

**SPEECH FOR ANNUAL PRESS CONFERENCE  
2023**

**“POWERFUL FINISH TO RECORD  
FISCAL YEAR”**

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Check against delivery.

**[Roland Busch]**

Ladies and gentlemen,

Good morning, ladies and gentlemen. Thank you very much for your interest in our figures for Q4 and for the full year 2023.

The results at our operating business were truly impressive. We set multiple records. I'm extremely pleased with our performance because these record-breaking figures reflect an outstanding team effort.

That's why, before presenting the details, I'd like to thank our global Siemens team. Everybody made a tremendous contribution – in another year of difficult conditions and in a volatile business and geopolitical environment. Thank you very much for your commitment and for this achievement. I'd also like to say a big thank you to our customers, suppliers and partners for their trust and very close collaboration.

Siemens' success is based on our focus on long-term growth trends, all of which are driven by automation, digitalization, electrification and sustainability.

With our technologies, we're helping customers stay relevant and competitive and create long-term value. We also support them, above all, in mastering the biggest challenges of our time: labor shortages, value chain constraints and, of course, climate change.

More than 90 percent of our business helps our customers achieve a positive sustainability impact:

- They consume less energy and decarbonize their companies
- They minimize waste and use fewer raw materials and less water
- They can offer their passengers or patients a better experience.

For more than 176 years, we at Siemens have been creating technologies that transform the everyday for everyone.

Three years ago, we launched our strategy as a leading technology company to combine the real and the digital worlds.

We're very well positioned to achieve even more in the future – and to do so at greater speed and with greater agility.

A major success factor is the increasing scalability of our products: this means we implement standard solutions for our customers' recurring problems by collaborating with our fast-growing partner ecosystem to deploy cutting-edge technologies.

We achieve these economies of scale with Siemens Xcelerator, our open, digital business platform. I'll talk about some exciting examples later on.

Today, we'd like to tell you:

- How things went in the record year 2023
- How we're successfully executing our strategy
- And how we're looking ahead to fiscal 2024.

I'm very proud that we delivered on our raised guidance in fiscal 2023 and created substantial value for all our stakeholders.

We've experienced another year of ongoing geopolitical and macroeconomic turmoil – including wars, interest rate hikes to stem inflation, erratic destocking effects and shortages of skilled labor.

As a technology leader, Siemens seized significant market opportunities and gained market share.

Orders topped €92 billion, up 7 percent on an already very high level. Revenue grew a very healthy 11 percent and was at the upper end of our guidance.

A book-to-bill ratio of 1.19 and a record order backlog of €111 billion give us confidence for fiscal 2024.

We set record highs in Profit Industrial Business and our profit margin. These results demonstrate again that our strategy as a technology company is successful and that we're implementing it effectively.

Our continuously stellar free cash flow confirms, above all, our outstanding operational performance – also compared to our competitors.

For the first time ever, we exceeded the €10 billion threshold – an impressive 23 percent increase year-over-year.

Our operational strength is also reflected in earnings per share before purchase price allocation accounting, or EPS pre PPA for short. Excluding the effect from Siemens Energy, EPS pre PPA was €9.93, slightly above the updated guidance range.

Basic earnings per share more than doubled year-over-year and exceeded the €10 mark for the first time.

Let's move on now to our next record: Profit Industrial Business totaled €11.4 billion – recording 11 percent growth year-over-year. The profit margin of the Industrial Business improved again to 15.4 percent.

All three Businesses met – or in Mobility's case exceeded – their revenue guidance with a powerful finish in Q4.

Digital Industries grew 15 percent on a comparable basis. This was the third year in a row of double-digit growth.

Digital Industries' profit margin reached a record high of 22.6 percent.

Smart Infrastructure grew 15 percent. At 15.4 percent, its profit margin also set a record and was at the upper end of this year's guidance.

This result marked a steady improvement: 12 consecutive quarters of year-over-year margin increases. And we're expecting even more.

