

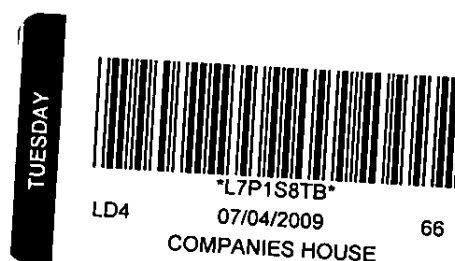
SIEMENS

Registration number 5191215

Siemens Product Lifecycle Management Software IV (GB) Limited

Directors' report and financial statements

For the 9 month period ended September 30, 2007



Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Company information

Directors	Peter Bichara Rose Marie Glazer Mark Edward Banham Guy Langley
Secretary	Gerard Thomas Gent
Company number	5191215
Registered office	Faraday House Sir William Siemens Square Frimley Camberley Surrey GU16 8QD
Auditors	KPMG LLP Arlington Business Park Theale Reading RG7 4SD
Business address	Knoll Road Camberley Surrey GU15 3SY

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
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Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Directors' report

for the 9 month period ended September 30, 2007

The directors present their report and the audited financial statements for the 9 month period ended September 30, 2007.

Principal activities

Siemens Product Lifecycle Management Software IV (GB) Limited ("the company") acts as a holding company for Siemens Product Lifecycle Management Software (GB) Limited and Siemens Product Lifecycle Management Software III (GB) Limited.

The principal activity of the company's subsidiaries was the supply of product lifecycle management (PLM) and CAD/CAM software together with related services.

Business review

The only transactions in the company during the 9 month period ended September 30, 2007 were the payment of loan interest, accountancy and bank charges.

Principal risks and uncertainties

Set out below are the principal risks and uncertainties of the company:

Performance of trading subsidiaries: The company's principal asset is its investment in subsidiaries. The trading performance of these subsidiaries, and the return on the company's investment, will be affected by external factors such as: the development of the PLM market; the continued development of new products by the company's intermediate parent company, Siemens PLM Inc; and the wider economic environment. Should the economic environment deteriorate, the performance of the company's subsidiaries maybe adversely impacted. This may, in turn, casue the company's investment in subsidiaries to become impaired;

Promissory note: As set out in note 9, the company's principal financial liability is a promissory note payable to its intermediate parent undertaking, Siemens PLM Inc. Payment of this note may be requested on or after August 4 2009. Should repayment be requested, this will require the company to secure alternative funding or liquidate its investment in subsidiaries in order to facilitate the repayment.

Dividends

The directors do not recommend the payment of a dividend (2006:£nil).

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Directors' report *(continued)*

for the 9 month period ended September 30, 2007

Political and charitable contributions

The company made no political or charitable donations or incurred any political expenditure during the period (2006: £nil).

Directors

The directors who held office during the period and at the date of this report were as follows:

Douglas Barnett	(resigned July 31, 2007)	Guy Langley (appointed September 14, 2007)
Mark Banham	(appointed September 14, 2007)	Peter Bichara (appointed September 14, 2007)
Rose Marie Glazer	(appointed September 14, 2007)	

The directors benefited from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

KPMG LLP has notified the directors that they will not be seeking re-appointment in respect of the financial period commencing October 1, 2008. A shareholder resolution for the appointment of Ernst & Young LLP as auditor of the company in respect of the same is to be proposed.

By order of the board



Gerard Gent
Secretary

Date: 27th March 2009

Siemens Product Lifecycle Management IV (GB) Limited
Faraday House
Sir William Siemens Square
Frimley
Camberley
Surrey
GU16 8QD

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of that company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Arlington Business Park

Theale

Reading

RG7 4SD

United Kingdom

Independent auditors' report to the members of Siemens Product Lifecycle Management Software IV (GB) Limited

We have audited the financial statements of Siemens Product Lifecycle Management Software IV (GB) Limited for the 9 month period ended September 30, 2007 which comprise the Profit and loss account, the Balance sheet, the Reconciliation of movements in shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Independent auditors' report to the members of Siemens Product Lifecycle Management Software IV (GB) Limited

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at September 30, 2007 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

6th April 2009

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Profit and loss account

For the 9 month period ended September 30, 2007

		9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
	Notes		
Administrative expenses		(12)	(6)
Impairment of investments		-	(72,859)
Operating loss	2	(12)	(72,865)
Income from shares in group undertakings		-	4,000
Interest payable and similar charges	4	(3,296)	(3,159)
Loss on ordinary activities before taxation		(3,308)	(72,024)
Tax on loss on ordinary activities	5	1,179	-
Loss for the financial period	11	(2,129)	(72,024)

All activities relate to continuing operations.

