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**“OUTSTANDING PERFORMANCE IN FISCAL
2022 – STRONG FOURTH QUARTER FINISH”**

Dr. Roland Busch
President and CEO

Prof. Dr. Ralf P. Thomas
CFO

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Check against delivery.

[Roland Busch]

Ladies and gentlemen,

Good morning, everyone. I really appreciate your interest in our excellent Q4 and fiscal 2022 results. Before I turn to the current business figures, I'd like to highlight two other numbers: 175 and 4. Siemens has been around for 175 years, and – in that time – 4 million people have worked for our company. We celebrated this achievement last month.

It was a moving, emotional evening. All our colleagues and all our shareholders can be proud of Siemens' legacy.

But even more decisive for us is the future: our company is ideally positioned to master the great challenges of our time because Siemens is constantly reinventing itself and therefore laying the foundation for the decades ahead:

- We're focusing on the right trends and are purposefully developing new technologies.
- We've got the right team and we're picking up speed.
- As a result, we're staying relevant and creating impact for our stakeholders.

Two years ago, we started out as a technology company with a clear strategy. And we've been rigorously executing that strategy ever since. But what makes us unique?

We can combine the real and the digital worlds like no other company and can therefore solve concrete problems for our customers in the real world.

We offer the right technologies for all growth trends. That's why we'll continue to play a leading role in digitalization and sustainability – for our customers, for the benefit of society and the environment and for a better, more sustainable future – with a focus on manufacturing, infrastructure, transport and healthcare.

Our offerings enable our customers to accelerate their digital transformation, drive their decarbonization and achieve more with fewer resources.

And we're accelerating our own clock speed. We're scaling our technologies to achieve even higher value growth while increasing profit.

I'd like to go into all of this in more detail today. We'll look back and then forward to fiscal 2023.

You're aware of the major challenges in fiscal 2022: the pandemic, supply chain constraints, labor shortages, soaring costs and geopolitical turmoil as well as Russia's war of aggression against Ukraine.

Together with our customers and suppliers, we've successfully managed these complexities.

The entire Managing Board is very proud of what our people around the world have achieved this year. We owe our excellent result to their commitment and motivation. Be it in our factories, in purchasing, in sales, in development or in all our support units such as IT, finance and legal: together, our people literally went the extra mile for our customers in very difficult and uncertain times.

Therefore, I'd like to express my sincere thanks to all my colleagues at this great company. Due to their efforts, we've succeeded, as a leading tech company, not only in achieving our adjusted guidance, but also in gaining market share and tapping new markets in this phase.

Orders were up by an impressive 17 percent; revenue grew 8 percent. Thanks to an excellent book-to-bill ratio of 1.24 and a record order backlog of €102 billion, we're in an excellent starting position for the new fiscal year.

Our outstanding performance – in particular, compared to our competitors – is underpinned by our excellent free cash flow. We reached the record level of the prior year again: €8.2 billion. The ratio of free cash flow to revenue was more than 11 percent – a double-digit figure for the third year in a row.

Earnings per share from net income before purchase price allocation accounting (EPS pre PPA) was €5.47 – a remarkable result after the adjustment in August and in line with what we promised our shareholders.

With strong operational performance and higher gains from divestments, we were able to successfully compensate for headwinds. For example, we'd expected the transition to software-as-a-service (SaaS) at Digital Industries to reduce profit. What we didn't foresee was the exit from Russia and even more serious challenges in the supply chains – both of which had an even greater profit impact.

Profit Industrial Business reached €10.3 billion. This is a record achievement and the first time we've cracked the 10-billion mark. The operational profit margin was 15.1 percent.

With a powerful fourth quarter finish, all three of our Businesses exceeded their revenue guidance for fiscal 2022.

Digital Industries grew 13 percent on a comparable basis, and its profit margin nearly reached the prior-year level, with the automation business delivering a particularly strong performance. This development almost fully compensated for effects from the SaaS transition. We're well above the targets we set at our 2021 Capital Market Day.

Smart Infrastructure grew by 10 percent and came in at the upper end of this year's profitability guidance – a consistent and steady upward trend.