Mobility accelerated revenue growth by 15 percent, well above the forecast level.

For the first time, annual order intake exceeded €20 billion, with a book-to-bill ratio of around 2 – reflecting strong market momentum.

More importantly, profitability and free cash flow were once again industry-leading because the team showed foresight in managing risks and opportunities.

Let's turn now to the Q4 highlights:

The book-to-bill ratio reached 1.02.

From today's perspective, we assume that orders at our automation business bottomed out in Q4.

Overall revenue growth was 10 percent – the highest quarterly revenue level we've ever seen – and this at all four Industrial Businesses.

I'm particularly proud of our team at Digital Industries Software, which achieved 30 percent revenue growth.

Smart Infrastructure's electrification business again showed great competitive strength. The business grew 25 percent with ongoing momentum in power distribution and data centers.

But what really matters is that this growth is value-creating – and we're enormously strong at implementing:

- €3.4 billion in Profit Industrial Business. Siemens has never had such a good quarter.
- €4.6 billion in free cash flow all-in – this is a particular highlight.

In fiscal 2023, our digital business delivered revenue of €7.3 billion.

The transition to software-as-a-service, or SaaS for short, at Digital Industries is fully on track. More on this topic later.

We're continuing to sharpen our setup by optimizing our portfolio through smaller investments and disposals.

An important milestone was the Innometrics carve-out, which was – as planned – largely complete as of October 1.

Due to our operational strength, we want to offer our shareholders an attractive return. We're proposing a dividend of €4.70 to the Annual Shareholders' Meeting. This is in line with our progressive dividend policy: the increase amounts to €0.45.

Ralf Thomas will explain to you in more detail the expansion of our share buyback activities.

Looking ahead to fiscal 2024: we'll remain vigilant and respond flexibly to market developments.

We'll invest strategically, for the long term and oriented toward attractive market opportunities. In this way, we want to optimize our global footprint in the areas of innovation, production and services.

Ultimately, we want to become even more competitive and resilient.

From today's perspective and despite the anticipated muted economic development worldwide, we anticipate further high-value growth in 2024.

Here are our impressive figures for Q4. Revenue growth was regionally broad-based.

The Europe, Middle East and Africa, or EMEA, region was up 13 percent, followed by the U.S. at 11 percent. Asia and Australia grew by 4 percent, impacted by weaker growth in China.

Excluding the Siemens Energy Investment, EPS pre PPA was €2.64, driven by a strong operational performance.

Our resilience is based on our healthy order backlog, which stands at the record level of €111 billion.

Lead times in the short-cycle product businesses at Digital Industries and Smart Infrastructure mostly returned to a healthy level.

Supply chains and manufacturing are back to normal.

Our customers and distributors continued destocking their inventories in all key countries, particularly in China.

We expect this destocking to continue into the first half of fiscal 2024 until inventories return to normal levels.

We have good visibility regarding our systems, solutions and service businesses into fiscal 2024.

Partnerships and ecosystems are enormously important to us. They help us scale new technologies and drive our growth.

A hugely promising example is our collaboration with Microsoft. Together, we're advancing the application of generative artificial intelligence, or AI for short, in all industries.

To improve collaboration between man and machine in production, we've developed the Siemens Industrial Copilot – enhanced and powered by generative AI.

- As a result, users can create complex software for factory automation – something that previously took weeks – in a matter of minutes. The Copilot analyzes software and improves it.
- Users can generate simulations much faster.
- And the Copilot helps tackle skilled labor shortages.

Incremental improvements are no longer enough to master today's major challenges. We need step changes in innovation.

At the SPS tradeshow, Schaeffler AG, a leading automotive supplier, demonstrated how Siemens Industrial Copilot generates reliable code for programming robots.

We're already working with Microsoft on numerous AI copilots in other sectors such as consumer goods and mechanical engineering.

Ultimately, we'll address all the sectors in which Siemens is active.

