Excellent results – guidance raised again

Roland Busch, CEO Siemens AG
Ralf P. Thomas, CFO Siemens AG

SIEMENS

Notes and forward-looking statements

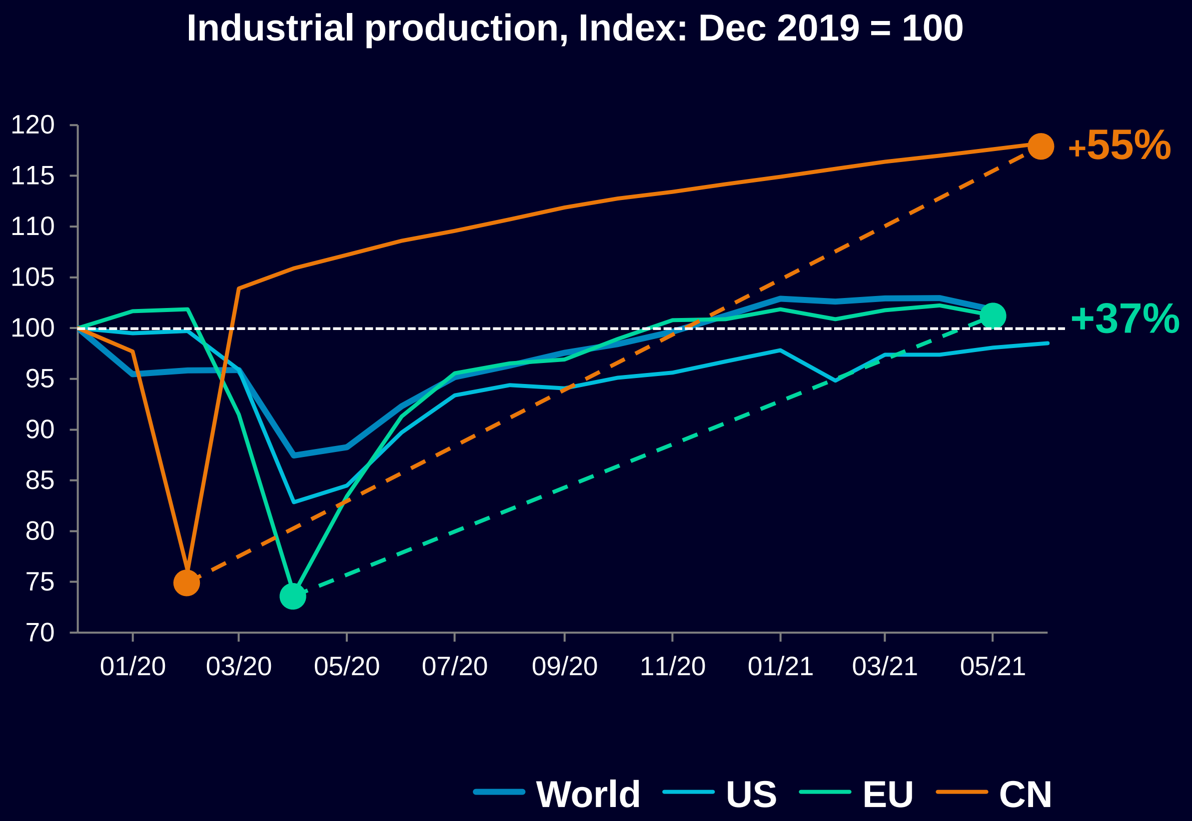
This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “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 in 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 decisions, assessments or requirements of regulatory authorities deviate from our expectations, 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.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Siemens’ net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

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

Favorable macro environment with some noticeable challenges

Strong, broad based recovery continuing



Opportunities

- **Strong secular growth** trends **Automation, Digitalization** and **Decarbonization**
- **Stimulus programs** to **upgrade infrastructure** and **improve sustainability**
- **Industrial rebound continuing with** partial **stocking effects**, some **moderation** on **high levels** expected

Challenges

- **Supply chain constraints and material shortages** (e. g. semiconductors, plastics, steel) to impact growth in selected customer industries
- **Cost inflation** for **raw materials, electrical components** and **logistics**

SIEMENS

Siemens is accelerating high value growth

Handling the challenges well …

- **Close collaboration** with **suppliers** to safeguard **stable supply chains**
- **Fully loaded factories** to match **customer demand; extended delivery times** in some areas
- **Hedging** and **pricing action** to **mitigate impact from material cost inflation**

… and leveraging strong momentum

- **Innovative portfolio** proves its **strength** in all regions
- **Targeted** bolt on **acquisitions** to strengthen software and service offering
- **Large project wins** in **Mobility** due to **technological strength** and **digital capabilities**
- **Successful approach** “**Sustainability as business**”
- **Excellent Q3-performance** across all metrics

Rigorous **execution** to drive **profitable growth** and **cash generation - Outlook raised**

SIEMENS

Portfolio strengthened – more digital and in attractive markets

Accelerating digital marketplace strategy

Supplyframe

- Leading Design-to-Source platform for global electronics
- Strong SaaS-business with growth rates of >40%
- Closed August 2021

DI Software expands "string of pearls"

FRACTAL Technologies

onespin

Nextflow Software

timeseries

proFPGA product line

Mobility enhances MaaS[1] platform

HACON

EOS.UPTRADE

BYTEMARK

+

sqills

PADAM MOBILITY

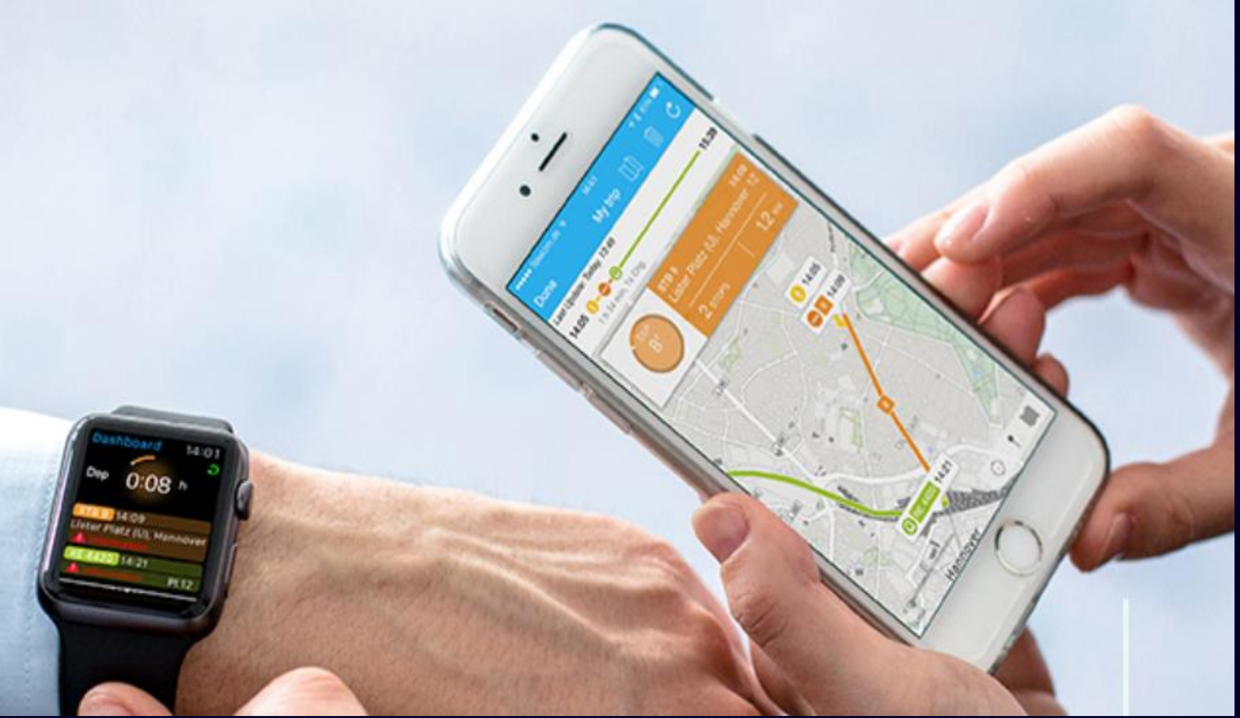
Varian with strong momentum

varian
A Siemens Healthineers Company

- Strong operational performance
- Integration well on track
- Focus on delivering synergies

