

Innovation is our lifeblood

Major R&D investments

- €5.2 billion in fiscal 2005
- 47,000 R&D employees worldwide
- 30,000 software engineers
- 150 R&D locations in over 30 countries around the world
- 8,800 inventions in 2005
- 53,000 active patents

Power of innovation

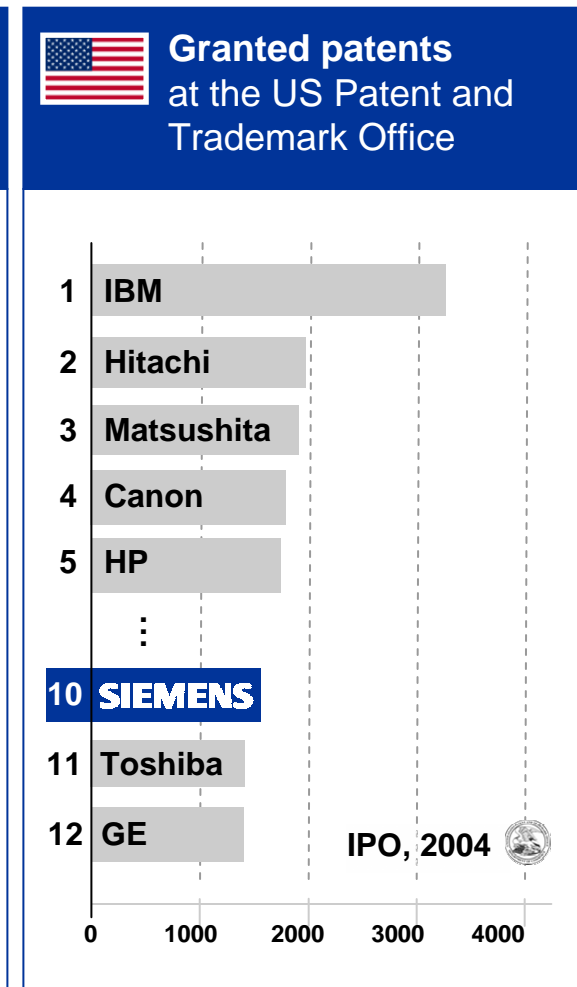
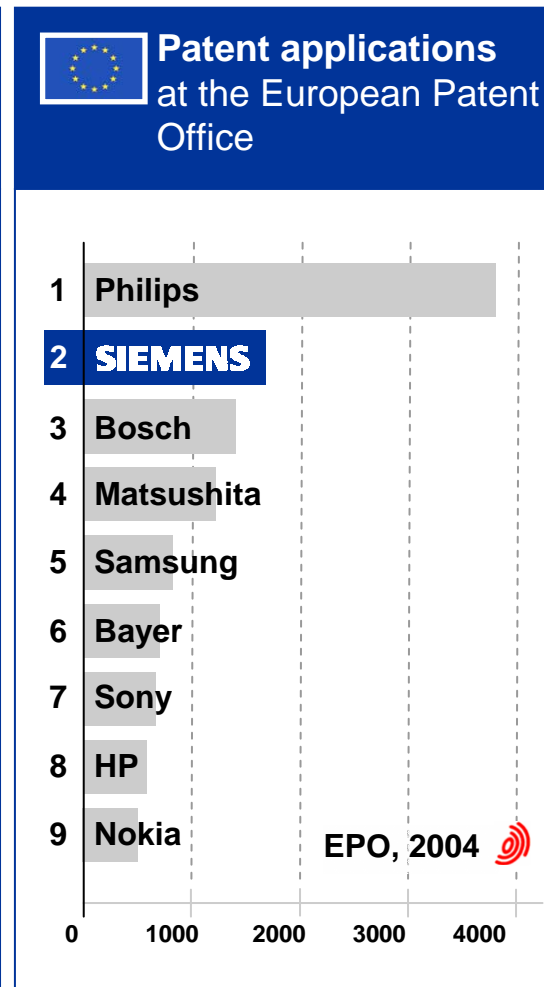
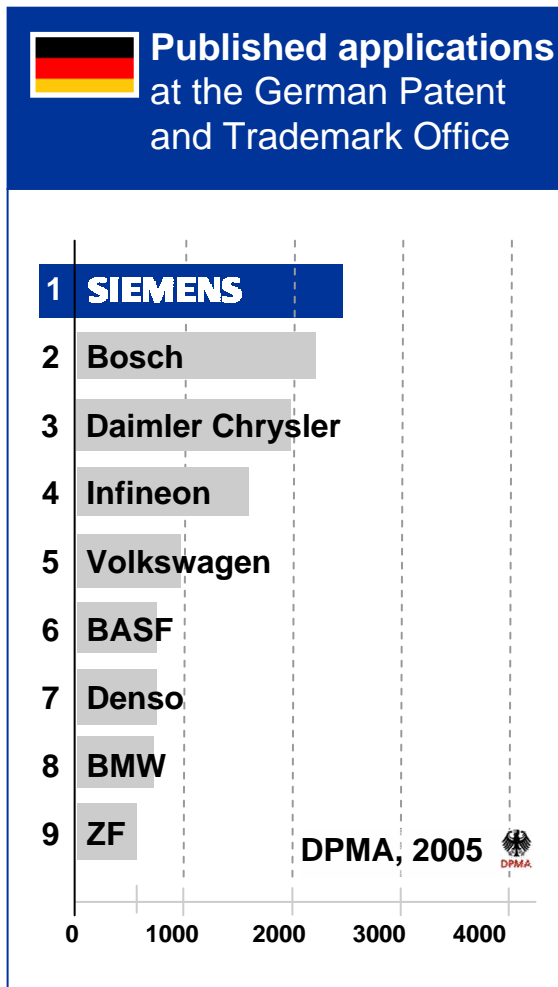
- **Our patent positions (2005):**
 - Germany: No. 1
 - Europe: No. 2
 - U.S.: No. 10
- **Recent breakthroughs:**
 - Piezo injection
(reduces fuel consumption by 20%)
 - Softswitch
(true carrier-grade reliability: 99.999%)
 - syngo
(workflow integration – up to 25% time savings)
 - Combined cycle power plant
(increases degree of efficiency: 58.8%)
- **Product range:**
 - 75% of sales from products less than 5 years old

