

Siemens delivers strong Q4, fiscal-year guidance fully achieved in all respects

Joe Kaeser, Ralf P. Thomas and Michael Sen
Annual Press Conference for fiscal 2019
Munich, November 7, 2019

Notes and forward-looking statements



This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, 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, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, 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.

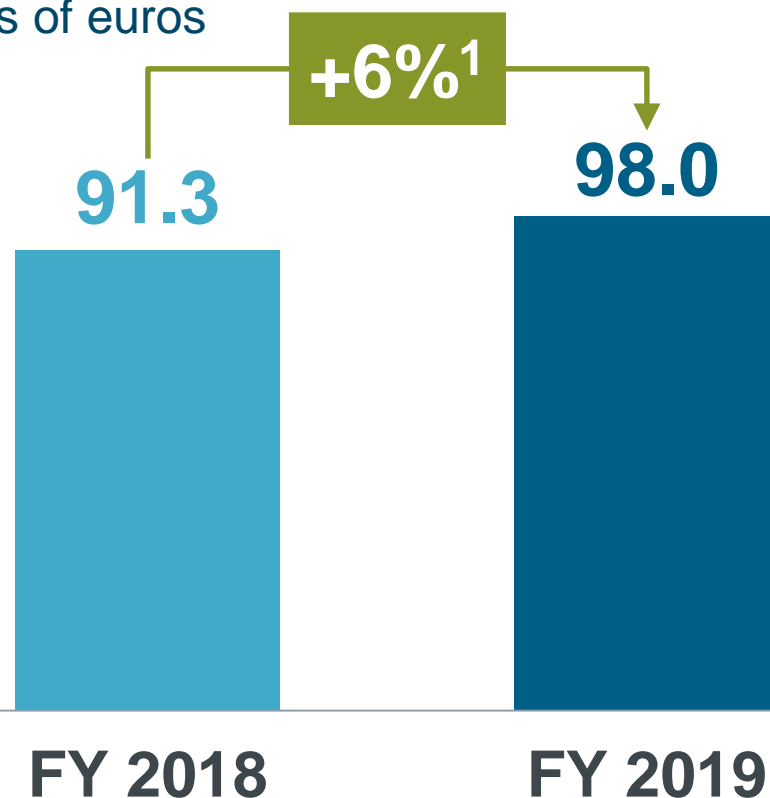
Joe Kaeser

President and CEO of Siemens AG

Growth trend continues in fiscal 2019

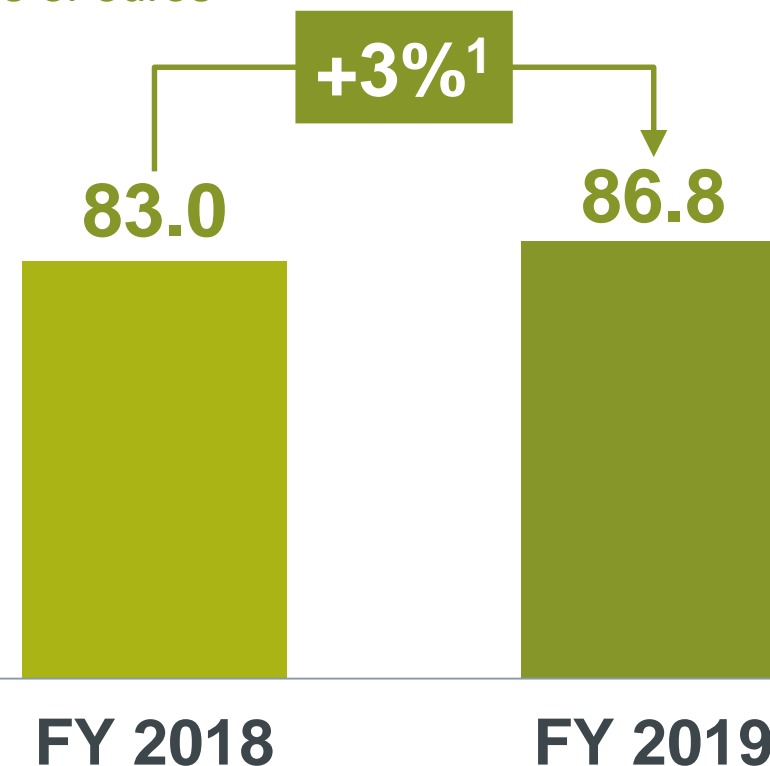
Orders

in billions of euros



Revenue

in billions of euros

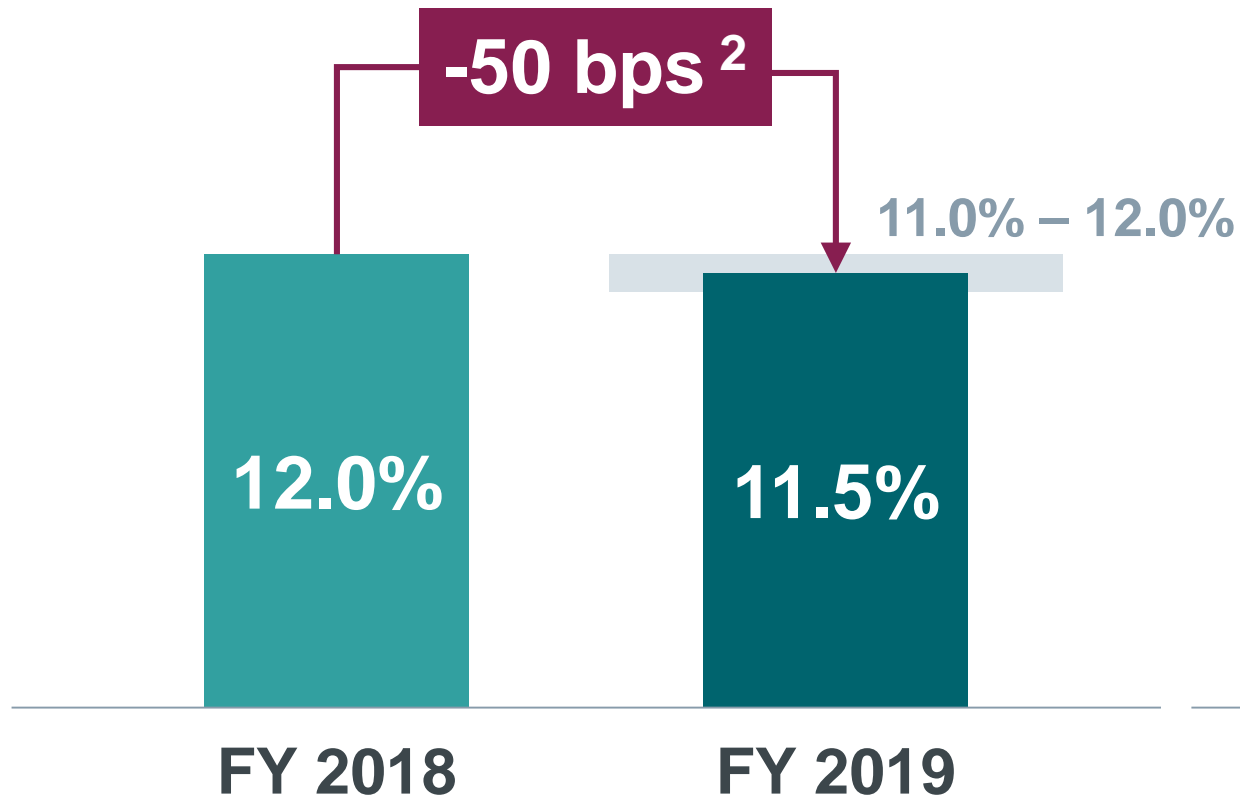


