

TECH FOR SUSTAINABILITY CAMPAIGN

Interview with Anthony Casciano, Siemens Financial Services

Ilaria Carrara Cagni: We're here with Anthony Casciano from Siemens Financial Services. Why is this challenge – “Financing a Sustainable Future” – important to you?

Anthony Casciano: In my role, I have the privilege to implement sustainable financing solutions. I also see the urgency. As a leader who works with companies across all industries and of all sizes, it's clear we have the ability to make energy-efficient infrastructure more attainable for all. With that, we also have the unique ability to incentivize sustainability initiatives, so that we help our customers and the world in a multitude of ways. Through ESG – environmental, social, and corporate governance – financing, we can decarbonize operations, modernize infrastructure, and minimize waste. A challenge like this helps advance the imperative.

Ilaria Carrara Cagni: What do you want out of this challenge?

Anthony Casciano: Many people think of wind farms and solar panels as the only sustainable investment opportunities, but there's a lot of impact to be made across industry at every point of the supply chain. Manufacturing and production sectors currently produce about a fifth of global CO2 emissions AND they consume more than half of the world's energy. I want to raise transparency – through a marketplace – of the sustainable investment opportunities in industries like manufacturing. I also want a place to better connect small investment opportunities with the right financing to make them happen. Finally, I want a way to show a link between carbon efficient operations and ESG ratings so we can incentivize the need to decarbonize for all businesses. We need great minds like yours to help make this happen.

Ilaria Carrara Cagni: Why is a challenge like this one needed now more than ever?

Anthony Casciano: World events – especially in the last couple of years – have enhanced the need to focus on sustainability across all industries. I see many companies postpone investment in energy-efficient infrastructure because of financial constraints, particularly during economic downturns. Right now, consuming less energy is as significant as producing clean energy. Our industries that fuel the economy need the finance to play its part too. We need creative ways to think about sustainable investment. We need you!



SFS Climate & Environment Technology Showcases

July 2021



Energy Efficiency & Renewable Energy



Sinebrychoff

Transforming Industrial Power Supply

Topic Decarbonization, energy storage, financing

Challenge Carbon footprint, energy usage, financing

Solution Siemens has developed a unique business model to support the next level of energy optimization for Finnish brewery Sinebrychoff, a subsidiary of the international Carlsberg Group including a virtual power plant (vpp) and the latest energy storage technology, supported with financing solutions, to create one of the first examples of power flexibility in an industrial site. SFS created the financial and legal framework, co-developed the business model, and enabled the VPP setup through smart financing.

Benefits

- Improved power quality
- Lower electricity costs
- Reduced CO2 emissions
- Minimal expense and investment risk

URL <https://press.siemens.com/global/en/pressrelease/siemens-expands-virtual-power-plants-industry-new-sinebrychoff-contract>



Wiazowna Commune

Energy efficiency for schools

Topic Decarbonization, energy storage, financing

Challenge Carbon footprint, energy usage, financing

Solution A unique large-scale investment in Poland including energy retrofit of 5 school buildings. Installation of latest Siemens technology for lighting, heating and ventilation systems management. The cost of the solution is spread over a 17-year period, with the guaranteed energy savings from the solution ensuring there was no upfront investment for the customer.

Benefits

- Reduction in CO₂ emissions
- No upfront investment for the customer,
- Comfortable and save conditions for students and staff



Signature Healthcare

Empowering modern healthcare

Topic Financing, infrastructure, energy efficiency, healthcare

Challenge Infrastructure financing (modernization)

Solution Signature Healthcare is an award winning health system based in Massachusetts, with 550 affiliated physicians across seven locations. Siemens provided a single solution including project design, construction, equipment, and financing. With financing from SFS, Signature Healthcare was able to fund the infrastructure improvement plan and refinance its existing bonds at a lower rate through an attractive 10-year debt package totaling \$50 million.

Benefits

- Financial flexibility
- Infrastructure upgrades

URL https://references.siemens.com/api/v1/attachment?uri=/Attachments/Record-18847/Signature%252520Healthcare_flyer.pdf



Dyess Air Force Base (AFB)

Enabling the U.S. military to be energy efficient

Topic Energy, smart infrastructure, financing

Challenge Financing, energy efficiency/resiliency/storage, cash-flow

Solution Dyess Air Force Base in Texas encompasses more than 6,409 acres with more than 200 facilities and is home to more than 13,000 United States military and civilian employees. SFS, along with Siemens Government Technology, developed a non-recourse construction financing solution to ensure a \$60 million plan for energy efficiency/resiliency upgrades and on base power generation and storage capabilities is fully financed and paid for through \$4.5 million in annual energy savings over the more than 20-year performance period of the contract.

Benefits

- Reduced energy consumption
- Battery storage

URL [Siemens Government Technologies Dyess Air Force Base Energy Savings Performance Contract | USA | Siemens USA](#)

| Resource Efficiency



TrakRap

A more sustainable packaging system

Topic	Energy and Resource Efficiency
Challenge	Develop and test a packaging system that is reducing the consumption of energy and material by food producers in the UK
Solution	<ul style="list-style-type: none">• Siemens supported TrakRap to develop a new machine specifically designed to wrap aerosol canisters• Siemens technology has been used to virtually develop, test and commission TrakRap's machine using a digital twin
Benefits	<ul style="list-style-type: none">• Time to market reduced by 40%• Development costs cut by 30%• 90% less energy• 70% less film
URL	https://new.siemens.com/uk/en/company/stories/industry/trakrap-wrapping-its-way-to-industry-4-0.html

| Decarbonization



Northvolt

Project financing for battery manufacturer

Topic Decarbonization, energy transition, financing

Challenge Carbon footprint, energy usage, financing

Solution Siemens Digital Industries supported Northvolt in creating a large scale lithium-ion battery gigafactory based in Skellefteå, Sweden - from product design through planning and engineering to production and service. \$1.6 billion in debt was raised through a consortium of commercial banks, pension funds and public financial institutions. Siemens Bank helped to structure the debt package and provided senior term loans.

