Annual Financial Report

for fiscal 2024

SIEMENS

Table of contents

3	**Combined Management Report**
4	1. Organization of the Siemens Group and basis of presentation
5	2. Financial performance system
7	3. Segment information
14	4. Results of operations
16	5. Net assets position
17	6. Financial position
20	7. Overall assessment of the economic position
21	8. Report on expected developments and associated material opportunities and risks
32	9. Siemens AG
34	10. Takeover-relevant information (pursuant to Sections 289a and 315a of the German Commercial Code) and explanatory report
37	11. EU Taxonomy
46	**Consolidated Financial Statements**
47	1. Consolidated Statements of Income
47	2. Consolidated Statements of Comprehensive Income
48	3. Consolidated Statements of Financial Position
49	4. Consolidated Statements of Cash Flows
50	5. Consolidated Statements of Changes in Equity
51	6. Notes to Consolidated Financial Statements
104	**Responsibility Statement (Siemens Group)**
106	**Independent Auditor's Reports (Siemens Group)**
115	**Annual Financial Statements**
116	1. Income Statement
117	2. Balance Sheet
118	3. Notes to Annual Financial Statements
138	**Responsibility Statement (Siemens AG)**
140	**Independent Auditor's Report (Siemens AG)**
146	**Five-Year Summary**
148	**Notes and forward-looking statements**

Combined Management Report

for fiscal 2024

SIEMENS

1. Organization of the Siemens Group and basis of presentation

Siemens is a technology group that is active in nearly all countries of the world, focusing on the areas of automation and digitalization in the process and manufacturing industries, intelligent infrastructure for buildings and distributed energy systems, smart mobility solutions for rail transport, and medical technology and digital healthcare services.

Siemens comprises Siemens Aktiengesellschaft (Siemens AG), a stock corporation under the Federal laws of Germany, as the parent company, and its subsidiaries. Our Company is incorporated in Germany, with our corporate headquarters situated in Munich. As of September 30, 2024, Siemens had around 327,000 employees on a continuing and discontinued basis.

As of September 30, 2024, Siemens has the following reportable segments: **Digital Industries**, **Smart Infrastructure**, **Mobility** and **Siemens Healthineers**, which together form our "Industrial Business" and **Siemens Financial Services (SFS)**, which supports the activities of our industrial businesses and also conducts its own business with external customers.

Our reportable segments may do business with each other, leading to corresponding orders and revenue. Such orders and revenue are eliminated on Group level.

Non-financial matters of the Group and Siemens AG

Siemens has policies for environmental, employee and social matters, for the respect of human rights, and anti-corruption and bribery matters, among others. Our business model is described in chapters 1 and 3 of this Combined Management Report. Reportable information that is necessary for an understanding of the development, performance, position and the impact of our activities on these matters is included in this Combined Management Report, in particular in chapters 3 through 7. Forward-looking information, including risk disclosures, is presented in chapter 8. Chapter 9 includes additional information that is required to be reported in the Combined Management Report related to the parent company Siemens AG. EU Taxonomy disclosures are outlined in chapter 11.

As supplementary information, amounts related to such non-financial matters, and additional explanations thereto, are included in Notes to Consolidated Financial Statements for fiscal 2024, Notes 17, 18, 22, 26 and 27, and in the Notes to the Annual Financial Statements for fiscal 2024, Notes 16, 17, 20, 21 and 25. In order to inform the users of the financial reports in a focused manner, these disclosures are not subject to a specific non-financial framework – in contrast to the disclosures in our separate "Sustainability report 2024" document, which are based on the standards developed by the Global Reporting Initiative (GRI). Said document also includes detailed information on DEGREE, Siemens' sustainability framework. With DEGREE, Siemens intends to manage and track its progress on selected ambitions in the environmental, social and governance areas.

2. Financial performance system

2.1 Revenue growth

In the Siemens Financial Framework we aim to achieve a revenue growth range of 5% to 7% per year on a comparable basis over a cycle of three to five years. Our primary measure for managing and controlling our revenue growth is comparable growth, because it shows the development in our business net of currency translation effects, which arise from the external environment outside of our control, and portfolio effects, which involve business activities which are either new to or no longer a part of the respective business.

Currency translation effects are the difference between revenue for the current period calculated using the exchange rates of the current period and revenue for the current period calculated using the exchange rates of the comparison period. For calculating the percentage change year-over-year, this absolute difference is divided by revenue for the comparison period. A portfolio effect arises in the case of an acquisition or a disposition and is calculated as the change year-over-year in revenue related to the transaction. For calculating the percentage change, this absolute change is divided by revenue for the comparison period. Any portfolio effect is excluded for the twelve months following the relevant transaction after which both current and past reporting periods fully reflect the portfolio change. For orders, we apply the same calculations for currency translation and portfolio effects as described above.

2.2 Profitability and capital efficiency

Within the Siemens Financial Framework, we aim to achieve over a cycle of three to five years margins that are comparable to those of our relevant competitors. Therefore, we have defined profit margin ranges for our industrial businesses which also consider the profit margins of their respective relevant competitors. Profit margin is defined as profit of the respective business divided by its revenue.

For our industrial businesses, profit represents EBITA adjusted for amortization of intangible assets not acquired in business combinations.

We have set the following margin ranges:

	Margin range
Digital Industries	**17 - 23%**
Smart Infrastructure	**11 - 16%**
Mobility	**10 - 13%**
Siemens Healthineers	**17 - 21%**
Siemens Financial Services (ROE after tax)	**15 - 20%**

For Siemens Healthineers, we present the margin range we expect as that company's majority shareholder.

In line with common practice in the financial services business, our financial indicator for measuring capital efficiency at SFS is return on equity after tax, or ROE after tax. ROE is defined as SFS' profit after tax, divided by its average allocated equity.

Primary measure for managing and controlling profit and profitability at Group level: Net income is the primary driver of basic earnings per share from net income (EPS) as well as of EPS before purchase price allocation accounting (EPS pre PPA) which is used for our capital market communication. EPS pre PPA is defined as basic earnings per share from net income adjusted for amortization of intangible assets acquired in business combinations and related income taxes. As with EPS, EPS pre PPA includes the amounts attributable to shareholders of Siemens AG. We aim to achieve high-single-digit annual growth in EPS pre PPA over a cycle of three to five years.

We seek to work profitably and as efficiently as possible with the capital provided by our shareholders and lenders. For purposes of managing and controlling our capital efficiency, we use return on capital employed, or ROCE, as our primary measure in our Siemens Financial Framework. Our goal is to achieve a ROCE within a range of 15% to 20% over a cycle of three to five years.

2.3 Capital structure

Sustainable revenue and profit development is supported by a healthy capital structure. Accordingly, a key consideration within the Siemens Financial Framework is to maintain ready access to the capital markets through various debt products and preserve our ability to repay and service our debt obligations over time. Our primary measure for managing and controlling our capital structure is the ratio of Industrial net debt to EBITDA (continuing operations). This financial measure indicates the approximate amount of time in years that would be needed to cover Industrial net debt through income from continuing operations, without taking into account interest, taxes, depreciation and amortization. We aim to achieve a ratio of up to 1.5.

2.4 Liquidity and dividend

We intend to continue providing an attractive return to our shareholders. In the Siemens Financial Framework, we strive for a dividend per share that exceeds the amount for the preceding year, or at least matches it.