1 MaaS – Mobility as a Service

SIEMENS



Comprehensive digital offering for journey planning, ticketing & capacity management

	Journey Planning	Inventory Mgmt	Mainline Ticketing	City Ticketing	Incident Mgmt	Demand Response Transport
Siemens Today	HACON			BYTEMARK EOS.UPTRADE	HACON	PADAM MOBILITY
Sqills		sqills	sqills			

Sqills – Complementing Mobility’s software portfolio for our customers’ core processes and enabling MaaS offerings

Strategic rationale

- **Digital** and **connected intermodal platform** for **planning, ticketing** and **capacity management for public transport operators (B2B)**
- **Key offering to enable operators to optimize yield management, trip pricing and vehicle utilization**

Sqills at a glance

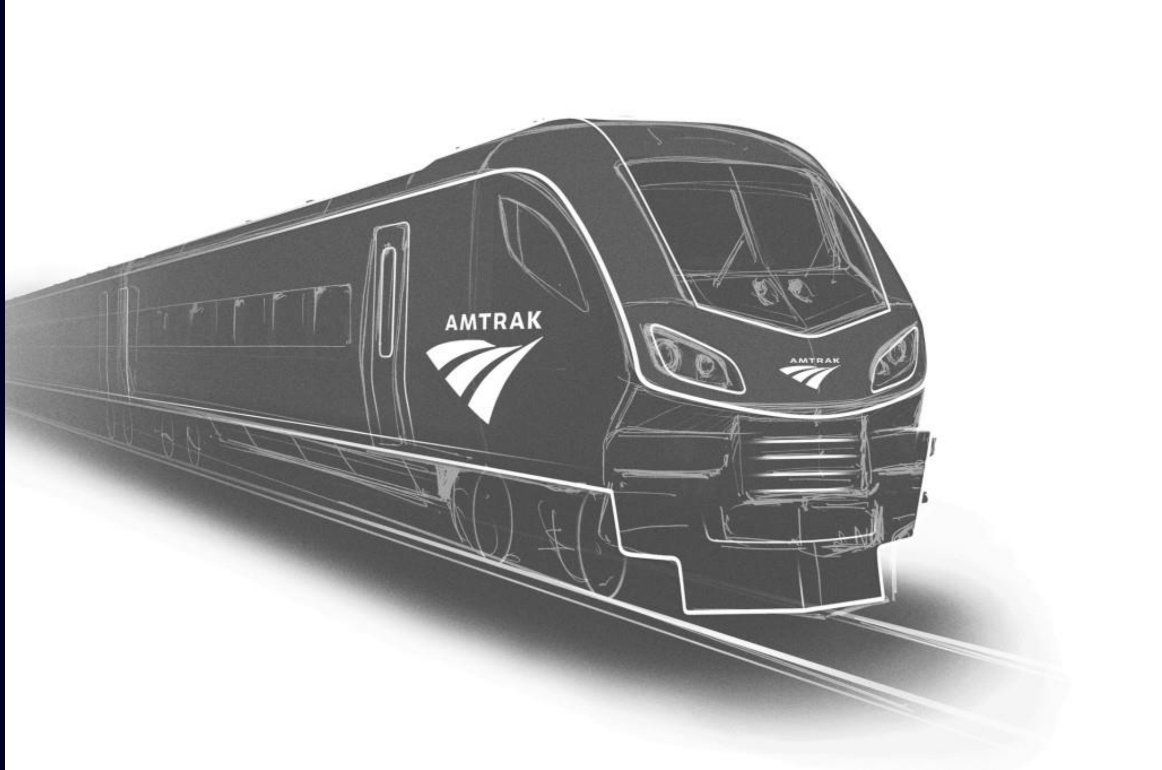
- **Founded 2002**, **~160 employees**, HQ in **Netherlands**
- **Sharply growing scalable SaaS-business model with high margin; ~€40m revenue FY 2022e**
- **Attractive growth market** with clear trend from inhouse proprietary towards **standardized SaaS solutions**

Transaction details

- **Purchase price of €550m** plus earn out
- **EPS pre PPA accretive** in **second year**
- **Closing** expected in **Q1 FY 22**

SIEMENS

Transforming rail travel in the United States
Mobility awarded historic $3.4bn in contracts from Amtrak



Customer challenges

- Transform **mobility** in the U. S. through modernizing rail travel
- Preserve **Northeast Regional** and **State supported services** for the future by replacing the aging 40 – 50 year old fleet
- Use state-of-the art **American-made** equipment.

Solution

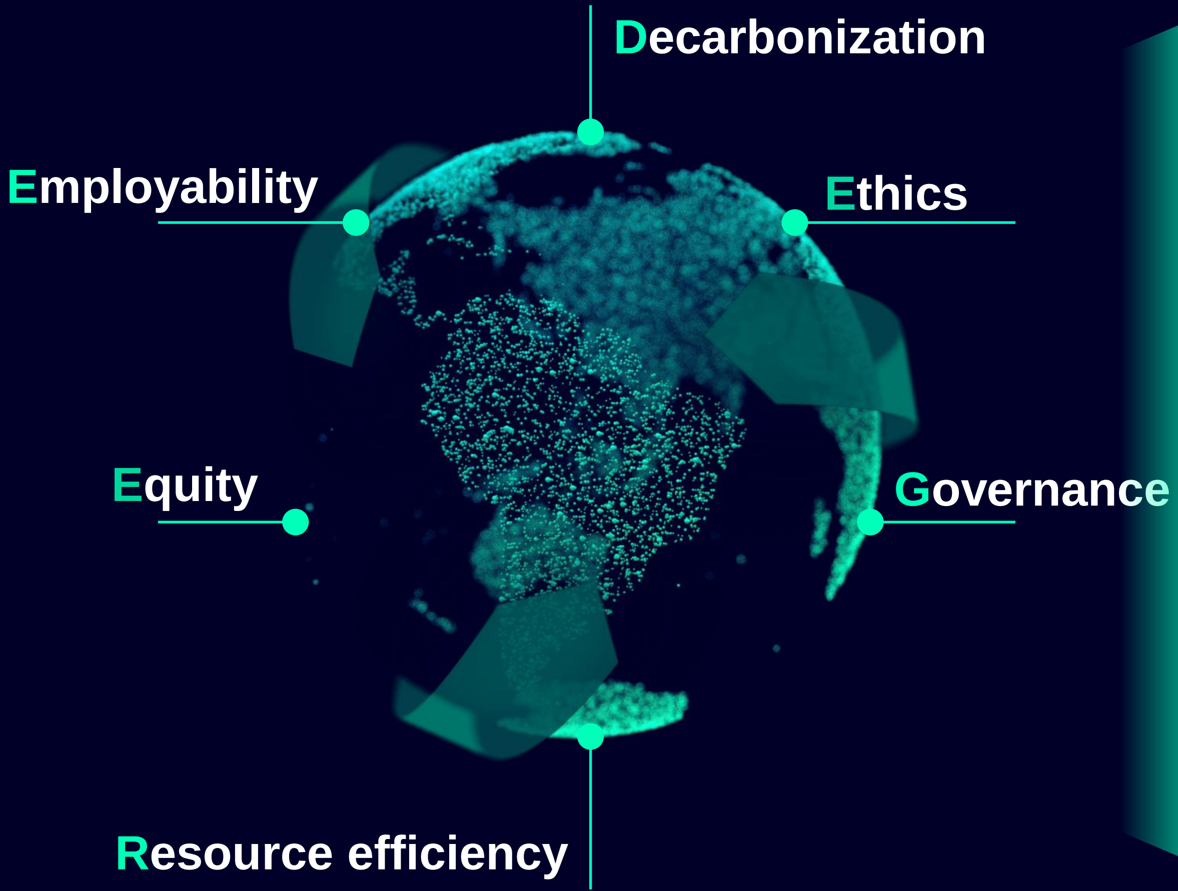
- **73 sustainable** and **state-of-the-art trains** to be delivered, starting in 2024 (dual powered and hybrid battery trains)
- Further options of up to **140 trainsets** to support growth plans
- **Optimized lifecycle cost** through platform + digitalization + service
- **Manufacturing** and **service management** in **Sacramento**, CA

