

The background of the slide is a night-time aerial view of a city with a complex multi-level highway interchange. A train is visible on an elevated track. Overlaid on the city are various digital graphics, including a grid of blue lines, a semi-transparent data table, and vertical columns of binary code (0s and 1s) in a light blue color. The Siemens logo is positioned in the top left corner.

**SIEMENS**

**Siemens Ltd., November 30, 2015**

# **Analyst Meet - FY 2015**

**Sunil Mathur, Managing Director & CEO**

**Christian Rummel, Executive Director & CFO**

## Economic Environment and Key Achievements

Company Performance – FY 2015

Future Outlook

## Economic Environment

### Investment momentum in domestic market yet to gather pace

- Macro-economic indicators are positive and moving in the right direction
- Private sector industrial investment and capex yet to pick up; restrained by excess capacity
- Government and Public sector spend in Railways and Power Transmission has commenced; other verticals e.g. defence; power generation & distribution; steel; cement still to pick up
- Healthcare spend slowing down due to shift in allocation from Centre to State
- Smart Cities programme yet to translate into capital expenditure

**Increase in demand awaited in order for us to realize our full potential**

# Key Highlights

## FY 2015

### EM

- Transmission: Partnering with PGCIL on technology upgrades to the national grid (765kV to 1200kV, AIS to GIS)
- Distribution: Supporting Discoms in Smart grid implementation (SCADA/DMS) to reduce AT&C losses

### PG

- Fresh Capex on hold in private Sector; Public Sector tenders not announced yet

### BT

- Steady growth in business – energy efficiency projects on the rise

### MO

- Orders from Diesel Locomotive Works - Energy-efficient Propulsion and Control Systems, AC Traction Systems

### DF

- Launched Distributed Control System for Process, Production and Hybrid Sectors with features providing greater flexibility, higher operational efficiency and maintenance of plant

### PD

- Steady growth in product business
- Traction in renewable (Wind turbine generators)
- Core industries capex spend (cement, steel, mining) constrained by overcapacity

### HC

- Paradigm shift in business model: from product sales to PPP, Pay-per-use emerging





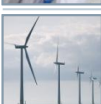
# Siemens has taken the “consortium” approach to City Initiative – a first of its kind in India or globally

“100 Smart Cities” initiative

## Government vision: 100 Smart Cities

### Infrastructure areas

### Exemplary features

|                  |  |                          |   |
|------------------|--|--------------------------|---|
| 100 Smart Cities |   | <b>Smart energy</b>      | 24x7 power for all, upgrade of transmission and distribution network, smart grids |
|                  |   | <b>Smart transport</b>   | Growth in metro and mono rail networks, hybrid and electric vehicles              |
|                  |   | <b>Smart buildings</b>   | Energy efficiency, security, intelligent building management systems              |
|                  |   | <b>Smart health</b>      | State of the art hospitals and healthcare services                                |
|                  |  | <b>Smart environment</b> | Renewable energy, sustainable water use, balance of build and green areas         |

### Goals:

- Enhance **quality of life**
- Increase **employment**
- Create **investment opportunities**

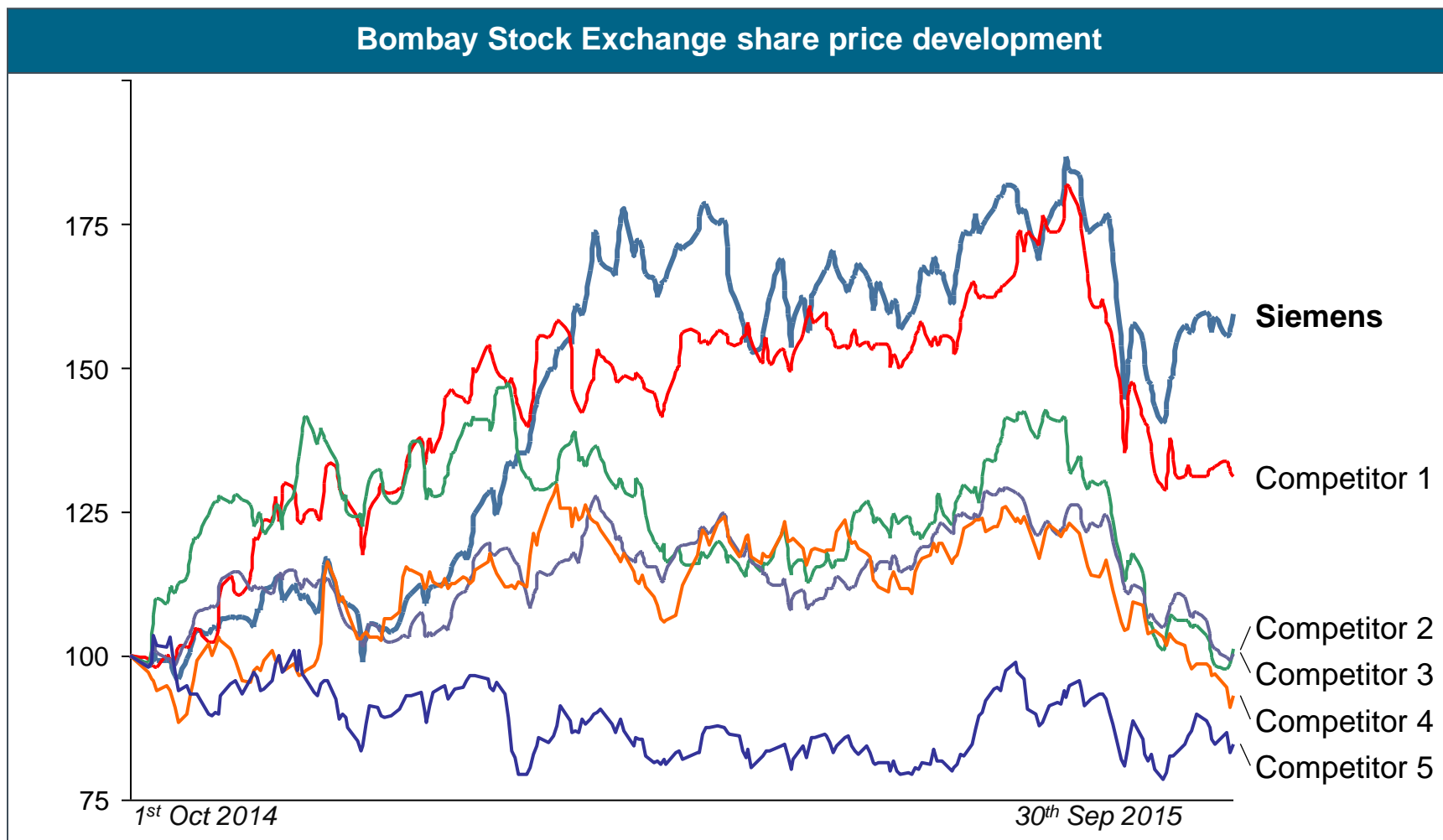
## Siemens has signed a MoU with CII ...



