Capital Market Day

Creating a company that will shape the future of healthcare

Michael Sen, Chairman
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context. This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the “Company”) or any existing or future member of the Siemens Healthineers Group (the “Group”) or Siemens AG, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its advisors, consultants, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes “forward-looking statements.” These statements contain the words “anticipate,” “believe,” “intend,” “estimate,” “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act.

This presentation is only directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This presentation is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area (“EEA”) which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the “Prospectus Directive”), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
IPO rationale: Creating a company that will shape the future of healthcare

1. Highly attractive market with tremendous change & opportunity

2. Global healthcare leader in a strong position at the core of clinical decision making

3. Entrepreneurial flexibility to lay foundation for growth – core to Siemens
Highly attractive market undergoing paradigm shifts with tremendous change & opportunity

Healthcare market with secular growth ...

- **Demographic change**
  Generation 60+ fastest growing segment globally

- **Population growth** and growing access to healthcare in emerging markets
  Healthcare in Western China; Africa, India, ...

- **Increases in chronic diseases**
  ~75% of deaths from chronic diseases worldwide

- **Regulation** intended to ensure patient safety and device effectiveness
  US FDA Clearance, China FDA License, EU CE marking, ...

- **Exciting pockets of growth** in selected disciplines and adjacencies
  Minimally invasive, molecular, digital, ...

... and tremendous change & opportunity

- **Perpetual productivity challenge** in healthcare
  Historical productivity lagging other industries

- **Industrialization** and consolidation of providers
  Horizontal+vertical examples globally

- **Value based** incentives
  Major insurers taking decisive steps

- **Consumerism**: Everybody becomes their own doctor
  Empowered patients

- **Medicine becoming precise and accessible**
  "Lot size 1" care vs. value products and services

- **... Accelerated by Data, Digitalization and AI**

Capital Market Day, Michael Sen, Siemens Healthineers Chairman
Page 3 | Unrestricted © Siemens Healthcare GmbH, 2018
Global healthcare leader in a strong position at the core of clinical decision making

- **Number 1 and 2 positions** in most businesses
- **Unique relevance through breadth and depth of portfolio** at the core of clinical decision making
  - Medical imaging
  - Laboratory and point of care diagnostics
  - Guiding advanced therapies
- **Financial strength and resilience**

- **Well positioned to pro-actively address change themes and opportunities** ("natural" right to play)
- **"Healthineers Strategy 2025"** defines strategic priorities
- **De-couple** from Siemens AG resource allocation through separate set-up
Strategic priorities: Capture short-term potential and ensure market leadership beyond 2025

- **Reinforcing**
  - Drive profitable growth in core business
  - Strategic posture
  - Significant next generation product and platform launches (e.g. Atellica)
  - Structural cost savings

- **Upgrading**
  - Tap into adjacent growth markets
  - 'Market leadership 2025'
  - Mid-term
  - Digital, data and AI
  - Precision medicine
  - Patient journey stewardship
  - Therapy of tomorrow
  - Technology enabled services

... move into

Accompanied and supported by Siemens as a long-term shareholder
Entrepreneurial flexibility to lay foundation for growth – core to Siemens AG

**Strategic approach**
- Create a vertical champion to remain part of Siemens Group in the long term
- Siemens AG as active and supportive shareholder
- Adequate capital structure at 1.5x leverage (net debt incl. pensions / EBITDA)

**Ownership**
- Establish a liquid market
- Full consolidation in Siemens accounts

**Shareholder return**
- Dividend policy targeting payout of 50-60% of net income
- Management Board measured against Siemens Healthineers metrics only

**Brand**
- Capitalize on Siemens brand strength

**Infrastructure and corporate services**
- Fully stand-alone set-up, selected services via service agreements at market rates
Supervisory board will support the management board to shape the healthcare industry

Siemens Healthineers AG 2-tier board structure (as mandated for AG)

**Supervisory board**
- 8 members
  - Michael Sen (chairman)
  - 4 Siemens proprietary
  - 3 independents (target)
- Actively provides strategic guidance

**Management board**
- CEO, CFO and CMDO
- Runs the company with clear accountability

**Broad, complementary skills and experience**
- Healthcare
- Transformation
- Digital
- Entrepreneurship
- Finance

- Proven track record
- Industry veterans
- Trusted team
Management team with excellent healthcare track record

Chief Executive Officer
Dr. Bernd Montag
- 22 years with Healthineers
- CEO since 2015
- Previously Head of Imaging and Advanced Therapies (2008-15)
- Joined in 1995

Chief Financial Officer
Dr. Jochen Schmitz
- 21 years finance experience
- CFO since 2017
- Previously Head of Controlling Siemens AG
- Previously CFO of various Healthcare businesses (2004-11)
- Joined Siemens in 1996

Chief Markets and Diagnostics Officer
Michael Reitermann
- 19 years with Healthineers
- COO since 2015
- Head of Diagnostics since 2010
- Joined Siemens in 1990
Top management incentives geared to creating shareholder value

- **Strong share ownership rules** – CEO to hold 2.5x of base salary
- **Outstanding Siemens AG stock awards** can be converted into Siemens Healthineers AG stock awards
- **Broad-based employee share program** open to all employees to foster ownership culture

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.
1) Starting in 2019. 2) Latest tranche 2018. 3) Worldwide applicability currently being reviewed.

---

**Variable (cash bonus)**
- 1/3 earnings growth (EPS growth in %)
- 1/3 comparable revenue growth (in %)
- 1/3 individual targets

**Base compensation (cash)**

**Long-term (stock-based, 4y period)**

Total Shareholder Return vs. peers

- ~40%
- ~25%
- ~35%
Clear path towards a successful Healthineers IPO

- Decision to go public (Q4 FY 2016)
- Healthineers Strategy 2025 and stringent execution roadmap launched (08/2017)
- Significant new product launches gain traction in the market
- Atellica Solution entering the market (Q4 FY 2017)
- Combined financial statements and prospectus preparation
- Capital Market Day (today)
- Intention to float announcement
- Healthineers IPO (H1 CY 2018)
Capital Market Day

Shaping the future of healthcare

Dr. Bernd Montag, CEO
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context.

This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, or a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the "Company") or any existing or future member of the Siemens Healthineers Group (the "Group") or Siemens AG, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes "forward-looking statements." These statements contain the words "anticipate," "believe," "intend," "estimate," "expect" and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act. This presentation is only directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005, as amended, (the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This presentation is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area ("EEA") which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the "Prospectus Directive"), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
To ensure a clean and swift workflow with bullet points, please use the PRE-SET PLACEHOLDERS or FORMATTED TEXTBOXES – do not use “normal” textboxes that have been added via the steps  add  textbox. These textboxes cannot be formatted with the automatic formatting step.

AUTOMATIC INDENTATIONS IN PLACEHOLDERS are only to be done using the tool decrease or increase the list level (or Shift + Alt +  /  ).

Formatted textboxes/placeholders are available in the template – just make a copy OR: generate a new placeholder by following these steps  Start  new slide  choose layout “Content Slide”.

Placeholders can be filled and then copied. The copied placeholder will keep its formatting.

Add a Footnote/Source/Disclaimer directly into the footer.
We are a global powerhouse in healthcare ...

- **€13.8bn** Revenue\(^1\) with 4% growth p.a.\(^2\)
- **~18%** Adj. Profit margin\(^3\)
- **~240,000** patient touch points every hour
- **>70%** of critical clinical decisions are influenced by the type of technology we provide\(^4\)
- **>90%** of global top 100 providers partner with us
- **75** countries with direct presence
- **>47,000** highly skilled employees
- **18,000+** patents (IP base)
- **~600k** installed base of active systems\(^5\)
- **~1.1bn** people in developing countries
- **>90%** of global top 100 providers partner with us

1) Revenue FY17 (not acc. to IFRS 15). 2) FY15 to FY17 comparable CAGR (excl. portfolio and FX). 3) Profit defined as earnings before financing interest, certain pension costs, income taxes and amortization expenses of other intangible assets acquired in business combinations. Adj. Profit defined as Profit excluding severance in FY17. 4) AdvaMedDX, “A Policy Primer on Diagnostics”, June 2011, p. 3. 5) Installed base includes all active equipment and IT systems as of Sep. 31, 2017.
... with a strong track record of transformational innovations
Unique investment case in global healthcare

I. Truly global powerhouse with unique scale in a highly attractive market

II. Leading imaging business geared for continuous growth and value creation

III. Rising to new performance levels with game-changing lab diagnostics platform

IV. Proven innovator shaping the transformation of healthcare, accelerated by digital and AI

V. Accelerating growth and high recurring revenue combined with structural and continuous margin expansion

VI. Strong management team fully committed to capture the opportunity
Unique investment case in global healthcare

1. Truly global powerhouse with unique scale in a highly attractive market

Attractive market growing sustainably at 3-5% fuelled by macro trends and technology driven transformation

We are at the center of clinical decision making across the full healthcare spectrum

Global leading market positions with unique scale, capabilities and balance across all regions
Healthineers addresses a core market of €50bn+ that is fundamentally attractive with high growth potential

<table>
<thead>
<tr>
<th>Sustained growth above GDP</th>
<th>Healthcare system (€7tr)</th>
<th>Addressable market (2016)</th>
<th>Technology enabled transformation in healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ageing demographics</td>
<td></td>
<td></td>
<td>Better outcomes</td>
</tr>
<tr>
<td>Population growth and growing access in emerging markets</td>
<td></td>
<td></td>
<td>Lower costs</td>
</tr>
<tr>
<td>Increase in chronic diseases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strong resilience to economic cycles</td>
<td></td>
<td></td>
<td>Perpetual productivity challenge drives industrialization and consolidation</td>
</tr>
</tbody>
</table>

- **Addressable market (2016)**

<table>
<thead>
<tr>
<th>New Core market opportunities</th>
<th>Value Added Services</th>
<th>CAGR 2016-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Devices</td>
<td>4%</td>
<td>+7 - 8%</td>
</tr>
<tr>
<td>Drugs</td>
<td>12%</td>
<td>+3%</td>
</tr>
<tr>
<td>Payers</td>
<td>10%</td>
<td>+4%</td>
</tr>
<tr>
<td>Other</td>
<td>22%</td>
<td>+5%</td>
</tr>
<tr>
<td>Providers (labor)</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

- **Healthcare system (€7tr)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providers (labor)</td>
<td>50%</td>
</tr>
<tr>
<td>Equipment Devices</td>
<td>2%</td>
</tr>
<tr>
<td>Drugs</td>
<td>12%</td>
</tr>
<tr>
<td>Payers</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>22%</td>
</tr>
</tbody>
</table>

Source: Siemens Healthineers market model

1) Figures for Imaging and Advanced Therapies for equipment only. Service included in Value Added Services market.
2) Diagnostics market includes Lab Diagnostics, POC Diagnostics and Molecular Diagnostics.
We are at the center of clinical decision making across the full healthcare spectrum

Covering ...

- ... the entire continuum of care
- ... all major diseases
- ... all critical departments

Prevention | Diagnosis | Therapy | Follow-up

- Stroke
- Sepsis
- Respiratory diseases
- Cardiovascular diseases
- Cancer
- Diabetes
- Autoimmune disorders
- Infectious diseases
- Allergy
- Sepsis
- Cardiovascular diseases
- Stroke
- Respiratory diseases
- Central & commercial lab
- Emergency room
- Cardiology
- Surgery
- Radiation oncology
- Neurology
- Oncology
- Nuclear medicine

Unique breadth
Unique depth
Unique relevance
Truly global leader with unique scale and balance

- **Americas**
  - Rank: 1 in Region IM / DX / AT
  - Revenue (€bn): 5.6 (41%)
  - Total FTE: 15k
  - Manufacturing & R&D locations: 23

- **EMEA**
  - Rank: 1 in Region IM / DX / AT
  - Revenue (€bn): 4.4 (32%)
  - Total FTE: 21k
  - Manufacturing & R&D locations: 17

- **Asia-Pacific**
  - Rank: 1 in Region IM / DX / AT
  - Revenue (€bn): 3.8 (28%)
  - Total FTE: 12k
  - Manufacturing & R&D locations: 11

**Global scale**

- ~15k Service FTEs (Group) in 75 countries
- >4k Research collaborations
- ~30% of all R&D employees located in emerging countries
- ~18k Patents (single patents and utility models, IP base)

**Note:** All numbers relate to FY17. IM = Imaging, DX = Diagnostics, AT = Advanced Therapies.
1) Based on equipment orders. Imaging market position excl. Ultrasound (market position in Americas refers to North America).
2) Percentage figures do not add up to 100% due to rounding.
### Three globally leading businesses creating unique value for our customers and allowing for operational synergies

<table>
<thead>
<tr>
<th>Imaging</th>
<th>Diagnostics</th>
<th>Advanced Therapies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global position</strong>&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financials</strong>&lt;sup&gt;2)&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>Adj. Profit</td>
<td>Margin</td>
</tr>
<tr>
<td>€8.2bn</td>
<td>€1.6bn</td>
<td>20%</td>
</tr>
<tr>
<td>Revenue</td>
<td>Adj. Profit</td>
<td>Margin</td>
</tr>
<tr>
<td>€4.2bn</td>
<td>€0.6bn</td>
<td>14%</td>
</tr>
<tr>
<td>Revenue</td>
<td>Adj. Profit</td>
<td>Margin</td>
</tr>
<tr>
<td>€1.5bn</td>
<td>€0.3bn</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Recurring revenue</strong>&lt;sup&gt;3)&lt;/sup&gt;</td>
<td>~40%</td>
<td>~90%+</td>
</tr>
<tr>
<td><strong>Portfolio</strong>&lt;sup&gt;4)&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Computed tomography</td>
<td>• Clinical chemistry, Immunoassay</td>
<td>• Angio systems</td>
</tr>
<tr>
<td>• Magnetic resonance</td>
<td>• Hemostasis, hematology</td>
<td>• Mobile C-arms</td>
</tr>
<tr>
<td>• Molecular imaging</td>
<td>• Blood gas, urinalysis</td>
<td>• Hybrid ORs</td>
</tr>
<tr>
<td>• X-ray products</td>
<td>• Molecular virology and liquid biopsy</td>
<td>• Imaging for radiation oncology</td>
</tr>
<tr>
<td>• syngo software</td>
<td>• Automation and IT</td>
<td></td>
</tr>
<tr>
<td>• Ultrasound</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Customer Services**: world-class service organization (onsite and online)

**Enterprise Services**: long-term partnerships to improve performance

**Digital Services**: driving the digitalization agenda across our businesses

~15,000 Service FTEs (Group)

~€2.1bn Contract backlog<sup>4)</sup>

~2,900 Software developers

---

1) Based on FY16 equipment orders. Imaging market position excl. Ultrasound. 2) Refers to 2017 (pre IFRS 15). Revenue incl. intersegment sales. Profit adjusted for severance.
3) Refers to 2017 (pre IFRS 15). Recurring revenue includes services, reagents and consumables; non-recurring revenue includes equipment and instruments. 4) As per Sep 2017 IFRS 15.
Unique investment case in global healthcare

Leading imaging business geared for continuous growth and value creation

Global leader in Imaging: across modalities and regions with comprehensive offering

Innovation leadership at the core of our business model driving continuous value creation

Large installed base and ~40% recurring service revenue provides resilient foundation for profits
Global leader in Imaging

<table>
<thead>
<tr>
<th>Global market leader</th>
<th>Americas</th>
<th>EMEA</th>
<th>Asia-Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank in region / market position</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Revenue</td>
<td>€3.1bn</td>
<td>€2.5bn</td>
<td>€2.4bn</td>
</tr>
<tr>
<td>%</td>
<td>39%</td>
<td>32%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Global market share

- #1 31%
- #2 & #3 player
- Other players

Market growth: +3%

Global market

- Top 3 68%
- ~€12bn

Most comprehensive and innovative product portfolio

### Magnetic Resonance
- Largest revenue contributor
- Innovation leader
- Focus on increasing throughput
- Expanding in value segment

### Computed Tomography
- Inventor of dual source CT scanner
- Highly automated products
- Broad product portfolio
- Expanding in value segment

### X-ray Products
- Broad range of specialties
- Twin-robotic scanner (industry first)
- New high end mammography solution

### Molecular Imaging
- Innovation trendsetter with new high-end PET/CT
- Comprehensive PET/SPECT portfolio

- One common software architecture
- ~40% of revenue from services / service parts
- >280k Licenses sold
- 230k Installed base

---

2) FY17 breakdown by geography based on location of customers; percentage figures do not add up to 100% due to rounding.
3) Per annum comparable growth from 2016 to 2021.
4) As per Sep-2017 incl. Ultrasound.
Innovation leadership in Imaging drives continuous growth and value creation

- **$760m annual R&D spend in Imaging**\(^1\)
- **>13,000 patents**: strong IP position
- **~4,400 research collaborations** (Group)
- **New product innovations**
- **Significant design-to-cost savings targeted**
- **Reduced time to market** (release of 4 new CT scanners within 12 months)
- **120 year history of industry firsts**
- **>30 commercially available AI-based products**
- **Market leader with unparalleled scale across regions**
- **+5pp expansion in value segment (targeted market share gain in CT)**
- **+10pp gain in MR market globally post new innovation in 2003**
- **~15k Service FTE (Group)**
- **~60% connected systems**
- **Installed base & long-term service contracts – stable foundation of profits**

---

1) As per FY17. 2) As per Sep-2017 incl. Ultrasound. 3) Introduced over last 3 years.
Customer Services solutions provide growth and a stable foundation of profits

Global Services footprint ...

~4,900 FTEs in the Americas
~6,300 FTEs in EMEA
~3,800 FTEs in Asia-Pacific

“Follow-the-sun” approach

... both onsite and online ...

