.62 a year earlier. These declines were due largely to the profit impacts discussed above for Total Sectors profit. Net income in the current quarter declined to 501 million from 1.435 billion in the same period a year earlier. Corresponding third-quarter EPS decreased to 0.53 from 1.62 a year earlier.

Within net income, discontinued operations swung to a loss of 262 million from income of 7 million in the prior-year period. The largest factor was a loss of 305 million attributable to Siemens IT Solutions and Services.

In the prior-year period, the result within discontinued operations related to Siemens IT Solutions and Services was a loss of 62 million. (For further information see Divestment of Siemens IT Solutions and Services on page 12). Income from discontinued operations related to OSRAM was 56 million in the third quarter, down from 74 million in the same period a year earlier. On a slight increase in revenue year-over-year, OSRAM's operating results declined substantially due to a combination of factors, including higher costs for raw materials and pricing pressure. A positive effect from cessation of depreciation and amortization resulting from classifying OSRAM as discontinued operations more than offset expenses for legal matters.

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**Cash, Return on Capital Employed (ROCE), Pension Funded Status****Growth in net working****capital lowers Free cash flow**

Free cash flow from continuing operations came in at 992 million, down from 2.088 billion in the prior-year period. The change was due primarily to a build-up of net working capital in the Sectors associated with growth, including a build-up of inventories.

Free cash flow from discontinued operations was a negative 131 million compared to a positive 41 million in the prior-year quarter. Free cash flow came in lower at OSRAM and Siemens IT Solutions and Services, including payments related to carve-out activities and personnel-related matters in connection with establishing Siemens IT Solutions and Services as a separate legal group.

The Free cash flow measure does not include certain cash outflows that occurred in the third quarter. Among these were a payment of 1.0 billion related to a previously disclosed purchase of additional shares in Siemens Ltd. in India, and a payment of 0.7 billion related to the arbitration decision as mentioned earlier.

**ROCE declines on lower income****from continuing operations**

On a continuing basis, ROCE (adjusted) declined to 11.3% in the third quarter from 17.0% a year earlier. The decrease was due to lower income from continuing operations compared to the prior-year period driven by the negative profit impacts associated with the arbitration decision and particle therapy projects mentioned earlier. These effects were only partly offset by a reduction in average capital employed compared to the prior-year period.

**Pension underfunding remains****near level of second quarter**

The estimated underfunding of Siemens pension plans as of June 30, 2011, amounted to approximately 5.4 billion, compared to an underfunding of approximately 5.3 billion at the end of the second quarter.

Employer contributions and a positive actual return on plan assets nearly offset an increase in Siemens defined benefit obligation (DBO). The DBO rose due to a small decrease in the discount rate assumption as of June 30, 2011 and accrued service and interest costs. As of September 30, 2010, pension plan underfunding amounted to 7.4 billion.

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Sectors 5

**Industry Sector****Strong profit performance,  
exceptional order intake**

In a robust industrial environment, the **Industry** Sector increased its third-quarter profit 23%, to 872 million, on strong earnings increases at the Industry Automation and Drive Technologies Divisions. The Sector continued to invest in innovation and enhancing its regional footprint with additional sales resources. Third-quarter revenue rose 7% year-over-year, on double-digit increases at Industry Automation and Drive Technologies. Orders rose 54% compared to the prior-year period, including growth at all Divisions and a 3.7 billion order at Mobility for trains in Germany. On a geographic basis, revenue was up in all three regions. Orders rose in Europe/CAME and the Americas, and came in slightly lower year-over-year in Asia, Australia due to negative currency translation effects. For the Sector as a whole, currency translation effects took 4 percentage points from reported growth in both revenue and orders. Industry's book-to-bill ratio was 1.46 and its order backlog increased to 32 billion at the end of the quarter.

**Broad-based growth  
drives higher profit**

Third-quarter profit at **Industry Automation** was 347 million, up 30% year-over-year. Revenue growth kept capacity utilization at a high level and also included a more favorable business mix compared to the prior-year quarter.

Revenue climbed 17% on increases in all business units. On a geographic basis, revenue growth came from Europe/CAME and Asia, Australia. Third-quarter orders were up 6% compared to the prior-year period. Purchase price allocation (PPA) effects related to the fiscal 2007 acquisition of UGS Corp. were 33 million in the current period compared to 37 million a year earlier.

**Double-digit growth,  
strong profit performance**

**Drive Technologies** generated profit of 292 million, a 42% increase compared to the third quarter a year earlier. A 15% rise in revenue enabled the Division to increase its capacity utilization still further, and profit development also included a more favorable business mix. All business units in the Division delivered growth in both revenue and orders compared to the prior-year period, led by substantial increases in the Division's short-cycle businesses. On a geographic basis, orders and revenues showed double-digit growth in all three regions.

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Sectors 6

**Broad-based revenue  
and order growth**

**Building Technologies** contributed 74 million to Sector profit in the third quarter, below the prior-year level due partially to higher marketing and selling expenses associated with growth. Third-quarter revenue and orders each rose 5% year-over-year, with most business units contributing. On a geographic basis, revenue and order growth were driven by Europe/CAME and Asia, Australia.

**Profit rises, large  
orders drive growth**

**Industry Solutions** increased its third-quarter profit to 77 million, including higher earnings in the metals technologies business. Third-quarter revenue for Industry Solutions as a whole increased modestly year-over-year. Orders climbed 13% on a higher volume from large orders compared to the prior-year period.

**Exceptionally large  
order for trains**

In the current quarter **Mobility** took in its largest-ever rolling stock order, for trains in Germany, worth 3.7 billion. Under previously disclosed terms of the contract, revenue recognition related to the order will extend for a number of years ahead. Third-quarter revenue came in 7% below the level a year earlier, and profit declined to 81 million.

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Sectors 7

**Energy Sector****Continued profit power,  
slower pace of order intake**

**Energy** delivered another impressive quarter on an operating basis, and absorbed the 682 million profit impact related to the arbitration decision discussed earlier. The Fossil Power Generation Division continued its outstanding project execution and earnings performance of recent quarters, which more than offset higher expenses in other Divisions for R&D, marketing and selling associated with strategic business expansion. Taken together, these factors resulted in reported Sector profit of 263 million in the third quarter, compared to 875 million in the same period a year earlier. The slower pace of order intake expected for the second half of the fiscal year was evident in the third quarter, as orders came in slightly lower compared to the prior year. Within the total, strong demand in Asia, Australia nearly offset decreases in Europe/CAME and the Americas. In contrast, revenue came in 5% higher, including double-digit increases at Fossil Power Generation and Oil & Gas and increases in all regions. Negative currency translation effects took 5 percentage points from reported revenue growth and 4 percentage points from reported order growth in the quarter. The book-to-bill ratio was 1.18, and Energy's order backlog was 57 billion at the end of the third quarter.

**Outstanding operating performance,  
profit hit from arbitration**

**Fossil Power Generation** maintained its operating performance and earnings capacity at the outstanding level of the previous two quarters. The Division combined excellent project performance with a favorable business mix, including conversion of high-margin component orders from its backlog and an increased contribution from its service business. As noted earlier, the Division's third-quarter profit was reduced by the 682 million impact related to the arbitration decision. As a result, Fossil Power Generation reported a loss of 97 million in the third quarter. Revenue rose 11% compared to the same period a year earlier, with the largest increase on a geographic basis in Europe/CAME. With a higher volume from major orders, the Division's order intake climbed 44% from the low basis of comparison in the third quarter a year earlier.

**Continued expansion in wind,  
challenges in solar**

**Renewable Energy** continued the expansion of its wind business, posting significantly increased third-quarter expenses primarily for marketing and selling. Combined with increased pricing pressure in a maturing and more competitive market for wind power, particularly for onshore projects, this reduced third-quarter profit to 68 million from the prior-year level. The business environment remains challenging for the solar business, which continued to post negative results.

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Sectors 8

The Division's revenue continued to rise year-over-year on conversion of orders from its large backlog. New orders totaled 1.543 billion, yet came in below the prior-year quarter which included an exceptionally high volume from major orders.

**Growth in Asia, Australia  
lifts revenue and orders**

Profit at **Oil & Gas** increased to 104 million in the third quarter, driven by a strong performance in the turbines business. Growth in Asia, Australia, particularly including emerging markets, took revenue and orders up 18% and 4%, respectively, compared to the same period a year earlier.

**Profit declines compared  
to strong prior-year period**

Third-quarter profit at **Power Transmission** was 132 million, below the prior-year period which benefited from positive effects related to project performance. Profit in the current quarter was held back by lower revenue, conversion of lower-margin contracts from the backlog, and further charges related to optimizing the Division's global manufacturing footprint. Third-quarter orders came in 19% lower compared to the prior-year quarter, which included two large orders for grid access to off-shore wind farms.

**Orders rise, expenses  
continue for business expansion**

**Power Distribution** again posted higher quarterly expenses year-over-year for marketing, selling and R&D, for business expansion, along with continuing expenses related to new technologies such as smart grids. This had a significant impact on profit, which came in lower year-over-year, at 52 million. Revenue rose 1% from the same period a year earlier, and orders climbed 15% on double-digit growth in the Americas and Asia, Australia.

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Sectors 9

**Healthcare Sector****Particle therapy charges  
burden profit**

In the third quarter the **Healthcare** Sector reevaluated the commercial feasibility of particle therapy for general patient treatment. Going forward, the Sector intends to shift the focus of certain particle therapy projects primarily to research. This occasioned 381 million in charges and other negative profit impacts in the imaging and therapy systems business, and Sector profit for the quarter came in at 8 million. For comparison, Sector profit of 482 million in the prior-year period benefited from a 40 million positive effect related to a joint venture.

Profit at Diagnostics was 73 million compared to 114 million in the prior-year period. Factors involved in the decline include lower revenue, a less favorable business mix, and an increase in valuation allowances for receivables triggered by a debt rating downgrade related to Greece. PPA effects related to past acquisitions at the diagnostics business were 41 million in the third quarter. In the same period a year earlier, the business recorded 46 million in PPA effects. The business environment for Healthcare remained challenging. Reported revenue came in 9% lower compared to the prior-year period due primarily to two factors. Negative currency translation effects took 6 percentage points from reported revenue growth for the quarter, and shifting the focus of particle therapy projects led to a revenue reduction of approximately 100 million. Orders also reflected strong negative currency translation effects, coming in 7% below the prior-year level. For comparison, the prior period included a major order for hospital equipment in Spain. On a geographic basis, revenue and orders declined in the Americas and Europe/CAME, which more than offset increases in Asia, Australia. Emerging markets on a global basis showed positive order growth for the Sector, including a double-digit increase in China. The backlog for Healthcare was 6 billion at the end of the quarter, and its book-to-bill ratio was slightly above 1.

Diagnostics posted revenue of 892 million and orders of 904 million in the third quarter, down from 959 million and 964 million, respectively, in the prior-year period. On a geographic basis, orders declined in the Americas, more than offsetting an increase in Asia, Australia. Revenue also declined in the Americas. Orders and revenues were stable year-over-year in Europe/CAME, and grew in emerging markets in all reporting regions.