¹ On a comparable basis, adjusted for currency translation and portfolio effects

Profitability remains at high level

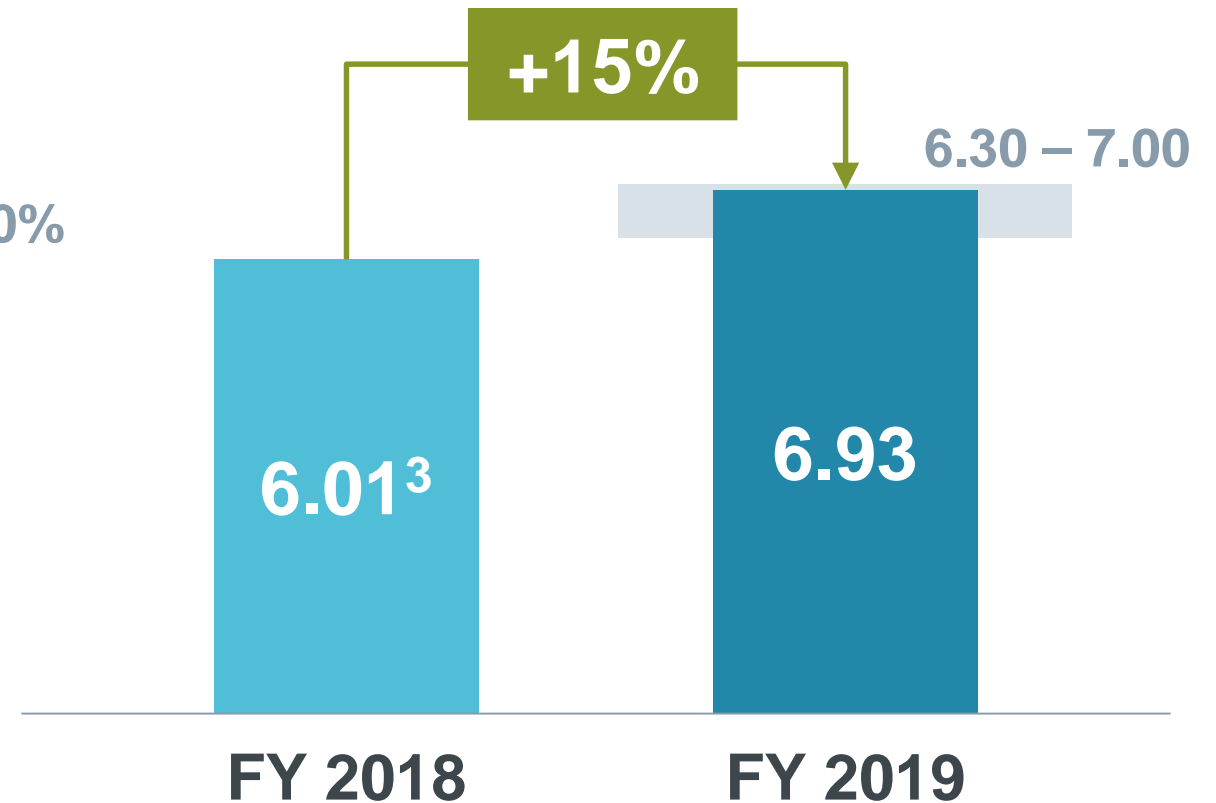
Profit margin for Industrial Businesses¹

Adjusted EBITA margin



Earnings per share¹

in euros



¹ Excluding severance charges ² Basis points ³ Excluding portfolio gains of €1.87 in connection with stakes in Atos SE and OSRAM Licht AG

Guidance for fiscal 2019 fully achieved in all respects



| | Guidance for FY 2019 | Actual values for FY 2019 | Achieved ? |
|--|-------------------------|------------------------------|---------------|
| Revenue | Moderate growth | +3% | |
| Book-to-bill | > 1 | 1.13 | |
| Profit margin Industrial Businesses¹ | 11% – 12% | 11.5% | |
| Earnings per share¹ | €6.30 – €7.00 | €6.93 | |

