

# Successful start to fiscal 2024

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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.

# Q1 Business highlights

Strong performance, accelerating transformation by combining the real and digital worlds

## ROBUST TOPLINE

### Orders up

- Book-to-bill 1.21, driven by MO
- SI on a high level
- DI AUT sequentially up

### Clear revenue growth

- Up +6%
- Driven by MO, SI and SHS
- DI slightly lower

### Competitive strength

- SI Electrification standing out, revenue up +20%

## STRINGENT EXECUTION

### Successful conversion

- Q1 IB profit of €2.7bn
- IB margin at 15.8%

### Sharply improved free cash flow

- €1.3bn for IB
- €1.0bn “all in”

### Full-year guidance confirmed

## CONSISTENT STRATEGY

### Accelerating transformation

- Driving industrial metaverse
- Ecosystem expansion

### SaaS transition fully on track

- ARR up +15%,
- Cloud ARR at €1.3bn

### Portfolio optimization

- SE stake reduced to 17.1%
- 18% Siemens Ltd. India acquired
- Heliox acquisition closed

## Q1 Key Financials

Orders

**€22.3bn**

+2%

Revenue

**€18.4bn**

+6%

IB Profit margin

**15.8%**

EPS pre PPA

**€2.58** ex SE  
invest

**€3.19** as reported

Free cash flow

**€1.0bn**

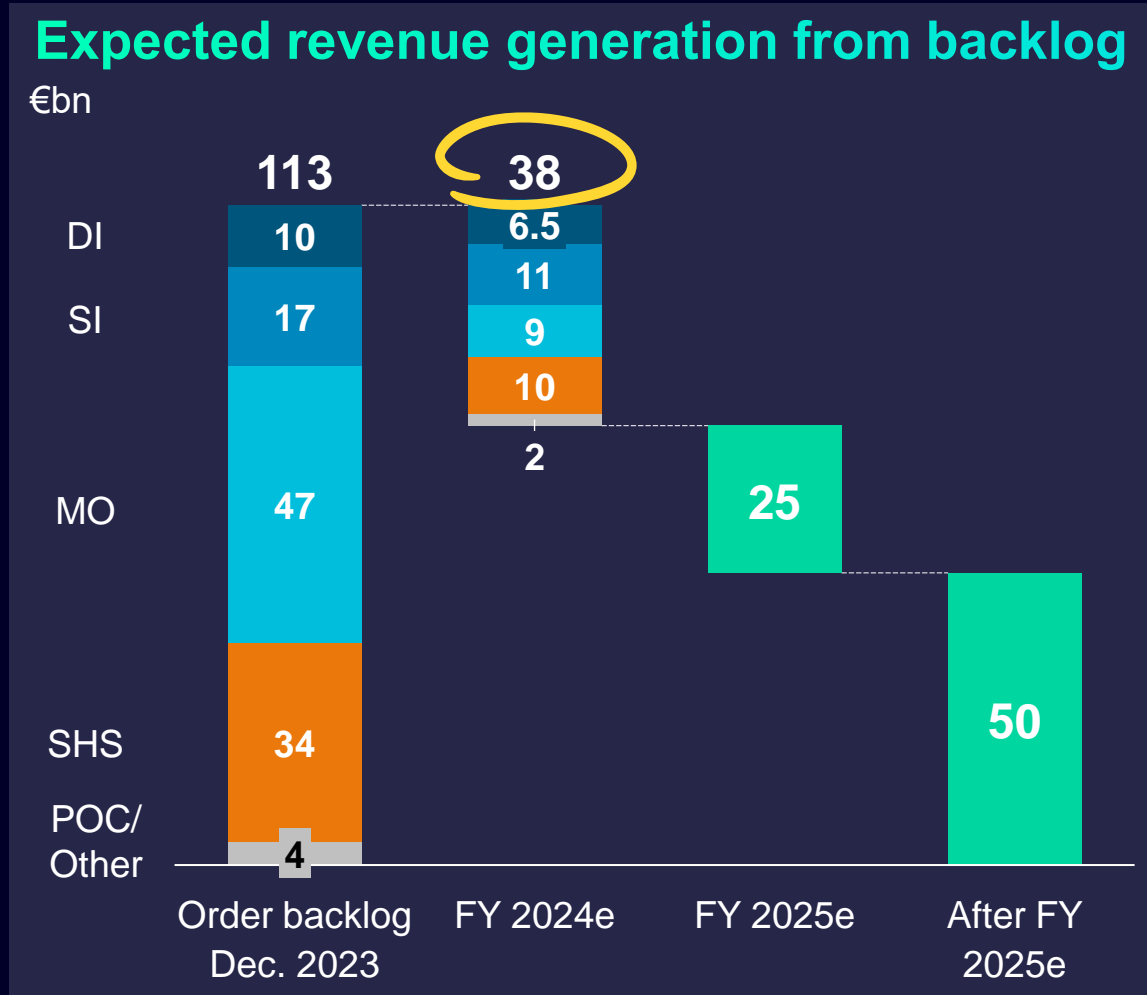
Industrial Net debt/EBITDA

**0.7x**

Note: Orders and Revenue growth comparable

# Order backlog on record level

## Stringent execution building on resilient supply chains



### Leveraging operational excellence

- Continuing high demand in systems, solution and service businesses on secular trends
- Short-cycle product orders further normalizing with ongoing destocking
- Stringent management of Red Sea logistical challenges, building on experience
- Excellent transparency through data analytics and AI in the supply chain
- Resilience through localized value chains



# Siemens delivers innovations to enable the industrial metaverse

## Powerful tech event at CES 2024

### Siemens & AWS

## Access to generative AI



- Integration of AWS Bedrock into Siemens Mendix low code development platform
- Customers to create new and upgrade existing applications with latest generative AI technologies
- Simpler, faster and more efficient development to drive productivity

### Siemens & Sony

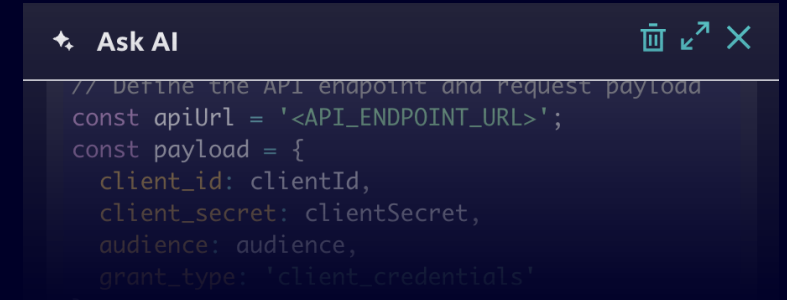
## Immersive engineering



- Combining Siemens' NX software with Sony's new spatial content creation system
- Create and explore design objects in borderless immersive workspace

### Siemens Xcelerator

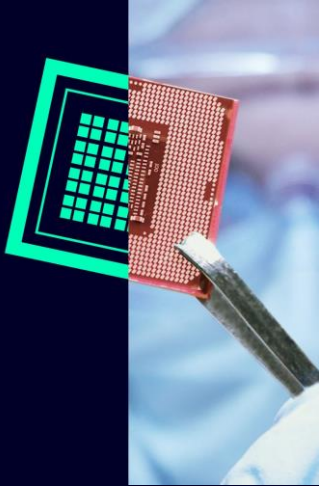
## Launch developer portal



- Holistic space to explore and access Siemens' and partner APIs
- Full set of developer resources and innovative AI companion
- Streamlined developer journey from discovery to deployment