And our partnership is profitable for both sides. Microsoft is benefiting from the fact that more and more AI is being used. This development requires more data centers, and these need electrical energy – in other words, a secure, maximally green power supply. And Siemens supplies the necessary reliable electrical products. There'll be more on this later.

Now let's turn to Siemens Xcelerator. Our partner ecosystem and marketplace are growing steadily.

At the EMO tradeshow, we presented – together with machine manufacturer DMG MORI – the world's first end-to-end digital twin for a machine tooling process. This digital twin is now available as a product on our marketplace.

This technology is a super example of how we combine the real and the digital worlds. The virtual machine tool from DMG Mori uses our virtual control platform, the CNC Sinumerik One, to generate a virtual workpiece.

The processing procedure is optimized in the virtual world for various parameters – for example, faster processing with lower material and energy consumption. Only then does production start in the real world.

This digital twin has clear advantages for our customers: They can ramp up production faster, and their machines are better utilized.

As I mentioned, Siemens Xcelerator is the key to how we scale our products with our profound domain knowhow while driving sustainability.

The first major success story of how we support customers in their digital transformations comes from the U.S.: together with Ford, we've developed a standardized and scalable SIMATIC Automation Workstation.

This innovation combines automation technology in production with the benefits of a modern IT environment – for example, for the centrally controlled deployment of new software across an entire factory. In this context, we're leveraging our Industrial Edge ecosystem.

This platform will enable new digital applications to be developed quickly and easily.

For Ford, this means more clearly structured and efficient manufacturing and production processes and greater flexibility.

This solution is to be widely deployed in new and existing Ford plants.

Our UK team has transferred experience gained from optimizing power grids to the water industry.

Northumbrian Water Group has begun connecting more than one million smart meters to Energy IP X, our SaaS-based data management system.

Using this system, the utility identifies leaks in order to reduce water consumption.

The third example comes from the healthcare sector: the recently opened Inselspital hospital in Bern, Switzerland. At this facility, building planning and construction data is being transferred entirely digitally to operations. This approach has laid the foundation for a digital twin that will open up possibilities for optimizing processes while supporting efficiency.

And last but not least: we're digitalizing Austria's rail network with the latest technology. We've already equipped the first section of track with our advanced ETCS train control system. The aim of the Austrian operator ÖBB is to double the capacity of its network by 2040. For this reason, Siemens Mobility has won a long-term framework contract worth €400 million.

A core strategic lever is to grow our digital business annually by around 10 percent by 2025.

In fiscal 2023, we were successful again in this regard. We grew around 12 percent to €7.3 billion – despite the ongoing SaaS transition in product lifecycle management, or PLM, at Digital Industries.

And we're confident that this strong growth momentum will continue.

I'm very satisfied with the ongoing SaaS transition at our PLM business.

Two years after we started, we're fully on track.



Growth in annual recurring revenue, known as ARR, reached a very healthy level of 15 percent compared to the previous year. We want to maintain this level in fiscal 2024.

The Cloud ARR share already stands at €1.2 billion, equaling 30 percent of total ARR. We expect to achieve our 40 percent target one year ahead of schedule.

Around 11,300 customers have opted for the new business model. A large share of these customers comprises small and medium sized enterprises.

And among these SaaS customers, 77 percent are new customers. This figure shows that we're successful in our ambition to substantially expand our existing customer base.

The quarterly transformation rate remained on a high level at 87 percent.

Based on our assessment, the trough of the SaaS transition at PLM and at a small part of our electronic design automation business, or EDA, is now behind us. From now on, we'll see gradually higher profitable growth contributions. We'll continue to run the larger part at EDA, or around one-third, via term licenses.

You already know about our €2 billion global investment strategy to boost growth, innovation and resilience. To conclude this plan, we recently announced an investment in the U.S., where we're expanding our manufacturing capacities.

