

SIEMENS

Ingenuity for life

Munich, Germany, February 5, 2020

Earnings Release

Q1 FY 2020

October 1 to December 31, 2019

Strong demand delivers record high for order backlog – focus on energy businesses

»After a powerful finish in fiscal 2019, the first quarter started slowly as expected. The weak performance across our energy businesses reinforces our priorities. We confirm our full-year guidance and will list Siemens Energy on the stock exchange in September as planned. This is a major milestone in positioning Siemens for the future,« said Joe Kaeser, President and Chief Executive Officer of Siemens AG.

- Orders at €24.8 billion, down 2% from the strong prior-year level as sharply lower volume from large orders in Mobility more than offset increases in the majority of industrial businesses, particularly in Siemens Gamesa Renewable Energy (SGRE); revenue rose 1%, to €20.3 billion
- On a comparable basis, excluding currency translation and portfolio effects, orders declined 4% and revenue was down 1%; the book-to-bill ratio was a strong 1.22 and the order backlog reached a new high at €149 billion
- Adjusted EBITA Industrial Businesses declined to €1.4 billion, due mainly to a loss in SGRE and market weakness for short-cycle businesses; Adjusted EBITA margin Industrial Businesses was 7.3%, held back by €0.2 billion in severance charges, which reduced Adjusted EBITA margin Industrial Businesses by 1.0 percentage points
- Net income declined 3% to €1.1 billion and included substantially better results outside Industrial Businesses compared to Q1 FY 2019; basic earnings per share (EPS) rose 6% to €1.33

Beginning with fiscal 2020, Siemens adopted IFRS 16, Leases, by applying the modified retrospective approach, i.e. prior-period amounts are not adjusted. For further information, see Note 2 in B.6 Notes to Consolidated Financial Statements of our Annual Report 2019.

Also beginning with fiscal 2020, several businesses formerly included in Portfolio Companies, Smart Infrastructure and Corporate Items were transferred to Gas and Power. Prior-period amounts are presented on a comparable basis. For further information, see A.3 Segment Information of the Combined Management Report of our Annual Report 2019.

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Siemens

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	24,759	25,172	(2)%	(4)%
Revenue	20,317	20,116	1%	(1)%
Adjusted EBITA Industrial Businesses	1,429	2,044	(30)%	
<i>therein: severance</i>	(193)	(73)		
Adjusted EBITA margin Industrial Businesses	7.3%	10.5%		
<i>excl. severance</i>	8.3%	10.9%		
Income from continuing operations	1,088	1,118	(3)%	
<i>therein: severance</i>	(213)	(102)		
Net income	1,089	1,118	(3)%	
Basic earnings per share (in €)	1.33	1.26	6%	
Free cash flow (continuing and discontinued operations)	44	(337)	n/a	
ROCE (continuing and discontinued operations)	7.9%	9.5%		

- Continued strong order intake, only slightly below the very high basis of comparison in Q1 FY 2019; sharp growth in SGRE due to several large orders for offshore wind-farms including service, along with significant growth in Siemens Healthineers; declines in Mobility and Gas and Power which in Q1 FY 2019 both posted sharply higher volumes from large orders; excluding the net change in large order volume, orders rose clearly
- Clear revenue growth in Siemens Healthineers and Smart Infrastructure, partially offset by a significant decline in SGRE
- Strong book-to-bill ratio of 1.22; order backlog at a new high of €149 billion
- Currency translation effects added two percentage points each to order and revenue development; portfolio effects had a minimal effect on volume development year-over-year
- Despite substantial improvement at Smart Infrastructure, lower Adjusted EBITA Industrial Businesses due mainly to SGRE, which posted a loss on substantial negative effects related to project delays; and a decline at Digital Industries, driven by the current downturn in short-cycle industries and sharply higher severance charges
- Substantially better results outside Industrial Businesses, most notably in Real Estate Services due to a €219 million gain from the transfer of an investment to Siemens Pension Trust e.V.; in Financial Services due to a sale of an equity investment; and from Corporate Treasury activities
- Net income: substantially lower income tax rate year-over-year due mainly to a positive effect from a retroactive statutory tax rate reduction and the largely tax-free gain from the above-mentioned transfer of an investment to Siemens Pension Trust e.V.
- Higher Free cash flow from Industrial Businesses, at €863 million compared to €595 million in Q1 FY 2019 which included negative Free cash flow from SGRE; Free cash flow for the Group benefited in the current period from the adoption of IFRS 16, which had a positive effect of approx. €0.2 billion
- Provisions for pensions and similar obligations as of December 31, 2019: €8.6 billion (September 30, 2019: €9.9 billion); decreased mainly due to higher discount rate assumptions and contributions, including the above-mentioned transfer of an investment to Siemens Pension Trust e.V., which strengthened Siemens' pension assets and further safeguards the post-employment benefits of employees
- ROCE declined on a combination of a significant increase in average capital employed, resulting in part from the adoption of IFRS 16 which increased lease liabilities, and lower net income