Benefits

- Battery production of the future: greater flexibility, efficiency and quality with shorter time to market
- Best-in-class technology to produce high-quality, green lithium-ion batteries.

URL <https://press.siemens.com/global/en/pressrelease/siemens-and-northvolt-partner-next-generation-lithium-ion-battery-cell-production>



Prime Green Energy Infrastructure Fund: Unlocking capital for Nordics wind projects

Topic	Decarbonization, Renewable energy, energy transition, financing
Challenge	Carbon footprint, funding
Solution	SFS finalized a seed investment in Prime Green Energy Infrastructure Fund, a fund managed by Prime Capital AG that focuses on investing in wind projects in the Nordics. The fund will identify and secure attractive opportunities, optimize all technical and commercial aspects of the projects, and capitalize on Siemens Gamesa Renewable Energy’s technology and expertise
Benefits	<ul style="list-style-type: none">- The Fund’s share of project benefits will result in 3,200 GWh of renewable energy generated per year- supply 860,000 households with clean energy- avoided emissions of 1,400,000 tons of CO2
URL	https://new.siemens.com/global/en/products/financing/siemens-financial-insight-center/unlocking-capital-for-nordics-wind-projects.html



Taiwan

Investing in Taiwan's energy transition. Debt financing for 2 offshore windfarms (Yunlin, Formosa)

Topic	Decarbonization, Renewable energy, energy transition, financing
Challenge	Carbon footprint, financing
Solution	Off the western coast of Taiwan, Siemens Gamesa Renewable Energy (SGRE) is supplying 80 SG 8.0-167 DD offshore wind turbines to the 640 megawatt (MW) Yunlin offshore wind power plant, and 47 turbines of the same type to the 376 MW Formosa 2 offshore wind farm. As the mandated lead arranger, Siemens Financial Services through Siemens Bank arranged the Euro-denominated loan facility for both transactions and committed nearly €300 million of project finance debt.
Benefits	<ul style="list-style-type: none">- More than 1000 MW of clean power, helping Taiwan offset carbon emissions while powering local households from a sustainable source
URL	https://new.siemens.com/global/en/products/financing/siemens-financial-insight-center/investing-in-taiwans-energy-transition.html



Mexico

Boosting Mexico's power supply: equity for Delaro onshore wind farm

Topic	Decarbonization, Renewable energy, energy transition
Challenge	Carbon footprint, financing
Solution	Siemens Gamesa Renewable Energy (SGRE) is supplying 27 SG 5.0-145 turbines with a total a total installed capacity of 117 megawatts. Siemens Financial Services (SFS) is providing equity capital in combination with its industry expertise and so demonstrates a strong commitment to the success of the project and the Mexican renewable market overall.
Benefits	<ul style="list-style-type: none">- enough energy to supply 64,634 houses- reducing CO2 emissions equal to planting 22.8 million trees- more than 400 new jobs
URL	https://new.siemens.com/global/en/products/financing/siemens-financial-insight-center/sfs-supports-mexican-wind-project.html



Brazil

Transforming Brazil's energy future with Energy-as-a-service

Topic	Decarbonization, energy transition, energy-as-a-service
Challenge	Carbon footprint, financing
Solution	SFS invested in a Brazil-based start-up, Micropower-Comerc (MPC), to deliver solar and battery storage to commercial and industrial clients (C&I). Leveraging SFS's investment expertise and capital resources, Siemens – with MPC – will help shape Brazil's energy transition to a more decentralized energy network.
Benefits	<ul style="list-style-type: none">- zero upfront investment from clients- improved electricity consistency and better environmental health
URL	https://new.siemens.com/global/en/products/financing/siemens-financial-insight-center/investing-in-brazils-energy-future.html



Simplifying energy transformation

Calibrant Energy

Create Energy-as-a-Service (EaaS) solutions from a full range of energy technologies for corporate and municipal clients

Topic	Decarbonization, Energy-as-a-Service, financing
Challenge	Carbon footprint, energy usage, financing
Solution	Macquarie's Green Investment Group (GIG), SI and SFS announced the formation of Calibrant Energy (Calibrant), a joint venture that offers comprehensive onsite Energy-as-a-Service (EaaS) solutions at no up-front cost for its customers, which include corporate and industrial clients, as well as municipalities, universities, schools and hospitals. Combining Siemens' innovative technology with SFS's investment expertise will enable customers to obtain resilient low-cost energy and meet sustainability goals.
Benefits	<ul style="list-style-type: none">- No up-front costs- simple, customized, fully managed energy solutions
URL	https://new.siemens.com/us/en/company/press/press-releases/smart-infrastructure/siemens-macquaries-green-investment-group-distributed-energy-calibrant-energy.html

Pacific



Transforming the deployment of distributed energy

Topic Decarbonization, Energy-as-a-Service, decentralized energy, financing

Challenge Carbon footprint, energy usage, financing

Solution Berkeley Energy Commercial Industrial Solutions (BECIS) helps customers address their energy challenges by providing access to distributed energy generation solutions via a flexible EaaS model. BECIS acts as an investor, developer and an operating partner, holding the assets on its balance sheet, in collaboration with SI as the technology provider. SFS invested alongside FMO and Norfund in BECIS to enable its growth in current markets (India, Thailand and Indonesia) as well as further expansion within Asia

Benefits

- No need for any capital investment
- cutting-edge technology

URL <https://press.siemens.com/global/en/pressrelease/siemens-partners-becis-accelerate-deployment-distributed-energy-asia-pacific>

+ Sustainability

Commitment to protecting the environment through lower emissions & clean energy

+ Business Continuity

Greater reliability with distributed energy systems



Siemens Financial Services

Company presentation

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Siemens Financial Services

Management



Roland Chalons-Browne
Chief Executive Officer (CEO)



Veronika Bienert
Chief Financial Officer (CFO)

Foundation

1997



Siemens Group

SFS is a company of Siemens AG



Headquarters

Munich, Germany



Business

Offering of international financial solutions in the business-to-business area



Siemens company setup as of October 1, 2020

SFS – part of “Service & Governance”

