

### Energy Sector Solar & Hydro Division

Erlangen (Germany), February 17, 2012

#### **Siemens strengthens its position in ocean power – Acquisition of Marine Current Turbines**

**Siemens has acquired the majority stake in Marine Current Turbines Ltd., the UK company based in Bristol, which develops and builds tidal power systems. “The acquisition of Marine Current Turbines is an important step forward for the Solar & Hydro Division,” said Ted Scheidegger, CEO of the Solar & Hydro Division of Siemens Energy. “We will continue to drive the commercialization of this promising technology which harvest energy from highly predictable tidal streams. Our target is to secure a leading position in this future business.” As a pioneering company, Marine Current Turbines has become a technology leader in tidal power systems. Back in November 2011, Siemens increased its stake in the company to 45 percent. Siemens is planning to complete the acquisition of Marine Current Turbines in the coming few weeks. Financial details of the deal are not disclosed.**

Global carbon reduction commitments are increasing demand for reliable marine current power. Experts are expecting double-digit annual growth rates for this sector up to 2020. The worldwide potential for power generated by tidal power plants is estimated at 800 terawatt-hours (TWh) annually. That is approximately 25 percent more than the total power demand of Germany and is equivalent to between three and four percent of global power consumption. Coastal regions with strong tidal currents like those in the UK, Canada, France and East Asia offer major potential for the utilization of this technology.

Marine Current Turbines (MCT) has already successfully implemented a commercial-scale demonstration project with SeaGen in Strangford Lough in Northern Ireland. Since November 2008, two axial turbines with a combined capacity of 1.2 megawatts (MW) have been providing power to approximately 1500 households. SeaGen has to date fed more than three gigawatt-hours of electricity into the grid. In terms of power generation this is the largest tidal current power project to date. Further projects are at the planning stage, including the 8-MW Kyle Rhea project in Scotland and the 10-MW Anglesey Skerries project in Wales. “Siemens’ acquisition is hugely

welcomed by staff and management at MCT and signals great confidence in MCT's achievements over many years," said Andrew Tyler, CEO of MCT.

Tidal turbines generate electricity by utilizing tidal current flows. The SeaGen turbine is fixed on a structure and is driven by the flow of the tides. This technology is effectively similar to a wind turbine, with the rotor blades driven not by wind power but by tidal currents. Water has an energy density that is 800 times higher than that of wind. Twin rotors turn with the tidal current and optimally track the direction and speed of flow thanks to blades which can rotate through 180 degrees. A key advantage is that the generated power is precisely predictable in the tidal cycle.

Tidal turbines are part of Siemens' Environmental Portfolio. In fiscal 2011, revenue from the Portfolio totaled about €30 billion, making Siemens one of the world's largest suppliers of ecofriendly technologies. In the same period, our products and solutions enabled customers to reduce their carbon dioxide (CO<sub>2</sub>) emissions by nearly 320 million tons, an amount equal to the total annual CO<sub>2</sub> emissions of Berlin, Delhi, Hong Kong, Istanbul, London, New York, Singapore and Tokyo.

The **Siemens Energy Sector** is the world's leading supplier of a complete spectrum of products, services and solutions for power generation in thermal power plants and using renewables, power transmission in grids and for the extraction, processing and transport of oil and gas. In fiscal 2011 (ended September 30), the Energy Sector had revenues of EUR27.6 billion and received new orders totaling approximately EUR34.8 billion and posted a profit of more than EUR4.1 billion. On September 30, 2011, the Energy Sector had a work force of more than 97,000. Effective October 1, 2011, the Power Distribution Division with a work force of more than 15,000 was reassigned to the new Infrastructure & Cities Sector.

Further information is available at: [www.siemens.com/energy](http://www.siemens.com/energy).

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