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Equity Investments and Financial Services 10

**Equity Investments and Financial Services**

**Negative result from Equity Investments**

**Equity Investments** generated a loss of 85 million in the third quarter, due to an equity investment loss of 116 million related to our share in Nokia Siemens Networks B.V. (NSN).

NSN reported to Siemens that it took restructuring charges and integration costs totaling 68 million. In the third quarter a year earlier, these charges and costs totaled 114 million and the result related to NSN was a negative 81 million. For Equity Investments overall, the prior-year result was a positive 2 million. Siemens expects continued volatility in Equity Investments results in coming quarters.

**Impact in equity business holds**

**back profit at Financial Services**

**Financial Services** posted 89 million in profit (defined as income before income taxes), below the level of the prior-year quarter. The decline is due primarily to an impairment on its equity stake in a power plant project in the U.S. due to unexpectedly adverse market conditions. Total assets increased to 12.832 billion, due to net growth in the commercial finance business partly offset by negative currency translation effects.

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Centrally Managed Portfolio Activities, Corporate Activities and Eliminations 11

**Centrally Managed Portfolio Activities, Corporate Activities and Eliminations**

**Lower losses from former**

**Siemens IT Solutions and**

**Services activities**

**Centrally managed portfolio activities** posted a loss of 25 million in the third quarter compared to a loss of 50 million in the same quarter a year earlier. That prior period included higher losses related to former business activities of Siemens IT Solutions and Services that were not classified as discontinued operations and were therefore retroactively reclassified as Centrally managed portfolio activities. In addition, the prior-year quarter included a loss of 13 million related to the electronics assembly systems business, which was sold between the periods under review.

**Lower gains on**

**real estate disposals**

Income before income taxes at **Siemens Real Estate (SRE)** was 49 million in the third quarter, down from 107 million in the same period a year earlier which included higher income related to disposals of real estate. During the current quarter, assets with a book value of 63 million were transferred to SRE as part of Siemens' program to bundle its real estate assets into SRE and to implement further measures to increase the efficiency of these assets. SRE expects to incur costs associated with the program in coming quarters, and to continue with real estate disposals depending on market conditions.

**Positive swing in**

**pension expense**

**Corporate items and pensions** totaled a negative 56 million in the third quarter compared to a negative 78 million in the same period a year earlier. This improvement was driven by Centrally carried pension expense, which swung to a positive 10 million from a negative 38 million in the prior-year period, due primarily to lower interest costs and a higher expected return on plan assets.

Corporate items were a negative 66 million in the third quarter, compared to a negative 40 million in the same period a year earlier. The net gain related to a major asset retirement obligation was 2 million in the current quarter, compared to a net gain of 64 million in the prior-year period.

**Improved result from**

**Corporate Treasury**

Income before income taxes from **Eliminations, Corporate Treasury and other reconciling items** was a negative 38 million in the third quarter compared to a negative 125 million in the same period a year earlier. The improvement occurred within Corporate Treasury. While both periods were negatively affected by changes in fair market values for interest rate derivatives not qualifying for hedge accounting due to declining interest rates, the effect was more modest in the current period.

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**Divestment of Siemens IT Solutions and Services**

In December 2010, Siemens and Atos S.A. (AtoS) signed an option agreement which granted AtoS the right to acquire Siemens IT Solutions and Services. In February 2011, AtoS exercised its option to acquire Siemens IT Solutions and Services in exchange for 12.5 million newly issued shares in AtoS with a five-year lock-up commitment, a five-year convertible bond of 250 million (nominal value) and a cash payment of 177 million. Furthermore, Siemens will provide extensive support in order to foster the Siemens IT Solutions and Services business success including, among others, up to 250 million to the integration and training costs as well as further protections and guarantees.

Related to the transaction is a seven-year outsourcing contract worth around 5.5 billion, under which AtoS will provide managed services and system integration to Siemens. Following signing, Siemens classified Siemens IT Solutions and Services as held for disposal and as discontinued operations. During the second quarter, the transaction was cleared with the antitrust authorities. On July 1, 2011, after the close of the third quarter, the transaction closed following the approval by AtoS shareholders. Siemens expects the transaction to have a substantial negative earnings impact in fiscal 2011, in a high-triple-digit million euro range. In particular this negative earnings impact consists of impairments, including the previously reported goodwill impairment of 136 million booked in the first quarter and further impairments on long-lived assets of 464

million booked in the second quarter, as well as 309 million in transaction-related charges recorded in the third quarter. In addition to these transaction-related results, and as previously disclosed, Siemens took charges in fiscal 2011 related to establishing Siemens IT Solutions and Services as a separate legal group, including for carve-out activities and personnel-related matters. Such charges reported within discontinued operations amounted to 41 million in the current quarter and to 145 million in the first nine months of fiscal 2011.

Siemens expects the transaction and activities related to establishing Siemens IT Solutions and Services as a separate legal group will result in further profit impacts as well as substantial cash outflows in coming quarters.

**Outlook for fiscal 2011**

We expect organic order intake to show a significant increase compared to order intake of 74.055 billion for continuing operations in fiscal 2010. Supported also by our already strong order backlog, we expect revenue, which was 68.978 billion for continuing operations in fiscal 2010, to return to mid-single-digit organic growth. We further anticipate income from continuing operations to be at least 7.5 billion. Income from continuing operations in fiscal 2010 was 4.262 billion.

For fiscal 2010, orders, revenue and income from continuing operations exclude results from OSRAM and Siemens IT Solutions and Services which are reported as discontinued operations in fiscal 2011.

This outlook excludes the negative impact of 472 million after taxes related to the arbitration decision mentioned earlier and other effects from legal and regulatory matters that may arise.

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**Notes and Forward-Looking Statements**

All figures are preliminary and unaudited. This Earnings Release should be read in conjunction with information Siemens published today regarding legal proceedings.

Financial Publications are available for download at: [www.siemens.com/ir](http://www.siemens.com/ir) à Publications & Events.

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; 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 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](http://www.siemens.com/nonGAAP). For additional information, see Supplemental financial measures and the related discussion in Siemens annual report on Form 20-F for fiscal 2010, 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.

Today beginning at 09:00 a.m. CEST, the telephone conference at which CEO Peter Löscher and CFO Joe Kaeser discuss the quarterly figures will be broadcast live on the Internet at [www.siemens.com/conferencecall](http://www.siemens.com/conferencecall).

The accompanying slide presentation can also be viewed here, and a recording of the conference will subsequently be made available as well.

Starting at 10:30 a.m. CEST, Peter Löscher and Joe Kaeser will hold a telephone conference in English for analysts and investors, which can be followed live at [www.siemens.com/analystconference](http://www.siemens.com/analystconference).

This document contains forward-looking statements and information that is, statements related to future, not past, events. 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. 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. In particular, Siemens is strongly affected by changes in general economic and business conditions as these directly impact its processes, customers and suppliers. This may negatively impact our revenue development and the realization of greater capacity utilization as a result of growth. Yet due to their diversity, not all of Siemens businesses are equally affected by changes in economic conditions; considerable differences exist in the timing and magnitude of the effects of such changes. This effect is amplified by the fact that, as a global company, Siemens is active in countries with economies that vary widely in terms of growth rate. Uncertainties arise from, among other things, the risk of customers delaying the conversion of recognized orders into revenue or cancelling recognized orders, of prices declining as a result of adverse market conditions by more than is currently anticipated by Siemens management or of functional costs increasing in anticipation of growth that is not realized as expected. Other factors that may cause Siemens results to deviate from expectations include developments in the financial markets, including fluctuations in interest and exchange rates (in particular in relation to the U.S. dollar and the currencies of emerging markets such as China, India and Brazil), in commodity and equity prices, in debt prices (credit spreads) and in the value of financial assets generally. Any changes in interest rates or other assumptions used in calculating obligations for pension plans and similar commitments may impact Siemens defined benefit obligations and the anticipated performance of pension

plan assets resulting in unexpected changes in the funded status of Siemens' pension and other post-employment benefit plans. Any increase in market volatility, deterioration in the capital markets, decline in the conditions for the credit business, uncertainty related to the subprime, financial market and liquidity crises, or fluctuations in the future financial performance of the major industries served by Siemens may have unexpected effects on Siemens' results. Furthermore, Siemens faces risks and uncertainties in connection with: disposing of business activities, certain strategic reorientation measures; the performance of its equity interests and strategic alliances; the challenge of integrating major acquisitions, implementing joint ventures and other significant portfolio measures; the introduction of competing products or technologies by other companies or market entries by new competitors; changing competitive dynamics (particularly in developing markets); the risk that new products or services will not be accepted by customers targeted by

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Siemens; changes in business strategy; the interruption of our supply chain, including the inability of third parties to deliver parts, components and services on time resulting for example from natural disasters; the outcome of pending investigations, legal proceedings and actions resulting from the findings of, or related to the subject matter of, such investigations; the potential impact of such investigations and proceedings on Siemens' business, including its relationships with governments and other customers; the potential impact of such matters on Siemens' financial statements, and various other factors. More detailed information about certain of the risk factors affecting Siemens is contained throughout this report and in Siemens' other filings with the SEC, which are available on the Siemens website, [www.siemens.com](http://www.siemens.com), and on the SEC's website [www.sec.gov](http://www.sec.gov). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends to, 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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**SIEMENS**  
**SEGMENT INFORMATION (continuing operations preliminary and unaudited)**  
**As of and for the three months ended June 30, 2011 and 2010 and as of September 30, 2010**  
**(in millions of )**

|                                 |        | External |        | Intersegment |       | Total   |        |                       |       |                       |                      | Free                     |       | Addi<br>t<br>intan<br>ass<br>an<br>prop<br>pla<br>an<br>equip |
|---------------------------------|--------|----------|--------|--------------|-------|---------|--------|-----------------------|-------|-----------------------|----------------------|--------------------------|-------|---|
| <i>new orders<sup>(1)</sup></i> |        | revenue  |        | revenue      |       | revenue |        | Profit <sup>(2)</sup> |       | Assets <sup>(3)</sup> |                      | cash flow <sup>(4)</sup> |       |   |
| 2011                            | 2010   | 2011     | 2010   | 2011         | 2010  | 2011    | 2010   | 2011                  | 2010  | 6/30/11               | 9/30/10              | 2011                     | 2010  | 2011  |
| 806                             | 7,657  | 7,755    | 7,299  | 327          | 271   | 8,082   | 7,570  | 872                   | 710   | 8,418                 | 7,823                | 604                      | 771   | 161   |
| 027                             | 8,061  | 6,696    | 6,393  | 80           | 70    | 6,776   | 6,462  | 263                   | 875   | 2,519                 | 805                  | 375                      | 1,108 | 158   |
| 016                             | 3,260  | 2,848    | 3,126  | 10           | 26    | 2,858   | 3,152  | 8                     | 482   | 10,892                | 11,952               | 574                      | 706   | 78  |
| 848                             | 18,978 | 17,299   | 16,818 | 417          | 367   | 17,716  | 17,184 | 1,144                 | 2,067 | 21,829                | 20,580               | 1,553                    | 2,584 | 398   |
|                                 |        |          |        |              |       |         |        | (85)                  | 2     | 2,954                 | 3,319                | 117                      | 388   |   |
| 293                             | 195    | 283      | 164    | 10           | 29    | 293     | 193    | 89                    | 112   | 12,832                | 12,506               | 71                       | 12    | 16  |
| 71                              | 237    | 83       | 186    | 1            | 6     | 85      | 191    | (25)                  | (50)  | (380)                 | (457)                | (35)                     | (8)   | 1   |
| 545                             | 500    | 104      | 119    | 442          | 368   | 546     | 487    | 49                    | 107   | 4,861                 | 5,067 <sup>(6)</sup> | (58)                     | (12)  | 113   |
| 114                             | 152    | 75       | 138    | 38           | 27    | 113     | 166    | (56)                  | (78)  | (7,407)               | (9,644)              | (255)                    | (28)  | 13  |
| 934)                            | (883)  |          |        | (909)        | (796) | (909)   | (796)  | (38)                  | (125) | 66,631                | 71,455               | (402)                    | (848) | (1)   |
| 937                             | 19,179 | 17,844   | 17,425 |              |       | 17,844  | 17,425 | 1,077                 | 2,035 | 101,321               | 102,827              | 992                      | 2,088 | 540   |