# Siemens Xcelerator and vertical know-how drive customer value

## Sustainability impact through decarbonization, resource efficiency & people centricity



### SEMICONDUCTOR – INTEL

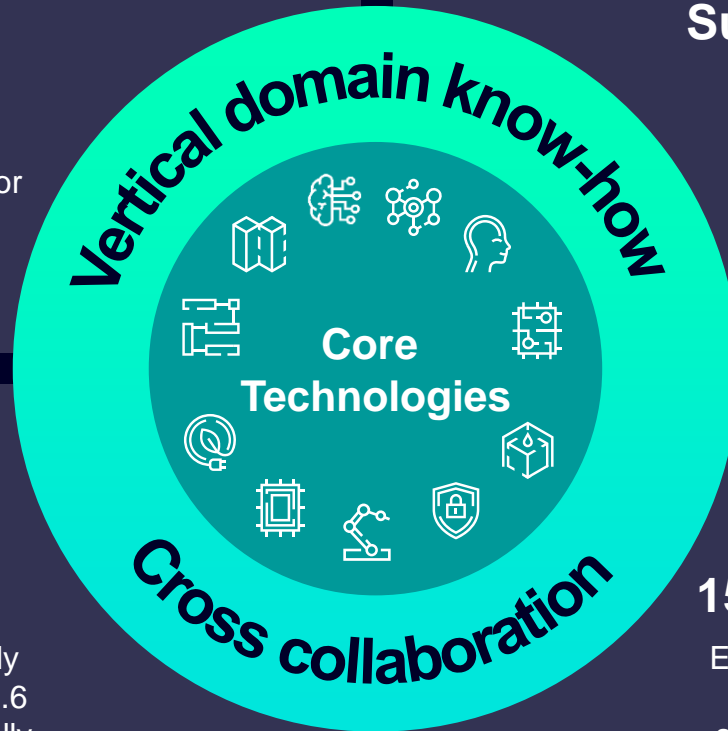
#### Advanced manufacturing

Enhanced efficiency and sustainability in semiconductor infrastructure, facilities and factory operations across entire value chain

### AUTOMOTIVE – RED BULL FORD POWER TRAINS

#### Sustainable future of motorsport

Siemens Xcelerator as digital backbone for development of 2026 next generation hybrid power unit



### PUBLIC TRANSPORT – LEIPZIG & REGION

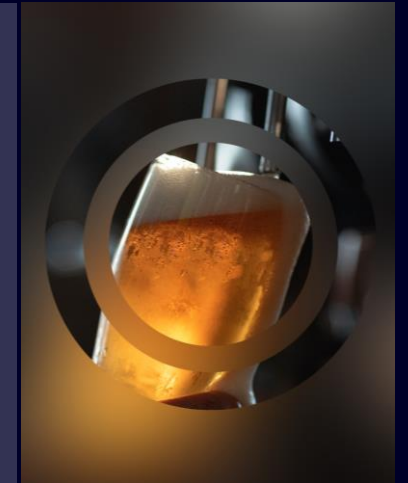
#### 75 Mireo regional trains

Platform based trains, partially battery powered, covering 10.6 million train kilometers annually with up to 25% higher energy efficiency

### FOOD & BEVERAGES – HEINEKEN

#### Decarbonization of 15+ production sites

Energy digital twin simulation as basis for implementation of scalable solutions and services; save up to 20% energy & reduce 50% CO<sub>2</sub>

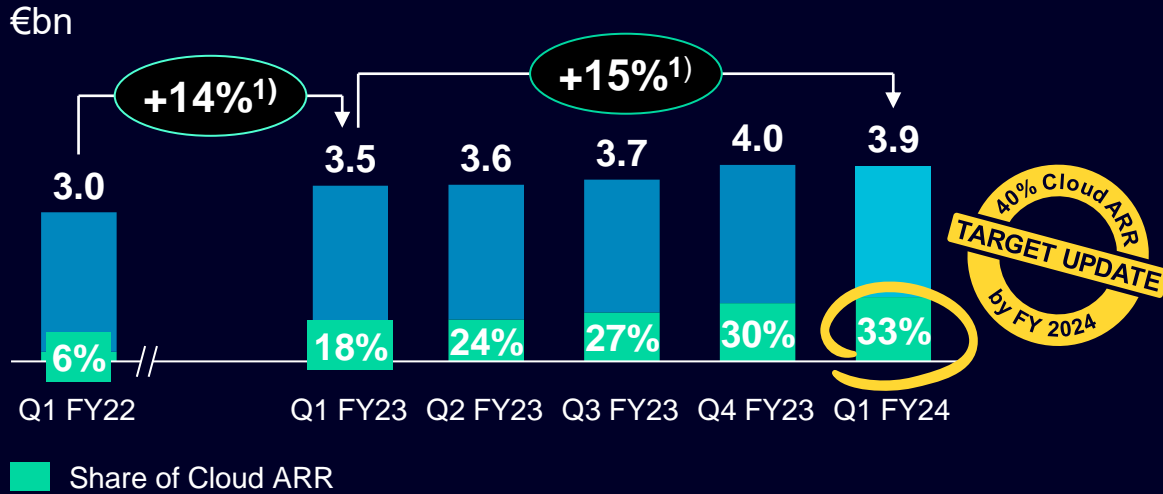


# Combining the real and digital worlds

## Strong underlying growth momentum with SaaS transformation at high pace



### DI SW – Annual Recurring Revenue (ARR)



### Cloud ARR:

- Up 2x y-o-y to €1.3bn

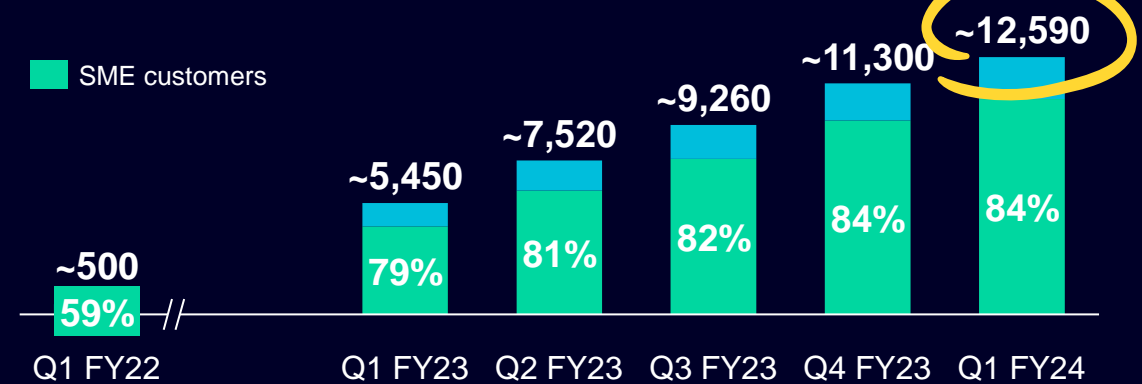
### Cloud invest:

- €56m in Q1 FY 24 | FY 24: targeted invest ~€250m

1 ARR: FX comparable

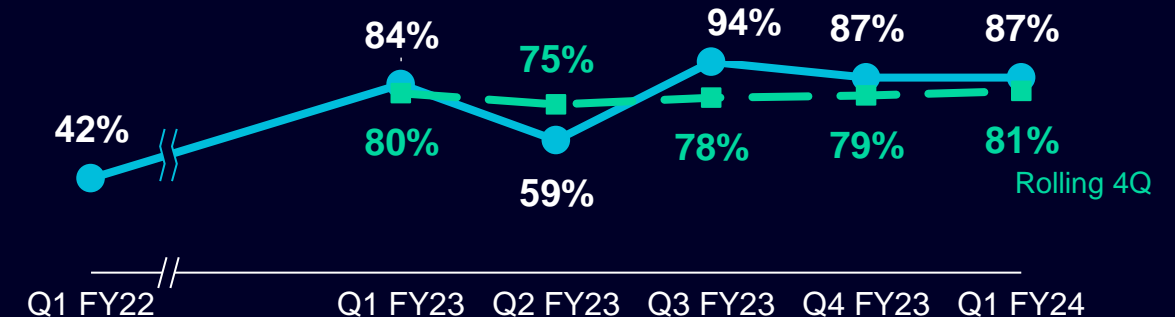
### SaaS transition with high momentum

#### # Customers (accumulated):



### Customer transformation rate to SaaS:

Share of renewals based on total contract value (TCV)