Customer benefit

- Capacity expansion for additional 1.5 million riders annually
- Reduced emissions
- Higher customer satisfaction through comfortable travel experience
- Higher efficiency, increased availability and lower life cycle cost

Accelerating sustainability approach
Execution of DEGREE action fields

DEGREE framework



Selected action fields

Decarbonization

Siemens Real Estate

Sustainability guidebook targeting **NetZeroCarbon** for all new construction projects

Ethics

Siemens Integrity Initiative

Funding of up to **$20.5m** for eight additional projects committed to fight corruption

Equity

Joining The Valuable 500 initiative

Focus on **disability inclusion** and **accessibility**

SIEMENS

Sustainability as business

AMTRAK

- First of its kind **hybrid battery Venture trains**
- **Predictive maintenance** & real-time digital **monitoring**
- **Reducing emissions by up to 70%** compared to current fleet

VASYD

- Swedish water company VA SYD to **reduce 10% non-revenue water**
- AI based **leakage detection system**
- Improved **energy-efficiency** & **resource allocation**

SIEMENS

Excellent results across all metrics

Orders

€20.5bn
+44%

Revenue

€16.1bn
+21%

IB Adj. EBITA margin

15.3%
+100bps[1]

EPS (all in)

€1.68

Free Cash Flow (all in)

€2.3bn

Indust. Net debt/EBITDA

1.9x

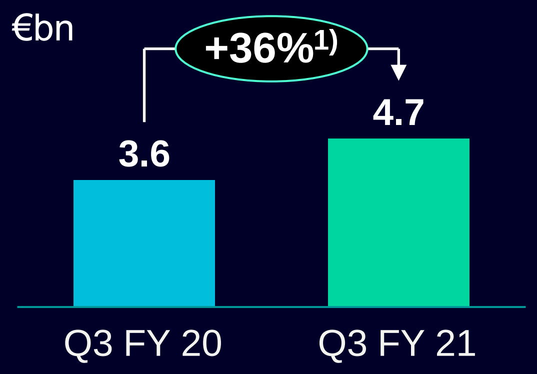
Note: Orders and Revenue growth comparable

1 Excl. revaluation of Bentley stake: +260bps

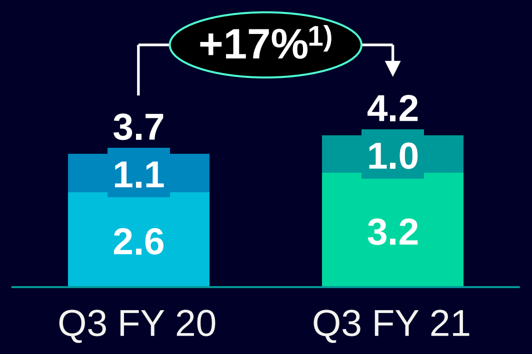
SIEMENS

Digital Industries (DI)
Accelerating growth momentum and excellent performance

Orders

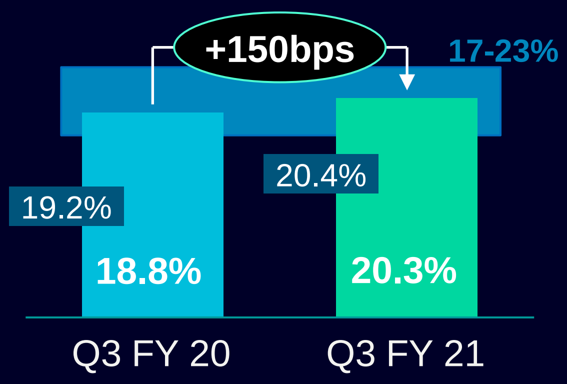


Revenue

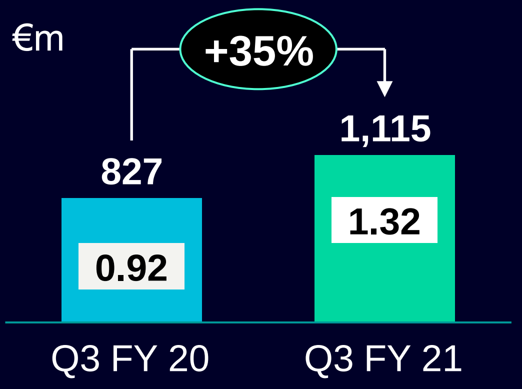


Adj. EBITA Margin

(excl. Bentley effect of 570bps in Q3 FY 20)



Free Cash Flow



Orders

Dynamic growth in key end markets, **extended delivery times**

Strength in **short-cycle automation**

Revenue

Broad based growth across **all businesses**

Discrete and **Process Automation up double digit**

PLM on clear recovery path; Mendix with **sharp growth**

Margin

Strong conversion on significant revenue growth

Discretionary spending still on low level

Pricing measures to mitigate rising supply cost inflation

Free cash flow

Extraordinary performance

Very effective working capital management

[1]) Comparable ■ therein Software x.x% Adj. EBITA margin excl. severance x.x Cash Conversion Rate

SIEMENS

Digital Industries (DI)
Key drivers: China continuing growth momentum and Europe strongly rebounding

DI revenue exposure in vertical end markets

		Market trend1) As of Q2/21	Market trend1) As of Q3/21
20%	Automotive	↗	↗
15%	Machine Building	↗	↗
10%	Pharma & Chemicals	↗	↗
10%	Food & Beverage	↗	↗
10%	Electronics & Semiconductors	↗	↗
5%	Aerospace & Defense	↘	→

Q3 FY 21 - Key regions Automation (excl. Software)

Orders +56% | Revenue +27%
Continuing strength compared to PY and Q-o-Q

Orders +65% | Revenue +15%
Rebound from COVID-19 trough with strong momentum

Orders +101% | Revenue +30%
Strong short-cycle biz, rebounding from easy comps

Orders +29% | Revenue +19%
Ongoing recovery supported by easy comps

Q3 FY 21 - Software

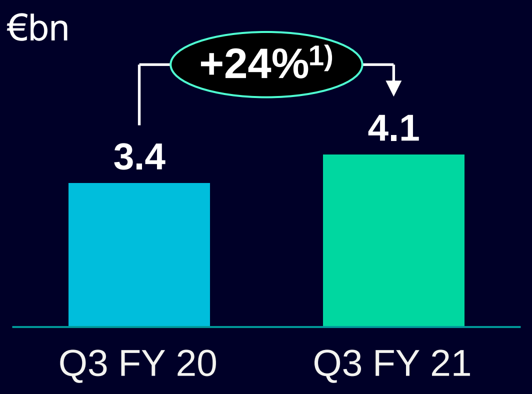
Revenue +2%
FY 2021 expected with clear growth vs PY

1 Y-o-Y industry revenue development based on industry production data from statistical office sources (e. g. NBoS, US Fed, Eurostat)

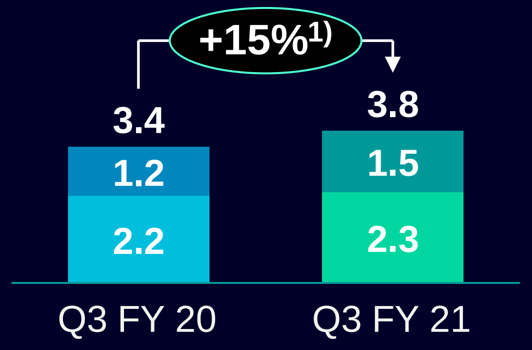
SIEMENS

Smart Infrastructure (SI)
Convincing top-line and clear performance improvement trajectory

