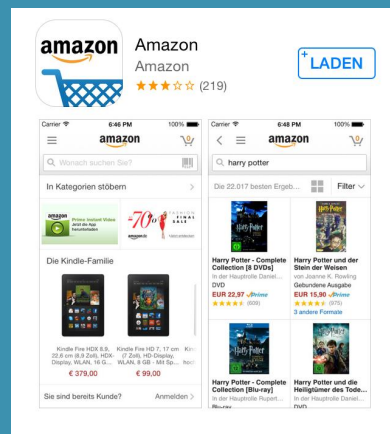


Business Responses to Current Regional Trends

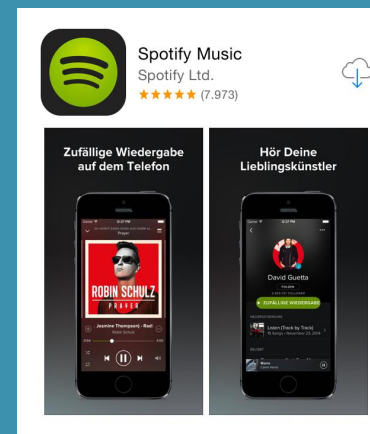
Baltic Development Forum | November 8, 2016
Janne Öhman, CEO, Siemens Osakeyhtiö

Digitalization is changing business models

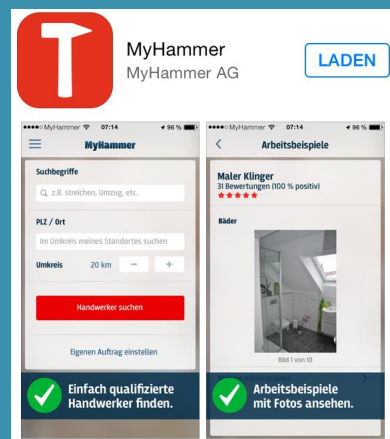
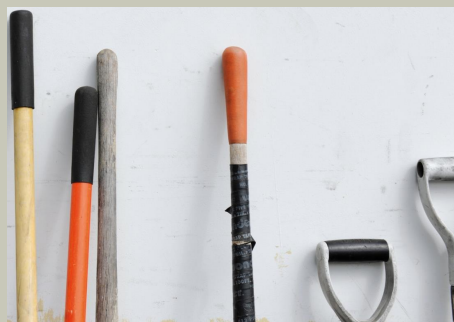
From bookstore to e-book