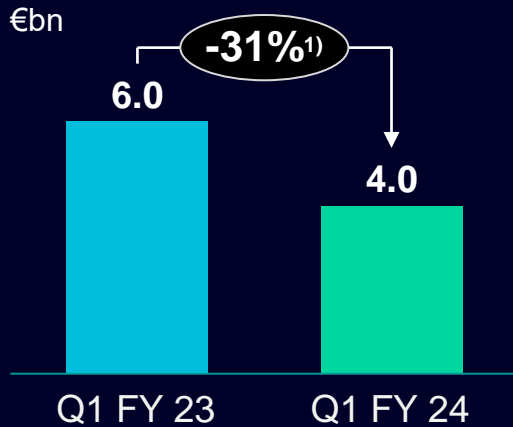




# Digital Industries (DI)

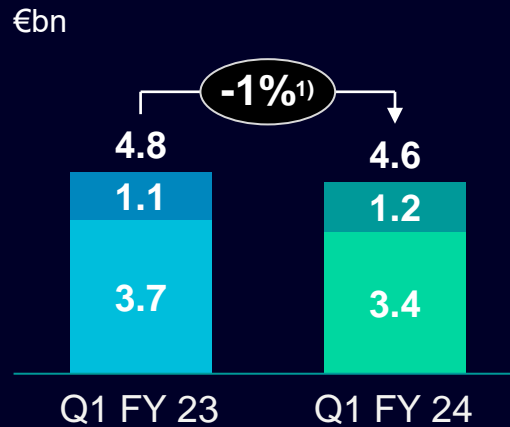
SaaS transition accelerated, powerful start for cash generation, Automation stabilizing

## Orders



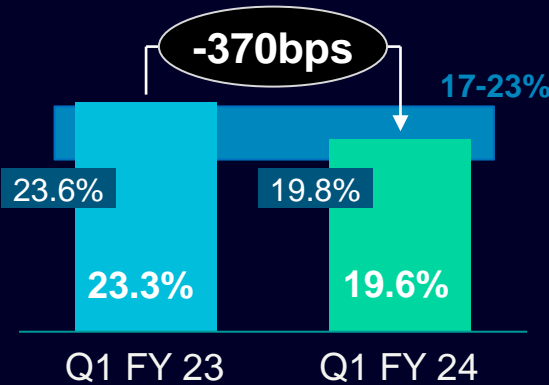
- Sequential growth in Automation
- Continued destocking
- SW lower after record Q4/23
- Book-to-bill at 0.87
- Backlog €10.4bn, therein ~€5bn SW

## Revenue



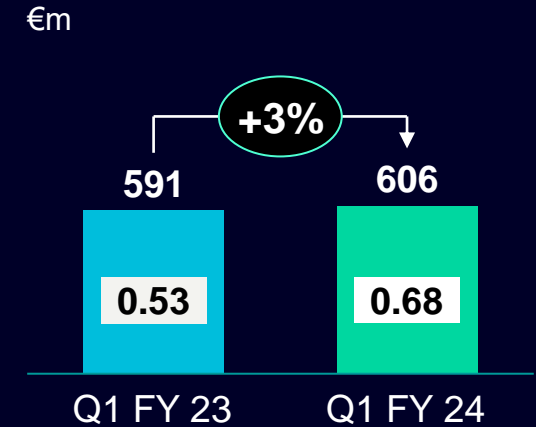
- Automation down -4%
- PLM Software up +13%, EDA flat after exceptional Q4/23 performance

## Profit margin



- Lower capacity utilization
- Less favorable product mix
- FX-effects of -100 bps

## Free cash flow



- Operating working capital on Q4/23 level
- Typical seasonal pattern due to incentive related pay-out

<sup>1</sup> Comparable, excl. FX and portfolio

x.x x.x therein Software

x.x% Profit margin excl. severance

x.xx Cash Conversion Rate

# Digital Industries (DI)

Automation orders sequentially up after trough in Q4 FY 23

Lower fast turning orders affect revenue growth, backlog further normalizing

## Q1 FY 24 – Key regions Automation



China

Orders

-55%

Revenue

-9%

Orders impacted by soft macro and destocking, but sequentially up; Revenue with tough comps



Germany

-29%

-5%

Orders normalizing, sequentially up; Muted macro environment weighed on revenue



Italy

-29%

-11%

Orders normalizing, sequentially up; Revenue lower broad-based



U.S.

-20%

-5%

Orders further normalizing; Process revenue modestly down

## Q1 FY 24 – Software



Global

+8.5%

Robust start driven by PLM SaaS transition fully on track

Note: Growth rates Comparable, excl. FX and portfolio

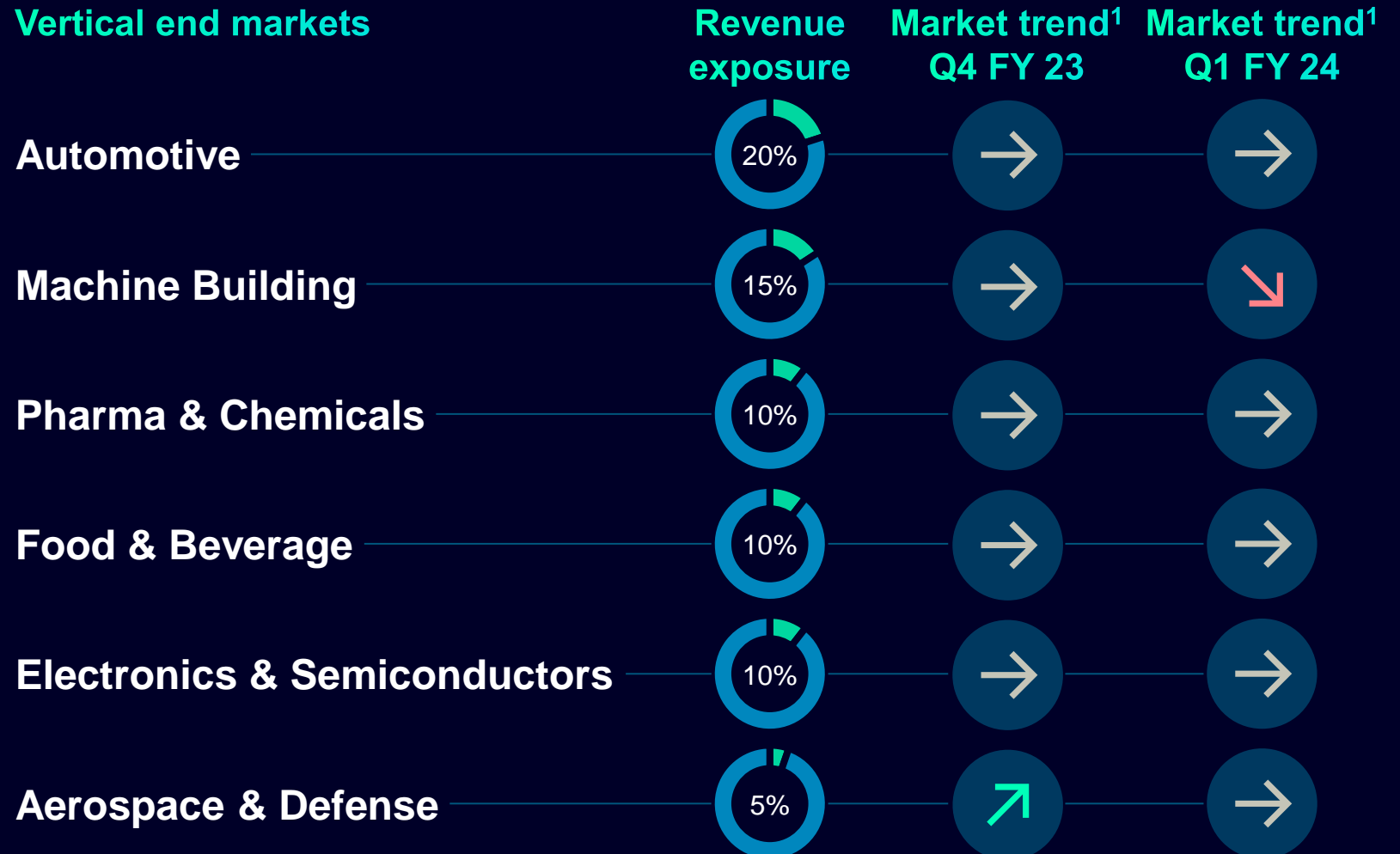
# Digital Industries (DI)