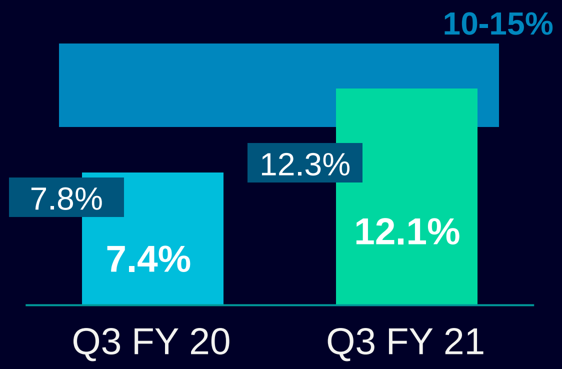
Orders



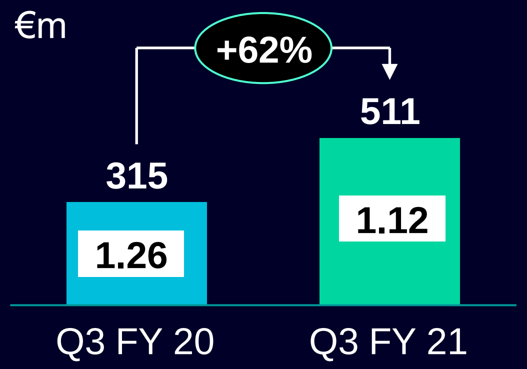
Revenue



Adj. EBITA Margin



Free Cash Flow



Orders

Products sharply up

Systems substantially up

Solutions and **services** with **clear growth** supported by several **large orders**

Revenue

Products show strength, substantially up

Systems with significant growth on easy comps

Solutions and **services** with **mid-single digit growth**

Margin

Higher capacity utilization drives **profit conversion**

Sustainable drop-through **savings** from **competitiveness program**

Free cash flow

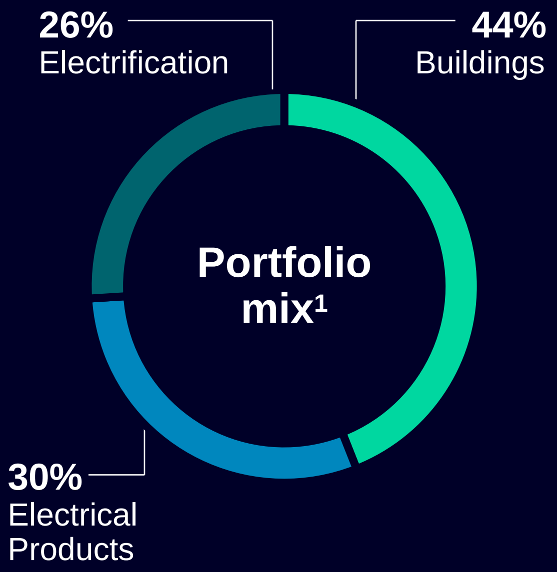
Consistent stringent working capital management

[1]) Comparable therein Products x.x% Adj. EBITA margin excl. severance x.x Cash Conversion Rate

SIEMENS

Smart Infrastructure (SI)
Markets constantly improving – still some headwinds from non-residential construction

Q3 FY 21 – Revenue Split



- **Electrical Products** markets with strong growth – driven by exceptional customer demand
- **Building** market with slow recovery – headwinds from US non-residential construction market
- **Electrification** markets with solid growth – driven by renewable integration trend and increasing electricity needs

Q3 FY 21 - Key regions

Orders +19% | Revenue +4%
Products growth outstanding

Orders +29% | Revenue +8%
Growth in Systems and Products

Orders +30% | Revenue +20%
Strong across all businesses, Products outperforming

Note: EMEA excl. Germany & Middle East

Orders +12% | Revenue +16%
Products and Systems strong, Regional Solutions and Services recovering

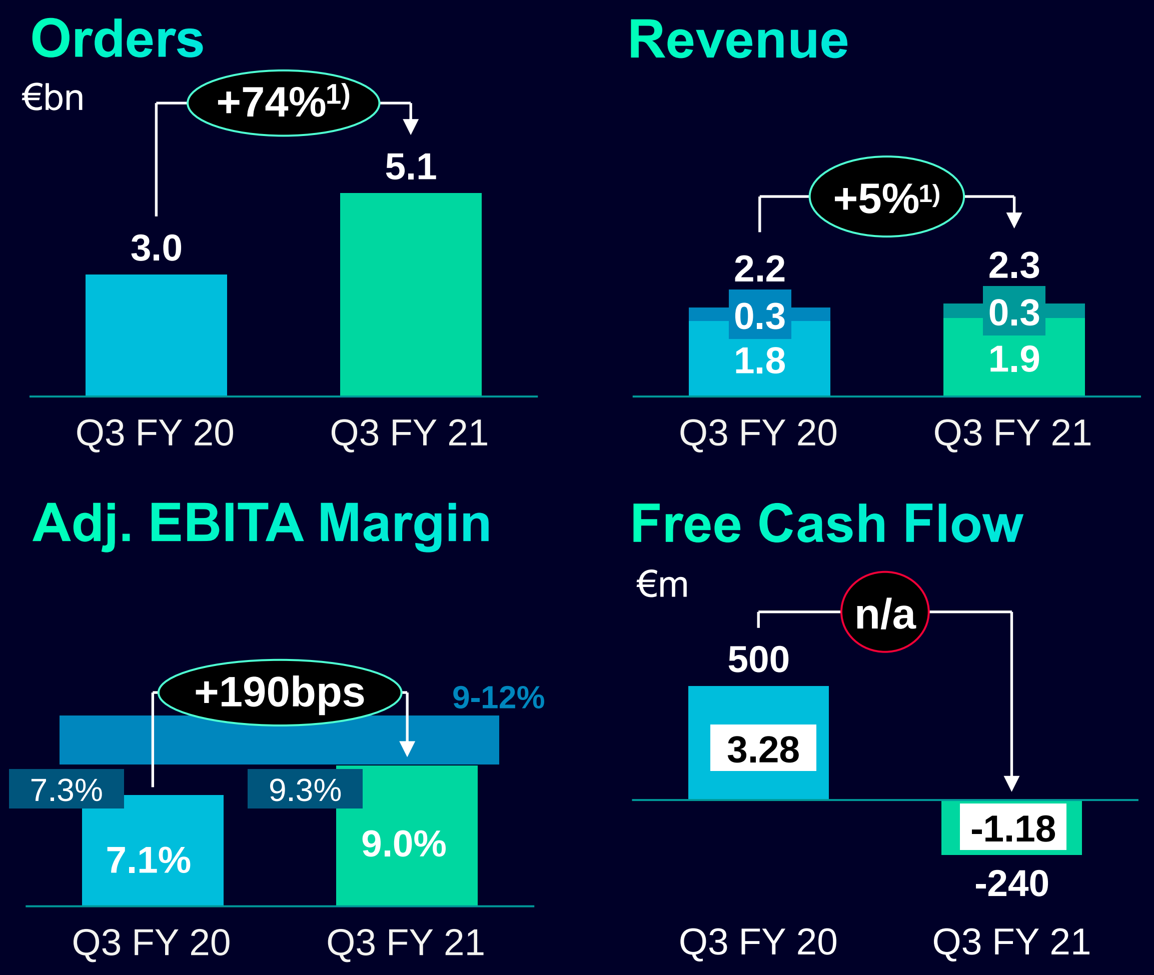
Q3 FY 21 - Products

Revenue +29%
Electrical Products with substantial growth
Building Products strong

1) **Portfolio mix** split based on unconsolidated revenues

SIEMENS

Mobility (MO)
Outstanding order intake, strong performance as expected



Orders
Amtrak contract
Acceleration of large orders as expected

Revenue
Significant growth in Rail Infrastructure
Customer Service business moderately up
Rolling Stock soft due to project phasing