In Dallas-Fort Worth, we'll produce state-of-the-art electrical components for power supplies at data centers. For this purpose, we're investing €150 million in a high-tech manufacturing plant, which we'll operate entirely with our software and automation systems. We're creating at least 700 jobs. Production at the plant will start in 2024 and is to be geared up to full capacity in 2025.

I've already spoken about the AI boom. In this regard, we're supporting our long-standing customers: demand for data centers is expected to grow by around 10 percent a year until 2030.

We're gaining market share in this business, in which we achieved an extraordinarily high order level of almost €2 billion in fiscal 2023. We're delivering revenue growth of around 25 percent for the second year in a row.

And we see a robust pipeline for fiscal 2024.

To remain successful, we're also focusing on innovation.

In fiscal 2023, we invested around €6.2 billion to expand our strong hardware basis, the connectivity of our products and, above all, our software and digital portfolio.

For fiscal 2024, we plan to maintain R&D intensity at around 8 percent of revenue. In absolute terms, this figure is up again on 2023.

As a result, we're pursuing two goals: to strengthen our leading technology position and to drive our sustainability products.

A great example of both goals is our ecofriendly switching technology for fluor-gas-free power distribution. With this technology, we're helping our customers in their energy transitions – and are therefore even ahead of EU regulation.

In addition, our central Technology team is closely collaborating with all our businesses. Together, they're maximizing the impact of the more than €500 million that we spend each year to make targeted investments in our 11 core technologies.

Continuing portfolio optimization is a core strategic lever.

In fiscal 2023, we announced several acquisitions, such as Avery Design Systems for Digital Industries Software and Heliox, a specialist in eBus and eTruck fast-charging solutions.

We'll continue to make bolt-on acquisitions.

At the same time, we executed several smaller divestments, at our Industrial Businesses and at our Portfolio Companies.

Since we reduced our share in Siemens Energy AG to 25.1 percent in fiscal 2023, we've been working on an accelerated separation from Siemens Energy in India.

Yesterday, we announced a set of measures, including our intention to acquire 18 percent of the shares in Siemens Limited India for €2.1 billion in cash from Siemens Energy.

With this, we agreed with Siemens Energy to accelerate the unbundling of the activities currently conducted in the Indian subsidiary of Siemens by way of a demerger.

Ultimately, we aim to return to a shareholding of 75 percent in Siemens Limited India in four to five years from now.

Siemens Energy is to become the majority shareholder in the then listed company Siemens Energy India.

These are important steps to simplify the structure and sharpen the focus – and we'll continue on this path.

We've successfully launched Innomotics – a leading motors and large drives supplier – as a new brand. This company employs more than 15,000 people worldwide and its customers trust the company's operating effectiveness and innovative excellence.

Innomotics is delivering a positive financial performance and has a healthy order backlog. With these attractive prospects, we've decided to initiate the next step toward achieving Innomotics' full standalone setup.

We'll begin preparations for a public listing. We're also assessing all other options because we always look for the best owner for a business.

In the future ownership structure, it's important for us to ensure sustainable, growth-oriented and value-creating development.

As you can see, we're working hard to continuously develop our leading technology company. We want to achieve even more for our customers, our shareholders and our approximately 320,000 people as well as for society and the environment.

With that, I'll hand over to Ralf Thomas. He'll explain our operational performance and our detailed outlook for fiscal 2024 in more detail.

Thank you!

**[Ralf P. Thomas]**

Ladies and gentlemen,

I'm very pleased to be able to greet some of you here in person this morning. And a warm welcome to all who are participating virtually today.

Let's jump right into the details of our powerful fourth quarter, our outstanding performance in fiscal 2023, and our outlook for fiscal 2024.

Digital Industries, or DI, finished the fiscal year with an impressive sprint on the home stretch. The solid results for orders and revenue were mainly driven by an extraordinarily strong electronic design automation, or EDA, software business, and these results clearly exceeded market expectations.

As expected, we saw continued normalization of order patterns in our short-cycle automation businesses.