- Equipment performance services
- eLearning platform – connecting customers
- Education excellence services
- Proactive service monitoring
- Asset evolution services
- Remote service solutions

... driving predictable revenue and customer satisfaction

+5% Revenue growth\(^1\) +50bps Profit improvement\(^2\)
+12% Productivity increase\(^2\) +250bps Contract rate improvement\(^2\)
+7k Additional contracts\(^2\) 64% Net promoter score\(^3\)

Source: Siemens Healthineers  Note: Times indicate CET time
1) On comparable basis (excl. portfolio and FX) from FY16 to FY17. 2) From FY16 to FY17. 3) NPS = Net promoter score based on ~50,000 evaluations in surveys per year; as of September 30, 2017 and measured on the scale of -100% to 100%.
Unique investment case in global healthcare

Rising to new performance levels with game-changing lab diagnostics platform

Strong foundation: #2/3 in Lab Diagnostics/Point of Care Diagnostics markets, leading in lab automation and ~90%+ recurring revenue

Atellica Solution: a new highly efficient platform for labs utilizes our unique capabilities from automation through reagents

Financial upside with multi-year growth trajectory and margin expansion in the long term
Strong foundation in Diagnostics

**Strong market positions**

<table>
<thead>
<tr>
<th>Region</th>
<th>Americas</th>
<th>EMEA</th>
<th>Asia-Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank</td>
<td>1</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Revenue (€bn)</td>
<td>1.9bn</td>
<td>1.3bn</td>
<td>1.0bn</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>45%</td>
<td>32%</td>
<td>23%</td>
</tr>
</tbody>
</table>

**Global market share**

- Ranked #1 in the Americas (45%)
- Ranked #2 in EMEA (32%)
- Ranked #4 in Asia-Pacific (23%)

**Global market** ~€28bn

**Point of Care Diagnostics**

- Leader in chronic and acute diseases
- Unique blood gas portfolio from central lab to handheld
- Broad POC informatic solutions

**Laboratory Diagnostics**

- Comprehensive central lab portfolio
- Global leader in lab automation
- Atellica: game-changing new platform

**Highly recurring business**

- Reagents
- Consumables
- Services

**Regions**

- Americas
- EMEA
- Asia-Pacific

**Market growth**

- +5%

**Revenue**

- Instrument
- Installed base

**Market positions**

- #1 player
- #2 player
- #3 player

**Other players**

- 15%

**Market share**

- 48%

**Revenue**

- €4.2bn
- Adj. Profit: €0.6bn
- Margin: 14%

---

1) FY17 breakdown by geography based on location of customers.
2) As per FY16. Includes Laboratory Diagnostics and Point of Care Diagnostics. Excludes Molecular.
3) Per annum comparable growth from 2016 to 2021.
Game-changing Atellica Solution on track for sustained revenue growth and margin expansion

Game changer for labs

- Fast time to result
- Higher throughput per m²
- 300 modular configurations

Increased efficiency

- Automated solutions
- High ease-of-use

Reduced complexity

- Broad, high quality menu
- 210+ assays in the near to mid term targeted

Comprehensive menu

Fully on track – first installations with ~170 assay menu available coming on stream since regulatory approvals in the EU and United States

1) Represents global market for immunoassay and clinical chemistry in 2016. Healthineers with current market share of 15%.
Proven innovator shaping the transformation of healthcare, accelerated by digital and AI

5 strategic thrusts define how we will capture opportunities in the big transformation themes of healthcare

Advanced Therapies segment focused on Therapy of Tomorrow – well positioned for long-term growth opportunities

At the forefront of digitalization and AI transformation, unique position in both generating and interpreting patient data, with strong customer connectivity

Our technology enabled services address the growing needs of providers for system-wide optimization, driving recurring revenue
Long-term strategy guided by 5 strategic thrusts transforming healthcare

Our strengths address ...

- Clinical decision making: >70% Clinical decisions influenced
- Global footprint: ~600k Installed base
- Research partnerships: >90% of global Top 100 providers partner with us
- Data access: ~240k Patient touch points every hour
- Innovation leadership: ~18k Patents (IP base)

... the big transformation themes of the healthcare industry

- Perpetual productivity challenge
- Industrialization / consolidation of providers
- Value based incentives
- Precise and accessible therapy
- Data and digitalization
- Consumerism / everybody will be a doctor

5 strategic thrusts of Healthineers strategy 2025

- Digital, Data, and AI
- Technology Enabled Services
- Precision Medicine
- Therapy of Tomorrow
- Patient Journey Steward

1) AdvaMedDX, “A Policy Primer on Diagnostics”, June 2011, p. 3
Therapy of Tomorrow addressed with our new dedicated segment Advanced Therapies ...

Global market leader in Advanced Therapies

<table>
<thead>
<tr>
<th>Americas</th>
<th>EMEA</th>
<th>Asia-Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank in region / market position¹</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Revenue²</td>
<td>€0.6bn</td>
<td>€0.5bn</td>
</tr>
<tr>
<td>40%</td>
<td>30%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Product highlights

**Angio systems**
- Highest revenue contributor
- Robotic based system with high positioning flexibility
- Strong increase in robotic systems sold

**Mobile C-arms**
- Used across all surgery disciplines
- Adaptable to many different surgical tables
- Recently launched new product line covering efficiency segment to high-end segment
- Pioneering new procedures

**Hybrid operating room (OR)**
- Flexible robotic C-arm system
- Innovation leader
- Seamless integration with leading partners (e.g. image distribution systems, tables)

1| Siemens Healthineers market data for FY16 (new orders, equipment only – Angio and mobile C-arms). 2| FY17 breakdown by geography based on location of customers. 3| Per annum comparable growth from 2016 to 2021. Note: Some of the features and products described herein may not be available in all countries.

Capital Market Day, Bernd Montag, Siemens Healthineers CEO
Page 20 | Unrestricted © Siemens Healthcare GmbH, 2018
... positioned for long-term growth opportunity

Strong growth in minimally invasive procedures ...

- Lower risk of complications
- Smaller scars and faster recovery
- Less post-operation pain
- Shorter hospital stays and less costs

---

... addressed together with science and device partners

Need for:
- less invasive
- more precise
- more cost efficient procedures

- Novel devices needing better imaging
- Joint market approach
- Improved market access and distribution
- Co-innovating with leading partners (KUKA, Varian, Boston Scientific ...)
- Seamless integration for optimized workflow (e.g. Maquet tables)

>250 Partnering with leading clinical / scientific institutions and device companies

---

1) DRG database, 2017-22, based on TAVI (Transcatheter Aortic Valve Replacement), TMVI (mitral valve), LAAC (left atrial appendage closure) and EP. 2) DRG database, 2017-22, based on most relevant neuroradiology, interventional oncology and general interventional radiology procedures. 3) Procedures CAGR 2015-2018, GlobalData database. 4) 2017 Radiation Therapy Market Summary Report – IMV Medical Information Division, Inc. – based on brain and brain metastases cancer patients treated by radiotherapy from 2010 to 2016.

Footnotes 1) and 2): © 2018 Millennium Research Group, Inc.. All rights reserved. Reproduction, distribution, transmission or publication is prohibited. Reprinted with permission.
We are at the forefront of the digitalization and AI transformation of healthcare

Leading digital and AI capabilities

- ~400 Patents related to AI and deep machine learning
- ~2,900 Software developers
- >30 AI enriched offerings in the market with a full innovation pipeline

Siemens Healthineers Digital Ecosystem

- More data
- More patients
- More powerful AI applications
- Better outcomes, lower costs
- Business models

Patient and customer connectivity

- >70% Clinical decisions influenced\(^1\)
- 150k Systems on Siemens Remote Services
- 330k+ Sessions on digital training platform (2017)
- ~45m Patient data sets (as of Aug-2017)
- ~240k Patient touch points every hour

---

Our technology enabled services address the growing needs of providers for system-wide optimization ...

<table>
<thead>
<tr>
<th>Provider transformation ...</th>
<th>... supported by our system-wide optimization solutions ...</th>
<th>... driving growth in recurring revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>~50% of global healthcare costs carried by providers</td>
<td>System-wide optimization</td>
<td>Additional funnel of opportunities</td>
</tr>
<tr>
<td>Consolidated</td>
<td>Long-term, holistic partnerships</td>
<td>Signed contracts backlog</td>
</tr>
<tr>
<td>Fragmented</td>
<td>Operational services</td>
<td>€3.8bn</td>
</tr>
<tr>
<td>Industrialized</td>
<td>Customer services</td>
<td>€2.1bn</td>
</tr>
<tr>
<td>Experience based</td>
<td>Medical technology</td>
<td></td>
</tr>
<tr>
<td>Managing health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treating disease</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Transformation through Digital Ecosystem**
- **Clinical pathway optimization**
- **Operational performance improvement**

- **Virtual operations & data mgmt.**
- **Med tech fleet optimization**
- **Technology rightsizing**
- **Financing and advisory solutions**

- **Product-related services onsite and online**
- **Installation and training**

- **Unique reach across departments** through our portfolio offering
### Attractive growth profile & business fundamentals...

<table>
<thead>
<tr>
<th>Metric</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>100+</td>
<td>Long-term enterprise service contracts</td>
</tr>
<tr>
<td>4x</td>
<td>Increase in partnerships signed in 2017</td>
</tr>
<tr>
<td>15+ years</td>
<td>Average length of MES(^1) contract</td>
</tr>
<tr>
<td>&gt;50%</td>
<td>Orders growth for past 3 years</td>
</tr>
<tr>
<td>+30%</td>
<td>Higher share of customer wallet in long term partnerships(^2)</td>
</tr>
</tbody>
</table>

### ... with proven customer impact

**Mersin & Bilkent Integrated Healthcare Campus:** Provision of design, medical and technical equipment, and technical operations of laboratory services

- 5 year\(^3\) contract: continuous improvement on lab process
- 92m patient visits
- >€50m core business order volume

**Joint development of Stroke Unit Products:** Imaging and lab diagnostic

- Services: Stroke site construction, optimization of clinical processes (Act-on-Stroke), fleet optimization
- -33% symptom severity after discharge
- -27% door-to-needle time
- -11% cost per case

**Services:** Upgrade and manage 190 vendor neutral imaging equipment items, room renovations and clinical training

- Triple aim\(^4\) achieved
- €4.3m 1\(^{st}\) year savings
- 98% satisfaction ratings
- €110m contract over 15 years

---

1. MES stands for Managed Equipment Service contract. 2. UK market. 3. With option to extend every 5 years, up to 25 years. 4. Triple aim: Improving patient experience of care (including quality and satisfaction), improving the health of populations and reducing the per capita cost of healthcare.
Unique investment case in global healthcare

Accelerating growth and high recurring revenue combined with structural and continuous margin expansion

- Balanced across regions and businesses with high recurring revenue contribution from installed base
- Significant near-term cost savings from standalone set-up and re-setting of cost structure
- High cash generation as basis for attractive shareholder returns
Strong balanced growth with resilient financial profile

Globally scaled and balanced business ...

2017 revenue split by region

- Americas: 41%
- Asia-Pacific: 28%
- EMEA: 32%

... with high recurring revenue contribution

2017 revenue split by type

- Reagents and consumables: ~56%
- Services: ~29%
- Non-recurring: ~44%

- Recurring revenue: ~56%

53% Comparable growth contribution of emerging markets
29% Revenue contribution of emerging markets
~7-10 Typical scanner replacement cycle (years)
~5-7 Typical contract life in Diagnostics (years)

Truly global market leader

Strong installed base driving high recurring revenue

1) Figures do not add up due to rounding. 2) Recurring revenue from reagents, consumables and services business.
## Strong value creation: continuous profitable growth combined with near-term cost savings upside

### Strong topline growth (Revenue in €bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Comparable CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>12.9</td>
</tr>
<tr>
<td>2016</td>
<td>13.5</td>
</tr>
<tr>
<td>2017</td>
<td>13.8</td>
</tr>
</tbody>
</table>

- Balanced global footprint
- Well diversified and resilient business
- High share of recurring revenue from reagents & consumables and services

### Continuous margin expansion (Adj. Profit in €bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAGR</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.2</td>
<td>17.2%</td>
</tr>
<tr>
<td>2016</td>
<td>2.4</td>
<td>17.6%</td>
</tr>
<tr>
<td>2017</td>
<td>2.5</td>
<td>18.3%</td>
</tr>
</tbody>
</table>

- Continuous investment into R&D and future growth
- Continuous productivity improvements of ~3-4% p.a.
- Near term upside: cost savings of €240m targeted from becoming stand-alone company and re-setting of cost structure

### High cash generation (FCF in €bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>FCF conver. 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.1</td>
</tr>
<tr>
<td>2016</td>
<td>2.3</td>
</tr>
<tr>
<td>2017</td>
<td>2.2</td>
</tr>
</tbody>
</table>

- Low capital intensity
- Continuous high cash generation

---

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects. 1) Defined as total segments free cash flow
2) Defined as total segments free cash flow divided by total segments reported Profit. Free cash flow defined on pre-tax and pre-interest basis (total segments FCF)
We are committed to capture mid-term upsides

Top line growth
- Imaging: Further expanding market and innovation leadership
- Diagnostics: Fully capitalizing on Atellica over time
- Advanced Therapies: Long-term growth driven by minimally invasive procedures
- Services: Strong recurring, long-term revenue base

Margin expansion
- Process efficiency and structural cost improvements through agile and lean set-up
- Modular and scalable product architecture (incl. design-to-cost savings)
- Continuous productivity improvements
- Long-term boost from new performance level in Diagnostics

Cash generation
- Trade working capital and cash focused management
- Maintain high cash conversion
- Disciplined capital allocation incl. targeted bolt-on M&A

Mid-term targets
Comparable revenue growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.7%</td>
</tr>
<tr>
<td>Mid-term</td>
<td>4-6%</td>
</tr>
</tbody>
</table>

Segment profitability¹)

<table>
<thead>
<tr>
<th>Segment</th>
<th>2017-22%</th>
<th>2017-22%</th>
<th>16-19%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imaging</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Therapies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diagnostics</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹) Based on Profit margin excl. severance.
Unique investment case in global healthcare

Strong management team fully committed to capture the opportunity

- Long-standing industry leaders with each >20 years of experience in respective field of expertise
- Management fully geared to create shareholder value by capturing the mid-term upsides
Strong management team fully committed to capture the opportunity

- **Dr. Bernd Montag**
  - Chief Executive Officer
  - 22 years with Healthineers
  - CEO since 2015
  - Previously Head of Imaging and Advanced Therapies (2008-15)
  - Joined in 1995

- **Dr. Jochen Schmitz**
  - Chief Financial Officer
  - 21 years corporate finance experience
  - CFO since 2017
  - Previously Head of Controlling Siemens AG
  - Previously CFO of various Healthcare businesses (2004-11)
  - Joined Siemens in 1996

- **Michael Reitermann**
  - Chief Markets and Diagnostics Officer
  - 19 years with Healthineers
  - COO since 2015
  - Head of Diagnostics since 2010
  - Head of Imaging since 2015
  - Previously Head of CT (2011-15)
  - Previously Head of MR (2006-11)
  - Joined in 1985

- **Walter Märzendorfer**
  - Head Imaging
  - 32 years with Healthineers
  - Head of Imaging since 2015
  - Previously Head of CT (2011-15)
  - Previously Head of MR (2006-11)
  - Joined in 1985

- **Dr. Heinrich Kolem**
  - Head Advanced Therapies
  - 28 years with Healthineers
  - Head of Advanced Therapies since 2015
  - Previously CEO of USA business
  - Previously Head of MR (2001-06)
  - Joined in 1989
Unique investment case in global healthcare

I. Truly global powerhouse with unique scale in a highly attractive market

II. Leading imaging business geared for continuous growth and value creation

III. Rising to new performance levels with game-changing lab diagnostics platform

IV. Proven innovator shaping the transformation of healthcare, accelerated by digital and AI

V. Accelerating growth and high recurring revenue combined with structural and continuous margin expansion

VI. Strong management team fully committed to capture the opportunity
Unique breadth of portfolio puts Healthineers at the centre of clinical decision making

<table>
<thead>
<tr>
<th>Imaging</th>
<th>Advanced Therapies</th>
<th>Diagnostics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diagnostic Imaging</td>
<td>Ultrasound</td>
<td>Laboratory Diagnostics</td>
</tr>
<tr>
<td>Market leader in diagnostic imaging</td>
<td>Versatility and functionality across clinical questions</td>
<td>Empowering innovative therapy concepts</td>
</tr>
<tr>
<td><strong>Key offerings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Computed Tomography</td>
<td>• Cart-based Systems</td>
<td>• Instruments, reagents and consumables</td>
</tr>
<tr>
<td>• Magnetic Resonance</td>
<td>• Compact Systems</td>
<td>• Automation and IT Systems</td>
</tr>
<tr>
<td>• Molecular Imaging</td>
<td>• Catheters</td>
<td>• Consulting and Project Management</td>
</tr>
<tr>
<td>• X-Ray Products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• syngo Software</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Clinical specialties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Radiology</td>
<td>• General Imaging</td>
<td>• Laboratory Diagnostics</td>
</tr>
<tr>
<td>• Nuclear Medicine</td>
<td>• Cardiology</td>
<td>• Molecular Diagnostics</td>
</tr>
<tr>
<td></td>
<td>• Cardiac Surgery</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Point of Care</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Value-added services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transformative services to maximize opportunities and minimize risks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer Services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Product-related Services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Remote Services</td>
<td>• Asset Management and MES</td>
</tr>
<tr>
<td></td>
<td>• Education and Skills Management</td>
<td>• Transformation and Advisory Services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Managed Departmental Services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Staffing and Capacity Solutions</td>
</tr>
</tbody>
</table>
Capital Market Day

Strong financial profile delivering continuous value creation

Dr. Jochen Schmitz, CFO
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context.

This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the “Company”) or any existing or future member of the Siemens Healthineers Group (the “Group”) or Siemens AG, nor shall it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes “forward-looking statements.” These statements contain the words “anticipate,” “believe,” “intend,” “estimate,” “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act.