Digital Industries

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	4,228	4,119	3%	1%
Revenue	3,762	3,859	(3)%	(4)%
<i>therein: software business</i>	1,014	935	8%	5%
Adjusted EBITA	541	795	(32)%	
<i>therein: severance</i>	(115)	(10)		
Adjusted EBITA margin	14.4%	20.6%		
<i>excl. severance</i>	17.4%	20.9%		

- Orders rose on substantial growth in the software business including a number of large contract wins; continued weakness in the automotive and machine building industries reduced orders in short-cycle businesses; on a regional basis, order growth came from the Americas driven by the U.S.
- Revenue declined due mainly to weakness in short-cycle industries, including those noted above, particularly in Germany; this more than offset growth in other businesses
- Adjusted EBITA down due mainly to lower revenue in the high-margin short-cycle businesses and higher severance charges related to cost structure optimization; Q1 FY 2019 benefited from a €50 million gain from the sale of an equity investment; both periods under review included a positive effect from revaluation of the stake in Bentley Systems, Inc., with a higher benefit recorded in the prior-year period

Smart Infrastructure

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	3,756	3,704	1%	(2)%
Revenue	3,529	3,323	6%	3%
<i>therein: product business</i>	1,328	1,279	4%	0%
Adjusted EBITA	281	211	33%	
<i>therein: severance</i>	(31)	(11)		
Adjusted EBITA margin	8.0%	6.4%		
<i>excl. severance</i>	8.8%	6.7%		

- Orders on the strong prior-year level with a larger share from the Asia, Australia region and a higher contribution from the systems and software business
- Revenue up across the businesses and in all reporting regions; notably strong performance in the solutions and services business and the systems and software business, while growth in the product business was partly held back by weaker demand in short-cycle industries
- Adjusted EBITA rose in the majority of businesses and included positive currency effects; Q1 FY 2019 was impacted by negative effects related to grid control projects; Smart Infrastructure continues to stringently execute its competitiveness program with associated higher severance charges in coming quarters

Gas and Power

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	5,570	5,988	(7)%	(9)%
Revenue	4,527	4,466	1%	0%
<i>therein: service business</i>	1,911	1,937	(1)%	(3)%
Adjusted EBITA	62	168	(63)%	
<i>therein: severance</i>	(16)	(18)		
Adjusted EBITA margin	1.4%	3.8%		
<i>excl. severance</i>	1.7%	4.2%		

- Solid order intake, down from a high basis of comparison due to a higher volume from large orders in Q1 FY 2019 which included several large contracts in the transmission and services businesses in the reporting region Europe, C.I.S., Africa, Middle East (Europe/CAME)
- Revenue up slightly as clear growth in the transmission business was mostly offset by decreases in the other businesses
- Lower Adjusted EBITA includes a less favorable revenue mix and additional expenses associated with the setup of the stand-alone company; solid contribution from the service business

Mobility

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	1,665	4,546	(63)%	(64)%
Revenue	2,180	2,174	0%	(1)%
Adjusted EBITA	219	236	(7)%	
<i>therein: severance</i>	(6)	(2)		
Adjusted EBITA margin	10.0%	10.9%		
<i>excl. severance</i>	10.3%	11.0%		