Overall, orders were down 8 percent at Digital Industries. The book-to-bill ratio was 0.83.

With 13 large wins, primarily in the EDA space, DI's software business achieved orders that were up more than 30 percent – an unprecedented level for us so far.

Normalization of order patterns was driven by discrete automation, while process automation saw a mid-single-digit decline in order intake.

Therefore, our order backlog at Digital Industries decreased to about €11.5 billion.

The backlog in the software business amounted to around €5 billion – a number that has grown gradually in line with progress in the software-as-a-service, or SaaS, transformation.

In the automation businesses, the order backlog stood at €6.3 billion, which was around €1.8 billion lower than in Q3, largely as expected.

This amount is still elevated compared to our historic long-term averages. Nevertheless, the development clearly shows that, with regard to our order-backlog reach, we are heading toward our pre-pandemic levels.

Cancellations by our customers remained at a very low level in Q4, too.

Let's turn now to revenue for Digital Industries, which rose significantly by 11 percent.

In the automation businesses, revenue rose 6 percent, driven by process automation, up 13 percent, while discrete automation grew 3 percent.

Large order wins in the software business translated into brilliant software revenue growth of 30 percent to more than €1.6 billion – by far the highest quarterly level we have ever achieved.

Whereas the product lifecycle management, or PLM, business saw a mid-single-digit increase, the EDA, business delivered fantastic growth of around 75 percent.

Since EDA is a lumpy business, we should look at the full-year growth rate for fiscal 2023, which reached an impressive 15 percent.

Profit of almost €1.4 billion marked a quarterly record high, with an excellent profit margin of 23.1 percent. An outstanding contribution from the EDA software business strongly supported this rise.

In the automation business, we continued to see stringent order execution with strong profit conversion. However, the mix was less favorable than in the prior year.

We were able to more than compensate for cost inflation in Q4, too. This compensation was partly made possible by price increases from previous quarters, which have materialized now through backlog conversion, and partly by productivity gains. Through these measures, we again resolved our economic equation with a net positive result in Q4.

Our investments in cloud technologies accounted for 130 basis points of impact on Digital Industries' margin in the fourth quarter, and on fiscal 2023 overall at the same level.

We are very proud that Digital Industries once again achieved outstanding free cash flow of more than €1.3 billion, which was close to the previous year's record high.

This excellent level can also be seen in the strong cash conversion rate of 0.96.

For the full fiscal-2023 year, Digital Industries generated more than €4.2 billion in free cash flow. For the third year in a row – and thus very reliably – it has delivered a very high cash contribution combined with strong, double-digit revenue growth.

Now, let me give you the regional perspective:

As you can see on the corresponding slide in the presentation, DI's automation business saw further broad-based normalization of demand compared to the strong growth in the previous two years.

As expected, this development was most visible in China and in Europe, where we are seeing ongoing destocking that will continue into the first half of fiscal 2024.

Yet, in China, we see some first signals of stabilization, following a soft Q4.

The clear revenue growth in DI's automation businesses was mainly driven by rigorous backlog execution in Europe: Revenue rose 18 percent in Germany. In Italy, it even rose 23 percent.

In China, revenue was 14 percent lower due to a tough basis of comparison with the strong prior-year quarter and to a lower number of fast-turning orders.

In the U.S., process automation saw a double-digit increase.

Let's take a brief look at Digital Industry's key vertical end markets:

For the next quarters, we expect rather muted growth momentum. This development will be driven by effects from further destocking and by fading effects from price inflation. It is also being caused by a softer investment climate as a consequence of higher interest-rate levels.

Our DI teams see this development as transitional and expect investment sentiment to improve beginning in the second half of fiscal 2024 due to secular demand trends.

On this basis – after three years with extraordinarily high double-digit growth rates – we expect fiscal 2024 to be more of a “transitional year” before accelerated growth picks up again.