Global presence of research and development

More than 47,000 R&D employees at 150 locations

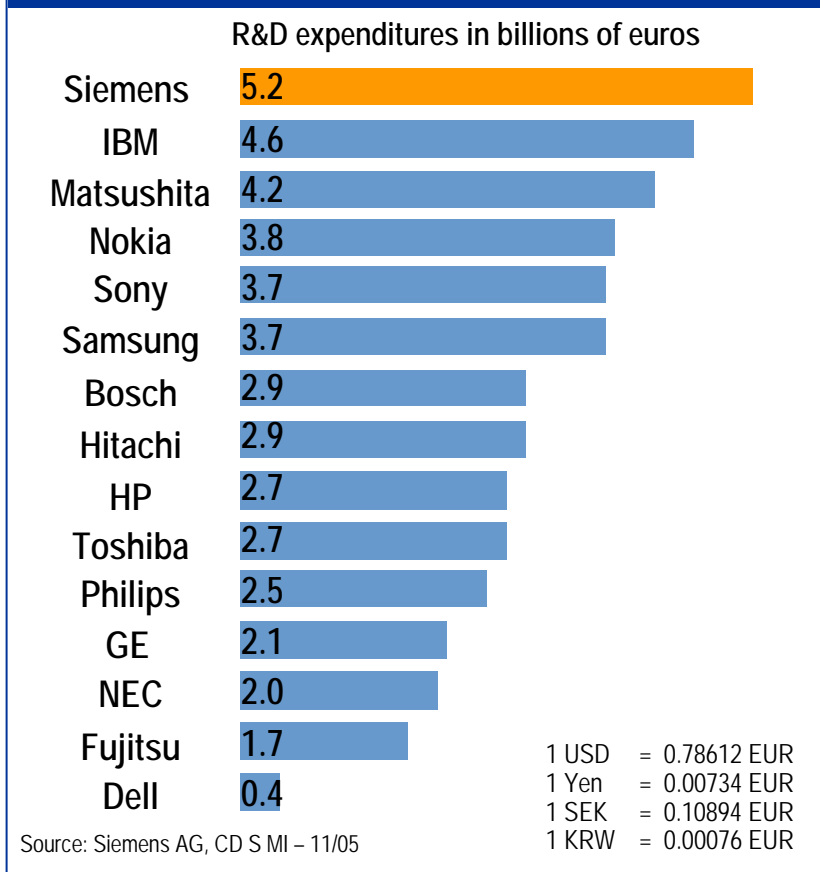


Siemens' leading position in patents is the proof of our innovative strength