- Sharply lower volume from large orders compared to the high basis of comparison in Q1 FY 2019, which included among others a €1.6 billion order in the U.K. and a €0.8 billion order in Canada
- Revenue on the strong prior-year level despite a decline in the rail infrastructure business, which also impacted Adjusted EBITA and profitability

Siemens Healthineers

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	4,125	3,540	17%	13%
Revenue	3,587	3,301	9%	5%
Adjusted EBITA	492	534	(8)%	
<i>therein: severance</i>	(17)	(13)		
Adjusted EBITA margin	13.7%	16.2%		
<i>excl. severance</i>	14.2%	16.5%		

- Volume growth across the businesses, led by the imaging business; increases in all three reporting regions, with double-digit growth in China, partially benefiting from positive currency translation effects
- Lower Adjusted EBITA year-over-year due mainly to higher costs for Atellica solution in the diagnostics business and a less favorable business mix in the imaging business; profitability benefited from currency tailwinds

Siemens Gamesa Renewable Energy

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	4,628	2,541	82%	79%
Revenue	2,001	2,262	(12)%	(13)%
Adjusted EBITA	(165)	100	n/a	
<i>therein: severance</i>	(7)	(20)		
Adjusted EBITA margin	(8.3)%	4.4%		
<i>excl. severance</i>	(7.9)%	5.3%		

- Sharp order growth year-over-year due to a higher volume from large orders, including large orders for offshore wind-farms including service in Taiwan, the U.K. and the Netherlands
- Revenue decline in the offshore business; on a regional basis, decrease primarily in Europe/CAME
- Loss in the quarter due to the onshore business, with substantial negative effects totaling approximately €150 million related to project delays in Northern Europe; lower earnings contribution from the offshore business due mainly to the lower revenue

Financial Services

(in millions of €)	Q1	
	FY 2020	FY 2019
Earnings before taxes (EBT)	212	149
<i>therein: severance</i>	–	(2)
ROE (after taxes)	27.7%	19.5%

(in millions of €)	Dec 31, 2019	Sep 30, 2019
Total assets	29,748	29,901

- Strong earnings contribution; higher earnings before taxes year-over-year due to a gain from the sale of an equity investment; credit hits on a low level

Portfolio Companies

(in millions of €)	Q1		% Change	
	FY 2020	FY 2019	Actual	Comp.
Orders	1,247	1,192	5%	3%
Revenue	1,162	1,010	15%	14%
Adjusted EBITA	3	(22)	n/a	
<i>therein: severance</i>	(3)	(6)		
Adjusted EBITA margin	0.2%	(2.2)%		
<i>excl. severance</i>	0.5%	(1.5)%		

- Continuing progress for Portfolio Companies, including order increases in most of the fully consolidated units led by Siemens Logistics
- Broad-based revenue growth resulted in a sharply improved Adjusted EBITA for the fully consolidated units, most notably in the large drive applications business; this earnings improvement was partly offset by a negative result from equity investments which exceeded the level of Q1 FY 2019
- Results from equity investments are expected to remain volatile in coming quarters

Reconciliation to Consolidated Financial Statements

Profit

(in millions of €)	Q1	
	FY 2020	FY 2019
Real Estate Services	243	40
Corporate items	(207)	(190)
Centrally carried pension expense	(56)	(65)
Amortization of intangible assets acquired in business combinations	(294)	(284)
Eliminations, Corporate Treasury and other reconciling items	(5)	(125)
Reconciliation to Consolidated Financial Statements	(318)	(624)

- Real Estate Services included a gain of €219 million resulting from the transfer of an investment to Siemens Pension-Trust e.V. in Germany to fund pension plans
- Severance charges within Corporate items were €15 million (€19 million in Q1 FY 2019)
- Eliminations, Corporate Treasury and other reconciling items: mainly better results from Corporate Treasury activities due to positive effects related to hedging activities and better interest results

Outlook

We confirm our outlook for fiscal 2020. We expect global macroeconomic development to remain subdued in fiscal 2020, with risks particularly related to geopolitical and geoeconomic uncertainties. We assume a moderate decline in market volume for our short-cycle businesses. Given the foregoing, we expect the **Siemens Group** to again achieve moderate growth in comparable revenue, net of currency translation and portfolio effects, and a book-to-bill ratio above 1.

