

Siemens Healthineers agrees to acquire majority stake in leading U.S. healthcare consultancy firm

- **Strong partnership to further improve healthcare delivery, enhance customer relationships and open new growth opportunities**
- **Under the terms of the agreement, Siemens Healthineers will acquire a majority stake in ECG Management Consultants**

In a move to expand its Enterprise Services business, Siemens Healthineers AG, through Siemens Medical Solutions USA, Inc., has signed an agreement to acquire a majority stake in ECG Management Consultants, a leading U.S. healthcare advisory firm. The company, with its principal office in San Diego, California, maintains 10 offices throughout the United States and has a sole focus on the healthcare sector.

“The advisory business of ECG is a strong addition to our portfolio and a further step in the implementation of our strategy 2025. In combination with our strong medical technology portfolio including our digital platforms and solutions, the partnership with ECG will enable us to address the needs of our customers more comprehensively than ever before, helping them to further improve healthcare delivery and provide better care at lower cost”, said Bernd Montag, CEO of Siemens Healthineers AG.

“The partnership with Siemens Healthineers is a unique opportunity for ECG Management Consultants to further grow our business. We will be able to build on the deep clinical and medical knowledge of Siemens Healthineers, its digital platforms, its customer relationships and its global network. We are excited about the joint opportunities for long-term business Value Partnerships. The partnership with Siemens Healthineers will put ECG in an even better position to continue serving our clients as a trusted advisor and helping them remain successful in a changing healthcare environment”, said Gary Edmiston, CEO of ECG.

ECG will continue as a partnership and will operate as a stand-alone unit with independent customer access. The current CEO, Gary Edmiston, and management team will continue to lead the business. The transaction is expected to close in the first quarter of fiscal year 2020, subject to receipt of regulatory approvals. ECG will be part of the global Enterprise Services business of Siemens Healthineers. The acquisition is a further step in the implementation of the “Siemens Healthineers Strategy 2025” as it addresses the goal to tap into adjacent growth markets.

With around 300 employees, thereof more than 200 consultants, ECG generated sales of more than \$100 million in 2018 and is highly profitable. Founded in 1973, ECG has developed a strong portfolio of management consulting services in the areas of strategy, finance, operations and technology. ECG serves many of the leading hospitals, health systems, academic medical centers, children’s hospitals, ambulatory surgery centers and healthcare payers in the U.S. ECG’s highly specialized expertise and strong focus on client service has enabled the company to deliver smart counsel and pragmatic solutions to the critical challenges healthcare providers are facing.

“The outstanding consulting capabilities of ECG, along with our well established customer Value Partnership approach, will enable us to serve hospitals and health systems on a much more comprehensive level, deepen our customer relationships in the long term, and open up a new dimension of growth opportunities”, said João Seabra, Head of Enterprise Services at Siemens Healthineers.

The Enterprise Services business of Siemens Healthineers has a strong track record in delivering on long-term business Value Partnerships. By combining technology leadership with profound experience in clinical consulting and workflow optimization, Siemens Healthineers is creating value beyond its product and service business for healthcare institutions. With ECG 's wide-ranging expertise in strategic and transformational consulting services, Siemens Healthineers can take its customer Value Partnerships to the next level – to help customers evolve in a changing environment. At the same time, these long-term partnerships combined with the global network of Siemens Healthineers will provide substantial growth opportunity for ECG’s core business in healthcare consulting.

This press release is available at

<https://www.siemens-healthineers.com/press-room/press-releases/pr-20190910036shs.html>

Website ECG

<https://www.ecgmc.com/>

Contact for journalists

Stefan Schmidt

Phone: +49 152 023 073 61; E-mail: stefansschmidt@siemens-healthineers.com

Siemens Healthineers enables healthcare providers worldwide to increase value by empowering them on their journey towards expanding precision medicine, transforming care delivery, improving patient experience and digitalizing healthcare. A leader in medical technology, Siemens Healthineers is constantly innovating its portfolio of products and services in its core areas of diagnostic and therapeutic imaging and in laboratory diagnostics and molecular medicine. Siemens Healthineers is also actively developing its digital health services and enterprise services. In fiscal 2018, which ended on September 30, 2018, Siemens Healthineers generated revenue of €13.4 billion and adjusted profit of €2.3 billion and has about 50,000 employees worldwide. Further information is available at www.siemens-healthineers.com.

This document contains statements related to our future business and financial performance and future events or developments involving Siemens Healthineers that may constitute forward-looking statements. These statements may be identified by words such as “expect”, “forecast”, “anticipate”, “intend”, “plan”, “believe”, “seek”, “estimate”, “will”, “target” or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of Siemens Healthineers’ management, of which many are beyond Siemens Healthineers’ control. As they relate to future events or developments, these statements are subject to a number of risks, uncertainties and factors, including, but not limited to those described in the respective disclosures. Should one or more of these risks, uncertainties or factors materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of Siemens Healthineers may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. All forward-looking statements only speak as of the date when they were made and Siemens Healthineers neither intends, nor assumes any obligation, unless required by law, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures may have limitations as analytical tools and should not be viewed in isolation or as alternatives to measures of Siemens Healthineers’ net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its half-year consolidated financial statements and consolidated financial statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently, which may therefore not be comparable.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures to which they refer.