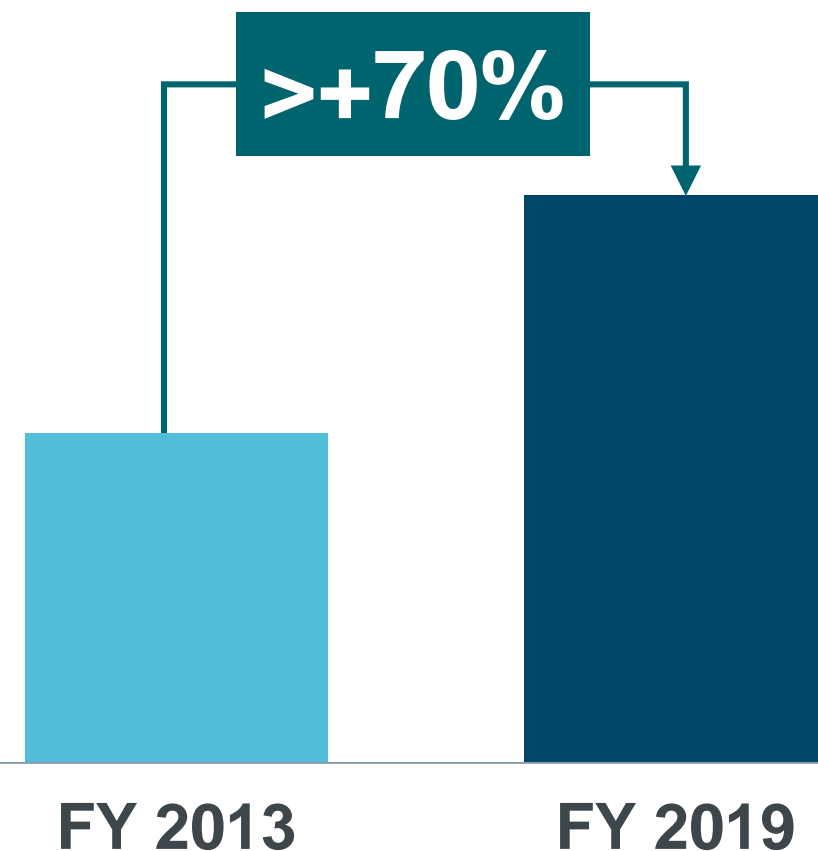
¹ Excluding severance charges

We deliver on our promises – Fiscal-year guidance achieved six years in a row



Partner of choice for our customers

Net Promoter Score





Tube trains for London



LNG-to-power project
in Açú, Brazil



High-speed trains for Russian Railways

Order backlog in 2013
€100 billion

Record order backlog in 2019
€146 billion +46%



Modernization of security systems for
luggage screening at Spanish airports



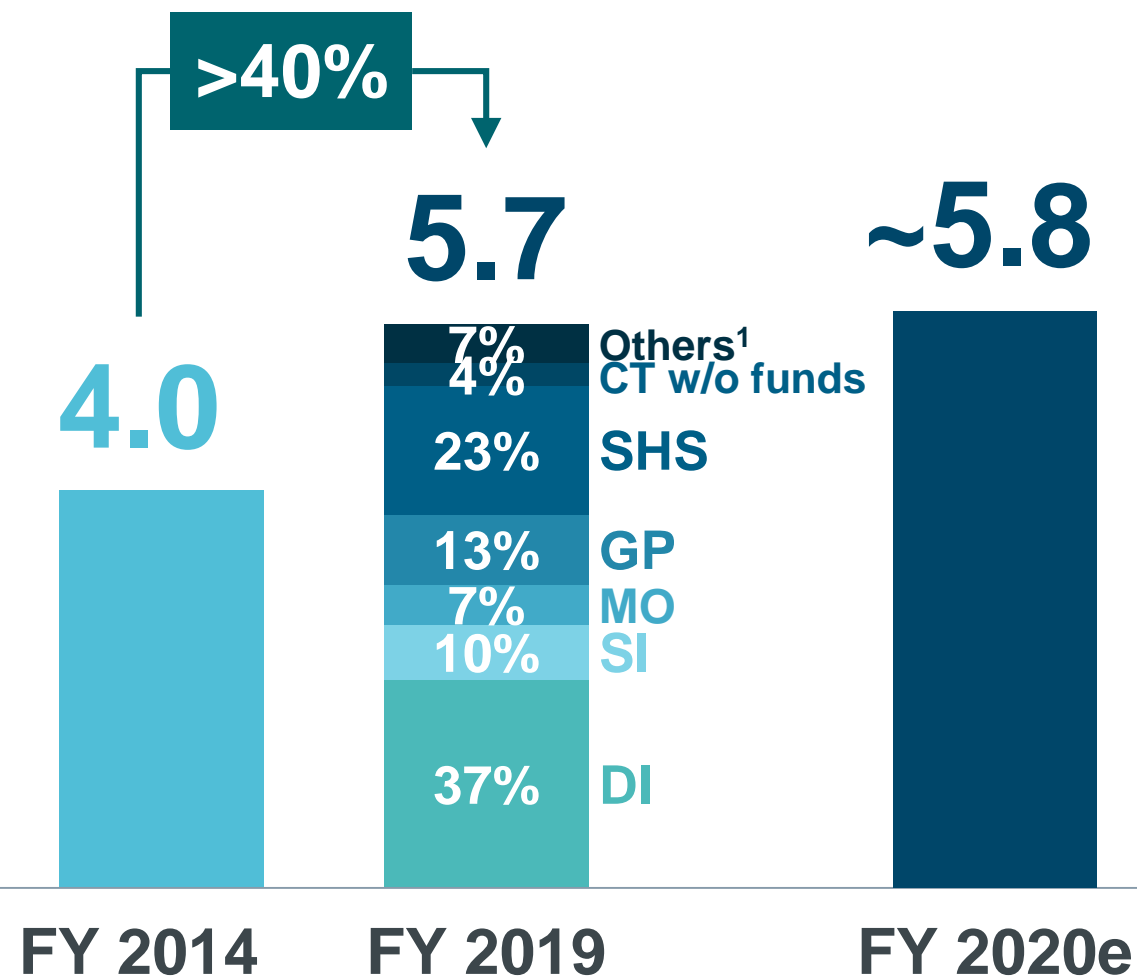
Agreement on implementation of
Energy Roadmap for Iraq