Despite our exit from our very profitable Russian business and despite pandemic-related impacts, Mobility grew 3 percent and achieved industry-leading profitability again. An important step for our portfolio strategy was the sale of the Yunex Traffic road traffic business.

Let's turn now to some operational highlights in Q4. Our customers continued to invest heavily. As a result, we achieved excellent organic revenue growth.

The book-to-bill ratio reached 1.06 due to the strong order growth of 17 percent at Smart Infrastructure and 9 percent at Siemens Healthineers. As expected, demand at Digital Industries normalized at a high level. Order growth at this Business was 3 percent.

Overall, revenue growth was at 12 percent – all Industrial Businesses delivered strong growth, led by Digital Industries and Smart Infrastructure.

I'm particularly proud of our Digital Industries' automation business. Here, revenue increased 23 percent. We gained considerable market share once again.

But this is what really matters: we're seeing value-creating growth. And we're tremendously strong in this regard:

- It's the first time we've recorded profit of more than €3 billion in the Industrial Businesses in a single quarter.
- And we've achieved outstanding free cash flow of almost €3.5 billion.

Other figures demonstrate that we've got a clear and compelling strategy:

In fiscal 2022, our digital business generated revenue of €6.5 billion and was a core driver for growth across all businesses and also for sustainability.

The transition to software-as-a-service at Digital Industries is on track. Annual recurring revenue, ARR, grew 14 percent in Q4. Cloud ARR almost quadrupled year-over-year to more than €500 million and now represents 15 percent of total ARR.

We don't expect our exit from Russia to generate any further loss risk. In Q4, we completed the divestment of our local finance and leasing business.

The fundamental strength of our company is also reflected in our dividend proposal of €4.25, an increase of 25 cents and therefore in line with our progressive dividend policy.

Looking at the current fiscal year 2023, we can state that, due to our high level of orders and a globally positive economic situation, we expect further value-increasing growth.

Ralf Thomas will give you some more details on this in a moment.

Another fundamental strength of Siemens is our diversified setup. We have a global presence, but locally we have robust value chains in all regions that enable us to cushion geopolitical risks.

We had a balanced regional revenue distribution for fiscal 2022: 29 percent from North and South America, of which 24 percent was from the U.S.; 47 percent from Europe, Africa and the Middle East, of which 17 percent was from Germany; and 25 percent from Asia, of which 13 percent was from China. And production in our approximately 180 factories was similarly diversified on a regional basis.

To achieve our growth targets, we decide how and where we invest in the world, based on risks and opportunities. We also strive to strengthen our competitiveness vis-à-vis both established and emerging players, often in fast-growing markets.

Our long-term success is based on technological leadership combined with size, a leading market position and trust.

I've been to Asia twice in the past two weeks. My visit to China and attendance at the Asia-Pacific Conference of German Business in Singapore reinforced my view that we have to work together at eye-level to jointly solve the global challenges of our time.

Turning now to Q4, orders – as I mentioned before – reached almost €22 billion, up by 7 percent, leading to a record order backlog.

Q4 revenue exceeded the €20 billion mark for the first time since the spin-off of Siemens Energy.

We're seeing broad-based growth. We were up 22 percent in Asia and Australia, and 7 percent in EMEA, while North and South America recorded 8 percent growth.

The profit margin at our Industrial Business was 16.2 percent, up 220 basis points.

Earnings per share before purchase price allocation accounting (EPS pre PPA) was €3.59, driven by a strong operational performance and by a gain from the divestment of our mail and parcel business.

Currently at €102 billion, orders were up almost €18 billion on the prior year. This figure gives us confidence that we'll achieve our growth targets.

We have a very good overview – extending well into fiscal 2023 – of the short-cycle product businesses in Digital Industries and Smart Infrastructure.

The order backlog for Mobility projects and services promises attractive gross margins.

We're confident that we'll continue to serve customers better than our competitors also in the future because we rigorously implement our projects and manage our supply chain very well. This success is primarily due to our first-class teams with their long-term, trust-based relationships with our suppliers and partners.

For us, sustainability is a strategic growth catalyst. It's no coincidence that all our highlights this quarter concern green technologies, energy efficiency or sustainable mobility.