... to be the **Lead Industry Partner** in a consortium, for the conceptualization and development of Smart Cities



# Siemens stock performance in FY 2015 on the BSE



Source: BSE (Daily Weighted Average Price)

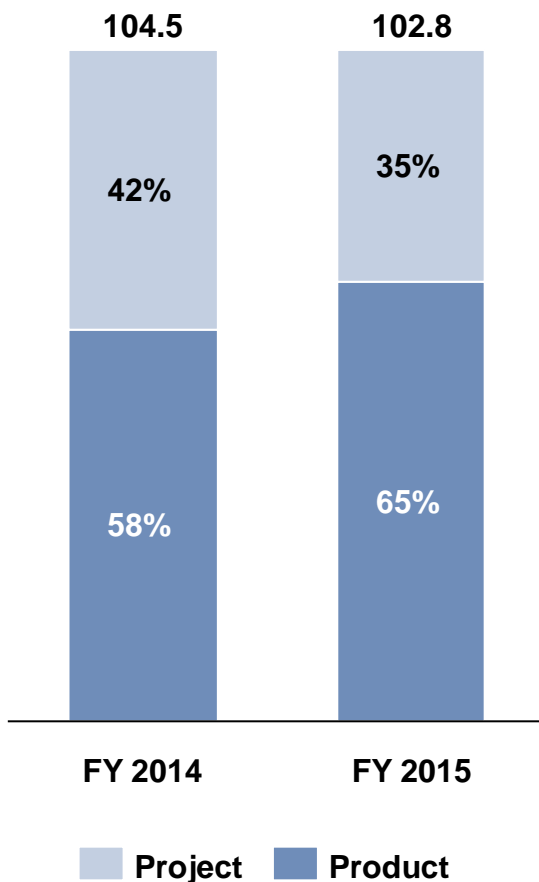
Economic Environment and Key Achievements

**Company Performance – FY 2015**

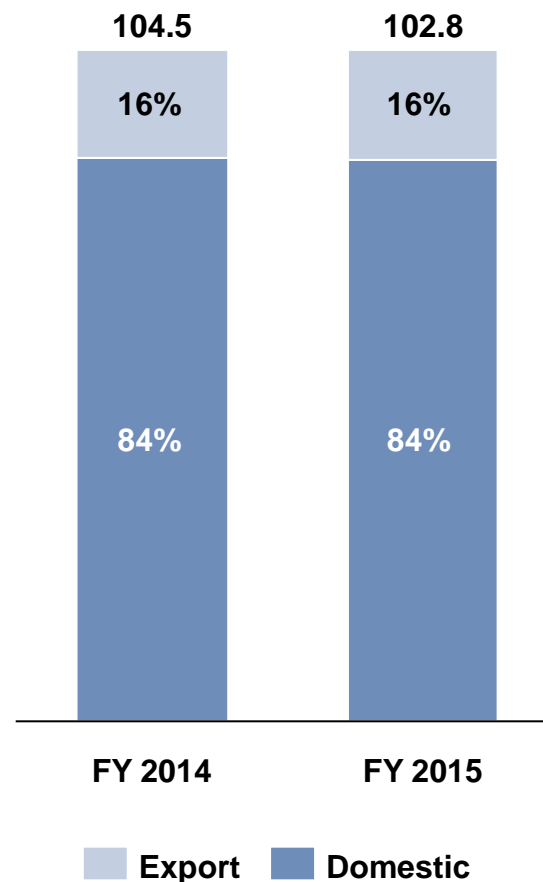
Future Outlook

# Sales Mix

## Project/Product



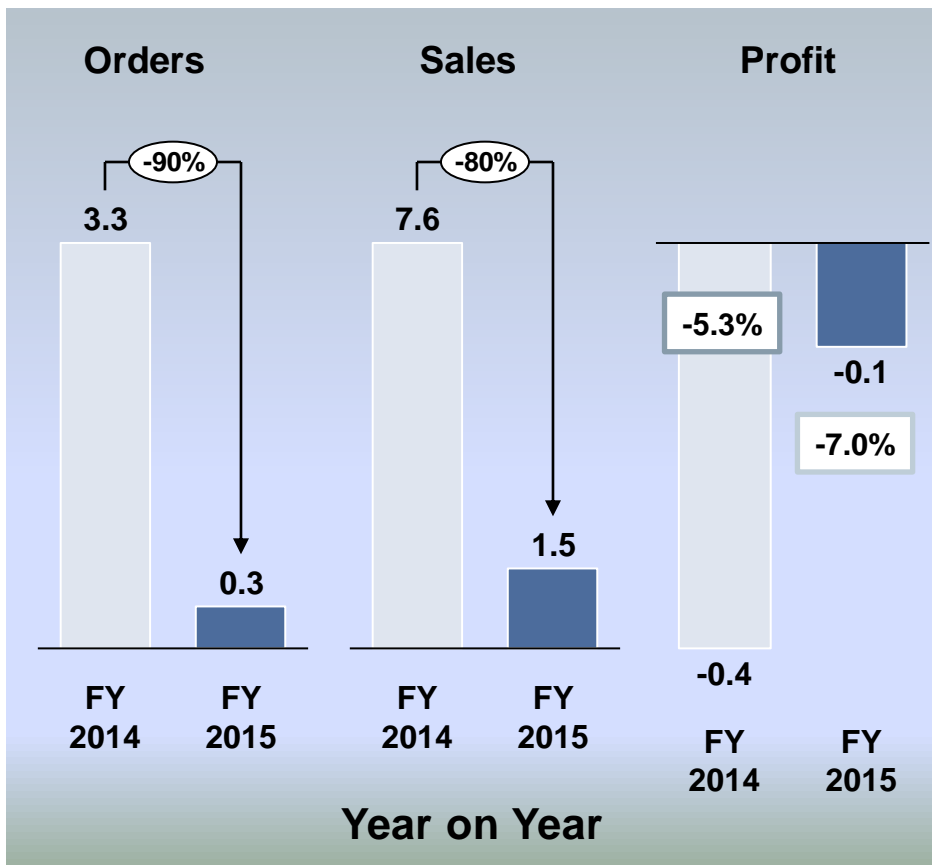
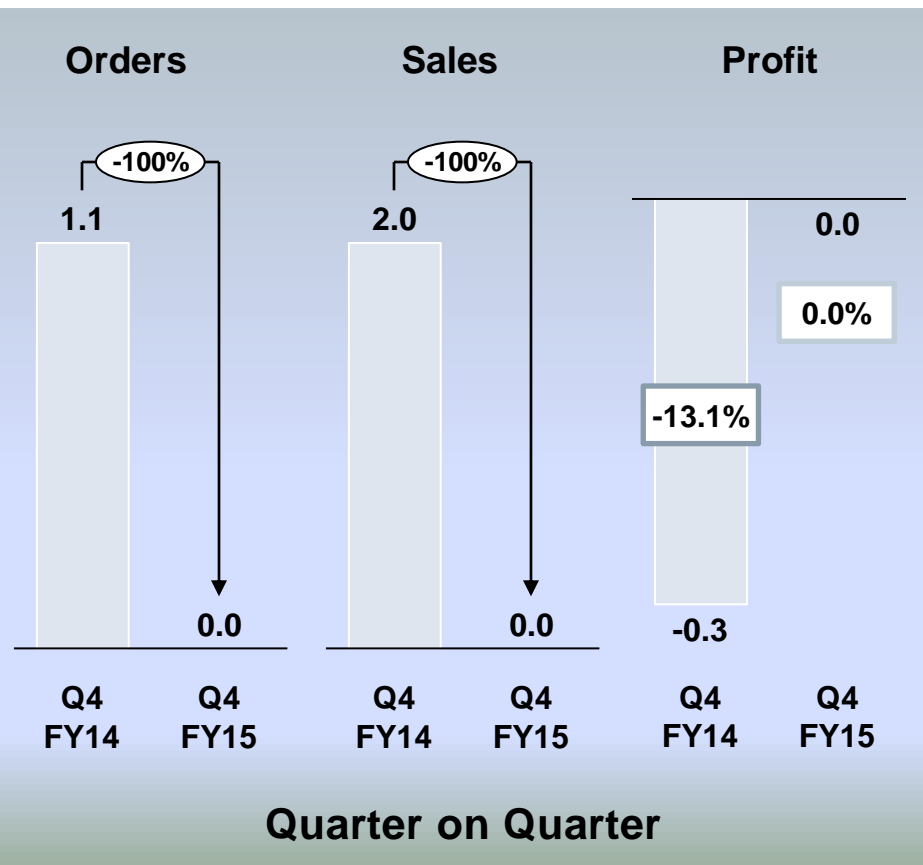
## Export & Domestic





