

SIEMENS

Ingenuity for life

Munich, Germany, August 4, 2016

Earnings Release

Q3 FY 2016

April 1 to June 30, 2016

Strong execution drives growth and profitability – earnings outlook raised

»We are making good progress with execution of Vision 2020 and in the third quarter again achieved convincing results, particularly compared to the market. I am proud of my global team which delivered excellent performance, especially with regard to growth, in an increasingly difficult market environment,« said Joe Kaeser, President and Chief Executive Officer of Siemens AG.

- Large orders in Europe and the Americas drive third-quarter orders up 6% year-over-year, to €21.1 billion; revenue 5% higher at €19.8 billion, for a book-to-bill ratio of 1.06
- Excluding currency translation effects, orders rose 10% and revenue was 9% higher
- Industrial Business profit climbs 20% year-over-year, to €2.2 billion; significant margin expansion takes Industrial Business profit margin up to 10.8%
- Net income of €1.4 billion, level with the prior-year quarter which benefited from favorable interest rates within continuing operations and positive tax effects within discontinued operations; basic earnings per share (EPS) of €1.64 compared to €1.65 in Q3 FY 2015

Siemens

| (in millions of €) | Q3 | | % Change | |
|---|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 21,060 | 19,858 | 6% | 9% |
| Revenue | 19,804 | 18,844 | 5% | 7% |
| Profit | | | | |
| Industrial Business | 2,191 | 1,819 | 20% | |
| <i>therein: severance</i> | (69) | (172) | | |
| Profit margin | | | | |
| Industrial Business | 10.8% | 9.5% | | |
| <i>excl. severance</i> | 11.2% | 10.4% | | |
| Income from continuing operations | 1,337 | 1,245 | 7% | |
| <i>therein: severance</i> | (82) | (274) | | |
| Net income | 1,372 | 1,376 | 0% | |
| Basic earnings per share (in €) | 1.64 | 1.65 | 0% | |
| Free cash flow (continuing and discontinued operations) | 1,822 | 684 | 166% | |
| ROCE (continuing and discontinued operations) | 13.7% | 14.9% | | |

- Negative currency translation effects took four percentage points from order development and three percentage points from revenue growth; portfolio effects added one percentage point to order growth and two percentage points to revenue development
- Large orders, particularly in Power and Gas and Wind Power and Renewables, continued to drive order growth
- Industrial Business order backlog with new high at €116 billion
- Revenue increase driven by double-digit growth in Power and Gas and in Wind Power and Renewables
- Profit Industrial Business: improvements in a majority of the Divisions, particularly in Power and Gas, Energy Management and Wind Power and Renewables; market headwinds still ongoing for Process Industries and Drives
- Income from continuing operations rose on higher Industrial Business profit, partly offset by factors outside Industrial Business. These factors included a negative swing related to a major asset retirement obligation, due primarily to lower interest rates; an increase in interest expenses, resulting from issuance of debt; and higher income tax expenses, due mainly to a low basis of comparison in Q3 FY 2015
- Net income: income from discontinued operations of €35 million compared to €131 million in Q3 FY 2015, which benefited from positive tax effects related to previously divested businesses
- Increase in Free cash flow from Industrial Business, to €1.914 billion from €1.157 billion in Q3 FY 2015, driven by Power and Gas and Energy Management due mainly to positive effects from working capital management
- Cash outflows of €0.9 billion related to the acquisition of CD-adapco; payments are not part of Free cash flow
- ROCE declined due to a clear increase in average capital employed, mainly resulting from the acquisition of Dresser-Rand at the end of Q3 FY 2015
- Underfunding of Siemens' pension plans as of June 30, 2016: €12.7 billion (March 31, 2016: €10.9 billion); increased due mainly to lower discount rate assumptions, partly offset by positive returns on plan assets

Power and Gas

| (in millions of €) | Q3 | | % Change | |
|--|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 4,512 | 3,585 | 26% | 23% |
| Revenue | 4,321 | 3,279 | 32% | 22% |
| Profit | 480 | 285 | 69% | |
| <i>therein: severance</i> | 9 | (41) | | |
| <i>therein: integration costs Dresser-Rand</i> | (14) | | | |
| Profit margin | 11.1% | 8.7% | | |
| <i>excl. severance and integration costs</i> | 11.2% | 9.9% | | |

- Substantially higher order intake driven by large orders particularly in the turnkey business, including orders related to a combined-cycle power plant in the U.S. totaling €0.7 billion, including service, and the expansion of three thermal plants in Bolivia totaling €0.5 billion
- Revenue growth driven by strong execution from the backlog particularly including recent large orders from Egypt
- Portfolio effects added eight percentage points to order development and 13 percentage points to revenue growth
- Continuing strong profit contribution from the service business, including positive effects from the measurement of inventories; Q3 FY 2015 included charges of €106 million related to a project resulting from higher costs for materials and from customer delays
- Overcapacities continue to create an aggressive competitive environment, resulting in increased price pressure in most regional markets

Wind Power and Renewables

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|--------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 2,729 | 693 | > 200% | > 200% |
| Revenue | 1,722 | 1,416 | 22% | 30% |
| Profit | 143 | 51 | 178% | |
| <i>therein: severance</i> | 1 | (2) | | |
| Profit margin | 8.3% | 3.6% | | |
| <i>excl. severance</i> | 8.3% | 3.8% | | |