There are no recognised gains and losses for the financial period other than those stated above.

There are no material differences between the results stated above and their historical cost equivalents.

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Balance sheet

As at September 30, 2007

		As at September 30, 2007		As at December 31, 2006	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Investments	6		46,541		46,541
Current assets					
Debtors	7	1,179		-	
		<u>1,179</u>		<u>-</u>	
Creditors: amounts falling due within one year	8	(6,479)		(3,171)	
Net current liabilities			<u>(5,300)</u>		<u>(3,171)</u>
Total assets less current liabilities			41,241		43,370
Creditors: amounts falling due after more than one year	9		(58,750)		(58,750)
Net liabilities			<u>(17,509)</u>		<u>(15,380)</u>
Capital and reserves					
Called up share capital	10		56,900		56,900
Profit and loss account	11		(74,409)		(72,280)
Shareholders' deficit			<u>(17,509)</u>		<u>(15,380)</u>

These financial statements were approved by the board of directors on 27th March 2009 and were signed on their behalf by:


Mark Banham
Director

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Reconciliation of movements in shareholders' funds
for the 9 month period ended September 30, 2007

	9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
Opening shareholders' (deficit)/funds	(15,380)	56,644
Loss for the financial period	(2,129)	(72,024)
Closing shareholders' deficit	(17,509)	(15,380)

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Notes to the financial statements
(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial statements have been prepared on going concern basis for the following reasons. The company had net current liabilities of £5,300k at September 30, 2007. Further, repayment of the £58,750k promissory note (as set out in note 9) may not be demanded by the company's intermediate parent company, Siemens Product Lifecycle Management Software Inc, before August 4, 2009. Consequently, the board has received appropriate assurances from its intermediate parent undertaking, Siemens Product Lifecycle Management Software Inc, that it will not seek repayment of either the promissory note or accrued interest thereon for a period of not less than 12 months from the date of approval of these financial statements. Further, Siemens Product Lifecycle Management Software Inc has committed to providing additional funds if required.

The company is exempt by virtue of s228A of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 (revised): 'Cash Flow Statements' the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company was a wholly owned subsidiary of Siemens AG during the period, the company has taken advantage of the exemption contained in FRS 8: 'Related Party Disclosures' and has therefore not disclosed transactions or balances with entities which form part of the group or investees of the group qualifying as related parties. The consolidated financial statements of Siemens AG, within which this company is included, can be obtained from the address in note 13.

Investments

Investments in subsidiary undertakings are stated at cost less amount written off.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

The charge/credit for taxation is based on the profit/loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
For the 9 month period ended September 30, 2007

Notes to the financial statements *(continued)*

2. Operating loss

	9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
<i>Operating loss is stated after charging:</i>		
Impairment of investment (see note 6)	-	72,859

The fees for the audit of these financial statements were £8k (2006: £8k) and were borne by a fellow group undertaking on its behalf.

3. Remuneration of directors, staff numbers and costs

No director received any remuneration during the period in respect of qualifying services to the company (2006: £nil). The company has no employees and therefore incurs no wages or salary costs (2006: £nil).

4. Interest payable and similar charges

	9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
Payable to group companies	3,296	3,159

5. Tax on loss on ordinary activities

	9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
<i>UK corporation tax</i>		
Unprovided tax losses carried forward	(374)	-
Losses surrendered to fellow group companies	(805)	-
Current tax credit at 30% (2006: 30%)	(1,179)	-

Factors affecting the tax charge for the current period

The difference between the current tax credit for the period of £1,179k (2006: £nil) and the standard rate of corporation tax in the UK 30% (2006: 30%) are explained below.

