

SIEMENS

CONSOLIDATED STATEMENTS OF INCOME (unaudited)

For the three and six months ended March 31, 2009 and 2008

(in millions of € per share amounts in €)

	<u>Three months</u> <u>ended March 31,</u>		<u>Six months</u> <u>ended March 31,</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenue.....	18,955	18,094	38,589	36,494
Cost of goods sold and services rendered.....	(13,994)	(13,178)	(27,988)	(26,273)
Gross profit.....	4,961	4,916	10,601	10,221
Research and development expenses.....	(972)	(918)	(1,886)	(1,765)
Marketing, selling and general administrative expenses.....	(2,520)	(3,243)	(5,388)	(6,298)
Other operating income.....	99	187	284	377
Other operating expense.....	(168)	(257)	(285)	(463)
Income (loss) from investments accounted for using the equity method, net.....	(49)	101	68	209
Financial income (expense), net.....	(16)	3	(324)	25
Income from continuing operations before income taxes.....	1,335	789	3,070	2,306
Income taxes.....	(380)	(224)	(855)	(663)
Income from continuing operations.....	955	565	2,215	1,643
Income (loss) from discontinued operations, net of income taxes.....	58	(153)	28	5,244
Net income.....	<u>1,013</u>	<u>412</u>	<u>2,243</u>	<u>6,887</u>
Attributable to:				
Minority interest.....	51	28	78	71
Shareholders of Siemens AG.....	962	384	2,165	6,816
Basic earnings per share				
Income from continuing operations.....	1.05	0.59	2.48	1.73
Income (loss) from discontinued operations.....	0.06	(0.17)	0.03	5.76
Net income.....	<u>1.11</u>	<u>0.42</u>	<u>2.51</u>	<u>7.49</u>
Diluted earnings per share				
Income from continuing operations.....	1.04	0.59	2.46	1.72
Income (loss) from discontinued operations.....	0.06	(0.17)	0.03	5.74
Net income.....	<u>1.10</u>	<u>0.42</u>	<u>2.49</u>	<u>7.46</u>

CONSOLIDATED STATEMENTS OF INCOME AND EXPENSE RECOGNIZED IN EQUITY (unaudited)

For the three and six months ended March 31, 2009 and 2008

(in millions of €)

	<u>Three months</u> <u>ended March 31,</u>		<u>Six months</u> <u>ended March 31,</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Net income.....	1,013	412	2,243	6,887
Currency translation differences.....	148	(545)	(308)	(812)
Available-for-sale financial assets.....	2	(82)	9	(72)
Derivative financial instruments.....	(105)	140	(11)	184
Actuarial gains and losses on pension plans and similar commitments.....	(626)	168	(2,177)	187
Total income and expense recognized directly in equity, net of tax ⁽¹⁾⁽²⁾	(581)	(319)	(2,487)	(513)
Total income and expense recognized in equity.....	<u>432</u>	<u>93</u>	<u>(244)</u>	<u>6,374</u>
Attributable to:				
Minority interest.....	67	1	110	41
Shareholders of Siemens AG.....	365	92	(354)	6,333

(1) Includes income and (expense) resulting from investments accounted for using the equity method of €(46) and €102 for the three months ended March 31, 2009 and 2008, respectively, and €(9) and €27 for the six months ended March 31, 2009 and 2008, respectively.

(2) Includes minority interest relating to currency translation differences of €16 and €(27) for the three months ended March 31, 2009 and 2008, respectively, and €32 and €(30) for the six months ended March 31, 2009 and 2008, respectively.

SIEMENS

CONSOLIDATED BALANCE SHEETS

As of March 31, 2009 (unaudited) and September 30, 2008

(in millions of €)

