

The SIEMENS view of SEPA: Opportunities and Challenges

Dr. Mark Roemer
Head of Global Transaction Banking

Siemens Treasury GmbH

Vienna, 12 May 2011

Objectives

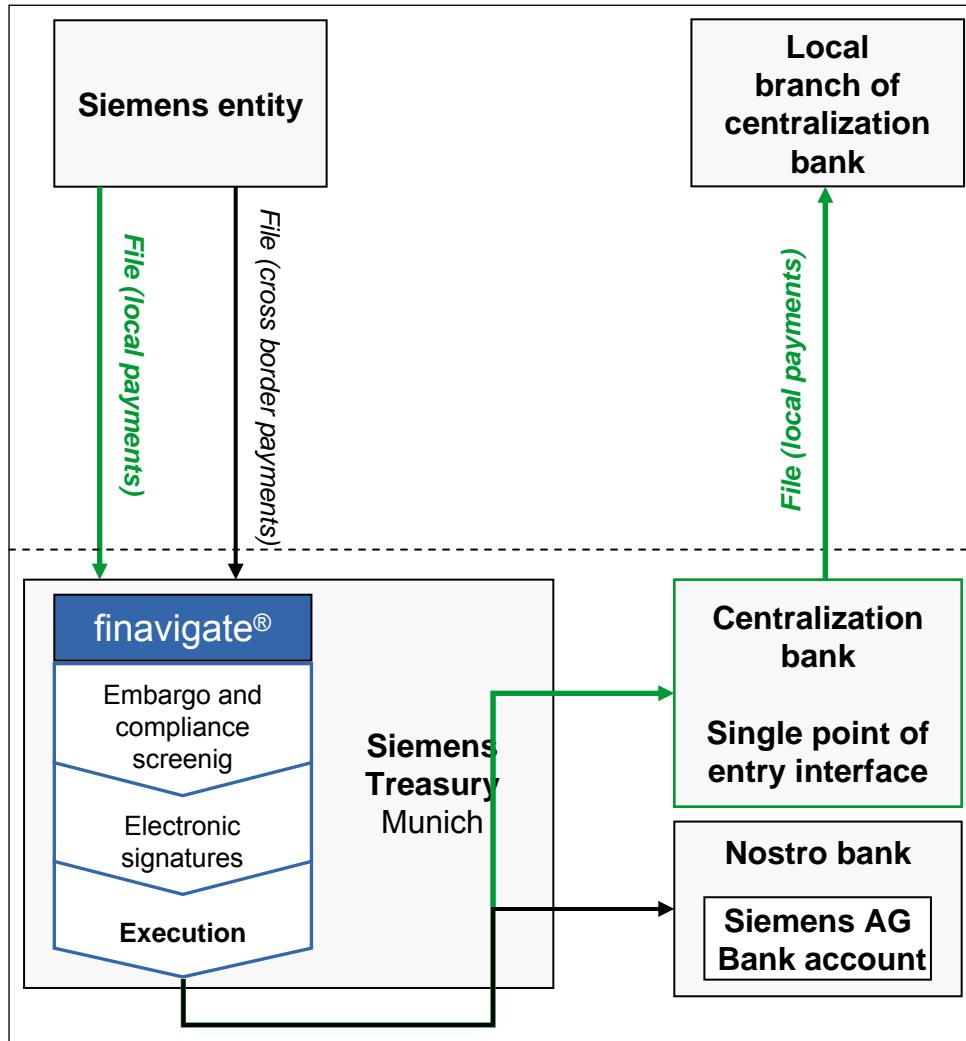
- Simplified and uniform payment formats
- Minimize fees and float
- Ensure stable payment execution
- Ensure compliance

Main principles (current environment)

- Using local clearing instead of cross-border payments
- Avoiding currency conversions
- Using internal bank transfers
- Stringent control of authorized signatories
- Payment execution as integral part of end-to-end designed P2P process