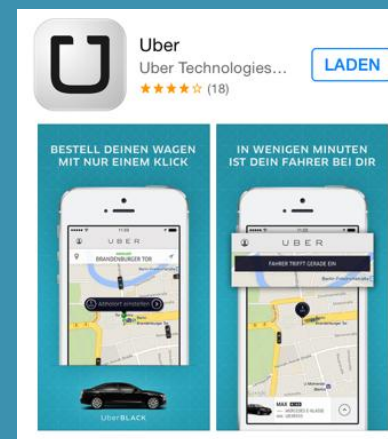
From record store to streaming



From Yellow Pages to marketplace



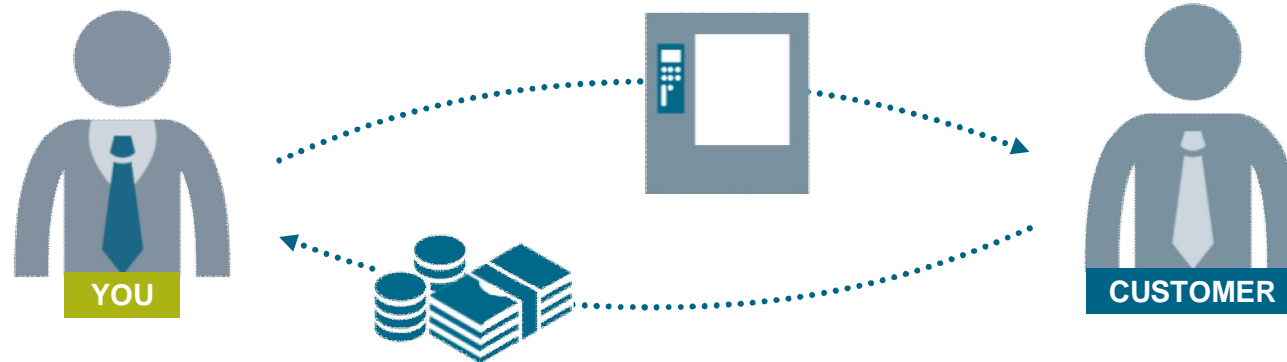
From taxi to ride-sharing



Creating value through new business models

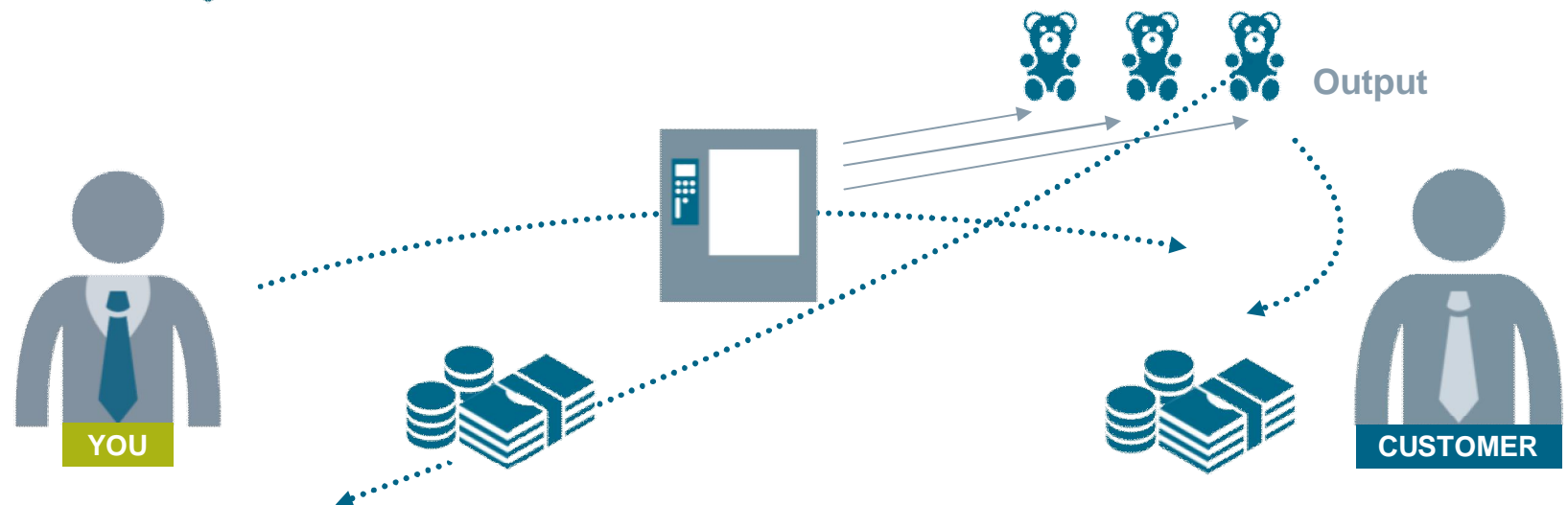
Today:

Revenue through machine sales



The future:

New scope for value creation through the sale of machine output



In the digital age, the drivers of success are changing...



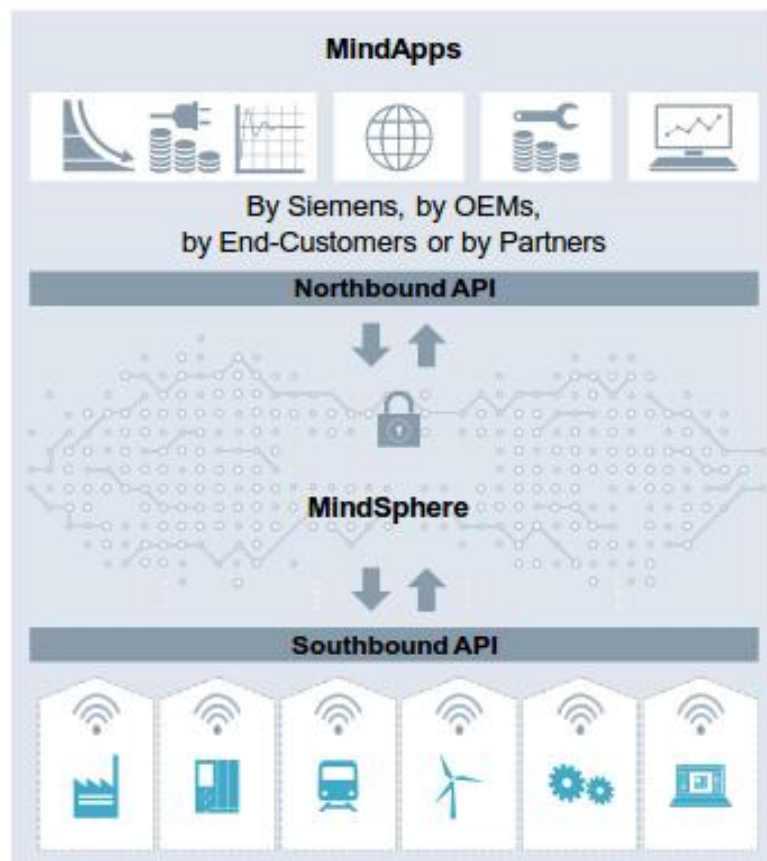
In the 21st century, successful companies are operating in the totally different environment