Digital Industries expects fiscal 2020 comparable revenue to remain level compared to the prior-year, outperforming the broader market, despite continued weakness in its most important short-cycle markets, particularly the automotive and machine tool industries. Adjusted EBITA margin is expected at 17% to 18%.

Smart Infrastructure expects to achieve moderate comparable revenue growth in fiscal 2020, driven by its longer-cycle solutions and service business, even as its short-cycle industrial products business faces headwinds from a market slowdown. Adjusted EBITA margin is expected at 10% to 11%.

Economic cycles have limited impact on the markets for **Mobility**, which anticipates mid-single-digit comparable revenue growth in fiscal 2020 driven by its rolling stock business, which ramped up several large rail projects toward the end of fiscal 2019. Adjusted EBITA margin is expected at 10% to 11%.

While energy markets are assumed to remain challenging with some signs of stabilization, **Gas and Power** expects a moderate comparable revenue growth particularly including execution on its large order backlog. Adjusted EBITA margin is expected at 2% to 5%.

As previously announced, we plan to carve out **Gas and Power** and to contribute our 59% stake in **Siemens Gamesa Renewable Energy** (SGRE) to create a new entity, Siemens Energy. For this entity, we plan a spin-off and public listing before the end of fiscal 2020, with Siemens Energy becoming part of discontinued operations prior to the spin-off. We expect this to result in substantial positive effects within discontinued operations, including a substantial gain at spin-off, which cannot yet be reliably quantified.

For our EPS guidance we assume these positive effects will offset carve-out costs and tax expenses related to the spin-off and Group-wide severance charges for the fiscal year. Taken together with our previously mentioned expectations for fiscal 2020, we expect this to result in basic earnings per share (EPS) from net income in the range from €6.30 to €7.00 compared to €6.41 in fiscal 2019.

This outlook excludes charges related to legal and regulatory matters.

Notes and forward-looking statements

Starting today at 07:30 a.m. CET, the press conference on Siemens' first-quarter results for fiscal 2020 will be broadcast live at www.siemens.com/pressconference.

Starting today at 08:45 a.m. CET, you can also follow the conference call for analysts and investors live in English at www.siemens.com/analytstcall.

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

Starting today at 10:00 a.m. CET, we will also provide a live video webcast of Chairman of the Supervisory Board Jim Hagemann Snaube's and CEO Joe Kaeser's speeches to the Annual Shareholders' Meeting at the Olympic Hall in Munich, Germany. You can access the webcast at www.siemens.com/press/agm.

A video of the speeches will be available after the live webcast. 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, 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. Should one or more of these risks or uncertainties materialize, 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.

This document is a Quarterly Statement according to § 53 of the Exchange Rules for the Frankfurter Wertpapierbörse.

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Financial Results

First Quarter of Fiscal 2020

Key figures

(in millions of €, except where otherwise stated)

Volume

	Q1		Actual	% Change Comp. ¹
	FY 2020	FY 2019		
Orders	24,759	25,172	(2)%	(4)%
Revenue	20,317	20,116	1%	(1)%
Book-to-bill ratio	1.22			
Order backlog (in billions of €)	149			

Profitability and Capital efficiency

	Q1		% Change
	FY 2020	FY 2019	
Industrial Businesses			
Adjusted EBITA	1,429	2,044	(30)%
Adjusted EBITA margin	7.3%	10.5%	
Continuing operations			
EBITDA	2,175	2,229	(2)%
Income from continuing operations	1,088	1,118	(3)%
Basic earnings per share (in €) ²	1.33	1.26	6%
Continuing and discontinued operations			
Net income	1,089	1,118	(3)%
Basic earnings per share (in €) ²	1.33	1.26	6%
Return on capital employed (ROCE)	7.9%	9.5%	

Capital structure and Liquidity

	Dec 31, 2019	Sep 30, 2019
Total equity	51,997	50,984
Industrial net debt	9,995	6,404
Industrial net debt / EBITDA ³	0.9	0.6
	Q1 FY 2020	Q1 FY 2019
Free cash flow		
Continuing operations	47	(334)
Continuing and discontinued operations	44	(337)
Cash conversion rate		
Industrial Businesses	0.60	0.29

Employees

(in thousands)	Dec 31, 2019	Sep 30, 2019
Total	385	385
Germany	116	116
Outside Germany	269	269

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2020 and 2019 weighted average shares outstanding (basic) (in thousands) for the first quarter amounted to 813,359 and 807,713.

