

## Stellar performance and successful start as a focused technology company

- **In fiscal 2021, orders totaled €71.4 billion and revenue €62.3 billion – a double-digit percentage increase (fiscal 2020: €58.0 billion and €55.3 billion, respectively)**
- **Adjusted EBITA Industrial Businesses was up a significant 17 percent to €8.8 billion – Adjusted EBITA margin rose to 15.0 percent (fiscal 2020: 14.3 percent)**
- **Net income soared 59 percent to €6.7 billion (fiscal 2020: €4.2 billion), exceeding the net income guidance**
- **Free cash flow set a new record of €8.2 billion (fiscal 2020: €6.4 billion)**
- **Dividend of €4.00 per share proposed (fiscal 2020: €3.50)**
- **Outlook for fiscal 2022: Siemens expects mid-single-digit comparable revenue growth with basic earnings per share of €8.70 to €9.10 (fiscal 2021: €8.32) before PPA effects**

Siemens delivered a stellar performance in fiscal 2021 (end: September 30, 2021), recording a net income of €6.7 billion and thus exceeding its net income guidance.

The company reported gains at all four of its Industrial Businesses and across all regions, underscoring its successful transformation into a focused technology company. A continuing complex macroeconomic environment influenced by the COVID-19 pandemic and ongoing supply chain risks – associated primarily with electronic components and raw materials – were successfully mitigated.

Siemens benefited from a considerable economic recovery and continuing growth, particularly in key markets such as automotive, machine building and electronics as well as in most infrastructure-related sectors.

Siemens' Supervisory and Managing Boards propose to increase the dividend from €3.50 a year earlier to €4.00, reflecting our stellar performance in fiscal 2021 and our great confidence in the future development of the company.

“We achieved a very successful start as a focused technology company. In a challenging environment, we have won market share and clearly exceeded our net income guidance,” said Roland Busch, President and Chief Executive Officer of Siemens AG. “This momentum will continue in fiscal 2022. We're ideally positioned to support our customers and benefit from the major growth drivers of digitalization and sustainability. We have the right strategy and – above all – the best team. I'm personally very grateful for the outstanding dedication of our team worldwide.”

“With a record-setting free cash flow, strong revenue growth and high profitability at the same time, we once again demonstrated the performance capabilities and resilience of Siemens,” added Ralf P. Thomas, Chief Financial Officer of Siemens AG. “Our shareholders also benefit from this successful performance. With a very attractive dividend, a strong stock price development and our new share buyback program, we continue to offer a highly attractive total shareholder return.”

### **Net income considerably increased – Free cash flow at record level**

In fiscal 2021, Siemens increased revenue on a comparable basis by 11.5 percent to €62.3 billion (fiscal 2020: €55.3 billion). Orders rose a substantial 21 percent to €71.4 billion (fiscal 2020: €58.0 billion).

Adjusted EBITA Industrial Businesses climbed 17 percent to €8.8 billion. Adjusted EBITA margin Industrial Businesses totaled 15.0 percent (fiscal 2020: 14.3 percent). Net income soared 59 percent to €6.7 billion (fiscal 2020: €4.2 billion), thus exceeding the net income guidance. Siemens has raised its outlook for fiscal 2021 four times (net income most recently forecast at €6.1 billion to €6.4 billion). Basic earnings per share for net income totaled €7.68 (fiscal 2020: €5.00).

At €8.2 billion, free cash flow (from continuing and discontinued operations) set a new record (fiscal 2020: €6.4 billion), while free cash flow for the Industrial Businesses also set a new record of €9.8 billion, a substantial increase of about 38 percent year-over-year (fiscal 2020: €7.1 billion).

The book-to-bill ratio was 1.15, an outstanding level.

#### **Q4 – A strong finish to the fiscal year**

Siemens fully leveraged its growth opportunities in many key markets in a continuing complex macroeconomic environment also in Q4 2021. In Q4, the company successfully mitigated ongoing supply chain challenges associated above all with electronic components and raw materials. At €19.1 billion (Q4 2020: €15.1 billion), orders in Q4 2021 continued to be very strong, with gains at all Industrial Businesses and in all reporting regions, led by Digital Industries and Mobility. Revenue was also up, rising 10 percent on a comparable basis to €17.4 billion (Q4 2020: €14.8 billion). This increase was primarily attributable to double-digit growth at Digital Industries and Siemens Healthineers. At 1.09, the book-to-bill ratio was still considerably above 1.