- Higher volume from large orders, including a €1.4 billion order for an offshore wind-farm, including service, in the U.K. and a €0.5 billion order for an offshore wind-farm in Germany; order backlog at a new high
- Revenue also reaches a new high on a quarterly basis, on substantial growth including increases in both offshore and onshore new unit businesses as well as in the service business
- Strong profitability includes higher revenue, a more favorable revenue mix, and lower production and installation costs
- In June 2016, Siemens and Gamesa Corporación Tecnológica SA (Gamesa) signed binding agreements to merge the Siemens wind power business, including service, with Gamesa. Siemens will own 59% of the shares of the combined entity. The transaction is subject to approval by Gamesa's shareholders and other customary conditions

Energy Management

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 3,102 | 3,464 | (10)% | (6)% |
| Revenue | 2,894 | 2,964 | (2)% | 2% |
| Profit | 240 | 110 | 119% | |
| <i>therein: severance</i> | (6) | (30) | | |
| Profit margin | 8.3% | 3.7% | | |
| <i>excl. severance</i> | 8.5% | 4.7% | | |

- Lower orders in the region comprising Europe, C.I.S., Africa and the Middle East (Europe/CAME) due to the Middle East where the solutions business won several large orders in Q3 FY 2015; sharp growth in Asia, Australia including a large order in the ultra high-voltage direct current (UHVC) transformer business
- Revenue increase in the Americas, declines in the other two reporting regions, including negative effects from currency translation
- Continuing broad-based profitability improvements, mainly in the solutions and high voltage products businesses; Q3 FY 2015 included a higher proportion of projects with low profit margins

Building Technologies

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 1,658 | 1,544 | 7% | 10% |
| Revenue | 1,536 | 1,496 | 3% | 5% |
| Profit | 140 | 119 | 18% | |
| <i>therein: severance</i> | (3) | (11) | | |
| Profit margin | 9.1% | 8.0% | | |
| <i>excl. severance</i> | 9.3% | 8.7% | | |

- Order growth in all reporting regions and across the Division's businesses, including significant contract wins for projects in the U.S. and Europe
- Revenue grew in the Americas and Europe/CAME, while Asia, Australia reported a moderate decline due to currency translation effects
- Profit rises on higher revenue and improved profitability in the Division's product business

Mobility

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 1,112 | 2,821 | (61)% | (59)% |
| Revenue | 1,795 | 1,817 | (1)% | 2% |
| Profit | 158 | 105 | 51% | |
| <i>therein: severance</i> | (4) | (30) | | |
| Profit margin | 8.8% | 5.8% | | |
| <i>excl. severance</i> | 9.1% | 7.4% | | |

- Sharply lower volume from large orders; Q3 FY 2015 included a €1.6 billion order from Russia
- Revenue includes growth from execution of large rolling stock projects, offset by lower revenue in the rail infrastructure business
- Increase in profit year-over-year was due to lower severance expenses and positive effects from larger contracts

Digital Factory

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 2,563 | 2,557 | 0% | 1% |
| Revenue | 2,519 | 2,507 | 0% | 2% |
| Profit | 395 | 423 | (7)% | |
| <i>therein: severance</i> | (13) | (9) | | |
| Profit margin | 15.7% | 16.9% | | |
| <i>excl. severance</i> | 16.2% | 17.2% | | |

- Continued order and revenue growth in the product lifecycle management (PLM) software business, supported by the acquisition of CD-adapco which closed in April 2016; volume from short-cycle businesses remains near Q3 FY 2015 level despite negative currency translation effects
- On a regional basis, orders grew in Europe/CAME and Asia, Australia while they declined in the Americas; revenue was up in Europe/CAME and declined in Asia, Australia, particularly in China, and in the Americas
- Profitability was held back by deferred revenue adjustments, transaction and integration costs related to the acquisition of CD-adapco totaling €39 million

Process Industries and Drives

| (in millions of €) | Q3 | | % Change | |
|---------------------------|-------------|-------------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 2,117 | 2,248 | (6)% | (3)% |
| Revenue | 2,247 | 2,410 | (7)% | (3)% |
| Profit | 101 | 178 | (43)% | |
| <i>therein: severance</i> | <i>(39)</i> | <i>(33)</i> | | |
| Profit margin | 4.5% | 7.4% | | |
| <i>excl. severance</i> | <i>6.2%</i> | <i>8.7%</i> | | |

- Lower orders and revenue due to weak demand in commodity-related industries, only partly offset by growth in the wind power components business
- Ongoing weakness in oil and gas and other commodity-related markets led to overcapacities which take down profit
- Previously announced capacity adjustments are expected to burden profit in the fourth quarter of fiscal 2016

Healthineers

| (in millions of €) | Q3 | | % Change | |
|---------------------------|--------------|--------------|----------|-------|
| | FY 2016 | FY 2015 | Actual | Comp. |
| Orders | 3,382 | 3,318 | 2% | 5% |
| Revenue | 3,230 | 3,246 | 0% | 2% |
| Profit | 534 | 549 | (3)% | |
| <i>therein: severance</i> | <i>(13)</i> | <i>(16)</i> | | |
| Profit margin | 16.5% | 16.9% | | |
| <i>excl. severance</i> | <i>16.9%</i> | <i>17.4%</i> | | |

- Order increase resulted mainly from the diagnostic imaging business and, on a regional basis, from Asia, Australia, particularly strong in China
- Moderate revenue growth in the diagnostic imaging business; offset by declines in other businesses, partially due to negative currency translation effects
- Continued strong earnings performance from the diagnostic imaging business