This presentation is only directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This presentation is only directed at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area (“EEA”) which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the “Prospectus Directive”), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
Agenda for Healthineers’ value creation

- Imaging
  - Strong position today: #1 globally
  - Continuous growth and value creation

- Diagnostics
  - Well invested – significant Atellica upside to come
  - Next level growth and margin expansion

- Advanced Therapies
  - Attractive new business segment
  - Long-term growth story

Services, reagents & consumables – recurring revenue

- Strong growth across regions with high recurring revenue
- Expanding margins at scale with continued growth investments
- High cash generation as basis for attractive shareholder returns
- Strong outlook – near-term structural cost savings, long-term value creation
Continuously delivering attractive growth at expanding margins

Revenue (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Comparable Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>12,936</td>
</tr>
<tr>
<td>2016</td>
<td>13,547</td>
</tr>
<tr>
<td>2017</td>
<td>13,796</td>
</tr>
</tbody>
</table>

Adj. EBITDA and adj. Profit\(^1\) (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA</th>
<th>Adj. Profit</th>
<th>Adj. Profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,597</td>
<td>2,231</td>
<td>17.2%</td>
</tr>
<tr>
<td>2016</td>
<td>2,775</td>
<td>2,381</td>
<td>17.6%</td>
</tr>
<tr>
<td>2017</td>
<td>2,928</td>
<td>2,525</td>
<td>18.3%</td>
</tr>
</tbody>
</table>

Adj. net income\(^1\) (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. net income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,459</td>
</tr>
<tr>
<td>2016</td>
<td>1,495</td>
</tr>
<tr>
<td>2017</td>
<td>1,588</td>
</tr>
</tbody>
</table>

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Adj. for severance (EBITDA, Profit and net income) and for PPA (net income).
2) Refers to adj. Profit growth.
3) Historically interest mainly driven by Siemens Group – illustrative calculation assuming 1.5x net debt (incl. pensions) / EBITDA and 3% interest rate. Please refer to appendix for reconciliation.
## Strong financial performance across segments

### Imaging

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (€m)</th>
<th>Comparable CAGR</th>
<th>Adj. EBITDA and Adj. Profit (€m)</th>
<th>Adj. EBITDA margin and Adj. Profit margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>7,382</td>
<td></td>
<td>1,445</td>
<td>19.6%</td>
</tr>
<tr>
<td>2016</td>
<td>8,007</td>
<td>+5.8%</td>
<td>1,721</td>
<td>21.5%</td>
</tr>
<tr>
<td>2017</td>
<td>8,216</td>
<td></td>
<td>1,771</td>
<td>21.6%</td>
</tr>
</tbody>
</table>

- Strong position today: #1 globally
- Growth engine at high margins

### Diagnostics

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (€m)</th>
<th>Comparable CAGR</th>
<th>Adj. EBITDA and Adj. Profit (€m)</th>
<th>Adj. EBITDA margin and Adj. Profit margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>4,138</td>
<td></td>
<td>846</td>
<td>20.4%</td>
</tr>
<tr>
<td>2016</td>
<td>4,138</td>
<td>+1.3%</td>
<td>743</td>
<td>18.0%</td>
</tr>
<tr>
<td>2017</td>
<td>4,162</td>
<td></td>
<td>802</td>
<td>19.3%</td>
</tr>
</tbody>
</table>

- High investments into future growth, particularly Atellica

### Advanced Therapies

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (€m)</th>
<th>Comparable CAGR</th>
<th>Adj. EBITDA and Adj. Profit (€m)</th>
<th>Adj. EBITDA margin and Adj. Profit margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,447</td>
<td></td>
<td>287</td>
<td>19.8%</td>
</tr>
<tr>
<td>2016</td>
<td>1,460</td>
<td></td>
<td>301</td>
<td>19.9%</td>
</tr>
<tr>
<td>2017</td>
<td>1,519</td>
<td></td>
<td>348</td>
<td>22.9%</td>
</tr>
</tbody>
</table>

- Attractive new business segment
- 2016 limited growth due to first full year of operations (newly set up segment)
- Long-term growth story

---

Note: Total segment revenue including intersegment sales. Adj. for severance. Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Refers to adj. Profit growth.
Strong financial profile – continuous value creation

I. Strong growth across regions with high recurring revenue

II. Expanding margins at scale with continued growth investments

III. High cash generation as basis for attractive shareholder returns

IV. Strong outlook – our roadmap for value creation
Solid growth across regions with increasing emerging markets contribution

### Revenue per region¹ (€bn and % of total)

<table>
<thead>
<tr>
<th>Region</th>
<th>2015 (€bn)</th>
<th>2016 (€bn)</th>
<th>2017 (€bn)</th>
<th>+3.8%</th>
<th>Comparable CAGR²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>3.4 (26%)</td>
<td>3.6 (27%)</td>
<td>3.8 (28%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>4.4 (34%)</td>
<td>4.4 (33%)</td>
<td>4.4 (32%)</td>
<td>2.1%</td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td>5.2 (40%)</td>
<td>5.5 (41%)</td>
<td>5.6 (41%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Growth increasingly driven by emerging markets (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017 (IFRS 15)</th>
<th>‘15–’17 comp. CAGR²</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>1.6</td>
<td></td>
<td>9.0% 29% of revenue</td>
</tr>
<tr>
<td>Total emerging markets</td>
<td>3.9</td>
<td></td>
<td>7.0% 53% of comp. growth³</td>
</tr>
<tr>
<td>USA</td>
<td>4.7</td>
<td></td>
<td>3.2%</td>
</tr>
<tr>
<td>Germany</td>
<td>0.9</td>
<td></td>
<td>2.1%</td>
</tr>
<tr>
<td>Total advanced economies</td>
<td>9.8</td>
<td></td>
<td>2.5% 47% of comp. growth³</td>
</tr>
</tbody>
</table>

Note: Revenue per region in 2015 and % of total in 2016 and 2017 do not add up due to rounding. Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Breakdown by geography based on location of customers. 2) Based on 2015–2017 figures according to IFRS prior to amendments to IFRS 15. 3) Based on absolute comparable contributed growth.
55%+ recurring revenue contribution from services, reagents and consumables businesses

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring revenue</th>
<th>% of total revenue</th>
<th>% of total revenue</th>
<th>% of total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>7.3</td>
<td>57%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>2016</td>
<td>7.5</td>
<td>56%</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>2017</td>
<td>7.7</td>
<td>56%</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>2017 (IFRS 15)</td>
<td>7.7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Stable and resilient revenue contribution (€bn)**

- Recurring revenue: 7.3 (2015), 7.5 (2016), 7.7 (2017), 7.7 (2017 (IFRS 15))
- Services: 5.6 (2015), 6.0 (2016), 6.1 (2017), 5.9 (2017 (IFRS 15))
- Reagents and consumables: 2.7 (2015), 1.5 (2016), 0.8 (2017), 1.8 (2017 (IFRS 15))

**Services, reagents and consumables: strong recurring revenue contribution**

- **Installed base:** ~270k (Imaging and Advanced Therapies)
- **Typical scanner replacement cycle:** 7-10 years
- **100+ long-term managed equipment contracts**

**Share in Diagnostics revenue**

- ~90%

**Share in Imaging and Advanced Therapies revenue**

- ~40%

**Note:** Recurring revenue includes services, reagents and consumables; non-recurring revenue includes equipment and instruments. Recurring and non-recurring revenue in 2017 (IFRS 15) do not add up due to rounding.
Resilient profile with some fluctuations on a quarter by quarter basis

Based on historical Siemens AG segment reporting for Healthineers

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>2016</td>
<td>11%</td>
<td>5%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>2017</td>
<td>0%</td>
<td>2%</td>
<td>4%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Comparable revenue growth

Revenue (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.9</td>
<td>3.2</td>
<td>3.2</td>
<td>3.6</td>
</tr>
<tr>
<td>2016</td>
<td>3.3</td>
<td>3.3</td>
<td>3.2</td>
<td>3.7</td>
</tr>
<tr>
<td>2017</td>
<td>3.3</td>
<td>3.4</td>
<td>3.4</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Adj. Profit margin

Adj. Profit (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>15%</td>
<td>17%</td>
<td>17%</td>
<td>20%</td>
</tr>
<tr>
<td>2016</td>
<td>17%</td>
<td>17%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>2017</td>
<td>19%</td>
<td>17%</td>
<td>18%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: Siemens AG segment reporting for Healthineers
Note: Adj. for severance. Comparable growth defined as growth net of currency translation effects and portfolio effects.
Strong financial profile – continuous value creation

I. Strong growth across regions with high recurring revenue

II. Expanding margins at scale with continued growth investments

III. High cash generation as basis for attractive shareholder returns

IV. Strong outlook – our roadmap for value creation
Perspectives on Profit

Adj. Profit track record (€m)

CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>17.2%</td>
</tr>
<tr>
<td>2016</td>
<td>17.6%</td>
</tr>
<tr>
<td>2017</td>
<td>18.3%</td>
</tr>
<tr>
<td>2017 (IFRS 15)</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

Key drivers of historical financial performance

- Solid revenue growth
- Gross margin improvement particularly driven by productivity improvements and FX
- Increasing R&D expenses (incl. Atellica)
- Stable SG&A expenses as % of revenue

Note: Adj. for severance.
Increasing gross margin driven by productivity improvements and historical FX movements

### Gross margin development

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross profit (€m)</th>
<th>Gross margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>5,069</td>
<td>39.2%</td>
</tr>
<tr>
<td>2016</td>
<td>5,467</td>
<td>40.4%</td>
</tr>
<tr>
<td>2017</td>
<td>5,762</td>
<td>41.8%</td>
</tr>
<tr>
<td>2017 (IFRS 15)</td>
<td>5,695</td>
<td>41.6%</td>
</tr>
</tbody>
</table>

Gross margin increased by 2.6pp from 39.2% in 2015 to 41.6% in 2017 (IFRS 15).

### Gross margin drivers (2015 to 2017 improvement)

- **Volume**
  - 3.8% comparable revenue CAGR
  - Imaging with strong, but Diagnostics with below market growth

- **Productivity**
  - 3-4% p.a. of total cost
  - End-to-end process improvement
  - Design-to-cost and cost-value engineering

- **Price**
  - -1.5 to -2.5% globally
  - Price erosion stable over the years with different regional dynamics

- **Salary increase**
  - 3-4% salary increase globally
  - Stable over the years with very different regional dynamics

- **Foreign exchange**
  - Mainly USD driven
  - Positive impact due to depreciated EUR vs. USD
Increasing R&D spending as basis for future growth

Research and development expenses (R&D) (€m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>1,055</td>
<td>1,145</td>
<td>1,253</td>
<td>1,253</td>
</tr>
<tr>
<td>Advanced Therapies</td>
<td>256</td>
<td>282</td>
<td>297</td>
<td>297</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>643</td>
<td>691</td>
<td>762</td>
<td>762</td>
</tr>
<tr>
<td>Imaging</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>as % of revenue</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.2%</td>
<td>8.5%</td>
<td>9.1%</td>
<td>9.2%</td>
</tr>
</tbody>
</table>

Capitalized R&D of Diagnostics

- €145m Additions to intangibles in Diagnostics in 2017 (thereof €112m Atellica)
- ~€380m Accumulated capitalized R&D for Atellica (as of Sep-2017)

Note: Figures in 2015 do not add up due to rounding. Segment R&D as % of revenue based on total segment revenue including intersegment sales.

1) Capitalized R&D defined as additions to intangibles.
SG&A expenses stable as percentage of revenue

<table>
<thead>
<tr>
<th>Selling and general administrative expenses (SG&amp;A) development (€m)</th>
<th>SG&amp;A 2017 (IFRS 15) breakdown by segment (%) and in % of total segment revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>General admin. expenses(^1)</td>
<td>PPA / Corporate</td>
</tr>
<tr>
<td>2,109</td>
<td></td>
</tr>
<tr>
<td>313</td>
<td></td>
</tr>
<tr>
<td>Selling expenses(^1)</td>
<td></td>
</tr>
<tr>
<td>1,631</td>
<td></td>
</tr>
<tr>
<td>1,675</td>
<td></td>
</tr>
<tr>
<td>1,743</td>
<td></td>
</tr>
<tr>
<td>1,743</td>
<td></td>
</tr>
<tr>
<td>PPA amortization on intangibles(^2)</td>
<td></td>
</tr>
<tr>
<td>165</td>
<td></td>
</tr>
<tr>
<td>164</td>
<td></td>
</tr>
<tr>
<td>130</td>
<td></td>
</tr>
<tr>
<td>130</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A as % of revenue</td>
<td></td>
</tr>
<tr>
<td>16.3%</td>
<td></td>
</tr>
<tr>
<td>16.3%</td>
<td></td>
</tr>
<tr>
<td>16.1%</td>
<td></td>
</tr>
<tr>
<td>16.2%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Segment SG&A as % of revenue based on total segment revenue including intersegment sales.
1) Excluding PPA. 2) Most of PPA amortization on intangibles depicted classified in reported selling expenses.

Total 2017 (IFRS 15): €2,222m
Strong Profit across segments driving adjusted net income growth

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imaging</td>
<td>1,329</td>
<td>1,594</td>
<td>1,647</td>
<td>1,590</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>637</td>
<td>532</td>
<td>583</td>
<td>582</td>
</tr>
<tr>
<td>Advanced Therapies</td>
<td>274</td>
<td>291</td>
<td>337</td>
<td>328</td>
</tr>
<tr>
<td>Central</td>
<td>(9)</td>
<td>(35)</td>
<td>(43)</td>
<td>(42)</td>
</tr>
<tr>
<td>Total adj. Profit</td>
<td>2,231</td>
<td>2,381</td>
<td>2,525</td>
<td>2,458</td>
</tr>
<tr>
<td>Financial income (expenses), net(^1)</td>
<td>(113)</td>
<td>(223)</td>
<td>(277)</td>
<td>(277)</td>
</tr>
<tr>
<td>Adj. taxes(^2)</td>
<td>(659)</td>
<td>(664)</td>
<td>(660)</td>
<td>(641)</td>
</tr>
<tr>
<td>Adj. net income</td>
<td>1,459</td>
<td>1,495</td>
<td>1,588</td>
<td>1,540</td>
</tr>
<tr>
<td>Adj. net income with @IPO capital structure(^3)</td>
<td>1,444</td>
<td>1,536</td>
<td>1,682</td>
<td>1,634</td>
</tr>
</tbody>
</table>

Commentary

- **Financial expenses**
  - Mainly interest expenses on financial debt and pensions
  - Debt historically driven by intergroup liabilities with Siemens AG
  - Post IPO significantly lower interest expenses expected (1.5x leverage post IPO)

- **Taxes**
  - Effective tax rate: 29-31%
  - Taxes adjusted for tax impact on PPA and severance

- **Adjusted net income**
  - Adjusted for PPA and severance (net of tax effects)

Note: Figures in 2016 and 2017 do not add up due to rounding. 1) Net financial result excluding financial income of operating business (already included in adj. Profit). 2) Adjusted for tax impact on PPA and severance at effective tax rate of each respective FY. 3) Historically interest mainly driven by Siemens Group – illustrative calculation assuming 1.5x net debt (incl. pensions) / EBITDA and 3% interest rate. Please refer to appendix for reconciliation.
Reconciliation of reported net income

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>CAGR 2015-17</th>
<th>IFRS 15 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>12,936</td>
<td>13,547</td>
<td>13,796</td>
<td></td>
<td>13,677</td>
</tr>
<tr>
<td>Comparable growth</td>
<td></td>
<td></td>
<td></td>
<td>4.9%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(7,867)</td>
<td>(8,080)</td>
<td>(8,034)</td>
<td>(7,982)</td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td>5,069</td>
<td>5,467</td>
<td>5,762</td>
<td>6.6%</td>
<td>5,695</td>
</tr>
<tr>
<td>Margin</td>
<td>39.2%</td>
<td>40.4%</td>
<td>41.8%</td>
<td>41.6%</td>
<td></td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>(1,055)</td>
<td>(1,145)</td>
<td>(1,253)</td>
<td>(1,253)</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>(2,109)</td>
<td>(2,206)</td>
<td>(2,222)</td>
<td></td>
<td>(2,222)</td>
</tr>
<tr>
<td>Other income (expenses)</td>
<td>67</td>
<td>7</td>
<td>12</td>
<td></td>
<td>(255)</td>
</tr>
<tr>
<td>Net financial result</td>
<td>(96)</td>
<td>(205)</td>
<td>(255)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>1,876</td>
<td>1,918</td>
<td>2,044</td>
<td>4.4%</td>
<td>1,977</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>(584)</td>
<td>(590)</td>
<td>(600)</td>
<td></td>
<td>(581)</td>
</tr>
<tr>
<td>Net income</td>
<td>1,292</td>
<td>1,328</td>
<td>1,444</td>
<td>5.7%</td>
<td>1,396</td>
</tr>
<tr>
<td>PPA amortization on intangibles</td>
<td>180</td>
<td>179</td>
<td>147</td>
<td>147</td>
<td></td>
</tr>
<tr>
<td>Severance</td>
<td>62</td>
<td>61</td>
<td>57</td>
<td></td>
<td>57</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>2,597</td>
<td>2,775</td>
<td>2,928</td>
<td>6.2%</td>
<td>2,861</td>
</tr>
<tr>
<td>Margin</td>
<td>20.1%</td>
<td>20.5%</td>
<td>21.2%</td>
<td></td>
<td>20.9%</td>
</tr>
<tr>
<td>Adjusted Profit</td>
<td>2,231</td>
<td>2,381</td>
<td>2,525</td>
<td>6.4%</td>
<td>2,458</td>
</tr>
<tr>
<td>Margin</td>
<td>17.2%</td>
<td>17.6%</td>
<td>18.3%</td>
<td></td>
<td>18.0%</td>
</tr>
<tr>
<td>Adjusted net income</td>
<td>1,459</td>
<td>1,495</td>
<td>1,588</td>
<td>4.3%</td>
<td>1,540</td>
</tr>
<tr>
<td>Growth</td>
<td>2.5%</td>
<td>6.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Comprises other operating expenses, other operating income and income from investments using the equity method.
2) Earnings before financing interest, certain pension costs, income taxes and amortization expenses of intangible assets acquired in business combinations, adjusted for severance.

- Mainly driven by interest expenses on intragroup liabilities and pensions
- Amortization of intangible assets acquired in business combinations
- Comprises personnel restructuring costs
- Adjusted for PPA and severance (post-tax)
- Impacted by historical intragroup net financial result
- Detailed reconciliation in appendix
Strong financial profile – continuous value creation

I. Strong growth across regions with high recurring revenue

II. Expanding margins at scale with continued growth investments

III. High cash generation as basis for attractive shareholder returns

IV. Strong outlook – our roadmap for value creation
High cash generation across segments with ongoing investments in Diagnostics’ future growth

Free cash flow (FCF) development (€m) and FCF conversion\(^1\) (%) by segment

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Segments FCF</td>
<td>2,103</td>
<td>2,263</td>
<td>2,222</td>
</tr>
<tr>
<td>Advanced Therapies</td>
<td>281  (105%)</td>
<td>323  (113%)</td>
<td>298  (89%)</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>337  (54%)</td>
<td>341  (66%)</td>
<td>329  (58%)</td>
</tr>
<tr>
<td>Imaging</td>
<td>1,484 (114%)</td>
<td>1,599 (102%)</td>
<td>1,596 (98%)</td>
</tr>
</tbody>
</table>

**Comments**

- **Segment free cash flow** defined on pre-tax and pre-interest basis
- **Imaging and Advanced Therapies**: Strong cash conversion over last years
- **Diagnostics**: Structurally lower cash conversion, further reduced in current investment period
  - **Operating leases**\(^2\) in 2017: Additions of €220m vs. €160m depreciation
  - **Additions to intangibles** of €145m vs. €31m amortization in 2017 (Atellica driven)
  - **Additions to PP&E** of €94m vs. €52m depreciation in 2017 (footprint extension)

---

Note: Figures in 2015 and 2017 do not add up due to rounding. Capex as per cash flow statement.

1) Defined as free cash flow divided by reported Profit.
2) Includes minor portion of other segments.
Low asset intensity in Imaging & Advanced Therapies, Diagnostics includes growth investments in Atellica

### Capital expenditures development (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Additions to intangibles</th>
<th>Additions to PP&amp;E</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>191</td>
<td>165</td>
<td>356</td>
</tr>
<tr>
<td>2016</td>
<td>220</td>
<td>204</td>
<td>424</td>
</tr>
<tr>
<td>2017</td>
<td>216</td>
<td>250</td>
<td>466</td>
</tr>
</tbody>
</table>

### 2017 capital expenditure by segment (€m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Additions to intangibles</th>
<th>Other¹</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Therapies</td>
<td>9</td>
<td>101</td>
<td>466</td>
</tr>
<tr>
<td>Imaging</td>
<td>117</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diagnostics</td>
<td>239</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>145m intangibles</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capex in % of revenue and % of D&A (excl. op. leases)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex in % of revenue</th>
<th>% of D&amp;A (excl. op. leases)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.8%</td>
<td>83%</td>
</tr>
<tr>
<td>2016</td>
<td>3.1%</td>
<td>98%</td>
</tr>
<tr>
<td>2017</td>
<td>3.4%</td>
<td>120%</td>
</tr>
</tbody>
</table>

Note: Capex as per cash flow statement.
¹) Other includes additions to PP&E for real estate and central items.
Relatively stable historical trade working capital over last 3 years

### Trade working capital (TWC) development (€m)\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWC</td>
<td>2,192</td>
<td>2,392</td>
<td>2,403</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,875</td>
<td>2,080</td>
<td>2,200</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,259</td>
<td>1,308</td>
<td>1,323</td>
</tr>
<tr>
<td>Trade payables</td>
<td>(942)</td>
<td>(996)</td>
<td>(1,120)</td>
</tr>
</tbody>
</table>

### TWC as % of revenue

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWC</td>
<td>16.9%</td>
<td>17.7%</td>
<td>17.4%</td>
</tr>
</tbody>
</table>

### Cash conversion cycle

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable days</td>
<td>53</td>
<td>56</td>
<td>58</td>
</tr>
<tr>
<td>Inventory days</td>
<td>58</td>
<td>59</td>
<td>60</td>
</tr>
<tr>
<td>Payable days</td>
<td>(44)</td>
<td>(45)</td>
<td>(51)</td>
</tr>
<tr>
<td>Payable days</td>
<td>68</td>
<td>70</td>
<td>67</td>
</tr>
</tbody>
</table>

### Comments

- **Relatively stable TWC days**
- **Increase in trade and other receivables** mainly driven by Imaging and Advanced Therapies
  - Strong revenue towards year end in 2016 and 2017 in the range of normal business variation
  - Changes in factoring level
- **Slight increase in inventory days** driven by longer order to revenue cycles
- **Increase in trade payable days** in line with increase in receivable days and mainly driven by Imaging

---

Note: Cash conversion cycle in 2015 does not add up due to rounding.