³ Accumulative EBITDA of the previous four quarters until the reporting date.

Consolidated Statements of Income

(in millions of €, per share amounts in €)	Q1	
	FY 2020	FY 2019
Revenue	20,317	20,116
Cost of sales	(14,552)	(14,206)
Gross profit	5,766	5,910
Research and development expenses	(1,340)	(1,306)
Selling and general administrative expenses	(3,549)	(3,252)
Other operating income	286	88
Other operating expenses	(100)	(119)
Income (loss) from investments accounted for using the equity method, net	42	78
Interest income	443	388
Interest expenses	(258)	(291)
Other financial income (expenses), net	36	51
Income from continuing operations before income taxes	1,326	1,547
Income tax expenses	(238)	(429)
Income from continuing operations	1,088	1,118
Income from discontinued operations, net of income taxes	2	–
Net income	1,089	1,118
Attributable to:		
Non-controlling interests	8	104
Shareholders of Siemens AG	1,081	1,014
Basic earnings per share		
Income from continuing operations	1.33	1.26
Income from discontinued operations	–	–
Net income	1.33	1.26
Diluted earnings per share		
Income from continuing operations	1.31	1.24
Income from discontinued operations	–	–
Net income	1.31	1.24

Consolidated Statements of Comprehensive Income

(in millions of €)	Q1	
	FY 2020	FY 2019
Net income	1,089	1,118
Remeasurements of defined benefit plans	322	(1,184)
<i>therein: Income tax effects</i>	(166)	310
Remeasurements of equity instruments	15	2
<i>therein: Income tax effects</i>	(3)	–
Income (loss) from investments accounted for using the equity method, net	(3)	–
Items that will not be reclassified to profit or loss	334	(1,182)
Currency translation differences	(846)	325
Derivative financial instruments	26	(30)
<i>therein: Income tax effects</i>	(19)	14
Income (loss) from investments accounted for using the equity method, net	9	(25)
Items that may be reclassified subsequently to profit or loss	(812)	270
Other comprehensive income, net of income taxes	(478)	(912)
Total comprehensive income	611	206
Attributable to:		
Non-controlling interests	(48)	119
Shareholders of Siemens AG	659	87

Consolidated Statements of Financial Position

(in millions of €)	Dec 31, 2019	Sep 30, 2019
Assets		
Cash and cash equivalents	11,350	12,391
Trade and other receivables	18,746	18,894
Other current financial assets	9,949	10,669
Contract assets	9,557	10,309
Inventories	15,946	14,806
Current income tax assets	1,698	1,103
Other current assets	2,006	1,960
Assets classified as held for disposal	218	238
Total current assets	69,470	70,370
Goodwill	30,883	30,160
Other intangible assets	9,939	9,800
Property, plant and equipment	14,977	12,183
Investments accounted for using the equity method	2,227	2,244
Other financial assets	19,722	19,843
Deferred tax assets	3,095	3,174
Other assets	2,029	2,475
Total non-current assets	82,873	79,878
Total assets	152,344	150,248
Liabilities and equity		
Short-term debt and current maturities of long-term debt	6,751	6,034
Trade payables	10,470	11,409
Other current financial liabilities	1,662	1,743
Contract liabilities	17,252	16,452
Current provisions	3,512	3,682
Current income tax liabilities	2,170	2,378
Other current liabilities	8,427	9,023
Liabilities associated with assets classified as held for disposal	1	2
Total current liabilities	50,243	50,723
Long-term debt	33,329	30,414
Provisions for pensions and similar obligations	8,593	9,896
Deferred tax liabilities	1,365	1,305
Provisions	3,651	3,714
Other financial liabilities	890	986
Other liabilities	2,275	2,226
Total non-current liabilities	50,103	48,541
Total liabilities	100,346	99,265
Equity		
Issued capital	2,550	2,550
Capital reserve	6,831	6,287
Retained earnings	43,004	41,818
Other components of equity	401	1,134
Treasury shares, at cost	(3,546)	(3,663)
Total equity attributable to shareholders of Siemens AG	49,240	48,125
Non-controlling interests	2,757	2,858
Total equity	51,997	50,984
Total liabilities and equity	152,344	150,248