Financial Services

| (in millions of €) | Q3 | |
|----------------------------|---------|---------|
| | FY 2016 | FY 2015 |
| Income before income taxes | 139 | 116 |
| therein: severance | (2) | – |
| ROE (after taxes) | 17.4% | 15.7% |

| (in millions of €) | Jun 30, 2016 | Sep 30, 2015 |
|--------------------|--------------|--------------|
| Total assets | 25,138 | 24,970 |

- Increased income before income taxes due primarily to a lower level of credit hits
- Growth in total assets was held back by substantial early terminations of financings

Reconciliation to Consolidated Financial Statements

| (in millions of €) | Q3 | |
|---|--------------|--------------|
| | FY 2016 | FY 2015 |
| Centrally managed portfolio activities | (107) | (47) |
| Siemens Real Estate | 107 | 91 |
| Corporate items | (65) | (89) |
| Centrally carried pension expense | (104) | (119) |
| Amortization of intangible assets acquired in business combinations | (178) | (131) |
| Eliminations, Corporate Treasury and other reconciling items | (130) | (76) |
| Reconciliation to Consolidated Financial Statements | (478) | (369) |

- Centrally managed portfolio activities (CMPA): a negative result related to a major asset retirement obligation due primarily to lower interest rates; ongoing equity investment loss from Siemens' stake in Primetals Technologies Ltd. which is operating in a difficult market environment
- Results of CMPA are expected to remain volatile in coming quarters
- Eliminations, Corporate Treasury and other reconciling items: results included higher interest expenses driven by US\$7.75 billion in bonds issued end of May 2015

Outlook

We raise our previous expectation for basic EPS from net income in the range of €6.00 to €6.40 to the range of €6.50 to €6.70. We continue to expect for fiscal 2016 moderate revenue growth, net of effects from currency translation. We continue to anticipate that orders will materially exceed revenue for a book-to-bill ratio clearly above 1. For our Industrial Business, we continue to expect a profit margin of 10% to 11%.

This outlook excludes charges related to legal and regulatory matters.

Notes and forward-looking statements

Starting today at 8:30 a.m. CEST, the conference call for journalists at which Siemens CEO Joe Kaeser and Siemens CFO Ralf P. Thomas discuss the quarterly figures will be broadcast live at www.siemens.com/conferencecall.

Starting today at 9:45 a.m. CEST, the conference call for analysts and investors with Joe Kaeser and Ralf P. Thomas can be followed live at www.siemens.com/analystcall.

Recordings of the conference call for journalists and the conference call for analysts and investors will subsequently be made available as well.

Financial publications are available for download at: www.siemens.com/ir.

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 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 Risks in the Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur 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 IFRS not clearly defined – supplemental financial measures that are or may be non-GAAP financial 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 IFRS in its Consolidated Financial Statements. Other companies that report or describe similarly titled financial 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.

This document is a Quarterly Statement according to § 51a of the Exchange Rules for the Frankfurter Wertpapierbörse.

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Financial Results

Third Quarter and First Nine Months of Fiscal 2016

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Key figures

(in millions of €, except where otherwise stated)

| Volume

| | Q3 | | % Change | | Q1 - Q3 | | % Change | |
|---|---------|---------|----------|--------------------|---------|---------|----------|--------------------|
| | FY 2016 | FY 2015 | Actual | Comp. ¹ | FY 2016 | FY 2015 | Actual | Comp. ¹ |
| Orders | 21,060 | 19,858 | 6% | 9% | 66,155 | 58,624 | 13% | 12% |
| Revenue | 19,804 | 18,844 | 5% | 7% | 57,691 | 54,308 | 6% | 4% |
| Book-to-bill ratio | 1.06 | | | | 1.15 | | | |
| Order backlog (Industrial Business, in billions of €) | 116 | | | | 116 | | | |

| Profitability and Capital efficiency

| | Q3 | | % Change | | Q1 - Q3 | | % Change | |
|---|---------|---------|----------|-----|---------|---------|----------|-------|
| | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | | |
| Industrial Business | | | | | | | | |
| Profit | 2,191 | 1,819 | | 20% | 6,297 | 5,290 | | 19% |
| Profit margin | 10.8% | 9.5% | | | 10.7% | 9.6% | | |
| Continuing operations | | | | | | | | |
| EBITDA | 2,672 | 1,897 | | 41% | 7,721 | 7,599 | | 2% |
| Income from continuing operations | 1,337 | 1,245 | | 7% | 4,215 | 4,347 | | (3)% |
| Basic earnings per share (in €) ² | 1.60 | 1.49 | | 7% | 5.07 | 5.19 | | (2)% |
| Continuing and discontinued operations | | | | | | | | |
| Net income | 1,372 | 1,376 | | 0% | 4,408 | 6,379 | | (31)% |
| Basic earnings per share (in €) ² | 1.64 | 1.65 | | 0% | 5.31 | 7.65 | | (31)% |
| Return on capital employed (ROCE) | 13.7% | 14.9% | | | 15.0% | 24.4% | | |

| Capital structure and Liquidity

| | Jun 30, 2016 | Sep 30, 2015 |
|---|--------------|--------------|
| Total equity (Shareholders of Siemens AG) | 33,005 | 34,474 |
| Industrial net debt | 12,685 | 6,107 |
| Industrial net debt / EBITDA ³ | 1.2 | 0.6 |

| | Q3 FY 2016 | Q3 FY 2015 | Q1 - Q3 FY 2016 | Q1 - Q3 FY 2015 |
|--|------------|------------|-----------------|-----------------|
| Free cash flow | | | | |
| Continuing operations | 1,839 | 756 | 1,954 | 593 |
| Continuing and discontinued operations | 1,822 | 684 | 1,906 | 300 |

| Employees

| | Jun 30, 2016 | Sep 30, 2015 |
|---|--------------|--------------|
| Number of employees (in thousands) | 349 | 348 |
| Germany | 113 | 114 |
| Outside Germany | 236 | 234 |

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2016 and 2015 weighted average shares outstanding (basic) (in thousands) for the third quarter amounted to 809,539 and 823,119 and for the first nine months to 808,722 and 826,891 shares, respectively.

