

Bombay Stock Exchange Ltd.
National Stock Exchange of
India Ltd.

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|-------------------|------------------------------|
| Name | Ashok Jangid |
| Division | |
| Department | Corporate Secretariat |
| Telephone | 2498 7523 |
| Fax | 2498 7043 |
| E-mail | |
| Your letter dated | |
| Our reference | CS/COM/MC |
| Date | 2nd February, 2007 |

Sale and Transfer of Com EN Division to a Group Company

Dear Sirs,

With reference to Point No.5 of the Notes to the Financial Results for the 1st Quarter ended on 31st December, 2006 announced by the Board of Directors on 18th January, 2007, we wish to inform you that it has been decided by the Board of Directors to sell and transfer our Communications Enterprise Networks Division (COM EN) to "Siemens Enterprise Communications Pvt. Ltd." a 100% subsidiary of our parent company, Siemens AG, Germany, as a "going-concern" for a total consideration of Rs.580 million (to be adjusted suitably on the date of transfer) with effect from 1st April, 2007. This is subject to the approval of the Shareholders by Postal Ballot.

Till such time, the Communications Enterprise Networks business shall continue to be a part of Siemens Ltd.

As approved by the Special Committee of Directors constituted for this purpose at the Meeting held yesterday i.e. 1st February, 2007, the necessary documents with regard to the Postal Ballot will be sent to the Shareholders in due course.

Yours faithfully,

Siemens Ltd.

Sd/-

sd/-

J. Schubert
Managing Director

Ashok Jangid
Corporate Secretary

Siemens Ltd.

J. Schubert
Managing Director

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