# Metals# - Discontinued Operations

INR Billion



# Metal sold with effect from December 31, 2014

## Exceptional items

INR Billion

|   | FY 2014    | FY 2015    |
|---|------------|------------|
| Profit on sale of MT business                       | 0"0        | 7"1        |
| CENVAT credit on certain services for earlier years | 0"7        | 0"0        |
| Profit on sale of investment properties             | 3"4        | 0"0        |
| Impairment loss                                     | -0"3       | 0"0        |
| Impairment loss reversal                            | 0"0        | 1"1        |
| Impact on account of uncapping of gratuity limit    | 0"0        | -0"4       |
| <b>Total Exceptional Items</b>                      | <b>3"8</b> | <b>7"8</b> |

## Key Financials

INR Billion

|                                      | Quarter ended Sep 2014 | Quarter ended Sep 2015 | Year ended Sep 2014 | Year ended Sep 2015 |
|--------------------------------------|------------------------|------------------------|---------------------|---------------------|
| <b>New Orders</b>                    | 29.5                   | 31.3                   | 103.0               | 101.1               |
|                                      |                        | 6.2%                   |                     | -1.9%               |
| <b>Sales</b>                         | 31.1                   | 32.3                   | 104.5               | 102.8               |
|                                      |                        | 3.9%                   |                     | -1.6%               |
| <b>Order Backlog</b>                 | 121.1                  | 95.9                   | 121.0               | 95.9                |
|                                      |                        | -20.8%                 |                     | -20.8%              |
| <b>Profit from Operations</b>        | 1.6                    | 2.3                    | 3.7                 | 7.6                 |
| <b>% to Sales</b>                    | 5.3%                   | 7.2%                   | 3.5%                | 7.4%                |
| <b>Other income and Finance Cost</b> | 0.6                    | 0.4                    | 1.0                 | 1.5                 |
| <b>Exceptional Item</b>              | 3.7                    | 0.7                    | 3.8                 | 7.8                 |
| <b>Profit before tax</b>             | 5.9                    | 3.4                    | 8.4                 | 17.0                |
| <b>% to Sales</b>                    | 19.0%                  | 10.6%                  | 8.1%                | 16.5%               |
| <b>Profit after tax</b>              | 4.4                    | 2.2                    | 6.0                 | 11.8                |

**ROCE\***  
 Sept14 Sept15  
 7.3 % 12.2%

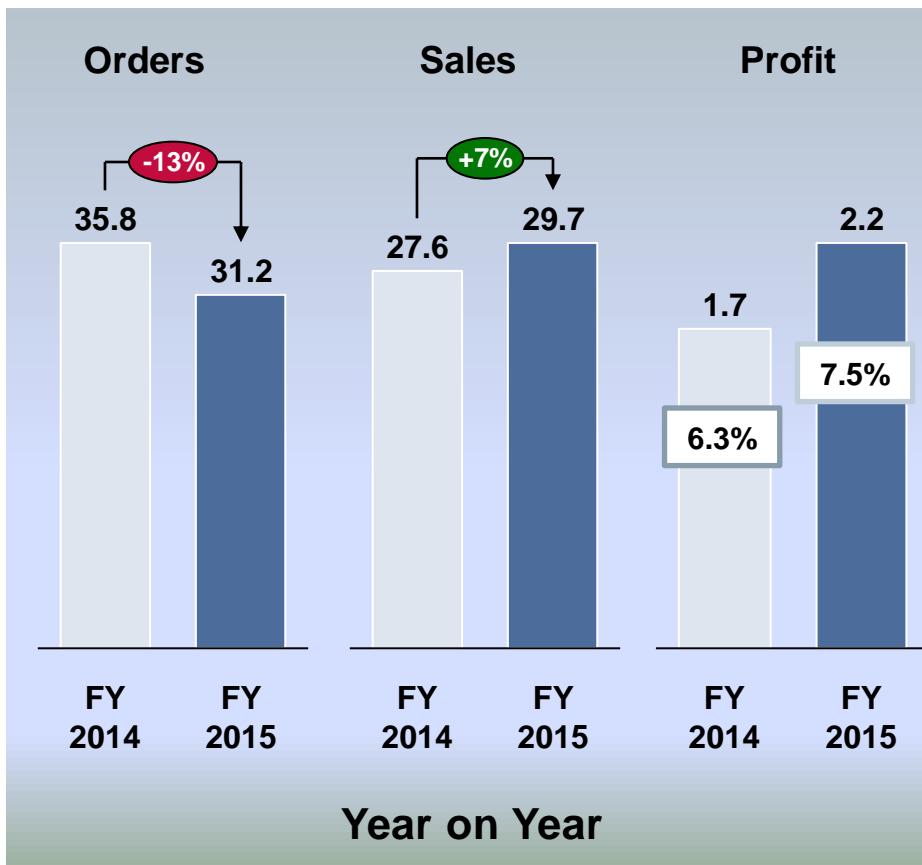
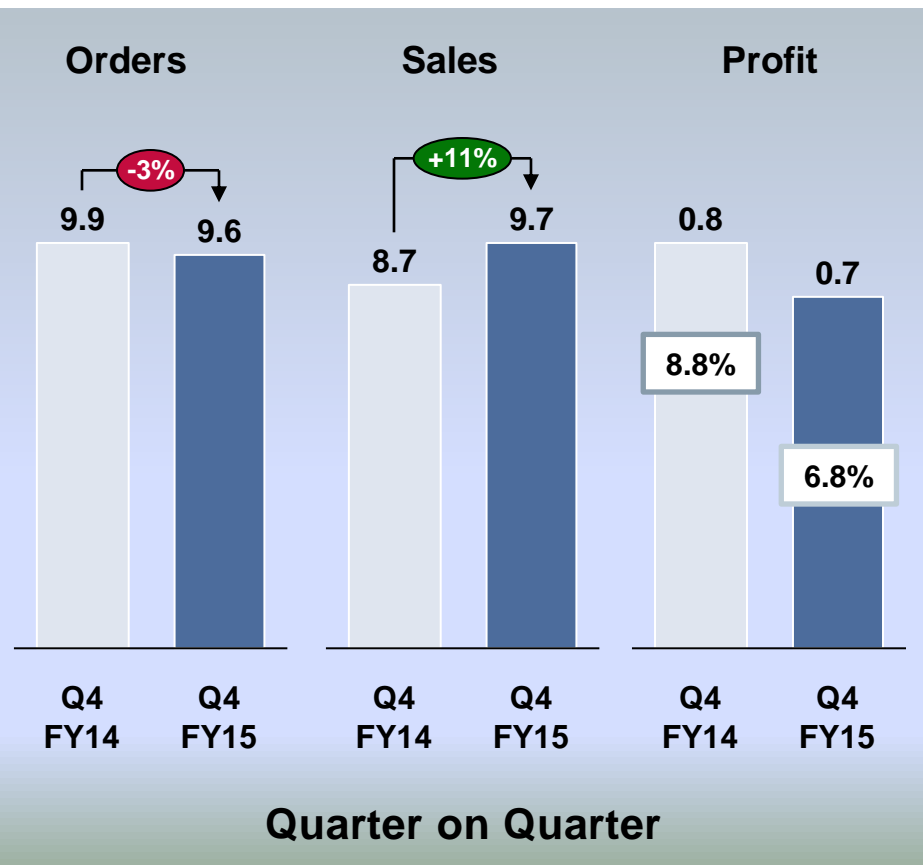
**EPS\***  
 Sept14 Sept15  
 8.66 16.95