³ For the interim calculation, EBITDA is annualized.

Consolidated Statements of Income

| (in millions of €, per share amounts in €) | Q3 | | Q1 - Q3 | |
|---|--------------|--------------|--------------|--------------|
| | FY 2016 | FY 2015 | FY 2016 | FY 2015 |
| Revenue | 19,804 | 18,844 | 57,691 | 54,308 |
| Cost of sales | (13,813) | (13,535) | (40,095) | (38,441) |
| Gross profit | 5,991 | 5,309 | 17,597 | 15,867 |
| Research and development expenses | (1,200) | (1,122) | (3,410) | (3,219) |
| Selling and general administrative expenses | (2,911) | (2,937) | (8,640) | (8,311) |
| Other operating income | 126 | 109 | 222 | 321 |
| Other operating expenses | (35) | (79) | (240) | (245) |
| Income (loss) from investments accounted for using the equity method, net | 18 | (15) | 171 | 1,361 |
| Interest income | 322 | 330 | 978 | 936 |
| Interest expenses | (245) | (211) | (741) | (572) |
| Other financial income (expenses), net | (214) | 181 | (303) | (465) |
| Income from continuing operations before income taxes | 1,853 | 1,566 | 5,632 | 5,673 |
| Income tax expenses | (516) | (321) | (1,417) | (1,325) |
| Income from continuing operations | 1,337 | 1,245 | 4,215 | 4,347 |
| Income from discontinued operations, net of income taxes | 35 | 131 | 194 | 2,032 |
| Net income | 1,372 | 1,376 | 4,408 | 6,379 |
| Attributable to: | | | | |
| Non-controlling interests | 43 | 18 | 111 | 56 |
| Shareholders of Siemens AG | 1,329 | 1,357 | 4,298 | 6,323 |
| Basic earnings per share | | | | |
| Income from continuing operations | 1.60 | 1.49 | 5.07 | 5.19 |
| Income from discontinued operations | 0.04 | 0.16 | 0.24 | 2.46 |
| Net income | 1.64 | 1.65 | 5.31 | 7.65 |
| Diluted earnings per share | | | | |
| Income from continuing operations | 1.58 | 1.47 | 5.01 | 5.13 |
| Income from discontinued operations | 0.04 | 0.16 | 0.24 | 2.43 |
| Net income | 1.62 | 1.63 | 5.24 | 7.56 |

Consolidated Statements of Comprehensive Income

| (in millions of €) | Q3 | | Q1 - Q3 | |
|---|----------------|--------------|----------------|--------------|
| | FY 2016 | FY 2015 | FY 2016 | FY 2015 |
| Net income | 1,372 | 1,376 | 4,408 | 6,379 |
| Remeasurements of defined benefit plans | (1,262) | 1,295 | (2,578) | (194) |
| <i>therein: Income tax effects</i> | 528 | (866) | 1,024 | 4 |
| Items that will not be reclassified to profit or loss | (1,262) | 1,295 | (2,578) | (194) |
| <i>therein: Income (loss) from investments accounted for using the equity method, net</i> | (5) | (29) | — | (49) |
| Currency translation differences | 49 | (512) | (611) | 1,862 |
| Available-for-sale financial assets | 49 | (16) | 62 | 330 |
| <i>therein: Income tax effects</i> | 3 | (3) | 13 | (17) |
| Derivative financial instruments | 1 | 142 | 148 | (151) |
| <i>therein: Income tax effects</i> | (1) | (54) | (65) | 52 |
| Items that may be reclassified subsequently to profit or loss | 99 | (385) | (401) | 2,042 |
| <i>therein: Income (loss) from investments accounted for using the equity method, net</i> | (33) | 123 | (155) | 190 |
| Other comprehensive income, net of income taxes | (1,163) | 910 | (2,979) | 1,848 |
| Total comprehensive income | 208 | 2,286 | 1,430 | 8,227 |
| Attributable to: | | | | |
| Non-controlling interests | 44 | (3) | 107 | 103 |
| Shareholders of Siemens AG | 164 | 2,288 | 1,323 | 8,123 |