We have great examples in attractive business areas where customers rely on our technology and expertise.

For instance, the Digital Industries team has entered a strategic partnership with Dongfang Boiler to accelerate and optimize the planning and construction of large-scale solar-thermal powerplants.

In the coming year, we'll deliver more than 30,000 SIMATICs with control software for the first project.

And we're continuously strengthening our position as a key technology partner for gigafactories that manufacture batteries for electric cars.

The latest example is our partnership with Automotive Cells Company, a company owned by battery manufacturer Saft, car companies Stellantis and Mercedes-Benz.

ACC will leverage our broad Siemens Xcelerator hardware and software portfolio to optimize battery design and manufacturing with the aid of digital twins. The goal is to scale production efficiently.

We'll also equip two planned gigafactories in France and Germany with state-of-the-art energy management systems. Here, we see potential for further orders.

Shell is another example. Smart Infrastructure will help the company achieve a faster transition to zero-emission operations. For example, we're helping Shell build the largest green hydrogen plant in Europe. Located in Rotterdam and powered by wind energy from the North Sea, the plant will have a capacity of 200 megawatts and produce 60 tons of hydrogen a day.

Another example is our collaboration with Volta Trucks. We support the company's zero-emission, electric transport-as-a-service model. Our offering encompasses the latest charging and power distribution infrastructure, software and, even, financial services for Volta Trucks' customers.

Siemens Mobility will install an automated train control system in Taiwan. This system will enable driverless operation, increase availability and enhance passenger comfort.

Akiem, a French rolling stock leasing specialist, has ordered 65 of our top-selling Vectron locomotives, which can be used in cross-border transportation across Europe.

All these successes indicate how much momentum sustainability is generating for our business.

We're also making good progress with the implementation of our DEGREE framework.

I'd like to highlight three topics in this connection:

First, we're No. 1 again in our industry peer group in the Dow Jones Sustainability ranking – an impressive, independent acknowledgement of the progress we've made.

Second, we're not only helping our customers meet their sustainability targets, we're also focusing strongly on our suppliers. We've spoken – at Managing Board level – with more than 400 partners at supplier events.

Our aim is to agree on joint solutions for decarbonization, resource efficiency and circularity approaches.

This strategy provides us with another opportunity. By supporting suppliers in their sustainability efforts, we can turn them into customers.

And third, companies and governments are now increasingly exposed to cyberattacks. Therefore, it's a strong signal that Microsoft is joining the Charter of Trust, our cybersecurity ecosystem. In the future, we'll collaborate even more closely – for example, to protect the design process and the supply chain against cyberthreats.

Judith Wiese, the Managing Board member responsible for sustainability, and I will highlight our progress and future priorities in the area of sustainability at a virtual event on December 12. We're both looking forward to discussing this key area with you.

Our digital business is a core strategic lever for value creation. We intend to grow this business annually by around 10 percent until 2025. In fiscal 2022, we took a significant step in this regard: despite the ongoing SaaS transition at Digital Industries, we achieved around 15 percent growth to €6.5 billion.

We're confident that we'll continue this strong trajectory in fiscal 2023.

In the fall, our businesses presented their latest IoT-enabled software and hardware solutions at leading trade fairs.

All these solutions are built on the principles of our open digital business platform Siemens Xcelerator.

Smart Infrastructure attracted a high level of customer interest at the Light and Building trade fair with Building X – our recently launched smart building software suite for net-zero buildings.

Mobility was at Innotrans to showcase its Mobility Software Suite X and its Railigent X application suite for digital services, which customers can use to achieve 100 percent train availability.

And just last week, our Digital Industries team presented our IoT offering for industry at SPS, together with our strong ecosystem of partners.

We create rigorous solutions extending from sensor to edge to cloud.

Customers benefit from integrating IT and OT – in other words, the hardware for operating plants – to increase their performance, productivity, flexibility and sustainability.

The transition of our Digital Industries' product lifecycle management (PLM) business to SaaS is a key part of our digitalization strategy. I'm very pleased with our progress in this regard. We're fully on track.