**P/E\***  
 Sept14 Sept15  
 95.57 78.25

\* Excluding exceptional items

# Energy Management

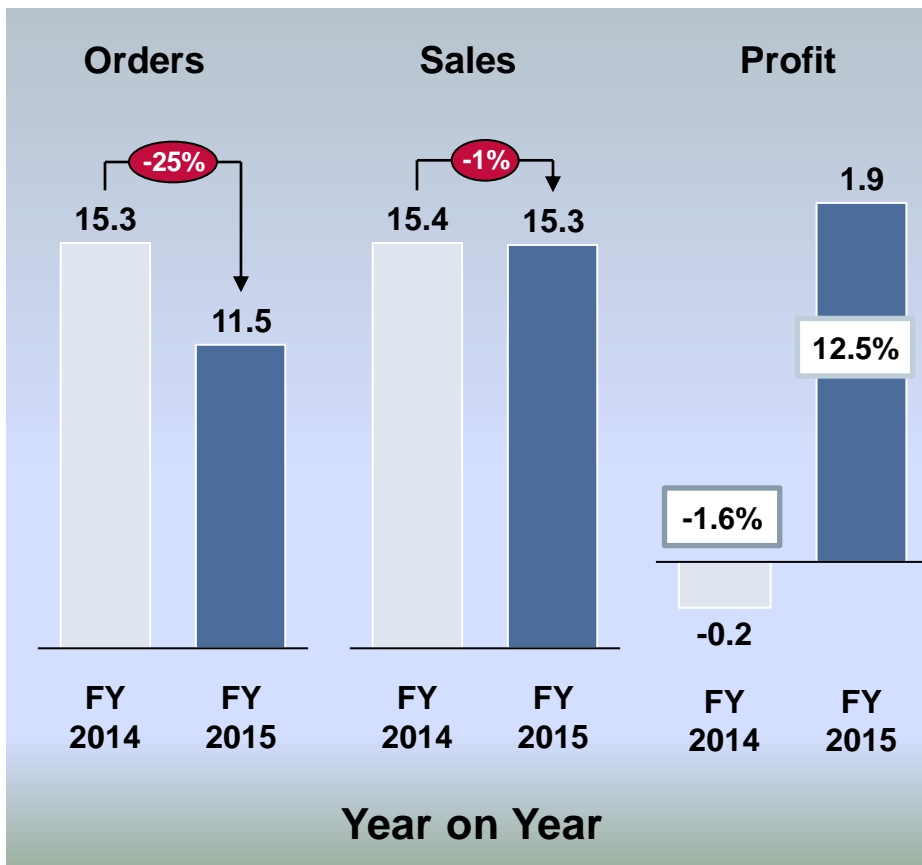
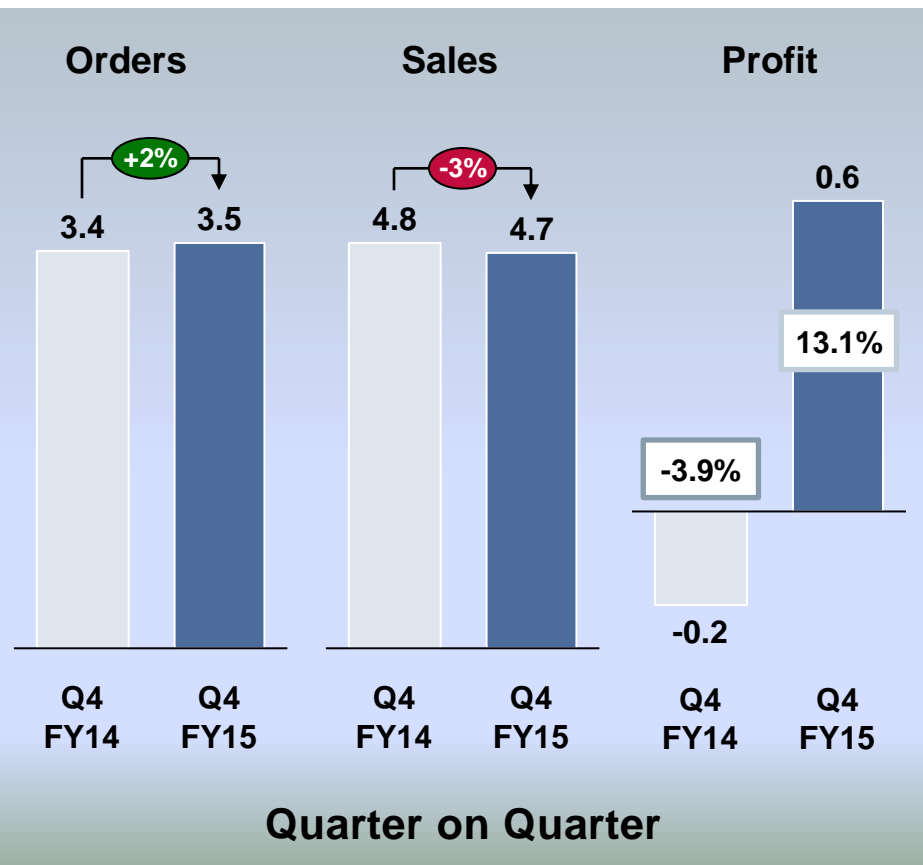
INR Billion