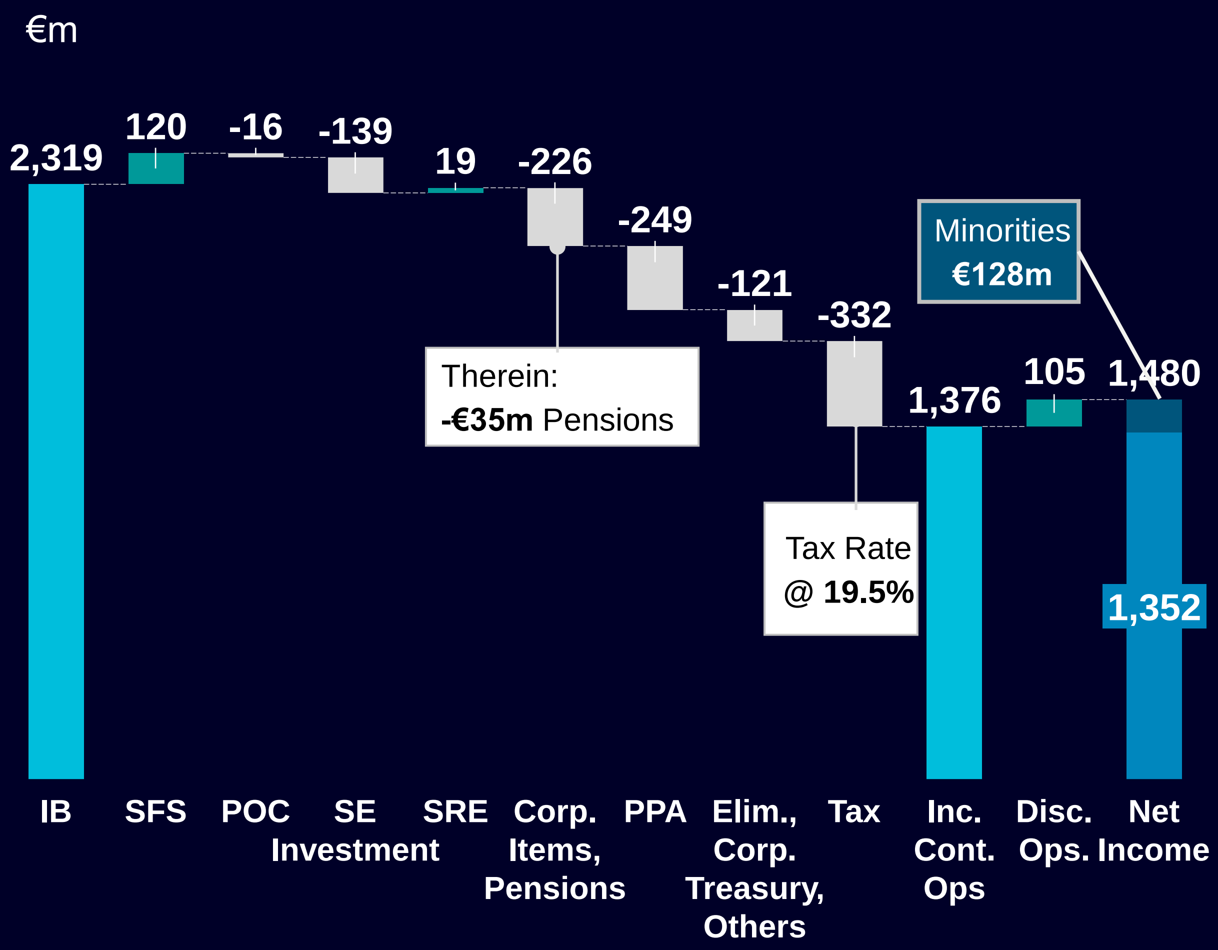
Margin
Stringent execution
Strength in Rail Infrastructure
Some easing of pandemic related restrictions

Free cash flow
Down payments on orders and significant milestone payments as expected to come in Q4

[1]) Comparable | therein Service | x.x% Adj. EBITA margin excl. severance | x.x Cash Conversion Rate

Below Industrial Businesses
Siemens Energy setback overcompensated by various other items

Q3 FY 21 – Performance Below IB



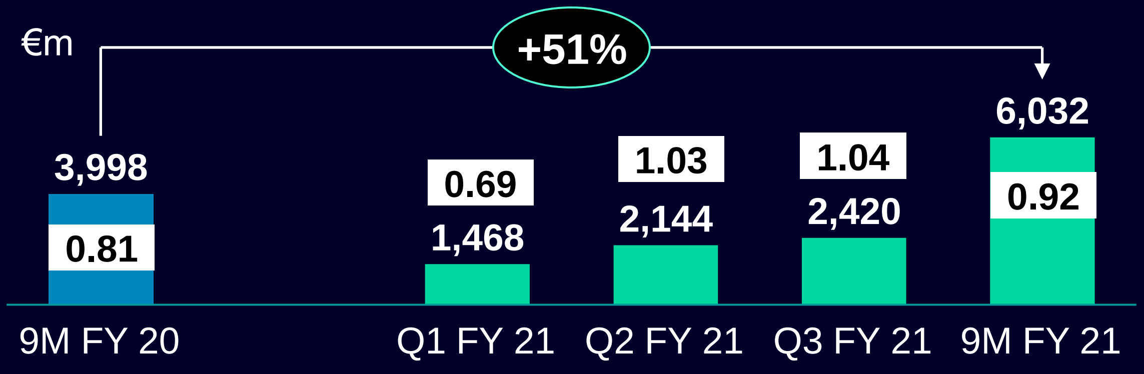
Below IB – Expectations for FY 2021

- **SFS:** significant improvement over FY 2020, however, not at pre-COVID-19 levels yet
- **POC:** positive contribution from fully owned businesses; overcompensated by negative result from equity investment, which remains volatile.
- **Siemens Energy Investment:** PPA-effects of ~€0.2bn and net income contribution attributable to SAG stake
- **SRE:** below prior year, dependent on disposal gains
- **Corporate Items & Pensions:** Below FY 2020 level at ~€0.9bn, H2>H1
- **PPA:** ~0.8bn including Varian effects
- **Eliminat., Corp. Treasury, Others:** Slightly **l**ower cost versus FY 2020 level
- **Tax rate:** around 25%
- **Disc. Operations (D/O):** Close to €1bn positive result, mainly from Flender divestment

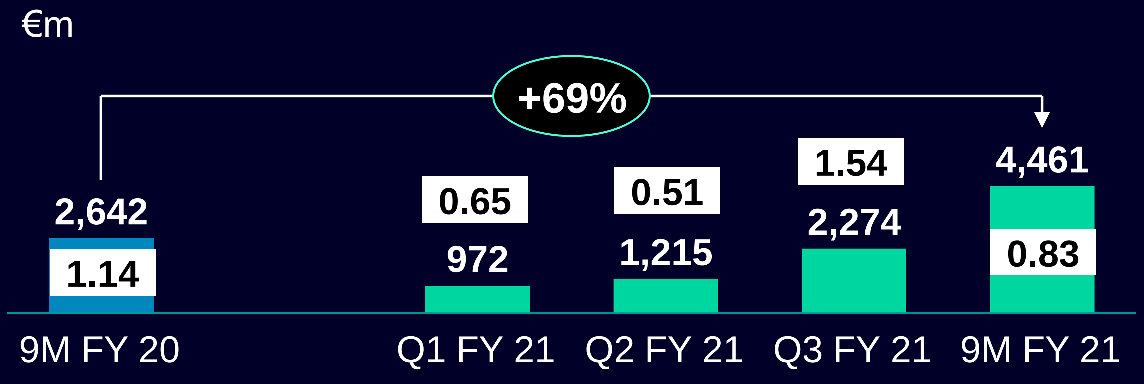
SIEMENS

Free cash flow
Well on track for an excellent and steady cash performance

Free Cash Flow – Industrial Businesses



Free Cash Flow – All in



x.x Cash Conversion Rate

Excellent cash generation on **higher profit** and **stringent operating working capital management**

DI, SI and **Healthineers with cash conversion clearly above 1** despite **strong revenue growth**