- (1) This supplementary information on *New orders* is provided on a voluntary basis. It is not part of the Interim Consolidated Financial Statements subject to the review opinion.
  - (2) *Profit* of the **Sectors** as well as of **Equity Investments** and **Centrally managed portfolio activities** is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded. *Profit* of **SFS** and **SRE** is Income before income taxes.
  - (3) *Assets* of the **Sectors** as well as of **Equity Investments** and **Centrally managed portfolio activities** is defined as Total assets less income tax assets, less non-interest bearing liabilities/provisions other than tax liabilities. *Assets* of **SFS** and **SRE** is Total assets; since fiscal 2011, Total assets of **SRE** nets certain intercompany finance receivables with certain intercompany finance liabilities.
  - (4) *Free cash flow* represents net cash provided by (used in) operating activities less additions to intangible assets and property, plant and equipment. *Free cash flow* of the **Sectors**, **Equity Investments** and **Centrally managed portfolio activities** primarily exclude income tax, financing interest and certain pension related payments and proceeds. *Free cash flow* of **SFS**, a financial services business, and of **SRE** includes related financing interest payments and proceeds; income tax payments and proceeds of **SFS** and **SRE** are excluded.
  - (5) *Amortization, depreciation and impairments* contains amortization and impairments, net of reversals of impairments, of intangible assets other than goodwill as well as depreciation and impairments of property, plant and equipment, net of reversals of impairments.
  - (6) As of September 30, 2010, Total assets of **SRE** amounts to 4,554 after netting of certain intercompany finance receivables with certain intercompany finance liabilities.  
Due to rounding, numbers presented may not add up precisely to totals provided.
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**SIEMENS**  
**SEGMENT INFORMATION (continuing operations preliminary and unaudited)**  
**As of and for the nine months ended June 30, 2011 and 2010 and as of September 30, 2010**  
**(in millions of )**

|                           | <b>External</b> |               | <b>Intersegment</b> |              | <b>Total</b>   |               |                             |              |                             |                      | <b>Free</b>                    |              | <b>Addit</b> |
|---------------------------|-----------------|---------------|---------------------|--------------|----------------|---------------|-----------------------------|--------------|-----------------------------|----------------------|--------------------------------|--------------|--------------|
|                           | <b>revenue</b>  |               | <b>revenue</b>      |              | <b>revenue</b> |               | <b>Profit<sup>(2)</sup></b> |              | <b>Assets<sup>(3)</sup></b> |                      | <b>cash flow<sup>(4)</sup></b> |              | <b>intan</b> |
| <i>ders<sup>(1)</sup></i> | <b>2011</b>     | <b>2010</b>   | <b>2011</b>         | <b>2010</b>  | <b>2011</b>    | <b>2010</b>   | <b>2011</b>                 | <b>2010</b>  | <b>6/30/11</b>              | <b>9/30/10</b>       | <b>2011</b>                    | <b>2010</b>  | <b>ass</b>   |
| <b>2010</b>               |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>an</b>    |
|                           |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>prop</b>  |
|                           |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>pla</b>   |
|                           |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>an</b>    |
|                           |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>equip</b> |
|                           |                 |               |                     |              |                |               |                             |              |                             |                      |                                |              | <b>2011</b>  |
| 21,658                    | 22,817          | 20,887        | 911                 | 782          | 23,728         | 21,669        | 2,577                       | 1,974        | 8,418                       | 7,823                | 1,771                          | 2,065        | 394          |
| 21,061                    | 19,638          | 18,030        | 224                 | 230          | 19,862         | 18,260        | 3,510                       | 2,458        | 2,519                       | 805                  | 1,017                          | 2,529        | 365          |
| 9,075                     | 9,067           | 8,897         | 43                  | 54           | 9,110          | 8,951         | 840                         | 1,450        | 10,892                      | 11,952               | 1,255                          | 1,602        | 191          |
| <b>51,794</b>             | <b>51,521</b>   | <b>47,814</b> | <b>1,179</b>        | <b>1,066</b> | <b>52,700</b>  | <b>48,880</b> | <b>6,927</b>                | <b>5,882</b> | <b>21,829</b>               | <b>20,580</b>        | <b>4,043</b>                   | <b>6,196</b> | <b>951</b>   |
|                           |                 |               |                     |              |                |               | 22                          | (10)         | 2,954                       | 3,319                | 117                            | 402          |              |
| 597                       | 693             | 545           | 45                  | 52           | 737            | 597           | 305                         | 308          | 12,832                      | 12,506               | 279                            | 253          | 33           |
| 574                       | 410             | 467           | 8                   | 18           | 417            | 485           | (17)                        | (84)         | (380)                       | (457)                | (83)                           | (111)        | 4            |
| 1,408                     | 310             | 360           | 1,299               | 1,034        | 1,610          | 1,394         | 148                         | 275          | 4,861                       | 5,067 <sup>(6)</sup> | (138)                          | 24           | 280          |
| 462                       | 231             | 389           | 107                 | 95           | 337            | 484           | 141                         | (157)        | (7,407)                     | (9,644)              | (1,052)                        | (1,016)      | 37           |
| (2,369)                   |                 |               | (2,637)             | (2,265)      | (2,637)        | (2,265)       | (113)                       | (169)        | 66,631                      | 71,455               | (761)                          | (1,637)      | (3           |
| <b>52,466</b>             | <b>53,164</b>   | <b>49,575</b> |                     |              | <b>53,164</b>  | <b>49,575</b> | <b>7,413</b>                | <b>6,044</b> | <b>101,321</b>              | <b>102,827</b>       | <b>2,405</b>                   | <b>4,112</b> | <b>1,302</b> |

- (1) This supplementary information on *New orders* is provided on a voluntary basis. It is not part of the Interim Consolidated Financial Statements subject to the review opinion.
  - (2) *Profit* of the **Sectors** as well as of **Equity Investments** and **Centrally managed portfolio activities** is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded. *Profit* of **SFS** and **SRE** is Income before income taxes.
  - (3) *Assets* of the **Sectors** as well as of **Equity Investments** and **Centrally managed portfolio activities** is defined as Total assets less income tax assets, less non-interest bearing liabilities/provisions other than tax liabilities. *Assets* of **SFS** and **SRE** is Total assets; since fiscal 2011, Total assets of **SRE** nets certain intercompany finance receivables with certain intercompany finance liabilities.
  - (4) *Free cash flow* represents net cash provided by (used in) operating activities less additions to intangible assets and property, plant and equipment. *Free cash flow* of the **Sectors**, **Equity Investments** and **Centrally managed portfolio activities** primarily exclude income tax, financing interest and certain pension related payments and proceeds. *Free cash flow* of **SFS**, a financial services business, and of **SRE** includes related financing interest payments and proceeds; income tax payments and proceeds of **SFS** and **SRE** are excluded.
  - (5) *Amortization, depreciation and impairments* contains amortization and impairments, net of reversals of impairments, of intangible assets other than goodwill as well as depreciation and impairments of property, plant and equipment, net of reversals of impairments.
  - (6) As of September 30, 2010, Total assets of **SRE** amounts to 4,554 after netting of certain intercompany finance receivables with certain intercompany finance liabilities.  
Due to rounding, numbers presented may not add up precisely to totals provided.
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**SIEMENS**  
**CONSOLIDATED STATEMENTS OF INCOME (preliminary and unaudited)**  
**For the three and nine months ended June 30, 2011 and 2010**  
**(in millions of \$, per share amounts in \$)**

|   | <b>Three months<br/>ended June 30,</b> |             | <b>Nine months<br/>ended June 30,</b> |             |
|---|--|-------------|---------------------------------------|-------------|
|   | <b>2011</b>                            | <b>2010</b> | <b>2011</b>                           | <b>2010</b> |
| Revenue   | 17,844                                 | 17,425      | 53,164                                | 49,575      |
| Cost of goods sold and services rendered                                  | (12,665)                               | (12,125)    | (36,815)                              | (34,731)    |
| Gross profit  | 5,179                                  | 5,300       | 16,349                                | 14,844      |
| Research and development expenses   | (940)                                  | (868)       | (2,771)                               | (2,473)     |
| Marketing, selling and general administrative expenses                    | (2,581)                                | (2,510)     | (7,498)                               | (6,922)     |
| Other operating income  | 106                                    | 188         | 444                                   | 648         |
| Other operating expense   | (34)                                   | (83)        | (320)                                 | (166)       |
| Income (loss) from investments accounted for using the equity method, net | (43)                                   | 41          | 172                                   | 91          |
| Interest income   | 550                                    | 513         | 1,641                                 | 1,504       |
| Interest expense  | (424)                                  | (436)       | (1,278)                               | (1,309)     |
| Other financial income (expense), net                                     | (736)                                  | (110)       | 674                                   | (173)       |
| Income from continuing operations before income taxes                     | 1,077                                  | 2,035       | 7,413                                 | 6,044       |
| Income taxes  | (314)                                  | (607)       | (1,630)                               | (1,740)     |
| Income from continuing operations   | 763                                    | 1,428       | 5,783                                 | 4,304       |
| Income (loss) from discontinued operations, net of income taxes           | (262)                                  | 7           | (693)                                 | 160         |
| Net income  | 501                                    | 1,435       | 5,090                                 | 4,464       |
| Attributable to:  |  |             |                                       |             |
| Non-controlling interests   | 39                                     | 24          | 117                                   | 98          |
| Shareholders of Siemens AG  | 462                                    | 1,411       | 4,973                                 | 4,366       |
| Basic earnings per share  |  |             |                                       |             |
| Income from continuing operations   | 0.83                                   | 1.62        | 6.48                                  | 4.86        |
| Income (loss) from discontinued operations                                | (0.30)                                 |             | (0.78)                                | 0.17        |
| Net income  | 0.53                                   | 1.62        | 5.70                                  | 5.03        |
| Diluted earnings per share  |  |             |                                       |             |
| Income from continuing operations   | 0.82                                   | 1.60        | 6.41                                  | 4.81        |
| Income (loss) from discontinued operations                                | (0.30)                                 |             | (0.78)                                | 0.17        |
| Net income  | 0.52                                   | 1.60        | 5.63                                  | 4.98        |