Around 3,100 customers have signed onto the new business model in the first year of the SaaS transition. Almost 60 percent of them are new customers, showing that we've also been successful in expanding our existing customer base. And many first-time SaaS buyers have already placed follow-up orders throughout the year.

Around 74 percent of SaaS customers are small and medium-sized enterprises, which is clear proof that we're using this model to expand our reach.

We're pleased that customers from our traditional industries such as automotive, food and beverage, and industrial machinery are also more than open to our cloud offerings.

In the full fiscal year 2022, we've seen more and more customers turning to SaaS for contract renewals.

The rate for the total volume of renewals is now stabilizing at more than 80 percent.

In Q4 2022, the transition to recurring revenue translated again – as expected – into lower revenue in the PLM business and lower profitability.

In the future, we'll make even greater efforts to nurture customers with an expanded online offering.

We're confident we'll achieve further dynamic ARR growth in fiscal 2023 in line with our ambition to grow more than 10 percent.

In a nutshell: the transition of our business model is fully on track, and customer response has been very positive.

A key lever for future success is our targeted and outcome-driven investment in innovation.

We plan to increase spending on research and development to around 8 percent of revenue while constantly renewing our hardware base and intensifying investment in our software and digital portfolio.

It's our clear goal to expand our market-leading positions and drive sustainability offerings and SaaS across all businesses.

In addition, our Technology team is working closely with all our businesses. As a result, we intend to maximize the benefits from the 11 core technologies in which we invest more than €500 million a year.

These key focus topics include, for example, data analytics, artificial intelligence, cybersecurity, simulation and digital twins.

Increasing our competitiveness across all our businesses is an important lever for improving our margins. We made substantial progress in this regard in 2022. Digital Industries' program and our corporate program for lean and more effective governance were completed a year ahead of schedule. In the governance area, we even achieved €40 million more.

As planned, Smart Infrastructure will finalize its program by the end of 2023, thereby further improving its margins.

Going forward, we'll also boost our productivity – that's part of our day-to-day business.

A further strategic lever is continuing portfolio optimization.

In fiscal 2022, we successfully broadened our software capabilities across all our businesses.

We also sold several of our businesses to strong partners while creating substantial value and cash for Siemens.

In addition, we'll continue to implement targeted acquisitions and selected divestments in the future, while adhering to our six strategic imperatives.

The carve-out process for Large Drives Applications, LDA, is progressing well. During this process, it became evident that LDA and Sykatec, another unit within our Portfolio Companies, have many commonalities in value chains and manufacturing technologies with parts of DI's Motion Control Business Unit: these are specifically the low-voltage and geared motors and our specialized business for high-precision motor spindles, Weiss Spindeltechnologie.

Therefore, we've decided to combine these businesses during fiscal 2023 to form a new company with its own legal setup. With a joint revenue of around €3 billion and around 14,000 employees, we're creating a powerful global player, which will address a more than €20 billion market for electrification and power conversion.

We're convinced that this integrated motors and large drives provider – with high value creation – will be significantly stronger and more resilient than each business would be if it operated independently.

The new company will be highly competitive with an end-to-end portfolio extending from low-voltage and high-voltage motors to geared motors, medium-voltage converters and motor spindles, rounded off by an innovative portfolio for solutions and digitalization as well as a broad range of service offerings.

The goal is to make the combined business completely independent of Siemens in order to ensure it can reach its full value and margin potential and optimally prepare for future success.

The Motion Control Business Unit at Digital Industries with drive technology and machine tool systems is strategically important and a core area for Siemens. We plan to further invest in this area in the future.

With that, I'll turn the floor over to you, Ralf, for a closer look at our operational performance and our detailed outlook for fiscal 2023.

Thank you!

[Ralf P. Thomas]

Ladies and gentlemen,

I'm very pleased that I have the opportunity today to welcome you to our headquarters again in person. Let me jump right into the details of our very strong fourth quarter, our outstanding performance in fiscal 2022 and our outlook for fiscal 2023.

Digital Industries, or DI, completed fiscal 2022 on a high note in terms of orders and revenue.

