



Providing the public sector with effective financing solutions

About Siemens Financial Services:

The **Financial Services unit of Siemens (SFS)** is an international provider of financial solutions to both the public and private sector. We help facilitate investments, providing asset, project and structured finance with a specialist focus on the energy, healthcare, industry, infrastructure & cities areas. We leverage our financing expertise and industrial know-how, to create value for our customers to help them realise their organisational goals and investment ambitions.

We offer a broad range of financing options tailored to the public sector to enable investments in innovative technology, equipment and wheeled assets and sustainable infrastructure through financial solutions that include leasing, structured finance, banking (loans) and project and equity participations (e.g. PPPs). We provide tailored financing to public sector organizations, working both direct with public sector organisations or with manufacturers and suppliers dedicated to the area.

We have operations in 14 countries covering Europe, America and key developing markets such as India, China and Russia and employ almost 3,000 people worldwide. As of 30 September 2012, the total assets for SFS amounted to €17.4 billion.

A track record of financing for the public sector:

Financing plays an increasingly important role in facilitating infrastructure investments in the public sector. We understand the particular challenges that public sector managers face when planning new investments, such as budget constraints, changing regulatory frameworks, fluctuating and often unpredictable public income, as well as a desire to satisfy key stakeholders and public needs.

Energy saving contract at Heidelberg University Hospital, Germany

The advice and solutions provided by SFS to the **Heidelberg University Hospital in Germany** are a **good example of how innovative financing can really make a difference to the public sector**. The hospital, one of the largest and most prestigious hospitals in Europe, encompasses 15 specialist clinics treating some 18,000 in and out-patients annually. The power consumption for the hospital is equal to that of a city with 50,000 inhabitants.

In 2011 the hospital spent €15 million on energy alone, with ventilation and lighting accounting for the majority of energy consumption. A decision was therefore made to modernize the hospital's ventilation and lighting systems, working together with Siemens. The area of lighting offered particular opportunities, as an old neon lamp for example uses approximately 50 - 70 watts, whereas new energy saving lamps use on average approximately 11 - 15 watts.

The challenge:

- Minimize electricity consumption and operating costs for the hospital.
- Provide the reassurance that the energy savings would be realized in practice.

The solution:

- Green financing and Energy Saving Contracting from SFS that financed in a single solution - both the replacement of the entire lighting system and an energy-focused overhaul of the main ventilation units.
- A seamless working relationship with SFS working closely with the hospital's chosen supplier, Siemens Building Technologies, to provide an integrated, one-stop solution

Finance for the investment came partially from the hospital's own funds, but crucially the financing was structured so that the energy savings effectively paid for the new equipment. Through working with SFS, the hospital invested €1.4 million in new technology. The payback period was set over a seven year period using €200,000 in guaranteed savings resulting from the new technology. After seven years the infrastructure will belong to the hospital; in the meantime the arrangement enables annual savings for the hospital.

The benefits of this transaction for the hospital:

- The finance helps the hospital preserve its liquidity and budgets.
- Financing payments can be offset against the real energy savings.
- Overall energy consumption has been reduced by 20-30%.
- The convenience that Siemens provides both technology and the finance – with Siemens Building Technologies managing the operations and monitoring the energy savings.

Bernd Kirchberg, Managing Director of Klinik-Technik GmbH at Heidelberg University Hospital, Germany

“As a public institution and the operator of the university medical centre, we benefit in every possible way from the energy-saving model. In this program, the contractually guaranteed energy and operating cost savings during the term of the agreement ensure that our investment finances itself.”

For more information, visit:

<http://www.youtube.com/watch?v=nBuHD4sAIN0&list=PLFA6A7FB0E6D09563>

For more information, visit: www.siemens.com/finance