## Vertical end market trends

Still subdued macro environment

Muted growth momentum in key end markets

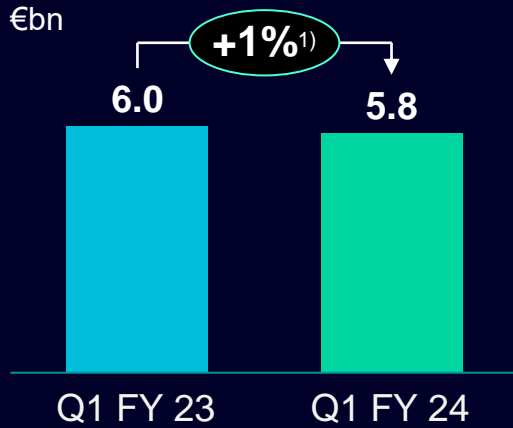
<sup>1</sup> Y-o-Y industry revenue development for next 6 months based on industry production data from statistical office sources (e.g. NBoS, US Fed, Eurostat)



# Smart Infrastructure (SI)

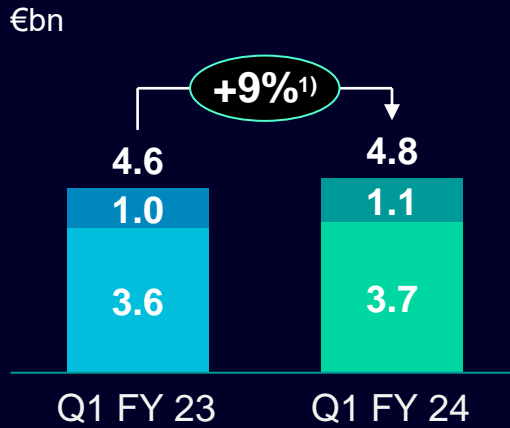
Excellent topline performance, record high profitability, robust start for free cash flow

## Orders



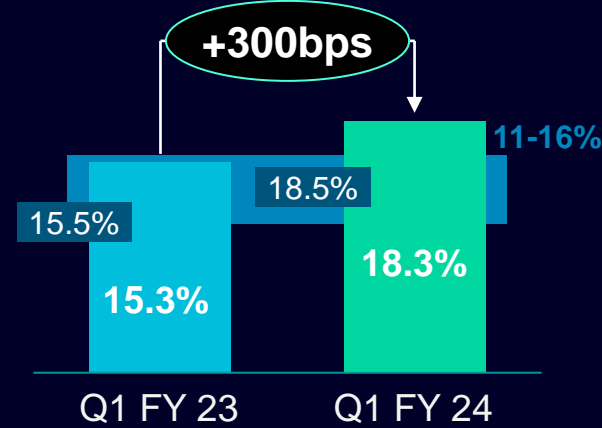
- Book-to-bill at 1.21
- Electrification flat, tough comps, Buildings up +4%, Electrical Products down -3%
- Several large orders from data center customers
- Record backlog €17bn

## Revenue



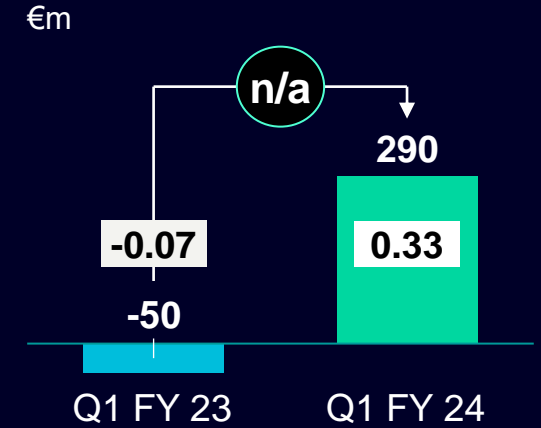
- Electrification with excellent growth of +20%, Electrical Products up +4%
- Buildings up +6% driven by solutions and services
- Service business up +12%

## Profit margin



- Strong conversion on higher revenue and capacity utilization
- Positive effect of 190bps due to partial reversal of liability related to past portfolio activities
- Net positive economic equation
- FX-effects of ~-90bps

## Free cash flow



- Improved cash conversion
- Operating working capital seasonally up, mainly driven by higher inventories for further growth

1 Comparable, excl. FX and portfolio

x.x x.x therein Service

x.x% Profit margin excl. severance

x.xxx Cash Conversion Rate

# Smart Infrastructure (SI)

Order growth driven by buildings business and large orders for data center

Revenue growth fueled by strong backlog execution in most regions

## Q1 FY 24 – Key regions

## Orders Revenue



U.S.

+4%

+15%

Orders up on tough comps driven by Buildings, supported by data center wins; Strong backlog execution, Electrification and Electrical Products (EP) drive growth



Germany

+0%

+0%

Order strength in Buildings balancing softer EP & Electrification on high comps; Revenue up in Buildings & Electrification



China

-4%

-1%

Despite easy comps orders still bottoming out; Revenue soft on macro challenges



Europe  
excl. Germany

-3%

+10%

Lower volume from large orders in Electrification on tough comps; Revenue growth driven by Electrification from power distribution & data center