As in the past, we intend to fund the dividend payout from Free cash flow. Our primary measure to assess our ability to generate cash, and ultimately to pay dividends, is the cash conversion rate for the Siemens Group, defined as the ratio of Free cash flow (continuing and discontinued operations) to net income. Over a cycle of three to five years, we aim to achieve a cash conversion rate of 1 minus the annual comparable revenue growth rate.

At the Annual Shareholders' Meeting, the Managing Board, in agreement with the Supervisory Board, will submit the following proposal to allocate the unappropriated net income of Siemens AG for fiscal 2024: to distribute a dividend of €5.20 on each share of no par value entitled to the dividend for fiscal 2024 existing at the date of the Annual Shareholders' Meeting; the remaining amount is to be carried forward. Payment of the proposed dividend is contingent upon approval by Siemens shareholders at the Annual Shareholders' Meeting on February 13, 2025. The prior-year dividend was €4.70 per share.

2.5 Calculations of EPS pre PPA and ROCE

Calculation of EPS pre PPA

	Fiscal year	
(in millions of €, shares in thousands, earnings per share in €)	2024	2023
Net income attributable to shareholders of Siemens AG	**8,301**	7,949
Plus: Amortization of intangible assets acquired in business combinations – attributable to shareholders of Siemens AG	**659**	773
Less: Related income taxes	**(165)**	(193)
(I) Adjusted Net income attributable to shareholders of Siemens AG	**8,795**	8,529
(II) Weighted average shares outstanding	**789**	792
(I) / (II) EPS pre PPA	**11.15**	10.77

Calculation of ROCE

	Fiscal year	
(in millions of €)	2024	2023
Net income	**8,992**	8,529
Less: Other interest expenses/income, net[1]	**(1,020)**	(1,073)
Plus: SFS Other interest expenses/income	**1,004**	957
Plus: Net interest expenses related to provisions for pensions and similar obligations	**76**	95
Less: Interest adjustments (discontinued operations)	**–**	–
Less: Taxes on interest adjustments (tax rate (flat) 30%)	**(18)**	6
Plus: Defined Varian-related acquisition effects (after tax)[2]	**247**	251
(I) Income before interest after tax	**9,281**	8,765
(II) Average capital employed	**48,547**	47,001
(I) / (II) ROCE	**19.1%**	18.6%

[1] Item Other interest expenses/income, net primarily consists of interest relating to corporate debt, and related hedging activities, as well as interest income on corporate assets.
[2] Effects resulting from purchase price allocation for Varian Medical Systems, Inc. (Varian) which are comprised of amortization of tangible and intangible assets, inventory step-ups, deferred revenue adjustments and related income taxes.

For purposes of calculating ROCE in interim periods, Income before interest after tax is annualized. Average capital employed is determined using the average of the respective balances as of the quarterly reporting dates for the periods under review.

Calculation of capital employed

Total equity
Less: Goodwill and other intangible assets resulting from purchase price allocation related to the Varian acquisition
Plus: Long-term debt
Plus: Short-term debt and current maturities of long-term debt
Less: Cash and cash equivalents
Less: Current tradable interest-bearing debt instruments
Less: Fair value of foreign currency and interest hedges relating to short- and long-term debt
Plus: Provisions for pensions and similar obligations
Less: SFS debt
Plus: Adjustments from assets classified as held for disposal and liabilities associated with assets classified as held for disposal
Less: Adjustment for deferred taxes on net accumulated actuarial gains/losses on provisions for pensions and similar obligations
Capital employed (continuing and discontinued operations)

3. Segment information

3.1 Overall economic conditions

The global economy in calendar 2024 continued to face headwinds, especially from trade shifts and geopolitical uncertainties, in the midst of a weak ongoing post-COVID-19 recovery. Global trade tensions included new tariffs and trade barriers announced by the U.S., E.U. and China. Weak goods demand held back global trade and production. Similar to the previous year, the service sector stabilized the economy and supported growth in gross domestic product (GDP). Inflation, although gradually coming down, remained elevated, prompting central banks to maintain tight monetary policies with only some monetary easing starting in the middle of the year. Energy markets stabilized after volatile periods in prior years, while green energy and electrification investments accelerated.

The manufacturing sector was still dominated by destocking effects as firms reversed previous over-ordering and reduced their high level of inventories which they built up as precautionary measure during the previous years of supply chain bottlenecks. In addition, investments in new production facilities were weak due to sizeable overcapacities. These overcapacities also had a deflationary impact on producer prices, which were falling in many countries.

The U.S. saw again high growth in calendar 2024, bolstered by strong labor markets, robust consumer spending and continued services sector recovery. GDP is expected to expand by 2.7%. Despite high interest rates aimed at curbing inflation, overall investment spending was strong. The technology and services sectors continued to perform well but manufacturing faced challenges due to weak global demand and overcapacities. Inflation, while declining from peak levels, remained a concern, influencing monetary policy throughout the year.

Europe's economic performance in calendar 2024 was sluggish, with core economies such as Germany showing the second consecutive year of recession due to a combination of structural problems, especially in energy-intensive industries and key sectors such as automotive, and also due to cyclical weakness including low global goods demand which weighed on important industries for the economy such as machine-building. Germany’s real GDP was barely above pre-COVID-19 levels while industrial production was 12% lower than the level in 2018, meaning the industrial sector has been shrinking for more than half a decade. Southern Europe, especially Spain and Greece, fared much better, benefitting from strong tourism, service sector recovery and recent structural reforms. Increased consumer prices continued to weigh on consumer spending. The European Central Bank started to ease its tight monetary policy in June, with the first rate cut coming only after inflation rates significantly decreased. GDP in calendar 2024 is expected to grow 0.9% in the E.U. and to decline 0.1% in Germany.

China’s economy faced significant challenges in calendar 2024, with slowing growth attributed to reduced export demand and an ongoing property market recession. The government responded with targeted fiscal stimulus aimed at stabilizing key sectors, particularly the property sector. The timing and size of the stimulus, however, limited its ability to significantly impact economic activity in calendar 2024. Exports remained under pressure while the country continued to focus on self-reliance in technology and innovation in light of increasing trade tension with the U.S. Chinese consumer demand remained very weak, as declining household wealth from falling house and stock prices, high youth unemployment and the central government’s policy priorities weighed on spending. China’s GDP is expected to grow by 4.9% in calendar 2024.

The partly estimated figures presented here for GDP are based on an S&P Global report dated October 15, 2024.

3.2 Digital Industries

Digital Industries offers a comprehensive product portfolio and system solutions for automation used in discrete and process industries; these offerings include automation systems and software for factories, numerical control systems, servo motors, drives and inverters and integrated automation systems for machine tools and production machines. Digital Industries also provides process control systems, machine-to-machine communication products, sensors (for measuring pressure, temperature, level, flow rate, distance or shape) and radio frequency identification systems. Furthermore, Digital Industries offers production and product lifecycle management (PLM) software, and software for simulation and testing of mechatronic systems. These leading software offerings are supplemented by an electronic design automation (EDA) software portfolio; the Mendix cloud-native low-code application development platform, which allows customers to significantly reduce app development times through visual representation of underlying code; and digital marketplaces for the global electronics value chain, such as Supplyframe and Pixeom. Digital Industries also provides customers with lifecycle and data-driven services. At the beginning of fiscal 2024, business activities in the areas of low-voltage and geared motors and motor spindles, previously part of Digital Industries’ motion control business, were transferred to Innomotics, which during the fiscal year was classified as held for disposal and discontinued operations. Fiscal 2023 amounts for Digital Industries are presented on a comparable basis. At the beginning of fiscal 2025, Digital Industries signed an agreement to acquire Altair Engineering Inc., U.S., a provider of computational science and artificial intelligence software. Closing of the transaction is subject to customary conditions and is expected within the second half of calendar 2025.