	<u>3/31/09</u>	<u>9/30/08</u>
ASSETS		
Current assets		
Cash and cash equivalents.....	7,684	6,893
Available-for-sale financial assets.....	162	152
Trade and other receivables.....	15,230	15,785
Other current financial assets.....	3,459	3,116
Inventories.....	15,488	14,509
Income tax receivables.....	582	610
Other current assets.....	1,390	1,368
Assets classified as held for disposal.....	771	809
Total current assets.....	<u>44,766</u>	<u>43,242</u>
Goodwill.....	16,491	16,004
Other intangible assets.....	5,384	5,413
Property, plant and equipment.....	11,380	11,258
Investments accounted for using the equity method.....	6,822	7,017
Other financial assets.....	10,084	7,785
Deferred tax assets.....	3,142	3,009
Other assets.....	673	735
Total assets.....	<u>98,742</u>	<u>94,463</u>
LIABILITIES AND EQUITY		
Current liabilities		
Short-term debt and current maturities of long-term debt.....	3,019	1,819
Trade payables.....	7,831	8,860
Other current financial liabilities.....	2,701	2,427
Current provisions.....	3,993	5,165
Income tax payables.....	1,778	1,970
Other current liabilities.....	20,689	21,644
Liabilities associated with assets classified as held for disposal.....	147	566
Total current liabilities.....	<u>40,158</u>	<u>42,451</u>
Long-term debt.....	19,697	14,260
Pension plans and similar commitments.....	7,131	4,361
Deferred tax liabilities.....	790	726
Provisions.....	2,594	2,533
Other financial liabilities.....	307	376
Other liabilities.....	2,091	2,376
Total liabilities.....	<u>72,768</u>	<u>67,083</u>
Equity		
Common stock, no par value ⁽¹⁾	2,743	2,743
Additional paid-in capital.....	5,923	5,997
Retained earnings.....	21,597	22,989
Other components of equity.....	(1,295)	(953)
Treasury shares, at cost ⁽²⁾	(3,632)	(4,002)
Total equity attributable to shareholders of Siemens AG.....	<u>25,336</u>	<u>26,774</u>
Minority interest.....	638	606
Total equity.....	<u>25,974</u>	<u>27,380</u>
Total liabilities and equity.....	<u>98,742</u>	<u>94,463</u>

(1) Authorized: 1,111,513,421 and 1,137,913,421 shares, respectively.

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

(2) 47,777,538 and 52,645,665 shares, respectively.

SIEMENS

CONSOLIDATED STATEMENTS OF CASH FLOW (unaudited)
For the six months ended March 31, 2009 and 2008
(in millions of €)

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Net income.....	2,243	6,887
Adjustments to reconcile net income to cash provided		
Amortization, depreciation and impairments.....	1,349	1,467
Income taxes.....	862	604
Interest (income) expense, net.....	(38)	13
(Gains) losses on sales and disposals of businesses, intangibles and property, plant and equipment, net.....	10	(5,743)
(Gains) on sales of investments, net ⁽¹⁾	(22)	(15)
(Gains) losses on sales and impairments of current available-for-sale financial assets, net.....	7	(2)
(Income) from investments ⁽¹⁾	(34)	(252)
Other non-cash (income) expenses.....	238	558
Change in current assets and liabilities		
(Increase) decrease in inventories.....	(1,212)	(1,281)
(Increase) decrease in trade and other receivables.....	524	8
(Increase) decrease in other current assets.....	(728)	(700)
Increase (decrease) in trade payables.....	(948)	(400)
Increase (decrease) in current provisions.....	(979)	416
Increase (decrease) in other current liabilities.....	(230)	1,494
Change in other assets and liabilities.....	(159)	(344)
Income taxes paid.....	(717)	(989)
Dividends received.....	159	59
Interest received.....	413	393
Net cash provided by (used in) operating activities - continuing and discontinued operations.....	738	2,173
Net cash provided by (used in) operating activities - continuing operations.....	850	2,756
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment.....	(1,286)	(1,477)
Acquisitions, net of cash acquired.....	(172)	(4,528)
Purchases of investments ⁽¹⁾	(644)	(109)
Purchases of current available-for-sale financial assets.....	(26)	(8)
(Increase) decrease in receivables from financing activities.....	(180)	(594)
Proceeds from sales of investments, intangibles and property, plant and equipment ⁽¹⁾	296	404
Proceeds and payments from disposals of businesses.....	(244)	11,188
Proceeds from sales of current available-for-sale financial assets.....	12	30
Net cash provided by (used in) investing activities - continuing and discontinued operations.....	(2,244)	4,906
Net cash provided by (used in) investing activities - continuing operations.....	(2,026)	(5,947)
Cash flows from financing activities		
Purchase of common stock.....	—	(1,998)
Proceeds from re-issuance of treasury stock.....	134	243
Proceeds from issuance of long-term debt.....	3,973	—
Repayment of long-term debt (including current maturities of long-term debt).....	—	(643)
Change in short-term debt and other financing activities.....	72	(1,571)
Interest paid.....	(432)	(499)
Dividends paid.....	(1,380)	(1,462)
Dividends paid to minority shareholders.....	(88)	(75)
Net cash provided by (used in) financing activities - continuing and discontinued operations.....	2,279	(6,005)
Net cash provided by (used in) financing activities - continuing operations.....	1,949	4,949
Effect of exchange rates on cash and cash equivalents.....	33	(149)
Net increase (decrease) in cash and cash equivalents.....	806	925
Cash and cash equivalents at beginning of period.....	6,929	4,940
Cash and cash equivalents at end of period.....	7,735	5,865
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period..	51	251
Cash and cash equivalents at end of period (Consolidated balance sheets).....	7,684	5,614

(1) Investments include equity instruments either classified as non-current available-for-sale financial assets or accounted for using the equity method.