Inhouse bank and payment factory

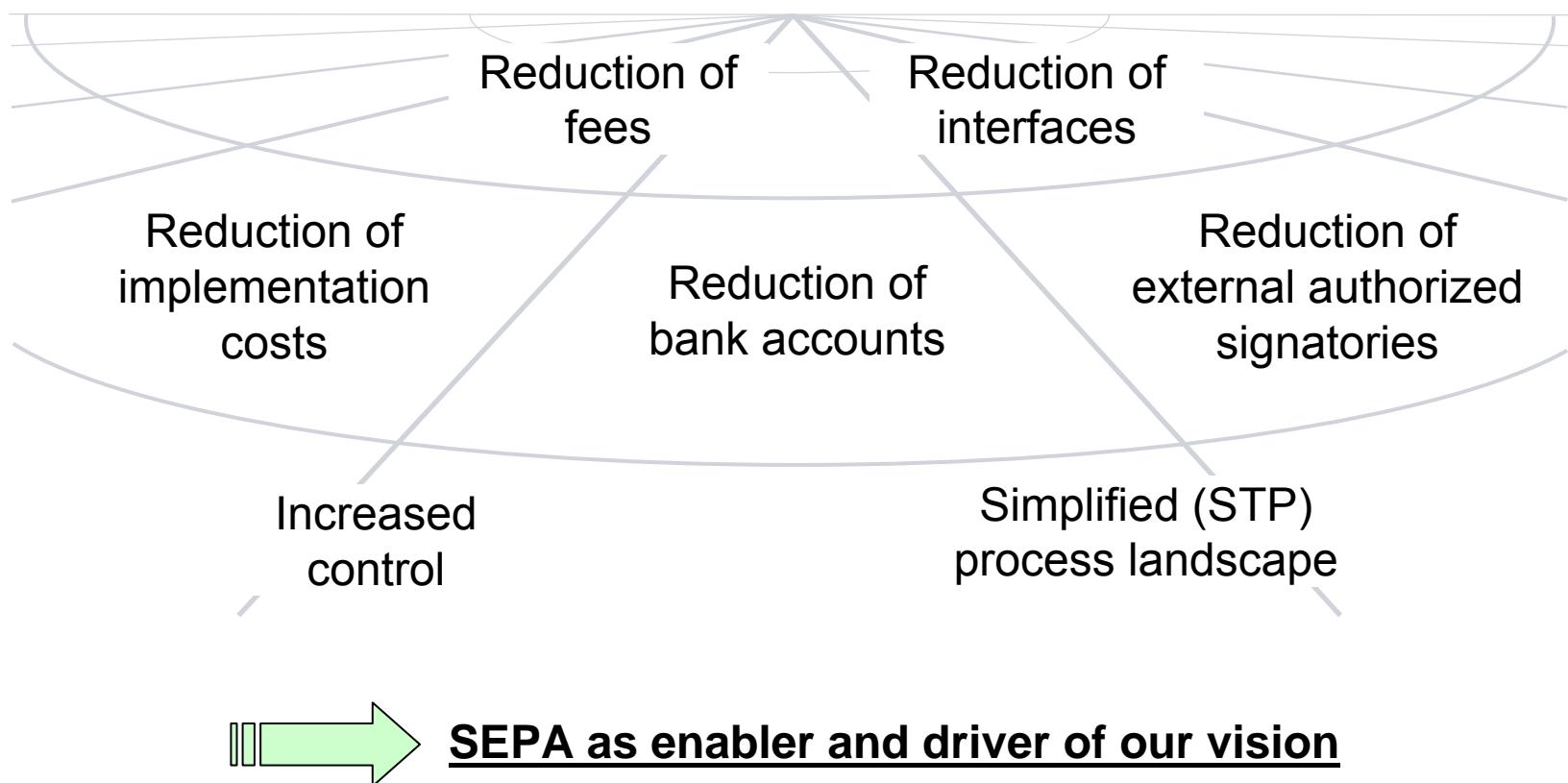
SIEMENS



- Domestic payment orders are sent to Siemens Treasury by entities
- Siemens Treasury delivers domestic payment orders to single entry point of centralization bank via inhouse bank system finavigate®
- Domestic payment orders are executed through local bank accounts held in the name of local Siemens entity

- Cross border payments are executed on behalf of Siemens entities via central Siemens Treasury accounts as local payments with same day value agreements (if possible)