Businesses

Digital Industries



Smart Infrastructure



Mobility



Siemens Advanta



Portfolio Companies



Siemens Healthineers¹



Countries

Service & Governance

¹ Publicly listed subsidiary of Siemens; Siemens Healthineers with its own setup for Countries and Service & Governance

SFS value proposition has three clear pillars

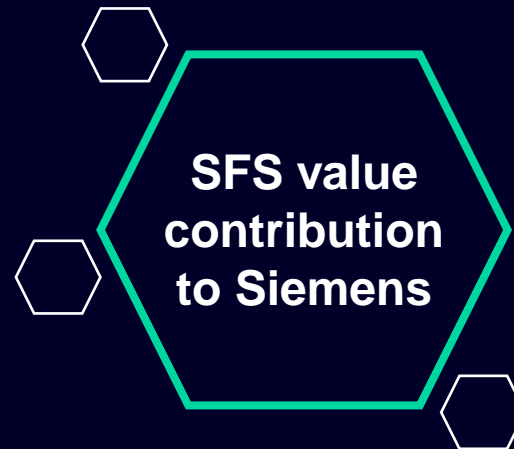
SFS' strategy combines industrial with financial logic

1 Contribute to Siemens growth

- Leverage **balance sheet strength** to finance Siemens projects and products
- Enable **new business models** such as pay-for-performance (e.g. payback by energy savings)
- **Signal confidence** by long-term financial risk-sharing in Siemens solutions
- **Broaden customer access** and increase **lock-in** of existing ones

2 Contribute with SFS profit

- Finance for 3rd parties to diversify **portfolio risk**, enhance scale
- **Contribute to earnings** growth and financial flexibility of Siemens
- Provide **benchmark and innovation** for captive business



3 Manage Siemens' financial risk

- Extensive **risk management support** for Siemens businesses
- **Prudent underwriting** and **portfolio risk management**
- **Manage financial risks** analogous to relevant **banking standards**

Siemens Financial Services

Financial solutions for Siemens

1 > SFS is a reliable financing and risk management partner for Siemens businesses and their customers in times when financing of investments becomes increasingly important

2 > Being part of the Siemens Group, SFS differentiates itself through superior market know-how and asset expertise in Siemens' domains

3 > Through a unique combination of risk competence, technological expertise and reliable financial resources SFS creates customer value and enhances customer competitiveness

4 > Building on the strength of our balance sheet, we provide financial solutions for Siemens' projects and products, open the way for new business ideas and signal confidence to the markets through long-term risk participation

Siemens Financial Services

Key figures (as of September 2020)

€2,672 m

Equity



€345 m

Income before
income taxes
(IBIT)



11.7%

RoE (after tax)



€28.9 bn

Total assets



2,811

Employees



Fiscal year: October 1 to September 30; allocated equity, as of end of fiscal year.

Development of SFS financials

As of: September 2020

RoE after tax
(%)

IBIT
(€M)

Fiscal year
(October 1 to September 30)



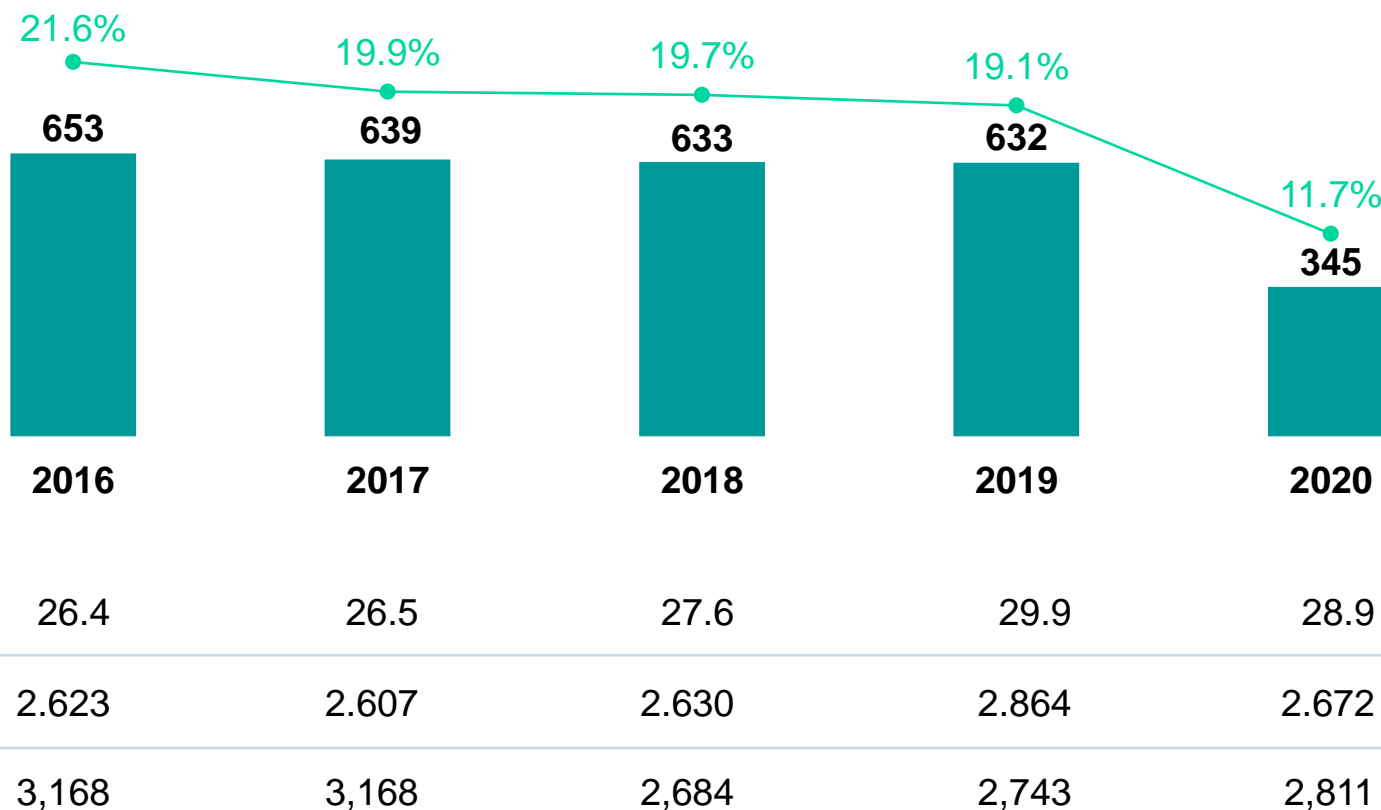
Assets¹ (€B)



