

Munich, May 17, 2023

Outstanding performance continues – outlook raised again

- **Several records in Q2 2023, including impressive margin increases and all-time highs in profit for Digital Industries and Smart Infrastructure, as well as another record order backlog**
- **At €23.6 billion, orders reached a very high level (Q2 2022: €21.0 billion)**
- **Revenue rose 15 percent on a comparable basis to €19.4 billion (Q2 2022: €17.0 billion)**
- **Profit Industrial Business surged 47 percent to €2.6 billion (Q2 2022: €1.8 billion)**
- **Net income nearly tripled to €3.6 billion (Q2 2022: €1.2 billion)**
- **Excellent free cash flow all-in at Group level totaled €2.3 billion (Q2 2022: €1.3 billion)**
- **Outlook for revenue growth and earnings per share pre PPA effects raised again**

Siemens continued its strong growth momentum also in Q2 2023 (ended March 31, 2023). The quarter was characterized by very strong order intake, outstanding revenue growth driven by substantial increases at Digital Industries, Smart Infrastructure and Mobility, and higher Profit Industrial Business, including sharp increases at Smart Infrastructure and Digital Industries, which both achieved their highest-ever quarterly profit. Following the strong first half of fiscal 2023, Siemens is again raising its outlook for the fiscal year.

“Siemens continues its outstanding performance, delivering several records, including impressive margin increases and all-time highs in profit for Digital Industries and Smart Infrastructure, as well as another record in order backlog,” said

Roland Busch, President and CEO of Siemens AG. “Our very strong results show that we have the right strategy, the right technology, and the right team to support our customers in becoming more competitive, resilient and sustainable.”

“We have delivered what we promised: We converted our fantastic revenue growth into high profit and ultimately into strong free cash flow. That is execution at its best, giving us the confidence to raise our guidance,” said Ralf P. Thomas, Chief Financial Officer of Siemens AG.

Sharp increases in Profit Industrial Business

In Q2 2023, Siemens increased revenue 15 percent on a comparable basis to €19.4 billion (Q2 2022: €17.0 billion). Orders also rose 15 percent on a comparable basis to €23.6 billion (Q2 2022: €21.0 billion), driven primarily by Mobility’s highest-ever quarterly order intake. The book-to-bill ratio was a strong 1.22. At €105 billion, the order backlog set another record and is of high quality.

Profit Industrial Business surged 47 percent to €2.6 billion (Q2 2022: €1.8 billion). At 14.2 percent, the profit margin was 3.2 percentage points above the level of the prior-year quarter (Q2 2022: 11.0 percent). Net income nearly tripled to €3.6 billion (Q2 2022: €1.2 billion), benefiting from a €1.6 billion tax-free gain from the reversal of an impairment of Siemens’ stake in Siemens Energy AG. Corresponding basic earnings per share before purchase price allocation accounting were €4.57 (Q2 2022: €1.50), whereby €2.01 were related to the impairment reversal.

At €2.3 billion, free cash flow all-in at Group level from continuing and discontinued operations was at an outstanding level (Q2 2022: €1.3 billion). Industrial Business generated very strong free cash flow of €2.7 billion (Q2 2022: €1.9 billion).

Record quarterly results at Smart Infrastructure and Digital Industries

At Digital Industries, revenue rose by a total of 23 percent on a comparable basis to €5.5 billion, with double-digit revenue growth at all businesses. The strongest growth contributions came from the automation businesses due to the increased availability of components and the accelerated conversion of the order backlog. Orders declined 10 percent on a comparable basis to €5.3 billion and were – as expected – below the high level of Q2 2022. Profit climbed 57 percent to €1.3 billion, the

highest-ever quarterly result, while the profit margin totaled 23.5 percent. Profit and profitability increased at all automation businesses, supported by higher revenue and a more favorable product mix with an improved availability of components for high-margin products.

At Smart Infrastructure, orders rose 9 percent on a comparable basis to €5.5 billion. This increase was driven mainly by substantial growth in the electrification business due to a number of larger contracts from data centers, the semiconductor industry and power distribution customers. Revenue at all businesses increased 21 percent on a comparable basis to €4.9 billion. The electrical products and electrification businesses were the main contributors to this double-digit revenue growth. Profit climbed 75 percent to €779 million, while the profit margin totaled €15.9 percent (Q2 2022: 11.1 percent). Both profit and profitability were at an all-time quarterly high.