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (preliminary and unaudited)**  
**For the three and nine months ended June 30, 2011 and 2010**  
(in millions of )

|   | <b>Three months<br/>ended June 30,</b> |              | <b>Nine months<br/>ended June 30,</b> |              |
|---|--|--------------|---------------------------------------|--------------|
|   | <b>2011</b>                            | <b>2010</b>  | <b>2011</b>                           | <b>2010</b>  |
| Net income  | 501                                    | 1,435        | 5,090                                 | 4,464        |
| Currency translation differences                                    | (101)                                  | 1,144        | (308)                                 | 2,136        |
| Available-for-sale financial assets                                 | 16                                     | (2)          | (15)                                  | 25           |
| Derivative financial instruments                                    | (40)                                   | (336)        | 64                                    | (653)        |
| Actuarial gains and losses on pension plans and similar commitments | (311)                                  | (1,014)      | 799                                   | (1,643)      |
| Other comprehensive income, net of tax <sup>(1)</sup>               | (436)                                  | (208)        | 540                                   | (135)        |
| <b>Total comprehensive income</b>                                   | <b>65</b>                              | <b>1,227</b> | <b>5,630</b>                          | <b>4,329</b> |
| Attributable to:  |  |              |                                       |              |
| Non-controlling interests   | 31                                     | 65           | 91                                    | 191          |
| Shareholders of Siemens AG  | 34                                     | 1,162        | 5,539                                 | 4,138        |

(1) Includes income (expense) resulting from investments accounted for using the equity method of (18) and 46, respectively, for the three months ended June 30, 2011 and 2010, and 1 and 50 for the nine months ended June 30, 2011 and 2010, respectively.

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**SIEMENS**  
**CONSOLIDATED STATEMENTS OF CASH FLOW (preliminary and unaudited)**  
**For the three months ended June 30, 2011 and 2010**  
**(in millions of )**

|   | <b>Three months<br/>ended June 30,</b> |              |
|---|--|--------------|
|   | <b>2011</b>                            | <b>2010</b>  |
| Cash flows from operating activities  |  |              |
| Income from continuing operations   | 763                                    | 1,428        |
| Adjustments to reconcile net income to cash provided  |  |              |
| Amortization, depreciation and impairments  | 590                                    | 640          |
| Income taxes  | 314                                    | 607          |
| Interest (income) expense, net  | (126)                                  | (77)         |
| (Gains) losses on sales and disposals of businesses, intangibles and property, plant and equipment, net         | (68)                                   | (106)        |
| (Gains) losses on sales of investments, net <sup>(1)</sup>  | 687                                    | (2)          |
| (Income) losses from investments <sup>(1)</sup>   | 76                                     | (40)         |
| Other non-cash (income) expenses  | 40                                     | (286)        |
| Change in current assets and liabilities  |  |              |
| (Increase) decrease in inventories  | (552)                                  | (288)        |
| (Increase) decrease in trade and other receivables  | (90)                                   | (22)         |
| (Increase) decrease in other current assets   | (23)                                   | 73           |
| Increase (decrease) in trade payables   | (437)                                  | 100          |
| Increase (decrease) in current provisions <sup>(2)</sup>  | (108)                                  | 117          |
| Increase (decrease) in other current liabilities <sup>(2)</sup>   | 863                                    | 610          |
| Change in other assets and liabilities <sup>(2)</sup>   | (77)                                   | (147)        |
| Additions to assets held for rental in operating leases   | (150)                                  | (183)        |
| Income taxes paid   | (541)                                  | (497)        |
| Dividends received  | 170                                    | 439          |
| Interest received   | 201                                    | 175          |
| <b>Net cash provided by (used in) operating activities continuing operations</b>                                | <b>1,532</b>                           | <b>2,541</b> |
| <b>Net cash provided by (used in) operating activities discontinued operations</b>                              | <b>(12)</b>                            | <b>127</b>   |
| <b>Net cash provided by (used in) operating activities</b>  | <b>1,520</b>                           | <b>2,668</b> |
| Cash flows from investing activities  |  |              |
| Additions to intangible assets and property, plant and equipment  | (540)                                  | (453)        |
| Acquisitions, net of cash acquired  | (77)                                   | (9)          |
| Purchases of investments <sup>(1)</sup>   | (52)                                   | (42)         |
| Purchases of current available-for-sale financial assets  | (9)                                    | (4)          |
| (Increase) decrease in receivables from financing activities  | (426)                                  | (84)         |
| Proceeds and (payments) from sales of investments, intangibles and property, plant and equipment <sup>(1)</sup> | (571)                                  | 289          |
| Proceeds and (payments) from disposals of businesses  | 32                                     | 47           |
| Proceeds from sales of current available-for-sale financial assets  | 2                                      | 10           |
| <b>Net cash provided by (used in) investing activities continuing operations</b>                                | <b>(1,641)</b>                         | <b>(246)</b> |
| <b>Net cash provided by (used in) investing activities discontinued operations</b>                              | <b>(612)</b>                           | <b>(168)</b> |
| <b>Net cash provided by (used in) investing activities</b>  | <b>(2,253)</b>                         | <b>(414)</b> |

|  |                |              |
|--|----------------|--------------|
| Cash flows from financing activities   |                |              |
| Proceeds from re-issuance of treasury stock and proceeds (payments) relating to other transactions with owners         | (960)          | 23           |
| Repayment of long-term debt (including current maturities of long-term debt)   | (12)           |              |
| Change in short-term debt and other financing activities   | 63             | (233)        |
| Interest paid  | (153)          | (124)        |
| Dividends paid to non-controlling interest holders   | (47)           | (18)         |
| Financing discontinued operations <sup>(3)</sup>   | (618)          | (45)         |
| <b>Net cash provided by (used in) financing activities continuing operations</b>                                       | <b>(1,727)</b> | <b>(397)</b> |
| <b>Net cash provided by (used in) financing activities discontinued operations</b>                                     | <b>624</b>     | <b>41</b>    |
| <b>Net cash provided by (used in) financing activities</b>   | <b>(1,103)</b> | <b>(356)</b> |
| Effect of exchange rates on cash and cash equivalents  | 2              | 192          |
| Net increase (decrease) in cash and cash equivalents   | (1,834)        | 2,090        |
| Cash and cash equivalents at beginning of period   | 15,035         | 9,849        |
| Cash and cash equivalents at end of period   | 13,201         | 11,939       |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | 195            | 110          |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)                             | 13,006         | 11,829       |

- (1) Investments include equity instruments either classified as non-current available-for-sale financial assets, accounted for using the equity method or classified as held for disposal. *Purchases of Investments* includes certain loans to Investments accounted for using the equity method.
- (2) The current portion within provisions and accruals of the prior period was reclassified to conform to the current period presentation.
- (3) Discontinued operations are financed principally through Corporate Treasury. The item Financing discontinued operations includes these intercompany financing transactions.
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**SIEMENS**  
**CONSOLIDATED STATEMENTS OF CASH FLOW (preliminary and unaudited)**  
**For the nine months ended June 30, 2011 and 2010**  
**(in millions of )**

|   | <b>Nine months<br/>ended June 30,</b> |                |
|---|---------------------------------------|----------------|
|   | <b>2011</b>                           | <b>2010</b>    |
| Cash flows from operating activities  |                                       |                |
| Income from continuing operations   | 5,783                                 | 4,304          |
| Adjustments to reconcile net income to cash provided  |                                       |                |
| Amortization, depreciation and impairments  | 1,814                                 | 1,824          |
| Income taxes  | 1,630                                 | 1,740          |
| Interest (income) expense, net  | (363)                                 | (195)          |
| (Gains) losses on sales and disposals of businesses, intangibles and property, plant and equipment, net         | (176)                                 | (301)          |
| (Gains) losses on sales of investments, net <sup>(1)</sup>  | (979)                                 | (22)           |
| (Gains) losses on sales and impairments of current available-for-sale financial assets, net                     | (2)                                   | (2)            |
| (Income) losses from investments <sup>(1)</sup>   | (26)                                  | (98)           |
| Other non-cash (income) expenses  | 215                                   | (377)          |
| Change in current assets and liabilities  |                                       |                |
| (Increase) decrease in inventories  | (2,136)                               | (711)          |
| (Increase) decrease in trade and other receivables  | (285)                                 | 208            |
| (Increase) decrease in other current assets   | (464)                                 | 48             |
| Increase (decrease) in trade payables   | (274)                                 | (547)          |
| Increase (decrease) in current provisions <sup>(2)</sup>  | (77)                                  | 332            |
| Increase (decrease) in other current liabilities <sup>(2)</sup>   | 274                                   | 146            |
| Change in other assets and liabilities <sup>(2)</sup>   | (241)                                 | (349)          |
| Additions to assets held for rental in operating leases   | (448)                                 | (421)          |
| Income taxes paid   | (1,310)                               | (1,283)        |
| Dividends received  | 209                                   | 488            |
| Interest received   | 563                                   | 500            |
| <b>Net cash provided by (used in) operating activities continuing operations</b>                                | <b>3,707</b>                          | <b>5,284</b>   |
| <b>Net cash provided by (used in) operating activities discontinued operations</b>                              | <b>(309)</b>                          | <b>128</b>     |
| <b>Net cash provided by (used in) operating activities</b>  | <b>3,398</b>                          | <b>5,412</b>   |
| Cash flows from investing activities  |                                       |                |
| Additions to intangible assets and property, plant and equipment  | (1,302)                               | (1,172)        |
| Acquisitions, net of cash acquired  | (243)                                 | (437)          |
| Purchases of investments <sup>(1)</sup>   | (345)                                 | (146)          |
| Purchases of current available-for-sale financial assets  | (15)                                  | (125)          |
| (Increase) decrease in receivables from financing activities  | (595)                                 | 27             |
| Proceeds and (payments) from sales of investments, intangibles and property, plant and equipment <sup>(1)</sup> | 1,966                                 | 455            |
| Proceeds and (payments) from disposals of businesses  | 167                                   | 117            |
| Proceeds from sales of current available-for-sale financial assets  | 13                                    | 41             |
| <b>Net cash provided by (used in) investing activities continuing operations</b>                                | <b>(354)</b>                          | <b>(1,240)</b> |
| <b>Net cash provided by (used in) investing activities discontinued operations</b>                              | <b>(865)</b>                          | <b>(318)</b>   |

|  |                |                |
|--|----------------|----------------|
| <b>Net cash provided by (used in) investing activities</b>   | <b>(1,219)</b> | <b>(1,558)</b> |
| Cash flows from financing activities   |                |                |
| Proceeds from re-issuance of treasury stock and proceeds (payments) relating to other transactions with owners         | (770)          | 92             |
| Proceeds from issuance of long-term debt   | 113            |                |
| Repayment of long-term debt (including current maturities of long-term debt)   | (37)           |                |
| Change in short-term debt and other financing activities   | 354            | (755)          |
| Interest paid  | (364)          | (343)          |
| Dividends paid   | (2,356)        | (1,388)        |
| Dividends paid to non-controlling interest holders   | (144)          | (97)           |
| Financing discontinued operations <sup>(3)</sup>   | (1,152)        | (194)          |
| <b>Net cash provided by (used in) financing activities continuing operations</b>                                       | <b>(4,356)</b> | <b>(2,685)</b> |
| <b>Net cash provided by (used in) financing activities discontinued operations</b>                                     | <b>1,174</b>   | <b>190</b>     |
| <b>Net cash provided by (used in) financing activities</b>   | <b>(3,182)</b> | <b>(2,495)</b> |
| Effect of exchange rates on cash and cash equivalents  | (23)           | 376            |
| Net increase (decrease) in cash and cash equivalents   | (1,026)        | 1,735          |
| Cash and cash equivalents at beginning of period   | 14,227         | 10,204         |
| Cash and cash equivalents at end of period   | 13,201         | 11,939         |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | 195            | 110            |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)                             | 13,006         | 11,829         |

