

FOR IMMEDIATE RELEASE

## SIEMENS PARTNERS WITH THE GORES GROUP IN A JOINT VENTURE TO GROW SEN

**Joint Press Release of Siemens and The Gores Group (July 29, 2008)**

Siemens partners with The Gores Group in a joint venture to Grow SEN Siemens with a stake of 49% in JV - Total investment of €350 million to fund growth The Gores Group will contribute two assets Enterasys and SER Solutions to the joint venture Siemens has decided on a partner for its enterprise communications business. The Gores Group, an American investor, will acquire a 51% stake in Siemens Enterprise Communications (also known as SEN). "We have been looking for an opportunity to expand our presence in the enterprise networking and communications space and this partnership with Siemens provides the perfect fit," noted Alec Gores, founder and chairman of Gores. Siemens will retain a stake of 49%. "We are continuing to intensify the focus of our portfolio on the three Sectors, which are Energy, Industry and Healthcare. In Gores, we have found an extremely experienced technology and telecommunications partner, who strengthens the business with the contribution of the two assets Enterasys and SER Solutions. We are confident, that this will benefit the employees and customers in the long term. As announced already in February, the transferred business will be solidly financed," stated Joe Kaeser, Siemens CFO. The reorganization of Siemens Enterprise Communications, previously announced by Siemens, has made significant progress, ensuring a clean start for the joint venture. The deal of the joint venture is expected to be closed at the end of Siemens fiscal year 2008, pending regulatory approval.

Gores and Siemens plan to invest at least €350 million in the joint venture - not including expenditures for research and development and other expenditures as part of the ordinary course of business. The investments will be made in order to launch innovative Siemens Enterprise Communications products on the market, acquire other technology platforms to capitalize on the powerful Siemens Enterprise Communications distribution organization and further drive the expansion and transition of the business from a hardware supplier to a software and service provider.

Gores, which is focused to grow businesses, has extensive management expertise in the technology and telecommunications area and has rapidly restructured businesses undergoing fundamental structural changes and established them as successful independent companies or successfully consolidated them with other companies in its portfolio. Gores has an extensive expertise in Europe as well, where they made several investments in the past few years. When the joint venture is launched, Siemens Enterprise Communications business will also be supplemented and strengthened by combining the business with two of Gores' current portfolio companies – Enterasys, a network equipment and security solutions provider and SER Solutions, a call center software company. "Combining the three companies will lead to a more complete enterprise networking and communications offering that will leverage Siemens Enterprise Communications powerful distribution capabilities, global reach and extensive customer base," stated Alec Gores.

With its investment of €175 million, which represents half of the total amount of the planned investment of €350 million, Siemens helps Siemens Enterprise Communications to grow. By creating a solid capitalization and further transaction costs as well as liabilities of Siemens Enterprise Communications, there will be a substantial loss in the fourth quarter of Siemens. On an operational level, business will be

driven by Gores. The joint venture will be entitled to continue using the Siemens brand. Key patents and licenses will be transferred to the joint venture.

Production facilities in Leipzig, Germany, and Curitiba, Brazil, and Thessaloniki, Greece, will be transferred to the joint venture. Production at the Leipzig facility is guaranteed by contractual agreements until 2011. Curitiba will be an important production facility for the joint venture. For Thessaloniki different options are being evaluated. Siemens Enterprise Communications will continue to be a preferred supplier to Siemens, to use the Siemens One sales network and to cooperate on customer projects with Siemens. Siemens Enterprise Communications innovative new products like the OpenScape UC Server will remain an integral part of the portfolio. Gores and Siemens have agreed that Siemens Enterprise Communications will continue to offer its OpenPath migration strategies for existing product families in order to ensure a smooth transition to the new Unified Communications solutions. Support and upgrades for Siemens Enterprise Communications products, especially HiPath 3000 and HiPath 4000, is to be continued for the long term.

### **About The Gores Group, LLC**

The Gores Group, LLC, founded in 1987, is a private equity firm focused on acquiring controlling interests in businesses which can benefit from the firm's operating experience and flexible capital base. The firm combines the operational expertise and detailed due diligence capabilities of a strategic buyer with the seasoned M&A team of a traditional financial buyer. The Gores Group maintains offices in Los Angeles, Boulder and London. For more information, please visit [www.gores.com](http://www.gores.com).

**For any press related questions find the following contact details below:**

#### **The Gores Group**

Frank Stefanik  
+1 310 209 3010  
Sitrick and Company  
+1 310 788 2850

Michael Sitrick  
[Mike\\_sitrick@sitrick.com](mailto:Mike_sitrick@sitrick.com)

Terry Fahn  
[Terry\\_fahn@sitrick.com](mailto:Terry_fahn@sitrick.com)

### **About Siemens Enterprise Communications**

Siemens Enterprise Communications GmbH & Co. KG is one of the world's leading suppliers of Unified Communications technologies. The company's unique Open Communications approach to providing software, solutions and services for enterprises of all sizes enables business processes to be more productive, faster and more secure - with any device, network or information technology infrastructure. The company is a wholly owned subsidiary of Siemens AG with global headquarters in Munich. In fiscal 2007 Siemens Enterprise Communications had revenues of some 3.2 bn Euros. More about Siemens Enterprise Communications GmbH & Co. KG at <http://www.siemens.com/open>

## About Siemens AG

Siemens AG (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the industry, energy and healthcare sectors. The company has around 400,000 employees (in continuing operations) working to develop and manufacture products, design and install complex systems and projects, and tailor a wide range of solutions for individual requirements. For over 160 years, Siemens has stood for technological excellence, innovation, quality, reliability and internationality. In fiscal 2007, Siemens had revenue of €72.4 billion and income from continuing operations of €3.9 billion (IFRS). Further information is available on the Internet at: [www.siemens.com](http://www.siemens.com).

This document contains forward-looking statements and information – that is, statements related to future, not past, events. These statements may be identified by words as “expects,” “looks forward to,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “will” or words of similar meaning. Such statements are based on our current expectations and certain assumptions, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Siemens’ control, affect its operations, performance, business strategy and results and could cause the actual results, performance or achievements of Siemens worldwide to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. For us, particular uncertainties arise, among others, from: changes in general economic and business conditions (including margin developments in major business areas); the challenges of integrating major acquisitions and implementing joint ventures and other significant portfolio measures; changes in currency exchange rates and interest rates; introduction of competing products or technologies by other companies; lack of acceptance of new products or services by customers targeted by Siemens worldwide; changes in business strategy; the outcome of pending investigations and legal proceedings; our analysis of the potential impact of such matters on our financial statements; as well as various other factors. More detailed information about our risk factors is contained in Siemens’ filings with the SEC, which are available on the Siemens website, [www.siemens.com](http://www.siemens.com), and on the SEC’s website, [www.sec.gov](http://www.sec.gov). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Siemens does not intend or assume any obligation to update or revise these forward-looking statements in light of developments which differ from those anticipated.