SIEMENS

CONSOLIDATED CHANGES IN EQUITY (unaudited)

For the six months ended March 31, 2009 and 2008

(in millions of €)

	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Retained earnings</u>	<u>Other components of equity</u>			<u>Treasury shares at cost</u>	<u>Total equity attributable to shareholders of Siemens AG</u>	<u>Minority interest</u>	<u>Total equity</u>	
				<u>Currency translation differences</u>	<u>Available- for-sale financial assets</u>	<u>Derivative financial instruments</u>					<u>Total</u>
Balance at October 1, 2007.....	2,743	6,080	20,453	(475)	126	69	(280)	—	28,996	631	29,627
Income and expense recognized in equity.....	—	—	7,003	(782)	(72)	184	(670)	—	6,333	41	6,374
Dividends.....	—	—	(1,462)	—	—	—	—	—	(1,462)	(76)	(1,538)
Issuance of common stock and share-based payment.....	—	41	—	—	—	—	—	—	41	—	41
Purchase of common stock.....	—	—	—	—	—	—	—	(1,998)	(1,998)	—	(1,998)
Re-issuance of treasury stock.....	—	(67)	—	—	—	—	—	343	276	—	276
Other changes in equity.....	—	(14)	(11)	—	—	—	—	—	(25)	(42)	(67)
Balance at March 31, 2008.....	2,743	6,040	25,983	(1,257)	54	253	(950)	(1,655)	32,161	554	32,715
Balance at October 1, 2008.....	2,743	5,997	22,989	(789)	4	(168)	(953)	(4,002)	26,774	606	27,380
Income and expense recognized in equity.....	—	—	(12)	(340)	9	(11)	(342)	—	(354)	110	(244)
Dividends.....	—	—	(1,380)	—	—	—	—	—	(1,380)	(67)	(1,447)
Issuance of common stock and share-based payment.....	—	39	—	—	—	—	—	—	39	—	39
Purchase of common stock.....	—	—	—	—	—	—	—	—	—	—	—
Re-issuance of treasury stock.....	—	(113)	—	—	—	—	—	370	257	—	257
Other changes in equity.....	—	—	—	—	—	—	—	—	—	(11)	(11)
Balance at March 31, 2009.....	2,743	5,923	21,597	(1,129)	13	(179)	(1,295)	(3,632)	25,336	638	25,974

SIEMENS

SEGMENT INFORMATION (continuing operations - unaudited)
As of and for the three months ended March 31, 2009 and 2008 and as of September 30, 2008
(in millions of €)

	<u>New orders</u>		<u>External revenue</u>		<u>Intersegment revenue</u>		<u>Total revenue</u>		<u>Profit</u> ⁽¹⁾		<u>Assets</u> ⁽²⁾		<u>Free cash flow</u> ⁽³⁾		<u>Additions to intangible assets and property, plant and equipment</u>		<u>Amortization, depreciation and impairments</u> ⁽⁴⁾		
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>3/31/09</u>	<u>9/30/08</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Sectors																			
Industry.....	8,801	9,928	8,371	8,712	274	268	8,645	8,980	671	941	12,555	11,923	1,061	843	176	233	258	244	
Energy.....	8,206	9,026	6,265	4,901	99	63	6,364	4,964	818	6	1,850	913	446	754	144	88	89	79	
Healthcare.....	2,951	2,790	2,972	2,705	12	17	2,984	2,722	355	341	13,875	13,257	394	349	112	110	162	149	
Total Sectors.....	19,958	21,744	17,608	16,318	385	348	17,993	16,666	1,844	1,288	28,280	26,093	1,901	1,946	432	431	509	472	
Equity Investments.....	—	—	—	—	—	—	—	—	(113)	35	5,939	5,587	11	—	—	—	—	—	
Cross-Sector Businesses																			
Siemens IT Solutions and Services.....	1,081	1,445	859	879	277	387	1,136	1,266	25	(35)	351	241	25	5	35	25	60	54	
Siemens Financial Services (SFS).....	191	186	171	169	20	17	191	186	117	101	11,923	11,328	66	200	98	121	80	70	
Reconciliation to consolidated financial statements																			
Other Operations.....	175	720	206	622	5	108	211	730	(105)	(64)	(857)	(1,468)	(104)	(140)	11	25	36	28	
Siemens Real Estate (SRE).....	437	416	97	93	340	323	437	416	37	60	3,634	3,489	8	24	93	48	37	40	
Corporate items and pensions.....	15	23	14	13	4	4	18	17	(442)	(522)	(8,066)	(6,483)	(557)	(359)	4	6	8	46	
Eliminations, Corporate Treasury and other reconciling items.....	(993)	(1,163)	—	—	(1,031)	(1,187)	(1,031)	(1,187)	(28)	(74)	57,538	55,676	(212)	(53)	(19)	(10)	(21)	(14)	
Siemens.....	20,864	23,371	18,955	18,094	—	—	18,955	18,094	1,335	789	98,742	94,463	1,138	1,623	654	646	709	696	