Allocated Equity (€B)



Employees¹



¹ As of end of fiscal year

Siemens Financial Services

Global presence

Europe, Africa, Middle East, CIS¹



11.1

(Total assets² in billions of €)

North and South America¹



13.9

(Total assets² in billions of €)

Asia, Australia¹



4.0

(Total assets² in billions of €)

¹ As of September 30, 2020 | ² Assets reported according to the country of risk

Siemens Financial Services

Did you know?¹

SFS' current portfolio supports
16 GW
of wind energy with financing



Technology and financing simply go hand
in hand at Siemens – and it has been
that way for more than
150 years now



In our portfolio we have
financing volumes from
€1,000 over
€100,000,000



SFS has more than
268,000
customers in **57** countries



About
2,800
experts work worldwide for SFS



We have more than
20,000
healthcare assets in our portfolio



Digitalization
We finance more than
4,000
software projects



Electrification 1887
Foundation of Siemens lightning
company in St. Petersburg and beginning
of infrastructure financing in Russia



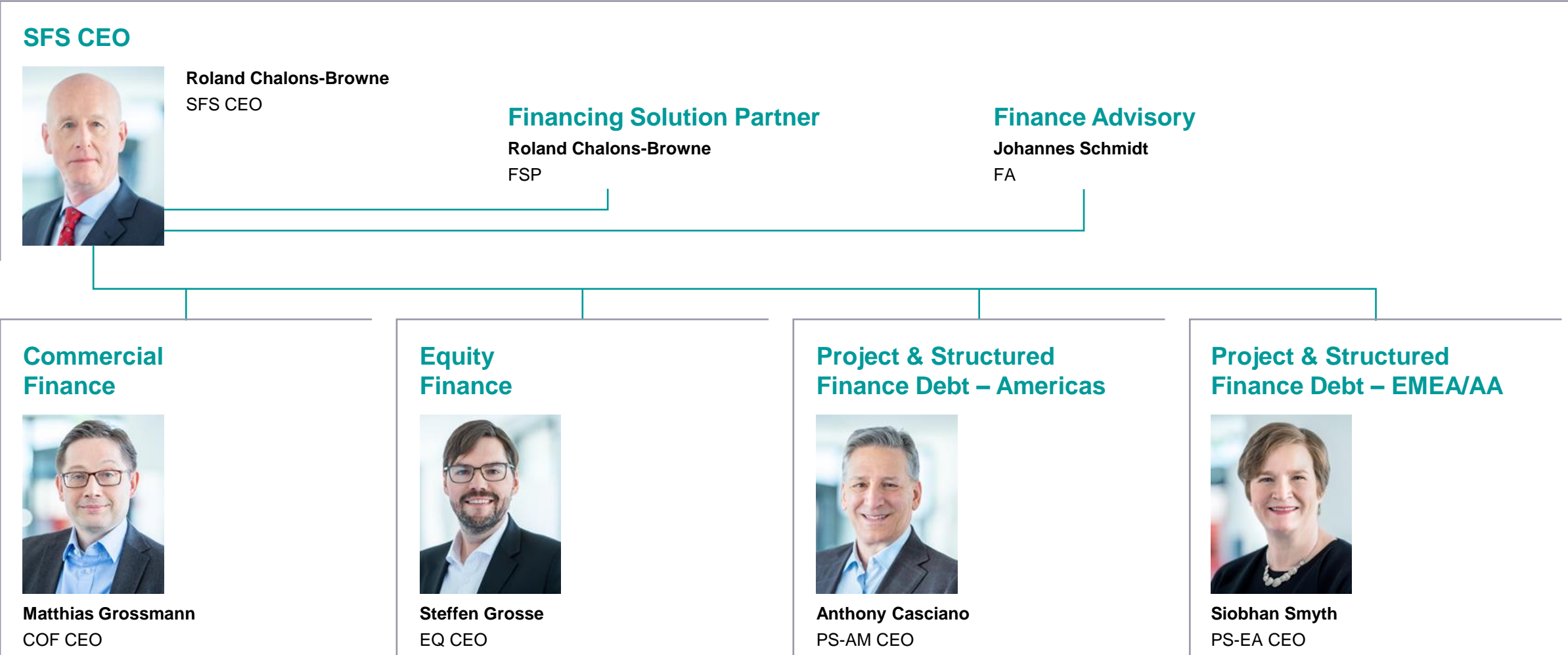
¹ As of April 1, 2019

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Siemens Financial Services Organizational Structure

Business Unit overview



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Siemens Financial Services overview

Products and solutions



Equipment & Technology Finance

- Equipment & Technology Finance
- Vendor Finance

Working Capital Finance

- Extended Payment Plans
- Invoice Financing (Factoring)
- Trade Finance (only in the United States)

Project & Structured Finance

- Equity Investments
- Debt Finance
- Asset Finance

Corporate Lending

- Leveraged Finance
- Asset-based lending

Finance Advisory

- Advisory, Structuring and Arranging Financing Solutions

Under the roof of Siemens Financial Services we provide an extensive portfolio of financial solutions

Siemens Financial Services

Business Units

Commercial Finance

Equity Finance

Project & Structured Finance Debt – Americas

Project & Structured Finance Debt – EMEA/AA

Financial Solutions

Equipment and Technology Finance

- Equipment and Technology Finance
- Vendor Finance

Working Capital Finance

- Extended Payment Plans
- Invoice Financing (Factoring)
- Trade Finance (only in the US)

Project and Structured Finance

- Equity Investments
- Debt Finance
- Asset Finance

Corporate Lending

- Leveraged Finance
- Asset-Based-Lending

Finance Advisory

- Advisory, Structuring and Arranging Financing Solutions

Entities (examples)

Siemens Financial Services GmbH

Siemens Financial Services Inc.