Consolidated Statements of Financial Position

| (in millions of €) | Jun 30, 2016 | Sep 30, 2015 |
|--|-----------------|-----------------|
| Assets | | |
| Cash and cash equivalents | 6,380 | 9,957 |
| Available-for-sale financial assets | 1,258 | 1,175 |
| Trade and other receivables | 16,560 | 15,982 |
| Other current financial assets | 6,076 | 5,157 |
| Inventories | 19,200 | 17,253 |
| Current income tax assets | 837 | 644 |
| Other current assets | 1,288 | 1,151 |
| Assets classified as held for disposal | 103 | 122 |
| Total current assets | 51,702 | 51,442 |
| Goodwill | 24,351 | 23,166 |
| Other intangible assets | 7,868 | 8,077 |
| Property, plant and equipment | 9,954 | 10,210 |
| Investments accounted for using the equity method | 3,065 | 2,947 |
| Other financial assets | 19,843 | 20,821 |
| Deferred tax assets | 2,923 | 2,591 |
| Other assets | 1,178 | 1,094 |
| Total non-current assets | 69,183 | 68,906 |
| Total assets | 120,885 | 120,348 |
| Liabilities and equity | | |
| Short-term debt and current maturities of long-term debt | 5,914 | 2,979 |
| Trade payables | 7,505 | 7,774 |
| Other current financial liabilities | 2,104 | 2,085 |
| Current provisions | 4,261 | 4,489 |
| Current income tax liabilities | 1,691 | 1,828 |
| Other current liabilities | 20,377 | 20,368 |
| Liabilities associated with assets classified as held for disposal | 29 | 39 |
| Total current liabilities | 41,881 | 39,562 |
| Long-term debt | 22,788 | 26,682 |
| Post-employment benefits | 13,537 | 9,811 |
| Deferred tax liabilities | 538 | 609 |
| Provisions | 5,009 | 4,865 |
| Other financial liabilities | 1,335 | 1,466 |
| Other liabilities | 2,271 | 2,297 |
| Total non-current liabilities | 45,480 | 45,730 |
| Total liabilities | 87,361 | 85,292 |
| Equity | | |
| Issued capital | 2,550 | 2,643 |
| Capital reserve | 5,810 | 5,733 |
| Retained earnings | 26,422 | 30,152 |
| Other components of equity | 1,766 | 2,163 |
| Treasury shares, at cost | (3,543) | (6,218) |
| Total equity attributable to shareholders of Siemens AG | 33,005 | 34,474 |
| Non-controlling interests | 520 | 581 |
| Total equity | 33,524 | 35,056 |
| Total liabilities and equity | 120,885 | 120,348 |

Consolidated Statements of Cash Flows

| (in millions of €) | Q3 | |
|--|----------------|----------------|
| | FY 2016 | FY 2015 |
| Cash flows from operating activities | | |
| Net income | 1,372 | 1,376 |
| Adjustments to reconcile net income to cash flows from operating activities - continuing operations | | |
| Income from discontinued operations, net of income taxes | (35) | (131) |
| Amortization, depreciation and impairments | 682 | 631 |
| Income tax expenses | 516 | 321 |
| Interest (income) expenses, net | (77) | (120) |
| (Income) loss related to investing activities | (139) | (101) |
| Other non-cash (income) expenses | (7) | 189 |
| Change in operating net working capital | | |
| Inventories | (503) | (749) |
| Trade and other receivables | (311) | (878) |
| Trade payables | 309 | 106 |
| Billings in excess of costs and estimated earnings on uncompleted contracts and related advances | (135) | 178 |
| Additions to assets leased to others in operating leases | (111) | (116) |
| Change in other assets and liabilities | 877 | 828 |
| Income taxes paid | (493) | (722) |
| Dividends received | 93 | 77 |
| Interest received | 304 | 300 |
| Cash flows from operating activities - continuing operations | 2,342 | 1,190 |
| Cash flows from operating activities - discontinued operations | (16) | (71) |
| Cash flows from operating activities - continuing and discontinued operations | 2,326 | 1,118 |
| Cash flows from investing activities | | |
| Additions to intangible assets and property, plant and equipment | (504) | (434) |
| Acquisitions of businesses, net of cash acquired | (849) | (6,848) |
| Purchase of investments | (22) | (210) |
| Purchase of current available-for-sale financial assets | (276) | (205) |
| Change in receivables from financing activities | 368 | (200) |
| Disposal of investments, intangibles and property, plant and equipment | 131 | 117 |
| Disposal of businesses, net of cash disposed | — | 83 |
| Disposal of current available-for-sale financial assets | 249 | 168 |
| Cash flows from investing activities - continuing operations | (903) | (7,529) |
| Cash flows from investing activities - discontinued operations | (13) | 9 |
| Cash flows from investing activities - continuing and discontinued operations | (916) | (7,521) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (77) | (756) |
| Other transactions with owners | — | 12 |
| Issuance of long-term debt | — | 7,088 |
| Repayment of long-term debt (including current maturities of long-term debt) | (8) | (338) |
| Change in short-term debt and other financing activities | (1,031) | 283 |
| Interest paid | (265) | (183) |
| Dividends attributable to non-controlling interests | (23) | (43) |
| Cash flows from financing activities - continuing operations | (1,404) | 6,063 |
| Cash flows from financing activities - discontinued operations | — | — |
| Cash flows from financing activities - continuing and discontinued operations | (1,404) | 6,063 |
| Effect of changes in exchange rates on cash and cash equivalents | 67 | (298) |
| Change in cash and cash equivalents | 73 | (637) |
| Cash and cash equivalents at beginning of period | 6,307 | 8,845 |
| Cash and cash equivalents at end of period | 6,381 | 8,207 |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | — | 1 |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position) | 6,380 | 8,206 |

