SIEMENS

Siemens Enterprise Communications GmbH & Co. KG, SEN VA SME Hofmannstr. 51, 81379 Muenchen

All GoForward-, Sales- and Service Partner

Department SEN VA SME

Date

October 26, 2012

SEN VA SME Circular No. 01/2013

Product Phase-Out HiPath 500

The HiPath 500 product family is being discontinued. Launched in May 2001, the HiPath 500 was developed as a non-expandable starter system with basic telephony functions. Since its introduction the market has shifted from basic connectivity to value-added communications enabling increased employee productivity. As a result, there has been a decline in global sales volumes, and we are proactively adapting our strategy to focus and invest in higher value solutions for our customers and partners.

All sales activities related to new sales and expansions for the HiPath 500 are to be ended according to the milestone dates published below. New service contracts should not be entered into, and existing rental agreements and service contracts should not be prolonged after expiration.

There are no plans for a replacement product at the low end of the market. Our strategic focus is on the high value, high margin business and accordingly we are continuing our investment there. We will not lower the price or offer deeper discounts on HiPath 3000 or OpenScape Office solutions in order to make them attractive to customers at the low end of the market who are looking for basic telephony solutions only.

Summary of Phase-Out Dates

Date	Description
03/2013	The order entry for HiPath 500 will be closed on March 4, 2013
03/2014	The hardware and software support by development will end on March 31, 2014
03/2014	The order entry for spare parts will be closed March 31, 2014

Siemens Enterprise Communications GmbH & Co. KG

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Overview of the affected ordering positions

LM No.	Description
L30250-U600-G141	HiPath 540 V9
L30250-U600-G142	HiPath 580 V9

If you have customers who have bought a HiPath 500, please inform them about the important dates noted above and about our high value solutions. Please consider the presentation slides for your support.

If you have partners who resell or distribute HiPath 500, please inform them about the important dates noted above. Be sure to setup time with them for further discussions on the transition to high value solutions. Please consider the presentation slides for your support.

This circular, a presentation for customers, a presentation for partners and additional FAQ information can be found on the portfolio homepage in the Siemens Enterprise Business Area (SEBA) Portal: https://www.siemens-enterprise.com/seba

Direct links:

https://enterprise-businessarea.siemens-

<u>enterprise.com/productinfo/producthomepageservice.jsp;?mainTab=documents&view=spp&phase=presalesandcontract&pvid=549200&portalViewLeftNavigation=productinformation</u>

and

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 $\underline{enterprise.com/productinfo/producthomepageservice.jsp;?mainTab=documents\&view=spp\&phase=enab\underline{ling\&pvid=549200\&portalViewLeftNavigation=productinformation}$

For further information please contact your person in charge.

sgd. R. Ehses SEN VA SME

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