Taken together, Digital Industries’ offerings enable customers to optimize entire value chains from product design and development through production and post-sale services. With its advanced software solutions in particular, Digital Industries supports customers in their evolution towards the “Digital Enterprise,” resulting in increased flexibility and efficiency of production processes and reduced time to market for new products. The most important customer markets include the automotive industry, the machine-building industry, the pharmaceutical and chemicals industry, the food and beverage industry and the electronics and semiconductor industry. Digital Industries serves its customers through a common regional sales organization spanning all its businesses, using various sales channels depending on the type of customer and industry and also enhancing customer choice across all channels. Changes in customer demand, especially for standard products, are driven strongly by macroeconomic cycles, and can lead to significant short-term fluctuation in Digital Industries’ profitability. Large contracts in the software business, particularly for EDA, may also result in strong fluctuations in quarterly volume and profitability. In fiscal 2024, Digital Industries continued to transition parts of its software business, particularly PLM, from largely upfront revenue recognition towards Software as a Service (SaaS), which yields more predictable recurring revenue and offers growth opportunities by opening access to new customers, especially small and medium-sized companies seeking to reduce costs associated with owning complex IT infrastructure. Competition with Digital Industries’ business activities comes primarily from multinational corporations that offer a relatively broad portfolio and from smaller companies active only in certain geographic or product markets.

Digital Industries sees three **trends** influencing its business and providing long-term growth opportunities. Producers of investment goods in today’s increasingly digital environment must modernize their production capacity, particularly to increase production flexibility and reduce time to market. This environment also spurs producers to complement their core products with vertical solutions and service offerings, which their customers either need or want in order to take full advantage of the investment goods. Finally, there is a trend from globalization to regionalization, to support local economic development, to increase supply chain resilience or to better adapt solutions to local needs. This is increasingly accompanied by more differentiated regulatory requirements.

Research & Development (R&D) activities at Digital Industries are aimed at developing solutions that make industry more sustainable, resilient and intelligent and that enable customers to accelerate their digital transformation. Digital Industries’ innovations incorporate generative artificial intelligence (AI), immersive technologies, software-defined automation, edge computing, and cloud services, among other advanced technologies. In fiscal 2024, Digital Industries unveiled several innovative solutions as part of Siemens Xcelerator – a business platform that includes a curated portfolio of internet-of-things-enabled hardware, software and digital services from across Siemens and certified third parties and that facilitates interactions and transactions between customers, partners and developers. Among other things, Digital Industries announced NX Immersive Designer, an integrated solution that combines Digital Industries’ immersive computer-aided design software and Sony Corporation’s spatial content creation system; this new solution brings immersive design and collaborative capabilities to Digital Industries' product engineering solutions. Also in fiscal 2024, Digital Industries presented the first generative AI product for engineering in an industrial environment. The AI-powered assistant, called Siemens Industrial Copilot, is connected to the Totally Integrated Automation (TIA) Portal; it enables engineering teams to generate complex automation code for programmable logic controllers (PLC) and to find the right help topic faster. A breakthrough in software-defined automation was achieved with the market introduction of the new SIMATIC Workstation, which allows manufacturers to replace a PLC, a conventional human-machine interface and an edge device with a single, software-based workstation. In addition, Digital Industries moved to the next level of its Industrial Edge solution by introducing new cloud services, low-code integration and more hardware and software for the Industrial Edge ecosystem. Finally, Digital Industries launched a new software-as-a-service to automatically identify vulnerable production assets. The cloud-based software SINEC Security Guard improves cybersecurity on the shop floor and provides a connection to Microsoft Sentinel. Major **investments** of Digital Industries in fiscal 2024 relate to its own factory automation, motion control and process automation businesses, to further automate and digitalize facilities particularly in Germany and China.

	Fiscal year		% Change	
(in millions of €)	2024	2023	Actual	Comp.
Orders	**17,023**	19,387	(12)%	(10)%
Revenue	**18,536**	20,636	(10)%	(8)%
therein: software business	***6,286***	*5,067*	*24%*	*26%*
Profit	**3,498**	4,833	(28)%	
therein: severance	***(63)***	*(104)*		
Profit margin	**18.9%**	23.4%		

Orders for Digital Industries came in lower year-over-year due to substantially lower order intake in the automation business, most notably in the factory automation business, as customers and distributors were reducing elevated stock levels throughout fiscal 2024 due to weak global demand for manufactured goods. This decline was only partly offset by a clear increase in orders in the software business, where the PLM and the EDA businesses both won numerous larger contracts on growing demand for Digital Industries’ software offerings. **Revenue** development showed a similar pattern. Revenue in the automation business was down substantially, with the strongest decline coming from the higher-margin factory automation business, while software revenue rose on double-digit increases in both the PLM and the EDA businesses. On a geographic basis, orders and revenue came in lower in the region Europe, C.I.S., Africa, Middle East, particularly including Germany, and in Asia, Australia; orders and revenue increased in the Americas region. **Profit** and profitability for Digital Industries declined due to sharp decreases in the automation business on lower capacity utilization and a less favorable revenue mix. These respective declines were only partly offset by increases in the software business. At the end of fiscal 2024, Digital Industries’ order backlog amounted to €9 billion, of which €6 billion are expected to be converted into revenue in fiscal 2025.

The **market** environment for Digital Industries in fiscal 2024 was challenging and mixed. Overall volume declined due to lower demand in the Europe, C.I.S., Africa, Middle East region and in the Asia, Australia region, whereas markets served by Digital Industries in the Americas region continued to grow. In all the most important customer segments, market development led to declines in demand for automation solutions, while demand for software solutions increased in all market segments compared to the previous year. The software markets served by Digital Industries grew due to long-term trends such as digitalization, strong demand for semiconductor design and AI. In contrast, the business environment for automation production deteriorated sharply in fiscal 2024, leading to double-digit declines in market volume, after these markets experienced unusually strong growth in previous years, which was fueled by supply chain constraints and strong price increases. With normalization of the supply situation in fiscal 2023 and processing of the order backlog in the automation industry, high inventory levels were built up along the industrial value chain. Destocking of these inventories led to a strong decline in demand for automation products in fiscal 2024, particularly in discrete automation. A weaker macroeconomic environment, particularly in China and Europe, also contributed to the downward trend in fiscal 2024. Within the most important customer markets, market volume in the automotive and machine-building industries declined significantly. Within the pharmaceutical and chemical industries, the chemicals industry grew only modestly while the pharmaceuticals market declined. Market volume in the food and beverage industry remained close to the prior-year level, as a steady expansion in China was offset by lower demand in Europe and the U.S. The semiconductor industry recovered during fiscal 2024 and returned to its long-term trend growth during the second half of the fiscal year, with growth in EDA software benefiting from increasing semiconductor design complexity and demand for AI. For fiscal 2025, markets served by Digital Industries are expected to return to growth, with all reporting regions expected to contribute, led by the Americas region. The software markets are expected to grow clearly throughout the fiscal year. Automation markets are expected to be impacted by further destocking of inventories and subdued macroeconomic development during the first half of fiscal 2025 but are expected to recover gradually during the second half of fiscal 2025, resulting in slight market growth for the full fiscal year.

