

Munich, August 5, 2021

## Excellent results – Guidance raised again

- **Orders of €20.5 billion (Q3 2020: €13.9 billion) reflect strong customer orientation and global economic recovery**
- **Revenue increased substantially to €16.1 billion (Q3 2020: €13.0 billion)**
- **Adjusted EBITA Industrial Businesses climbed 29 percent to €2.3 billion**
- **At 15.3 percent, Adjusted EBITA margin increased again (Q3 2020: 14.3 percent)**
- **At €1.5 billion, net income nearly tripled (Q3 2020: €535 million)**
- **Free cash flow of €2.3 billion (Q3 2020: €2.5 billion) again excellent**
- **Guidance for 2021 raised again – Net income of €6.1 billion to €6.4 billion expected (previous guidance: €5.7 billion to €6.2 billion), including effects in connection with the acquisition of Varian Medical Systems, Inc.**

Siemens continued its accelerated high-value growth trajectory across all businesses and regions also in the third quarter. Despite the ongoing COVID-19 pandemic and negative currency translation effects, Q3 was characterized by outstanding market successes companywide and positive momentum provided by the global economic recovery. Ongoing supply chain challenges associated primarily with electronics components, raw materials and rising raw materials prices were successfully mastered. Compared to Q3 2020, which was noticeably affected by the pandemic, Siemens achieved considerable double-digit growth in orders and revenue and nearly tripled net income. Due to its strong performance in the first nine months, Siemens is again raising its guidance for fiscal 2021 and now expects companywide revenue growth of 11 percent to 12 percent (previous guidance: 9 percent to 11 percent) on a comparable basis – that is, excluding currency translation and portfolio effects – and net income of between €6.1 billion and €6.4 billion (previous guidance: €5.7 billion to €6.2 billion).

“Siemens is consistently pursuing its goal of accelerated high-value growth. In the third quarter, once again we delivered – with strong and profitable growth in all businesses,” said Roland Busch, President and CEO of Siemens AG. “We’re successfully supporting our customers in their transformation through digitalization, automation and sustainability. And we’re mastering a challenging environment – for example in our supply chains. A big thank you to the global Siemens team for another strong performance!”

“We are continuing the very positive business development of the first half of the year and are once again delivering strong results despite the continuing challenging environment. The strong performance of our focused technology company was demonstrated in the third quarter by double-digit revenue growth, increased profitability and another strong Free cash flow. Consequently, we are again raising our outlook for fiscal 2021,” added Ralf P. Thomas, Chief Financial Officer of Siemens AG.

### **Strong performance across all businesses and regions**

In Q3 2021, Siemens’ revenue increased substantially by 21 percent on a comparable basis to €16.1 billion, with considerable growth across all four Industrial Businesses and all regions. Orders were particularly gratifying, surpassing the 20-billion mark to rise twice as fast as revenue. At €20.5 billion, orders exceeded the Q3 2020 figure by 44 percent on a comparable basis. Reaching 1.27, the book-to-bill ratio was excellent.

Adjusted EBITA Industrial Businesses was €2.3 billion, a substantial increase of 29 percent. Adjusted EBITA margin Industrial Businesses was 15.3 percent compared to 14.3 percent in Q3 2020. Net income nearly tripled to €1.5 billion (Q3 2020: €535 million).

At €2.3 billion, Free cash flow (from continuing and discontinued operations) again reached a high level (Q3 2020: €2.5 billion), while Free cash flow generation for Industrial Businesses also increased significantly, climbing around 15 percent to €2.4 billion (Q3 2020: €2.1 billion).

**Strong growth at all Industrial Businesses**

At Digital Industries, orders rose by an impressive 36 percent to €4.7 billion, with the largest contribution coming from the automation business. Demand in the automotive and machine building industries continued to recover at the same rate. In addition, ongoing strength in the software business was highlighted by significant growth in product lifecycle management (PLM) software. Revenue rose 17 percent on a comparable basis to €4.2 billion. Adjusted EBITA declined 6 percent in Q3 to €847 million. In Q3 2020, a revaluation of the stake in Bentley Systems, Inc. had a positive profit effect of €211 million. Excluding this effect, Adjusted EBITA also increased considerably. The Adjusted EBITA margin reached 20.3 percent. The Q3 2020 figure was 24.5 percent, to which the Bentley effect added 5.7 points.