Steady performance expected to continue in **Q4, including rebound** at **MO**

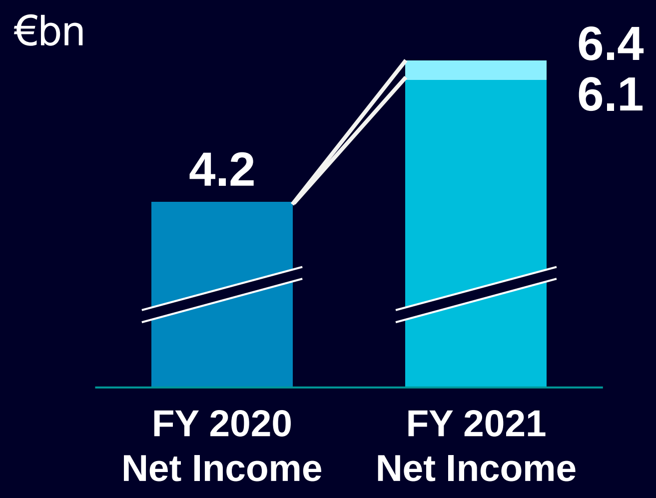
Strong cash focus across **all Siemens units** yields **strong all-in results**

SIEMENS

Outlook FY 2021 raised again

FY 2021 Siemens Group

- **Book-to-bill >1**
- **Comparable revenue growth of 11 – 12%** [previous 9 – 11%]
- **Net income of €6.1 – 6.4bn**
  [previous €5.7 – 6.2bn]



FY 2021 Framework Siemens Businesses

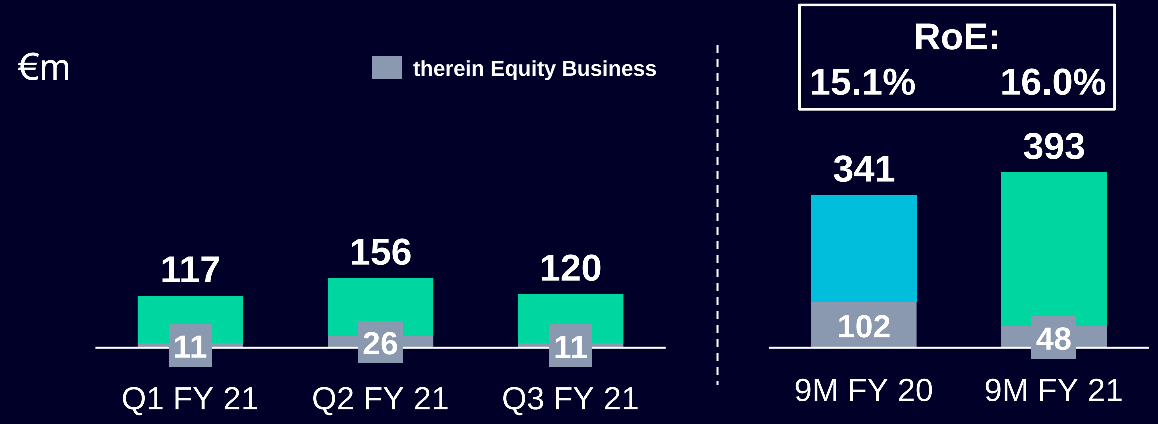
	Comparable revenue growth	Adj. EBITA margin expectation
Digital Industries	10 – 12% [previous 9 – 11%]	20 – 21%
Smart Infrastructure	8 – 9% [previous 5 – 7%]	11 – 12%
Mobility	Mid-single digit	9.5 – 10.5%

This outlook excludes burdens from legal and regulatory issues.

Appendix

Siemens Financial Services (SFS)
Constantly delivering to significantly improve compared to FY 2020

Earnings before Taxes (EBT)

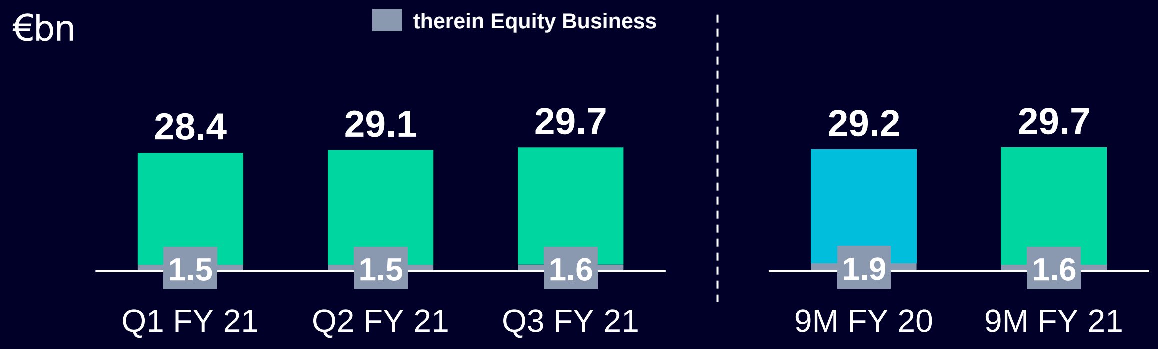


Continuing recovery of **SFS profitability,** but below outstanding results of prior quarter

Slightly higher expenses for credit risk provisions compared to extraordinarily low level in prior quarter

Equity Business driven by **lower income from investments,** mainly due to **seasonality effects**

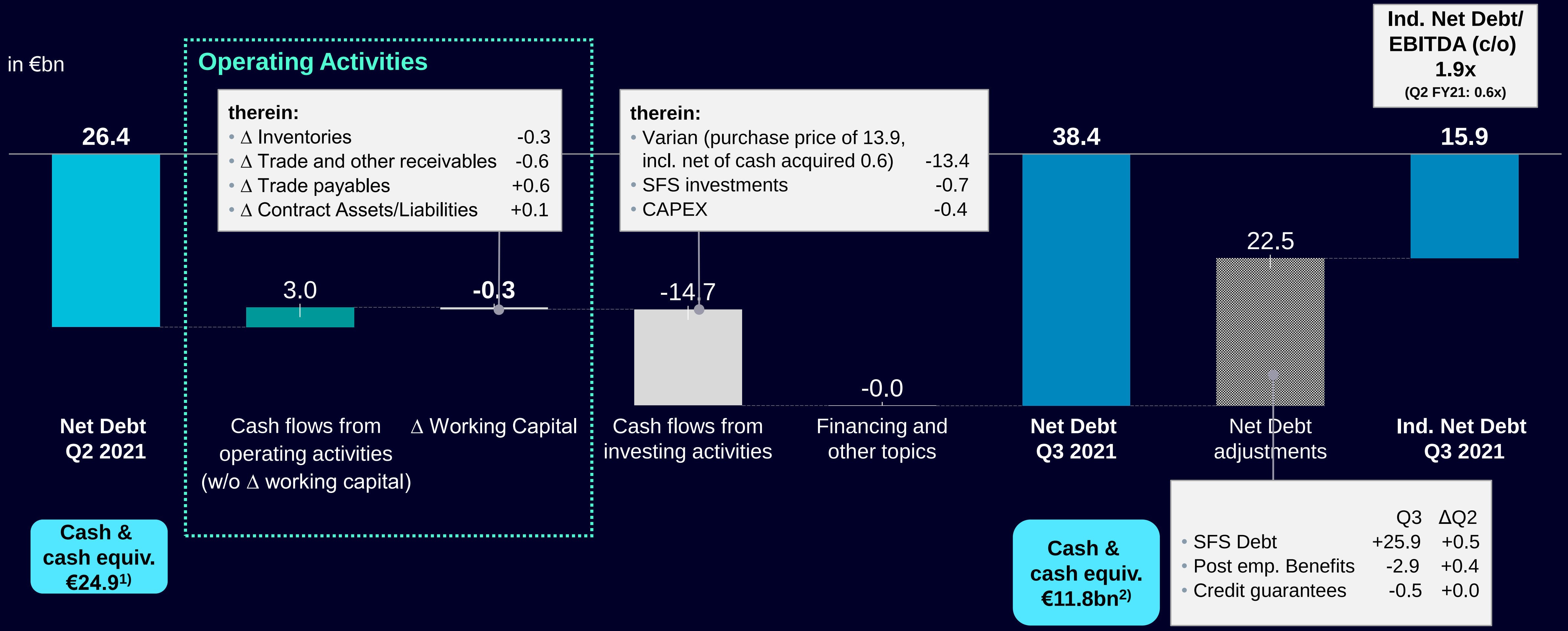
Total Assets



Slight increase in **total assets in FY 2021,** net of currency translation effects