Large order received in 2014. Focus on project execution and productivity

# Power & Gas

INR Billion

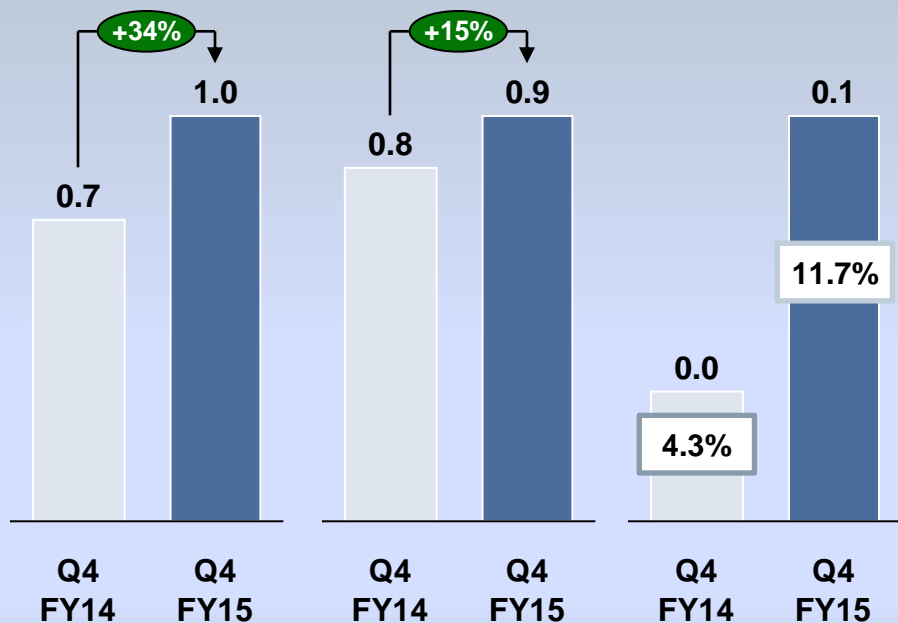


**Defended market share in declining market position, closure of large projects**

# Building Technologies

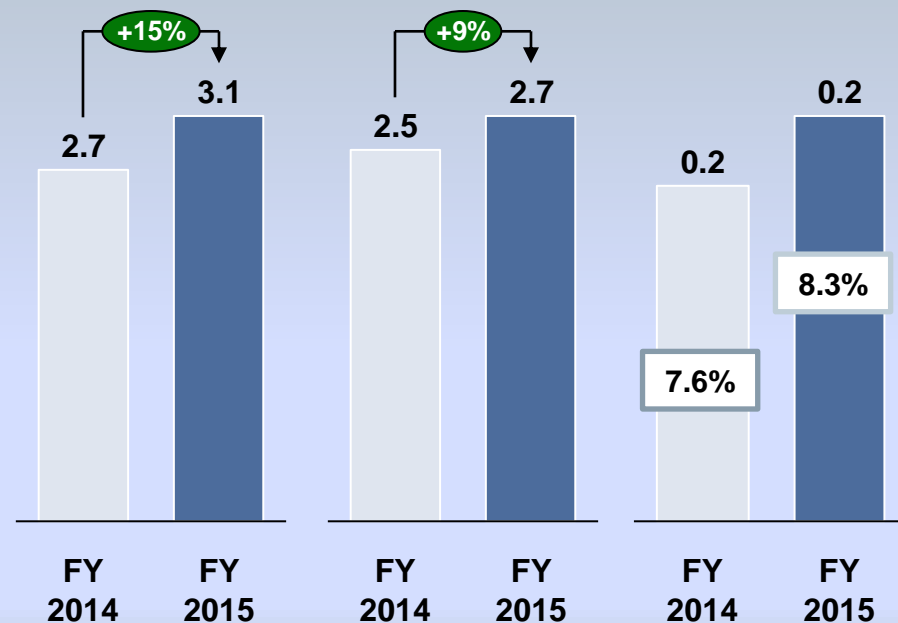
INR Billion

## Quarter on Quarter



Quarter on Quarter