Industrial Cloud for higher
productivity at all 122 VW plants

Innovation is the basis of our success

Research and development in
billions of euros



1 For example SGRE, Portfolio Companies

The SIEMENS brand is more highly regarded than ever

SIEMENS
Ingenuity for life

FORTUNE WORLD'S MOST ADMIRED COMPANIES®

#1

2016

#1

2017

#1

2018

#1

2019

Ralf P. Thomas

Chief Financial Officer of Siemens AG

Q4 – Strong finish to fiscal 2019

Orders

+2%¹



Revenue

+6%¹



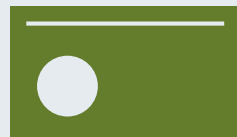
Margin for Industrial Businesses

12.5%²



Earnings per share

€1.90²



Free cash flow

€5.3bn



Capital structure: Industrial net debt / EBITDA

0.6x



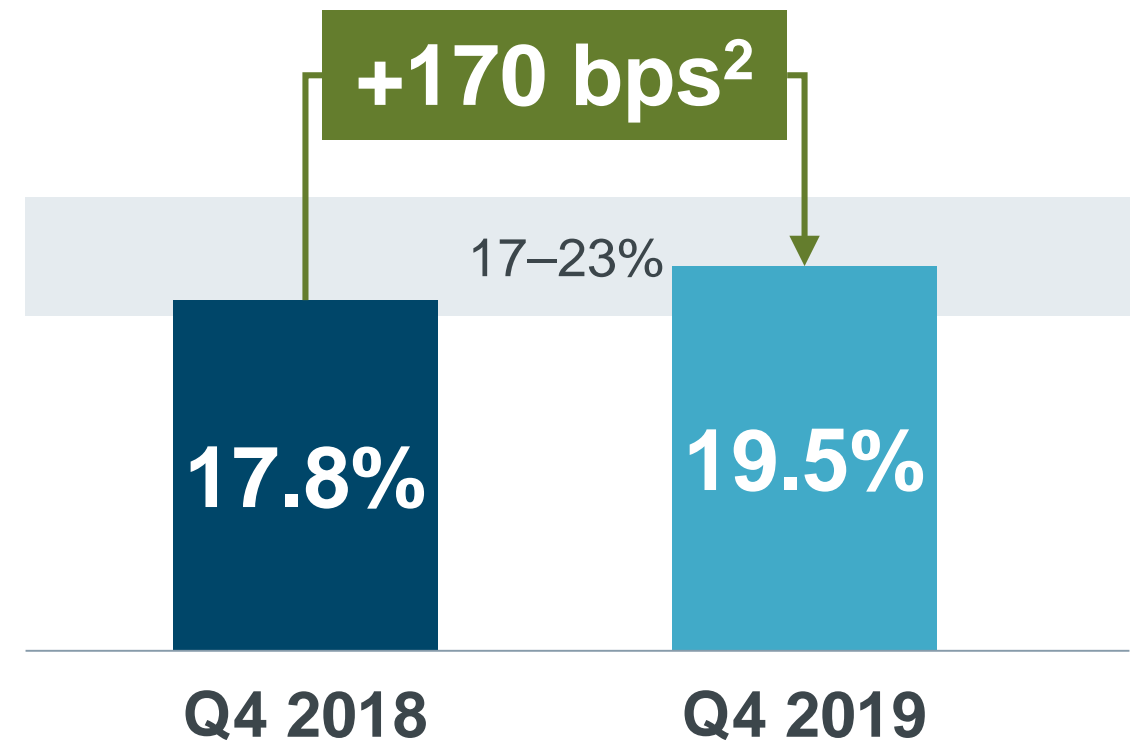
1 On a comparable basis, adjusted for currency translation and portfolio effects