Consolidated Statements of Cash Flows

| (in millions of €) | Q1 - Q3 | |
|--|----------------|----------------|
| | FY 2016 | FY 2015 |
| Cash flows from operating activities | | |
| Net income | 4,408 | 6,379 |
| Adjustments to reconcile net income to cash flows from operating activities - continuing operations | | |
| Income from discontinued operations, net of income taxes | (194) | (2,032) |
| Amortization, depreciation and impairments | 2,022 | 1,826 |
| Income tax expenses | 1,417 | 1,325 |
| Interest (income) expenses, net | (237) | (364) |
| (Income) loss related to investing activities | (359) | (1,655) |
| Other non-cash (income) expenses | 246 | 28 |
| Change in operating net working capital | | |
| Inventories | (1,987) | (1,905) |
| Trade and other receivables | (744) | (877) |
| Trade payables | (273) | (857) |
| Billings in excess of costs and estimated earnings on uncompleted contracts and related advances | 655 | 542 |
| Additions to assets leased to others in operating leases | (330) | (301) |
| Change in other assets and liabilities | (1,114) | 128 |
| Income taxes paid | (1,357) | (1,702) |
| Dividends received | 232 | 402 |
| Interest received | 884 | 846 |
| Cash flows from operating activities - continuing operations | 3,272 | 1,783 |
| Cash flows from operating activities - discontinued operations | (47) | (253) |
| Cash flows from operating activities - continuing and discontinued operations | 3,224 | 1,530 |
| Cash flows from investing activities | | |
| Additions to intangible assets and property, plant and equipment | (1,318) | (1,190) |
| Acquisitions of businesses, net of cash acquired | (912) | (8,244) |
| Purchase of investments | (127) | (544) |
| Purchase of current available-for-sale financial assets | (784) | (566) |
| Change in receivables from financing activities | (48) | (1,313) |
| Disposal of investments, intangibles and property, plant and equipment | 285 | 3,258 |
| Disposal of businesses, net of cash disposed | 10 | 465 |
| Disposal of current available-for-sale financial assets | 718 | 367 |
| Cash flows from investing activities - continuing operations | (2,176) | (7,767) |
| Cash flows from investing activities - discontinued operations | 264 | 2,898 |
| Cash flows from investing activities - continuing and discontinued operations | (1,912) | (4,869) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (362) | (1,848) |
| Other transactions with owners | (13) | 14 |
| Issuance of long-term debt | — | 7,149 |
| Repayment of long-term debt (including current maturities of long-term debt) | (474) | (349) |
| Change in short-term debt and other financing activities | (288) | 1,563 |
| Interest paid | (642) | (433) |
| Dividends paid to shareholders of Siemens AG | (2,827) | (2,728) |
| Dividends attributable to non-controlling interests | (185) | (108) |
| Cash flows from financing activities - continuing operations | (4,791) | 3,261 |
| Cash flows from financing activities - discontinued operations | — | 5 |
| Cash flows from financing activities - continuing and discontinued operations | (4,791) | 3,266 |
| Effect of changes in exchange rates on cash and cash equivalents | (98) | 246 |
| Change in cash and cash equivalents | (3,577) | 173 |
| Cash and cash equivalents at beginning of period | 9,958 | 8,034 |
| Cash and cash equivalents at end of period | 6,381 | 8,207 |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | — | 1 |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position) | 6,380 | 8,206 |

Overview of Segment figures

| (in millions of €) | Orders | | | | Revenue | | | | Profit | | Profit margin / SFS: ROE | | Net capital employed / SFS: Total assets | | Free cash flow | |
|---|---------------|---------------|-----------|----------------|---------------|---------------|-----------|----------------|--------------|--------------|--------------------------|-------------|--|----------------|----------------|--------------|
| | Q3 | | Actual | % Change Comp. | Q3 | | Actual | % Change Comp. | Q3 | | Q3 | | Jun 30, 2016 | Sep 30, 2015 | Q3 | |
| | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 |
| Power and Gas | 4,512 | 3,585 | 26% | 23% | 4,321 | 3,279 | 32% | 22% | 480 | 285 | 11.1% | 8.7% | 9,676 | 8,871 | 395 | 119 |
| Wind Power and Renewables | 2,729 | 693 | > 200% | > 200% | 1,722 | 1,416 | 22% | 30% | 143 | 51 | 8.3% | 3.6% | 16 | (346) | (192) | (222) |
| Energy Management | 3,102 | 3,464 | (10)% | (6)% | 2,894 | 2,964 | (2)% | 2% | 240 | 110 | 8.3% | 3.7% | 4,642 | 3,929 | 198 | (74) |
| Building Technologies | 1,658 | 1,544 | 7% | 10% | 1,536 | 1,496 | 3% | 5% | 140 | 119 | 9.1% | 8.0% | 1,396 | 1,337 | 163 | 106 |
| Mobility | 1,112 | 2,821 | (61)% | (59)% | 1,795 | 1,817 | (1)% | 2% | 158 | 105 | 8.8% | 5.8% | 3,156 | 2,526 | (109) | (219) |
| Digital Factory | 2,563 | 2,557 | 0% | 1% | 2,519 | 2,507 | 0% | 2% | 395 | 423 | 15.7% | 16.9% | 5,851 | 4,906 | 577 | 559 |
| Process Industries and Drives | 2,117 | 2,248 | (6)% | (3)% | 2,247 | 2,410 | (7)% | (3)% | 101 | 178 | 4.5% | 7.4% | 2,108 | 2,152 | 182 | 191 |
| Healthineers | 3,382 | 3,318 | 2% | 5% | 3,230 | 3,246 | 0% | 2% | 534 | 549 | 16.5% | 16.9% | 11,336 | 11,153 | 701 | 695 |
| Industrial Business | 21,175 | 20,230 | 5% | 8% | 20,263 | 19,135 | 6% | 7% | 2,191 | 1,819 | 10.8% | 9.5% | 38,181 | 34,527 | 1,914 | 1,157 |
| Financial Services (SFS) | 238 | 287 | — | — | 238 | 287 | — | — | 139 | 116 | 17.4% | 15.7% | 25,138 | 24,970 | 163 | 243 |
| Reconciliation to Consolidated Financial Statements | (354) | (660) | — | — | (697) | (577) | — | — | (478) | (369) | — | — | 57,567 | 60,851 | (239) | (644) |
| Siemens (continuing operations) | 21,060 | 19,858 | 6% | 9% | 19,804 | 18,844 | 5% | 7% | 1,853 | 1,566 | — | — | 120,885 | 120,348 | 1,839 | 756 |