Siemens Bank GmbH

Siemens Project Ventures GmbH

Siemens Finance and Leasing GmbH

Equipment and Technology Finance (1/2)

SFS offers a comprehensive range of **financing and leasing solutions for equipment and technology** that will enable organizations of any size to shape their future.

The equipment and technology solutions can be supplied by Siemens or other providers.

Our customers range from large and medium-sized companies, international corporations, municipalities and public-sector entities to small, privately owned businesses.



Our innovative portfolio

of products and services comprises various financing options such as finance lease, operating lease, hire purchase, rental, loans and software financing, as well as managed services

We also offer our customers flexible usage- and outcomes-based financing for their equipment and technology investments, such as pay-per-use and energy-efficiency programs

Our services also cover the management of financed assets including end-of-term issues such as logistics, equipment servicing and remarketing

Equipment and Technology Finance (2/2)

What sets us apart

For more information
and contacts

www.siemens.com/equipment-financing

Easier financing – Through exceptional customer service and seamless processes

Customized solutions that build on a combination of financial expertise and industry know-how

Unique financing solutions for each market, tailored to meet each customer's individual needs

Smooth implementation of complex international transactions through the global Siemens network

Our expertise in country-specific tax and legal systems



SIEMENS

Equipment and Technology Finance

Vendor Finance (1/2)

Whether for a manufacturer of equipment or technology, a vendor or a channel partner, we provide **sales financing programs** across the globe that enhance a vendor's competitive edge.



We help equipment vendors improve sales opportunities and overcome competitive pressures by providing a distinct and tangible point of difference at the point of sale

We provide businesses with the sales financing tools needed to drive sales and improve customer loyalty

We combine specialized vendor-financing knowledge with vendor-oriented processes and products to deliver an expert, performance-focused

Equipment and Technology Finance

Vendor Finance (2/2)

What sets us apart

For more information
and contacts

www.siemens.com/vendor-finance

Fast, efficient vendor-oriented processes

Innovative e-business solutions

Market know-how, especially in the healthcare and industry areas, information and communication technology, construction, office equipment and agriculture

Support for international vendor programs with our global teams of experts



Working Capital Finance

Extended Payment Plans (1/4)

From revolving lines of credit and trade finance facilities to extended payment plans and invoice financing solutions, working capital finance from Siemens Financial Services is designed to provide flexibility and cost-effectiveness within a stable, long-term partnership. Whether the aim of our customers is to improve liquidity, establish lines of credit, optimize the maturity dates of your debt structure or consolidate and refinance debt, there's a Siemens Financial Services working capital finance solution that's the right one for our customers.



Manufacturing complex products means purchasing and paying for large quantities of goods and components – long before the final product can be sold and revenue generated

This locks up capital, placing a burden on liquidity and utilizes bank credit lines that could be put to use for more profitable exercises

Extended payment plan products for Siemens' customers, provide an intelligent solution to this problem, enabling payment our customers to effectively extend periods up to 180 days

Working Capital Finance

Invoice Financing (2/4)

From revolving lines of credit and trade finance facilities to extended payment plans and invoice financing solutions, working capital finance from Siemens Financial Services is designed to provide flexibility and cost-effectiveness within a stable, long-term partnership. Whether the aim of our customers is to improve liquidity, establish lines of credit, optimize the maturity dates of your debt structure or consolidate and refinance debt, there's a Siemens Financial Services working capital finance solution that's the right one for our customers.

Invoice financing solutions

from Siemens Financial Services help our customers manage their liquidity, while allowing businesses to unlock the value of unpaid invoices and realize company growth ambitions



Quick and cost-effective solutions

are offered across a full range of industries, from manufacturing, transport and renewables through to service-led businesses

Working Capital Finance

Trade Finance (3/4)

From revolving lines of credit and trade finance facilities to extended payment plans and invoice financing solutions, working capital finance from Siemens Financial Services is designed to provide flexibility and cost-effectiveness within a stable, long-term partnership. Whether the aim of our customers is to improve liquidity, establish lines of credit, optimize the maturity dates of your debt structure or consolidate and refinance debt, there's a Siemens Financial Services working capital finance solution that's the right one for our customers.

In the US, we advise the Siemens Group in all matters related to letters of credit, guarantees and sureties

Our highly qualified teams with many years of experience at the Siemens Group and in the finance sector also offer innovative processing solutions

We provide the best-possible terms & guarantee facility conditions as well as professional services that meet international banking standards. Our Group guarantees & sureties are accepted worldwide by customers & banks as part of major projects



Working Capital Finance (4/4)

What sets us apart

Our ability to leverage the industry expertise of the entire Siemens Group and marry this insight with innovative financial products

As a unit of a worldwide industrial company, we have the financial strength and commitment to support our clients

For more information and contacts

www.siemens.com/extended-payment

www.siemens.com/invoice-financing

www.siemens.com/trade-finance



Project and Structured Finance Equity Investments (1/2)

Successfully developing infrastructure on a global scale requires commitments from governments, communities, developers – and financing partners. Siemens Financial Services understands its role as a project developer and **committed equity investor**.

We provide the structure your project needs to excel in every phase, ensuring that you can meet your short- and long-term financial goals and achieve a return on investment that allows you to drive development of other initiatives forward



Whatever your next project, extensive global equity investment experience and decisive technical know-how from Siemens can give it a solid foundation. Excellent access to global capital markets, an international presence, and the ability to reassure finance markets, even for first-of-their-kind projects, can help drive it through to completion and beyond

Project and Structured Finance Equity Investments (2/2)

What sets us apart

For more information
and contacts
www.siemens.com/equity

Extensive experience in the development and structuring of major international projects

Excellent access to the global capital markets and hedging instruments

In-depth expert knowledge in the relevant industry markets

An international presence through Siemens' global network



Project and Structured Finance

Debt Finance (1/2)

Securing the appropriate funding is crucial in the development of important infrastructure and Siemens can help. **Our debt finance solutions** can be tailored to meet your individual needs for projects in the public or private sector, anywhere in the world.