Consolidated Statements of Cash Flows

(in millions of €)	Q1	
	FY 2020	FY 2019
Cash flows from operating activities		
Net income	1,089	1,118
Adjustments to reconcile net income to cash flows from operating activities - continuing operations		
Income from discontinued operations, net of income taxes	(2)	–
Amortization, depreciation and impairments	1,070	829
Income tax expenses	238	429
Interest (income) expenses, net	(185)	(97)
(Income) loss related to investing activities	(321)	(141)
Other non-cash (income) expenses	(240)	95
Change in operating net working capital from		
Contract assets	559	(86)
Inventories	(1,249)	(1,128)
Trade and other receivables	37	(88)
Trade payables	(871)	(773)
Contract liabilities	915	1,472
Additions to assets leased to others in operating leases	(118)	(162)
Change in other assets and liabilities	(338)	(1,204)
Income taxes paid	(492)	(504)
Dividends received	59	48
Interest received	382	383
Cash flows from operating activities - continuing operations	534	191
Cash flows from operating activities - discontinued operations	(3)	(3)
Cash flows from operating activities - continuing and discontinued operations	531	188
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	(487)	(525)
Acquisitions of businesses, net of cash acquired	(1,612)	(509)
Purchase of investments and financial assets for investment purposes	(346)	(493)
Change in receivables from financing activities	(218)	(100)
Disposal of intangibles and property, plant and equipment	13	69
Disposal of businesses, net of cash disposed	50	(85)
Disposal of investments and financial assets for investment purposes	415	368
Cash flows from investing activities - continuing operations	(2,185)	(1,274)
Cash flows from investing activities - discontinued operations	(12)	1
Cash flows from investing activities - continuing and discontinued operations	(2,197)	(1,273)
Cash flows from financing activities		
Purchase of treasury shares	(128)	(554)
Re-issuance of treasury shares and other transactions with owners	(58)	(42)
Issuance of long-term debt	1,261	–
Repayment of long-term debt (including current maturities of long-term debt)	(210)	(4)
Change in short-term debt and other financing activities	59	3,162
Interest paid	(182)	(178)
Dividends attributable to non-controlling interests	(37)	(42)
Cash flows from financing activities - continuing operations	704	2,342
Cash flows from financing activities - discontinued operations	–	–
Cash flows from financing activities - continuing and discontinued operations	704	2,342
Effect of changes in exchange rates on cash and cash equivalents	(79)	66
Change in cash and cash equivalents	(1,041)	1,323
Cash and cash equivalents at beginning of period	12,391	11,066
Cash and cash equivalents at end of period	11,350	12,389
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	–	–
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	11,350	12,389