3.3 Smart Infrastructure

Smart Infrastructure offers products, systems, solutions, services and software to support the global transition from fossil to renewable energy sources, and the associated transition to smarter, more sustainable buildings and communities. Smart Infrastructure's versatile portfolio consists of buildings, electrification, and electrical products. Its buildings portfolio addresses the needs of operators, owners, occupants and users of buildings. It spans building management systems and software; heating, ventilation and air conditioning controls; fire safety and security products and systems; and solutions and services such as energy performance services. Across multiple domains in the built environment, cloud-native software suite covers the entire life cycle of asset management and operations, for maintenance, capital planning and sustainability. With its electrification portfolio, Smart Infrastructure makes grids more resilient, flexible and efficient. Its offerings cover grid simulation, operation and control software; substation automation and protection; medium-voltage primary and secondary switchgear including fluorinated gas-free (F-gas-free) medium-voltage switchgear; and low-voltage switchboards and eMobility charging infrastructure. The electrical products portfolio addresses industrial and building applications. Its offerings include low-voltage switching, measuring and control equipment; low-voltage distribution systems and switchgear; and circuit breakers, contactors and switching for medium voltage. In fiscal 2024, Smart Infrastructure signed an agreement to sell its Wiring Accessories business in China. Closing of the transaction is expected in fiscal 2025.

Smart Infrastructure's customer and end user base is diverse. It encompasses infrastructure developers, construction companies and contractors; owners, operators and tenants of both public and commercial buildings including hospitals, campuses, airports and data centers; companies in process industries such as oil and gas, mining, pharmaceuticals and chemicals; companies in discrete manufacturing industries such as automotive and machine building; and utilities and power grid network operators (transmission and distribution). Smart Infrastructure serves its customers through a broad range of channels, including direct sales organizations, distributors and partners such as panel builders, original equipment manufacturers and value-added resellers and installers. To address more complex customer requirements, Smart Infrastructure uses its dedicated worldwide sales forces. Furthermore, Smart Infrastructure provides e-commerce platforms or marketplaces where customers can place orders on-line, either via a web shop or via electronic interfaces, and sells its broad range of digital offerings and connected devices via the Siemens Xcelerator marketplace. These digital sales channels and e-commerce platforms are becoming increasingly important and Smart Infrastructure therefore is continuously strengthening its digital omni-channel marketing and e-commerce platforms, with Siemens Xcelerator being an integral part.

Smart Infrastructure's principal competitors consist mainly of large multinational companies and smaller manufacturers in emerging countries. Its solutions and services business also competes with local players such as system integrators and facility management firms. Smart Infrastructure's businesses are impacted by changes in the overall economic environment to varying degrees, depending on the customer segment and offering. Demand for Smart Infrastructure's electrical and building products offerings is driven strongly by macroeconomic cycles, while demand for its systems and solutions offerings changes more slowly, with a time lag of several quarters. In contrast, demand for service offerings shows only limited influence from macroeconomic cycles. Overall, Smart Infrastructure has developed a balanced and resilient business mix with its diversified regional and vertical markets; its range of products, systems, solutions and services; and its participation in both long- and short-cycle markets. To further strengthen the resilience of its portfolio, Smart Infrastructure aims to increase the share of overall revenue that comes from services.

Smart Infrastructure benefits from a number of major **trends**. These include urbanization, demographic change, decarbonization, and digitalization. Urbanization and demographic change drive a need for smarter and more human-centric buildings. Climate change drives the need for decarbonization and digitalization. This results in an increasing demand for flexible and resilient energy infrastructures including rapid growth in electric mobility and more sustainable buildings. Digitalization is an enabler for such changes in both buildings and grids, making it possible to develop smarter buildings and manage electricity distribution with a higher share of renewables. The markets served are experiencing shifts that present opportunities where building technologies and electrification meet.

Smart Infrastructure's **R&D activities** focus on sustainable and decarbonizing offerings for buildings, utilities, electricity grid operators, industrial customers and data centers. Smart Infrastructure develops technologies for environmentally friendly and increasingly renewable-based energy systems, ranging from climate-friendly F-gas-free switchgear for medium voltage to charging solutions for eMobility and grid integration of green hydrogen production. By switching electrical currents purely electronically, Smart Infrastructure is expanding a disruptive technology to include more and more data-based functionalities and services. R&D activities in building automation address the global need for easy-to-install controls aimed at driving energy efficiency improvements in buildings beyond the commercial sector. Smart Infrastructure is expanding the use of IoT technologies that feed data from the real world into digital twins that mirror their physical counterparts to simulate and to optimize their activities. In support of this digital twin model, Smart Infrastructure develops software that creates new digital offerings for its platforms Building X, Electrification X and Gridscale X, which form parts of the Siemens Xcelerator platform. These and other offerings are enhanced using AI and large language models. Smart Infrastructure puts an increasing focus of R&D on the sustainability of its products along the lifecycle, such as with environmentally friendly designs, the use of recycled materials and certified declarations of sustainable features. To a large extent, its **investments** relate to the products businesses. Main capital expenditures areas include the replacement of fixed assets and expansion and optimization of factories and technical equipment, with a strong focus on innovation.

	Fiscal year		% Change	
(in millions of €)	2024	2023	Actual	Comp.
Orders	**24,023**	22,333	8%	9%
Revenue	**21,368**	19,946	7%	9%
therein: service business	***4,556***	*4,243*	*7%*	*8%*
Profit	**3,707**	3,074	21%	
therein: severance	***(50)***	*(50)*		
Profit margin	**17.3%**	15.4%		

Smart Infrastructure surpassed its very strong prior-year performance, with higher orders, revenue, profit and profitability in all its businesses. **Orders** rose clearly with the strongest growth contributions coming from the electrification and the electrical products businesses. Smart Infrastructure won numerous larger orders during the fiscal year, most notably from data center and energy customers. On a geographic basis, order growth was driven by the Americas due mainly to the U.S. and by Europe, C.I.S., Africa, Middle East. In contrast, order development in the Asia, Australia region was held back by lower demand from China. **Revenue** also increased clearly. Growth was highest in the electrification business, which executed strongly on its large order backlog. On a geographic basis, revenue was up in all reporting regions, led by the Americas. **Profit** rose substantially. The improvement in profit and profitability was due mainly to higher revenue, increased capacity utilization and ongoing productivity improvements. The strongest profit increases came from the buildings and the electrification businesses. Profit in fiscal 2024 included a positive €0.1 billion effect from partial reversal of a liability related to past portfolio activities. At the end of fiscal 2024, Smart Infrastructure's order backlog was €18 billion, of which €13 billion are expected to be converted into revenue in fiscal 2025.

Overall, **markets** served by Smart Infrastructure grew clearly in fiscal 2024. Market dynamics were influenced by strong customer investments in data centers; a further stabilization in industry supply chains, which led to destocking of inventories in some industries; weakness in the Chinese market, such as in the building sector; and by geopolitical conflicts. Globally elevated interest rates compared to the recent past held back activities in the building construction industry. On a geographic basis, all reporting regions contributed to market growth. Growth was strongest in the Americas, where the U.S. market benefited from strong demand for digitalization, particularly in the field of AI, and from government programs for reindustrialization, among other factors. In Europe, the gradual recovery was slowed by higher interest rates, tighter fiscal policy, and geopolitical conflicts, while growth in Asia was held back by the aforementioned weakness in the Chinese real estate sector, among other things. Among customer segments, growth was led by the grid market. The increase was driven by demand for integration of energy from renewable resources. Smart Infrastructure's industrial markets grew on strong demand in the battery, semiconductor and aerospace industries. Growth in the infrastructure and building markets was driven by strong demand for data centers, partly held back by a weak development in the residential and commercial building market. In fiscal 2025, markets served by Smart Infrastructure are expected to continue to grow clearly. While growth is expected to be weak in residential and commercial building markets and in some industrial markets, continued robust demand is expected for data centers and power distribution. On a geographic basis, markets in Europe are expected to recover from the fiscal 2024 growth weakness. In the Americas, it is likely to be challenging to maintain the pace of growth of the prior fiscal year. Growth in the Asia, Australia region is expected to remain subdued in fiscal 2025.