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
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Notes to the financial statements (continued)

5. Tax on loss on ordinary activities (continued)

	9 month period ended September 30, 2007 £'000	Year ended December 31, 2006 £'000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(3,308)	(72,024)
	<hr/>	<hr/>
Current tax credit at 30% (2006: 30%)	(992)	(21,607)
	<hr/>	<hr/>
<i>Effect of:</i>		
Expenses not deductible for tax purposes (primarily impairment of investments)	-	21,858
Non-taxable income from subsidiary undertakings	-	(1,200)
Tax losses carried forward	187	949
Unprovided tax losses carried forward	(374)	-
	<hr/>	<hr/>
Total current tax charge (see above)	(1,179)	-
	<hr/>	<hr/>

Factors that may affect the future tax charge

No deferred tax asset has been recognised on the £757k of unutilised tax losses, as in the opinion of the directors, the company is unlikely to generate sufficient taxable profits against which to relieve the losses.

On March 21, 2007, the Chancellor announced the reduction of corporate tax rate from 30% to 28% for April 1, 2008 onwards as part of his delivery of Budget 2007. The change of rate was considered to be substantially enacted on June 26, 2007, when the Bill for the 2007 Finance Act was passed through the House of Commons. From this time, this rate will be applied in the calculation of current and deferred taxation.

6. Investment in subsidiaries

	Total £'000
<i>Cost</i>	
At beginning and end of period	119,400
	<hr/>
<i>Provisions</i>	
At beginning of period	72,859
	<hr/>
<i>Net book value</i>	
At September 30, 2007	46,541
	<hr/>
At December 31, 2006	46,541
	<hr/>

The company holds 100% of the issued ordinary share capital of Siemens Product Lifecycle Management Software (GB) Limited and Siemens Product Lifecycle Management Software III (GB) Limited. These subsidiaries are incorporated in England and Wales and their principal activities are of the supply of computer software and related services.

Siemens Product Lifecycle Management Software IV (GB) Limited
Directors' report and financial statements
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Notes to the financial statements (continued)

6. Investment in subsidiaries (continued)

The directors have assessed the carrying value of investments in subsidiaries by comparing the value in use to the net realisable value determined by using earning multiples obtained from similar listed companies. Based on this review, no further impairment is required (2006: £72,859k) and the investment is carried in these financial statements at its estimated net realisable value.

7. Debtors

	As at September 30, 2007 £'000	As at December 31, 2006 £'000
Corporation tax recoverable	1,179	-

8. Creditors: amounts falling due within one year

	As at September 30, 2007 £'000	As at December 31, 2006 £'000
Amounts owed to fellow group undertakings	6,479	3,171

9. Creditors: amounts falling due over one year

	As at September 30, 2007 £'000	As at December 31, 2006 £'000
Amounts owed to parent company	58,750	58,750
Analysis of loans		
Due within 2-5 years	58,750	58,750
Loan maturity analysis		
Within five years	58,750	58,750

The date of repayment of the above loan is the earlier of:

- the first written demand, which may be made any time after August 4, 2009, or;
- ten years from the date of the promissory note (August 4, 2004).

Interest was paid at the rate of 7.5% (2006: 4.7%) per annum.

A debenture dated August 9, 2004 was created by Siemens Product Lifecycle Management Software IV (GB) Limited for securing all monies due or to become due from the company to JP Morgan Chase Bank as administrative agent. This charge was repaid in full on May 4, 2007.

Siemens Product Lifecycle Management Software IV (GB) Limited
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Notes to the financial statements (continued)

10. Called up share capital

	As at September 30, 2007 £'000	As at December 31, 2006 £'000
Authorised:		
100,000,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid:		
56,900,100 ordinary shares of £1 each	<u>56,900</u>	<u>56,900</u>

11. Reserves

	Profit and loss account £'000
At January 1, 2007	(72,280)
Retained loss for the 9 month period ended September 30, 2007	(2,129)
	<u> </u>
At September 30, 2007	<u>(74,409)</u>

12. Subsequent events

There were no significant reportable post balance sheet events.

13. Ultimate parent company

The intermediate group in which the results of the company for the period are consolidated is that headed by Siemens Product Lifecycle Management Software Inc. (formerly UGS Corp), incorporated in the USA. The consolidated accounts of this company are not available to the public.

Following the acquisition of the company by Siemens AG, a company incorporated in Germany, the directors consider that this entity is the company's ultimate parent undertaking. Copies of the consolidated group accounts, which include the results of the company, are available on the internet at www.siemens.com/annualreport or can be obtained from Siemens AG, Wittelsbacherplatz 2, D-80333 Munich, Germany.