Overview of Segment figures

(in millions of €)	Orders				Revenue				Profit (IB, POC: Adj. EBITA; SFS: EBT)		Profit margin (Adj. EBITA margin; SFS: ROE)		Assets (IB, POC: Net capital employed; SFS: Total assets)		Free cash flow	
	Q1		Actual	% Change Comp.	Q1		Actual	% Change Comp.	Q1		Q1		Dec 31, 2019	Sep 30, 2019	Q1	
	FY 2020	FY 2019			FY 2020	FY 2019			FY 2020	FY 2019	FY 2020	FY 2019			FY 2020	FY 2019
Digital Industries	4,228	4,119	3%	1%	3,762	3,859	(3)%	(4)%	541	795	14.4%	20.6%	10,916	10,626	393	380
Smart Infrastructure	3,756	3,704	1%	(2)%	3,529	3,323	6%	3%	281	211	8.0%	6.4%	5,250	4,907	19	27
Gas and Power	5,570	5,988	(7)%	(9)%	4,527	4,466	1%	0%	62	168	1.4%	3.8%	12,356	12,456	8	35
Mobility	1,665	4,546	(63)%	(64)%	2,180	2,174	0%	(1)%	219	236	10.0%	10.9%	3,481	3,045	–	437
Siemens Healthineers	4,125	3,540	17%	13%	3,587	3,301	9%	5%	492	534	13.7%	16.2%	15,520	13,889	377	86
Siemens Gamesa Renewable Energy	4,628	2,541	82%	79%	2,001	2,262	(12)%	(13)%	(165)	100	(8.3)%	4.4%	3,894	3,703	65	(370)
Industrial Businesses (IB)	23,972	24,439	(2)%	(4)%	19,586	19,385	1%	(1)%	1,429	2,044	7.3%	10.5%	51,417	48,626	863	595
Financial Services (SFS)	188	223	–	–	188	223	–	–	212	149	27.7%	19.5%	29,748	29,901	182	151
Portfolio Companies (POC)	1,247	1,192	5%	3%	1,162	1,010	15%	14%	3	(22)	0.2%	(2.2)%	1,917	1,732	9	(118)
Reconciliation to Consolidated Financial Statements	(649)	(682)	–	–	(618)	(500)	–	–	(318)	(624)	–	–	69,261	69,989	(1,006)	(962)
Siemens (continuing operations)	24,759	25,172	(2)%	(4)%	20,317	20,116	1%	(1)%	1,326	1,547	–	–	152,344	150,248	47	(334)

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		Q1		Q1		Q1		Q1		Q1	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Digital Industries	541	795	(99)	(101)	27	47	414	646	173	158	587	804
Smart Infrastructure	281	211	(13)	(7)	(1)	26	269	178	81	68	351	246
Gas and Power	62	168	(47)	(59)	3	–	12	108	136	132	148	240
Mobility	219	236	(17)	(16)	3	2	199	217	66	44	266	261
Siemens Healthineers	492	534	(45)	(33)	6	3	441	498	205	142	647	640
Siemens Gamesa Renewable Energy	(165)	100	(66)	(66)	(2)	(9)	(229)	43	172	148	(57)	192
Industrial Businesses	1,429	2,044	(286)	(283)	35	70	1,108	1,691	834	692	1,942	2,383
Financial Services	212	149	–	–	187	164	24	(15)	58	55	82	40
Portfolio Companies	3	(22)	(1)	(1)	9	4	(7)	(27)	26	21	19	(6)
Reconciliation to Consolidated Financial Statements	(318)	(624)	287	284	(10)	(91)	(21)	(250)	153	61	132	(188)
Siemens (continuing operations)	1,326	1,547	–	–	221	148	1,105	1,399	1,070	829	2,175	2,229

Orders & Revenue by region

(in millions of €)	Orders				Revenue			
	Q1 FY 2020	FY 2019	Actual	% Change Comp.	Q1 FY 2020	FY 2019	Actual	% Change Comp.
Europe, C.I.S., Africa, Middle East	11,974	13,484	(11)%	(12)%	10,156	10,510	(3)%	(4)%
<i>therein: Germany</i>	2,772	3,194	(13)%	(13)%	2,970	3,009	(1)%	(2)%
Americas	6,680	7,080	(6)%	(9)%	5,787	5,382	8%	3%
<i>therein: U.S.</i>	4,657	4,525	3%	(2)%	4,382	4,094	7%	2%
Asia, Australia	6,105	4,608	32%	29%	4,374	4,225	4%	1%
<i>therein: China</i>	2,704	2,230	21%	19%	2,152	1,956	10%	8%
Siemens (continuing operations)	24,759	25,172	(2)%	(4)%	20,317	20,116	1%	(1)%
<i>therein: emerging markets</i>	7,931	7,902	0%	(1)%	6,617	6,300	5%	3%