Overview of Segment figures

| (in millions of €) | Orders | | | | Revenue | | | | Profit | | Profit margin / SFS: ROE | | Net capital employed / SFS: Total assets | | Free cash flow | |
|---|---------------|---------------|------------|----------------|---------------|---------------|-----------|----------------|--------------|--------------|--------------------------|-------------|--|----------------|----------------|--------------|
| | Q1 - Q3 | | Actual | % Change Comp. | Q1 - Q3 | | Actual | % Change Comp. | Q1 - Q3 | | Q1 - Q3 | | Jun 30, 2016 | Sep 30, 2015 | Q1 - Q3 | |
| | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 |
| Power and Gas | 16,236 | 10,445 | 55% | 43% | 11,926 | 9,300 | 28% | 12% | 1,364 | 997 | 11.4% | 10.7% | 9,676 | 8,871 | 372 | 146 |
| Wind Power and Renewables | 6,768 | 3,420 | 98% | 108% | 4,380 | 4,156 | 5% | 9% | 331 | 88 | 7.6% | 2.1% | 16 | (346) | (40) | (341) |
| Energy Management | 9,588 | 9,666 | (1)% | 1% | 8,367 | 8,449 | (1)% | 1% | 595 | 311 | 7.1% | 3.7% | 4,642 | 3,929 | (195) | (377) |
| Building Technologies | 4,665 | 4,437 | 5% | 5% | 4,458 | 4,320 | 3% | 3% | 382 | 331 | 8.6% | 7.7% | 1,396 | 1,337 | 337 | 298 |
| Mobility | 5,601 | 7,875 | (29)% | (28)% | 5,754 | 5,511 | 4% | 5% | 504 | 417 | 8.8% | 7.6% | 3,156 | 2,526 | (20) | 26 |
| Digital Factory | 7,632 | 7,516 | 2% | 1% | 7,385 | 7,326 | 1% | 1% | 1,175 | 1,217 | 15.9% | 16.6% | 5,851 | 4,906 | 1,217 | 1,220 |
| Process Industries and Drives | 6,726 | 6,873 | (2)% | (1)% | 6,597 | 6,928 | (5)% | (4)% | 316 | 440 | 4.8% | 6.4% | 2,108 | 2,152 | 387 | 332 |
| Healthineers | 9,977 | 9,526 | 5% | 5% | 9,837 | 9,309 | 6% | 6% | 1,629 | 1,488 | 16.6% | 16.0% | 11,336 | 11,153 | 1,402 | 1,189 |
| Industrial Business | 67,191 | 59,758 | 12% | 11% | 58,703 | 55,298 | 6% | 4% | 6,297 | 5,290 | 10.7% | 9.6% | 38,181 | 34,527 | 3,459 | 2,494 |
| Financial Services (SFS) | 754 | 788 | — | — | 754 | 788 | — | — | 533 | 456 | 23.8% | 21.3% | 25,138 | 24,970 | 534 | 710 |
| Reconciliation to Consolidated Financial Statements | (1,791) | (1,922) | — | — | (1,765) | (1,778) | — | — | (1,197) | (73) | — | — | 57,567 | 60,851 | (2,039) | (2,611) |
| Siemens (continuing operations) | 66,155 | 58,624 | 13% | 12% | 57,691 | 54,308 | 6% | 4% | 5,632 | 5,673 | — | — | 120,885 | 120,348 | 1,954 | 593 |

EBITDA Reconciliation

| (in millions of €) | Profit | | Amortization of intangible assets acquired in business combinations | | Financial income (expenses), net | | EBIT | | Amortization, depreciation and impairments | | EBITDA | |
|---|--------------|--------------|---|--------------|----------------------------------|------------|--------------|--------------|--|------------|--------------|--------------|
| | Q3 | | Q3 | | Q3 | | Q3 | | Q3 | | Q3 | |
| | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 |
| Power and Gas | 480 | 285 | (67) | (22) | 4 | 15 | 409 | 247 | 121 | 75 | 530 | 323 |
| Wind Power and Renewables | 143 | 51 | (2) | (2) | 4 | — | 137 | 50 | 34 | 34 | 171 | 84 |
| Energy Management | 240 | 110 | (5) | (6) | (1) | (1) | 236 | 105 | 52 | 56 | 288 | 161 |
| Building Technologies | 140 | 119 | (3) | (4) | — | — | 137 | 115 | 21 | 22 | 158 | 136 |
| Mobility | 158 | 105 | (15) | (15) | 4 | 2 | 139 | 88 | 33 | 31 | 171 | 119 |
| Digital Factory | 395 | 423 | (33) | (25) | — | 2 | 363 | 397 | 80 | 74 | 442 | 471 |
| Process Industries and Drives | 101 | 178 | (7) | (11) | — | — | 94 | 166 | 54 | 59 | 148 | 225 |
| Healthineers | 534 | 549 | (46) | (46) | 6 | 5 | 482 | 498 | 142 | 140 | 623 | 638 |
| Industrial Business | 2,191 | 1,819 | (178) | (130) | 17 | 23 | 1,996 | 1,666 | 536 | 492 | 2,533 | 2,158 |
| Financial Services (SFS) | 139 | 116 | — | — | 165 | 125 | (25) | (9) | 50 | 56 | 25 | 46 |
| Reconciliation to Consolidated Financial Statements | (478) | (369) | 178 | 130 | (319) | 152 | 19 | (391) | 96 | 83 | 115 | (308) |
| Siemens (continuing operations) | 1,853 | 1,566 | — | — | (137) | 300 | 1,990 | 1,266 | 682 | 631 | 2,672 | 1,897 |