\(^1\) Refers to balance sheet figures as reported. Not reconcilable to change in trade working capital items in cash flow statement.
# Free cash flow reconciliation

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net income</strong></td>
<td>1,292</td>
<td>1,328</td>
<td>1,444</td>
</tr>
<tr>
<td><strong>Amortization, depreciation and impairments</strong></td>
<td>563</td>
<td>591</td>
<td>572</td>
</tr>
<tr>
<td><strong>Income tax expenses</strong></td>
<td>584</td>
<td>590</td>
<td>600</td>
</tr>
<tr>
<td><strong>Interest expenses, net</strong></td>
<td>99</td>
<td>202</td>
<td>255</td>
</tr>
<tr>
<td><strong>Changes in trade working capital</strong></td>
<td>(23)</td>
<td>(82)</td>
<td>(158)</td>
</tr>
<tr>
<td><strong>Changes in other current assets and liabilities</strong></td>
<td>145</td>
<td>33</td>
<td>36</td>
</tr>
<tr>
<td><strong>Additions to operating lease</strong></td>
<td>(190)</td>
<td>(216)</td>
<td>(220)</td>
</tr>
<tr>
<td><strong>Income taxes paid</strong></td>
<td>(505)</td>
<td>(686)</td>
<td>(567)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>(64)</td>
<td>89</td>
<td>14</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>1,901</td>
<td>1,849</td>
<td>1,975</td>
</tr>
<tr>
<td><strong>Additions to intangibles and PP&amp;E (capex)</strong></td>
<td>(356)</td>
<td>(424)</td>
<td>(466)</td>
</tr>
<tr>
<td><strong>Cash flow from acquisitions and disposals</strong></td>
<td>367</td>
<td>(12)</td>
<td>13</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td>11</td>
<td>(436)</td>
<td>(453)</td>
</tr>
<tr>
<td><strong>Free cash flow (cash flow from op. activities less capex)</strong></td>
<td>1,545</td>
<td>1,425</td>
<td>1,509</td>
</tr>
</tbody>
</table>

Note: Figures in 2017 do not add up due to rounding.

1) Refers to changes in current assets and liabilities other than those already included in changes in trade working capital (i.e., inventories, trade and other receivables and trade payables).
2) Includes income taxes paid by Siemens Group on behalf of Siemens Healthineers.
3) Includes income related to investing activities, other income from investments, other non-cash (income) expenses, change in other assets and liabilities, dividends received and interest received.

- Includes inventories, trade and other receivables and trade payables
- Financing of equipment which is then leased to customers
- Historically includes income taxes paid by Siemens Group on behalf of Siemens Healthineers
- Defined as Group operating cash flow less capital expenditures
Well capitalized at IPO – basis for attractive shareholder returns

### Summary balance sheet overview at FY 2017 (€m)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>184</td>
</tr>
<tr>
<td>Receivables from Siemens Group (financial cash)</td>
<td>4,356</td>
</tr>
<tr>
<td>Other current assets</td>
<td>3,935</td>
</tr>
<tr>
<td>Goodwill</td>
<td>7,992</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>1,525</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,566</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>882</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>20,440</strong></td>
</tr>
<tr>
<td>Short-term and long-term debt</td>
<td>70</td>
</tr>
<tr>
<td>Payables to Siemens Group (financial debt)</td>
<td>10,962</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>3,425</td>
</tr>
<tr>
<td>Provisions for pensions and similar obligations</td>
<td>1,732</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>1,009</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>17,198</strong></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>3,242</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>20,440</strong></td>
</tr>
</tbody>
</table>

1) Based on €2.9bn EBITDA (unadjusted) in 2017. 2) Net financial debt defined as: payables to Siemens Group + short- and long-term debt – receivables from Siemens Group – cash and cash equivalents – available for sale financial assets of €42m (included in other financial assets and subsumed under other non-current assets in table above).

### Capital structure post IPO will be significantly strengthened (€bn)

- **Leverage (net debt / EBITDA)**
  - **Pre-IPO:** 2.8x
  - **Post-IPO target:** 1.5x

- **Net debt (incl. pensions)**
  - **Pre-IPO:** 8.2
  - **Post-IPO target:** 4.3

- **Net financial debt**
  - **Pre-IPO:** 6.5
  - **Post-IPO target:** 3.3

- **Pensions**
  - **Pre-IPO:** 1.7
  - **Post-IPO target:** 1.0

<table>
<thead>
<tr>
<th>Date</th>
<th>Interest expense (gross fin. debt, €m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-Sep-17</td>
<td>257</td>
</tr>
<tr>
<td>Post IPO target</td>
<td>~120-130³</td>
</tr>
</tbody>
</table>

- **Interest expense** historically not representative (different capital structure)
- **Currency:** Mainly USD-denominated

---

Capital Market Day, Jochen Schmitz, Siemens Healthineers CFO
Page 21 | Unrestricted © Siemens Healthcare GmbH, 2018
Strong financial profile – continuous value creation

I. Strong growth across regions with high recurring revenue

II. Expanding margins at scale with continued growth investments

III. High cash generation as basis for attractive shareholder returns

IV. Strong outlook – our roadmap for value creation
Near-term €240m structural cost savings targeted across segments – additional mid-term upside

Overview of targeted structural cost savings (€m, p.a.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Structural Cost Savings (€m, p.a.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>~50</td>
</tr>
<tr>
<td>Beyond 2018</td>
<td>~190</td>
</tr>
<tr>
<td>Target</td>
<td>~240</td>
</tr>
</tbody>
</table>

Comments

- **IT consolidation** to boost productivity
- From 12 separate SAP systems to 1 global ERP solution
- Potential cost savings of €40-50m p.a. in the mid term

- **Organizational efficiency**
  - Vertical and regional organizational delayering
  - End-to-end process improvement with functional cost reduction

- **Standalone savings**
  - Standalone savings driven by reduction of governance costs, management charges and functional support costs
  - Going forward, Healthineers will either insource or procure those services on an arms-length basis

Implementation costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Implementation Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>~150</td>
<td>-</td>
</tr>
</tbody>
</table>
Atellica’s contribution to value creation

Business transformation in an attractive market

€4.2bn
Diagnostics revenue (2017)

~55%
of Diagnostics revenue addressable by Atellica

~6%
Market growth p.a. until 2021

Target P&L impact: Accelerator for growth and margins

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Shipments</th>
<th>Converting installed base, winning new accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Today</td>
<td>Near-term</td>
</tr>
<tr>
<td></td>
<td>First shipments</td>
<td>~7 years typical instrument life</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reagents</th>
<th>Available menu¹</th>
<th>Reagents sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~170</td>
<td>Market growth</td>
</tr>
<tr>
<td></td>
<td>210+</td>
<td>Gain share</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Targeted efficiency gains</th>
<th>R&amp;D</th>
<th>SCM</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary instrument platform consolidation (5→1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower service costs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹) Launch menu differs by country.
²) Expected compounded annual growth rate for global immunoassay and clinical chemistry market from 2016-2021 (weighted by market size in 2016).
## 2018 strong basis for earnings growth in the medium and long term

<table>
<thead>
<tr>
<th></th>
<th>2017 (IFRS 15)</th>
<th>2018E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (€m)</td>
<td>13,677</td>
<td>slightly down</td>
</tr>
<tr>
<td>Comparable growth (%)</td>
<td>3.8%(^1)</td>
<td>3-4%</td>
</tr>
<tr>
<td>Adj. Profit (€m)</td>
<td>2,458</td>
<td></td>
</tr>
<tr>
<td>Adj. Profit margin (%)</td>
<td>18.0%</td>
<td>17-18%</td>
</tr>
<tr>
<td>Adj. net income (€m)</td>
<td>1,540</td>
<td></td>
</tr>
</tbody>
</table>

### Comments on 2018E

- Comparable revenue **growth on a q-o-q basis can fluctuate** significantly
- **Significant FX headwinds in 2018E expected** resulting in slightly decreasing reported revenue
- Adjusted for severance and external costs related to the IPO
- Q1 2017 margin **exceptionally strong**, Q1 2018 margin impacted by FX headwinds
- €50m of €240m cost savings from **stand-alone setting** and organizational **efficiency program** to materialize in 2018E (additional part in 2019E and beyond)
  - **Imaging**: 2017 margin represents strong underlying performance
  - **Diagnostics**: 2017 margin included a number of costs incurred for Atellica Solution due to its commercial launch as well as FX tailwinds
  - **Advanced Therapies**: 2017 margin extraordinarily high, the normal level is rather represented by the margins achieved in 2015 and 2016
- Adjusted for severance, **external costs** related to the IPO and PPA
- Estimated **net financial result** for 2018 of €150-200m; **significantly lower interest expenses** post implementation of **new capital structure**
- **Effective tax rate**: 28-30%

---

1) Refers to comparable revenue CAGR from 2015 to 2017 under old IFRS.
Clear agenda to drive earnings growth – mid-term goals

**Top line growth**
- **Imaging:** Further expanding market and innovation leadership
- **Diagnostics:** Fully capitalizing on Atellica over time
- **Advanced Therapies:** Long-term growth driven by minimally invasive procedures

**Margin expansion**
- Process efficiency and structural cost improvements
- Continuous productivity improvements
- Long-term boost expected from new performance level in Diagnostics

**Cash generation**
- Trade working capital and cash focused management
- Maintain high FCF conversion
- Disciplined capital allocation incl. targeted bolt-on M&A

### Mid-term comp. revenue growth target
- **2017:** 2.7%
- **Mid-term:** 4-6%

### Mid-term profitability targets
- **Imaging:** 20-22%
- **Adv. Therapies:** 20-22%
- **Diagnostics:** 16-19%

### Dividend policy
- EPS²)
- DPS: 50-60%

### Capital structure
- Solid investment grade rating as a minimum

---

1) Margin of earnings before financing interest, certain pension costs, income taxes and amortization expenses of intangible assets acquired in business combinations, adj. for severance.
2) Dividend policy refers to 50-60% of (reported) net income.

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.
Agenda for Healthineers’ value creation

- Transform into strong standalone company
- Capture near-term structural Profit upsides
- Drive continued growth and value creation in Imaging
- Execute on Atellica solution – multi-year growth and margin opportunity
- Further expand resilient services and consumables business
- Capture growth in Advanced Therapies and generally in the transformation of healthcare
- Focus on capital allocation and cash conversion
- Attractive cash returns to shareholders

Services, reagents & consumables – recurring revenue

- Imaging
  - Strong position today: #1 globally
  - Continuous growth and value creation
  - Well invested – significant Atellica upside to come
  - Next level growth and margin expansion

- Diagnostics
  - Attractive new business segment
  - Long-term growth story

- Advanced Therapies
  - Attractive new business segment
  - Long-term growth story
Appendix
### Reported to adjusted net income reconciliation

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
<th>‘15–’17 CAGR (old IFRS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported net income</td>
<td>1,292</td>
<td>1,328</td>
<td>1,444</td>
<td>1,396</td>
<td>5.7%</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>31.1%</td>
<td>30.8%</td>
<td>29.4%</td>
<td>29.4%</td>
<td></td>
</tr>
<tr>
<td>Severance (pre-tax)</td>
<td>62</td>
<td>61</td>
<td>57</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>Severance tax impact at effective tax rate</td>
<td>(19)</td>
<td>(19)</td>
<td>(17)</td>
<td>(17)</td>
<td></td>
</tr>
<tr>
<td>PPA (pre-tax)</td>
<td>180</td>
<td>179</td>
<td>147</td>
<td>147</td>
<td></td>
</tr>
<tr>
<td>PPA tax impact at effective tax rate</td>
<td>(56)</td>
<td>(55)</td>
<td>(43)</td>
<td>(43)</td>
<td></td>
</tr>
<tr>
<td>Adjusted net income</td>
<td>1,459</td>
<td>1,495</td>
<td>1,588</td>
<td>1,540</td>
<td>4.3%</td>
</tr>
<tr>
<td>Interest expenses at historical capital structure (pre-tax)</td>
<td>102</td>
<td>184</td>
<td>257</td>
<td>257</td>
<td></td>
</tr>
<tr>
<td>Tax impact on historical interest expenses at effective tax rate</td>
<td>(32)</td>
<td>(57)</td>
<td>(76)</td>
<td>(76)</td>
<td></td>
</tr>
<tr>
<td>Interest expenses at 1.5x leverage(^1) post effective tax rate</td>
<td>(85)</td>
<td>(86)</td>
<td>(87)</td>
<td>(87)</td>
<td></td>
</tr>
<tr>
<td>Adjusted net income at 1.5x leverage (post-IPO capital structure)</td>
<td>1,444</td>
<td>1,536</td>
<td>1,682</td>
<td>1,634</td>
<td>7.9%</td>
</tr>
</tbody>
</table>

Note: Figures in 2016 do not add up due to rounding.

\(^1\) Illustrative calculation based on leverage (incl. pensions) of 1.5x 2017 EBITDA resulting in gross financial debt of €4.1bn and assumed interest rate of 3% (pre-tax).
## Detailed P&L statement

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>12,936</td>
<td>13,547</td>
<td>13,796</td>
<td>13,677</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(7,867)</td>
<td>(8,080)</td>
<td>(8,034)</td>
<td>(7,982)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>5,069</td>
<td>5,467</td>
<td>5,762</td>
<td>5,695</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>(1,055)</td>
<td>(1,145)</td>
<td>(1,253)</td>
<td>(1,253)</td>
</tr>
<tr>
<td>Selling and general administrative expenses</td>
<td>(2,109)</td>
<td>(2,206)</td>
<td>(2,222)</td>
<td>(2,222)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>79</td>
<td>19</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(21)</td>
<td>(18)</td>
<td>(19)</td>
<td>(19)</td>
</tr>
<tr>
<td>Income from investments accounted for using the equity method, net</td>
<td>9</td>
<td>6</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Interest income</td>
<td>19</td>
<td>14</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>(117)</td>
<td>(216)</td>
<td>(267)</td>
<td>(267)</td>
</tr>
<tr>
<td>Other financial income (expenses), net</td>
<td>2</td>
<td>(3)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>1,876</td>
<td>1,918</td>
<td>2,044</td>
<td>1,977</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>(584)</td>
<td>(590)</td>
<td>(600)</td>
<td>(581)</td>
</tr>
<tr>
<td>Net income</td>
<td>1,292</td>
<td>1,328</td>
<td>1,444</td>
<td>1,396</td>
</tr>
<tr>
<td>Attributable to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>15</td>
<td>17</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Siemens Group</td>
<td>1,277</td>
<td>1,311</td>
<td>1,427</td>
<td>1,379</td>
</tr>
</tbody>
</table>

Capital Market Day, Jochen Schmitz, Siemens Healthineers CFO
### Income before income taxes to adjusted EBITDA reconciliation

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before income taxes</td>
<td>1,876</td>
<td>1,918</td>
<td>2,044</td>
<td>1,977</td>
</tr>
<tr>
<td>Financial income (expenses), net</td>
<td>96</td>
<td>205</td>
<td>255</td>
<td>255</td>
</tr>
<tr>
<td>Financial income part of operations(^1)</td>
<td>17</td>
<td>18</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>PPA amortization</td>
<td>180</td>
<td>179</td>
<td>147</td>
<td>147</td>
</tr>
<tr>
<td>Siemens Healthineers Profit</td>
<td>2,169</td>
<td>2,320</td>
<td>2,468</td>
<td>2,401</td>
</tr>
<tr>
<td>Reversal of financial income part of operations(^1)</td>
<td>(17)</td>
<td>(18)</td>
<td>(22)</td>
<td>(22)</td>
</tr>
<tr>
<td>Amortization and impairment of other intangible assets</td>
<td>252</td>
<td>259</td>
<td>230</td>
<td>230</td>
</tr>
<tr>
<td>PPA amortization</td>
<td>(180)</td>
<td>(179)</td>
<td>(147)</td>
<td>(147)</td>
</tr>
<tr>
<td>Depreciation and impairment of PP&amp;E</td>
<td>311</td>
<td>332</td>
<td>342</td>
<td>342</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,535</td>
<td>2,714</td>
<td>2,871</td>
<td>2,804</td>
</tr>
<tr>
<td>Severance</td>
<td>62</td>
<td>61</td>
<td>57</td>
<td>57</td>
</tr>
<tr>
<td>Adj. EBITDA</td>
<td>2,597</td>
<td>2,775</td>
<td>2,928</td>
<td>2,861</td>
</tr>
<tr>
<td>Adj. Profit</td>
<td>2,231</td>
<td>2,381</td>
<td>2,525</td>
<td>2,458</td>
</tr>
</tbody>
</table>

\(^1\) Financial income part of operations denotes financial income classified as operational under the Siemens Healthineers Profit definition.
Overview of severance by segment

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imaging</td>
<td>31</td>
<td>23</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>17</td>
<td>18</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Advanced Therapies</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Central</td>
<td>8</td>
<td>15</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62</strong></td>
<td><strong>61</strong></td>
<td><strong>57</strong></td>
<td><strong>57</strong></td>
</tr>
</tbody>
</table>

Note: Figures in 2015 and 2017 do not add up due to rounding.
<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017 (IFRS 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Group)</td>
<td>12,936</td>
<td>13,547</td>
<td>13,796</td>
<td>13,677</td>
</tr>
<tr>
<td>Imaging (segment revenue)</td>
<td>7,382</td>
<td>8,007</td>
<td>8,216</td>
<td>8,113</td>
</tr>
<tr>
<td>Diagnostics (segment revenue)</td>
<td>4,138</td>
<td>4,138</td>
<td>4,162</td>
<td>4,164</td>
</tr>
<tr>
<td>Advanced Therapies (segment revenue)</td>
<td>1,447</td>
<td>1,460</td>
<td>1,519</td>
<td>1,503</td>
</tr>
<tr>
<td>Central and Reconciliation</td>
<td>(31)</td>
<td>(59)</td>
<td>(100)</td>
<td>(102)</td>
</tr>
<tr>
<td>Adjusted Profit (Group)</td>
<td>2,231</td>
<td>2,381</td>
<td>2,525</td>
<td>2,458</td>
</tr>
<tr>
<td>Imaging (segment Profit)</td>
<td>1,329</td>
<td>1,594</td>
<td>1,647</td>
<td>1,590</td>
</tr>
<tr>
<td>Diagnostics (segment Profit)</td>
<td>637</td>
<td>532</td>
<td>583</td>
<td>582</td>
</tr>
<tr>
<td>Advanced Therapies (segment Profit)</td>
<td>274</td>
<td>291</td>
<td>337</td>
<td>328</td>
</tr>
<tr>
<td>Central</td>
<td>(9)</td>
<td>(35)</td>
<td>(43)</td>
<td>(42)</td>
</tr>
</tbody>
</table>