2 Excluding severance charges

Digital Industries

Profit margin¹

Adjusted EBITA margin



¹ Excluding severance charges

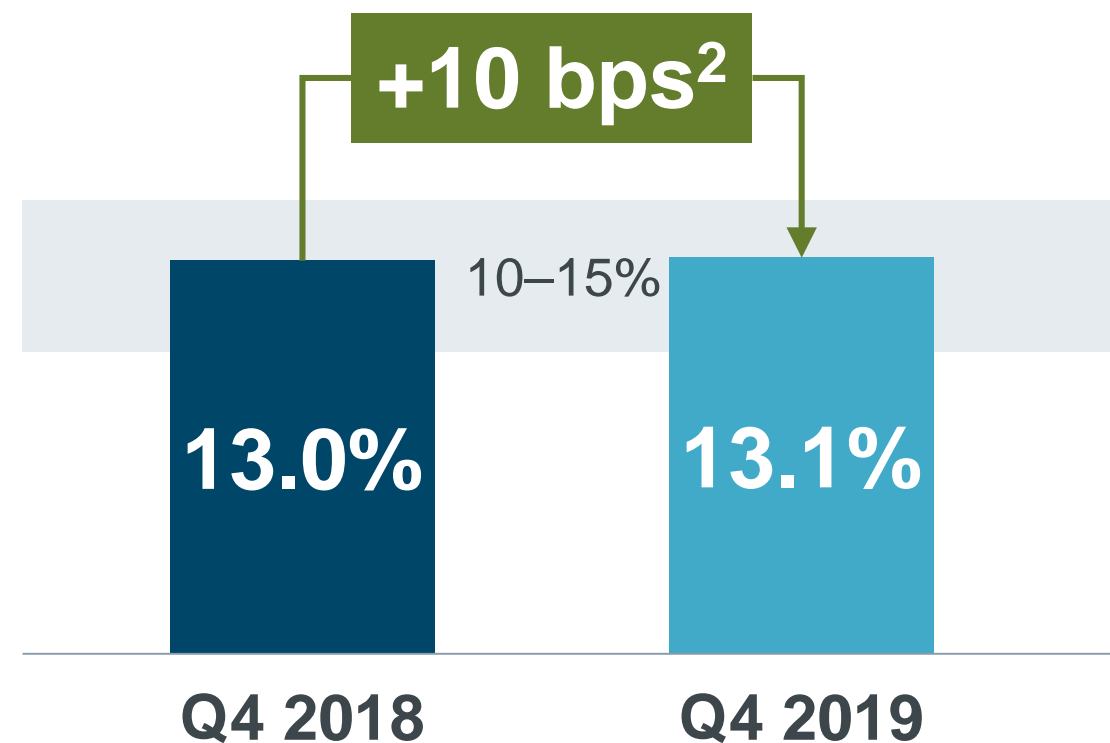
² Basis points

Smart Infrastructure

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Ingenuity for life

Profit margin¹

Adjusted EBITA margin



¹ Excluding severance charges

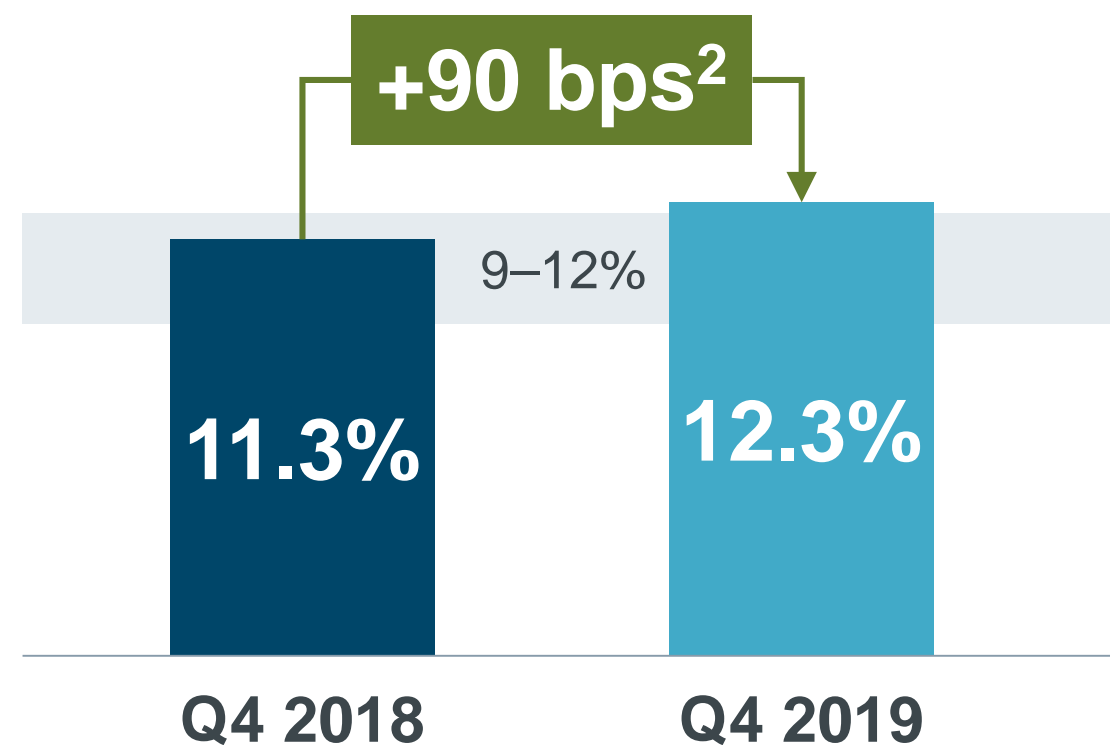
² Basis points

Siemens Mobility

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Profit margin¹

Adjusted EBITA margin



¹ Excluding severance charges

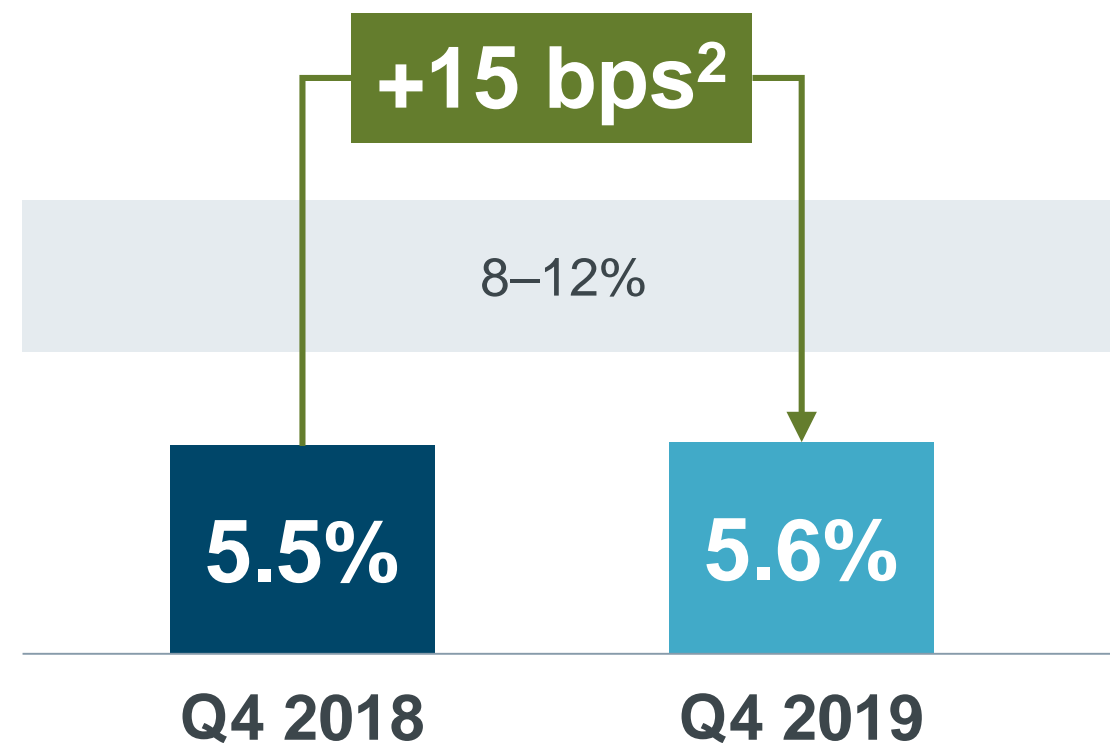
² Basis points

Gas and Power



Profit margin¹

Adjusted EBITA margin

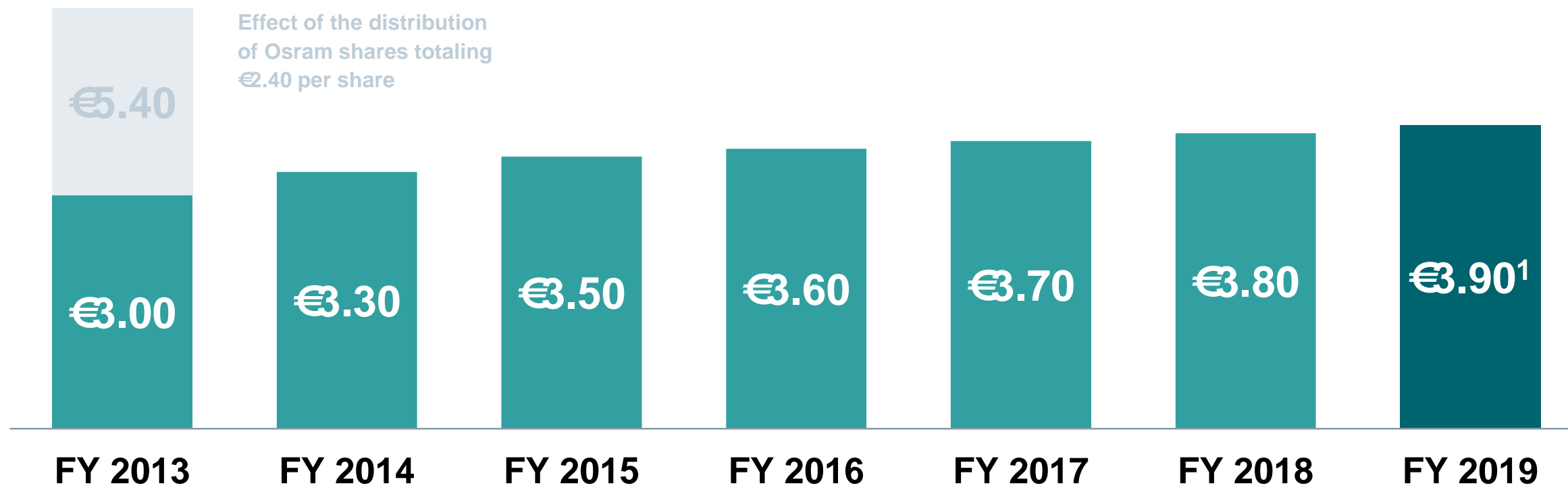


¹ Excluding severance charges

² Basis points

Sustainable returns to our shareholders

Attractive dividend policy

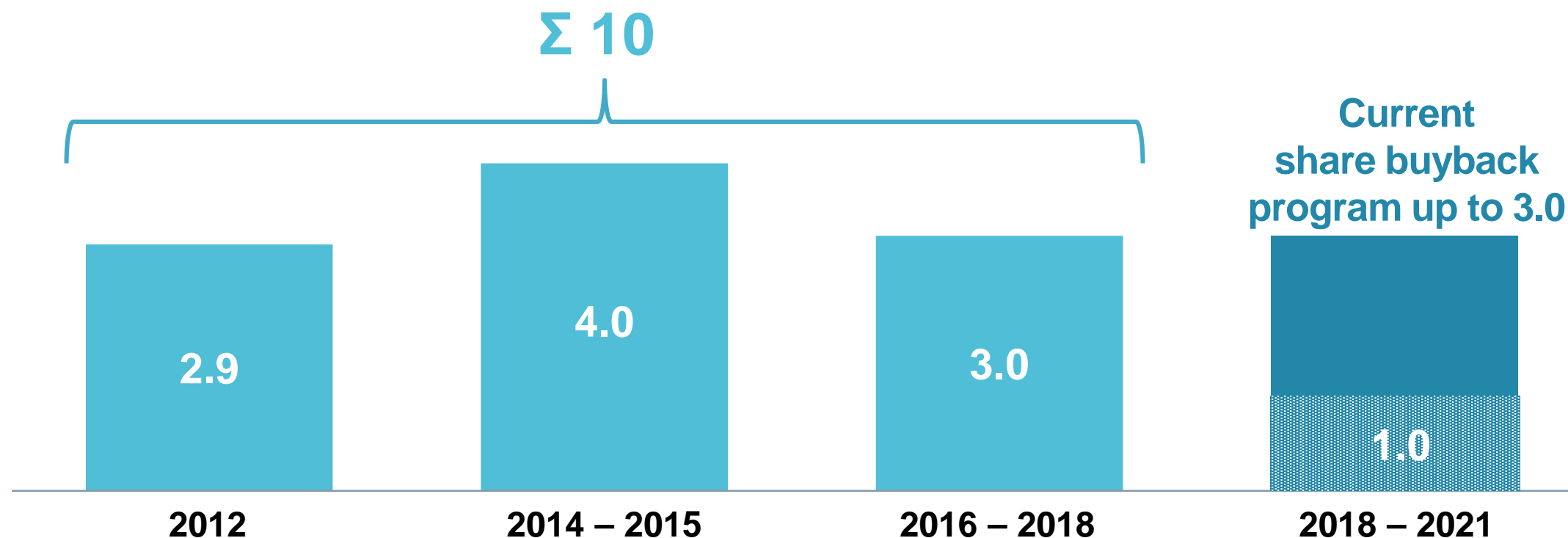


¹ Proposal to the Annual Shareholders' Meeting in 2020

Sustainable returns to our shareholders – Successful share buyback programs

Share buyback programs

in billions of euros



Michael Sen

Co-CEO of Gas and Power Operating Company