3.4 Mobility

Mobility combines all Siemens businesses in the area of rail passenger and rail freight transportation. Within its rolling stock business, its offerings encompass vehicles and selected components for urban and regional transport such as metro systems, trams and light rail, and commuter trains as well as trains and passenger coaches for intercity and long-distance services, such as high-speed rail. Rolling stock offerings furthermore include locomotives, solutions for automated transportation and leasing solutions. Offerings in its rail infrastructure business include products and solutions for rail automation, such as automatic train control systems, interlockings, operations control and telematic systems, digital station solutions and railway communication systems, signaling on-board and signaling crossing products, and yard and depot solutions; and products and solutions for electrification such as AC and DC traction power supply, contact lines and network control. With its service business, Mobility provides maintenance and digital services, among others, for rolling stock and rail infrastructure throughout the entire lifecycle. In its turnkey business, it bundles consulting, planning, financing, construction, service and operation of complete mobility systems. Mobility's software business comprises train planning systems, trip planning, mobile ticketing, Mobility as a Service (MaaS) platforms, on-demand transportation and fleet management, data analytics, and inventory and reservation management.

Mobility sells its products, systems and solutions through its worldwide network of sales and execution units. The principal customers of Mobility are public and state-owned companies in the transportation and logistics sectors, so its markets are driven primarily by public spending. Customers usually have multi-year planning and implementation horizons, and their contract tenders therefore tend to be independent of short-term economic trends. Large contracts in the rolling stock and the rail infrastructure business are often awarded together with service contracts, which start to generate revenue only after the respective products and solutions have been put in operation, which can be a number of years after the contract award. Mobility works on demanding, long-term projects. Difficulties such as technical problems, time delays or procurement problems during project execution can result in significant costs for non-compliance. Mobility's principal competitors are multinational companies. Consolidation among Mobility's competitors is continuing.

The main **trends** driving Mobility's markets are urbanization and decarbonization. Increasing populations in urban centers need mobility that is simpler, faster, and more flexible, reliable and affordable. At the same time, national economies and cities face the challenge of cutting CO_2 and noise emissions and reducing space requirements and costs of transportation. The pressure on mobility providers to meet all these needs is expected to rise continuously. Furthermore, availability, connectivity, and sustainability of rail infrastructures increasingly require digital solutions. The trend of digitalization is profoundly transforming the rail industry and generates growth opportunities for providers of digital solutions.

Mobility's **R&D strategy** is focused on reducing life-cycle costs of rail infrastructures and rolling stock, enhancing system availability, increasing network capacity of rail infrastructures, optimizing the processes of rail operators and improving passenger experience. With Siemens Xcelerator, Mobility enables its customers to accelerate their digital transformation. The aim is to better connect trains, infrastructures, operators and passengers by modularizing the software portfolio, introducing application programming interfaces (APIs) and gradually moving software to the cloud. APIs enable the secure transmission of standardized information from anywhere in the rail ecosystem to be used in systems, applications or software modules. Mobility's major R&D areas include the further development of efficient vehicle platforms with optimized lifecycle cost; eco-friendly, alternative power supplies for trains; the Railigent X application suite for maintenance of rail assets; the Distributed Smart Safe System (DS3) and Signaling X, which allow for hardware-independent and cloud-compatible signaling; intelligent, interconnected products; automatic train operation for European Train Control System (ETCS); safe artificial intelligence for driverless trains; air-free braking systems; fully automated visual inspections; the Mobility Software Suite X for operators and passengers; and cyber security. Mobility's **investments** focus mainly on maintaining or enhancing its production facilities, on meeting project demands, and on enhancing its depot services.

(in millions of €)	Fiscal year 2024	Fiscal year 2023	% Change Actual	% Change Comp.
Orders	**15,795**	20,629	(23)%	(23)%
Revenue	**11,420**	10,549	8%	9%
therein: service business	***1,991***	*1,710*	*16%*	*17%*
Profit	**1,013**	882	15%	
therein: severance	***(25)***	*(25)*		
Profit margin	**8.9%**	8.4%		

Mobility won a number of large **orders** in fiscal 2024, but overall order intake decreased compared to the record-high level of the previous fiscal year, which included an even higher volume from large orders. Important orders in fiscal 2024 included two orders in Austria, totaling €1.3 billion, from existing framework agreements for delivery of trains; and maintenance contracts for locomotives and intercity trains totaling €0.8 billion and a contract of €0.4 billion for light rail, both in the U.S. **Revenue** rose on increases in all businesses, including a strong growth contribution from the customer service business. On a geographic basis, revenue was up in all reporting regions and included substantial growth in the Asia, Australia region. With a combination of higher revenue and strong project execution, all businesses increased their **profit** and profitability. Profit in fiscal 2023 included a positive €0.2 billion in trailing effects related to the winding down of business activities in Russia. Mobility's order backlog rose to €48 billion at the end of the fiscal year, of which €11 billion are expected to be converted into revenue in fiscal 2025.

Markets served by Mobility grew moderately in fiscal 2024, supported by long-term trends such as urbanization and decarbonization, which continue to drive investments in rail transportation. Market growth is backed by public funding, including government investments in national, large-scale rail projects (such as in Egypt and India), stimulus programs (such as in the U.S. and the E.U.) and investments for modernization and digitalization (such as in Germany). The strongest growth contributions came from Europe, the Middle East and from the Asia, Australia region. The market for rolling stock included large contract awards for commuter trains, passenger coaches and metro, for example in Europe and in the U.S. Growth in the rail infrastructure market was driven mainly by strong investments in mass transit, with several Communication-Based Train Control (CBTC) projects in Europe (such as in Germany) and further demand for mainline signaling especially in Europe (such as in Germany), the Middle East, Africa and the Asia, Australia region. In fiscal 2025, markets served by Siemens Mobility are expected to show clear growth. The rolling stock and the service markets are projected to remain strong with multiple large projects upcoming in fiscal 2025. The ongoing demand spreads across all market segments, especially for high-speed (such as in the U.S. and Egypt) and commuter rail (such as in Western Europe), and also for metro (such as in the U.S.). In rail infrastructure, digitalization, especially cloud technology, and modernization investments are driving market growth as the deployment of ETCS and CBTC technology and further investments in track electrification continue. On a geographic basis, rail operators in Europe, particularly in Germany and in the U.K., are expected to continue making significant investments in rolling stock and advanced rail infrastructure solutions. It is expected that customers in the Middle East and in Africa will tender large turnkey projects, especially in North Africa and the Middle East such as in Egypt, Saudi Arabia and the United Arab Emirates. Markets in the U.S. are expected to remain strong, especially due to ongoing investments in rolling stock, particularly for high-speed and light-rail transport; within the infrastructure market, demand is expected to continue for mass transit, including CBTC technology, and from a developing market for rail freight solutions. In Asia, the markets in India are expected to remain strong in the coming years due to several very large planned procurement programs for electric multiple units and locomotives, which are financed by ongoing public funds and seen as crucial to achieving the ambitious goals of India's national railway strategies, such as increasing the railways' share of passenger and freight traffic.