Note: Total segment revenue including intersegment sales. Figures in 2016 and 2017 do not add up due to rounding.
## Detailed balance sheet

### Assets

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>73</td>
<td>206</td>
<td>184</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,875</td>
<td>2,080</td>
<td>2,200</td>
</tr>
<tr>
<td>Other current financial assets</td>
<td>78</td>
<td>70</td>
<td>57</td>
</tr>
<tr>
<td>Receivables from Siemens Group</td>
<td>4,056</td>
<td>3,952</td>
<td>2,991</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,259</td>
<td>1,308</td>
<td>1,323</td>
</tr>
<tr>
<td>Current income tax assets</td>
<td>29</td>
<td>70</td>
<td>79</td>
</tr>
<tr>
<td>Other current assets</td>
<td>183</td>
<td>236</td>
<td>276</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>7,553</strong></td>
<td><strong>7,922</strong></td>
<td><strong>7,110</strong></td>
</tr>
<tr>
<td>Goodwill</td>
<td>8,273</td>
<td>8,301</td>
<td>7,992</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>1,599</td>
<td>1,585</td>
<td>1,525</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,305</td>
<td>1,524</td>
<td>1,566</td>
</tr>
<tr>
<td>Investments accounted for using the equity method</td>
<td>37</td>
<td>35</td>
<td>33</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>147</td>
<td>151</td>
<td>162</td>
</tr>
<tr>
<td>Other receivables from Siemens Group</td>
<td>-</td>
<td>-</td>
<td>1,365</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>299</td>
<td>524</td>
<td>419</td>
</tr>
<tr>
<td>Other assets</td>
<td>244</td>
<td>253</td>
<td>268</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>11,904</strong></td>
<td><strong>12,373</strong></td>
<td><strong>13,330</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>19,457</strong></td>
<td><strong>20,295</strong></td>
<td><strong>20,440</strong></td>
</tr>
</tbody>
</table>

### Liabilities and equity

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term debt &amp; current maturities of long-term debt</td>
<td>8</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Trade payables</td>
<td>942</td>
<td>996</td>
<td>1,120</td>
</tr>
<tr>
<td>Other current financial liabilities</td>
<td>94</td>
<td>105</td>
<td>72</td>
</tr>
<tr>
<td>Payables to Siemens Group</td>
<td>10,480</td>
<td>5,982</td>
<td>5,795</td>
</tr>
<tr>
<td>Current provisions</td>
<td>294</td>
<td>318</td>
<td>314</td>
</tr>
<tr>
<td>Current income tax liabilities</td>
<td>137</td>
<td>113</td>
<td>122</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>1,690</td>
<td>1,745</td>
<td>1,797</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>13,645</strong></td>
<td><strong>9,304</strong></td>
<td><strong>9,275</strong></td>
</tr>
<tr>
<td>Long-term debt</td>
<td>14</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>Provisions for pensions and similar obligations</td>
<td>1,245</td>
<td>2,132</td>
<td>1,732</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>159</td>
<td>197</td>
<td>243</td>
</tr>
<tr>
<td>Provisions</td>
<td>145</td>
<td>148</td>
<td>153</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>13</td>
<td>17</td>
<td>23</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>495</td>
<td>591</td>
<td>590</td>
</tr>
<tr>
<td>Other liabilities to Siemens Group</td>
<td>13</td>
<td>5,485</td>
<td>5,167</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>2,084</strong></td>
<td><strong>8,584</strong></td>
<td><strong>7,923</strong></td>
</tr>
<tr>
<td>Net assets attributable to Siemens Group</td>
<td>4,385</td>
<td>3,141</td>
<td>3,995</td>
</tr>
<tr>
<td>Other components of equity</td>
<td>(696)</td>
<td>(767)</td>
<td>(761)</td>
</tr>
<tr>
<td><strong>Total equity attributable to Siemens Group</strong></td>
<td><strong>3,689</strong></td>
<td><strong>2,374</strong></td>
<td><strong>3,234</strong></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>39</td>
<td>33</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>3,728</strong></td>
<td><strong>2,407</strong></td>
<td><strong>3,242</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>19,457</strong></td>
<td><strong>20,295</strong></td>
<td><strong>20,440</strong></td>
</tr>
</tbody>
</table>
Pension overview

Pension overview (€m)  
<table>
<thead>
<tr>
<th>Description</th>
<th>Sep-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation (DBO)</td>
<td>4,067</td>
</tr>
<tr>
<td>Plan assets</td>
<td>2,364</td>
</tr>
</tbody>
</table>

Funding gap
<table>
<thead>
<tr>
<th>Description</th>
<th>Sep-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset ceiling</td>
<td>12</td>
</tr>
</tbody>
</table>

Net defined benefit balance
<table>
<thead>
<tr>
<th>Description</th>
<th>Sep-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>t/o provisions for pensions</td>
<td>1,732</td>
</tr>
<tr>
<td>t/o plans with net assets, presented in “Other assets”</td>
<td>(17)</td>
</tr>
</tbody>
</table>

Net defined benefit balance
<table>
<thead>
<tr>
<th>Description</th>
<th>Sep-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBO interest expense</td>
<td>91</td>
</tr>
</tbody>
</table>

DBO interest rate
<table>
<thead>
<tr>
<th>Description</th>
<th>Sep-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBO interest rate</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

Plan assets by investment style (Sep-2017)

- Multi strategy funds: 3%
- Alternative investments: 8%
- Equity: 22%
- Fixed-income: 61%
- Other: 6%

Pension liabilities and assets by region (Sep-2017, €bn)

- Healthineers: 4.1
- GER: 2.4
- US: 1.7
- UK: 1.1
- RoW: 0.3

Comments

- **GER**: Pre-IPO add. assets of €0.8bn expected to be funded to Healthineers CTA
- **UK**: Liability and asset transfer to Healthineers subject to trustee negotiation
- **US**: Actual amount of asset to be transferred to be calculated under IRC 414(l) which will lead to differences from the figures above
- All figures & assumptions are based on current stand-alone pension concepts (as of 11/2017)

1) Sum of GER, US, UK, RoW does not equal €4.1bn due to rounding.
### Detailed cash flow statement (1/2)

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>1,292</td>
<td>1,328</td>
<td>1,444</td>
</tr>
<tr>
<td><strong>Adjustments to reconcile net income to cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization, depreciation and impairments</td>
<td>563</td>
<td>591</td>
<td>572</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>584</td>
<td>590</td>
<td>600</td>
</tr>
<tr>
<td>Interest expenses, net</td>
<td>99</td>
<td>202</td>
<td>255</td>
</tr>
<tr>
<td>Income related to investing activities</td>
<td>(69)</td>
<td>-</td>
<td>(12)</td>
</tr>
<tr>
<td>Other income from investments</td>
<td>(7)</td>
<td>(6)</td>
<td>(9)</td>
</tr>
<tr>
<td>Other non-cash (income) expenses</td>
<td>32</td>
<td>(2)</td>
<td>45</td>
</tr>
<tr>
<td>Change in current assets and liabilities</td>
<td>122</td>
<td>(49)</td>
<td>(123)</td>
</tr>
<tr>
<td>Change in other assets and liabilities</td>
<td>(40)</td>
<td>75</td>
<td>(34)</td>
</tr>
<tr>
<td>Additions to assets leased to others in operating leases</td>
<td>(190)</td>
<td>(216)</td>
<td>(220)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(143)</td>
<td>(264)</td>
<td>(192)</td>
</tr>
<tr>
<td>Income taxes paid by Siemens Group on behalf of Siemens Healthineers</td>
<td>(362)</td>
<td>(422)</td>
<td>(375)</td>
</tr>
<tr>
<td>Dividends received</td>
<td>6</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Interest received</td>
<td>14</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td>1,901</td>
<td>1,849</td>
<td>1,975</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions to intangible assets and property, plant &amp; equipment</td>
<td>(356)</td>
<td>(424)</td>
<td>(466)</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(2)</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>Acquisitions of businesses, net of cash acquired</td>
<td>-</td>
<td>(15)</td>
<td>(6)</td>
</tr>
<tr>
<td>Disposal of investments, intangibles and property, plant &amp; equipment</td>
<td>6</td>
<td>7</td>
<td>19</td>
</tr>
<tr>
<td>Disposal of businesses, net of cash disposed</td>
<td>363</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td>11</td>
<td>(436)</td>
<td>(453)</td>
</tr>
</tbody>
</table>
## Detailed cash flow statement (2/2)

<table>
<thead>
<tr>
<th>Position (€m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in short-term debt and other financing activities</td>
<td>(8)</td>
<td>22</td>
<td>6</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(4)</td>
<td>(2)</td>
<td>(5)</td>
</tr>
<tr>
<td>Profit and loss transfers with Siemens Group</td>
<td>(806)</td>
<td>(909)</td>
<td>(815)</td>
</tr>
<tr>
<td>Dividends paid to Siemens Group</td>
<td>(148)</td>
<td>(377)</td>
<td>(352)</td>
</tr>
<tr>
<td>Dividends paid to non-controlling interest holders</td>
<td>(3)</td>
<td>(3)</td>
<td>(3)</td>
</tr>
<tr>
<td>Interest paid to Siemens Group</td>
<td>(82)</td>
<td>(177)</td>
<td>(245)</td>
</tr>
<tr>
<td>Other transactions/financing with Siemens Group</td>
<td>(802)</td>
<td>167</td>
<td>(118)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td>(1,853)</td>
<td>(1,279)</td>
<td>(1,532)</td>
</tr>
<tr>
<td><strong>Effect of foreign exchange rates on cash and cash equivalents</strong></td>
<td>(5)</td>
<td>(1)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents</strong></td>
<td>54</td>
<td>133</td>
<td>(22)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of period</strong></td>
<td>19</td>
<td>73</td>
<td>206</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of period</strong></td>
<td>73</td>
<td>206</td>
<td>184</td>
</tr>
</tbody>
</table>
Capital Market Day

Global leader in Imaging

Walter Märzendorfer
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context.

This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the “Company”) or any existing or future member of the Siemens Healthineers Group (the “Group”) or Siemens AG, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes “forward-looking statements.” These statements contain the words “anticipate,” “believe,” “intend,” “estimate,” “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act.

This presentation is only directed at persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005, as amended, (the “Financial Promotion Order“), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This presentation is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area (“EEA”) which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the “Prospectus Directive”), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
Global leader in Imaging

I. Market leader with global scale and highly efficient set-up
II. Comprehensive product and service offering
III. Innovation leadership at the core of value creation
IV. At the forefront of industry transformation towards data-driven solutions
V. Growth above market at strong margins and high cash conversion
Imaging at a glance

Overview

1. Global market position
   - 31% market share

2. Installed base
   - ~130k

3. FTE
   - ~24k

2017 financials

- Revenue: €8.2bn (59% of Group)
- Adj. Profit: €1.6bn (64% of Group)
- Adj. Profit margin: 20%
- Recurring service revenue: ~40%

2017 revenue split

By region

- Americas: 39%
- EMEA: 32%
- Asia-Pacific: 30%

By modality

- Magnetic Resonance: 37%
- Computed Tomography: 28%
- Ultrasound: 15%
- X-ray Products: 13%
- Molecular Imaging: 7%
Imaging is at the core of clinical decision making: 4.3bn imaging procedures per year and growing

Orthopedics
(e.g. Knee trauma)

Surgery
(e.g. Fractures)

Pediatrics / Gynaecology
(e.g. Fetal ultrasound)

Women’s Health
(e.g. Breast cancer)

Emergency / Trauma Care
(e.g. Abdominal exams)

Oncology
(e.g. Lung, prostate)

Cardiology
(e.g. Chest pain management, coronary artery disease)

Neurology
(e.g. Stroke, Alzheimer’s)

Note: 4.3bn imaging procedures per year based on 29 most significant markets, Imaging Procedure Volume Analysis 2017, Kalorama Information Report, Marketresearch.com.

Capital Market Day, Walter Märzendorfer, Siemens Healthineers
Page 4 | Unrestricted © Siemens Healthcare GmbH, 2018
Healthineers covers the full continuum of care across all clinical fields

<table>
<thead>
<tr>
<th>Oncology</th>
<th>Prostate cancer</th>
<th>Prostate Cancer Assessment (Ultrasound)</th>
<th>Prostate Cancer Diagnosis and Staging (MR)</th>
<th>Radiation Therapy Planning (CT)</th>
<th>Follow-up Check-up (PET CT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiology</td>
<td>Chest pain</td>
<td>Stress Echocardiography (Ultrasound)</td>
<td>Detection of Coronary Artery Disease (CT)</td>
<td>Coronary Intervention under image guidance (Angiography)</td>
<td>Comprehensive Check-up after intervention (MR)</td>
</tr>
<tr>
<td>Neurology</td>
<td>Stroke</td>
<td>Carotid Stenosis assessment (Ultrasound)</td>
<td>Stroke Assessment (CT)</td>
<td>Brain Intervention (Angiography)</td>
<td>Stroke Follow-up (MR)</td>
</tr>
</tbody>
</table>

Comprehensive coverage along the whole continuum of care with data and workflow integration by syngo software

Note: Examples depicted above only for illustrative reasons not covering our activities in its entirety.
# Strong growth across Imaging modalities and regions, driven by Asia-Pacific

## Market development by modality

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2021</th>
<th>Comp. growth</th>
<th>% p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>5.3</td>
<td>6.3</td>
<td>+3% p.a.</td>
<td>3.6%</td>
</tr>
<tr>
<td>MR</td>
<td>4.2</td>
<td>4.9</td>
<td>+3% p.a.</td>
<td>3.0%</td>
</tr>
<tr>
<td>CT</td>
<td>3.4</td>
<td>4.0</td>
<td>+3% p.a.</td>
<td>3.3%</td>
</tr>
<tr>
<td>XP2)</td>
<td>3.4</td>
<td>3.9</td>
<td>+3% p.a.</td>
<td>2.8%</td>
</tr>
<tr>
<td>MI</td>
<td>1.0</td>
<td>1.2</td>
<td>+3% p.a.</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

## Market development by region

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2021</th>
<th>Comp. growth</th>
<th>% p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>7.2</td>
<td>9.1</td>
<td>+3% p.a.</td>
<td>5%</td>
</tr>
<tr>
<td>EMEA</td>
<td>4.5</td>
<td>5.0</td>
<td>+3% p.a.</td>
<td>2%</td>
</tr>
<tr>
<td>Americas</td>
<td>5.7</td>
<td>6.2</td>
<td>+3% p.a.</td>
<td>2%</td>
</tr>
</tbody>
</table>

## Drivers for future growth

- **Demographics**
  - Aging population
  - Growing population
  - Increase of chronic diseases

- **Emerging markets**
  - Growing middle-class population
  - Increasing access to and demand for healthcare (penetration catch-up)

- **Broader imaging applicability**
  - Imaging as enabler of precision medicine
  - Value based incentives
  - Imaging to be used in adjacent fields like therapy, prevention and interventional settings

- **Digitalization**
  - Continued development of highly intelligent software applications

---

Source: Siemens Healthineers market model. Note: Total market size by modality in 2016 does not add up due to rounding. Percentage figures depict comparable annual growth. 1) Advanced visualization / software market not included. 2) Relates to X-ray Products and covers the following fields: fluoroscopy, radiography, mammography and urology.
Global market leader with unique footprint and scale across regions

### Americas
- Rank in region: 1
- Approx. installed base: 36k
- # countries: 32
- Approx. FTE (total): 6k

### EMEA
- Rank in region: 1
- Approx. installed base: 52k
- # countries: 122
- Approx. FTE (total): 12k

### Asia-Pacific
- Rank in region: 1
- Approx. installed base: 38k
- # countries: 27
- Approx. FTE (total): 7k

### Global market share
- #1: 31%
- #2 & #3 player: 68%
- Other players: 68%

**Regulated markets**

Our footprint combines global scale and local-to-local flexibility with high emerging markets presence

<table>
<thead>
<tr>
<th>United Kingdom</th>
<th>China</th>
<th>Germany</th>
<th>India</th>
<th>United States</th>
<th>South Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>🇬🇧</td>
<td>🇨🇳</td>
<td>🇩🇪</td>
<td>🇮🇳</td>
<td>🇺🇸</td>
<td>🇰🇷</td>
</tr>
</tbody>
</table>

### Manufacturing & R&D

- Manufacturing FTE in emerging countries: 20%
- R&D employees in emerging markets: >40%
- Every 2nd CT produced in China
- Up to 50% Local-to-local (e.g. China revenue)
- Flex extremely flexible set-up

### Key products and systems

- MR
- CT
- MI
- XP
- US
- syngo

1) Relates to X-ray products and covers the following fields: fluoroscopy, radiography, mammography and urology.
We drive margins with operational excellence across our value chain

**Customer relationship management (CRM)**
- Pricing excellence for new systems
  - Improve earnings quality of existing portfolio
  - Reduce complexity in decision making
- Integrated service offering
  - Integrated service model
  - Increase point of sales service contracts
  - High contract capture rates

**Product lifecycle management (PLM)**
- Modular platform concept
- Technology-to-innovation
- Digitalization
- Design-to-cost savings
- Reduced time to market
- Highly customized
- Dedicated readiness KPIs
- Agile and lean processes ensuring fast time to market
- Digitalization and integration of internal tool chain ("end-to-end")

**Supply chain management (SCM)**
- Global delivery value chain
- Continuous quality improvement programs
  - Highly integrated and internationally set-up value chain
  - Lever for further scale
  - Imaging wide quality initiative
  - Across product lifecycle and supply chain mgmt.
  - Reducing non-conformance cost

**Significant design-to-cost savings targeted**

<table>
<thead>
<tr>
<th></th>
<th>Now</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Time-to-market target**

<table>
<thead>
<tr>
<th></th>
<th>Now</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>-10%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Targeted increase in contract coverage rate** (in percentage points, target over next years)

+5pp
Comprehensive product and service offering underpins a resilient business model

~7-10 years typical scanner replacement cycle

Customer Services
- Equipment performance & repair
- Preventive & remote maintenance
- Education excellence
- Asset evolution

Enterprise Services
- Asset management
- Consulting & transformation
- Managed departmental

Digital Services
- Digital ecosystem & platforms
- Population health management
- Imaging IT

Equipment
Magnetic Resonance
Computed Tomography
Molecular Imaging
X-ray Products
Ultrasound
ecoline Portfolio
syngo.via

Growth leveraging our capabilities

1) Percentages referring to revenue share in FY17.
2) ecoline are Siemens Healthineers' pre-owned systems refurbished according a certified 5-step Quality Process.
## Leadership across Imaging modalities