One EUR account for all EUR payments



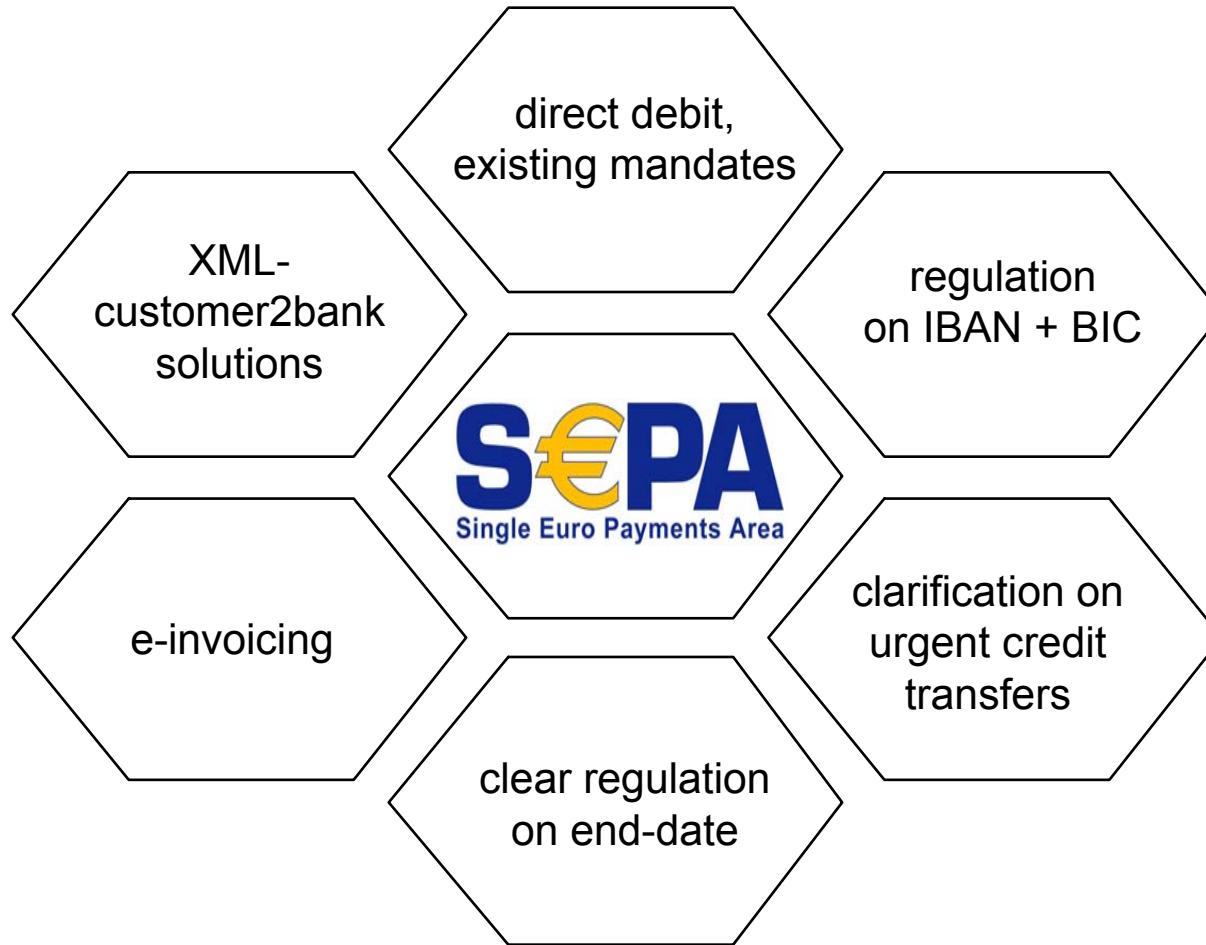
We are ready for change – elimination of certain roadblocks would be helpful and necessary

SIEMENS

- Central Bank reporting
 - to be eliminated within Eurozone (e.g. Spain)
- cross border charges for SEPA credit transfers above 50.000 EUR
- Missing implementation of IBAN and BIC in certain countries
- from end-to-end perspective – consistent use of full SEPA scheme not ensured (interbank, customer to bank) e.g. on-behalf credit transfers
- local collection accounts still needed, as e.g. tax authorities only pay to domestic accounts

Further expectations

SIEMENS



Dr. Mark Roemer

Head of Global Transaction Banking

Siemens Treasury GmbH
Munich, Germany

phone +49(0)89-636-32522
fax +49(0)89-636-36673
e-mail mark.roemer@siemens.com