Designated CEO of Siemens Energy

Five reasons for a successful Siemens Energy



The world needs a sustainable, affordable and reliable energy supply.

1

- Climate change is real and threatens human existence
- Energy demand is growing worldwide
- Electricity will be the backbone of our energy supply

Siemens Energy will be a driving force in decarbonization.

2

- No medium-term alternative to high-efficiency fossil power generation
- Long-term trend to renewables, storage, power-to-X, grid expansion
- THE partner no matter where the journey begins

Siemens Energy will play a leading role in the energy market.

3

- ~88,000 employees
- ~€30 billion business volume
- ~€70 billion order backlog
- Basis for 20% of today's global power generation

Figures FY18 pro forma

As an independent company, we can bundle our strengths.

4

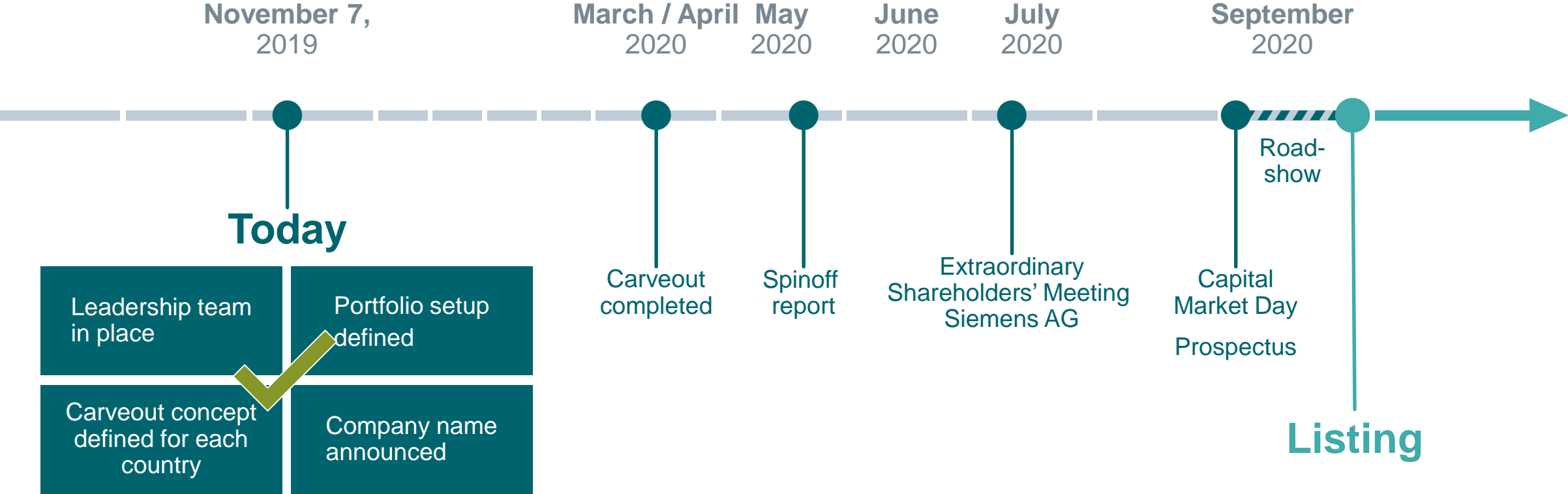
- Capital allocation focused on Siemens Energy
- Flexible market access and regional presence
- Optimal orientation for transition in the energy market

Siemens Energy is Siemens.