<table>
<thead>
<tr>
<th>Modalities</th>
<th>Revenue Split (%)</th>
<th>Market Position</th>
<th>Key Success Factors</th>
<th>Price Range in €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magnetic Resonance</td>
<td>37%</td>
<td>1</td>
<td>• Increasing customer productivity through higher throughput in high-end and value segment</td>
<td>400k – 8m</td>
</tr>
<tr>
<td>Computed Tomography</td>
<td>28%</td>
<td>1</td>
<td>• Ultra-low dose enabling broader clinical applicability</td>
<td>150k – 2m</td>
</tr>
<tr>
<td>X-ray Products 3)</td>
<td>15%</td>
<td>1</td>
<td>• Portfolio expansion with industry first twin-robotic scanner</td>
<td>50k – 500k</td>
</tr>
<tr>
<td>Molecular Imaging</td>
<td>13%</td>
<td>2</td>
<td>• Leader in innovation trends with new high-end PET/CT driving precision medicine</td>
<td>250k – 2m</td>
</tr>
<tr>
<td>Ultrasound</td>
<td>7%</td>
<td>5</td>
<td>• Growth from new ACUSON series introduced in 2016</td>
<td>15k – 300k</td>
</tr>
</tbody>
</table>

1) Revenue excluding business lines syngo and services modality business lines. Based on FY17. 2) Market share based on FY16 equipment orders. 3) Covers the following fields: fluoroscopy, radiography, mammography and urology.
Significant investments into Ultrasound to strengthen competitiveness and improve market position

Comprehensive improvement plan for our Ultrasound business

1. Experienced management
   - New team since 2016
   - Strengthened industry expertise

2. Sales focus
   - Focus on 2 markets: Cardiology and General Imaging
   - Regional focus
   - Dedicated service model
   - New go-to-market process

3. Footprint / supply chain management
   - Streamlining of footprint
   - Quality improvements
   - Targeting 30% less non-conformance costs and 2x better reliability

4. Innovation
   - 70% increase in R&D spending since 2014
   - Significant future product platform projects on track

Supportive new platform launches

- New product family: +22% ACUSON NX vs. legacy volume
- Increasingly competitive portfolio
- Future product platforms benchmarked to become best-in-class
  - Image quality
  - Machine learning
  - Workflow automation
- Extending common platform to reduce complexity
  - Common architecture
  - Shared platform/applications
  - Enabling focus on specialized applications
  - Integrated supply chain

- Increase share in Ultrasound market from currently 6%
- Lay foundation for long-term profit accretive business

1) Targeting 2x increase in minimum time between failures (MTBF).
Market leader in clinical software applications improving efficiency at and beyond the scanner

- Target: Building the industry’s most comprehensive Digital Ecosystem
- Open interfaces
- Enabler for open innovation and additional revenue stream through app store model
- Expanding portfolio through research and 3rd party apps
- Automated multi-modality reading and structured reporting in one place
- Fully integrated and scalable into existing IT environments
- Common software platforms for all imaging and therapy systems with focus on common functionality
- Launched in 1999, continuous enhancement

Leading clinical software offering

1. **Market leader in advanced visualization software** (25% market share with syngo.via2)
2. **Licenses sold** >280k
3. **syngo revenue in 2017 (€m)** >150
4. **Common features for all systems** 40%
5. **Cases read per week** 500k

---

1) Including Ultrasound as of Sep-2017. 2) Based on advanced visualization market.
Services are a core and strongly growing part of our business model and key for retaining customers

### Holistic service offering with full connectivity to our customers

<table>
<thead>
<tr>
<th>Value for our customers ...</th>
<th>With strong upsides</th>
</tr>
</thead>
<tbody>
<tr>
<td>64%</td>
<td>~230k</td>
</tr>
<tr>
<td><strong>Net promoter score</strong> (up &gt;20pp since 2010)</td>
<td>Further <strong>growth in serviced systems</strong> targeted (installed base(^1))</td>
</tr>
<tr>
<td>97%</td>
<td>+5pp</td>
</tr>
<tr>
<td><strong>of spare parts delivered globally within 24h</strong> (“follow-the-sun”)</td>
<td><strong>Increase in contract coverage rate</strong> (in percentage points, target over next years)</td>
</tr>
<tr>
<td>~15k</td>
<td>~15k</td>
</tr>
<tr>
<td><strong>Group service FTE</strong> (~31% of Group FTE)</td>
<td><strong>Increase in contract revenue</strong> at point-of-sale by modularizing of offers and roll-out of integrated configuration tools</td>
</tr>
<tr>
<td>~40%</td>
<td>130k</td>
</tr>
<tr>
<td><strong>of 2017 revenue</strong> (€3bn recurring revenue)</td>
<td><strong>Remote service instances instead of customer site visits</strong> (“design-to-serviceability”)</td>
</tr>
<tr>
<td>~60%</td>
<td>450k</td>
</tr>
<tr>
<td><strong>of our systems connected</strong></td>
<td><strong>“From onsite to online”: online customer interactions per year (remote service)</strong></td>
</tr>
</tbody>
</table>

1) Including Ultrasound as of Sep-2017.
Value innovation at the core of our business model
driving growth above market at high margins

1) Introduced over last 3 years.

- >2/3 revenue from innovations
- Significant product life cycle cost savings targeted
- -10% cycle time target in scanner releases

Value Creation

- Innovate
- Reinvest
- Innovator margins
- Gain market share
- Recurring services business
- Installed base & long-term service contracts

Industry firsts
- Track record of breakthrough innovations
- Defining new market segments
- Expanding procedure growth through new clinical applications

Innovation leadership
- Across all market segments
- System approach with local elements

Design-to-cost ("Baukasten")
- Modular platform approach
- Significant cost advantages
  - Reduction in design-to-cost for new product launches
  - Reduction in total cost of ownership

Agile co-creation with customers
- Lean management tools applied across the organization
- Reduce time to market
- Flexible to adapt to customer needs
Innovation powerhouse with comprehensive expertise across all core technologies driving growth

<table>
<thead>
<tr>
<th>Innovation powerhouse ...</th>
<th>... with in-house technology &amp; engineering expertise ...</th>
<th>... driving growth with continuous flow of recent innovations</th>
</tr>
</thead>
</table>
| >13,000 Strong IP position in the industry (patents and utility models) | X-ray tubes | Biograph Vision  
Precision medicine with higher throughput |
| ~760 Annual R&D spend (€m, ~10% of 2017 revenue) | Detector technology | | MAGNETOM Terra  
First clinical 7T MRI |
| ~45% R&D spending for software | Super conducting magnets | | SOMATOM go.platform  
Value CT with unique selling propositions from high-end and mobile workflow |
| ~4,800 R&D employees globally (>40% in emerging markets) | Generator | | syngo.via OpenApps  
Access to 3rd party Apps |
| >1,400 employees each with more than 5 individual patents | Mechatronics | | |
| | Material science | | |
| | Software | | |
| | 20+ specialties | | |
SOMATOM go.platform demonstrates value innovation enabling growth and margin improvements

**SOMATOM go.platform**

- Definition of completely new “Baukasten” delivering the customer value at better cost position
- Co-creation with our customers
- Lean and agile project set-up

**Design-to-innovation across all market segments**

- Components re-used in high-end segment
- Leveraging high-end technologies into value market
- Higher revenue driving growth

**Significant design-to-cost savings and time-to-market improvements**

- >60% of CT portfolio will be addressed by go. platform
- 4 New scanner launches in 12 months
- >50% Material re-use in go.Top
- >50% Service cost reductions

**Significant design-to-cost savings targeted**

1) Already achieved with selected products.
Role of Imaging in precision medicine will further expand with digital, data and AI

Clinical data growth and complexity ...

- Imaging
- Genetics
- Diagnostics
- Pathology
- Others

... resulting in substantial challenges

- Data spread throughout IT silos
- Incongruent decision making
- Inefficiencies in and low quality of decision making

Radiology: data integrator

Patient images and data

Technology breakthroughs ...

- Artificial Intelligence
- Big data analytics
- Visualization
- Advanced connectivity (“IoT”)¹

... requiring more integrated decision making tomorrow

- Integrated clinical and operational decision support at point of decision
- Driver for precision medicine

1) Internet of things.
We are uniquely positioned in this transformation

We are building up knowledge in AI …

<table>
<thead>
<tr>
<th>Curated images (m)</th>
<th>Mar-17</th>
<th>Nov-17</th>
<th>Target May-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;100</td>
<td>&gt;200</td>
<td>&gt;500</td>
<td></td>
</tr>
</tbody>
</table>

... with our strong global clinical & industry partner network

- 100% of Top 10 US hospitals Top 10 EU hospitals
- ~4,400 Research collaborations (Group)
- 100% of Top 10 US hospitals
- 100% of Top 10 EU hospitals

Leading AI capabilities

- Automated vertebrae labelling
  - AI helps to increase precision with time savings
  - Providing reliable results independent from user skills
- Customer savings per tech and year in work-force overtime salary
  - Up to $14k

Software developers ~2,900

Installed base 1) ~230k

Patents related to AI and deep machine learning ~400

1) Including Ultrasound as of Sep-2017.
2) Calculation based on: 38h/week; 48 working weeks/year; average annual salary $70k equals ~$40/h.
Case study lung cancer: AI learns to recognize and quantify abnormalities in CT scans

~10% Estimated CAGR in lung cancer diagnostics market through 2021¹)

- Deep reinforcement learning to detect anatomical landmarks
- Deep adversarial network to segment anatomical structures and recognize abnormalities

1) Based on Siemens Healthineers estimates.

Chest CT | Artificial Intelligence

- Automatic lung segmentation
- Lung nodules
- Emphysema
- Vertebra compression, fractures, bone mineral density
- Coronary calcification, heart size
- Aorta measurements

Capital Market Day, Walter Mährendorfer, Siemens Healthineers
Page 20 | Unrestricted © Siemens Healthcare GmbH, 2018
Driving growth through clinical decision support applications within the Digital Ecosystem

Addressing central problems:
no coordination and information gaps

50% of patients: care-critical information not available when needed¹)

38% Difficulty in accessing medical records: most cited reason for overtreatment²)

74% of cases: cognitive factors (perception, failed heuristics) contribute to the diagnostic error²)

Global market for clinical decision support systems is projected to reach $1,500m by 2021 from $850m in 2016³)

By generating and integrating clinical data, we enable new applications⁴)

Overview & risk score
Diagnosis
Therapy & treatment strategy guidance

Integrated workflow based on common information

Note: The products / features and / or service offerings (mentioned herein) are not commercially available in all countries and / or for all modalities. Their future availability cannot be guaranteed.

¹) Best care at lower cost: the path to continuously learning healthcare in America, Institute of medicine.
Continuous strong growth and value creation

Growth above market (Revenue in €m)

- Continuous growth in high-end segment driven by innovations
- Market share gains in value segment targeted
- Expansion in Asia-Pacific / China
- Significant growth in services
- Attractive growth in adjacent fields and clinical applications

Margin expansion (Adj. Profit in €m)

- Structural and standalone cost savings
- Productivity improvement target of 4%+ per year
- Design-to-cost savings, particularly in value segment
- Modular platform approach (“Baukasten”)
- Improved serviceability leading to better cost position

High cash generation (Free cash flow in €m)

- Committed to invest into innovation leadership
- Focus on high cash conversion
- Limited capex requirements

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.
1) Defined as free cash flow divided by reported Profit.
Leadership today – strong basis for future value creation

- Market leader with global scale and highly efficient set-up
- Comprehensive product and service offering
- Innovation leadership at the core of value creation
- At the forefront of industry transformation towards data-driven solutions
- Growth above market at strong margins and high cash conversion
Appendix
Steady flow of breakthrough Imaging innovations

Breakthrough innovations over last 20 years

- **syngo.via**: Significant growth to market leading position
- **Dual Source CT**: Bringing Cardiac CT to mainstream
- **Biograph mMR**: New market segment: First fully integrated whole-body PET-MR
- **MRI BioMatrix Technology**: Driving growth through precision medicine and clinical applications

**2003**
- Open Bore MRI: Significant improvement of global business and MRI procedure volume growth
- 25% to 35% to 45% global MR market share growth

**2005**
- 20% global MR market share growth

**2009**
- 20% global MR market share growth

**2011**
- 25% global MR market share growth

**2015**
- 35% global MR market share growth

**2017**
- >10pp global MR market share gain from 2003 to 2006

Company of innovators

- **2017 Aunt Minnie Award**: (Somatom go. CT as best new radiology device)
- **2017 Red Dot Award**: (Multitom RAX for product design)
- **2017 Red Star Design Award**: (Somatom go.up)
- **2017 IF Design Award**: (Somatom go.)
- **2017 R&D 100 Gold Award**: (Special recognition market disruptor)
- **2017 Nominee German Future Prize**: (Cinematic rendering)
# Imaging market is a large attractive market underpinned by strong fundamentals

<table>
<thead>
<tr>
<th>2016 global imaging market (€bn)</th>
<th>5-year CAGR</th>
<th>Key competitors</th>
<th>Market drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>~3%</td>
<td>GE, Philips</td>
<td>• Macroeconomic trends including aging population, increase in chronic diseases and increasing healthcare access in emerging markets</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• AI and information integration, lowering cost in healthcare operations and better outcomes will increase the attractiveness of diagnostic imaging</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Paradigm shift towards precision medicine</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Increasing utilization of imaging devices in therapy, screening and intervention</td>
</tr>
<tr>
<td>Molecular Imaging</td>
<td>~3.0%</td>
<td>GE, Philips</td>
<td>• Innovation in radiopharmaceuticals is and will be leading to broader application</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Switch to hybrid imaging modalities for more precise outcomes and clinical studies</td>
</tr>
<tr>
<td>X-ray Products¹</td>
<td>~2.8%</td>
<td>GE, Hologic, Philips, Shimadzu</td>
<td>• Increased demand for digital and portable devices</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Increased awareness, precision and patient comfort in breast cancer screening</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Strong declines and replacements in conv. analogue and computed radiography</td>
</tr>
<tr>
<td>Computed Tomography</td>
<td>~3.3%</td>
<td>GE, Toshiba, Philips, Neusoft, United Imaging</td>
<td>• CT scanner exchange waves based on radiation regulation fostering demand for (ultra) low-dose technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Reimbursement for screening programs e.g. lung cancer screening</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Development of emerging market healthcare infrastructure fosters demand for CT systems</td>
</tr>
<tr>
<td>Magnetic Resonance</td>
<td>~3.0%</td>
<td>GE, Philips, Toshiba</td>
<td>• Advancing disease diagnostics and research application through ongoing MR innovations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Increased demand for improved and affordable imaging in emerging markets</td>
</tr>
<tr>
<td>Ultrasound</td>
<td>~3.6%</td>
<td>GE, Philips, Toshiba, Hitachi</td>
<td>• Demand for portable ultrasound systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Increased number of applications for ultrasound systems (fields such as obstetrics, gynaecology, urology and ophthalmology to support future growth)</td>
</tr>
</tbody>
</table>

Source: Siemens Healthineers market model. Note: Total market size does not add up due to rounding.

¹ Covers the following fields: fluoroscopy, radiography, mammography and urology.
Capital Market Day

A global leader in Diagnostics

Michael Reitermann
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context.

This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the “Company”) or any existing or future member of the Siemens Healthineers Group (the “Group”) or Siemens AG, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes “forward-looking statements.” These statements contain the words "anticipate," "believe," "intend," "estimate," "expect" and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act.

This presentation is only directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This presentation is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area (“EEA”) which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the “Prospectus Directive”), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.
Diagnostics: A global leader positioned for growth

1. A leader in the highly attractive in-vitro diagnostics market

2. Strong foundation built upon a comprehensive portfolio and large global installed base

3. Gaining momentum through Atellica Solution launch and portfolio expansion to drive above market growth

4. Significant margin expansion potential from platform consolidation, setup optimization and continuous productivity
Diagnostics at a glance

### Global market position

- **2** Global market position in LD
- **3** Global market position in POC

### Financials

<table>
<thead>
<tr>
<th>2017 financials</th>
<th>Revenue (30% of Group)</th>
<th>Adj. Profit (23% of Group)</th>
<th>Adj. Profit margin</th>
<th>Annual R&amp;D spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>€4.2bn</td>
<td>€22bn</td>
<td>€0.6bn</td>
<td>14%</td>
<td>€297m</td>
</tr>
</tbody>
</table>

### In markets addressed by recent launches

- 3,500+ instrument installed base

### Recurring revenue

- 90%+ recurring revenue
- 5-7 year typical contract duration

### Revenue split by region

- Americas: 45%
- Asia-Pacific: 23%
- EMEA: 32%

### Revenue split by business area

- LD (including MDX): 88%
- POC: 12%

---

**Note:** Market positions based on BBC IVD Solutions (IQVIA) and company internal estimates/adjustments.

1. LD is market for Healthineers’ Laboratory Diagnostics Business (global market share 2016A: ~15%).
2. POC is market for Healthineers’ Point of Care Business (global market share 2016A: ~15%).
3. Total market size addressed by new products developed and launched by Healthineers Diagnostics in the last twelve months.
4. Financials FY17 not according to IFRS 15, Profit adjusted for severance.
5. Breakdown by geography based on location of customers.
Poised to deliver above market growth and margin expansion

Portfolio enhancements position Diagnostics for profitable growth

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2017</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atellica</td>
<td></td>
<td>Development</td>
</tr>
<tr>
<td>Primary instrument</td>
<td></td>
<td>platforms</td>
</tr>
</tbody>
</table>

Acquire

<table>
<thead>
<tr>
<th>FY2016-18</th>
<th>FY2017</th>
<th>FY2018</th>
<th></th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>MDX liquid biopsy and PC</td>
<td>POC Informatics: Conworx</td>
<td>POC Handheld blood gas: Epocal</td>
<td></td>
<td>Foundation for future growth field</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Leadership in strategic segment</td>
</tr>
</tbody>
</table>

Enter

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2017</th>
<th></th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>POC Handheld coagulation</td>
<td></td>
<td>Entry to handheld market</td>
<td></td>
</tr>
<tr>
<td>POC Global centralized urinalysis</td>
<td></td>
<td>Completing innovative portfolio</td>
<td></td>
</tr>
</tbody>
</table>

Partner

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>LD Automation: Inpeco$^1$</td>
<td>LD Coagulation: Sysmex$^1$</td>
<td>LD Hematology: Horiba$^1$</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Extend automation leadership</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Extend coagulation leadership</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Optimize hematology testing</td>
</tr>
</tbody>
</table>

Setup optimization

- Completed integration of 3 legacy organizations
- Defined innovation and growth priorities
- Consolidated SCM footprint into Global Centers of Excellence
- Reduced management layers and consolidated support services
- Increased development process efficiencies
- Further streamlining of SCM network
- Accelerating innovation velocity and efficiency

Driving scale and performance with one core instrument platform and franchise

Addressed market

- $10bn
- 8%+

Addressed market growth

Improve capabilities and deliver efficiencies

1) Extension of partnership. 2) New partnership.
Attractive growth across market segments and regions with significant long-term upside

### Market development by business area (€bn)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of Care (POC)</td>
<td>27.5</td>
<td>35.6</td>
</tr>
<tr>
<td>Laboratory Diagnostics (LD)</td>
<td>23.8</td>
<td>30.8</td>
</tr>
</tbody>
</table>

### Market development by region (€bn)

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>9.9</td>
<td>14.7</td>
</tr>
<tr>
<td>EMEA</td>
<td>8.3</td>
<td>9.0</td>
</tr>
<tr>
<td>Americas</td>
<td>9.3</td>
<td>11.9</td>
</tr>
</tbody>
</table>

### Drivers for future growth

- **Increasing demand**
  - Aging population
  - Chronic disease prevalence
  - New biomarkers and focus on precision medicine

- **Deeper clinical integration**
  - Earlier disease detection and proactive management
  - Diagnostics data used to guide clinical pathways

- **Emphasis on productivity**
  - Automation drives productivity and reduces labor costs
  - End-to-end solutions that increase testing efficiency

Source: BBC IVD Solutions (IQVIA) and company internal estimates/adjustments.
~90%+ of Diagnostics revenue is recurring

Healthineers’ “razor-razor blade-model” ...