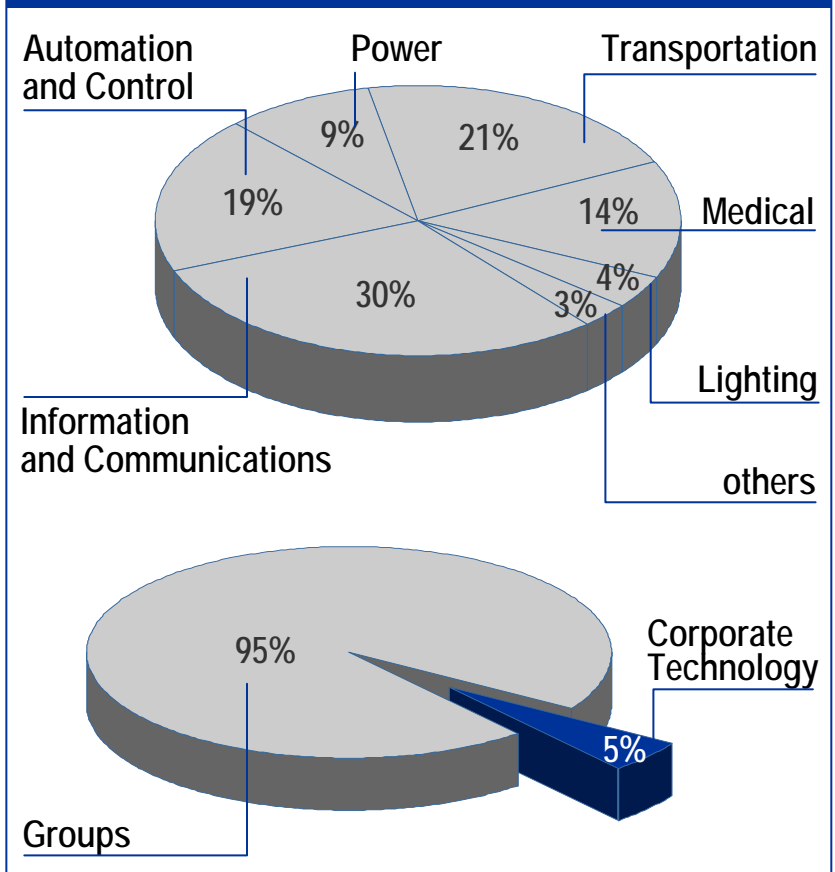


Siemens – Global Network of Innovation (2)

R&D expenditure in 2005: €5.2 billion (6.8% of sales) ...

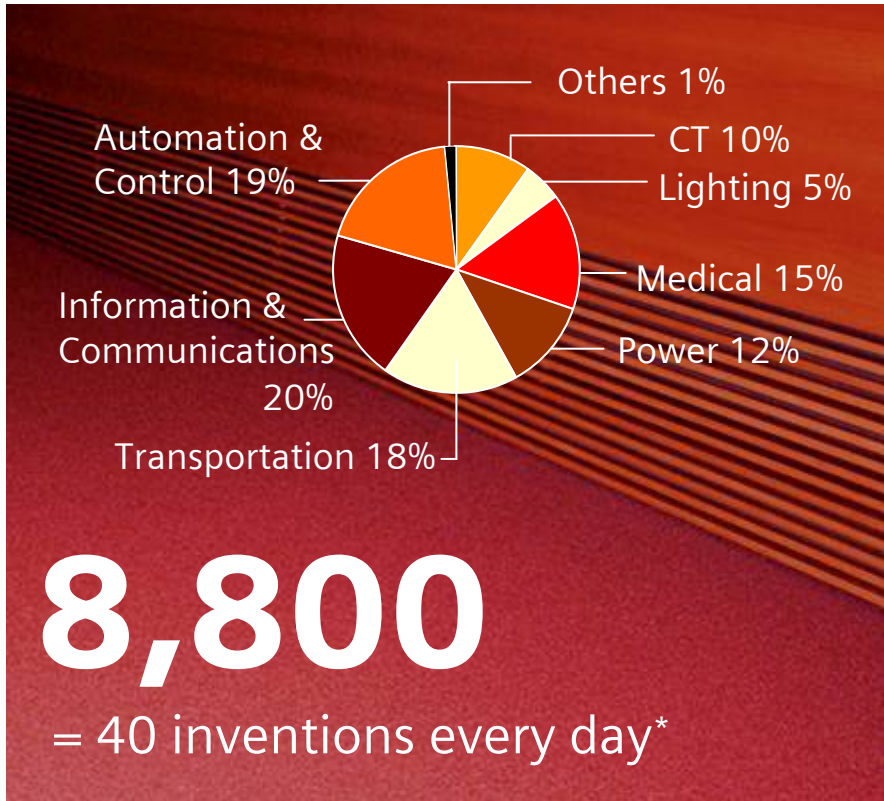
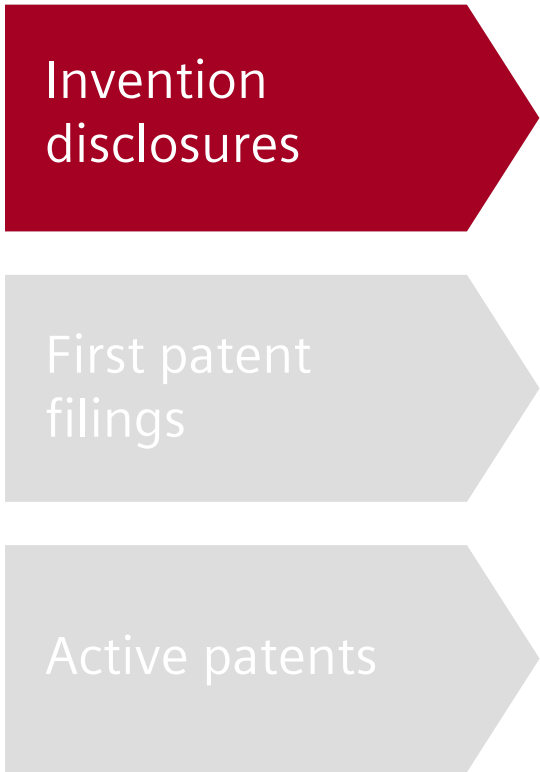