SIEMENS

Net debt bridge
Q3 FY 2021



1) Sum Cash & cash equivalents of €23.6bn and current interest bearing debt securities of €1.2bn
2) Sum Cash & cash equivalents of €10.7bn and current interest bearing debt securities of €1.1bn

SIEMENS

Provisions for pensions further improved in Q3, mainly due to positive asset performance

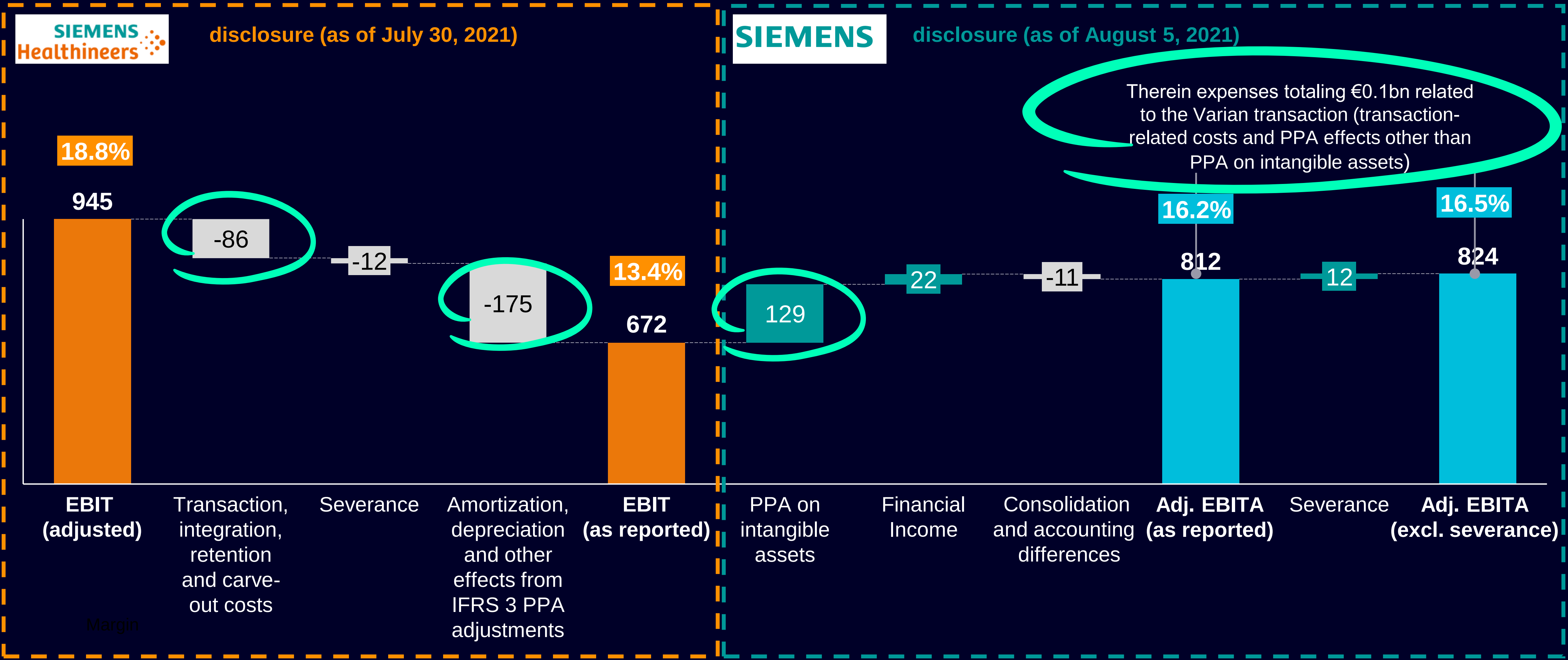
in €bn[1]	FY 2018	FY 2019	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY 2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021
Defined benefit obligation (DBO)[2]	-35.9	-40.3	-39.2	-33.4	-35.7	-35.8	-37.1	-35.6	-35.9
Fair value of plan assets[2]	28.7	31.3	31.2	26.7	28.4	30.0	32.5	32.7	33.6
Provisions for pensions and similar obligations	-7.7	-9.9	-8.6	-7.5	-7.9	-6.4	-5.0	-3.3	-2.9
Discount rate	2.4%	1.3%	1.5%	1.8%	1.3%	1.1%	0.7%	1.2%	1.1%
Interest income	0.5	0.6	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Actual return on plan assets	0.4	3.2	-0.5	-1.6	2.3	0.1	1.7	-0.3	1.1

1) All figures are reported on a continuing basis
2) Difference between DBO and fair value of plan assets additionally resulted in net defined benefit assets (Q3 2021: +€0.6bn); DBO including other post-employment benefit plans (OPEB) of -€0.4bn

SIEMENS

Q3 FY 2021 Profit Bridge from SHS disclosure to SAG disclosure
Different profit definitions at SHS and SAG to be considered in models

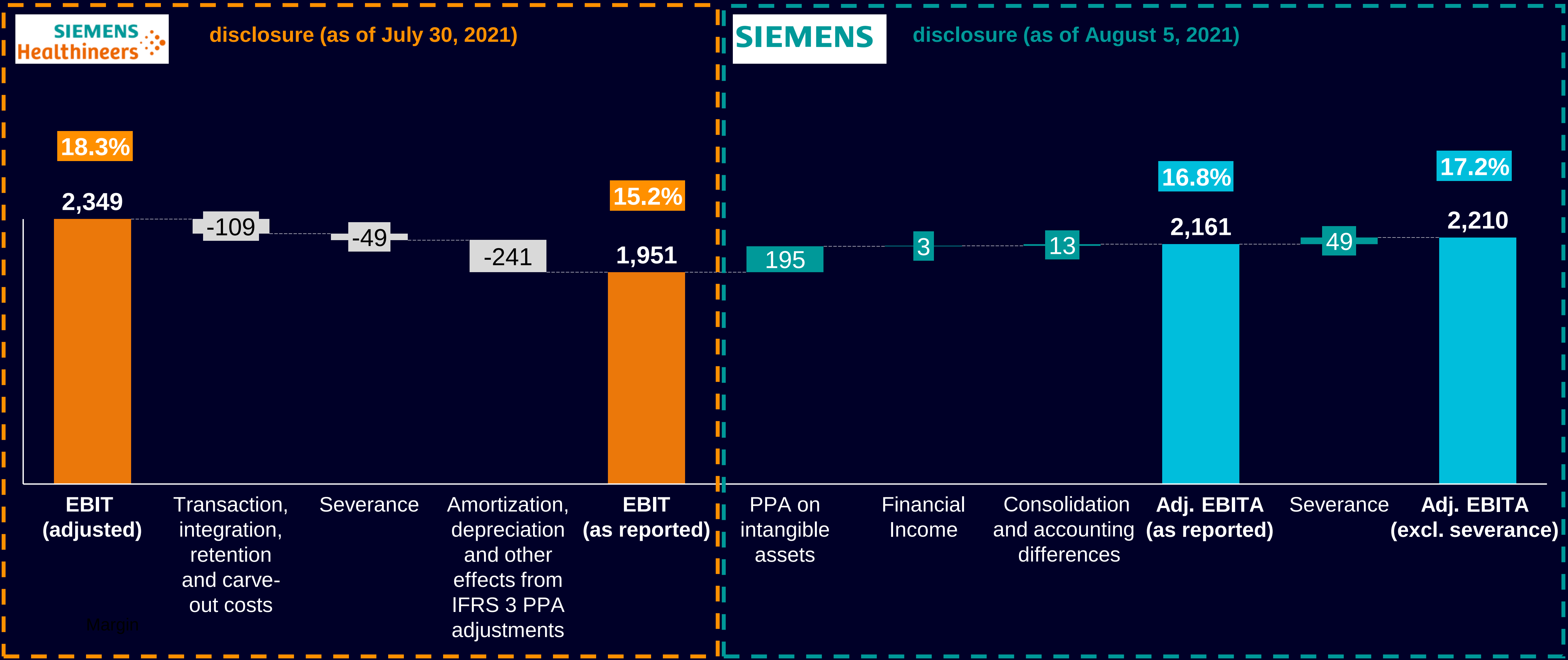
in €m



SIEMENS

Q3 FY 2021 (YTD) Profit Bridge from SHS disclosure to SAG disclosure
Different profit definitions at SHS and SAG to be considered in models