- (1) Investments include equity instruments either classified as non-current available-for-sale financial assets, accounted for using the equity method or classified as held for disposal. *Purchases of Investments* includes certain loans to Investments accounted for using the equity method.
- (2) The current portion within provisions and accruals of the prior period was reclassified to conform to the current period presentation.
- (3) Discontinued operations are financed principally through Corporate Treasury. The item Financing discontinued operations includes these intercompany financing transactions.
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**SIEMENS**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As of June 30, 2011 (preliminary and unaudited) and September 30, 2010**  
**(in millions of )**

|  | <b>6/30/11</b> | <b>9/30/10</b> |
|--|----------------|----------------|
| <b>ASSETS</b>  |                |                |
| Current assets   |                |                |
| Cash and cash equivalents  | 13,006         | 14,108         |
| Available-for-sale financial assets                                | 425            | 246            |
| Trade and other receivables  | 13,747         | 14,971         |
| Other current financial assets                                     | 3,007          | 2,610          |
| Inventories  | 15,874         | 14,950         |
| Income tax receivables   | 808            | 790            |
| Other current assets   | 1,277          | 1,258          |
| Assets classified as held for disposal                             | 5,708          | 715            |
| Total current assets   | 53,852         | 49,648         |
| Goodwill   | 15,241         | 15,763         |
| Other intangible assets  | 4,381          | 4,969          |
| Property, plant and equipment                                      | 9,965          | 11,748         |
| Investments accounted for using the equity method                  | 4,450          | 4,724          |
| Other financial assets   | 9,829          | 11,296         |
| Deferred tax assets  | 2,927          | 3,940          |
| Other assets   | 676            | 739            |
| Total assets   | 101,321        | 102,827        |
| <b>LIABILITIES AND EQUITY</b>                                      |                |                |
| Current liabilities  |                |                |
| Short-term debt and current maturities of long-term debt           | 4,971          | 2,416          |
| Trade payables   | 6,634          | 7,880          |
| Other current financial liabilities                                | 1,677          | 1,401          |
| Current provisions   | 4,809          | 5,138          |
| Income tax payables  | 1,702          | 1,816          |
| Other current liabilities  | 20,387         | 21,794         |
| Liabilities associated with assets classified as held for disposal | 3,126          | 146            |
| Total current liabilities  | 43,306         | 40,591         |
| Long-term debt   | 14,191         | 17,497         |
| Pension plans and similar commitments                              | 5,997          | 8,464          |
| Deferred tax liabilities   | 687            | 577            |
| Provisions   | 2,989          | 3,332          |
| Other financial liabilities  | 739            | 990            |
| Other liabilities  | 1,870          | 2,280          |

|   |         |         |
|---|---------|---------|
| Total liabilities                                       | 69,779  | 73,731  |
| Equity  |         |         |
| Common stock, no par value <sup>(1)</sup>               | 2,743   | 2,743   |
| Additional paid-in capital                              | 5,985   | 5,986   |
| Retained earnings                                       | 25,577  | 22,998  |
| Other components of equity                              | (258)   | (8)     |
| Treasury shares, at cost <sup>(2)</sup>                 | (3,055) | (3,373) |
| Total equity attributable to shareholders of Siemens AG | 30,992  | 28,346  |
| Non-controlling interests                               | 550     | 750     |
| Total equity  | 31,542  | 29,096  |
| Total liabilities and equity                            | 101,321 | 102,827 |

(1) Authorized: 1,117,803,421 and 1,111,513,421 shares, respectively.

Issued: 914,203,421 and 914,203,421 shares, respectively.

(2) 40,187,119 and 44,366,416 shares, respectively.

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## SUPPLEMENTAL DATA

## SIEMENS

**ADDITIONAL INFORMATION (I) (continuing operations preliminary and unaudited)**  
**New orders, Revenue, Profit, Profit margin developments and growth rates for Sectors and Divisions**  
**For the three months ended June 30, 2011 and 2010**  
**(in millions of )**

|        | New orders    |               |          |          |          |           | Revenue       |               |          |          |          |           | Profit <sup>(1)(2)</sup> |              |          |
|--------|---------------|---------------|----------|----------|----------|-----------|---------------|---------------|----------|----------|----------|-----------|--------------------------|--------------|----------|
|        | 2011          | 2010          | % Change |          | therein  |           | 2011          | 2010          | % Change |          | therein  |           | 2011                     | 2010         | % Change |
|        |               |               | Actual   | Adjusted | Currency | Portfolio |               |               | Actual   | Adjusted | Currency | Portfolio |                          |              |          |
| ons    | <b>11,806</b> | <b>7,657</b>  | 54%      | 58%      | (4)%     | 0%        | <b>8,082</b>  | <b>7,570</b>  | 7%       | 11%      | (4)%     | 0%        | <b>872</b>               | <b>710</b>   | 23%      |
| on     | 1,885         | 1,783         | 6%       | 7%       | (3)%     | 2%        | 1,854         | 1,587         | 17%      | 19%      | (4)%     | 2%        | 347                      | 267          | 30%      |
| s      | 2,101         | 1,859         | 13%      | 17%      | (4)%     | 0%        | 2,082         | 1,815         | 15%      | 18%      | (3)%     | 0%        | 292                      | 206          | 42%      |
| gies   | 1,910         | 1,823         | 5%       | 9%       | (5)%     | 0%        | 1,818         | 1,738         | 5%       | 9%       | (5)%     | 0%        | 74                       | 79           | (7)%     |
|        | 1,681         | 1,487         | 13%      | 22%      | (6)%     | (3)%      | 1,476         | 1,461         | 1%       | 8%       | (4)%     | (3)%      | 77                       | 63           | 22%      |
|        | 4,799         | 1,236         | >200%    | >200%    | (4)%     | 1%        | 1,481         | 1,593         | (7)%     | (5)%     | (2)%     | 1%        | 81                       | 95           | (14)%    |
|        | <b>8,027</b>  | <b>8,061</b>  | 0%       | 4%       | (4)%     | 0%        | <b>6,776</b>  | <b>6,462</b>  | 5%       | 10%      | (5)%     | 0%        | <b>263</b>               | <b>875</b>   | (70)%    |
| ration | 3,016         | 2,097         | 44%      | 51%      | (7)%     | 0%        | 2,595         | 2,348         | 11%      | 16%      | (5)%     | 0%        | (97)                     | 362          |          |
|        | 1,543         | 2,271         | (32)%    | (29)%    | (3)%     | 0%        | 975           | 953           | 2%       | 13%      | (10)%    | 0%        | 68                       | 122          | (45)%    |
|        | 1,321         | 1,268         | 4%       | 4%       | (1)%     | 1%        | 1,178         | 998           | 18%      | 19%      | (3)%     | 1%        | 104                      | 100          | 4%       |
| n      | 1,453         | 1,787         | (19)%    | (14)%    | (4)%     | 0%        | 1,463         | 1,582         | (7)%     | (3)%     | (4)%     | 0%        | 132                      | 193          | (31)%    |
|        | 883           | 768           | 15%      | 21%      | (6)%     | 0%        | 742           | 734           | 1%       | 5%       | (4)%     | 0%        | 52                       | 96           | (46)%    |
|        | <b>3,016</b>  | <b>3,260</b>  | (7)%     | (2)%     | (6)%     | 0%        | <b>2,858</b>  | <b>3,152</b>  | (9)%     | (4)%     | (6)%     | 0%        | <b>8</b>                 | <b>482</b>   | (98)%    |
| s      | 904           | 964           | (6)%     | (1)%     | (6)%     | 0%        | 892           | 959           | (7)%     | (1)%     | (6)%     | 0%        | 73                       | 114          | (36)%    |
|        | <b>22,848</b> | <b>18,978</b> | 20%      | 25%      | (5)%     | 0%        | <b>17,716</b> | <b>17,184</b> | 3%       | 8%       | (5)%     | 0%        | <b>1,144</b>             | <b>2,067</b> | (45)%    |

(1) Profit of the Sectors and Divisions is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded.

(2) Beginning with fiscal 2011, central infrastructure costs which were formerly reported in Corporate items will be allocated primarily to the Sectors. The total amount to be allocated is determined at the beginning of the fiscal year and is charged in set portions in all four quarters. Presentation of prior-year information has been adjusted to conform to the current-year presentation.

(3) Excluding currency translation and portfolio effects.

Due to rounding, numbers presented may not add up precisely to totals provided.

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## SUPPLEMENTAL DATA

## SIEMENS

**ADDITIONAL INFORMATION (I) (continuing operations preliminary and unaudited)**  
**New orders, Revenue, Profit, Profit margin developments and growth rates for Sectors and Divisions**  
**For the nine months ended June 30, 2011 and 2010**  
**(in millions of )**