EBITDA Reconciliation

| (in millions of €) | Profit | | Amortization of intangible assets acquired in business combinations | | Financial income (expenses), net | | EBIT | | Amortization, depreciation and impairments | | EBITDA | |
|---|--------------|--------------|---|--------------|----------------------------------|--------------|--------------|--------------|--|--------------|--------------|--------------|
| | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | |
| | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 | FY 2016 | FY 2015 |
| Power and Gas | 1,364 | 997 | (188) | (55) | 20 | 7 | 1,155 | 935 | 390 | 216 | 1,545 | 1,152 |
| Wind Power and Renewables | 331 | 88 | (5) | (5) | 13 | 9 | 314 | 75 | 99 | 96 | 412 | 171 |
| Energy Management | 595 | 311 | (16) | (17) | 15 | (3) | 564 | 297 | 155 | 163 | 719 | 460 |
| Building Technologies | 382 | 331 | (10) | (12) | — | (2) | 371 | 321 | 63 | 64 | 435 | 385 |
| Mobility | 504 | 417 | (45) | (45) | 9 | — | 450 | 372 | 96 | 93 | 546 | 465 |
| Digital Factory | 1,175 | 1,217 | (80) | (71) | 12 | 2 | 1,083 | 1,144 | 218 | 206 | 1,301 | 1,350 |
| Process Industries and Drives | 316 | 440 | (20) | (34) | (2) | (1) | 297 | 407 | 162 | 174 | 460 | 581 |
| Healthineers | 1,629 | 1,488 | (138) | (134) | 14 | 14 | 1,477 | 1,340 | 424 | 403 | 1,901 | 1,743 |
| Industrial Business | 6,297 | 5,290 | (503) | (372) | 82 | 27 | 5,712 | 4,891 | 1,608 | 1,416 | 7,320 | 6,307 |
| Financial Services (SFS) | 533 | 456 | 1 | (1) | 475 | 438 | 60 | 17 | 159 | 163 | 219 | 180 |
| Reconciliation to Consolidated Financial Statements | (1,197) | (73) | 502 | 374 | (622) | (565) | (73) | 866 | 255 | 246 | 182 | 1,112 |
| Siemens (continuing operations) | 5,632 | 5,673 | — | — | (66) | (101) | 5,698 | 5,773 | 2,022 | 1,826 | 7,721 | 7,599 |

Orders & Revenue by region

| (in millions of €) | Q3 | | Actual | Orders % Change Comp. | Q3 | | Actual | Revenue % Change Comp. |
|--|---------------|---------------|-----------|-----------------------------|---------------|---------------|-----------|------------------------------|
| | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | | |
| Europe, C.I.S., Africa, Middle East | 10,461 | 10,462 | 0% | 2% | 10,559 | 9,468 | 12% | 13% |
| <i>therein: Germany</i> | 2,667 | 2,215 | 20% | 20% | 2,459 | 2,726 | (10)% | (10)% |
| Americas | 6,613 | 5,348 | 24% | 27% | 5,684 | 5,560 | 2% | 3% |
| <i>therein: U.S.</i> | 4,485 | 4,090 | 10% | 11% | 4,179 | 3,968 | 5% | 3% |
| Asia, Australia | 3,987 | 4,047 | (2)% | 4% | 3,562 | 3,817 | (7)% | (3)% |
| <i>therein: China</i> | 1,815 | 1,858 | (2)% | 12% | 1,543 | 1,805 | (15)% | (7)% |
| Siemens (continuing operations) | 21,060 | 19,858 | 6% | 9% | 19,804 | 18,844 | 5% | 7% |
| <i>therein: Emerging markets</i> | 6,711 | 8,467 | (21)% | (15)% | 6,755 | 6,250 | 8% | 15% |

| (in millions of €) | Q1 - Q3 | | Actual | Orders % Change Comp. | Q1 - Q3 | | Actual | Revenue % Change Comp. |
|--|---------------|---------------|------------|-----------------------------|---------------|---------------|-----------|------------------------------|
| | FY 2016 | FY 2015 | | | FY 2016 | FY 2015 | | |
| Europe, C.I.S., Africa, Middle East | 37,251 | 30,433 | 22% | 23% | 30,322 | 28,076 | 8% | 7% |
| <i>therein: Germany</i> | 8,106 | 8,474 | (4)% | (5)% | 7,657 | 8,092 | (5)% | (6)% |
| Americas | 17,543 | 17,315 | 1% | (3)% | 16,553 | 15,357 | 8% | 3% |
| <i>therein: U.S.</i> | 12,805 | 11,969 | 7% | (2)% | 12,269 | 10,639 | 15% | 6% |
| Asia, Australia | 11,360 | 10,876 | 4% | 4% | 10,816 | 10,874 | (1)% | (2)% |
| <i>therein: China</i> | 5,088 | 4,800 | 6% | 10% | 4,645 | 5,023 | (8)% | (8)% |
| Siemens (continuing operations) | 66,155 | 58,624 | 13% | 12% | 57,691 | 54,308 | 6% | 4% |
| <i>therein: Emerging markets</i> | 23,813 | 21,357 | 12% | 13% | 19,397 | 17,887 | 8% | 9% |