... results in a high share of recurring revenue

- >10bn tests manufactured annually
- Reagent formulations utilized across multiple instrument platforms
- High margin contribution during typical contract life of 5 to 7 years
- Global installed base total 265k+ instruments
- Throughput, reliability, and uptime drive higher consumable utilization and revenue

Source: Siemens Healthineers internal data.
IVD testing is at the core of clinical decision making

Healthineers has solutions to meet the full spectrum of testing needs

A broad scope of IVD tests in assessing patient health ...

- 'Chemical' well-being: molecule and ion measurements (e.g., Lipids, Glucose)
- Body's immune response (e.g., HIV antibody, PSA)
- Regulation of body's systems (e.g., Albumin)
- Performance of body's 'fluid highway' (e.g., Prothrombin time)
- Genetic blueprint of patient or pathogen (e.g., HIV viral load)

... and high value in delivering clinical care

IVDs influence 60-70% of healthcare decision-making

Is there a potential disease?

Is there a potential disease?

Is this therapy effective?

Is it safe to perform this surgery today?

What is the underlying disease?

Screening ➔ Diagnosis ➔ Treatment ➔ Follow-up

Note: “IVD” – “In-vitro Diagnostics”.

Comprehensive strategy to capture share in the evolving IVD market

As key stakeholders seek efficiencies of IVD testing ...

Provider consolidation
• Global consolidation of lab testing

Industrialization of diagnostic testing
• Highly automated laboratories
• Simplifying instrument ease of use and interfaces to reduce labor and skill required

Coordination of care
• Greater collaboration to improve outcomes and reduce costs

Connected health
• Leveraging health data, even at the consumer level

... they are optimizing their laboratory networks to realize gains

Healthineers’ holistic strategy to capitalize on key IVD trends

1) POL - Physician Office Lab.
Source: Siemens Healthineers internal.
Comprehensive portfolio serving the central lab

**Immunoassay**
- Atellica Solution provides industry’s highest productivity per sqm
  - Global market position
  - Global market
  - 2016-21 Market CAGR

**Clinical chemistry**
- Scalable solutions for mid-to high-volume clinical chemistry testing
  - Global market position
  - Global market
  - 2016-21 Market CAGR

**Coagulation**
- Largest portfolio of specialty reagents
  - Global market position
  - Global market
  - 2016-21 Market CAGR

**Hematology**
- Complete portfolio of hematology testing from clinic to reference lab
  - Global market position
  - Global market
  - 2016-21 Market CAGR

**Automation**
- Drives productivity and customer retention
  - TLA market position
  - 5-year CAGR for automation shipments

**Diagnostics IT**
- Comprehensive IT portfolio and extensive installed base to optimize workflow
- Instruments connected to at least one of the Siemens Diagnostics IT products

1) 2016 global market size estimate in €bn (Clinical Chemistry market size includes TLA revenue). 2) “TLA” – “Total laboratory automation”. Source: BBC IVD Solutions (IQVIA) and company internal estimates/adjustments.
Broad POC portfolio across key tests, with unmatched connectivity and lab-accurate results

**Blood Gas**
- Only IVD company offering an end-to-end solution for blood gas
- Global market position: 4
- 2016-21 Market CAGR: 4%

**Cardiac**
- Lab quality Troponin at the point of care
- Global market position: 5
- 2016-21 Market CAGR: 8%

**Informatics**
- Seamlessly manages the complexity of point of care testing
- Instrument interfaces across 45 vendors
- 170+
- 1.8k Customers

**HbA1c**
- One drop of blood provides accurate HbA1c results in minutes
- Global market position: 1
- 2016-21 Market CAGR: 8%

**Coagulation**
- Consumer-electronic inspired design and ease of use
- Global market position: 5
- 2016-21 Market CAGR: 3%

**Urinalysis**
- End-to-end solutions from clinics to reference labs
- Global market position: 1
- 2016-21 Market CAGR: 4%

1) 2016 global market size estimate in €bn.
Source: BBC IVD Solutions (IQVIA) and company internal estimates/adjustments.
Healthineers’ automation is market leader in lab industrialization and drives adoption of our instruments

We lead the IVD market in driving lab efficiencies … … with real customer impact

<table>
<thead>
<tr>
<th>Global leader</th>
<th>Industry expert</th>
<th>High growth</th>
<th>Continued momentum</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 TLA(^1) market position</td>
<td>1,100+ Annual lean consultations</td>
<td>+8% 5-year CAGR for automation shipments</td>
<td>36% #1 in TLA new placement</td>
</tr>
</tbody>
</table>

\(^{1}\) TLA - Total laboratory automation.
Source: Siemens Healthineers, Third party market research.

20% Increase in daily workload
61% Reduction of turnaround time for add-on tests
zero Staffing increase required

“Automation has enabled us to streamline processes, speed turnaround time, and free lab staff to increase our focus on the quality of patient care.”

Joint Clinical Director Diagnostics
National Health Service (NHS) Tayside Trust, Dundee, UK

Above results reflect specific experience of one customer and may not apply under other conditions.
## Atellica Solution is designed to deliver exactly what the market needs

### Market needs...

<table>
<thead>
<tr>
<th>Needs</th>
<th>Atellica Solution provides</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faster time to result</td>
<td>Increased efficiency</td>
</tr>
<tr>
<td>High reliability and uptime</td>
<td>+45% higher throughput&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Automated solutions</td>
<td>Reduced complexity</td>
</tr>
<tr>
<td>Minimal operator time</td>
<td>5 primary instrument platforms</td>
</tr>
<tr>
<td>High ease-of-use</td>
<td>1 primary instrument platform</td>
</tr>
<tr>
<td>Broad, high quality menu</td>
<td>Comprehensive menu</td>
</tr>
<tr>
<td>Timely, precise results</td>
<td>~170 assays available now</td>
</tr>
</tbody>
</table>

### Game-changing innovations

- **Modular platform, machine learning, magnetic sample transport**
  - Scalable with 300 customizable configurations
  - Automation of calibration, quality control, sample inspection and verification
  - Broadens market opportunity

### Distinct in industry

- Tight integration of instruments and reagents
- Ability to quickly introduce additional features and assays
- Increased operating leverage

---

<sup>1</sup> Based on tests per hour per square meter when compared to leading competitive modular immunoassay instrument.
Atellica Solution is a key value driver for Healthineers

Addresses largest, fast growing market segment in LD...

- Atellica Solution addresses 80% of LD market
- Fast growing modular IA market segment
- Key game changing innovation to drive LD's overall competitiveness

Global LD market (£bn)
- Coagulation 1.7
- Immunoassay 12.6
- Hematology 2.7
- Clinical Chemistry 6.7

Addressable by Atellica Solution

- Addresses our current market and improves competitiveness in modular immunoassay segment

...with a well-defined launch strategy

- Regulatory clearance
- Ramp-up of installed base
- A comprehensive and highly competitive menu at launch, with additional differentiating menu in the pipeline

- FY 2017
- FY 2018*
- FY 2019*
- FY 2020**

- Instruments
- Available menu 1)
- Reagents sales

- R&D
- SCM
- Service

- Reduced assay development costs
- Manufacturing site consolidation
- Lower service costs

1) Launch menu differs by country.
Atellica Solution reinvigorates Diagnostics’ competitiveness and financial profile

Atellica will drive accelerated growth...

...and mid-term margin expansion potential

MSD

Mid single digit growth

LSD

Historical LD growth

Accelerating growth

Reagent ramp-up

Instrument launch

Share gains

Today

Mid-term

7,000+ analyzers installed by FY201

Existing installed base

Existing installed base replaced over time following the cadence of contract renewals

Atellica Solution installed base

Expanding segment profit margin

200-500 bps

16-19%

Operations

Service

R&D

Go-to-market

Cost savings

~14%

Today

Mid-term

- One fundamental base technology
- Accelerated assay development
- Streamlined supply chain
- Designed to allow for fewer service visits and costs
- Selling and marketing one brand
- Significant market access development
- €300m+ invested to create US centers of excellence for R&D and manufacturing

Note: “MSD” and “LSD” represent "mid single-digit" and "low single-digit" growth, respectively.

1) Management estimate.
A comprehensive Informatics portfolio increases the efficiency of Diagnostics’ customers

### Challenge

<table>
<thead>
<tr>
<th>LD</th>
<th>How does Healthineers optimize workflow in clinical lab testing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>- Thousands of daily test results</td>
</tr>
<tr>
<td></td>
<td>- Multiple analyzers spread across several sites</td>
</tr>
</tbody>
</table>

### Healthineers’ Solution

<table>
<thead>
<tr>
<th>Atellica Diagnostics IT Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Suite of solutions for factory-like control</td>
</tr>
<tr>
<td>✓ Intelligent system to minimize time to test result: Optimized test sequences, verification of results and automatic quality control</td>
</tr>
<tr>
<td>✓ Productivity driver to boost efficiency: Automated inventory management, remote monitoring and advanced analytics</td>
</tr>
</tbody>
</table>

### POC Informatics Solutions

| -  | Holistic solutions for managing point of care testing program, including compliance, training and quality control |
|    | A singular interface that streamlines operator training and workflow across all point of care devices, regardless of vendor |
|    | An open IT environment with the industry’s highest connectivity |

### POC

<table>
<thead>
<tr>
<th>How does Healthineers reduce the complexity of POC testing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Testing accuracy across dozens of sites, hundreds of devices and thousands of operators</td>
</tr>
</tbody>
</table>

### Source

Source: Siemens Healthineers internal.
Diagnostics’ end-to-end solutions offer efficiencies for both customers and Healthineers

Example: Urinalysis testing and utilization of the same urine chemistry dry pads across the entire portfolio

<table>
<thead>
<tr>
<th>Setting</th>
<th>Customers</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference Lab</td>
<td>Identical clinical results across all settings improve clinical care</td>
<td>Minimized need for re-testing saves costs</td>
</tr>
<tr>
<td>Central Laboratory</td>
<td></td>
<td>Common interfaces improve usability</td>
</tr>
<tr>
<td>Emergency/ICU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urology Clinic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physician’s Office</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmacy/Retail Clinic</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Customers:
- Identical clinical results across all settings improve clinical care
- Minimized need for re-testing saves costs
- Common interfaces improve usability

Healthineers:
- Shared core technology reduces development costs
- Shared reagents drive manufacturing scale
- Increased volume enables procurement savings
Driving revenue growth through portfolio expansion

Examples of targeted M&A

**Handheld Blood Gas – Epocal acquired FY18**

- **epoc® Blood Analysis System**
- Increased growth
  - Expansion within €1.4bn blood gas market to higher-growth handhelds
- End-to-end solution
  - Healthineers becomes only player with complete and scalable solution for blood gas
- Future platform
  - Access to handheld platform for future organic growth

**Point of Care Informatics – Conworx acquired in FY17**

- **POCcelerator™**
  - data management system
- Increased customer base
  - Opportunity to increase share-of-wallet from Conworx customers
- Greater access
  - Department-wide IT projects enable ‘c-suite’ discussions and portfolio selling
- Additional ‘stickiness’
  - Broad informatics solutions are more deeply rooted than analyzers alone

**Impact**

- **Access to double digit growth segment within blood gas**
  - 11% vs. 3%
  - +15% Growth of POC Informatics installed base since acquisition

Capital Market Day, Michael Reitermann, Siemens Healthineers
Page 17 | Unrestricted © Siemens Healthcare GmbH, 2018
Healthineers is incubating two businesses in both the molecular PCR IVD and sequencing markets

**Molecular Diagnostics**

- **Build a competitive position in MDX PCR** with end to end molecular workflow solutions focused on specialty testing.
- **Clinical Specialties**
  - Clinical sample preparation and extraction
  - With FTD acquisition, a broad menu covering 140 viruses, bacteria, parasites, and fungi for infectious disease and multi-syndromic testing

**Molecular Services**

- **Enable customers to use genomic sequencing** technologies clinically via assays, bioinformatics and workflow services
- **Clinical specialties**
  - Genomic assays and services for oncology
  - CLIA LDTs for advanced pharma applications (e.g. viral vector drug delivery)

---

1) “PCR” refers to “Polymerase Chain Reaction” – allows to probe a sample for specific gene sequences and mutations.
2) “Sequencing” – “reads” the DNA in a sample and provides the genetic sequence for analysis.
3) CLIA LDTs - Clinical Laboratory Improvement Amendments Lab Developed Tests.

Source: BBC IVD Solutions (IQVIA) and company internal estimates/adjustments.
The building blocks are in place for future growth

Launch of Atellica Solution and growth leveraging automation backbone

- Atellica Solution targets largest (80%) and highest growth IVD market segments
- Additional 2017 launches build on leadership in lab’s automation backbone

Expand the POC portfolio

- Epocal enables access to high growth segment of blood gas market
- Conworx acquisition solidifies leadership in strategic segment in POC space

Incubate and grow new business

- Foothold for developing new systems and innovative solutions to drive productivity in this high growth area

Atellica Solution

Epocal

Fast Track Diagnostics and NEO New Oncology

Short to mid-term growth

Long-term growth
### Clear strategy to drive profitable growth in Diagnostics

**Future drivers**

- Attractive underlying diagnostics market growth
- Atellica Solution launch and rollout, access to high growth modular market
- Contribution from Coagulation, Hematology and other specialty areas
- Full realization of recent POC initiatives
- Expansion in high growth molecular market

<table>
<thead>
<tr>
<th>Top line growth (Revenue in €m)</th>
<th>Comp. CAGR</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>~90% recurring</td>
<td>~90% recurring</td>
<td>~90% recurring</td>
<td>4,138</td>
<td>4,138</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Margin expansion (Adj. Profit in €m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.4%</td>
<td>12.8%</td>
<td>14.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strong cash generation (Free cash flow in €m)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>337</td>
<td>341</td>
<td>329</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Financials FY17 not according to IFRS 15. Profit adjusted for severance. "MSD" represents "mid single-digit" growth.

1) FCF conversion defined as free cash flow divided by reported Profit.
Diagnostics:
A global leader positioned for growth

- A leader in the highly attractive in-vitro diagnostics market

- Strong foundation built upon a comprehensive portfolio and large global installed base

- Gaining momentum through Atellica Solution launch and portfolio expansion to drive above market growth

- Significant margin expansion potential from platform consolidation, setup optimization and continuous productivity
Capital Market Day

Advanced Therapies: Therapy of Tomorrow

Dr. Heinrich Kolem
Notes and forward looking statements

This presentation has been prepared solely for use at this meeting. By attending the meeting where this presentation is made or accessing this presentation, you agree to be bound by the following limitations. This material is given in conjunction with an oral presentation and should not be taken out of context.

This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Siemens Healthineers AG (the "Company") or any existing or future member of the Siemens Healthineers Group (the "Group") or Siemens AG, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or Siemens AG or with any other contract or commitment whatsoever. This presentation does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

This presentation includes "forward-looking statements." These statements contain the words "anticipate," "believe," "intend," "estimate," "expect" and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions. The presentation and the information contained herein are not an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act.

This presentation is only directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the "Financial Promotion Order"). (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This presentation is only directed at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In each member state of the European Economic Area ("EEA") which has implemented Directive 2003/71/EC (together with any amendments thereto and any relevant implementing measures, the "Prospectus Directive"), with effect from and including the date on which the Prospectus Directive is implemented in such member state, this presentation is only directed at persons in member states of the EEA who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice.

Capital Market Day, Heinrich Kolem, Siemens Healthineers
Page 1 | Unrestricted © Siemens Healthcare GmbH, 2018
Advanced Therapies: Therapy of Tomorrow

• At the forefront of the paradigm shift in healthcare
• Partner of choice from science to devices
• Global market leader with broad product portfolio
• Innovation leader setting new standards
• Profitable growth with strong long-term potential
Advanced Therapies at a glance

Overview

1) Source: Siemens Healthineers market model. Joint market for angio systems and mobile C-arms. Based on FY16 equipment orders.
2) As of Sep 2017. 3) Financials FY17 not according to IFRS15. Profit adjusted for severance. 4) Breakdown by geography based on location of customers. 5) Based on equipment revenue.

Global market position

- 32% market share

Installed base

- ~41k

FTE

- ~4k

2017 financials

- €1.5bn Revenue
  - (11% of Group)

- €0.3bn Adj. Profit
  - (13% of Group)

- 22% Adj. Profit margin

- ~40% Recurring service revenue

2017 revenue split

By region

- Americas: 40%
- Asia-Pacific: 30%
- EMEA: 30%

By modality

- Angio systems: 83%
- Mobile C-arms: 17%
Image guided therapy improves patient care and significantly reduces costs

Costs along clinical pathway

- Prevention: 4%
- Diagnosis: 14%
- Therapy: 54%
- Follow-up: 29%

Note: Percentages in bubbles above chart depict treatment costs in Germany based on Statistisches Bundesamt data for 2015. Transport and administrative costs excluded. Percentage figures do not add up to 100% due to rounding.
Surgery is transforming towards minimally invasive procedures empowered by image guided therapy

20 years ago

- Open surgery as standard procedure
  - × Long recovery time
  - × High risk of complications
  - × High costs for hospitals

Now

- Minimally invasive procedures as new standard
  - ✓ Lower risk of complications
  - ✓ Smaller scars and faster recovery
  - ✓ Less post-operation pain
  - ✓ Shorter hospital stays and less incurred costs

Minimally invasive procedure (PCI) vs. open surgery (ACB)

<table>
<thead>
<tr>
<th>Year</th>
<th># PCI procedures</th>
<th>2000</th>
<th>2007</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2.9</td>
<td>6.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

1) Ratio of Percutaneous Coronary Intervention (PCI) procedures over Aortocoronary bypass surgery (ACB) in Germany. Deutscher Herzbericht 2016, Herausgeber: Deutsche Herzstiftung in Zusammenarbeit mit den ärztlichen Fachgesellschaften für Kardiologie (DGRK), Herzchirurgie (DGTHG) und Kinderkardiologie (DGPK).
Significant growth of minimally invasive procedures across clinical fields

**Cardiology:** better outcomes for larger patient population

**Neurology:** reduction in disability rates 90 days post strokes

**Multiple clinical fields with significant growth opportunities**

- **Cardiology:** from pharmaceutical treatment to minimally invasive
- **Interventional radiology:** from open surgery to minimally invasive
- **Surgery:**
- **Radiation oncology:**

---

**Cardiology:**

- **2013:** ~58k
- **2015:** ~58k
- **2017E:** ~58k
- **2021E:** ~58k

**Increase of TAVI in 6 years in Germany**

**~20x**

**Neurology:**

- Classical treatment (Thrombolysis) 100%
- New treatment (Thrombectomy) 100%

**Disability:**

- 49%
- 13%

**Percentage of people without disability after a stroke event**

**+13% Complex procedures in cardiology**

**+7% Interventional radiology**

**+8% Spinal fusion surgery**

**+7% Radiation oncology**

---

Our strong partner network enhances our innovation strength and our footprint close to our customers

Expanding worldwide partner network

We are the partner of choice: a win-win situation

Market development with device companies

- Leading catheter companies declare their devices compatible with ours (3D mapping in electrophysiology)
- Market access
- New customer groups
- Broader product variety for customers

Innovation & technology

- >50% of surgery revenue generated with partners
- >100
- Forefront of innovation
- New technology access
- Seamless integration for optimized workflow

Partnering with leading clinical / scientific institutions and device companies

- >250

1) Based on FY17 figures.
Move from open surgery to minimally invasive procedures requires hybrid ORs

Development of hybrid ORs (market size $m)^{1)}$

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiovascular</td>
<td>326</td>
<td>579</td>
</tr>
<tr>
<td>Neurosurgery</td>
<td>85</td>
<td>294</td>
</tr>
<tr>
<td>Thoracic</td>
<td>150</td>
<td>167</td>
</tr>
<tr>
<td>Other</td>
<td>91</td>
<td>135</td>
</tr>
<tr>
<td>Total</td>
<td>652</td>
<td>1,175</td>
</tr>
</tbody>
</table>

CAGR

- Cardiovascular: 14.4%
- Neurosurgery: 14.6%
- Thoracic: 8.1%
- Other: 12.2%

+12.5% p.a.