|       | New orders    |               |          |          |         |           | Revenue       |               |          |          |         |           | Profit <sup>(1)(2)</sup> |              |          | Profit |
|-------|---------------|---------------|----------|----------|---------|-----------|---------------|---------------|----------|----------|---------|-----------|--------------------------|--------------|----------|--------|
|       | 2011          | 2010          | % Change | therein  |         |           | 2011          | 2010          | % Change | therein  |         |           | 2011                     | 2010         | % Change | 2011   |
|       |               |               | Actual   | Adjusted | Current | Portfolio |               |               | Actual   | Adjusted | Current | Portfolio |                          |              |          |        |
|       | <b>28,985</b> | <b>21,658</b> | 34%      | 33%      | 1%      | 0%        | <b>23,728</b> | <b>21,669</b> | 10%      | 8%       | 1%      | 0%        | <b>2,577</b>             | <b>1,974</b> | 30%      | 10.9%  |
| ion   | 5,603         | 4,698         | 19%      | 17%      | 1%      | 1%        | 5,403         | 4,410         | 23%      | 19%      | 1%      | 2%        | 1,016                    | 681          | 49%      | 18.8%  |
| gies  | 6,817         | 5,246         | 30%      | 28%      | 2%      | 0%        | 5,887         | 4,946         | 19%      | 18%      | 1%      | 0%        | 780                      | 534          | 46%      | 13.3%  |
| gies  | 5,603         | 5,111         | 10%      | 8%       | 1%      | 0%        | 5,382         | 4,954         | 9%       | 7%       | 1%      | 0%        | 274                      | 267          | 3%       | 5.1%   |
| s     | 4,539         | 4,148         | 9%       | 12%      | 0%      | (2)%      | 4,269         | 4,381         | (3)%     | (1)%     | 1%      | (3)%      | 189                      | 121          | 56%      | 4.4%   |
|       | 8,581         | 4,264         | 101%     | 99%      | 2%      | 0%        | 4,618         | 4,751         | (3)%     | (4)%     | 1%      | 0%        | 304                      | 361          | (16)%    | 6.6%   |
|       | <b>25,990</b> | <b>21,061</b> | 23%      | 22%      | 1%      | 0%        | <b>19,862</b> | <b>18,260</b> | 9%       | 8%       | 1%      | 0%        | <b>3,510</b>             | <b>2,458</b> | 43%      | 17.7%  |
| wer   | 10,138        | 6,387         | 59%      | 58%      | 1%      | 0%        | 7,586         | 7,051         | 8%       | 8%       | 0%      | 0%        | 2,426                    | 1,074        | 126%     | 32.0%  |
| on    | 4,455         | 4,475         | 0%       | (1)%     | 0%      | 0%        | 2,774         | 2,295         | 21%      | 23%      | (2)%    | 0%        | 152                      | 246          | (38)%    | 5.5%   |
| le    | 4,106         | 3,477         | 18%      | 14%      | 3%      | 1%        | 3,368         | 2,975         | 13%      | 10%      | 3%      | 0%        | 337                      | 337          | 0%       | 10.0%  |
| s     | 5,451         | 4,922         | 11%      | 10%      | 1%      | 0%        | 4,449         | 4,264         | 4%       | 3%       | 1%      | 0%        | 408                      | 500          | (18)%    | 9.2%   |
| ision | 2,470         | 2,273         | 9%       | 7%       | 1%      | 0%        | 2,211         | 2,096         | 5%       | 4%       | 1%      | 0%        | 182                      | 281          | (35)%    | 8.2%   |
| ion   | <b>9,304</b>  | <b>9,075</b>  | 3%       | 2%       | 1%      | 0%        | <b>9,110</b>  | <b>8,951</b>  | 2%       | 1%       | 1%      | 0%        | <b>840</b>               | <b>1,450</b> | (42)%    | 9.2%   |
| re    | 2,748         | 2,696         | 2%       | 1%       | 1%      | 0%        | 2,731         | 2,690         | 2%       | 0%       | 1%      | 0%        | 238                      | 338          | (30)%    | 8.7%   |
| ics   | <b>64,278</b> | <b>51,794</b> | 24%      | 23%      | 1%      | 0%        | <b>52,700</b> | <b>48,880</b> | 8%       | 7%       | 1%      | 0%        | <b>6,927</b>             | <b>5,882</b> | 18%      |        |

(1) Profit of the Sectors and Divisions is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded.

(2) Beginning with fiscal 2011, central infrastructure costs which were formerly reported in Corporate items will be allocated primarily to the Sectors. The total amount to be allocated is determined at the beginning of the fiscal

year and is charged in set portions in all four quarters. Presentation of prior-year information has been adjusted to conform to the current-year presentation.

(3) Excluding currency translation and portfolio effects.

Due to rounding, numbers presented may not add up precisely to totals provided.

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## SUPPLEMENTAL DATA

## SIEMENS

## ADDITIONAL INFORMATION (II) (continuing operations preliminary and unaudited)

## Reconciliation from Profit / Income before income taxes to adjusted EBITDA

For the three months ended June 30, 2011 and 2010

(in millions of €)

| Sectors and Divisions<br>Industry Sector | Profit <sup>(1)(2)</sup> |       | Income (loss) from investments accounted for using the equity method, net <sup>(3)</sup> |      |       |      | Financial income (expense), net <sup>(4)</sup> |       | Adjusted EBIT <sup>(5)</sup> |      | Amortization <sup>(6)</sup> and goodwill <sup>(7)</sup> |      | Adjusted EBITDA |       | Adjusted EBITDA margin |       |  |
|--|--------------------------|-------|--|------|-------|------|--|-------|------------------------------|------|---|------|-----------------|-------|------------------------|-------|--|
|  | 2011                     | 2010  | 2011   | 2010 | 2011  | 2010 | 2011   | 2010  | 2011                         | 2010 | 2011  | 2010 | 2011            | 2010  | 2011                   | 2010  |  |
|  |                          |       |  |      |       |      |  |       |                              |      |   |      |                 |       |                        |       |  |
|  |                          |       |  |      |       |      |  |       |                              |      |   |      |                 |       |                        |       |  |
|  | 872                      | 710   | 4  | 1    | (13)  | (8)  | 881  | 717   | 88                           | 87   | 108   | 107  | 1,076           | 911   | 13.3%                  | 12.0% |  |
| Automation Drive Technologies            | 347                      | 267   |  | (2)  |       | 2    | 347  | 266   | 43                           | 45   | 25  | 24   | 415             | 335   |                        |       |  |
| Building Technologies                    | 292                      | 206   |  | (2)  | (1)   |      | 293  | 207   | 11                           | 11   | 38  | 36   | 342             | 255   |                        |       |  |
| Industry Solutions                       | 74                       | 79    | 2  | 1    | (1)   |      | 73   | 78    | 24                           | 19   | 22  | 22   | 118             | 119   |                        |       |  |
| Mobility                                 | 77                       | 63    | 1  | 2    | (4)   | (3)  | 79   | 64    | 6                            | 6    | 13  | 15   | 98              | 85    |                        |       |  |
| Energy Sector                            | 81                       | 95    | 1  | 1    | (8)   | (7)  | 88   | 101   | 4                            | 5    | 10  | 10   | 102             | 116   |                        |       |  |
|  | 263                      | 875   | 16   | 17   | (687) | (7)  | 934  | 865   | 19                           | 26   | 89  | 91   | 1,043           | 982   | 15.4%                  | 15.2% |  |
| Fossil Power Generation                  | (97)                     | 362   | 9  | 5    | (685) | (5)  | 580  | 361   | 4                            | 6    | 27  | 31   | 610             | 397   |                        |       |  |
| Renewable Energy                         | 68                       | 122   | (1)  | 2    | 2     | (1)  | 67   | 122   | 4                            | 8    | 16  | 15   | 87              | 145   |                        |       |  |
| Oil & Gas                                | 104                      | 100   |  |      | (1)   |      | 104  | 100   | 7                            | 6    | 16  | 16   | 128             | 123   |                        |       |  |
| Power Transmission                       | 132                      | 193   | 8  | 9    | (2)   |      | 127  | 184   | 2                            | 3    | 20  | 20   | 149             | 206   |                        |       |  |
| Power Distribution                       | 52                       | 96    |  | 1    | (1)   |      | 52   | 96    | 2                            | 3    | 9   | 8    | 63              | 106   |                        |       |  |
| Healthcare Sector                        | 8                        | 482   | 3  | 2    | 8     | 1    | (2)  | 479   | 81                           | 79   | 78  | 90   | 157             | 648   | 5.5%                   | 20.6% |  |
| herein: Diagnostics                      | 73                       | 114   |  |      | 2     |      | 72   | 114   | 46                           | 50   | 53  | 60   | 171             | 225   |                        |       |  |
| Total Sectors                            | 1,144                    | 2,067 | 23   | 20   | (692) | (13) | 1,813  | 2,060 | 188                          | 191  | 275   | 289  | 2,276           | 2,541 |                        |       |  |

|  |              |              |             |           |              |             |              |              |            |            |            |            |              |              |
|--|--------------|--------------|-------------|-----------|--------------|-------------|--------------|--------------|------------|------------|------------|------------|--------------|--------------|
| Equity Investments   | (85)         | 2            | (87)        | (6)       | 2            | 7           |              |              |            |            |            |            |              |              |
| Financial Services (SFS)                                     | 89           | 112          | 20          | 25        | 61           | 78          | 8            | 9            | 3          | 2          | 55         | 87         | 66           | 98           |
| Reconciliation to Consolidated Financial Statements          |              |              |             |           |              |             |              |              |            |            |            |            |              |              |
| Centrally managed portfolio activities                       | (25)         | (50)         | 3           | 2         |              | 1           | (28)         | (53)         | 1          |            |            | 3          | (27)         | (50)         |
| Siemens Real Estate (SRE)                                    | 49           | 107          |             |           | (24)         | (15)        | 74           | 123          |            | 1          | 65         | 67         | 139          | 190          |
| Corporate items and pensions                                 | (56)         | (78)         |             |           | 46           | (2)         | (103)        | (76)         | 3          | 4          | 12         | 11         | (87)         | (61)         |
| Eliminations, Corporate Treasury and other reconciling items | (38)         | (125)        | (1)         |           | (2)          | (88)        | (35)         | (37)         |            |            | (13)       | (14)       | (48)         | (51)         |
| <b>Siemens</b>   | <b>1,077</b> | <b>2,035</b> | <b>(43)</b> | <b>41</b> | <b>(610)</b> | <b>(33)</b> | <b>1,729</b> | <b>2,027</b> | <b>195</b> | <b>198</b> | <b>395</b> | <b>442</b> | <b>2,319</b> | <b>2,667</b> |

- (1) Profit of the Sectors and Divisions as well as of Equity Investments and Centrally managed portfolio activities is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded. Profit of SFS and SRE is Income before income taxes. Profit of Siemens is Income from continuing operations before income taxes. For a reconciliation of Income from continuing operations before income taxes to Net income see Consolidated Statements of Income.
- (2) Beginning with fiscal 2011, central infrastructure costs which were formerly reported in Corporate items will be allocated primarily to the Sectors. The total amount to be allocated is determined at the beginning of the fiscal year and is charged in set portions in all four quarters. Presentation of prior-year information has been adjusted to conform to the current-year presentation.
- (3) Includes impairments and reversals of impairments of investments accounted for using the equity method.
- (4) Includes impairment of non-current available-for-sale financial assets. For Siemens, Financial income (expense), net comprises Interest income, Interest expense and Other financial income (expense), net as reported in the Consolidated Statements of Income.
- (5) Adjusted EBIT is Income from continuing operations before income taxes less Financial income (expense), net and Income (loss) from investments accounted for using the equity method, net.
- (6) Amortization and impairments, net of reversals, of intangible assets other than goodwill.

(7) Depreciation and impairments of property, plant and equipment, net of reversals. Includes impairments of goodwill of      in the current period and      in the prior-year period, respectively.

Due to rounding, numbers presented may not add up precisely to totals provided.