3.5 Siemens Healthineers

Siemens as majority shareholder holds just over 75% of the shares of the publicly listed **Siemens Healthineers** AG, Germany. Siemens Healthineers is a global provider of healthcare products, solutions and services. It develops, manufactures, and sells a diverse range of diagnostic and therapeutic products and services to healthcare providers. In addition, Siemens Healthineers also provides clinical consulting services, as well as an extensive range of training and service offerings. This comprehensive portfolio supports customers along the entire care continuum, from prevention and early detection through to diagnosis, treatment, and follow-up care. The customer spectrum ranges from public and private healthcare providers, including hospitals and hospital systems, public and private clinics and laboratories, universities, physicians/joint medical practices, public health agencies, public and private health insurers, through to pharmaceutical companies and clinical research institutes. The imaging business provides imaging products, services, and solutions as well as digital offerings. Its most important products are devices for magnetic resonance imaging, computed tomography, X-ray, molecular imaging, and ultrasound. The diagnostics business comprises in-vitro diagnostic products and services that are offered to healthcare providers in the fields of general laboratory, specialty laboratory, and point-of-care diagnostics. The Varian business offers a broad portfolio of cancer care technologies and services that support oncology departments in hospitals and clinics throughout the world. The portfolio of the advanced therapies business consists of highly integrated products, services, and solutions that are designed to support image-guided minimally invasive treatments, in areas such as cardiology, interventional radiology, and surgery. Competition in the imaging, Varian and advanced therapies businesses consists mainly of a small number of large multinational companies, while the diagnostics market is fragmented with a variety of global, regional and specialized providers that compete with each other across market segments. Markets of Siemens Healthineers are characterized by long-term stability, though, over the long term, these markets may also experience shorter-term fluctuations arising from macroeconomic and health political developments, such as changes in health policy, regulation or reimbursement systems. Because a substantial portion of Siemens Healthineers' revenue stems from recurring business, growth opportunities can be pursued from a stable foundation of profit.

The addressable markets of Siemens Healthineers are shaped by four major **trends**. The first is demographic developments, in particular the growing and aging global population. This trend poses major challenges for global healthcare systems and, at the same time, offers an opportunity for healthcare providers who can meet the growing demand for cost-efficient healthcare solutions. The second trend is economic development in emerging countries, which opens up improved access to healthcare for many people. To improve the healthcare systems of these countries, significant investments are being made, driving overall demand for healthcare products and services and hence market growth. The third trend is the increase in non-communicable diseases as a consequence of an aging population and environmental and lifestyle-related changes. This trend results in far more patients with multiple morbidities, increasing the need for new ways to detect and treat diseases at an early stage. The fourth global trend, the transformation of healthcare providers such as hospitals and laboratories, results from a combination of societal changes and market forces and forces these institutions to reimagine and redesign the way they deliver their services. This development is driven by a host of factors, including burdens from chronic diseases, growing numbers of medical interventions, the shortage of skilled professionals, the rapid pace of scientific progress, society's increasing resistance to growing healthcare costs and the growing professionalization of health insurance and governmental healthcare systems. The growing cost pressure will continue to drive new remuneration models for healthcare services such as value-based reimbursement instead of treatment-based reimbursement. As a result of these factors, the trend on customer side of consolidation of healthcare providers into networks continues. The aim of the resulting larger clinic and laboratory chains, often operating internationally and acting increasingly like large corporations are systematic improvements in quality, while at the same time reducing costs. This development leads to an increased demand for standardized and scalable systems and solutions as well as new business models.

R&D activities at Siemens Healthineers are aimed at offering innovative and sustainable solutions for diagnostics and therapy to its customers. Artificial intelligence, sensors, and robotics are focal points of the R&D activities at Siemens Healthineers. A growing share of the R&D activities is devoted to improving the sustainability of the products. Furthermore, the systems of Siemens Healthineers regularly receive extensive software releases to improve user friendliness, add innovative applications, and lengthen the service life of the equipment. **Investments** at Siemens Healthineers were mainly for spending for factories to expand manufacturing and technical capabilities, for measures related to improving operational efficiency and for additions to intangible assets, including capitalized development expenses for products within the Atellica and Clinitek product line.

	Fiscal year		% Change	
(in millions of €)	2024	2023	Actual	Comp.
Orders	**24,774**	24,499	1%	3%
Revenue	**22,362**	21,681	3%	5%
Profit	**3,172**	2,527	26%	
therein: severance	***(104)***	*(167)*		
Profit margin	**14.2%**	11.7%		

In fiscal 2024, Siemens Healthineers recorded an increase of **orders** and **revenue**. The imaging and Varian businesses accounted for most of this growth. The diagnostics business declined compared to FY 2023 which included revenue from rapid coronavirus antigen tests. On a geographic basis, orders and revenue increased in the regions Americas and Europe, C.I.S. Africa, Middle East; whereas both declined in the Asia, Australia region, mainly due to currently delayed order placements by customers in China. **Profit** was substantially higher year-over-year on increases in most businesses and cost reductions related to the transformation program at the diagnostics business. In contrast, profit declined slightly in the imaging business due to a less favorable business mix. The order backlog for Siemens Healthineers was €35 billion at the end of the fiscal year, of which €11 billion are expected to be converted into revenue in fiscal 2025.

In general, the addressable global **markets** of Siemens Healthineers grew moderately in fiscal 2024. From a regional perspective, market growth in the Asia, Australia region was held back by China's campaign against corruption in its healthcare sector. The region Europe, C.I.S., Africa, Middle East, saw market growth in all businesses. However, the high levels of debt in many European countries led to short-term investment cuts, which damped market growth. Furthermore, geopolitical tensions made for an unsettled market environment. In the Americas region market growth was recorded in all businesses. Globally, higher volume in the market for the imaging business was driven mainly by the demand for product-related services. This demand was generated with the typical time lag that follows equipment sales, which were high in the prior year due to factors such as fulfilled pent-up demand and market normalization. The imaging market is expected to grow moderately overall in fiscal 2025, thanks to new, innovative products for clinical applications, which are expected to stimulate customer demand, among other factors. The market for the diagnostics business experienced moderate growth overall in fiscal 2024, thanks to a broad-based normalization of demand for routine tests. On the other hand, market growth was adversely affected by factors such as reduced cost reimbursement rates in certain larger markets (e.g., U.S., China, Japan), increased inflation pressure on healthcare providers, and rising procurement requirements. The market for the diagnostics business is expected to achieve slight growth in fiscal 2025. In the market for Varian, market growth, especially in the U.S. and Western Europe, was supported by the introduction of new products and innovations, the replacement of aging equipment, and growing demand for services. The market for Varian is expected to grow clearly in fiscal 2025, supported, among other factors, by rising customer demand for new products as well as the introduction of progressive therapies and solutions for the treatment of cancer. For advanced therapies business, worldwide replacement purchases were a significant factor contributing to market growth. The expectation for the advanced therapies business is that the market will continue to grow moderately in fiscal 2025.

3.6 Siemens Financial Services

Siemens Financial Services provides financing solutions for Siemens' customers as well as other companies in the form of debt and equity investments. Based on its comprehensive financing know-how and specialist technology expertise in the areas of Siemens businesses, SFS supports its customers' investments with leasing, lending, working capital and structured financing solutions and offers a broad range of equipment and project financing. In addition, SFS supports Siemens' industrial businesses with financial advisory services and via a joint go-to-market that includes SFS' risk management expertise, such as to assess the risk profiles of projects or business models. Furthermore, SFS collaborates with Siemens' industrial businesses to co-develop new digital business models, and also supports its customers through targeted financings in sustainable technologies and projects.