$\frac{1,175 - 652}{652} = 12.5\%$ p.a.

We are a leading integrator for hybrid ORs

- **Products:** ARTIS pheno, biplane and floor / ceiling systems
- **Seamless integration** with our leading partners:
  - Operating tables
  - Navigation systems
  - Image distribution systems
  - Consulting services to allow customers to tap the full potential of hybrid ORs

Hybrid ORs save time and costs$^{2)}$

- **From ...** OR/C-arm
- **... to** Hybrid
- **EVAR** Shorter procedure time 30 min

Revenue contribution to Advanced Therapies

- Revenue related to hybrid ORs: ~15%

---

2) Vascular surgery (EVAR=Endovascular Aortic Repair): Results published in 2013 by the Division of Vascular Surgery at Stanford University Medical Center.
Solid sustainable growth across products and regions with significant long-term upside

**Market development by product (€bn)**

<table>
<thead>
<tr>
<th>Product</th>
<th>2016</th>
<th>2021</th>
<th>Comp. growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile C-arms</td>
<td>0.7</td>
<td>0.9</td>
<td>+5%</td>
</tr>
<tr>
<td>Angio</td>
<td>2.0</td>
<td>2.4</td>
<td>+4%</td>
</tr>
<tr>
<td>Comp. growth</td>
<td>2.8</td>
<td>3.4</td>
<td>+4% p.a.</td>
</tr>
</tbody>
</table>

**Market development by region (€bn)**

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2021</th>
<th>Comp. growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>0.7</td>
<td>0.8</td>
<td>+3%</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>1.0</td>
<td>1.2</td>
<td>+5%</td>
</tr>
<tr>
<td>Americas</td>
<td>1.1</td>
<td>1.4</td>
<td>+4%</td>
</tr>
<tr>
<td>Comp. growth</td>
<td>2.8</td>
<td>3.4</td>
<td>+4% p.a.</td>
</tr>
</tbody>
</table>

**Drivers for future growth**

- **Procedure growth**
  - Substantial growth across clinical fields
  - Cardiology largest market (thereof several markets with lower growth)
  - Driven by efficiency, only ~50% of procedure growth in cardiology and IR resulted in equipment growth
  - Strong growth potential in Asia-Pacific due to lower penetration

- **Increasing complexity**
  - Complex procedures require image guidance
  - Resulting in significant equipment growth (though at a lower rate driven by efficiency)

- **Technology**
  - Technology enabled solutions for easier handling of equipment

---

Source: Siemens Healthineers market model

Note: Total market size in 2016 and 2021 by product does not add up due to rounding.

1) Company estimates (new orders, equipment only – Angio and mobile C-arms). Excludes €120m market for Recording Systems.
2) Based on number of procedures. 3) From 2013 to 2017.

[Graph showing market development by product and region with specific growth rates and values for 2016 and 2021.]
Global #1 in therapy market with large installed base and service footprint

- **Americas**
  - Rank in region: #1
  - Approx. installed base: 12k
  - # countries: 29
  - Approx. FTE (total): 1k

- **EMEA**
  - Rank in region: #1
  - Approx. installed base: 18k
  - # countries: 101
  - Approx. FTE (total): 2k

- **Asia-Pacific**
  - Rank in region: #1
  - Approx. installed base: 11k
  - # countries: 27
  - Approx. FTE (total): 1k

**Global market share**
- #1: 32%
- #2 & #3 player: 68%
- Other players: 0%

Note: Rank in region and global market share based on Siemens Healthineers market model.
1) Installed base as of Sep 2017. 2) Countries with installed base as of Sep 2017. 3) Based on FY16 equipment orders.
Economic model driven by product and service integration

1) Advanced Therapies managing imaging portfolio for therapy solutions incl. CT, MR, PET/CT and acting as sales channel. Revenue and Profit reported in Imaging segment.
2) Percentages referring to revenue share in FY17.
3) Refers to installed base of all angiography systems as of Nov-2017.

Customer Services
- Equipment performance (continuous operations for clinical systems):
  - >75% of angiography systems with service contracts
- Predictive monitoring (less downtime)
  - >95% of Artis Q/Q.zen and ARTIS pheno systems with predictive maintenance

Enterprise Services
- Asset management
- Consulting & transformation
- Managed departmental

Growth leveraging our capabilities

Digital Services
- Digital ecosystem & platforms
- Population health management
- Imaging IT
### Broad product portfolio across multiple clinical fields

**83% of 2017 revenue**

<table>
<thead>
<tr>
<th>Angio systems</th>
<th>Mobile C-arms</th>
<th>Recording systems</th>
<th>Dedicated imaging for radiation oncology</th>
<th>Multi-modality</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Angio systems image" /></td>
<td><img src="image2.png" alt="Mobile C-arms image" /></td>
<td><img src="image3.png" alt="Recording systems image" /></td>
<td><img src="image4.png" alt="Dedicated imaging image" /></td>
<td><img src="image5.png" alt="Multi-modality image" /></td>
</tr>
</tbody>
</table>

**Key applications**
- Angio lab (IR, Neuro)
- Cathlab (Cardiology)
- Hybrid OR (Surgery)
- Operating room (all surgery disciplines)
- Cardiology (measuring pressures / elec. signals to support PCI & EP)
- Radiation oncology (CT, CT on rails, MR and PET/CT)
- Interventional radiology (combined Angio & CT/MR in a single room)

**Unique abilities**
- Positioning flexibility
- Advanced 3D imaging
- Easy orientation
- Adaptable to many different surgical tables
- High-power and lower-power systems
- Integrated with Angio systems
- Interfacing with EP systems
- Broad multimodality 3D & 4D portfolio
- Advanced DE imaging in treatment rooms
- Full 3D CT imaging
- High-resolution live 2D angiography

**Price**
- €€€
- €
- €
- €€€
- €€€€

**Revenue contribution**
- ✓ ✓
- ✓ (✓)
- ✓
- (Imaging segment)\(^5\)
- (✓) \(^6\)

**Key growth drivers**
- 2x robotic systems sold\(^1\)
- China: Increasing contribution of Artis one unit sales from 3% to 30%\(^2\)
- More than 50% of revenue with flat detector driving growth\(^3\)
- Supports growth in Angio systems due to increasing demand for “complete” platforms
- Revenue tripled in last five years
- Target to double revenue over next five years

---

1) From 2010 to 2017. 2) From 2015 to 2017. 3) Based on FY17 figures. 4) Dual energy. 5) Advanced Therapies managing imaging portfolio for therapy solutions incl. CT, MR, PET/CT and acting as sales channel. Revenue and profit reported in Imaging segment. 6) AT segment revenue only includes revenue of respective AT modalities while other portion recorded in Imaging segment revenue.
### Innovation leader setting new standards in therapy

#### Strong innovation capabilities

- **~150** Annual R&D spend (€m)<sup>1</sup>
- **~2,500** Strong IP position in the industry (patents and utility models)
- **>600** R&D employees (Germany, China, India, US)
- **German design award** for Artis one and ARTIS pheno
- **~80% of revenue from recent innovations**<sup>2</sup>

#### Continuous flow of innovations with full pipeline

<table>
<thead>
<tr>
<th>Breakthroughs</th>
<th>Recent innovations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First robotic angio system</strong></td>
<td><strong>ARTIS pheno</strong></td>
</tr>
<tr>
<td>- 1st detector with zen technology in angiography (Artis Q. zen)</td>
<td>- Unmatched flexibility</td>
</tr>
<tr>
<td>- 1st robotic angiography (Artis zeego)</td>
<td>- Real-time 2D</td>
</tr>
<tr>
<td><strong>Treatment guidance application</strong></td>
<td>- 3D soft tissue visualization</td>
</tr>
<tr>
<td>- 1st DynaCT cross-sectional imaging</td>
<td>- TEE (transesophageal echo) fusion</td>
</tr>
<tr>
<td>- 1st flow visualization (iFlow)</td>
<td>- Addressing growing market of TAVI procedures</td>
</tr>
<tr>
<td>- Endovascular aneurysm repair (EVAR) guidance</td>
<td></td>
</tr>
<tr>
<td><strong>Cross modality approach</strong></td>
<td><strong>nexionis Therapy Suites</strong></td>
</tr>
<tr>
<td>- 1st CT scanner producing electron density in one single scan (DirectDensity)</td>
<td>- Enabling new and complex procedures (high-end solutions)</td>
</tr>
<tr>
<td>- 1st 3D/4D parallel multimodality contouring with syngo via RT Image Suite</td>
<td></td>
</tr>
</tbody>
</table>

---

<sup>1</sup> As per FY17. 2) Introduced over last 3 years.
## Innovations addressing clinical requirements and market trends at the same time

### Specific procedures conducted at ultra-low dose...

---

**Artis Q.zen**

<table>
<thead>
<tr>
<th>Dose per pulse (nGy)</th>
<th>Standard</th>
<th>zen technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>39</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

...addressing more patient groups

Only provider of zen detector with ultra-low dose angio system – crucial for pediatric procedures (>200k cases p.a.\(^5\))

---

### Unique flexibility and space...

---

**ARTIS pheno**

*As individual as your patients*

<table>
<thead>
<tr>
<th>Unmatched free space(^1)</th>
<th>Unparalleled capacity(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>85.5cm</td>
<td>95.5cm</td>
</tr>
<tr>
<td>240kg</td>
<td>380kg</td>
</tr>
</tbody>
</table>

...addressing growth in obese patients

---

### Precise 3D visualization...

---

**Cios Spin\(^3\)**

Cutting-edge mobile 3D imaging for intraoperative quality assurance

<table>
<thead>
<tr>
<th>Add. costs p.a. (€k)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior</td>
</tr>
<tr>
<td>400</td>
</tr>
<tr>
<td>Cios Spin</td>
</tr>
<tr>
<td>200</td>
</tr>
</tbody>
</table>

...avoiding revision surgery (reducing risks)

---

1) Measured with standard/non U.S. collimator cover. 2) ARTIS pheno capacity of 280kg patient weight plus 100kg accessories. Previous modality capacity of 200kg patient weight plus 40kg of accessories. Accessories include injectors, patient monitors, etc.). 3) Not available in all countries. 4) WHO. 5) Congenital heart defect closure development; LSI cardiovascular devices growth opportunities in Emerging Markets May 2014.

---

650m  Obese adults worldwide\(^4\)

3x  Increase in obesity since 1975

Previously, revision surgery in 10% of spine and in 34% of calcaneus surgeries required

---

*Capital Market Day, Heinrich Kolem, Siemens Healthineers*

Page 14 | Unrestricted © Siemens Healthcare GmbH, 2018
We are driving integration of robotics and artificial intelligence into Therapy of Tomorrow

Integration of imaging, robotics and AI\(^1\) by Advanced Therapies

Image-based predictive models for clinical decision support

Case study: image based oncology decision support

1.8m new lung cancer cases per year worldwide\(^2\)

Optimal treatment strategy for each patient

Minimally invasive procedures

Imaging

Artificial Intelligence & Robotics

Leader in innovations addressing key strategic priorities for Advanced Therapies

Significant advantages from integrating AI

1) AI refers to Artificial Intelligence. 2) International Agency for Research on Cancer. Globocan 2012.
Globally integrated footprint with access to local manufacturing and R&D in emerging markets

Globally integrated operations set-up

<table>
<thead>
<tr>
<th>Germany</th>
<th>China</th>
<th>India</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="German flag" /></td>
<td><img src="image2.png" alt="Chinese flag" /></td>
<td><img src="image3.png" alt="Indian flag" /></td>
<td><img src="image4.png" alt="American flag" /></td>
</tr>
</tbody>
</table>

Manufacturing & R&D

- Angio system
- Mobile C-arm
- Components
- Software

- Angio system
- Mobile C-arm
- Components
- Software

- Angio system
- Mobile C-arm
- Components
- Software

- Angio system
- Mobile C-arm
- Components
- Software / AI

Key products and systems

Shenzhen case study: direct access to China

- Local market access
- Lower costs of manufacturing and R&D
- Artis one targeting growth in PCI procedures in China
- Artis one completely manufactured in Shenzhen, China

Artis one units delivered

- 2014: 1
- 2015: 4
- 2017: 117

Ramp-up of workforce

- 2012: 4
- 2014: 109
- 2017: 117

Allows to flexibly adapt to local requirements

Manufacturing focused site

R&D focused site
### Strong margins and cash generation with significant long-term growth potential

<table>
<thead>
<tr>
<th>Year</th>
<th>Top Line Growth (Revenue in €m)</th>
<th>Comparable CAGR</th>
<th>Margin Expansion (Adj. Profit in €m)</th>
<th>Margin</th>
<th>High Cash Generation (Free cash flow in €m)</th>
<th>FCF conver.</th>
<th>Future Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,447</td>
<td>18.9%</td>
<td>274</td>
<td>105%</td>
<td>281</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2016</td>
<td>1,460</td>
<td>19.9%</td>
<td>291</td>
<td>113%</td>
<td>323</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2017</td>
<td>1,519</td>
<td>22.2%</td>
<td>337</td>
<td>89%</td>
<td>298</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

**Note:** Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Defined as free cash flow divided by reported Profit.

**Future drivers**

- Segment newly set up in 2015
- Market growth of 4% from 2016-2021
  - Growth in minimally invasive procedures
  - Success & attractive growth story hybrid OR
  - ARTIS pheno: only available robotic angiography system
  - Continuous pipeline of innovations
  - Expansion of service offering

- Sustain high profit margin
- Increasing manufacturing and R&D in emerging countries, particularly China and India
- Productivity improvement target of 3% p.a.

- Focus on cash conversion
- Disciplined capital allocation
- Limited capex required
Therapy of Tomorrow – clear path to long-term growth

• At the forefront of the paradigm shift in healthcare
• Partner of choice from science to devices
• Global market leader with broad product portfolio
• Innovation leader setting new standards
• Profitable growth with strong long-term potential
### Advanced Therapies’ broad product portfolio

<table>
<thead>
<tr>
<th>Key products</th>
<th>Key applications</th>
<th>Unique abilities</th>
<th>Price</th>
<th>Revenue contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Angio systems</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robotic Angio</td>
<td>Surgery / hybrid ORs, Advanced IR</td>
<td>Positioning flexibility, Advanced 3D imaging</td>
<td>€€€€</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Biplane</td>
<td>Neuroradiology, Electrophysiology</td>
<td>Easy orientation in complex anatomy, Two simultaneous projections</td>
<td>€€€€</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Ceiling</td>
<td>IR, cardiology</td>
<td>3D acquisitions from side, Free floor space</td>
<td>€€</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Floor &amp; Multi-Purpose</td>
<td>Cardiology, IR, Combo &amp; universal</td>
<td>Economic &amp; universally suited, Fit into small rooms, simple ceiling constr.</td>
<td>€</td>
<td>✔ ✔</td>
</tr>
<tr>
<td><strong>Mobile C-arms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High-end 3D</td>
<td>All surgery disciplines, incl. vascular and spine</td>
<td>3D acquisitions, High x-ray power</td>
<td>€</td>
<td>✔(✔)</td>
</tr>
<tr>
<td>High-end 2D</td>
<td>All surgery disciplines, incl. vascular surgery</td>
<td>Broad application spectrum, High x-ray power</td>
<td>€</td>
<td>✔(✔)</td>
</tr>
<tr>
<td>Multipurpose and compact C-arms</td>
<td>Orthopaedic &amp; trauma surgery / urology</td>
<td>Compact design, Economic &amp; universally suited</td>
<td>€</td>
<td>✔(✔)</td>
</tr>
</tbody>
</table>

| **Recording systems** | | | | |
| Hemodynamic and Electrophysiology recording & IT | Cardiology | Integrated with Angio systems, Interfacing with EP systems, Cardiac IT integration | € | ✔ |

| **Radiation oncology** | | | | |
| CT, MR & PET/CT | Radiation oncology, Treatment planning | Images optimized for treatment planning, Precise dose calculations | €€ | ✔ |

| **Multi-modality** | | | | |
| Angio-CT and Angio-MR | Advanced IR & neuro, Trauma | Full 3D CT imaging, combined with High-resolution live 2D angiography | €€€€ | ✔(✔) |

1) Advanced Therapies acting as sales channel for Imaging products like CT for therapy solutions. Revenue and profit reported in Imaging segment.
2) Advanced Therapies segment revenue only includes revenue of respective AT modalities while other portion recorded in Imaging segment revenue.
Advanced Therapies’ market characterized by strong growth across products

<table>
<thead>
<tr>
<th>2016 global Advanced Therapies market (€bn)</th>
<th>5-year CAGR</th>
<th>Key competitors</th>
<th>Market drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4.0%</td>
<td>GE, Philips, Toshiba Medical, Ziehm Imaging, Medtronic</td>
<td>• Minimally invasive procedures are emerging as the new standard in the context of precision medicine driving growth in Advanced Therapies</td>
</tr>
<tr>
<td>Mobile C-arms</td>
<td>4.9%</td>
<td>Philips, GE, Toshiba Medical, Shimadzu</td>
<td>• Procedures are getting more complex, which will drive demand for Advanced Therapies systems</td>
</tr>
<tr>
<td>Angio systems</td>
<td>3.7%</td>
<td>Philips, GE, Toshiba Medical, Shimadzu</td>
<td>• Expected growth is relatively evenly split across regions with the highest growth potential in Asia-Pacific</td>
</tr>
</tbody>
</table>

- In North America, growth is to a high extent driven by replacements of existing systems and by new installations of hybrid operating rooms
- In China, strong growth is driven by governmental investments focusing on equipping lower-tier hospitals with high quality medical devices
- Countries in Eastern Europe have received funding from the European Union; in Africa growth is expected to be driven by increased investment from African governments to improve medical imaging services

Source: Siemens Healthineers market model
Note: Total market size does not add up due to rounding.