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CONTACT: Scott Nadler
(703) 480-8902
scott.nadler@siemensgovt.com

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Siemens Secures New Awards to Help U.S. Government Improve Energy Efficiency and Sustainability and Strengthen Infrastructure

- Projects this Year will Help Government Save $300 Million, Cut Energy Use

(ARLINGTON, VA, December 19, 2016) Siemens announces that it has secured a series of federal contracts over the last year that are projected to save the U. S. Government nearly $300 million and reduce energy use to help meet White House sustainability mandates. Since its inception in 2011, Siemens Government Technologies, Inc. is participating in dozens of projects in nearly every cabinet agency. From retrofitting the National Mall with LED lighting to upgrading the Pentagon's largest helicopter repair facility to modernizing U.S. Navy ships with digital upgrades, Siemens is helping save energy and cut costs at a variety of federal agencies, buildings, facilities and installations.

"The federal government is an important customer for Siemens," said Barbara Humpton, President and CEO of Siemens Government Technologies, Inc. "We are so proud to work with federal agencies across the U. S. Government, from the U.S. Army to the National Park Service, to ensure their facilities and operations are more resilient, meet the White House energy conservation and sustainability targets, reduce carbon emissions and protect our nation's security, while saving taxpayer dollars."

Humpton sees signs of additional federal opportunities in such areas as strengthening energy security at U.S. military installations (for example, with microgrids) and securing government computer networks from cyberattacks. Another trend area is the U.S. Army's push for combined heat and power (CHP), also known as co-generation. The U.S. Secretary of the Army Eric Fanning has issued a challenge for the Army to commission 50 megawatts of new CHP projects annually over the next four years. Smart building technology and infrastructure, Humpton added, will also continue to be federal priorities.

Recent Project Highlights:

Siemens Continues to be a Lead ESCO for the Federal Government

Siemens has secured a number of Energy Savings Performance Contracts (ESPCs), private-public partnerships that are good for our nation's security, environment and taxpayers. As a leading energy service company (ESCO), Siemens implements strategic projects at federal sites that provide energy and water conservation technologies. The cost of these projects is funded by energy savings generated through these conservation measures. Notable recent ESPC wins by Siemens include:

- An award by the US Army Garrison Hawaii that will provide energy saving improvements to four bases on the island of Oahu, Hawaii. Siemens will provide financing in excess of $40 million, which will generate almost $3 million in annual cost savings. This project includes a variety of energy conservation measures, most notably LED lighting, solar thermal hot water systems and new building control systems.

- An award from the National Park Service (NPS) enables Siemens to continue implementing energy & water conservation measures at some of our nation's most treasured sites in the

Washington, D.C. area. This second award builds on a $29 million contract Siemens signed in 2014 that has already worked with the NPS to achieve annual savings of $2 million in taxpayer dollars, 77 million gallons of water, 4,000 tons of CO2 emissions and nearly 6.5 million kwh of electricity.

- An award at the Bruceton, Pa. campus of the National Institute for Occupational Safety and Health (NIOSH), an institute within the Centers for Disease Control and Prevention (CDC). NIOSH is currently served by a central steam plant and an associated distribution system that have far exceeded their life expectancies and require costly, full-time operational staff. This project will reduce campus energy usage by 54% and water usage by 63%, helping NIOSH meet its agency-mandated goals for energy and water savings.

- An award with the U.S. Army Corps of Engineers to provide energy conservation measures such as boiler upgrades at the McAlester Army Ammunition Plant in McAlester, OK.

- Two modifications to an existing Siemens' ESPC with the Corpus Christi Army Depot (CCAD) will address water and energy infrastructure needs and improve energy efficiency at the Pentagon's largest helicopter repair facility.

"Energy savings performance contracting has proven to be a cost-effective way for the federal government to meet operational and sustainability goals without impacting taxpayers," says Dave Hopping, President of Siemens' North American-based Building Technologies Division. "These upgrades will support the evolving needs of the sites and ensure they are prepared for our country's needs in the future."