At Mobility, order intake more than doubled to achieve its highest-ever quarterly level. This strong increase was driven by a number of large contract wins, including a €2.9 billion order for locomotives and associated maintenance in India and a €0.3 billion order for a signaling system and station infrastructure in Singapore. Revenue rose 33 percent on a comparable basis to €2.7 billion, with growth contributions from all businesses, led by sharply higher revenue in the rolling stock business. While profit increased to €247 million, the profit margin totaled 9.2 percent. Profit and profitability turned positive compared to Q2 2022, which had been impacted by burdens of €0.6 billion resulting from the sanctions imposed on Russia.

Outlook raised again

Following the strong first half of fiscal 2023, Siemens again raises its outlook for the fiscal year.

For the Siemens Group the company now expects comparable revenue growth, net of currency translation and portfolio effects, in the range of 9 percent to 11 percent (previously expected at 7 percent to 10 percent) and continues to expect a book-to-bill ratio above 1.

Digital Industries now expects for fiscal 2023 to achieve comparable revenue growth of 17 percent to 20 percent (previously expected at 12 percent to 15 percent). The profit margin is now expected to be 22.5 percent to 23.5 percent (previously expected at 20 percent to 22 percent).

Smart Infrastructure now expects for fiscal 2023 comparable revenue growth of 14 percent to 16 percent (previously expected at 9 percent to 12 percent). The profit margin is now expected to be 14.5 percent to 15.5 percent (previously expected at 13.5 percent to 14.5 percent).

Mobility now expects for fiscal 2023 comparable revenue growth of 10 percent to 12 percent (previously expected at 6 percent to 9 percent). The profit margin is continued to be expected in the range of 8 percent to 10 percent.

Siemens now expects this profitable growth of its industrial businesses to drive an increase in EPS pre PPA to a range of €9.60 to €9.90 (previously expected at €8.90 to €9.40) in fiscal 2023. Including €2.01 per share in the second quarter of fiscal 2023 resulting from partial reversal of the previous impairment on Siemens' stake in Siemens Energy AG, EPS pre PPA is expected in a range of €11.61 to €11.91.

This outlook excludes burdens from legal and regulatory matters and material impairments as well as reversals of material impairments.

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

Contacts for journalists

Florian Martens

Phone: +49 162 230-6627; e-mail: florian.martens@siemens.com

Katharina Hilpert

Phone: +49 173 893-4962; e-mail: katharina.hilpert@siemens.com

Simon Friedle

Phone: +49 1525 215-9076; e-mail: simon.friedle@siemens.com

Follow us on Twitter: www.twitter.com/siemens_press

Siemens AG (Berlin and Munich) is a technology company focused on industry, infrastructure, transport, and healthcare. From more resource-efficient factories, resilient supply chains, and smarter buildings and grids, to cleaner and more comfortable transportation as well as advanced healthcare, the company creates technology with purpose adding real value for customers. By combining the real and the digital worlds, Siemens empowers its customers to transform their industries and markets, helping them to transform the everyday for billions of people. Siemens also owns a majority stake in the publicly listed company Siemens Healthineers, a globally leading medical technology provider shaping the future of healthcare. In addition, Siemens holds a minority stake in Siemens Energy, a global leader in the transmission and generation of electrical power.

In fiscal 2022, which ended on September 30, 2022, the Siemens Group generated revenue of €72.0 billion and net income of €4.4 billion. As of September 30, 2022, the company had around 311,000 employees worldwide. Further information is available on the Internet at www.siemens.com.

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, 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 in the Combined Management Report of the Siemens Report (siemens.com/siemensreport), and in the Interim Group Management Report of the Half-year Financial Report (provided that it is already available for the current reporting year), which should be read in conjunction with the Combined Management Report. Should one or more of these risks or uncertainties materialize, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, should events of force majeure, such as pandemics, unrest or acts of war, 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.

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.