Adjusted EBITA Industrial Businesses totaled €2.3 billion (Q4 2020: €2.6 billion). In the prior-year quarter, Adjusted EBITA benefited from a €0.5 billion positive effect related to a stake in Bentley Systems, Inc. In addition, Smart Infrastructure recorded a €0.2 billion gain in the prior-year quarter from the sale of a business. In Q4 2021, Siemens achieved a solid profit margin of 13.8 percent (Adjusted EBITA margin). Adjusted for the two abovementioned effects, the profit margin was stable year-over-year.

Net income (from continuing operations) rose 22 percent to €1.3 billion (Q4 2020: €1.0 billion). However, sharply lower income from discontinued operations compared to Q4 2020 had a negative impact. A gain from the Siemens Energy spin-off was reported in Q4 2020. As a result, net income totaled €1.3 billion (Q4 2020: €1.9 billion).

At €3.8 billion, free cash flow (from continuing and discontinued operations) was again at an outstanding level (Q4 2020: €3.8 billion), while free cash flow from the Industrial Businesses rose to €3.8 billion, a substantial increase of around 21 percent (Q4 2020: €3.1 billion).

**Outlook for fiscal 2022**

Siemens' outlook for fiscal 2022 is based on continuing healthy growth in global GDP, albeit with slowing momentum, and the expectation that the challenges to its businesses from COVID-19 and supply chain constraints will ease during fiscal 2022. With these conditions and given Siemens' very strong fiscal year 2021, the company expects its Industrial Businesses to continue their profitable growth.

For the Siemens Group, the company expects mid-single-digit comparable revenue growth, net of currency translation and portfolio effects, and a book-to-bill ratio above 1.

Digital Industries expects for fiscal 2022 to achieve comparable revenue growth of 5 percent to 8 percent and a profit margin of 19 percent to 21 percent, including known headwinds of up to two percentage points associated with the strategic transition to Software-as-a-Service (SaaS) in parts of its large software business.

Smart Infrastructure expects for fiscal 2022 comparable revenue growth of 5 percent to 8 percent. The profit margin is expected to be 12 percent to 13 percent.

Mobility expects for fiscal 2022 comparable revenue growth of 5 percent to 8 percent. The profit margin is expected to be 10.0 percent to 10.5 percent.

Siemens expects this profitable growth of its Industrial Businesses to drive an increase in basic EPS from net income before purchase price allocation accounting (EPS pre PPA) to a range of €8.70 to €9.10, up from €8.32 in fiscal 2021. Siemens assumes that rigorous execution of its portfolio optimization strategy will contribute similarly as in fiscal 2021, when the company generated €1.5 billion in net income from the sale of its Flender business, divestment of its stakes in Bentley Systems, Inc., and ChargePoint Holdings, Inc., and revaluation of its stake in Thoughtworks Holding, Inc.

This outlook excludes burdens from legal and regulatory matters.

This press release is available at <https://sie.ag/3oeRPRz>

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In fiscal 2021, which ended on September 30, 2021, the Siemens Group generated revenue of €62.3 billion and net income of €6.7 billion. As of September 30, 2021, the company had around 303,000 employees worldwide. Further information is available on the Internet at [www.siemens.com](http://www.siemens.com).

**Notes and forward-looking statements**

This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, in prospectuses, 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’ management, of which many are beyond Siemens’ control. These are subject to a number of risks, uncertainties and factors, including, but not limited to, those described in disclosures, in particular in the chapter Report on expected developments and associated material opportunities and risks of the Annual Report, and in the Half-year Financial Report, which should be read in conjunction with the Annual Report. Should one or more of these risks or uncertainties materialize, events of force majeure, such as pandemics, occur or should underlying expectations including future events occur at a later date or not at all or assumptions prove incorrect, actual results, performance or achievements of Siemens may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

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All information is preliminary.