- (1) *Profit* of the **Sectors** as well as of **Equity Investments, Siemens IT Solutions and Services** and **Other Operations** 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.
- (2) *Assets* of the **Sectors** as well as of **Equity Investments, Siemens IT Solutions and Services** and **Other Operations** 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.
- (3) *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, Siemens IT Solutions and Services** and **Other Operations** 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.
- (4) *Amortization, depreciation and impairments* contains amortization and impairments of intangible assets other than goodwill and depreciation and impairments of property, plant and equipment, net of reversals of impairments. **Siemens'** Goodwill impairment and impairment of non-current available-for-sale financial assets and investments accounted for under the equity method amount to €20 expense and €5 expense for the three months ended March 31, 2009 and 2008, respectively.

Electronics Assembly Systems was reclassified from Industry to Other Operations in the second quarter of fiscal 2009. Prior-year amounts were reclassified for comparison purposes. Due to rounding, numbers presented may not add up precisely to totals provided.

SIEMENS

SEGMENT INFORMATION (continuing operations - unaudited)
As of and for the six months ended March 31, 2009 and 2008 and as of September 30, 2008
(in millions of €)

	<u>New orders</u>		<u>External revenue</u>		<u>Intersegment revenue</u>		<u>Total revenue</u>		<u>Profit</u> ⁽¹⁾		<u>Assets</u> ⁽²⁾		<u>Free cash flow</u> ⁽³⁾		<u>Additions to intangible assets and property, plant and equipment</u>		<u>Amortization, depreciation and impairments</u> ⁽⁴⁾		
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>3/31/09</u>	<u>9/30/08</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Sectors																			
Industry.....	18,577	20,801	17,383	17,529	550	523	17,933	18,052	1,605	1,944	12,555	11,923	1,225	1,421	388	460	508	474	
Energy.....	16,740	18,105	12,399	9,852	197	147	12,596	9,999	1,574	353	1,850	913	512	1,087	260	176	174	157	
Healthcare.....	5,847	5,596	5,890	5,346	30	29	5,920	5,375	697	673	13,875	13,257	551	418	236	250	320	299	
Total Sectors.....	41,164	44,502	35,672	32,727	777	699	36,449	33,426	3,876	2,970	28,280	26,093	2,288	2,926	884	886	1,002	930	
Equity Investments.....	—	—	—	—	—	—	—	—	(28)	71	5,939	5,587	79	—	—	—	—	—	
Cross-Sector Businesses																			
Siemens IT Solutions and Services.....	2,312	2,670	1,856	1,886	569	720	2,425	2,606	71	35	351	241	(145)	(139)	63	47	103	111	
Siemens Financial Services (SFS).....	379	368	326	325	53	42	379	367	183	178	11,923	11,328	218	80	220	264	159	141	
Reconciliation to consolidated financial statements																			
Other Operations.....	456	1,583	507	1,321	31	219	538	1,540	(145)	(137)	(857)	(1,468)	(300)	(316)	23	52	52	54	
Siemens Real Estate (SRE).....	866	810	193	192	673	618	866	810	82	199	3,634	3,489	12	(8)	118	103	74	79	
Corporate items and pensions.....	47	54	35	43	6	7	41	50	(678)	(837)	(8,066)	(6,483)	(1,898)	(1,158)	7	18	19	55	
Eliminations, Corporate Treasury and other reconciling items.....	(2,140)	(2,374)	—	—	(2,109)	(2,305)	(2,109)	(2,305)	(291)	(173)	57,538	55,676	(690)	21	(29)	(20)	(36)	(31)	
Siemens.....	43,084	47,613	38,589	36,494	—	—	38,589	36,494	3,070	2,306	98,742	94,463	(436)	1,406	1,286	1,350	1,373	1,339	

(1) *Profit* of the **Sectors** as well as of **Equity Investments, Siemens IT Solutions and Services** and **Other Operations** 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.

(2) *Assets* of the **Sectors** as well as of **Equity Investments, Siemens IT Solutions and Services** and **Other Operations** 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.

(3) *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, Siemens IT Solutions and Services** and **Other Operations** 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.

(4) *Amortization, depreciation and impairments* contains amortization and impairments of intangible assets other than goodwill and depreciation and impairments of property, plant and equipment, net of reversals of impairments. **Siemens'** Goodwill impairment and impairment of non-current available-for-sale financial assets and investments accounted for under the equity method amount to €24 income and €92 expense for the six months ended March 31, 2009 and 2008, respectively.

Electronics Assembly Systems was reclassified from Industry to Other Operations in the second quarter of fiscal 2009. Prior-year amounts were reclassified for comparison purposes. Due to rounding, numbers presented may not add up precisely to totals provided.