Orders were up 3 percent in our fourth quarter, slightly exceeding revenue, which led to a book-to-bill slightly above 1 overall. As a result, DI's order backlog rose to more than €13.5 billion overall. Customer cancellations were again close to zero.

We expect more than €10 billion of this backlog to convert into revenue in fiscal 2023. As a result, we have a very solid basis for planning for the next six to nine months.

As expected, we recorded a gradual normalization in order patterns within our automation businesses. Previously, we had seen exceptionally elevated demand levels in some cases, which were driven in part by extended lead times and pre-ordering by some customers.

In this connection, I would like to emphasize that investment sentiment in our core markets for DI – such as the automotive, machine-building and electronics industries – remains robust. At the same time, we are noticing strong demand in growth verticals like battery manufacturing.

Orders for the motion control and process automation businesses were stable at around the prior-year level, while the factory automation business was lower compared to the strong prior-year quarter.

In the software business, orders grew at a rate in the mid-twenties range thanks to several larger deals in the product lifecycle management, or PLM, business.

Let's turn now to revenue at Digital Industries. In the automation businesses, revenue rose by a noteworthy 23 percent. The strongest contribution here came from our motion control and factory automation businesses.

Supply chain constraints are showing signs of easing to a certain extent. Our team again did an excellent job of running the factories with high utilization and output. Still, the supply chains remain vulnerable and require constant and close attention.

Our pricing adjustments contributed around 7 percentage points to revenue growth in the automation businesses. Revenue in discrete automation was up a stunning 24 percent. Process automation is on a steady upward path and achieved 15 percent revenue growth.

Revenue in DI's software business was up 3 percent. Growth of 10 percent in the electronic design automation, or EDA, business had positive impact here. Impact in the opposite direction came from the ongoing momentum of our transition to software-as-a-service, or SaaS. As a result, revenue in the PLM business was 2 percent lower year-over-year.

At 21.5 percent, Digital Industries' profit margin was excellent. This result was driven, in particular, by the automation businesses, which achieved high utilization of capacity paired with a favorable product mix.

We more than compensated for cost inflation in the fourth quarter – partly as a result of price increases from previous quarters and partly as a result of our own productivity gains.

Our investments in cloud technologies amounted to €88 million in Q4, equaling 160 basis points of margin impact on Digital Industries. The full-year impact for fiscal 2022 was around 145 basis points. We expect a similar level in fiscal 2023.

We are excited that Digital Industries even achieved a new all-time high in free cash flow with a record level of more than €1.3 billion. The resulting cash conversion rate of 1.1 was also excellent.

For fiscal 2022 overall, DI generated more than €4 billion in free cash flow – an exceptional performance that was primarily supported by stringent management of working capital.

Despite 18 percent nominal revenue growth in fiscal 2022, we maintained operating working capital at the prior-year level.

In fiscal 2023, we will again work hard on this topic and will continue writing this success story.

Let's take a look now at what we expect for our key vertical end-markets. For the next quarters, we expect continuing growth momentum that will be driven substantially by price inflation.

We are keeping a very close eye on the underlying real investment sentiment, which continues to look positive for our products and solutions.

We are vigilantly tracking the volatile macroeconomic situation. And, as Roland Busch said, our prudent cost management puts us in a position to react quickly if necessary.

Now let me give you the regional perspective on our strong growth in orders and revenue in DI's automation business:

As mentioned, automation orders saw some normalization of demand, but on a high level. This development was most notably visible in China, where demand had been overheated for the past several quarters due to orders being at extraordinarily high levels. Orders were down 30 percent in the fourth quarter compared to the extremely strong prior-year quarter. Nevertheless, the order backlog and related advanced payments by customers in China remained exceptionally high.

And by the way, in October 2022, order momentum was roughly at the prior-year level. So, it was healthy in a what remained a very volatile environment.

Order growth was robust in Europe, while the U.S. saw strong demand with an 18 percent increase.

Overall, we expect demand to continue to normalize in fiscal 2023. In the course of this normalization, we will gradually reduce our order backlog. We will convert a large portion of this backlog to revenue in fiscal 2023. In addition, fears of excessive supply-chain constraints are increasingly easing, and delivery times will ultimately shorten again to a reasonable level.