Innovations require

- Rapid prototyping
- Decentralized networks and clusters
- Crowdsourcing
- Open knowledge exchange

MindSphere provides an open platform across all industries

MindSphere architecture and key functionalities



MindApps

- **Asset transparency and analytical insights**, e.g., predictive maintenance
- Subscription based **pricing model**

MindSphere

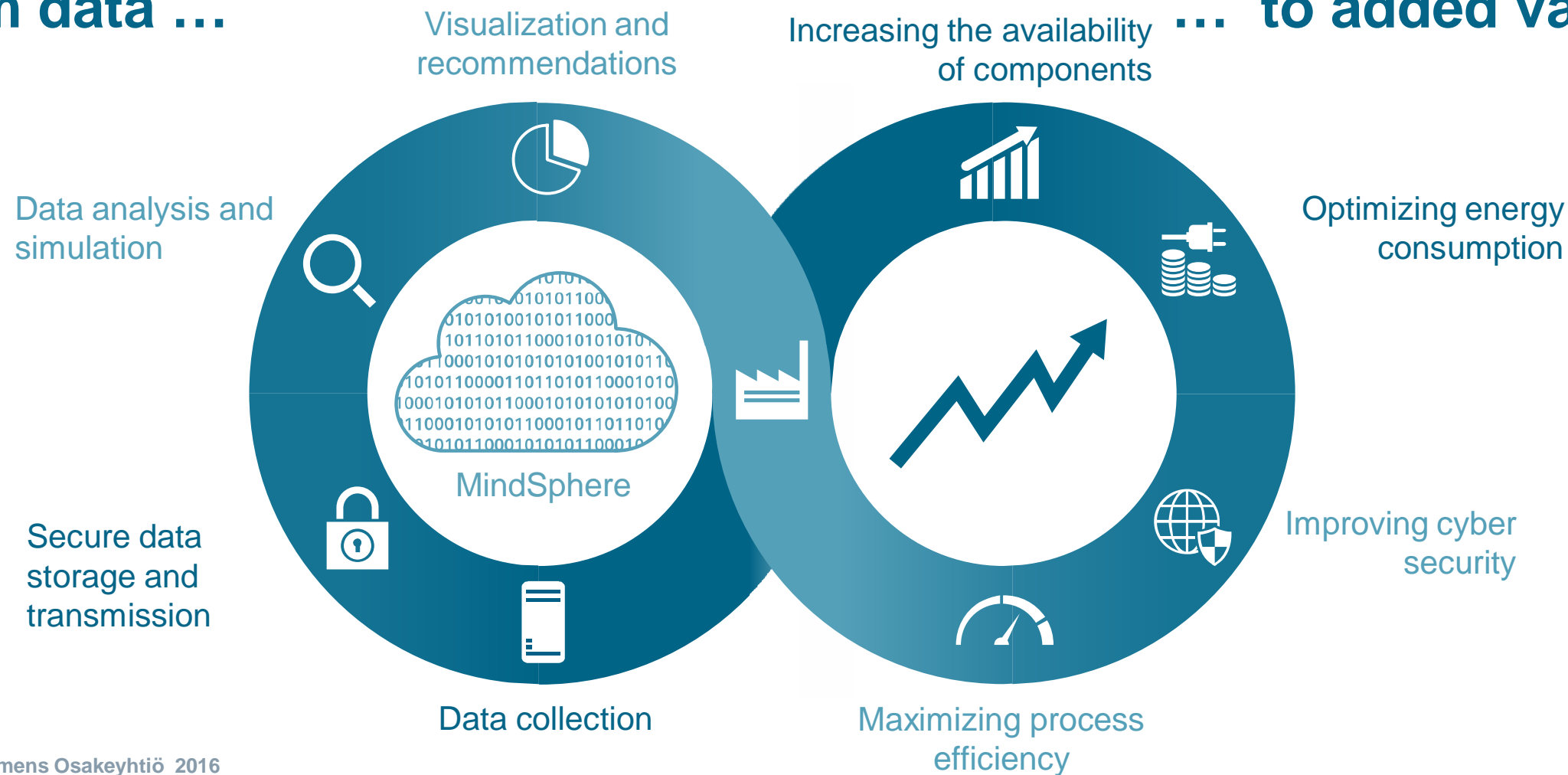
- Open interface for development of **customer specific apps** (MindApps)
- **Various cloud infrastructures**: public, private or on-premise