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## SUPPLEMENTAL DATA

## SIEMENS

## ADDITIONAL INFORMATION (II) (continuing operations preliminary and unaudited)

## Reconciliation from Profit / Income before income taxes to adjusted EBITDA

For the nine months ended June 30, 2011 and 2010

(in millions of €)

|                              | Profit <sup>(1)(2)</sup> |              | Income<br>(loss)<br>from<br>investments<br>accounted<br>for<br>using the<br>equity<br>method,<br>net <sup>(3)</sup> |           | Financial<br>income<br>(expense),<br>net <sup>(4)</sup> |             | Adjusted<br>EBIT <sup>(5)</sup> |              | Amortization <sup>(6)</sup> |            | Depreciation<br>and<br>impairments<br>of property,<br>plant<br>and<br>equipment<br>and<br>goodwill <sup>(7)</sup> |            | Adjusted<br>EBITDA |              | Adjusted<br>EBITDA<br>margin |              |
|------------------------------|--------------------------|--------------|---|-----------|---|-------------|---------------------------------|--------------|-----------------------------|------------|---|------------|--------------------|--------------|------------------------------|--------------|
|                              | 2011                     | 2010         | 2011  | 2010      | 2011  | 2010        | 2011                            | 2010         | 2011                        | 2010       | 2011  | 2010       | 2011               | 2010         | 2011                         | 2010         |
| <b>Sectors and Divisions</b> |                          |              |   |           |   |             |                                 |              |                             |            |   |            |                    |              |                              |              |
| <b>Industry Sector</b>       | <b>2,577</b>             | <b>1,974</b> | <b>23</b>   | <b>8</b>  | <b>(7)</b>  | <b>(13)</b> | <b>2,561</b>                    | <b>1,979</b> | <b>263</b>                  | <b>251</b> | <b>317</b>  | <b>316</b> | <b>3,141</b>       | <b>2,546</b> | <b>13.2%</b>                 | <b>11.8%</b> |
| Industry Automation          | 1,016                    | 681          | 7   | (2)       | 1   | 2           | 1,009                           | 682          | 134                         | 133        | 71  | 65         | 1,214              | 880          |                              |              |
| Drive Technologies           | 780                      | 534          | 2   | (1)       |   | (1)         | 778                             | 536          | 34                          | 33         | 111   | 106        | 923                | 675          |                              |              |
| Building Technologies        | 274                      | 267          | 5   | 5         | (1)   | 1           | 270                             | 261          | 63                          | 55         | 63  | 66         | 395                | 382          |                              |              |
| Industry Solutions           | 189                      | 121          | 4   | 4         | (4)   | (5)         | 189                             | 122          | 21                          | 19         | 40  | 43         | 249                | 184          |                              |              |
| Mobility                     | 304                      | 361          | 4   | 3         | (3)   | (11)        | 303                             | 369          | 11                          | 10         | 32  | 35         | 346                | 415          |                              |              |
| <b>Energy Sector</b>         | <b>3,510</b>             | <b>2,458</b> | <b>38</b>   | <b>56</b> | <b>826</b>  | <b>(16)</b> | <b>2,647</b>                    | <b>2,418</b> | <b>63</b>                   | <b>69</b>  | <b>274</b>  | <b>252</b> | <b>2,984</b>       | <b>2,738</b> | <b>15.0%</b>                 | <b>15.0%</b> |
| Fossil Power Generation      | 2,426                    | 1,074        | 19  | 14        | 829   | (11)        | 1,577                           | 1,071        | 11                          | 13         | 87  | 86         | 1,675              | 1,170        |                              |              |
| Renewable Energy             | 152                      | 246          | (14)  | 8         | 4   | (3)         | 162                             | 240          | 13                          | 21         | 50  | 39         | 226                | 300          |                              |              |
| Oil & Gas                    | 337                      | 337          |   |           | (3)   | (1)         | 340                             | 338          | 20                          | 20         | 45  | 43         | 405                | 401          |                              |              |
| Power Transmission           | 408                      | 500          | 31  | 28        | (2)   | 1           | 379                             | 471          | 7                           | 8          | 63  | 56         | 450                | 535          |                              |              |
| Power Distribution           | 182                      | 281          | 1   | 6         | (2)   | (2)         | 183                             | 276          | 12                          | 8          | 24  | 24         | 220                | 308          |                              |              |
| <b>Healthcare Sector</b>     | <b>840</b>               | <b>1,450</b> | <b>5</b>  | <b>11</b> | <b>13</b>   | <b>10</b>   | <b>822</b>                      | <b>1,429</b> | <b>241</b>                  | <b>219</b> | <b>244</b>  | <b>259</b> | <b>1,307</b>       | <b>1,907</b> | <b>14.3%</b>                 | <b>21.3%</b> |
| Wherein:                     |                          |              |   |           |   |             |                                 |              |                             |            |   |            |                    |              |                              |              |
| Diagnostics                  | 238                      | 338          |   |           | 5   | 5           | 233                             | 333          | 142                         | 140        | 164   | 176        | 538                | 648          |                              |              |
| <b>Total Sectors</b>         | <b>6,927</b>             | <b>5,882</b> | <b>66</b>   | <b>74</b> | <b>831</b>  | <b>(19)</b> | <b>6,029</b>                    | <b>5,826</b> | <b>567</b>                  | <b>539</b> | <b>835</b>  | <b>826</b> | <b>7,432</b>       | <b>7,192</b> |                              |              |

|   |       |       |     |      |       |      |       |       |     |     |       |       |       |       |
|---|-------|-------|-----|------|-------|------|-------|-------|-----|-----|-------|-------|-------|-------|
| equity<br>investments<br>financial<br>services<br>(SFS)<br>reconciliation   | 22    | (10)  | 6   | (59) | 11    | 28   | 5     | 22    |     |     |       |       | 5     | 22    |
| Consolidated<br>financial<br>statements<br>centrally<br>managed<br>portfolio<br>activities<br>Siemens Real<br>estate (SRE)<br>Corporate<br>items and<br>provisions<br>eliminations,<br>Corporate<br>treasury and<br>other<br>conciling<br>items | 305   | 308   | 63  | 66   | 212   | 212  | 31    | 30    | 7   | 5   | 199   | 243   | 236   | 277   |
|   | (17)  | (84)  | 7   | 8    |       | 3    | (24)  | (95)  | 2   | 1   | 3     | 8     | (18)  | (86)  |
|   | 148   | 275   |     |      | (60)  | (39) | 207   | 314   | 1   | 1   | 195   | 198   | 404   | 513   |
|   | 141   | (157) |     |      | 100   | (90) | 41    | (67)  | 9   | 11  | 35    | 37    | 85    | (19)  |
|   | (113) | (169) | 30  | 2    | (57)  | (73) | (87)  | (98)  |     |     | (39)  | (45)  | (125) | (143) |
| Siemens   | 7,413 | 6,044 | 172 | 91   | 1,037 | 22   | 6,204 | 5,931 | 587 | 557 | 1,227 | 1,267 | 8,018 | 7,756 |

- (1) Profit of the Sectors and Divisions as well as of Equity Investments and Centrally managed portfolio activities is earnings before financing interest, certain pension costs and income taxes. Certain other items not considered performance indicative by Management may be excluded. Profit of SFS and SRE is Income before income taxes. Profit of Siemens is Income from continuing operations before income taxes. For a reconciliation of Income from continuing operations before income taxes to Net income see Consolidated Statements of Income.
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(7) Depreciation and impairments of property, plant and equipment, net of reversals. Includes impairments of goodwill of      in the current period and      in the prior-year period, respectively.  
Due to rounding, numbers presented may not add up precisely to totals provided.

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Munich, July 28, 2011

**Legal Proceedings**

Information regarding investigations and other legal proceedings, as well as the potential risks associated with such proceedings and their potential financial impact on Siemens, is included in the Company's Consolidated Financial Statements as of September 30, 2010 (Consolidated Financial Statements).

Significant developments regarding investigations and other legal proceedings that have occurred since the preparation of the Consolidated Financial Statements are described below.

**Public corruption proceedings**

*Governmental and related proceedings*

In May 2011, Siemens AG voluntarily reported a case of attempted public corruption in connection with a project in Kuwait to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, and the Munich public prosecutor. Siemens is cooperating with the authorities in the ongoing investigations which also relate to certain employees.

As previously reported, authorities in Russia were conducting an investigation into alleged misappropriation of public funds in connection with the award of contracts to Siemens for the delivery of medical equipment to public authorities in Yekaterinburg in the years 2003 to 2005. On July 5, 2011, the investigation against the Siemens employee concerned has been closed with respect to all material charges.

On March 9, 2009, Siemens AG received a decision by the Vendor Review Committee of the United Nations Secretariat Procurement Division (UNPD) suspending Siemens AG from the UNPD vendor database for a minimum period of six months. The suspension applied to contracts with the UN Secretariat and stemmed from Siemens AG's guilty plea in December 2008 to violations of the U.S. Foreign Corrupt Practices Act. On December 22, 2009, Siemens AG filed a request to lift the existing suspension. On January 14, 2011, Siemens was informed that the Vendor Review Committee of the UNPD had recommended that the existing suspension be lifted and that Siemens AG be invited to re-register with the UNPD.

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As previously reported, in February 2010 a Greek Parliamentary Investigation Committee (GPIC) was established to investigate whether any politicians or other state officials in Greece were involved in alleged wrong-doing of Siemens in Greece. GPIC's investigation is focused on possible criminal liability of politicians and other state officials. Greek public prosecutors are separately investigating certain fraud and bribery allegations involving among others former board members and former executives of Siemens A.E. Greece (Siemens A.E.) and Siemens AG. Both investigations may have a negative impact on civil proceedings currently pending against Siemens AG and Siemens A.E. and may affect the future business activities of Siemens in Greece. In January 2011, the GPIC alleged in a letter to Siemens that the damage suffered by the Greek state amounts to at least 2 billion. Furthermore, the GPIC issued a report repeating these allegations. In addition, the Hellenic Republic Minister of State indicated in a letter to Siemens that the Greek state will seek compensation from Siemens for the alleged damage. While Siemens rejects these allegations as unfounded and continues to defend itself, Siemens and the Greek state have engaged in discussions to resolve the matter.

As previously reported, the Nigerian Economic and Financial Crimes Commission (EFCC) was conducting an investigation into alleged illegal payments by Siemens to Nigerian public officials between 2002 and 2005. In October 2010, the EFCC filed charges with the Federal High Court in Abuja and the High Court of the Federal Capital Territory against among others Siemens Ltd. Nigeria (Siemens Nigeria), Siemens AG and former board members of Siemens Nigeria. On November 22, 2010, the Nigerian Government and Siemens Nigeria entered into an out of court settlement, obligating Siemens Nigeria to make a payment in the mid double-digit Euro million range to Nigeria in exchange for the Nigerian Government withdrawing these criminal charges and refraining from the initiation of any criminal, civil or other actions such as a debarment against Siemens Nigeria, Siemens AG, and Siemens employees. The Company remains subject to corruption-related investigations in several jurisdictions around the world. As a result, additional criminal or civil sanctions could be brought against the Company itself or against certain of its employees in connection with possible violations of law. In addition, the scope of pending investigations may be expanded and new investigations commenced in connection with allegations of bribery and other illegal acts. The Company's operating activities, financial results and reputation may also be negatively affected, particularly as a result of penalties, fines, disgorgements, compensatory damages, third-party litigation, including with competitors, the formal or informal exclusion from public invitations to tender, or the loss of business licenses or permits. Additional expenses and provisions, which could be material, may need to be recorded in the future for penalties, fines, damages or other charges in connection with the investigations.