The excellent double-digit revenue growth in DI's automation business was broad based. China delivered an all-time high revenue level, up 26 percent.

In Germany, revenue grew 13 percent. Italy was up 26 percent, with growth across all businesses. In the U.S., the discrete and process automation businesses both saw double-digit increases.

Currently, supply chains are gradually stabilizing. Nevertheless, the situation remains volatile and difficult to predict. As Roland Busch said, our teams remain determined to secure global availability of components.

We must also successfully manage a situation that remains unsteady in China, where a strict zero-COVID policy is being pursued.

In fiscal 2023, we again expect to balance cost inflation with our own pricing actions and productivity measures.

Our healthy order backlog reflects the pricing measures that we have already implemented, which will convert into revenue accordingly over the course of fiscal 2023.

Therefore, from today's perspective, we anticipate for the first quarter of fiscal 2023 that Digital Industries will see comparable revenue growth in line with the full-year guidance of 10 percent to 13 percent. This growth will be driven, in particular, by strong backlog execution in automation.

We expect DI's software business to get off to a soft start in fiscal 2023. The main reasons for this expectation are the flattish development of PLM revenue due to the continuing SaaS transition, and lower revenue in the EDA business due to fluctuations in the timing of large project wins.

After the first quarter, we expect clear acceleration of revenue growth in the software business throughout fiscal 2023.

We expect Digital Industries' profit margin for the first quarter to be at the lower end of the full-year guidance for fiscal 2023. The margin will depend largely on the business mix in automation and will be impacted by what is likely to be a soft start in the software business.

Let's turn now to Smart Infrastructure (or SI). The SI team achieved a truly outstanding fourth-quarter performance. Growth in orders and revenue was excellent. And the team delivered another proof point that the margin is on a trajectory for consistent expansion.

In total, SI's orders were up 17 percent, driven most notably by 20 percent growth in the electrical products business and 21 percent growth in the electrification business. Orders benefited from particularly strong demand for data centers and for digital building services.

The buildings business was up 12 percent based on strength in the solution and services business.

Revenue growth reached a total of 13 percent, with the largest contribution coming from the electrical products business, which was up 24 percent.

In Q4, the SI team again managed the supply chain constraints very successfully and with the highest levels of professionalism.

Around 5 percentage points of SI's revenue growth were attributable to price increases.

The profit margin of 14.2 percent in SI's seasonally strongest quarter was up by around 170 basis points year-over-year. The margin benefited from higher capacity utilization as well as from ongoing structural improvements from rigorous execution of our previously announced competitiveness program. Finalizing this program will deliver further contributions in fiscal 2023.

Headwinds from cost inflation were fully mitigated in fiscal 2022 by pricing actions and productivity gains.

Despite considerable growth in revenue, the SI team succeeded in effectively implementing measures to reduce net operating working capital. As a result, SI posted a stellar finish in free cash flow in Q4 with an all-time-high of almost €1.4 billion.

SI saw strong order momentum everywhere except in China, which was still impacted by the corona pandemic. The U.S. was the main growth engine, up a remarkable 32 percent.

SI's revenue also increased in all regions. The U.S. also led revenue, with impressive 24 percent growth on soaring business with data centers and the semiconductor industry.

The service business delivered 10 percent growth in revenue overall, led by a double-digit increase in the Americas and high single-digit growth in both Asia and Europe.

As in Digital Industries' end markets, we saw nominal growth in all key verticals at Smart Infrastructure, too. This growth, however, was also substantially fueled by price inflation, in particular.

We will, of course, continue to watch underlying, real demand very closely, particularly in commercial buildings.

Verticals related to the integration of renewable energies, as well as public and IT infrastructure, continue to show pretty robust growth fueled by rising demand for ecofriendly sustainability offerings.

For Smart Infrastructure's first quarter, we expect the growth rate for comparable revenue to be toward the upper end of the target range for the full year. This growth will be supported by our order backlog, in particular.