Our ability to structure, underwrite and hold significant positions sets us apart – and can help you enhance your competitiveness and exploit growth opportunities

From senior secured corporate loans and mezzanine debt to public private partnerships and project financing, Siemens gives you the flexibility to lead, arrange or participate in projects according to your customers' needs

Acquisition and growth financing, typically in the form of syndicated loans, is also available, with both floating and fixed rate options covering a broad range of transaction volumes



Project and Structured Finance

Debt Finance (2/2)

What sets us apart

For more information
and contacts
www.siemens.com/debt

Our ability to structure, underwrite and hold positions

A wide range of loan and leasing solutions

Our capability to structure long maturity transactions

Access to leading financial institutions as a syndication partner

Our staff of highly capable professionals who have significant industry experience

Flexibility to lead, arrange or participate depending on customer needs



Project and Structured Finance

Asset Finance (1/2)

Corporate finance is a critical solution for companies that need freedom and flexible capital.

It takes a partner, like Siemens Financial Services, who can provide tailored financing with specific industry knowledge, to develop a program that will help a company reach its objectives.

Companies use our asset-finance solutions to finance all types of investments in a manner that makes economic sense. No matter whether the solutions involve machinery, facilities or high tech, there are many “assets” that companies can use to increase their productivity and efficiency. With asset finance companies bolster their financial freedom in order to make needs-based investments



To ensure that our customers make well-informed investments, we provide them with industry knowledge and comprehensive asset know-how – allowing them to profit from an asset-finance partner who also thinks like an entrepreneur

Project and Structured Finance

Asset Finance (2/2)

What sets us apart

For more information
and contacts

www.siemens.com/asset-finance

Proven ability and willingness
to lend through economic cycles

Strength and flexibility to structure,
underwrite and hold meaningful positions

Expertise to lend across
a variety of markets and industries

A streamlined process
that results in flawless execution



Corporate Lending

Leveraged Finance (1/3)

Corporate finance is a critical solution for companies that need freedom and flexible capital.

It takes a partner, like Siemens Financial Services, who can provide tailored financing with specific industry knowledge, to develop a program that will help a company reach its objectives.



In today's complex corporate finance environment, a deep understanding of leveraged finance, profound industry knowledge, and global agility are key to success

Private equity and corporate clients around the world turn to Siemens Financial Services for cash-flow loans to support their strategic goals

We allow customers to take advantage of lending solutions, including leveraged buyouts, acquisitions, expansion capital, refinancing, mergers, and recapitalizations, aimed principally at the middle market

Corporate Lending

asset-based lending (2/3)

Corporate finance is a critical solution for companies that need freedom and flexible capital.

It takes a partner, like Siemens Financial Services, who can provide tailored financing with specific industry knowledge, to develop a program that will help a company reach its objectives.

With our solutions for asset-based lending, companies are provided lines of credit secured typically by a borrower's accounts receivable and inventory, but can include other assets

This type of financing is typically used to support acquisitions, refinancing of existing debt and overall working capital needs of the borrower

This form of financing provides companies with an added level of flexibility that enables them to react to current business demands and make the most of growth opportunities



Corporate Lending (3/3)