At Smart Infrastructure, orders rose by about a quarter on a comparable basis to €4.1 billion. All businesses contributed to this development. Growth was strongest at the product business – driven by demand from industrial customers – and at the systems and software business. Revenue climbed 15 percent on a comparable basis to €3.8 billion (Q3 2020: €3.4 billion). At €456 million, Adjusted EBITA was nearly twice the Q3 2020 figure of €250 million. The main drivers were impressive performances in all businesses and regions, higher capacity utilization and structural improvement of the cost position. The Adjusted EBITA margin increased significantly to 12.1 percent (Q3 2020: 7.4 percent).

At Mobility, orders climbed by over €2 billion to €5.1 billion (Q3 2020: €3.0 billion). The main reason for this increase was Mobility's largest-ever order in the Americas. With a volume of around €2.8 billion, the comprehensive order from U.S. rail operator Amtrak includes dual powered and hybrid battery vehicles and associated services. Revenue rose 5 percent on a comparable basis to €2.3 billion. At €204 million, Adjusted EBITA exceeded the Q3 2020 figure by about one-third. At 9.0 percent, the Adjusted EBITA margin was considerably above the Q3 2020 figure of 7.1 percent.

**Mobility strengthens software portfolio with Sqills acquisition**

Through its recent acquisition of Sqills, Mobility has also strengthened its software portfolio to enable customers' Mobility-as-a-Service offerings. Sqills' scalable, cloud-based platform allows rail and bus operators to introduce an online booking system

that encompasses inventory management, reservation and ticketing software. The acquisition will enable Mobility to expand into a rapidly growing adjacent market. The Software-as-a-Service (SaaS) business model offers resilient recurring revenue with very attractive margins and a high synergy potential through the utilization of Siemens' global presence. Together with Hacon, eos.uptrade, Bytemark and Padam Mobility, Sqills' S3 Passenger will become part of an interconnected software portfolio where a wide variety of services for public transport are brought together.

### **Guidance raised again**

Following Siemens' excellent performance in the first nine months of fiscal 2021, the company expects its businesses to again deliver a strong close for the full fiscal year. Siemens assumes that its businesses do not experience significant supply chain constraints during the remainder of the fiscal year. Given these assumptions, the company again raises its outlook for the fiscal year and includes in its outlook for net income effects in connection with Siemens Healthineers' acquisition of Varian Medical Systems, Inc.

Siemens raises its expectation for comparable revenue, net of currency translation and portfolio effects, to growth of 11 percent to 12 percent (previously 9 percent to 11 percent). The company continues to expect a book-to-bill ratio above 1.

Digital Industries expects comparable revenue to grow in the range of 10 percent to 12 percent (previously 9 percent to 11 percent) year-over-year. The expectation for Adjusted EBITA margin continues to be 20 percent to 21 percent.

Smart Infrastructure expects to achieve comparable revenue growth of 8 percent to 9 percent in fiscal 2021 (previously 5 percent to 7 percent). The expectation for Adjusted EBITA margin continues to be 11 percent to 12 percent.

Mobility continues to anticipate mid-single-digit comparable revenue growth and an Adjusted EBITA margin of 9.5 percent to 10.5 percent in fiscal 2021.

Based on the results already achieved during the first nine months of fiscal 2021 and the expectations described above, Siemens raises its outlook for net income to the range from €6.1 billion to €6.4 billion (previously €5.7 billion to €6.2 billion).

This outlook excludes burdens from legal and regulatory issues.

This press release is available at <https://sie.ag/3A46PGa>.

### Contacts for journalists

Florian Martens

Phone: +49 89 636-22804; e-mail: [florian.martens@siemens.com](mailto:florian.martens@siemens.com)

Katharina Hilpert

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

Simon Friedle

Phone: +49 89 636-20012; e-mail: [simon.friedle@siemens.com](mailto:simon.friedle@siemens.com)

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In fiscal 2020, which ended on September 30, 2020, the Siemens Group generated revenue of €55.3 billion and net income of €4.2 billion. As of September 30, 2020, the company had around 293,000 employees worldwide. Further information is available on the Internet at [www.siemens.com](http://www.siemens.com).

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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 of 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 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.

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