## Year on Year



Year on Year

Steady growth with operational excellence

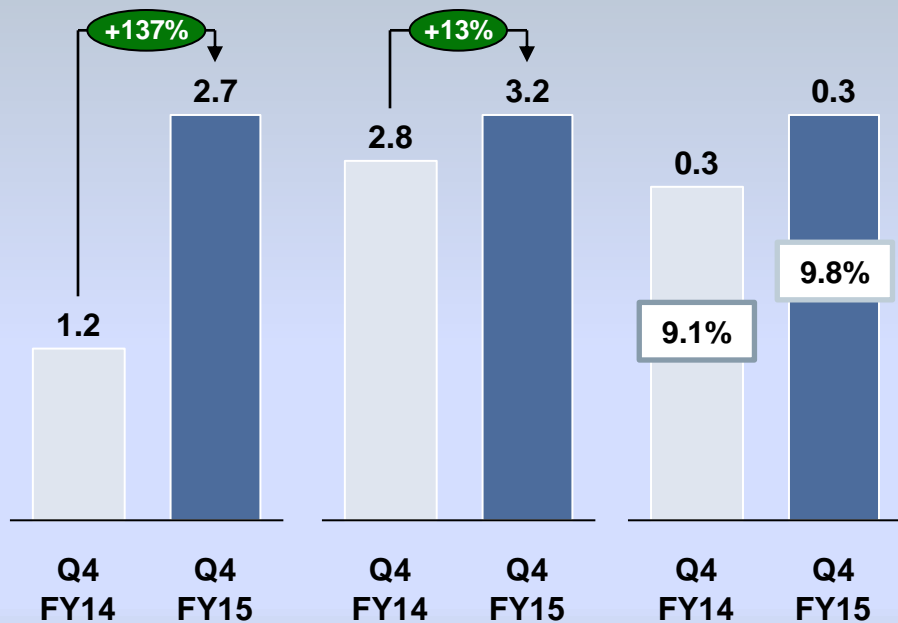
# Mobility

INR Billion

## Orders

## Sales

## Profit

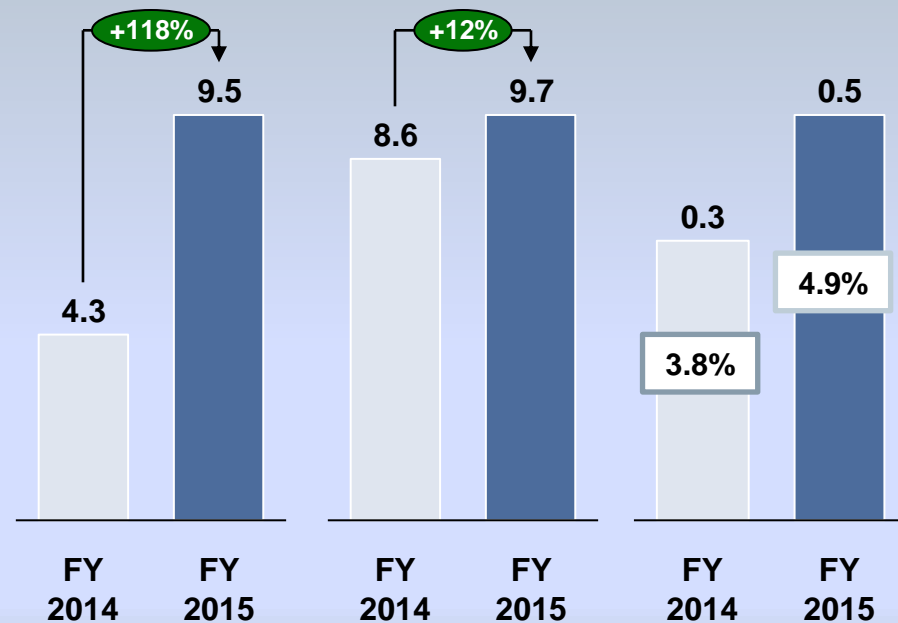


Quarter on Quarter

## Orders

## Sales

## Profit

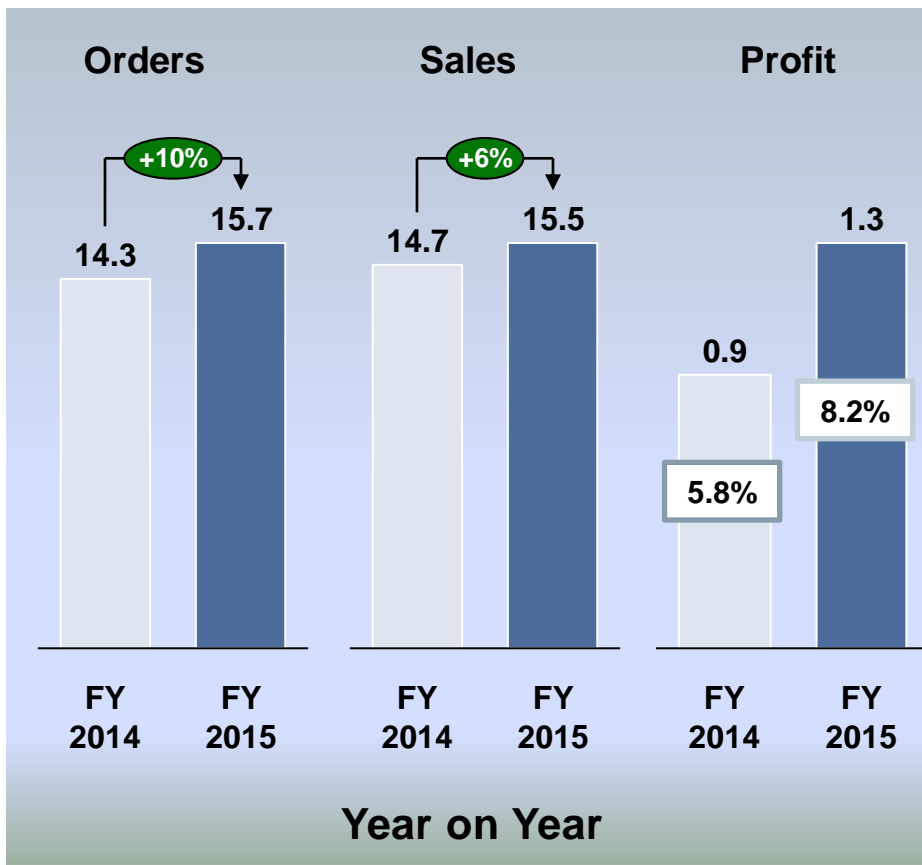
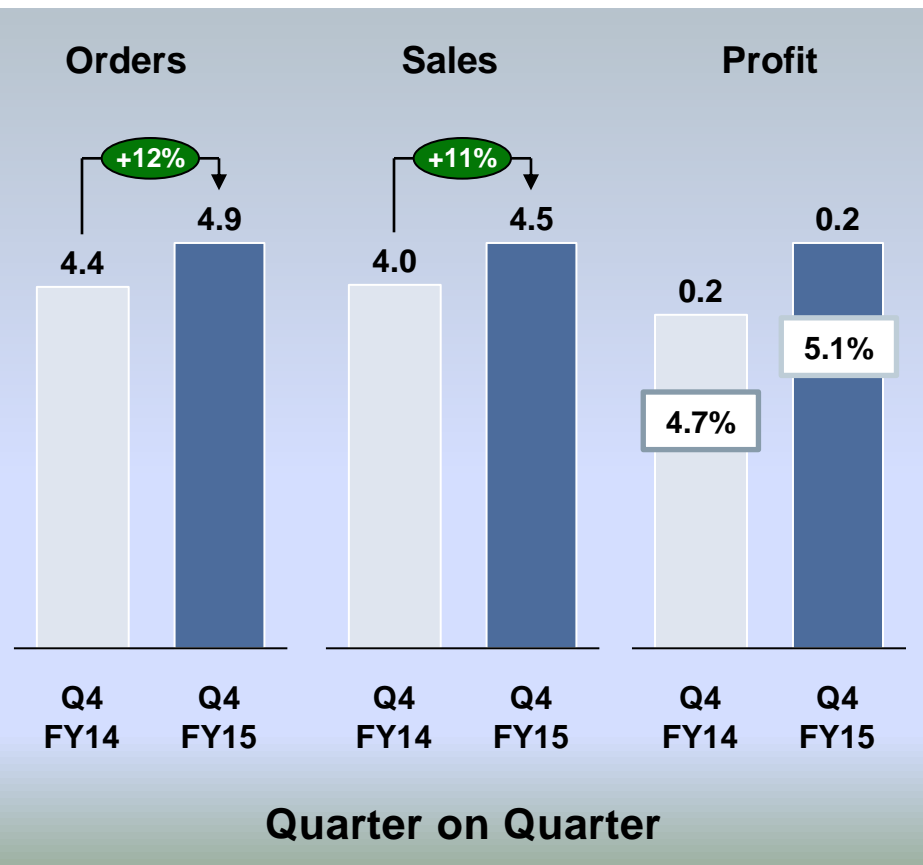