What sets us apart

For more information and contacts

www.siemens.com/leveraged-finance
www.siemens.com/asset-based-lending

Proven ability and willingness to lend through economic cycles

Strength and flexibility to structure, underwrite and hold meaningful positions

Expertise to lend across a variety of markets and industries

A streamlined process that results in flawless execution



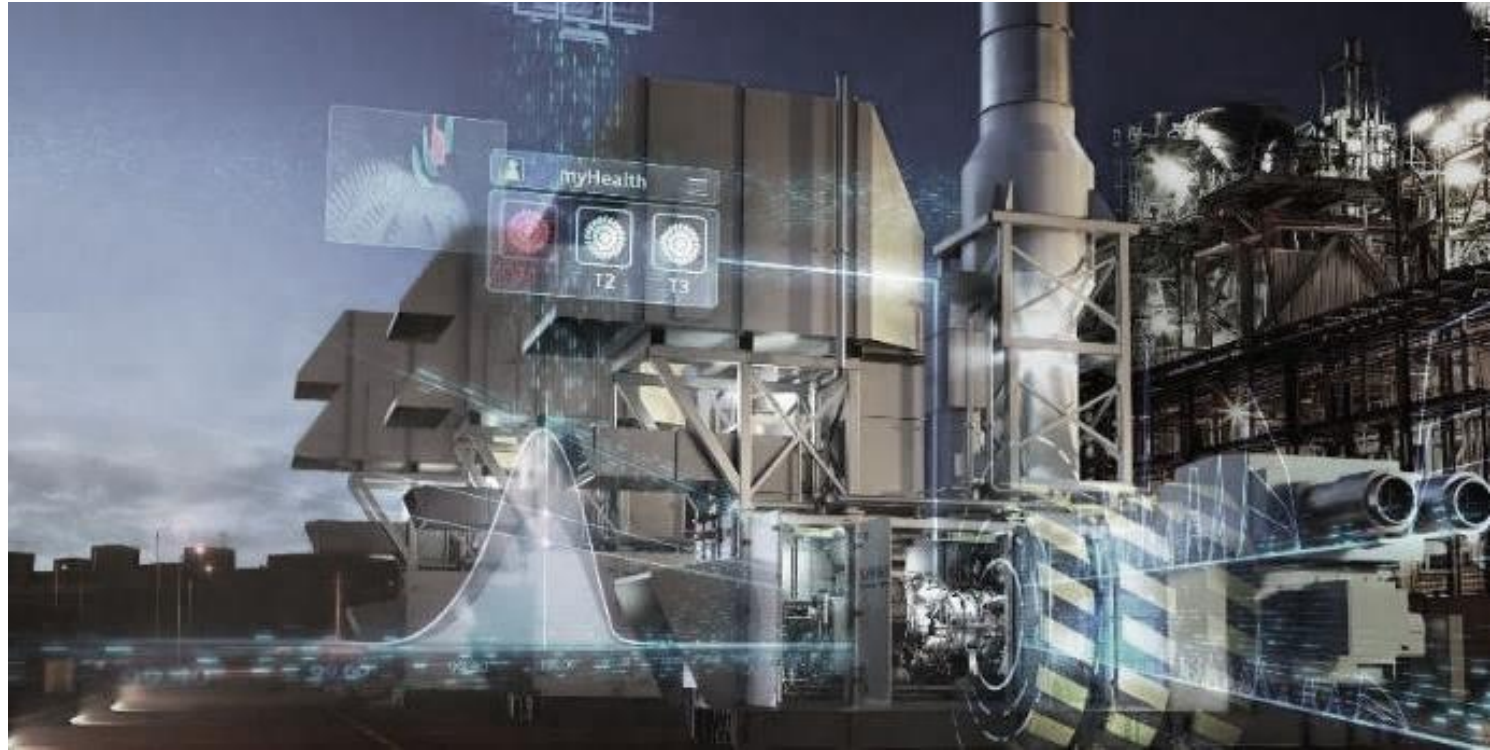
Finance Advisory

Advisory, Structuring and Arranging Financing Solutions (1/2)

We act as a financial adviser to Siemens Operating Companies and arrange **financing solutions for Siemens' customers worldwide.**

We structure, arrange and implement financing solutions and risk-mitigation concepts for Siemens projects.

We are typically engaged in the early stages of project development and ensure that financial and risk-related aspects are taken into consideration from day one.



We develop solutions on behalf of Siemens that balance the requirements of the project participants, including customers, suppliers and capital providers

Besides our well and long-established relationships with members of the global financial community, we also benefit from our technical expertise when realizing projects

We are close to our customers via our global set-up and have access to a network of local experts and international financing partners

Finance Advisory

Advisory, Structuring and Arranging Financing Solutions (2/2)

What sets us apart

Tailored advisory services

for financing solutions from a single source

Handling of successful projects

in Siemens-relevant markets worldwide

Global network of financing partners

a close relationship with leading members of the international financing community

Ability to introduce equity and debt finance using SFS's balance sheet



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Customer example – Healthcare Finance

Elazig integrated health campus in Turkey

ELZ SAĞLIK YATIRIM

Elazig healthcare campus

Meridiam, Rönesans, Sila and Sam are shareholders of the project company. The hospital forms part of Turkey's €12 bn Health Transformation Program covering 35 campuses.



Challenge

- New healthcare campus in Anatolia with 1,038 beds
- The project company ELZ Saglik Yatirim A.S. implements the project under a 28 years concession including a 23 month construction period

Solution

- Siemens' €30.3 m financing contribution to the overall €288.5 m bond over a 20 years financing period, Siemens broadens its financing capabilities to enable infrastructure investment
- First bond financing for a Turkish healthcare PPP (Public Private Partnership) model
- First greenfield social infrastructure bond and certified as "green and social". Benefitting from support of MIGA (World Bank Group) and EBRD (European Bank for Reconstruction and Development)

Benefits

Fostering very close customer relationship in cooperation with Siemens Healthineers



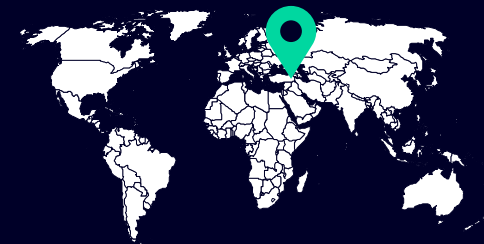
Innovative financing structure targeting additional investor groups beyond the bank market to create liquidity for further projects



”

“This is another milestone in enhancing Siemens' financing capabilities.”

Siobhan Smyth, CEO SFS
Project & Structured Finance
Debt – EMEA/AA



Customer example – Healthcare Finance

Zwanger-Pesiri Radiology in the US

**ZWANGER-PESIRI
RADIOLOGY**

Zwanger-Pesiri Radiology Group

- The largest radiology practice in Long Island, New York
- Established in 1953
- Leader in practice, research and education of radiology



Challenge

- Zwanger-Pesiri Radiology sought to expand its locations
- The organization required both, financing and new healthcare technology, to successfully scale up its offerings

Solution

- Siemens Healthineers met with Zwanger-Pesiri to discuss strategies on how to maximize resources and drive down costs
- Combining equipment leasing with expertise in healthcare, Siemens provided a holistic solution

Benefits

Zwanger-Pesiri Radiology expanded from four to 20 multimodal locations



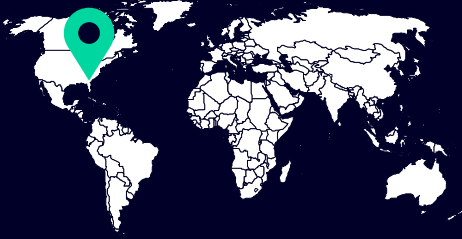
Siemens Healthineers is currently the main healthcare modality, service and equipment provider for this organization



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“For over 60 years, Zwanger-Pesiri has been establishing a gold standard in radiology.”

Zwanger-Pesiri Radiology Group



Customer example – Energy Finance

Megaproject in Egypt



Siemens in Egypt

Siemens has been active in Egypt since 1859. Since then, the company has brought to life numerous projects in the areas of energy, transport, industry and healthcare. In 2015, 26% of Egypt's installed capacity for power generation was based on Siemens technology.