(in millions of €)	Fiscal year 2024	2023
Earnings before taxes (EBT)	**637**	563
therein: equity business	***243***	*201*
therein: severance	***(3)***	*(5)*
ROE (after taxes)	**17.6%**	16.3%

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Total assets	**32,841**	32,915

SFS recorded higher **earnings before taxes** in the debt business due mainly to lower expenses for credit risk provisions. The equity business delivered strong results driven by sharply higher gains from sales due mainly to a gain of €0.1 billion from the sale of a stake in an equity investment in India; the share of income from investments accounted for using the equity method came in lower year-over-year, due in part to the sales mentioned above and impairments on equity investments.

Net cash from operations (defined as the sum of cash flows from operating and investing activities) amounted to €(22) million compared to €(733) million in fiscal 2023. In fiscal 2024 and fiscal 2023, net cash from operations comprised Free cash flow of €785 million and €852 million, respectively, while remaining cash flows from investing activities, including from changes in receivables from financing activities, comprised €(806) million and €(1,585) million, respectively.

SFS' business scope and capital allocation is focused on areas of intense domain know-how closely aligned with Siemens' customers and markets, particularly for Digital Industries, Smart Infrastructure and Mobility. Accordingly, SFS is influenced by the business development of the markets served by the industrial businesses, among other factors, including macroeconomic effects such as inflation or recession which could impact the credit risk of customers. In addition to its high level of diversification across industries, SFS has a strong regional footprint in investment-grade countries, with the highest share in the U.S. SFS intends to maintain a highly diversified portfolio across regions, including ongoing participation in the economic development of selected Asian markets.

3.7 Reconciliation to Consolidated Financial Statements

Profit

(in millions of €)	Fiscal year 2024	2023
Siemens Energy Investment	**479**	668
Siemens Real Estate	**76**	67
Innovation	**(187)**	(195)
Governance	**(308)**	(451)
Centrally carried pension expense	**(63)**	(102)
Amortization of intangible assets acquired in business combinations	**(747)**	(865)
Financing, eliminations and other items	**(48)**	125
Reconciliation to Consolidated Financial Statements	**(800)**	(753)

Siemens Energy Investment: Siemens transferred a 8.0% stake in Siemens Energy AG to Siemens Pension-Trust e.V. and no longer has significant influence over Siemens Energy AG. As a result, Siemens has ceased accounting for Siemens Energy under the equity method. The remaining 17.1% stake is reported as a financial asset measured at fair value through other comprehensive income, net of income taxes. The share transfer and termination of equity method accounting resulted in a gain of €0.5 billion for Siemens Energy Investment. The positive result in fiscal 2023 was mainly driven by a partial reversal of an impairment on Siemens' stake in Siemens Energy AG.

The lower net expenses for **Governance** were due mainly to higher income related to brand fees.

Financing, eliminations and other items included a loss of €0.2 billion from recycling other components of equity from entities in Russia. For comparison, the prior-year period included a revaluation loss of €0.2 billion on the stake in Thoughtworks Holding Inc., partly offset by a gain of €0.1 billion from the sale of the Commercial Vehicles business.

During fiscal 2024, Siemens ceased to report financial results for Portfolio Companies. Innomotics, which was previously reported in Portfolio Companies, was classified as held for disposal and discontinued operations following an agreement to sell that business to KPS Capital Partners, LP. The remaining businesses of Portfolio Companies are included in the item Financing, elimination and other items. These include Siemens Logistics and certain regional business activities, mainly Siemens Energy Assets India and the Innomotics low voltage business in India, which have so far remained with Siemens due to country-specific regulatory restrictions. Prior-period amounts are presented on a comparable basis.

Beginning with fiscal 2025, the items Siemens Energy Investment, Siemens Real Estate and Centrally carried pension expense will be transferred to the item Financing, eliminations and other items. In addition, there will be reclassifications, including Next47, between the item Innovation and the item Financing, eliminations and other items. If this new reporting structure had already existed in fiscal 2024, the item Innovation and the item Financing, eliminations and other items would have recorded €(134) million and €389 million in profit, respectively.

4. Results of operations

4.1 Orders and revenue by region

Currency translation effects took two percentage points each from order and revenue development year-over-year, respectively. Portfolio effects had a minimal impact. The ratio of orders to revenue (book-to-bill) for Siemens in fiscal 2024 was 1.11. The order backlog as of September 30, 2024 was €113 billion.

Orders (location of customer)

	Fiscal year		% Change	
(in millions of €)	2024	2023	Actual	Comp.
Europe, C.I.S., Africa, Middle East	**39,175**	41,362	(5)%	(5)%
therein: Germany	***11,289***	*14,676*	*(23)%*	*(23)%*
Americas	**27,837**	25,843	8%	10%
therein: U.S.	***23,527***	*21,719*	*8%*	*10%*
Asia, Australia	**17,044**	22,165	(23)%	(20)%
therein: China	***7,233***	*8,176*	*(12)%*	*(8)%*
Siemens (continuing operations)	**84,056**	89,371	(6)%	(4)%

On a **worldwide basis**, Mobility reported a substantial order decline from a high basis of comparison a year earlier, and Digital Industries saw a decline in its automation business. In contrast, orders grew clearly at Smart Infrastructure and slightly at Siemens Healthineers.

In the **Europe, C.I.S., Africa, Middle East** region, Smart Infrastructure and Siemens Healthineers reported order growth, largely offsetting double-digit declines at Digital Industries and Mobility. In **Germany**, the substantial decline in order intake primarily stems from sharply lower volume from large orders at Mobility.

Order intake rose in both the **Americas** region and the **U.S.** across all industrial businesses. Mobility and Smart Infrastructure recorded double-digit increases, both with larger contract wins.

In the **Asia, Australia** region, order intake was lower compared to the prior year across all industrial businesses. The largest decline was in Mobility, from a high basis of comparison in fiscal 2023. In **China**, order declines were not as high as in the region, coming mainly from decreases at Digital Industries and Siemens Healthineers. Overall, order development in both the region and in China was burdened by negative currency translation effects.

Revenue (location of customer)

	Fiscal year		% Change	
(in millions of €)	2024	2023	Actual	Comp.
Europe, C.I.S., Africa, Middle East	**35,254**	35,428	0%	0%
therein: Germany	***11,298***	*12,194*	*(7)%*	*(7)%*
Americas	**23,755**	21,899	8%	11%
therein: U.S.	***20,024***	*18,177*	*10%*	*12%*
Asia, Australia	**16,921**	17,555	(4)%	1%
therein: China	***8,082***	*8,743*	*(8)%*	*(4)%*
Siemens (continuing operations)	**75,930**	74,882	1%	3%

Worldwide, revenue rose slightly. Clear revenue increases at Mobility and Smart Infrastructure, along with a moderate increase at Siemens Healthineers, offset a decline in Digital Industries due to the automation business.

Revenue in **Europe, C.I.S., Africa, Middle East** was flat, as growth at Siemens Healthineers, Mobility and Smart Infrastructure was offset by a revenue decrease at Digital Industries. The clear revenue decrease in **Germany** stems from significant declines at Digital Industries and Mobility. In contrast, Siemens Healthineers and Smart Infrastructure reported higher revenues.

In the **Americas** region, revenue was up in all four industrial businesses, led by Smart Infrastructure with double-digit growth. The **U.S.** largely showed the same pattern as the region, with significant growth at Smart Infrastructure and Mobility.