Year on Year

## Major orders from DLW

# Digital Factory

INR Billion



Steady growth with focus on operational excellence



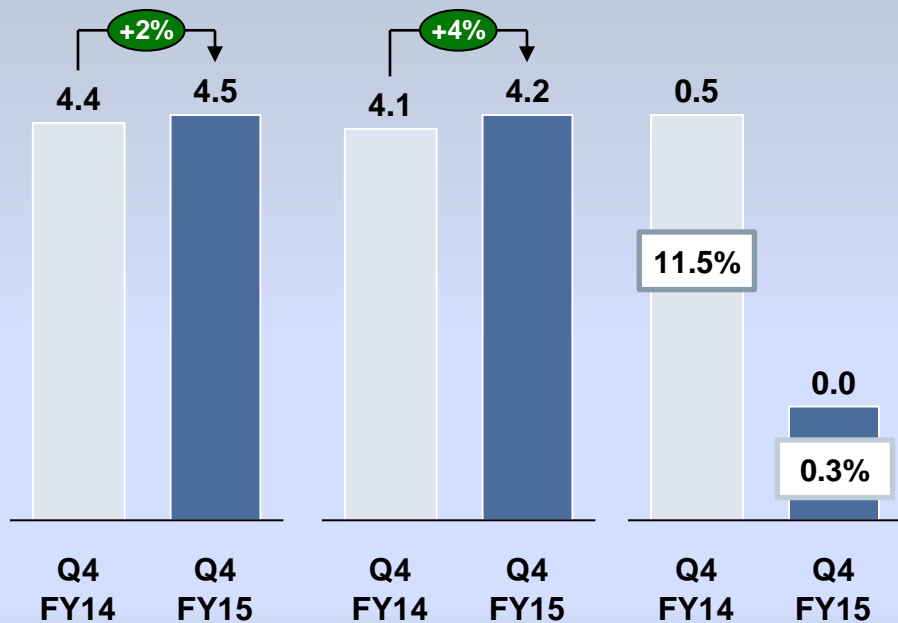
# Process Industries and Drives

INR Billion

## Orders

## Sales

## Profit

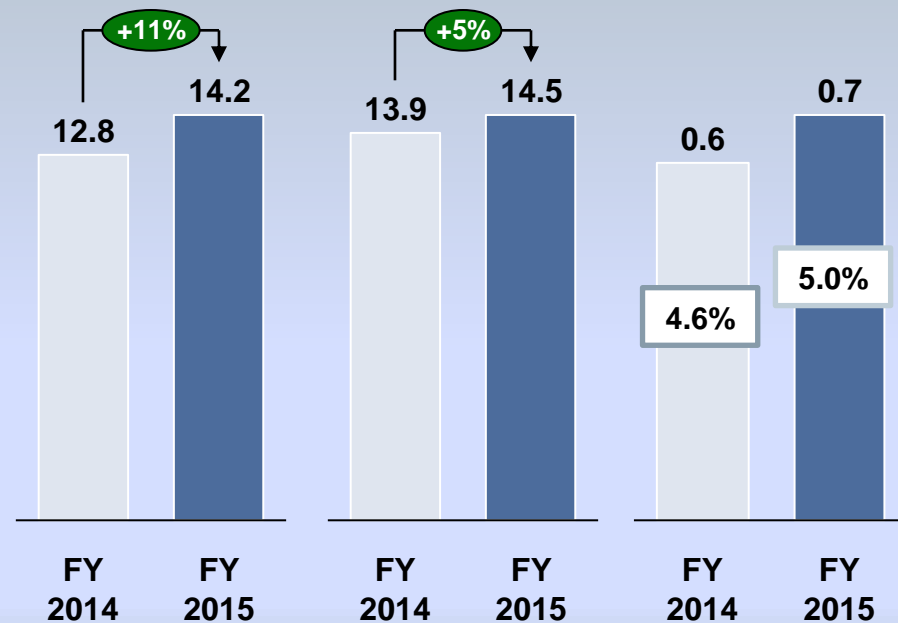


Quarter on Quarter

## Orders

## Sales

## Profit

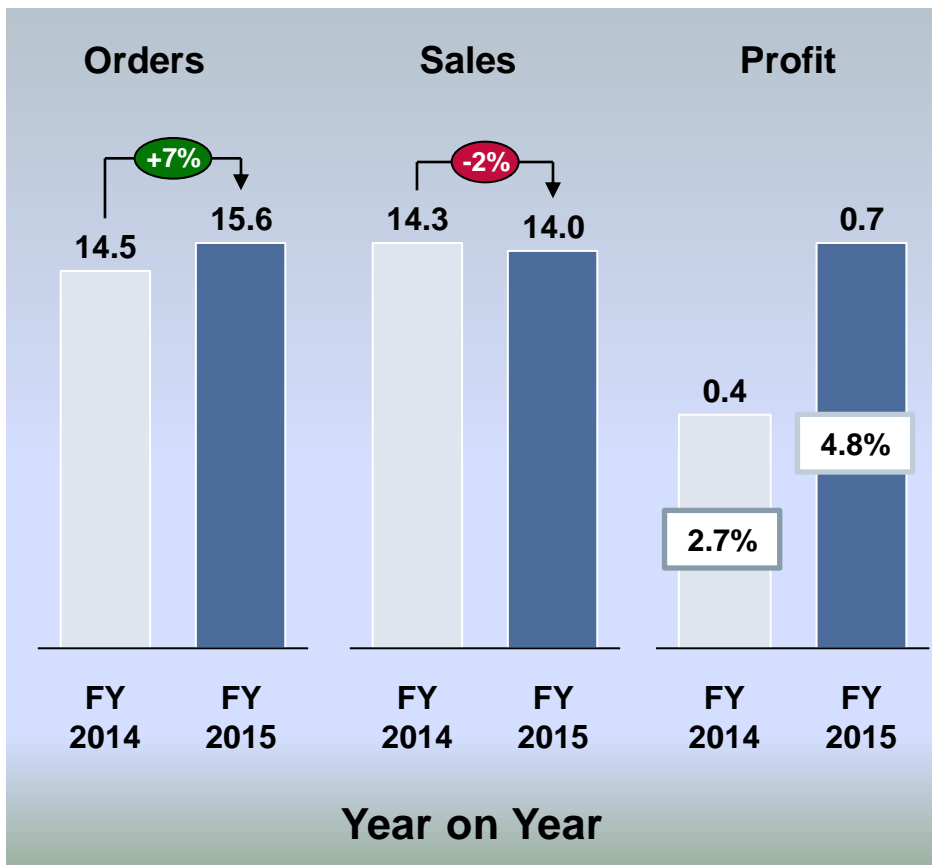
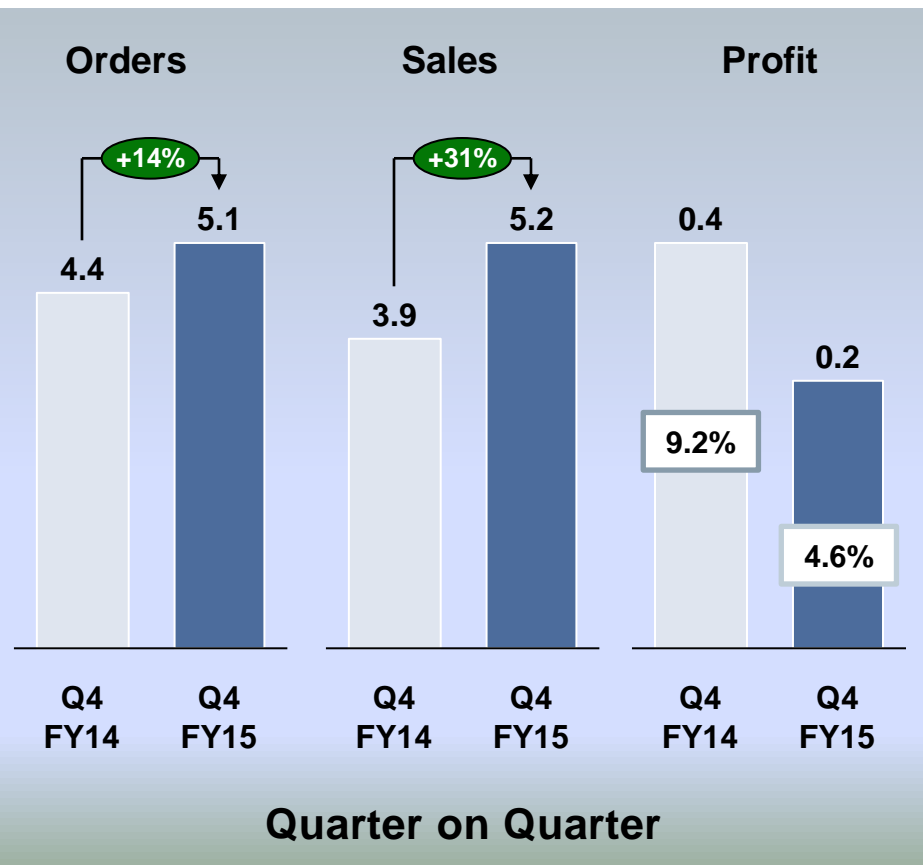