Challenge

- Egypt required additional generation capacity, but foreign currency constraints and political instability limited investments
- Projects are part of an €8 bn agreement including three combined-cycle power plants, wind farms and a manufacturing facility

Solution

Cross-departmental SFS team in collaboration with Siemens Gas and Power, Siemens Smart Infrastructure and the German Export Credit Agency Euler Hermes as well as international and regional banks:

- Structuring of almost €4 bn in loans, including Euler Hermes process
- Risk mitigation concept
- Guarantee concept

Benefits

Siemens was in a position to meet the tight deadline and successfully realized these huge energy projects, despite challenging conditions

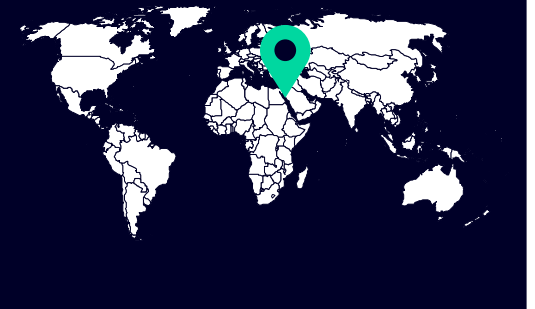


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“The Egyptian people can rely on Siemens.

This was true more than 150 years ago when Siemens first started working in Egypt, and it remains our commitment today.”

Joe Kaeser,
CEO of Siemens AG



Customer example – Energy Finance

Galopper Wind Farm in UK



Galopper Wind Farm Ltd. (GWFL)

GWFL is a joint equity consortium between Green Investment Bank, Macquarie Capital, RWE Innogy and SFS (each 25%) to construct, and operate the wind farm.



Challenge

- Due to changed project economics the project was put to a halt and one of the original two equity investors decided to pull out of the project, with RWE Innogy remaining
- The end of the ROC-regime (renewables obligation certificate) effectively created a backstop date to the project development

Solution

- SFS supported RWE Innogy in structuring the project- and financing-contracts prior to financial close. The investment volume of the project totals £1.5 bn
- SFS investing equity underlined the bankability of the project and consequently other equity investors to join the consortium

Benefits

By investing equity SFS supported Siemens Gamesa to realize a green project with 56 wind turbines to supply up to 336,000 British households



The project reached financial close within only one year, after SFS became active on the project



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“The speed in which we achieved financial close is testament

to the market’s confidence in Siemens’ technical and financial expertise in this sector.”

Siemens Financial Services



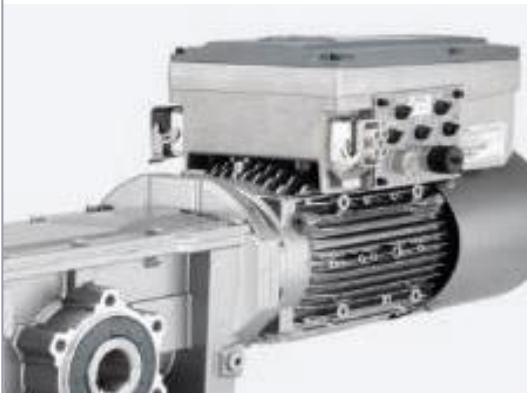
Customer example – Industry Finance

Beijing Winup Technology in China



Beijing Winup Technology Co., Ltd.

Beijing Winup provides integrated drive systems, site installation, maintenance services, technology consulting and other services.



Challenge

- Beijing Winup markets and sells Siemens' drive and transmission system products in China
- In this business area, the customers are increasingly relying on energy-saving motors to achieve the highest levels of energy efficiency

Solution

- Siemens Financial Services helped Beijing Winup bridge the period leading up to the sale of the systems with short-term leasing solutions covering three to 12 months
- A revolving limit in which the distributor can repeatedly apply for short-term leasing solutions without the need for additional risk assessment is also granted

Benefits

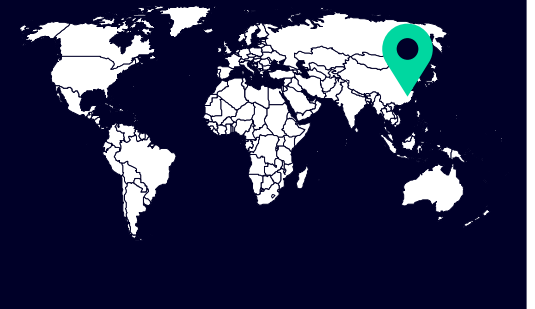
SFS worked closely with Siemens' Large Drives Business Unit



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“Leasing solutions from Siemens Financial Services open a new world to us.”

Liu Wen Feng,
Managing Director,
Beijing Winup
Technology Co., Ltd



Customer example – Infrastructure Finance

Concert hall in Germany



Gewandhaus Leipzig

With its futuristic glass façade, Gewandhaus Leipzig was 1981 the only concert hall to be built in the GDR (former communist East Germany). Siemens not only helped improve the sound quality, but also the room temperature, lighting – and the operating costs.



Challenge

- Modernizing the concert hall’s heating and ventilation systems and improving the lighting in the foyer
- Major organizational challenge: Work had to be completed in the space of two six-week summer breaks

Solution

- Energy performance contracting: Investment costs amounting to over €1 m were financed through off-balance-sheet through energy savings alone without the need for any other funds

Benefits

Environmentally friendly and budget-neutral solution from a single source: SFS provided a tailored financing solution to match the measures designed and implemented by Siemens Smart Infrastructure

Concert events could be held without interruption

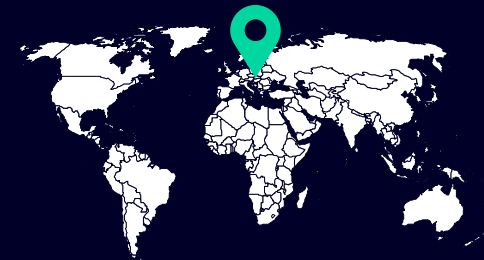


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“Thanks to the large savings in energy

costs, the customer was able to carry out an extensive, budget-neutral modernization.”

Viola Schröder,
Head of the Eastern Region,
Siemens Finance & Leasing



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