Installing Environmentally Friendly Hydroelectric Solutions

Siemens will install power generator step-up (GSU) transformers for the Bureau of Reclamation at Davis Dam on the Colorado River and for the Army Corps of Engineers at Fort Peck on the Missouri River in Montana, helping federal customers generate clean and reliable power. Hydroelectric generation is our nation's largest producer of renewable power.

Supporting the Army Corps of Engineers in Serving its Clients

Over the past fiscal year, Siemens also received over 50 individual awards on its two Utility Monitoring and Control Systems (UMCS) vehicles with the U.S. Army Corps of Engineers which has recognized that these contract vehicles provide the organization with a streamlined approach to meet their energy reduction goals at a reduced cost.

Navy Ship Modernization

With our product lifecycle management (PLM) software, **Teamcenter,** Siemens is supporting the U.S. Air Force and Special Operations Forces with acquisition and lifecycle maintenance planning and management. We also completed the first year of a project helping the U.S. Navy modernize the planning of maintenance activities in public shipyards.

Siemens is also helping to improve the reliability and extend the service life of U.S. Navy Oilers. After successfully modernizing the shaft generator control systems on two of the U.S. Navy's oilers this year, we will modernize two additional ships in 2017. These Henry J. Kaiser-class fleet replenishment oilers, retrofitted by Siemens, are operated by the United States Military Sealift Command. These modernization projects will improve the ships' operations, reliability and efficiency. The original control systems still on board both ships relied on analog technology prevalent in the 1980s. Repairs to the control system required finding parts from that earlier generation – resulting in delays and increased

operating costs. Upgraded technology will enable the ships to be serviced more easily and will allow the oilers to operate with greater reliability and less cost. From an efficiency perspective, the shaft generator systems enable the main propulsion engines to produce electrical power from the energy being delivered to the ships' propellers.

SGT Dresser-Rand Integration Showing Results

Momentum continues from the integration into Siemens of components of Dresser-Rand that focus on the federal government. On June 30, 2015, Siemens completed the acquisition of the Houston-based oil and gas company and formed a new business combining the Siemens compressor product and services businesses with the legacy Dresser-Rand business. A steam turbine plant in Wellsville NY, as well as service centers in Chula Vista CA, Chesapeake VA and Mayport FL are now part of Siemens Government Technologies (SGT D-R).

SGT D-R's Wellsville facility produces steam turbines for the global energy and power generation industry and the U.S. Navy. The plant continues to make important contributions to strengthening the Navy's steam capability by building turbines for Navy aircraft carriers and supporting the oil and gas industry. SGT Dresser-Rand continues to build on its equipment installation base in the U.S. Navy and is extending the portfolio of OEM equipment partners to ensure it meets the requirements of the U.S. Navy. Siemens was also awarded a contract to provide new low-pressure air compressors (LPACs) on the USS FORT LAUDERDALE, continuing a string of successes on amphibious platforms using Siemens low pressure air compressors and blowers.

SGT D-R was also awarded over $5 million from the U.S. Department of Energy's (DoE) Water Power R&D program to develop a 1MW HydroAir turbine. This award is a testament to the work that has been completed on earlier phases of the HydroAir project as SGT D-R and Siemens will continue to work with DoE, the U.S. Navy and relevant State partners to ensure continued U.S. leadership in developing wave energy technology for both DOD facilities and potential utility customers.

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Siemens is a global powerhouse focusing on electrification, automation and digitalization. One of the world's largest producers of energy-efficient, resource-saving technologies, Siemens is a leading supplier of systems for power generation and transmission as well as medical diagnosis. For more information on Siemens, please visit: http://www.siemens.com/.

Siemens Government Technologies, Inc. (SGT) is a federally-compliant U.S. organization structured to help the federal government address national imperatives in energy, infrastructure, automation and marine platforms. SGT is the leading integrator for Siemens' innovative products, technologies and services to meet the needs of federal customers. For more information on SGT, please visit: http://www.siemensgovt.com/. Or contact Scott Nadler, Senior Director, Communications and Public Relations, 703-480-8902.