5

- Shares Siemens' DNA and its proud company history
- Siemens Energy set to develop further

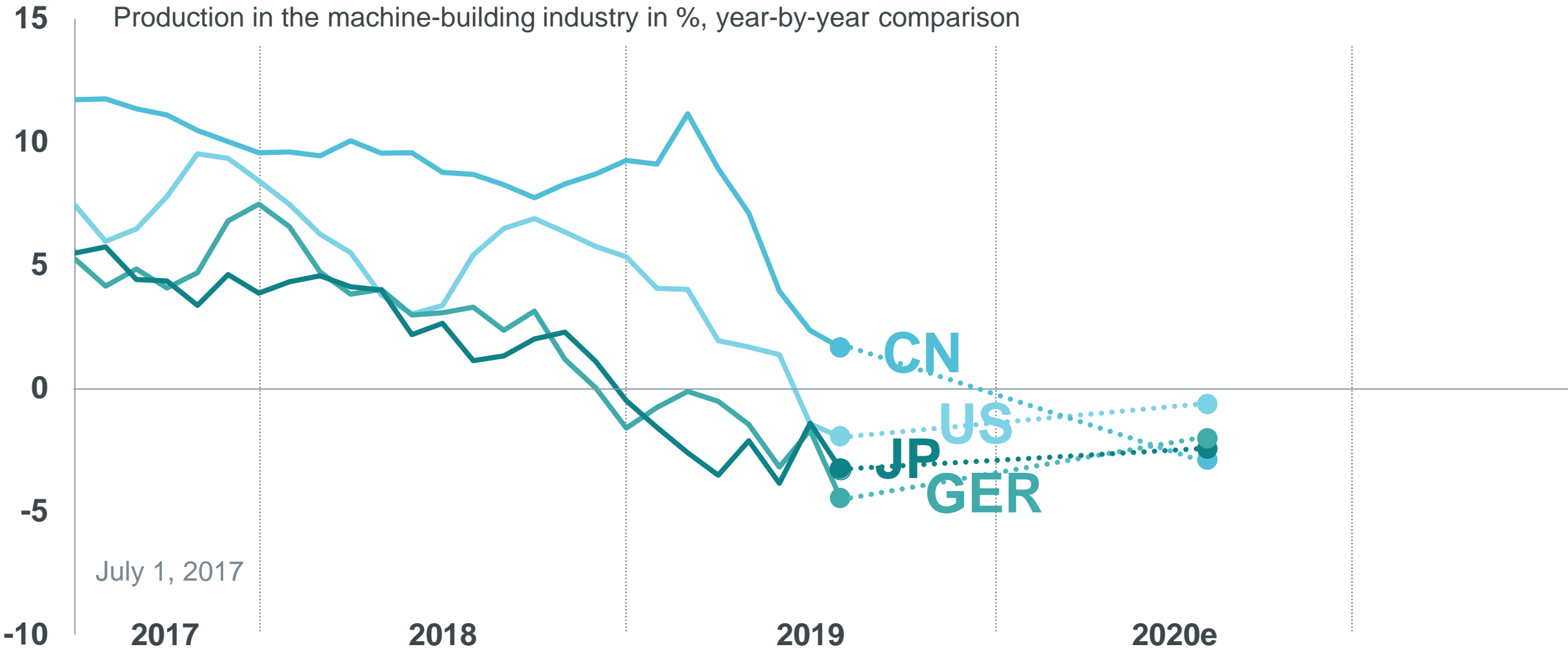
Siemens Energy – Milestones to public listing



Joe Kaeser

President and CEO of Siemens AG

Global economy is losing momentum

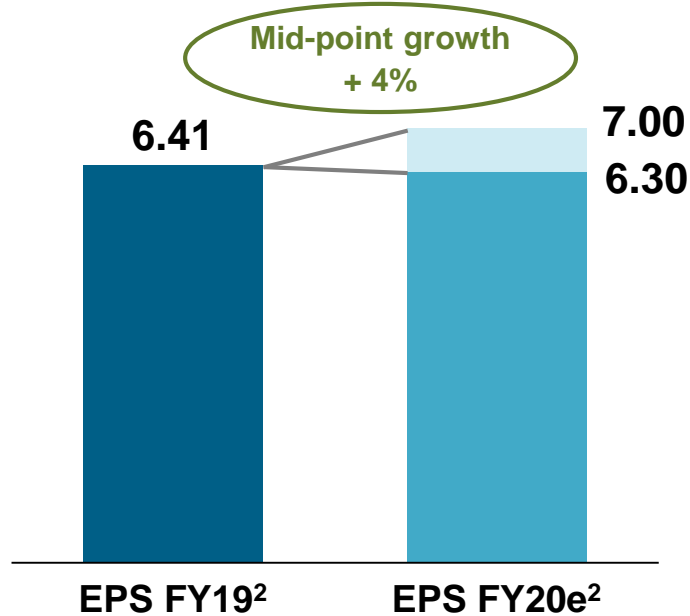


Sources: Federal Reserve, Nationale Statistische Ämter; Forecasts: ARC, IHS Markit, VDMA

Outlook for fiscal 2020

Siemens Group

- Book-to-bill > 1
- Moderate revenue growth¹



Siemens Operating and Strategic Companies (non-listed)

| | Revenue growth ¹ | Adj. EBITA margin expectation ² |
|----------------------|-----------------------------|--|
| Digital Industries | Flat | 17% – 18% |
| Smart Infrastructure | Moderate | 10% – 11% |
| Mobility | Mid-single digit | 10% – 11% |
| Gas and Power | Moderate | 2% – 5% |

