

## Profitable growth in third quarter – outlook confirmed

- Revenue rose 5 percent year-over-year on a comparable basis to **€18.9 billion (Q3 2023: €18.1 billion)**
- Orders in Q3 2024 reached **€19.8 billion (Q3 2023: €23.5 billion)**, down 15 percent on a comparable basis vis-à-vis a very strong Q3 2023
- Profit Industrial Business increased 11 percent to **€3.0 billion (Q3 2023: €2.7 billion)**
- Net income climbed 48 percent to **€2.1 billion (Q3 2023: €1.4 billion)**
- Free cash flow all-in at Group level totaled **€2.1 billion (Q3 2023: €3.0 billion)**
- Outlook confirmed

Siemens continued its profitable growth trajectory again in the third quarter. Overall, the company clearly increased its net income and profit margin and thus demonstrated its financial strength once again. With a sustained large order backlog, which totaled €113 billion in Q3, and a book-to-bill ratio greater than 1, Siemens is optimally equipped for the future.

As a result, the Siemens Group confirms its outlook for fiscal 2024, whereby comparable revenue growth – that is, excluding currency translation and portfolio effects – at Group level (in the range of 4 percent to 8 percent) and the profit margin at Digital Industries (18 percent to 21 percent) will be at the lower end of their respective target ranges. The profit margin at Smart Infrastructure is expected to be at the upper end of its target range (16 percent to 17 percent).

“We grew profitably in the third quarter, continuing to benefit from the high demand in electrification. Another growth driver was our particularly strong industrial software

business, which won several large license contracts. The industrial automation business remains challenging. We confirm our company's full-year outlook," said Roland Busch, President and Chief Executive Officer of Siemens AG.

"Overall, we achieved clear increases in both net income and profit margin in the third quarter. We again generated strong free cash flow, and we will re-emphasize our clear focus on cash with a strong fourth quarter," said Ralf P. Thomas, Chief Financial Officer of Siemens AG.

### **Clear increase in net income and profit margin**

Revenue in Q3 2024 rose 5 percent on a comparable basis – that is, excluding currency translation and portfolio effects – to €18.9 billion compared to the prior-year period (Q3 2023: €18.1 billion). Orders declined 15 percent on a comparable basis to €19.8 billion (Q3 2023: €23.5 billion), with higher order volumes at most industrial businesses, including double-digit percentage increases at Digital Industries and Smart Infrastructure. In contrast, the volume of major orders at Mobility was lower compared to Mobility's record-high order intake in Q3 2023. With an order backlog that remained at the high level of €113 billion and a book-to-bill ratio of 1.05, Siemens again delivered strong results.

Profit Industrial Business grew 11 percent to €3.0 billion (Q3 2023: €2.7 billion) with contributions from all industrial businesses. The profit margin increased to 16.5 percent (Q3 2023: 15.4 percent). Net income rose to €2.1 billion (Q3 2023: €1.4 billion), whereby the prior-year quarter had been impacted by a loss of €0.6 billion relating to the stake in Siemens Energy AG. Corresponding basic earnings per share before purchase price allocation accounting (EPS pre PPA) were €2.66 (Q3 2023: €1.78).

Free cash flow all-in at Group level from continuing and discontinued operations reached €2.1 billion (Q3 2023: €3.0 billion). The decline in free cash flow was due first to the Industrial Business, which generated solid free cash flow of €2.5 billion compared to €3.1 billion in Q3 2023. The prior-year quarter had included significant advance payments from Mobility customers. Second, cash outflows for tax payments were €0.5 billion higher in Q3 2024 than in the prior-year quarter.

**Increase in profit margin at all industrial businesses**

Orders at Digital Industries climbed 21 percent on a comparable basis to €4.5 billion, with exceptionally high order growth in the software business primarily driven by a number of large contract wins for licensed software. On the other hand, orders in the automation businesses came in moderately lower in a challenging market due to ongoing elevated stock levels at customers. At €4.9 billion, revenue was nearly at the level of Q3 2023, whereby higher revenue in the software business was offset by declines at the automation businesses and negative portfolio and currency translation effects. Profit rose 3 percent to €1.1 billion, while the profit margin improved one percentage point to 22.9 percent.

At Smart Infrastructure, orders rose 11 percent on a comparable basis to €6.0 billion with all businesses contributing to growth. Order intake included a number of larger contract wins for data centers and from customers in the energy sector. Revenue also rose at all businesses by 10 percent on a comparable basis to €5.4 billion, including substantial growth at the electrification business, which continued to execute rigorously on its large order backlog. On a geographic basis, the largest growth contribution came from the United States. Smart Infrastructure continued to increase profit and profitability year-over-year on higher revenue, increased capacity utilization and ongoing productivity improvements. Profit rose 20 percent to €923 million. The profit margin reached 17.0 percent compared to 15.6 percent in Q3 2023.

At Mobility, revenue rose slightly by 2 percent on a comparable basis to €2.6 billion. Orders, on the other hand, declined 71 percent on a comparable basis to €2.4 billion compared to Q3 2023, in which Mobility had reported a record order intake, including a €2.5 billion order for a turnkey rail system in Egypt and a €2.1 billion order for suburban trains in Germany. Profit totaled €227 million. The profit margin was 8.7 percent compared to 8.1 percent in Q3 2023.

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

**Contacts for journalists**

Katharina Hilpert

Phone: +49 173 893-4962; email: [katharina.hilpert@siemens.com](mailto:katharina.hilpert@siemens.com)

Simon Friedle

Phone: +49 1525 215-9076; email: [simon.friedle@siemens.com](mailto:simon.friedle@siemens.com)

Daniela Markovic

Phone: +49 172 6998785; email: [daniela.markovic@siemens.com](mailto:daniela.markovic@siemens.com)

Follow us at: [www.x.com/siemens\\_press](http://www.x.com/siemens_press)

**Siemens AG** (Berlin and Munich) is a leading technology company focused on industry, infrastructure, mobility, and healthcare. The company's purpose is to create technology to transform the everyday, for everyone. By combining the real and the digital worlds, Siemens empowers customers to accelerate their digital and sustainability transformations, making factories more efficient, cities more livable, and transportation more sustainable. Siemens also owns a majority stake in the publicly listed company, Siemens Healthineers, a leading global medical technology provider shaping the future of healthcare.

In fiscal 2023, which ended on September 30, 2023, the Siemens Group generated revenue of €74.9 billion and net income of €8.5 billion. As of September 30, 2023, the company employed around 305,000 people worldwide on the basis of continuing operations. 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 in the Combined Management Report of the Siemens Report ([siemens.com/siemensreport](http://siemens.com/siemensreport)), and in the Interim Group Management Report of the Half-year Financial Report (provided that it is already available for the current reporting year), which should be read in conjunction with the Combined Management Report. Should one or more of these risks or uncertainties materialize, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, should events of force majeure, such as pandemics, unrest or acts of war, 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.

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.