For the first half of 2024, we anticipate a soft economic development with sluggish demand – especially in China and Germany – and with destocking in key countries.

We assume that improving trends will begin to materialize in the second half of fiscal 2024.

In line with our expectations, the revenue contribution from the existing order backlog will further normalize. As a result – since lead times will be mostly healthy – DI's order intake for short-cycle products will return to “regular operations,” so to speak, during the course of the year.

On this basis, DI will again deliver convincing top-line performance in fiscal 2024.

In addition, we again expect a positive result for our so-called economic equation in fiscal 2024: productivity gains and price increases will again outweigh the cost increases.

From today's perspective, DI will get off to a rather slow start into fiscal 2024 with Q1. After that, it will steadily improve.

Therefore, due to further destocking in our automation business, we expect DI's orders in the first quarter to still be below the very strong prior-year level.

Furthermore, we anticipate that – in the first quarter, too – Digital Industries' revenue growth will be in line with its full-year guidance of between 0 percent and 3 percent.

Growth in the automation businesses is expected to be flattish compared to the strong prior-year quarter.

In the software business, revenue is expected to be at the prior-year level. Here, we expect clear growth in the PLM business as a result of the successful SaaS transition. However, this growth will be offset by lower revenue in the EDA business due to a seasonally slower start after the considerable accumulation of large deals there in Q4.

Beyond Q1, we expect clear acceleration of revenue growth in the software business throughout fiscal 2024.

We expect DI's profit margin for the first quarter to approach its full-year guidance of 20 percent to 23 percent for fiscal 2024 from the south –compared to a very strong prior-year quarter with a very favorable product mix in the automation businesses and very high capacity utilization.

On top, due to the current foreign exchange rates, we expect substantial headwind from foreign-exchange effects amounting to a negative impact of around 100 basis points.

For the software business, we expect the seasonally slow start that I already described.

Let's turn now to the truly outstanding fourth-quarter performance that Smart Infrastructure, or SI, again delivered – across all metrics.

The SI team achieved excellent growth in orders and revenue in robust end markets and provided another proof point that SI is on a consistent margin expansion trajectory.

In total, orders were up 6 percent, driven most notably by 16 percent growth in the electrification business. Orders benefited again from a series of larger wins, primarily in the area of data centers.

The buildings business was up 6 percent, based on strength in the solution and service business, while the electrical products business was flattish on the level of the strong prior-year quarter.

Smart Infrastructure's order backlog remains at the record level of €16.5 billion.

Revenue growth was broad-based across all businesses. At 12 percent overall, it even clearly exceeded market expectations. The largest contribution came from the electrification business, which was up a remarkable 25 percent.

The electrical products and buildings businesses, too, showed clear revenue growth with a 9 percent and 7 percent increase, respectively.

Flawless execution of the order backlog led to a profit margin of 14.9 percent for SI, which was up by 70 basis points year-over-year.

SI's excellent profit continued to benefit from economies of scale and increased capacity utilization on high revenue growth and from lasting structural improvements from the competitiveness program.

Productivity gains and previous pricing actions more than compensated for headwinds from cost inflation, which mainly stemmed from higher wages and salaries.

Despite material revenue growth, the SI team very successfully implemented measures for reducing net working capital and, in particular, inventories.

In Q4, SI achieved an outstanding finish to the fiscal year in free cash flow, with a new all-time high of more than €1.4 billion. The cash conversion rate was 0.95 for the full fiscal year, which was thus even well ahead of our target of "1 minus the growth rate."

Let's look now at SI's regional development:

We saw robust demand with strong momentum driven by Europe and the U.S. on large wins in data centers and in power distribution.

In China, orders were up 2 percent compared to a soft prior-year quarter as domestic demand stabilized.

Revenue rose in all regions except China. This strength was primarily supported by execution of the order backlog in Europe, while the U.S. achieved impressive growth rates in the mid-teen percentage range.

Further details on the regions are available in the presentation.