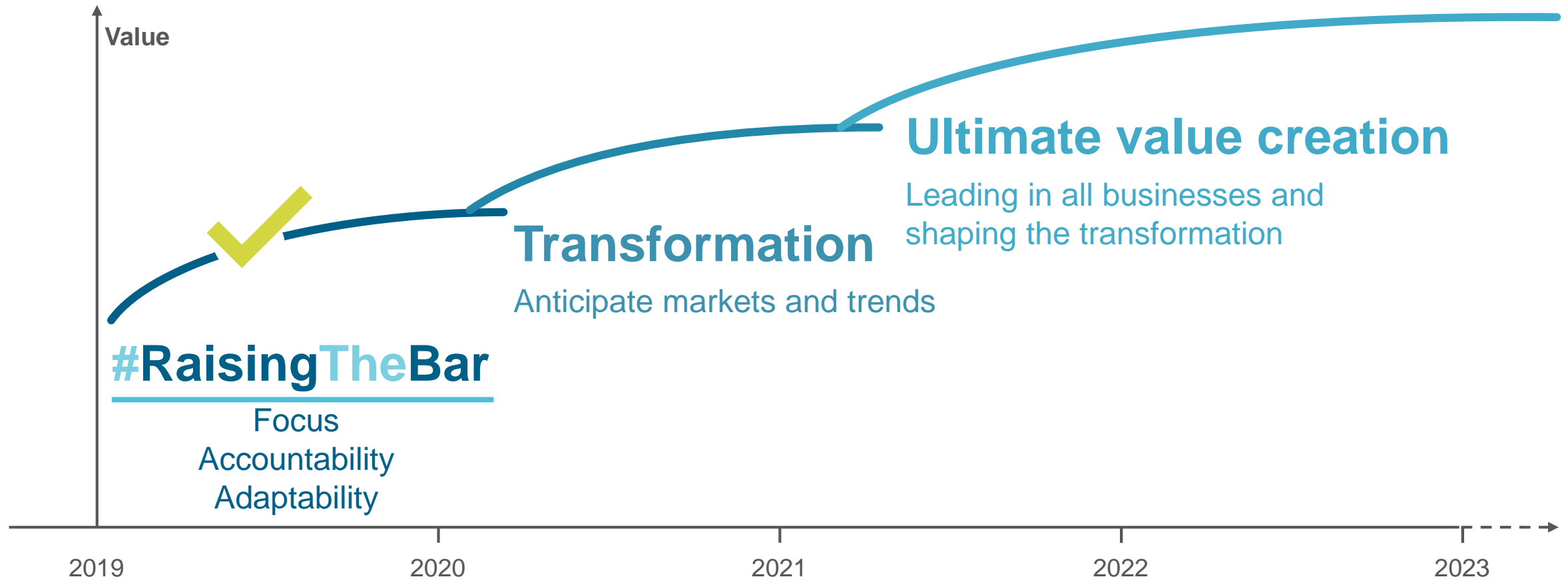
¹ On a comparable basis, adjusted for currency translation and portfolio effects ² As reported

Vision 2020+

| | |
|-----------------------|---|
| Focus | Siemens Energy |
| Accountability | Industrial Core: Digital Industries, Smart Infrastructure and Mobility |
| Adaptability | Next-generation SIEMENS |

Vision 2020+ Strategy concept for the industrial transformation

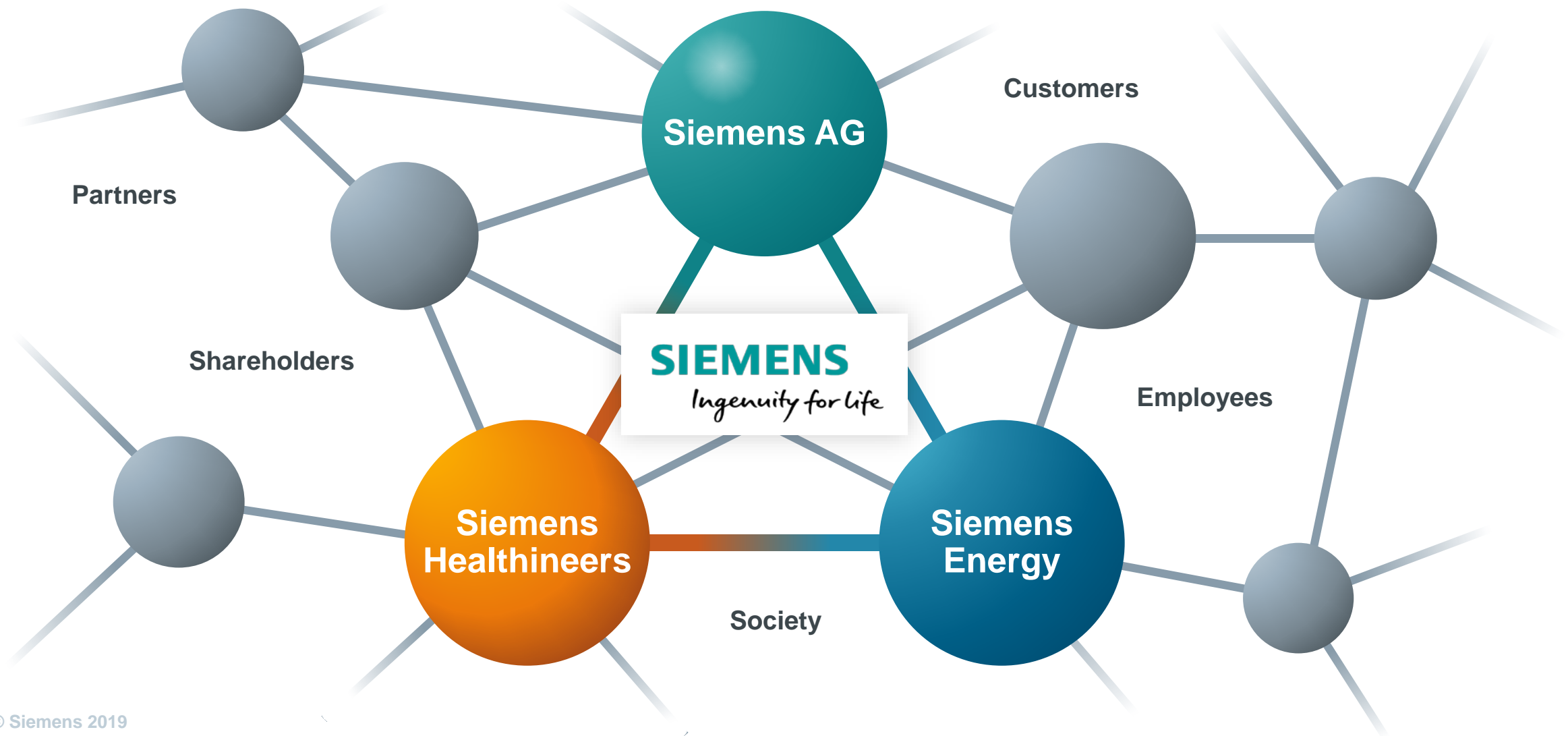
SIEMENS
Ingenuity for life



Foster Ownership Culture and strengthen entrepreneurial focus

The next-generation SIEMENS brand – Three strong companies form an ecosystem

SIEMENS
Ingenuity for life



Questions & answers

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