## Q1 FY 24 – Service



Global

+12%

Broad-based double-digit growth across regions

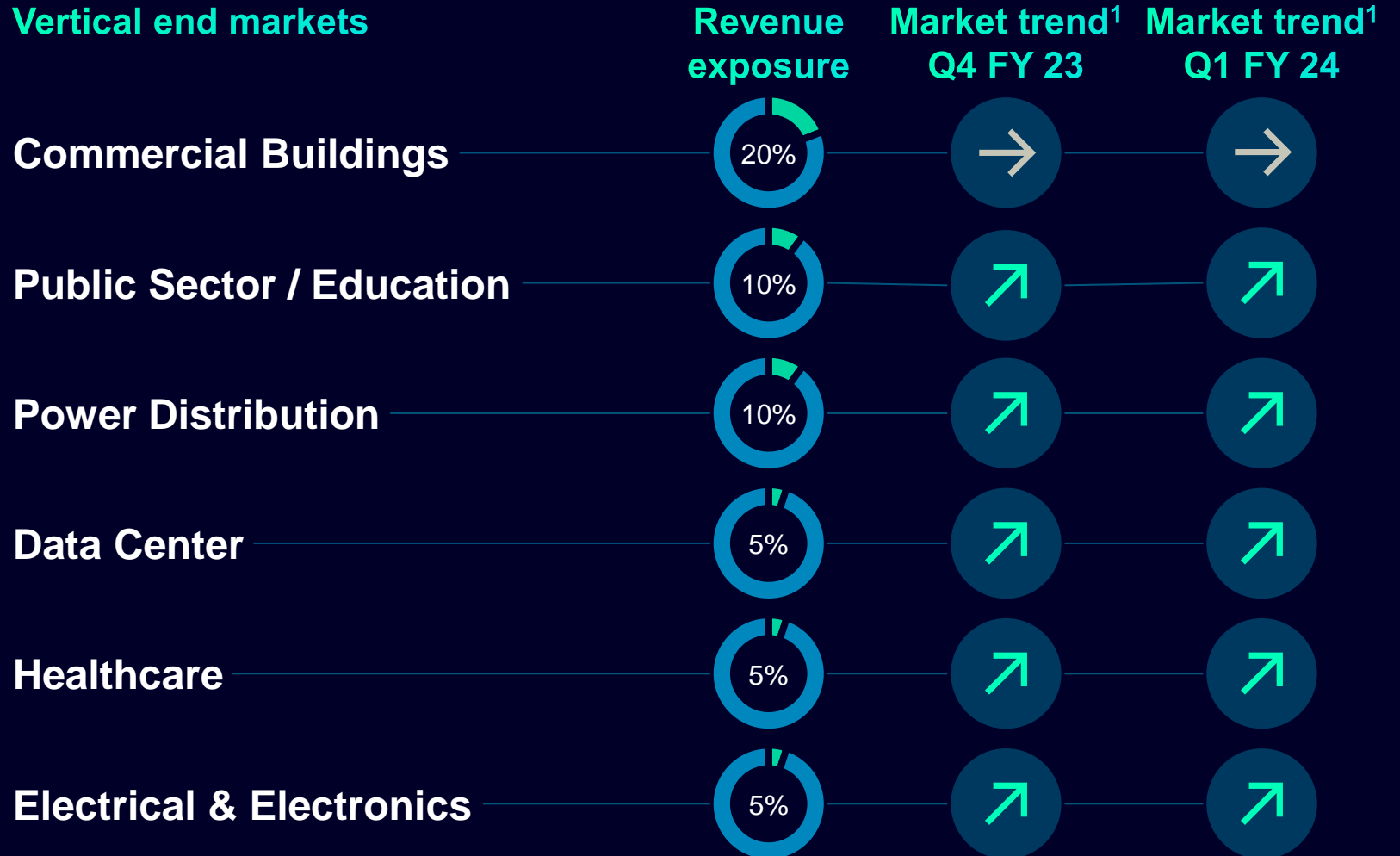
Note: Growth rates Comparable, excl. FX and portfolio

# Smart Infrastructure (SI) Vertical end market trends

Key verticals continue to grow in real terms

Power Distribution and Data Center benefitting from secular growth trends

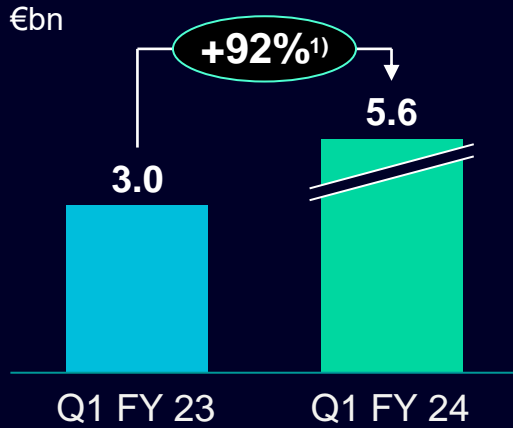
<sup>1</sup> Trend next 3 – 4 quarters, Y-o-Y vertical market development



# Mobility (MO)

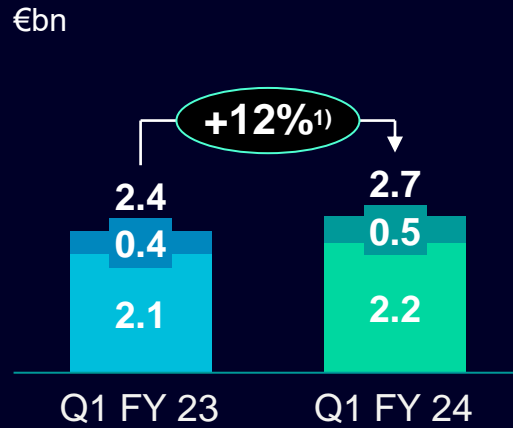
## Strong topline, profitability and free cash flow improvement

### Orders



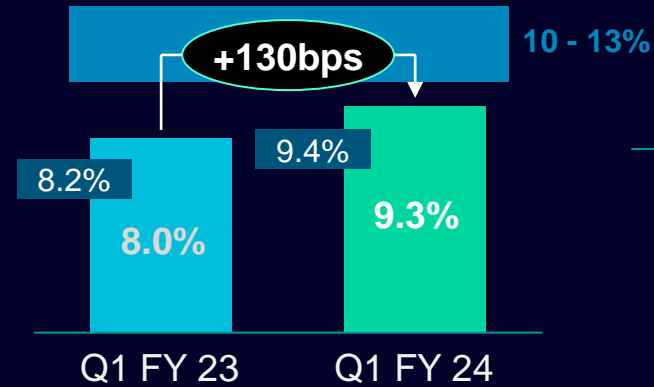
- Book-to-bill at 2.09
- Several large orders in Rolling Stock
- Rail Infrastructure up double-digit
- Backlog at €47bn, therein €12.4bn service

### Revenue



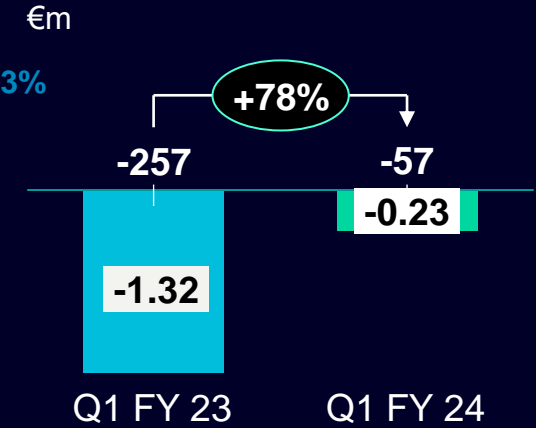
- Double-digit growth across all businesses
- Stringent backlog execution
- Service up +20%

### Profit margin



- Profitability improvement from higher revenue
- Benefitting from trailing effects related to Russia

### Free cash flow



- Seasonally low amount of milestone and downpayments
- Clear catch up in Q2 expected