... more than 50% for software (about 30,000 software engineers worldwide)



Siemens patent key figures

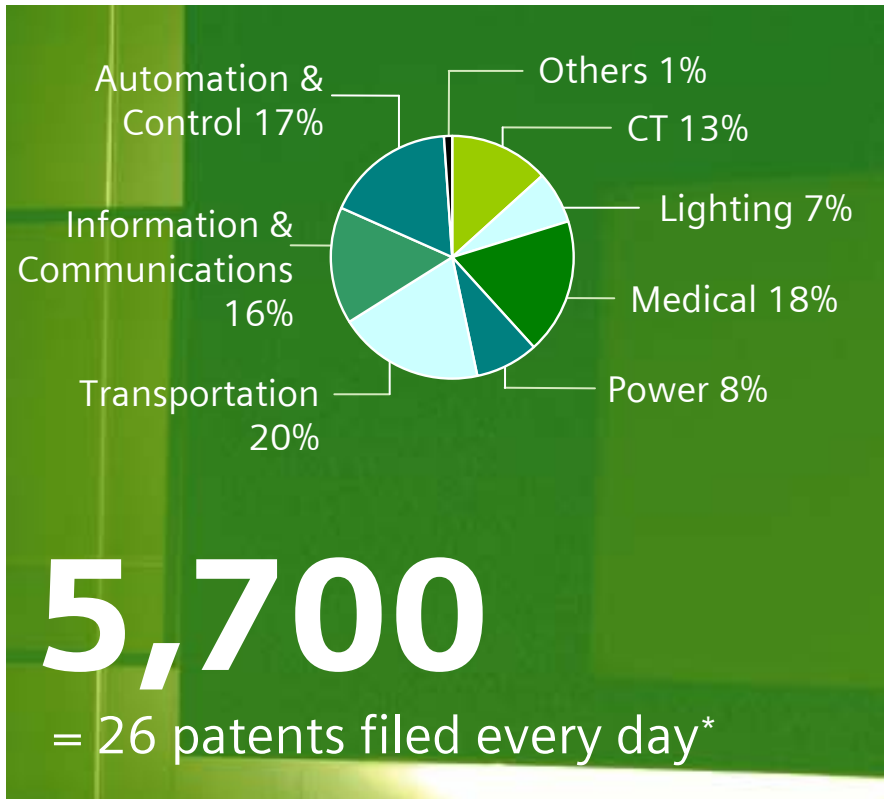
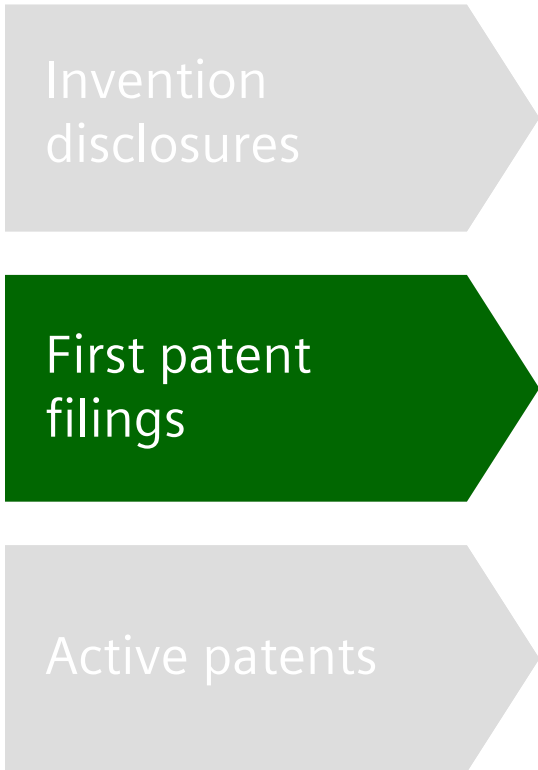
Fiscal year 2004/05



* 220 working days

Siemens patent key figures

Fiscal year 2004/05



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