We also anticipate that the first-quarter profit margin will be at the prior-year level – due in part to impact from severance charges at a euro amount in the low-to-mid range of the double-digit millions. These charges will be related to implementing final measures from the previously announced competitiveness program.

Mobility closed the fiscal year with a solid quarter.

At €2.6 billion, orders included the winning of several major contracts for locomotives, totaling €500 million. These wins drove momentum in the rolling stock business. In the rail infrastructure business, orders were lower in comparison to the strong prior-year quarter.

Mobility's order backlog stands at €36 billion overall, with consistently healthy margin quality. And our sales funnel continues to look very promising for fiscal 2023 across all business activities.

With regard to our major order in Egypt, we expect for the second half of fiscal 2023 that, after the financial closing, we will be able to book the order for the first line and receive notice to proceed for the other two lines. Consequently, we expect to book an order volume of around €3 billion in the second half of fiscal 2023. The remaining order volume of around €5 billion is expected to be booked in fiscal 2024.

In the fourth quarter, Mobility's revenue was up 10 percent on broad-based growth. However, revenue recognition was still held back in some businesses. For one thing, recognition was curbed by supplier delays in delivering materials and components; and for another, pandemic-related effects continued to have impact.

These effects trickled down to the bottom line, but with less impact than in previous quarters.

In line with our expectations, Mobility's profit margin reached 8.8 percent. Strength in the service and the rail infrastructure and service businesses had a particularly positive influence.

As Roland Busch mentioned, the highly accretive business in Russia is missing here compared to the prior year.

For free cash flow, Mobility achieved a significant catch-up in the fourth quarter in line with our previously announced expectations. At 0.97 for fiscal 2022, the cash conversion rate corresponds to our target of "1 minus the growth rate." This conversion rate clearly and unambiguously differentiates Siemens Mobility from competitors.

With regard to fiscal 2023, our expectation for revenue growth for the first quarter is in the mid-single-digit range. Of course, this value continues to depend on the availability of critical components.

Under the assumption that both the strains in the supply of materials and the logistic constraints will gradually ease, we expect a profit margin of around 8 percent for the first quarter.

Siemens Financial Services, or SFS, closed a challenging year with a fourth-quarter performance that was plainly solid. Higher credit risk provisions – partially offset by the successful equity business – weighed on profit in the fourth quarter.

At 15.6 percent, return on equity for the full fiscal year was within the target range, which was a remarkable success. After all, completing the exit from business in Russia had led to a burden of €186 million.

Now more than ever, Siemens Financial Services is successfully supporting our Industrial Businesses. Going forward, the collaboration will increasingly focus on jointly developing digital business models. However, supporting our customers in implementing and driving sustainability initiatives through smart financing solutions will remain another key pillar.

Several times now, we have very successfully demonstrated our ability to create sustainable value within our Portfolio Companies. We recorded a pre-tax gain of around €1.1 billion from the sale of our mail and parcel business.

Under the “Financing, Eliminations and Other” item, we recorded significant Russia-related impacts totaling €267 million. These burdens were mainly related to the Corporate Treasury’s hedging activities in connection with the Russian ruble.

For fiscal 2023, we expect no further material effects related to Russia to impact our earnings position.

Now to a topic that – particularly in challenging times like the ones we are currently experiencing – is THE decisive parameter indicating that our company enjoys outstanding operational strength: free cash flow.

In the fourth quarter alone, our Industrial Businesses delivered free cash flow of €3.9 billion and an excellent cash conversion rate of 1.23.

Throughout the fiscal year, we again achieved strong and consistent free cash flow of more than €8 billion.

Together with a double-digit cash return on revenue, which is the relationship between free cash flow and revenue, this result very impressively highlights that our entire team around the world places a strong focus on effective working capital management. And that our exceptionally solid free cash flow clearly sets us apart from our competitors.

We are very confident that we will be able to continue this successful path in fiscal 2023, although the level of advance payments from customers will normalize.

I also want to point out that, in addition to free cash flow, €1.5 billion of divestment proceeds in Q4 provided us with the liquidity required to acquire Brightly.

Our strong operational performance is also reflected in our return on capital employed, or ROCE, of 24.6 percent in the fourth quarter. Even excluding the effect of the disposal gain from the sale of the mail and parcel business, our ROCE was within the target range.

