

Outstanding performance in fiscal 2022 – Strong fourth quarter finish

- **Orders in fiscal 2022 climbed 17 percent on a comparable basis to €89.0 billion (fiscal 2021: €71.4 billion)**
- **Revenue in fiscal 2022 grew 8.2 percent on a comparable basis to €72.0 billion (fiscal 2021: €62.3 billion)**
- **Profit Industrial Business at record level of €10.3 billion (fiscal 2021: €8.8 billion) – Profit margin of the Industrial Business rose to 15.1 percent (fiscal 2021: 15.0 percent)**
- **Once again excellent free cash flow at Group level of €8.2 billion (fiscal 2021: €8.2 billion)**
- **Digital business revenue grew around 15 percent to €6.5 billion (fiscal 2021: €5.6 billion)**
- **Increased dividend of €4.25 per share (fiscal 2021: €4.00) proposed**
- **Outlook for fiscal 2023: Siemens expects revenue growth of 6 percent to 9 percent on a comparable basis and basic earnings per share before purchase price allocation accounting in a range of €8.70 to €9.20**

Siemens once again delivered an outstanding performance in fiscal 2022 (as of September 30, 2022). Based on strong growth momentum, all four industrial businesses recorded increases in order intake and revenue. In some cases, these increases were significant. Despite a continuing complex macroeconomic environment influenced, among other things, by economic sanctions on Russia, high inflation and the impact of the COVID-19 pandemic, Siemens grew again in all key markets. In addition, major interruptions in fiscal 2022 could be avoided despite supply chain risks in the areas of electronic components, raw materials and logistics.

Shareholders are also to benefit from the company's outstanding performance. The Supervisory and Managing Boards propose increasing the prior-year dividend of €4.00 to €4.25. This proposal reflects Siemens' outstanding performance in fiscal 2022 and the company's strong confidence in its future development.

"Siemens delivered another outstanding performance in fiscal 2022, with a record-high profit of more than €10 billion in our Industrial Business. We successfully executed our strategy, capturing market share and achieving high value growth. Strong demand continues for our hardware and software offerings, including higher than expected growth for our digital business revenue. Our people made an incredible contribution in an extremely challenging year," said Roland Busch, President and CEO of Siemens AG.

"Siemens is a consistently high-performing company. Along with a new high for Profit Industrial Business, we generated free cash flow of €8.2 billion overall – again an excellent level for fiscal 2022," said Ralf P. Thomas, Chief Financial Officer of Siemens AG. "Our shareholders will also benefit from our strong performance. With an increase of the dividend to €4.25, a corresponding dividend yield of 4.2 percent and our accelerated share buyback, as well as a reduction in the number of shares outstanding, we continue to be a highly attractive investment."

Revenue guidance exceeded – Outstanding free cash flow

In fiscal 2022, Siemens increased revenue on a comparable basis – without currency translation and portfolio effects – 8.2 percent to €72.0 billion (fiscal 2021: €62.3 billion) and thus exceeded its guidance for revenue growth (6 percent to 8 percent). Orders grew 17 percent on a comparable basis to €89.0 billion (fiscal 2021: €71.4 billion). At 1.24, the book-to-bill ratio was at an excellent level (fiscal 2021: 1.15). At €102 billion, the order backlog again set a new record with high quality.

Digital business continued to grow rapidly and climbed around 15 percent to €6.5 billion (fiscal 2021: €5.6 billion), enabling Siemens to considerably exceed its announced growth rate of an average annual growth of 10 percent.

Profit of the Industrial Business also set a new record, increasing 17 percent to €10.3 billion (fiscal 2021: €8.8 billion). The profit margin of the Industrial Business improved to 15.1 percent. Net income came in at €4.4 billion (fiscal 2021: €6.7 billion). This decline was primarily due to the non-cash impairment of €2.7 billion in Q3 2022 related to the company's stake in Siemens Energy. Corresponding basic earnings per share before purchase price allocation accounting were €5.47 (fiscal 2021: €8.32); excluding the burden of the impairment related to the Siemens Energy stake, the figure was €8.84.

At €8.2 billion, free cash flow all-in at Group level from continuing and discontinued operations again reached the record level of the prior year (fiscal 2021: €8.2 billion). The Industrial Business delivered excellent free cash flow of €9.7 billion (fiscal 2021: €9.8 billion).

Strong fourth quarter finish

Orders in Q4 climbed to €21.8 billion (Q4 2021: €19.1 billion), featuring strong growth at Smart Infrastructure and Siemens Healthineers, in particular. Revenue also rose 12 percent on a comparable basis to €20.6 billion (Q4 2021: €17.4 billion). All industrial businesses contributed to this growth, led by double-digit growth at Digital Industries and Smart Infrastructure. At 1.06, the book-to-bill ratio was again considerably above 1.

Outlook for fiscal 2023

Siemens' outlook for fiscal 2023 is based on the assumptions that geopolitical tensions do not further escalate and challenges from COVID-19 and supply chain constraints continue to ease. Under these conditions, with the company's high order backlog, particularly in short-cycle businesses, Siemens expects its industrial businesses to continue their profitable growth.

For the Siemens Group, the company expects comparable revenue growth, net of currency translation and portfolio effects, in the range of 6 percent to 9 percent and a book-to-bill ratio above 1.

Digital Industries expects for fiscal 2023 to achieve comparable revenue growth of 10 percent to 13 percent. The profit margin is expected to be 19 percent to 22 percent.

Smart Infrastructure expects for fiscal 2023 comparable revenue growth of 8 percent to 11 percent. The profit margin is expected to be 13 percent to 14 percent.

Mobility expects for fiscal 2023 comparable revenue growth of 6 percent to 9 percent. The profit margin is expected to be 8 percent to 10 percent.

Siemens expects this profitable growth of its industrial businesses to drive basic EPS from net income before purchase price allocation accounting (EPS pre PPA) to a range of €8.70 to €9.20 in fiscal 2023.

This outlook excludes burdens from legal and regulatory matters and material impairments.

This press release is available at <https://sie.ag/3X5la0k>

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

Daniela Markovic

Phone: +49 172 699-8785; e-mail: daniela.markovic@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.

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.

All information is preliminary.