<sup>1</sup> Comparable, excl. FX and portfolio

x.x x.x therein Service

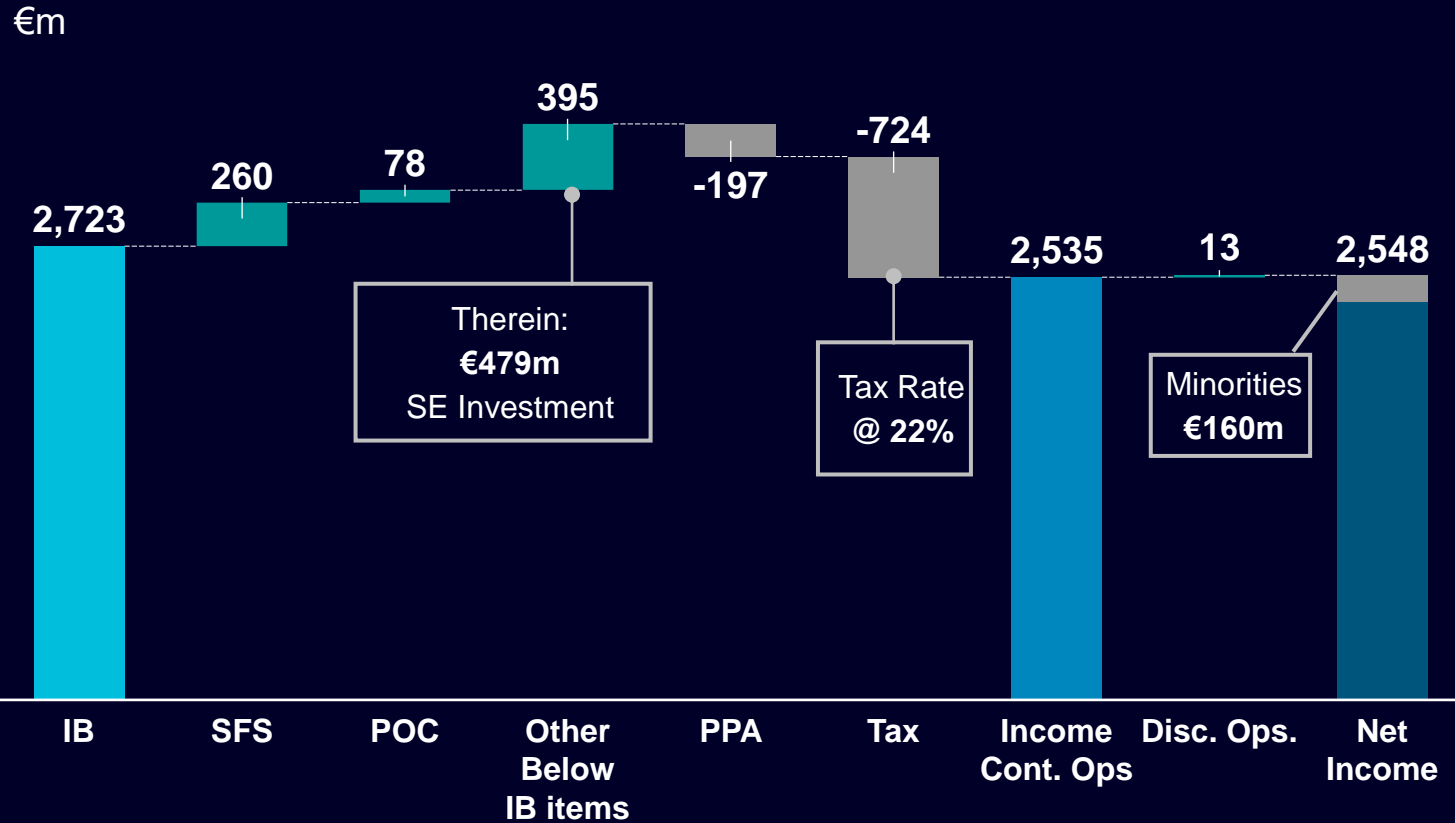
x.x% Profit margin excl. severance

x.xx Cash Conversion Rate

# Below Industrial Business

Strong operational performance, SE investment gain & change in consolidation method

## Q1 FY 24



## Key developments

- SFS:**  
 Exceptional performance driven by sale of an equity investment as planned
- Portfolio Companies:**  
 Robust profitability as expected
- Other Below IB items:**  
 SE Investment gain from transfer of shares & termination of equity accounting; remaining stake reported as financial investment
- Net Income:**  
 Reflecting very strong operational performance and lower tax rate

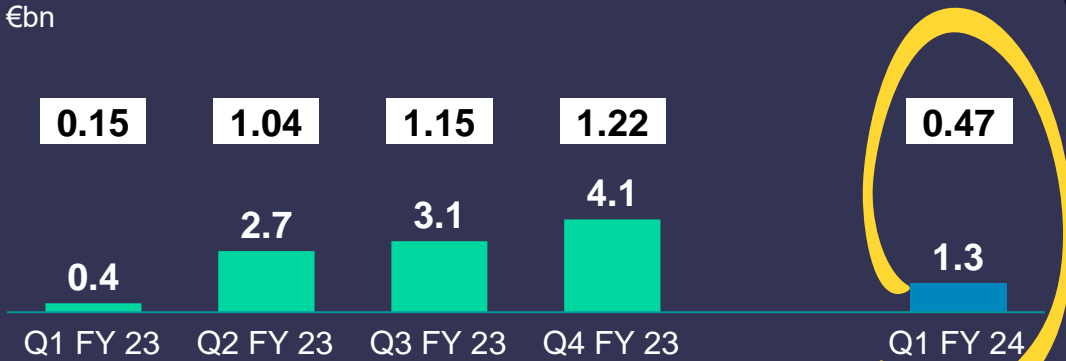
Note: Other Below IB items contains SE Investment; SRE; Innovation; Governance; Pensions; Financing, Elimination, Other  
 Detailed split see page 22



# Free cash flow with sharp improvement over prior year

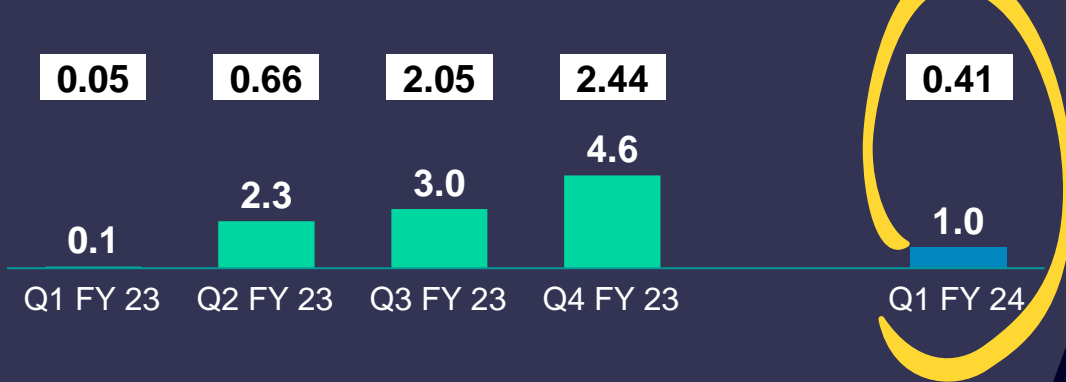
## FCF Industrial Business

€bn



## FCF "all in"

€bn



x.x Cash Conversion Rate

## Stringent working capital management

- Free cash flow improvement across all industrial businesses
- Seasonal increase in operating working capital, mainly driven by higher inventories

## Capital allocation to execute strategy

- €2.1bn for 18% stake in Siemens Ltd. India to accelerate unbundling of business activities of Siemens and Siemens Energy in India (outside FCF)
- €3bn share buyback finalized (Average price of €121)