Thanks to continuing strong free cash flow and to divestment proceeds, our balance sheet and capital structure have further improved.

Our key performance indicator for our capital structure, the industrial net debt over EBITDA ratio, was at 1.0 at year-end, with ample headroom to our targeted maximum level of 1.5.

With our strong investment-grade rating, we also have excellent financing options on the capital market.

Naturally, our shareholders, too, ought to profit from our successes in free cash flow and liquidity.

In keeping with our progressive dividend policy, Siemens will propose to its Annual Shareholders' Meeting a dividend of €4.25. This amount corresponds to an increase of €0.25 compared to the prior year.

This figure represents an attractive dividend yield of 4.2 percent based on the closing share price on September 30. The proposal also reflects our great confidence in Siemens' future development.

Next to dividends, the second key pillar of capital allocation for our shareholders is the accelerated execution of our share buyback program.

The volume that has been realized so far as part of the current share buyback program has since reached a total of €1.8 billion, with an attractive average price of around €110.

In addition, after our 2023 Annual Shareholders' Meeting, we intend to execute the cancellation of 50 million treasury shares and thus reduce the overall number of Siemens shares to 800 million.

Now I come to the assumptions that serve as the basis for our outlook.

For our outlook for fiscal 2023, we assume that there will be no further escalations of geopolitical tensions and that the challenges caused by COVID-19 and by supply chain constraints will continue to ease.

Under these conditions, and in light of our high order backlog, particularly in short-cycle businesses, we expect our Industrial Businesses to continue their profitable growth. We assume that the economic equation will be net positive in fiscal 2023, too, for both Digital Industries and Smart Infrastructure. This business-management equation describes the relationship between cost and wage inflation versus the company's own price increases and productivity gains.

You will find further details on our assumptions on the slide now being shown.

On page 36 of the presentation, you will also find all details as a reference for the outlook below our Industrial Businesses. However, I want to briefly emphasize a few important topics in this connection:

We expect SFS' results in fiscal 2023 to be on fiscal 2022 levels despite continuing uncertainty in the credit environment.

New business from intense collaboration with the operating units will successively compensate for the loss of business in Russia.

Return on equity for SFS is anticipated to be at the lower end of the target range of 15 percent to 20 percent.

Within our Portfolio Companies, we expect a profit of around €300 million. This figure includes the gain from divesting the commercial vehicles business to Meritor, a sale that is expected to close before the end of the first quarter.

The remaining Portfolio Company businesses continue to execute their full-potential plans and are confident that they will achieve a profit margin of at least 5 percent in fiscal 2023.

For our at-equity investment in Siemens Energy, we expect purchase-price allocation (or PPA) accounting effects of close to €100 million, plus our share of the at-equity participation in net income.

We have great confidence in our company's performance capabilities and in our outlook for fiscal 2023. Our outstanding performance in fiscal 2022, with extremely strong momentum in orders and with the resulting high-quality order backlog at a record level – in particular, in our short-cycle businesses – provides a solid foundation for this confidence.

As a result, despite the challenging environment for fiscal 2023, Siemens intends to continue its high-value growth.

Let's turn now to our outlook at the Group level. For a differentiated look with a break down for the individual businesses, I refer you to our Earnings Release.

For the Siemens Group, we expect comparable revenue growth in the range of 6 percent to 9 percent and a book-to-bill ratio above 1.

We expect this profitable growth of our Industrial Businesses to drive an increase in basic earnings per share before effects from purchase-price allocation accounting to a range of €8.70 to €9.20 in fiscal 2023.

This outlook excludes burdens from legal and regulatory matters and material impairments.

As you can see from this ambitious outlook, we are entering fiscal 2023 with great confidence in our strong, cash-generating portfolio and in the execution discipline of our global Siemens team.

However, we continue to monitor macroeconomic volatility closely to be able to quickly adjust our cost structure as needed while still fully leveraging existing growth opportunities.

So, we have fully set course for further high-value growth and for continuing to deliver excellent results in the area of cash.

Thank you!

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