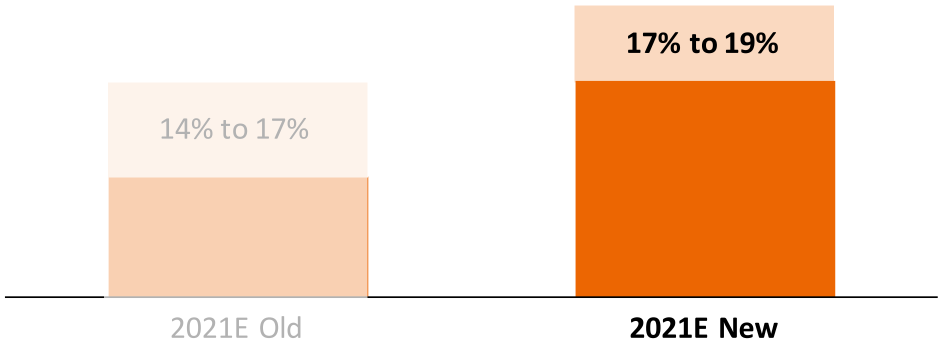
in €m



Outlook 2021 raised – increased rapid antigen assumption, stronger Imaging growth, higher Varian contribution

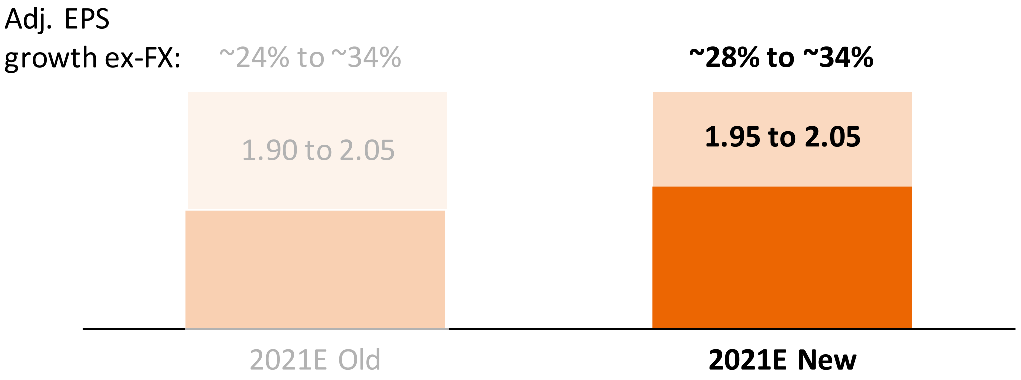
SIEMENS Healthineers

Comparable revenue growth[1,3]



- **Higher growth** from updated revenue assumption for rapid antigen tests, and improved outlook for Imaging
  - **Imaging** to grow above 9% (before: >8%)
  - **Diagnostics** to grow above 35% (before: >25%), assumption for rapid antigen test sales updated to ~€1,000m (before: ~€750m)
  - **Advanced Therapies** to grow above 7% (unchanged)
- **Expected Varian revenue contribution in H2[4] of €1.3bn to €1.4bn** (before: €1.2bn to €1.4bn)

Adj. basic EPS[2,3] (€)



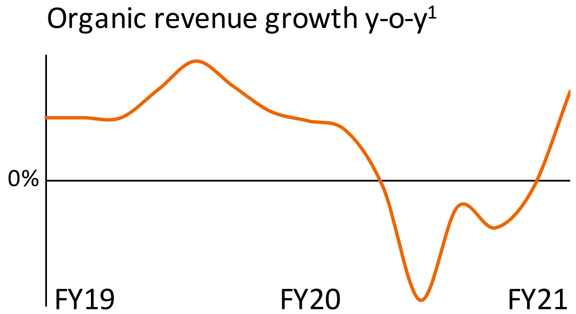
- **EPS-range narrowed by increasing lower band**
  - **Imaging** to improve adj. EBIT margin ~100 bps y-o-y (unchanged)
  - **Diagnostics** margin to exceed 10% (unchanged)
  - **Advanced Therapies** margin at mid-teens
- Expected **Varian adj. EBIT margin in H2** of 15% to 17% (before: 12% to 14%)
- **Adj. financial income net**[5] at -€30m to -€40m
- **Tax-rate** at 27% to 29% (unchanged)

1 Year-over-year on a comparable basis, excluding currency translation and portfolio effects as well as effects in line with revaluation of contract liabilities from IFRS 3 PPA | **2** Adjusted for expenses for portfolio-related measures, and severance charges, for EPS net of tax and calculated for FY2021 with 1,100m av. shares outstanding | **3** The outlook is based on certain assumptions , see Quarterly Statement Q3 FY2021 | **4** not included in comparable growth rate | **5** Adjusted for transaction-related costs within financial income net

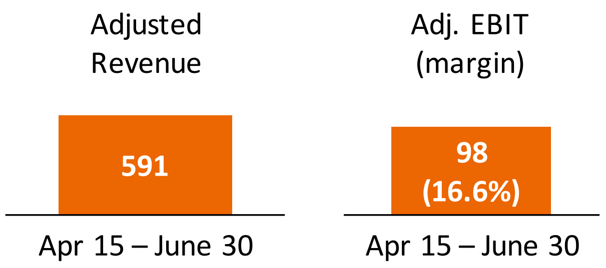
Varian with a strong start; Integration well on track

SIEMENS Healthineers

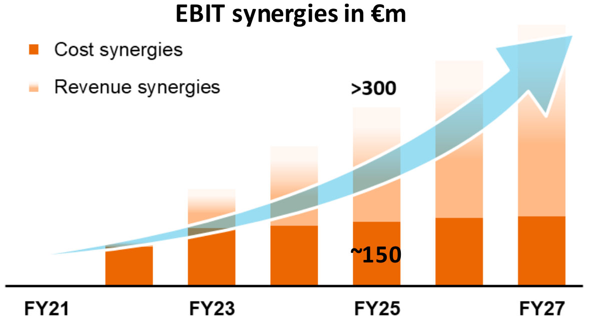
Recovery in full swing



Strong financial performance (€m)



On track to deliver synergy targets



- ✓ **Strong order intake momentum, rebound** across **all geographies**
- ✓ **Solid revenue performance** with increases in **all geographies** as **global recovery continues**
- ✓ **Strong underlying profitability,** benefitting from **good product mix** and **first integration cost synergy effects**
- ✓ **Integration**: First joint customer projects across **modalities and regions**
- ✓ On track to deliver our **synergies** – **delisting** and **procurement** as early drivers

Note: indicative graph only, not to scale
1 Organic growth rates Q1'19 – Q2'21 under former Varian US GAAP definition; from Q3'21 under Siemens Healthineers accounting standard

Financial calendar H2 CY 2021

August 5,
Q3 Earnings Release

September 9,
Morgan Stanley Conference

November 11,
Q4 Earnings Release

From November 12,
Q4 Roadshow

SIEMENS

Investor Relations

Internet: www.siemens.com/investorrelations

E-Mail: investorrelations@siemens.com

Telephone: +49 89 636-32474

Fax: +49 89 636-1332474

SIEMENS