## Outlook FY 2024 confirmed

### Siemens Group

Book-to-bill

>1

Revenue growth  
Comparable

4 – 8%

EPS pre PPA  
excl. SE Investment

€10.40 –  
€11.00

### Siemens Businesses

Revenue growth  
Comparable

Profit margin

Digital  
Industries

0 – 3%

20 – 23%

Smart  
Infrastructure

7 – 10%

15 – 17%

Mobility

8 – 11%

8 – 10%

This outlook excludes burdens from legal and regulatory matters

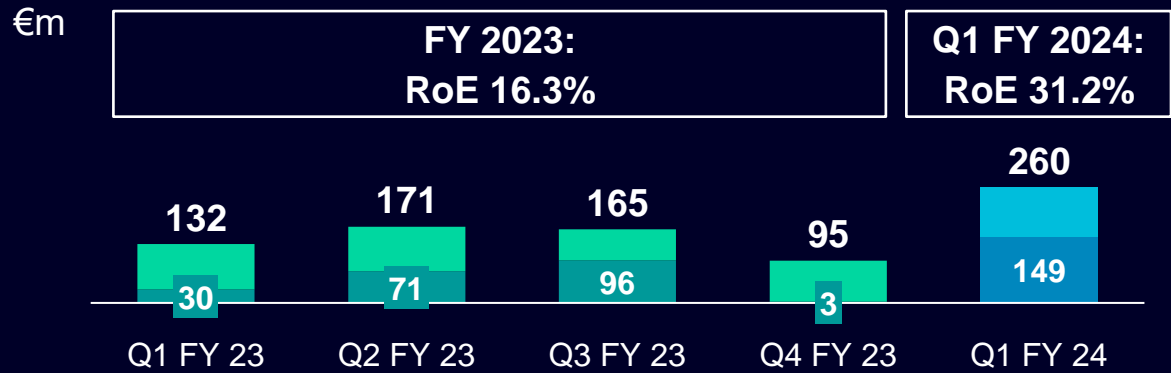
# Questions and Answers

# Appendix

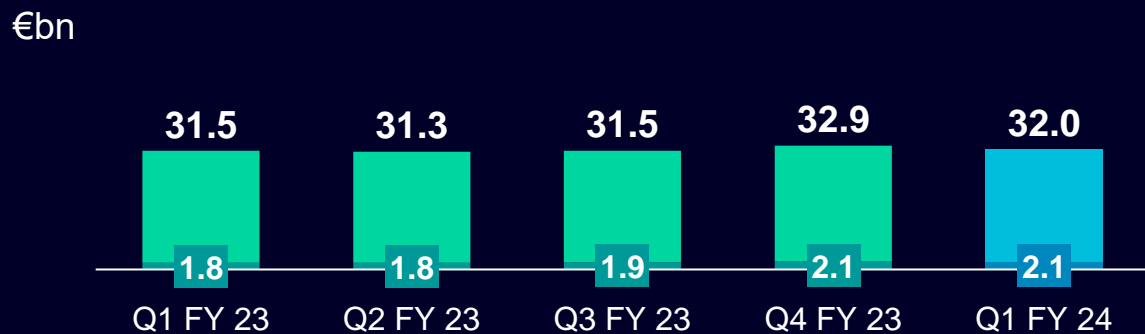
# Siemens Financial Services (SFS)

Exceptional start into FY 2024 with successful execution of an investment sale as planned

## Earnings before Taxes (EBT)



## Total Assets



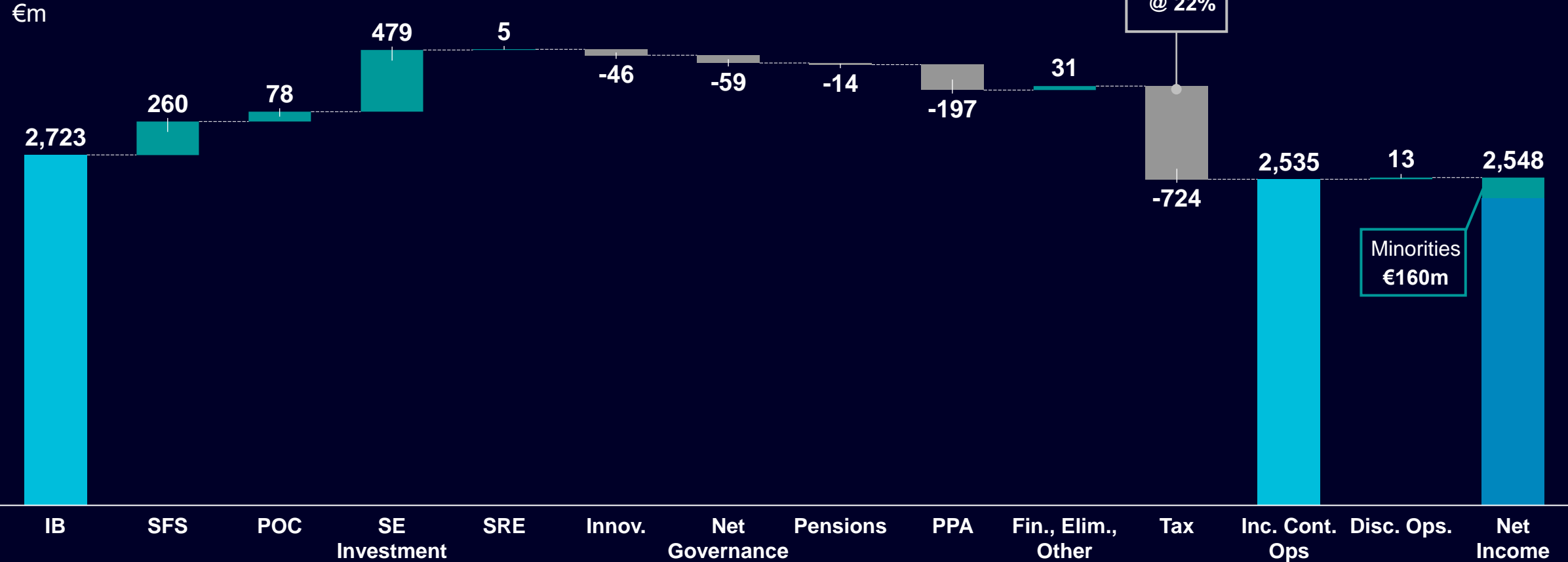
## Q1 developments

- Higher results from **debt business** mainly due to **lower expenses for credit risk provisions**
- **Equity business** results particularly high due to **gain on sale of a stake in an equity investment**, closing as expected in Q1
- **Decrease in total assets** compared to September 30, 2023, mainly driven by negative currency translation effects

# Below Industrial Business

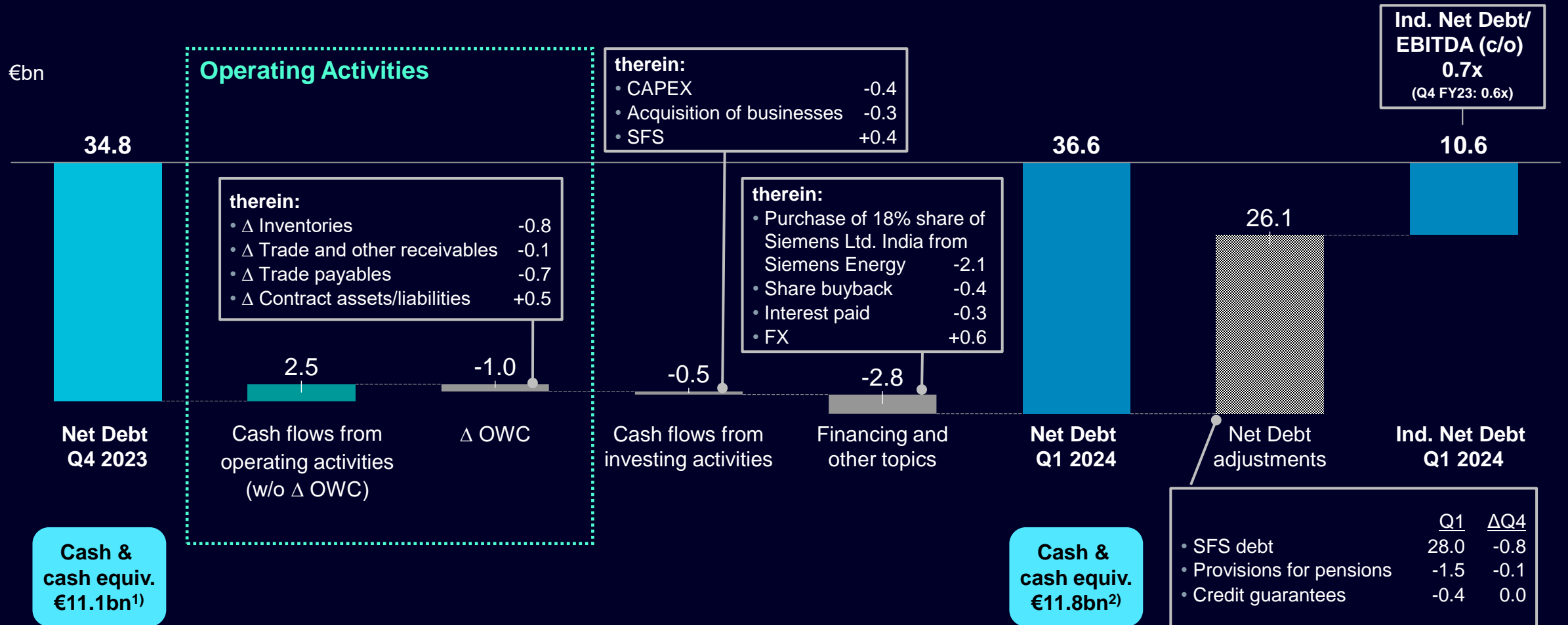
## Strong operational performance, SE investment gain