SI continues to see nominal and real-term growth in its main vertical end markets, fueled by backlog execution. In this business, sustainability is an increasingly important driver in many market segments.

Commercial buildings are the one market for which – due to rising interest-rate levels – we expect only very low growth.



As Roland said, we see accelerated growth momentum in the data center market on higher adoption of AI-based applications.

Power distribution is another resilient growth trend for which we are well positioned – driven by increasing renewables integration and the growing tendency toward “electrification of everything.”

For the first quarter of fiscal 2024, we see the comparable revenue growth rate toward the upper end of SI’s target range for our full-year growth guidance of 7 percent to 10 percent. The order backlog, in particular, will support this growth.

We also anticipate that SI’s operational first-quarter margin will be at the prior-year level and within the full-year guidance range of 15 percent to 17 percent.

Mobility closed the fiscal year with another strong quarter.

At €3.2 billion, fourth-quarter orders were up 26 percent. This increase included two large orders for regional commuter trains in Germany, totaling €700 million, which drove momentum in the rolling stock business.

Orders in the rail infrastructure business were up substantially on several mid-sized orders and a solid base business.

Mobility’s backlog stands at €45 billion, up massively compared to the prior year after extraordinarily high order intake north of €20 billion throughout fiscal 2023.

The backlog includes a service volume of almost €13 billion.

And Mobility’s sales funnel for fiscal 2024 continues to look very promising for achieving a book-to-bill ratio well above 1 across all business activities again in fiscal 2024.

However, the expected timing for the awarding of larger projects indicates that the order level will be materially below fiscal 2023.

With regard to our projects in Egypt, we are progressing in project execution for the so-called Green Line. The first Desiro train recently arrived in Egypt.

For the Red and Blue Lines, the contracts have been successfully concluded. The end of calendar year 2023 was agreed on as the contractual commencement date for both lines.

Our teams are working diligently toward the financial closing. From today's perspective, the financial closing is expected to take place at the end of calendar year 2024 at the earliest. After this closing, the remaining order volume of around €5 billion will be booked as order intake.

Mobility's revenue was up 10 percent in Q4 on broad-based growth. Large rolling stock projects made the strongest contribution to growth.

In line with our expectations, Mobility's profit margin came in at 8 percent.

In addition, Mobility delivered a remarkable free cash flow of almost €600 million in Q4. As a result, its free cash flow amounted to more than €1 billion for fiscal 2023 overall.

Mobility's cash conversion rate was 1.19 for fiscal 2023, which is well above our target of "1 minus the growth rate." This success clearly and unambiguously differentiates Siemens Mobility from the competition.

Since Mobility is a long-cycle project business, this competitive strength is even more impressive when looking back at the long-term time-horizon since 2016: During this period, Mobility generated €7 billion in free cash flow on a cumulative basis with a cash conversion rate of 1.05 in an attractive business model that is not very capital-intensive.

Our assumption for Mobility's comparable revenue growth for Q1 fiscal 2024 is within the corridor of 8 percent to 11 percent that we also expect for Mobility for the full fiscal-2024 year.

For Q1, we also assume that Mobility's profit margin will tend toward the lower end of the full-year target range of 8 percent to 10 percent.

Let's turn now to our activities that are outside, or below, our industrial businesses.

As usual, you will find the full earnings bridge in the appendix, on page 34 of the presentation.

At this point, I will just touch on it briefly:

Siemens Financial Services delivered rock-solid performance in Q4 with a higher earnings contribution from the debt business, mainly on a lower need for risk provisions.

I am very pleased that profitability at our Portfolio Companies was robust, as expected.

And as Roland mentioned, the next strategic steps are on track while the businesses are continuing to successfully execute their full-potential plans.

As we are all aware, the negative at-equity result from our Siemens Energy Investment continued to burden the bottom line to a material extent.

Ladies and gentlemen, free cash flow is, and will remain, the ultimate financial yardstick for great performance:

In Q4 alone, our industrial businesses delivered free cash flow of €4.1 billion and an excellent cash conversion rate of 1.22.