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*Civil litigation*

As previously reported, Siemens was approached by a competitor to discuss claims it believed it had against the Company. The alleged claims related to allegedly improper payments by the Company in connection with the procurement of public and private contracts. Siemens and the competitor were able to resolve the matter on mutually agreeable terms.

As previously disclosed, a securities class action was filed in December 2009 against Siemens AG with the United States District Court for the Eastern District of New York seeking damages for alleged violations of U.S. securities laws. In March 2011, the Court granted the Company's motion to dismiss the action. The plaintiffs' motion to reconsider was denied by the court. Plaintiffs did not appeal the court's decision. Accordingly, the dismissal is final.

**Antitrust proceedings**

As previously reported, in April 2007, Siemens AG and former VA Tech companies filed actions before the European Court of First Instance in Luxemburg against the decisions of the European Commission dated January 24, 2007, to fine Siemens and former VA Tech companies for alleged antitrust violations in the European Market of high-voltage gas-insulated switchgear between 1988 and 2004. Gas-insulated switchgear is electrical equipment used as a major component for power substations. The fine imposed on Siemens AG amounted to €396.6 million and was paid by the Company in 2007. The fine imposed on former VA Tech companies, which Siemens AG acquired in July 2005, amounted to €22.1 million. Former VA Tech companies were declared jointly liable with Schneider Electric for a separate fine of €4.5 million. On March 3, 2011, the European Court of First Instance dismissed the case regarding the fine imposed on Siemens AG and re-calculated the fines for the former VA Tech companies. Former VA Tech companies were declared jointly liable with Schneider Electric for a fine of €8.1 million. Siemens AG has appealed the decision.

In addition to the proceedings mentioned in this document, authorities in Brazil, the Czech Republic and Slovakia are conducting investigations into comparable possible antitrust violations. In October 2010, the High Court of New Zealand dismissed corresponding charges against Siemens.

In January 2010, the European Commission launched an investigation related to previously reported investigations into potential antitrust violations involving producers of flexible current transmission systems in New Zealand and the US including, among others, Siemens AG. In April 2010, authorities in Korea and Mexico informed the Company that similar proceedings had been initiated.

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The official investigations in connection with flexible power transmission systems have been closed. Siemens had been cooperating with all authorities.

On November 16, 2010, the Greek Competition Authority searched the premises of Siemens S.A. in Athens, in response to allegations of anti-competitive practices in the field of telecommunication and security. Siemens is cooperating with the authority.

On December 15, 2010, and on March 7, 2011, the Turkish Antitrust Authority searched the premises of several diagnostic companies including, among others, Siemens Healthcare Diagnostik Ticaret Limited Sirketi in Istanbul, in response to allegations of anti-competitive agreements. Siemens is cooperating with the authority.

As previously reported, on October 25, 2007, upon the Company's appeal, a Hungarian competition court reduced administrative fines imposed on Siemens AG for alleged antitrust violations in the market of high-voltage gas-insulated switchgear from 0.320 million to 0.120 million and from 0.640 million to 0.110 million regarding VA Technologie AG. The Company and the Competition Authority both appealed the decision. In November 2008, the Court of Appeal confirmed the reduction of the fines. On December 5, 2008, the Competition Authority, based on alleged breaches of law, filed an extraordinary appeal with the Supreme Court. In December 2009, Siemens AG was notified that the Supreme Court had remanded the case to the Court of Appeal, with instructions to take a new decision on the amount of the fines. The extraordinary appeal from the Competition Authority was rejected with legally binding effect by the Court of Appeal on January 27, 2010. On April 6, 2010, the Competition Authority filed another extraordinary appeal with the Supreme Court. In April 2011, the Supreme Court sustained the extraordinary appeal of the Competition Authority and remanded the case for a new decision to another chamber of the Court of Appeal.

As previously reported, on February 11, 2010, the Italian Antitrust Authority searched the premises of several healthcare companies, amongst others those of Siemens Healthcare Diagnostics S.r.l. and Siemens S.p.A. The investigation addresses allegations of anti-competitive agreements in relation to a tender of the procurement entity for the public healthcare sector in the region of Campania, So.Re.Sa., for the supply of medical equipment in 2009. On May 5, 2011, the Italian Antitrust Authority sent a Statement of Objections to the companies under investigation. The statement of objections states that the proceedings against Siemens Healthcare Diagnostics S.r.l. were closed, but accuses Siemens S.p.A. of having participated in an anti-competitive arrangement.

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### **Other proceedings**

As previously reported, Siemens AG is a member of a supplier consortium that has contracted to construct the nuclear power plant Olkiluoto 3 in Finland for Teollisuuden Voima Oyj (TVO) on a turnkey basis. Siemens AG's share of the consideration to be paid to the supplier consortium under the contract is approximately 27 percent. The other member of the supplier consortium is a further consortium consisting of Areva NP S.A.S. and its wholly-owned subsidiary, Areva NP GmbH. The agreed completion date for the nuclear power plant was April 30, 2009. Completion of the power plant has been delayed for reasons which are in dispute. In December 2008, the supplier consortium filed a request for arbitration against TVO demanding an extension of the construction time, additional compensation, milestone payments, damages and interest. In June 2011, the supplier consortium increased its monetary claim; it now amounts to 1.94 billion. In April 2009, TVO rejected the claims and made counterclaims against the supplier consortium. These consist primarily of damages due to the delay amounting to approximately 1.43 billion based on an estimated completion of the plant in June 2012 with a delay of 38 months. Since then the estimated time of completion of the plant has been further delayed, which could increase the counterclaims.

In early 2009 Siemens AG terminated its joint venture with Areva S.A. (Areva). Thereafter Siemens AG entered into negotiations with the State Atomic Energy Corporation Rosatom (Rosatom) with a view to forming a new partnership active in the construction of nuclear power plants, in which it would be a minority shareholder. In April 2009, Areva filed a request for arbitration with the ICC against Siemens AG. Areva sought an order enjoining Siemens AG from pursuing such negotiations with Rosatom, a declaration that Siemens AG is in material breach of its contractual obligations and a reduction of the price payable to Siemens AG for its stake in the Areva NP S.A.S. joint venture. The final award of the arbitral tribunal was notified on May 19, 2011. According to this award, Siemens has to pay Areva liquidated damages of 648 million plus interest. Further, the disputed non-compete obligation was reduced to four years; it will now expire on September 25, 2013.

Siemens is involved in a power plant construction project in the United States, in which one of the other parties to the project filed an arbitration proceeding in June 2011 asserting material claims against certain other parties to the project. While no claims are being asserted against Siemens in the arbitration at this time, it is possible that such claims against Siemens may follow as matters progress.

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OSRAM is currently party to a number of patent lawsuits. On the one hand, OSRAM itself has sued Samsung group companies and LG group companies in markets such as the United States, Germany, China and Japan for patent infringements, and is requesting injunctions against unauthorized use and, in some cases, import bans and compensation. Samsung group companies and LG group companies have, on the other hand, initiated patent invalidation lawsuits relating to OSRAM patents on Light Emitting Diode (LED) technology, in particular white LED, in the Republic of Korea and in China. In addition, a Samsung group company and LG group companies have filed patent infringement lawsuits in various jurisdictions, requesting injunctions against unauthorized use and, in some cases, import bans and compensation from OSRAM. OSRAM is defending itself in these lawsuits.

In December 2008, the Polish Agency of Internal Security (AWB) remanded into custody an employee of Siemens Healthcare Poland, in connection with an investigation regarding a public tender issued by the hospital of Wroclaw in 2008. According to the AWB, the Siemens employee and the deputy hospital director were accused of having manipulated the tender procedure. In October 2010, the investigation was closed.

Russian authorities are conducting widespread investigations regarding possible fraudulent activities of resellers relating to procurement of medical equipment in the public sector. As is the case with other providers of medical equipment, OOO Siemens Russia has received numerous information requests and inquiries were made on-site by the authorities regarding tenders in the public healthcare sector. OOO Siemens Russia is cooperating with the ongoing investigations which also relate to certain individual employees.

This document contains forward-looking statements and information that is, statements related to future, not past, events. 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. 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. In particular, Siemens is strongly affected by changes in general economic and business conditions as these directly impact its processes, customers and suppliers. This may negatively impact our revenue development and the realization of greater capacity utilization as a result of growth. Yet due to their diversity, not all of Siemens businesses are equally affected by changes in economic conditions; considerable differences exist in the timing and magnitude of the effects of such changes. This effect is amplified by the fact that, as a global company, Siemens is active in countries with economies that vary widely in terms of growth rate. Uncertainties arise from, among other things, the risk of customers delaying the conversion of recognized orders into revenue or cancelling recognized orders, of prices declining as a result of adverse market conditions by more than is currently anticipated by Siemens management or of functional costs increasing in anticipation of growth that is not realized as expected.

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Other factors that may cause Siemens' results to deviate from expectations include developments in the financial markets, including fluctuations in interest and exchange rates (in particular in relation to the U.S. dollar and the currencies of emerging markets such as China, India and Brazil), in commodity and equity prices, in debt prices (credit spreads) and in the value of financial assets generally. Any changes in interest rates or other assumptions used in calculating obligations for pension plans and similar commitments may impact Siemens' defined benefit obligations and the anticipated performance of pension plan assets resulting in unexpected changes in the funded status of Siemens' pension and other post-employment benefit plans. Any increase in market volatility, deterioration in the capital markets, decline in the conditions for the credit business, uncertainty related to the subprime, financial market and liquidity crises, or fluctuations in the future financial performance of the major industries served by Siemens may have unexpected effects on Siemens' results. Furthermore, Siemens faces risks and uncertainties in connection with: disposing of business activities, certain strategic reorientation measures; the performance of its equity interests and strategic alliances; the challenge of integrating major acquisitions, implementing joint ventures and other significant portfolio measures; the introduction of competing products or technologies by other companies or market entries by new competitors; changing competitive dynamics (particularly in developing markets); the risk that new products or services will not be accepted by customers targeted by Siemens; changes in business strategy; the interruption of our supply chain, including the inability of third parties to deliver parts, components and services on time resulting for example from natural disasters; the outcome of pending investigations, legal proceedings and actions resulting from the findings of, or related to the subject matter of, such investigations; the potential impact of such investigations and proceedings on Siemens' business, including its relationships with governments and other customers; the potential impact of such matters on Siemens' financial statements, and various other factors. More detailed information about certain of the risk factors affecting Siemens is contained throughout this report and in Siemens' other filings with the SEC, which are available on the Siemens website, [www.siemens.com](http://www.siemens.com), and on the SEC's website, [www.sec.gov](http://www.sec.gov). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens neither intends to, 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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**Siemens AG**  
**Corporate Communications and Government Affairs**  
**Compliance Communications**  
 80200 Munich

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**SIEMENS AKTIENGESELLSCHAFT**

Date: July 28, 2011

/s/ Dr. Jochen Schmitz

Name: Dr. Jochen Schmitz

Title: Corporate Vice President and  
Controller

/s/ Dr. Juergen M. Wagner

Name: Dr. Juergen M. Wagner

Title: Head of Financial Disclosure and  
Corporate Performance Controlling