MindConnect

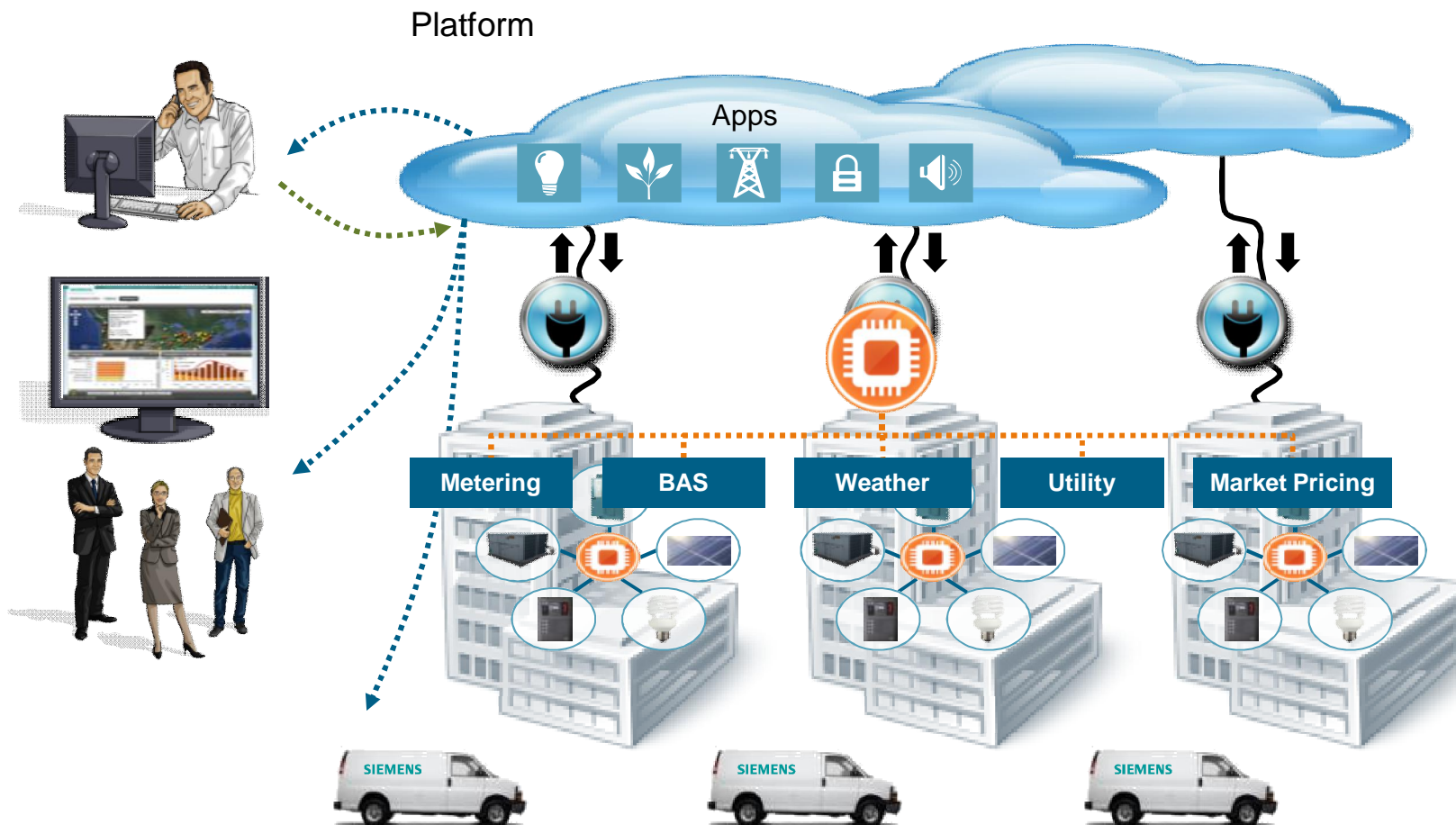
- **Open standards** (e.g. **OPC UA**) for connectivity
- **Plug and play connection** of Siemens products

API: Application Programming Interface
Source: PaaS for Siemens Project Team

From data ... to added value



Smart data enables perfect places



Characteristics

1. **Connect:**
Allow data to be extracted from systems, equipment and sensing devices
2. **Collect**
Centralize data from multiple systems/sources
3. **Analyze**
People & Technology use data to generate actionable information

Drive Savings

4. **Optimize**
People & technology enhance systems and operations based on actionable information
5. **Communicate**
"Report" transparent results to various users

Digital solutions improve productivity and competitiveness



Intelligent infrastructure

Virta eCar charging
Siemens's platform for managing an eCar charging system.



Perfect places

Isku Areena, Lahti
Improved efficiency, smaller operating costs and better ice quality and conditions in a hockey arena.

Smart industry

???



Sustainable cities

Simulation of different technologies influencing on Helsinki's environmental impact.



Thank