For the overall fiscal year, we achieved free cash flow of more than €10 billion for the Siemens Group. That's a new record!

Together with a cash return on revenue of almost 13 percent, this result very impressively shows that our entire team around the globe places a strong focus on stringent working capital management.

We are very confident that we will continue this successful path in fiscal 2024, too.

Our strong operating performance and outstanding free cash flow have led to further improvement of our capital structure.

Industrial net debt over EBITDA, which is our key performance indicator for capital structure, was 0.6x at the end of the fiscal year. This result provides further headroom and flexibility to continue our stringent capital allocation.

With our strong investment-grade rating, we again have excellent refinancing possibilities on the capital market in fiscal 2024.

The pension deficit is at a record low of €1.4 billion. In addition, we will have further options for cash generation from portfolio simplification in the future, too.

Of course, our shareholders should also benefit from our successes in free cash flow, capital structure and liquidity.

In keeping with our progressive dividend policy, Siemens will propose to its Annual Shareholders' Meeting in February 2024 a dividend of €4.70, which represents a clear increase of €0.45 compared to the prior year.

This amount results in an attractive dividend yield of 3.5 percent based on the closing share price of €135.66 at the end of September 2023.

And we will remain very mindful of ensuring balanced capital allocation priorities.

Our current share buyback program is 90 percent complete. So far, we have bought back a volume of €2.7 billion to date within this framework at an attractive average price of about €118.

Therefore, we will initiate a new, upgraded share buyback program of up to €6 billion for up to five years, right after completion of the current program.

Now let me come to the assumptions for our outlook for fiscal 2024.

For our outlook for the Siemens Group in fiscal 2024, we assume a volatile macroeconomic situation, but no further increase of geopolitical tensions.

Under these conditions, we expect our Industrial Business to continue its profitable growth.

We anticipate that the economic equation will again be net positive in fiscal 2024 for both Digital Industries and Smart Infrastructure.

Further details on our assumptions are available on the corresponding slide in the presentation.

On page 35 in the appendix, you can find all details as a reference for the outlook below our Industrial Businesses.

Here, I want to call your attention to just one point:

For our Portfolio Companies, including Innometrics, we are confident that we will again achieve an operational margin of more than 5 percent. In the comparison with fiscal 2023, please note that profit for fiscal 2023 benefited from a gain of €148 million from the sale of our commercial vehicles business.

Ladies and gentlemen, we have great confidence in the performance capabilities of our company and the people who work for it – and thus also in our outlook for fiscal 2024.

Given our strong performance in fiscal 2023, our guidance is based on a tough basis of comparison from an outstanding fiscal 2023. The basis of comparison is especially tough with regard to order development. We are confident that, despite challenging framework conditions in fiscal 2024, we will continue our high-value growth.

Let's turn now to our guidance for the Siemens Group level. For the differentiated presentation for the individual businesses, I refer you to our Earnings Release.

For the Siemens Group, we expect comparable revenue growth, net of currency translation and portfolio effects, in the range of 4 percent to 8 percent and a book-to-bill ratio above 1.

We expect this profitable growth of our Industrial Business to drive an increase in basic EPS from net income before purchase price allocation accounting (or EPS pre PPA) excluding the Siemens Energy Investment to a range of €10.40 to €11.00 in fiscal 2024.

As always, this outlook excludes burdens from legal and regulatory matters.

As you can see from this ambitious outlook, we enter fiscal 2024 from a position of strength with an industry-leading portfolio and stringent execution capabilities.

However, we continue to monitor macroeconomic volatility closely to be able to adapt our cost structure quickly if necessary.

Our direction is clear: we will continue to deliver further value creation by growing profitably and reliably generating high cash flows.

I would like to thank all my Siemens colleagues around the globe for the tremendous dedication with which they contributed to these outstanding results.

Thank you!

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