Q1 FY 24



# Net Debt bridge

## Capital Structure remains rock solid



1 Sum Cash & cash equivalents of €11.1bn incl. current interest bearing debt securities of €1.0bn

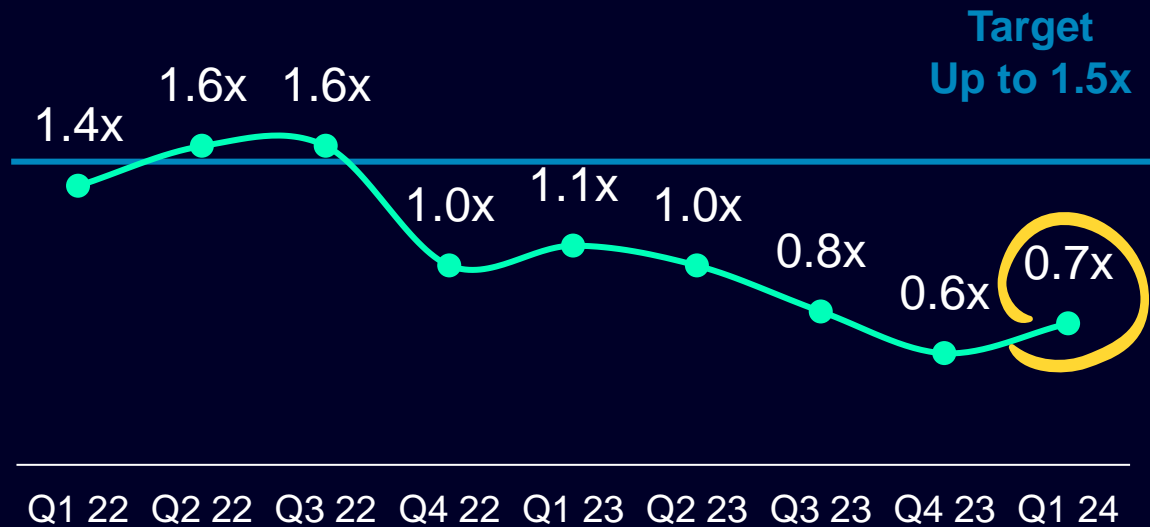
2 Sum Cash & cash equivalents of €11.8bn incl. current interest bearing debt securities of €1.1bn

# Capital structure on excellent level

## Continuing robust cash performance, purchase of stake in Siemens Ltd. India

### Capital structure

Industrial net debt/  
EBITDA



### Financial strength

- **Consistent cash generation** with improvement over prior year
- **Excellent position** with strong investment grade rating
- **Pension deficit** on a very low level of €1.5bn
- **Purchase of 18% stake in Siemens Ltd. India** for €2.1bn
- **€3bn share buyback finalized**, new program to be started soon
- **Opportunities** from further **portfolio optimization**



## Provisions for pensions largely unchanged at historic low level – Effects from funding of 8% stake in Siemens Energy and positive asset performance offset by lower discount rate

in €bn <sup>1</sup>	FY 2021	FY 2022	Q1 FY 2023	Q2 FY 2023	Q3 FY 2023	Q4 FY 2023	Q1 FY 2024
Defined benefit obligation (DBO) <sup>2</sup>	-35.5	-27.8	-27.2	-27.3	-28.1	-26.6	-28.8
Fair value of plan assets <sup>2</sup>	33.5	25.9	25.7	25.9	26.7	25.5	27.7
Provisions for pensions and similar obligations	-2.8	-2.3	-1.8	-1.8	-1.7	-1.4	-1.5
Discount rate	1.3%	3.9%	3.9%	3.8%	3.8%	4.6%	3.5%
Interest income	0.3	0.3	0.2	0.2	0.2	0.2	0.3
Actual return on plan assets	2.5	-6.7	0.4	0.7	0.1	-1.0	1.7

1) All figures are reported on a continuing basis (w/o LHfS)

2) Fair value of plan assets including effects from asset ceiling (Q1 2024: -€0.5bn); Difference between DBO and fair value of plan assets additionally resulted in net defined benefit assets (Q1 2024: €0.5bn)

## Profit Bridge from SHS disclosure to SAG disclosure

### Different profit definitions at SHS and SAG to be considered in models

€m	Q1 FY 24	
<b>SHS EBIT (adjusted)</b>	<b>742</b>	<b>14.3%</b>
PPA (SHS logic) <sup>1</sup>	-95	
Transaction, integration, retention, carve-out cost	-5	
Gains and losses from divestments	0	
Severance	-24	
Expenses for other portfolio-related measures	0	
Other restructuring expenses	-23	
<b>SHS EBIT (as reported)</b>	<b>594</b>	<b>11.5%</b>
PPA (SAG logic) <sup>2</sup>	91	
Consolidation / Accounting Differences	7	
<b>SAG Profit (as reported)</b>	<b>692</b>	<b>13.4%</b>
Severance	24	
<b>SAG Profit (excl. severance)</b>	<b>716</b>	<b>13.8%</b>

<sup>1</sup> PPA on intangible assets as well as other effects from IFRS 3 PPA adjustments

<sup>2</sup> PPA on intangible assets

# Outlook 2024 confirmed



## Siemens Healthineers

	2023	2024E
Comp. revenue growth	1.2%	4.5% to 6.5%
Comp. revenue growth, ex-antigen	8.3%	5.0% to 7.0%
Adj. basic EPS (€)	2.14	2.10 to 2.30

## Main assumptions

Comp. revenue growth	2023	2024E
Imaging	10.9%	6% to 8%
Diagnostics, ex antigen	-1.2%	2% to 4%
Varian	14.8%	8% to 10%
Advanced Therapies	7.8%	5% to 8%

Adj. EBIT margin	2023	2024E
Imaging	21.8%	21.0% to 22.5%
Diagnostics, ex antigen	-0.8%	2.5% to 4.5%
Varian	15.1%	15% to 17%
Advanced Therapies	15.4%	15% to 17%

Further line items	2023	2024E
Central Items adj. EBIT (€m)	-210	-290 to -260
Financial income net (€m)	-207	-320 to -280
Tax rate (in %)	20.9	24.0 to 26.0

Note: FY2023 with €121m antigen revenue impacting adj. basic EPS with ~€0.05, FY2024 assumes no antigen

Q1 FY2024  
Unrestricted © Siemens Healthineers AG, 2024 | 12

# Siemens Financial Framework

## Targets over 3 – 5 year cycle

### Siemens



**Revenue**  
comparable growth



**Capital efficiency**  
ROCE<sup>1</sup>



**Cash**  
Cash conversion rate (all in)<sup>2</sup>



**Earnings**  
EPS pre PPA



**Capital structure**  
Industrial net debt/EBITDA



**Dividend**

### Businesses

Digital Industries

Smart Infrastructure

Mobility

Siemens Healthineers

Financial Services

Profit margin range<sup>3</sup>

17–23%

11–16%

10–13%

17–21%

RoE<sup>4</sup> 15–20%

Cash conversion rate

1 – comp. revenue growth rate

Resilience KPI

ARR

Service

Service

<sup>1</sup> Excluding defined acquisition-related effects for Varian <sup>2</sup> Cash conversion rate: FCF/Net income <sup>3</sup> "Profit" represents EBITA adjusted for amortization of intangible assets not acquired in business combinations; margin range for Siemens Healthineers reflects Siemens' expectation <sup>4</sup> Return on Equity after tax

# Financial calendar

February 8, 2024  
**Q1 Earnings  
Release**

February 27, 2024  
**Roadshow  
Zurich**

February 29, 2024  
**Roadshow  
Munich**

March 19, 2024  
**Bank of  
America  
Conference**

April 24, 2024  
**Hanover Fair  
Investor Tours**

May 16, 2024  
**Q2 Earnings  
Release**

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