Year on Year

## Steady growth in renewables

# Healthcare

INR Billion



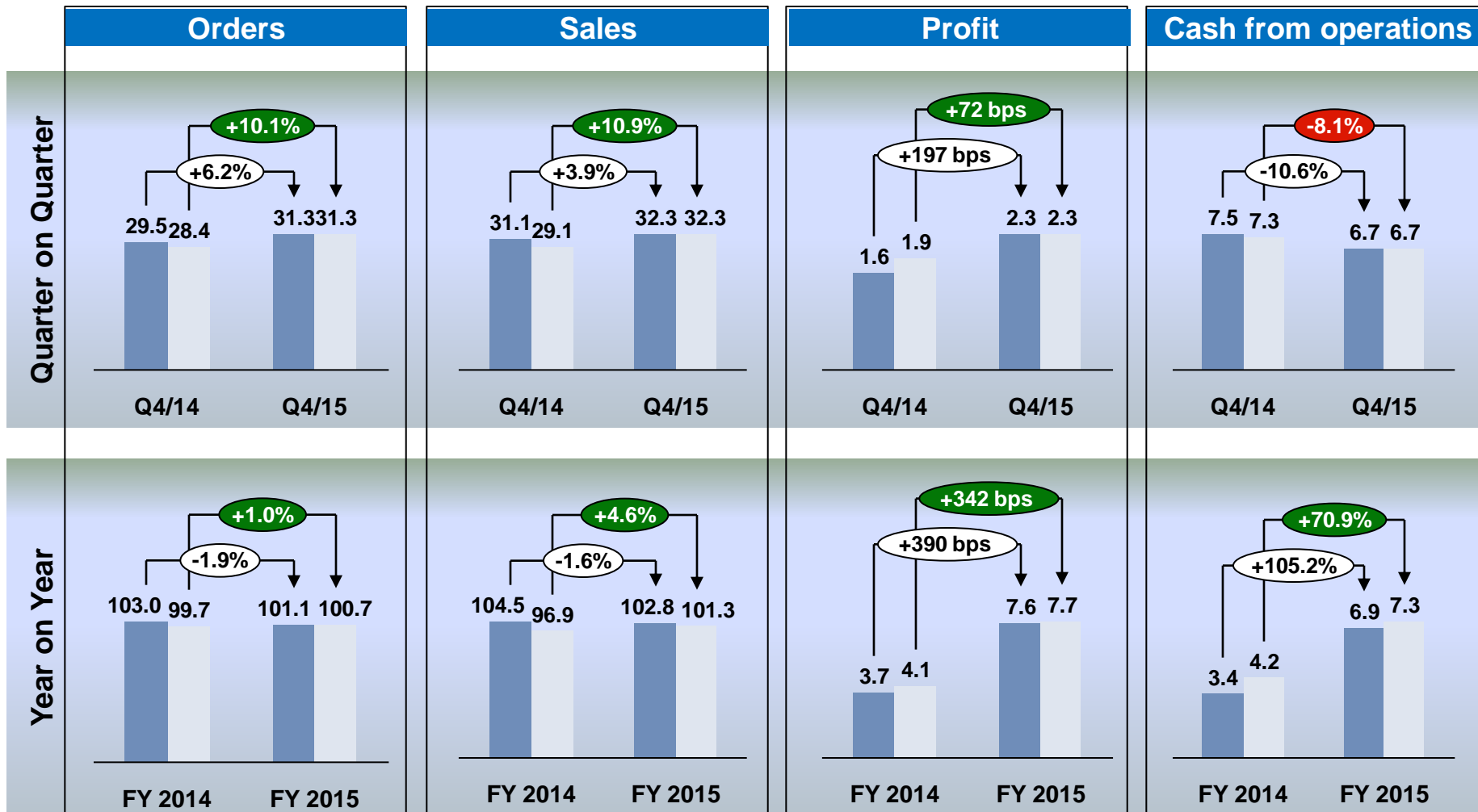
**Sales impacted by change in accounting policy by INR 2 Billion**

# Siemens Limited

## Growing top line, operational excellence largely improved

INR Billion

■ Total Operations    ■ Continuing Operations w/o MT



Economic Environment and Key Achievements

Company Performance 2015

**Future Outlook**

# Outlook 2016

## Market

- Growth drivers to be public sector investment in Power Generation, Transmission, Distribution and Mobility
- Large tenders awaited for HVDC, Metros, EMU locomotives, UMPPs, etc
- Private sector capital expenditure could get deferred further
- Government Spending in Healthcare could take time to revive due to shift in allocation from Centre to States. Different business models emerging!

## Our Strategy

1. Concentrate on profitable growth in new orders
2. Selective participation in large orders – profitability key driver
3. Continued focus on operational excellence and cash



Thank You!