In the **Asia, Australia** region, substantial revenue growth at Mobility and a moderate increase at Smart Infrastructure were more than offset by clear declines at Digital Industries and Siemens Healthineers. In **China**, revenues declined clearly in nearly all industrial businesses, with only Mobility reporting a slight increase. As with orders, revenue development both in the region and in China was held back by negative currency translation effects.

4.2 Income

(in millions of €, earnings per share in €)	Fiscal year 2024	Fiscal year 2023	% Change
Digital Industries	**3,498**	4,833	(28)%
Smart Infrastructure	**3,707**	3,074	21%
Mobility	**1,013**	882	15%
Siemens Healthineers	**3,172**	2,527	26%
Industrial Business	**11,390**	11,316	1%
Profit margin Industrial Business	***15.5%***	*15.5%*	
Siemens Financial Services	**637**	563	13%
Reconciliation to Consolidated Financial Statements	**(800)**	(753)	(6)%
Income from continuing operations before income taxes	**11,227**	11,126	1%
Income tax expenses	**(2,320)**	(2,600)	11%
Income from continuing operations	**8,907**	8,525	4%
Income from discontinued operations, net of income taxes	**85**	3	>200%
Net income	**8,992**	8,529	5%
Basic EPS	**10.53**	10.04	5%
EPS pre PPA	**11.15**	10.77	3%
ROCE	**19.1%**	18.6%	

As a result of the developments described in chapter 3, **Income from continuing operations before income taxes** increased by 1%. Severance charges for continuing operations were €312 million, of which €243 million were in Industrial Business. In fiscal 2023, severance charges for continuing operations were €416 million, of which €346 million were in Industrial Business.

The tax rate in fiscal 2024 was 21% (fiscal 2023: 23%), benefiting from a reversal of income tax provisions and from tax-free gains in relation to the transfer of an 8% stake in Siemens Energy AG to Siemens Pension-Trust e.V. and the associated termination of equity method accounting. As a result, the increase in **Income from continuing operations** was 4%.

Income from discontinued operations, net of income taxes in fiscal 2024 benefited from a reversal of income tax provisions; this effect was partially offset by a loss at Innomotics due to tax expenses and transaction costs related to its carve-out.

The increase in **Basic EPS** and in **EPS pre PPA** reflects the increase of Net income attributable to Shareholders of Siemens AG, which was €8,301 million in fiscal 2024 compared to €7,949 million in fiscal 2023, combined with a lower number of weighted average shares outstanding. Our investment in Siemens Energy AG contributed €0.61 to EPS pre PPA (fiscal 2023: €0.84).

At 19.1%, **ROCE** is near the upper end of the range established in our Siemens Financial Framework. The increase year-over-year was due primarily to higher net income.

4.3 Research and development

In fiscal 2024, we reported R&D expenses of €6.3 billion, compared to €6.1 billion in fiscal 2023. The resulting R&D intensity, defined as the ratio of R&D expenses to revenue, was 8.3% (fiscal 2023: 8.2%). Additions to capitalized development expenses amounted to €0.2 billion in fiscal 2024, compared to €0.3 billion in fiscal 2023. As of September 30, 2024, Siemens worldwide held approximately 41,700 granted patents in its continuing operations. On average, we had 51,600 R&D employees in fiscal 2024.

Our research and development activities are ultimately geared to developing innovative, sustainable solutions for our customers – and our businesses – while also strengthening our own competitiveness. Joint implementation by the operating units and Technology, our central R&D department, ensures that research activities and business strategies are closely aligned with one another, and that all units benefit equally and quickly from technological developments.

Siemens' core technologies have been determined to be critical for our Company's long-term success and that of our customers. They are bundled in eleven technology areas: advanced manufacturing and circularity, cybersecurity and trust, data analytics and artificial intelligence, power electronics, simulation and digital twin, sustainable energy and infrastructure, future of automation, integrated circuits and electronics, connectivity and edge, software systems and processes, and user experience.

We advance technologies also through our open innovation concept. We work closely with scholars from leading universities, research institutions and academic start-ups, not only under bilateral cooperation agreements but also in publicly funded collective projects. Our focus here is on our strategic research partners and in particular the Siemens Research and Innovation Ecosystems, which we maintain at 16 locations worldwide.

Siemens' global venture capital unit, Next47, provides capital to help start-ups expand and scale. It serves as the creator of next-generation businesses for Siemens by building, buying and partnering with innovative companies at any stage. Next47 is focused on anticipating how emerging technologies will influence our end markets. This foreknowledge enables our Company and our customers to grow and thrive in the age of digitalization.

5. Net assets position

(in millions of €)	Sep 30, 2024	2023	% Change
Cash and cash equivalents	**9,156**	10,084	(9)%
Trade and other receivables	**16,963**	17,405	(3)%
Other current financial assets	**10,492**	10,605	(1)%
Contract assets	**7,985**	7,581	5%
Inventories	**10,923**	11,548	(5)%
Current income tax assets	**1,767**	1,363	30%
Other current assets	**1,632**	1,955	(17)%
Assets classified as held for disposal	**2,433**	99	>200%
Total current assets	**61,353**	60,639	1%
Goodwill	**31,384**	32,224	(3)%
Other intangible assets	**9,593**	10,641	(10)%
Property, plant and equipment	**12,242**	11,938	3%
Investments accounted for using the equity method	**980**	3,014	(67)%
Other financial assets	**27,388**	22,855	20%
Deferred tax assets	**2,677**	2,235	20%
Other assets	**2,196**	1,523	44%
Total non-current assets	**86,459**	84,432	2%
Total assets	**147,812**	145,071	2%

Our total assets at the end of fiscal 2024 were influenced by negative currency translation effects of €3.9 billion (particularly affecting goodwill, trade and other receivables, other financial assets and other intangible assets), primarily involving the U.S. dollar.

Following the classification of Innomotics as held for disposal and discontinued operations, the assets of Innomotics were reclassified to **assets classified as held for disposal**, which thereby increased by €2.3 billion. For further information, please refer to Note 3 in Notes to Consolidated Financial Statements for fiscal 2024.

The change in accounting for our remaining stake in Siemens Energy AG from equity method accounting to measurement at fair value through other comprehensive income, net of income taxes, was the main factor for the decrease of **investments accounted for using the equity method** and the increase of **other financial assets**. For further information see Notes 4 and 23 in Notes to Consolidated Financial Statements for fiscal 2024.

The increase in **other assets** resulted mainly from higher net defined benefit assets related to defined benefit plans, mainly in Germany.

Intangible Resources

Siemens has substantial intangible resources beyond assets recorded on the balance sheet. These include the high qualifications and motivation of our employees, which form a significant basis of Siemens' innovation strength and are reflected in our numerous intellectual property rights. Together with our financial strength, global presence, and international supplier network, we offer innovative products, services, and industry solutions to our global customer base. These resources are among the value drivers of the Siemens brand.

6. Financial position

6.1 Capital structure

(in millions of €)	Sep 30, 2024	2023	% Change
Short-term debt and current maturities of long-term debt	**6,598**	7,483	(12)%
Trade payables	**8,843**	10,130	(13)%
Other current financial liabilities	**2,006**	1,613	24%
Contract liabilities	**12,855**	12,571	2%
Current provisions	**2,730**	2,320	18%
Current income tax liabilities	**1,805**	2,566	(30)%
Other current liabilities	**7,833**	8,182	(4)%
Liabilities associated with assets classified as held for disposal	**1,245**	50	>200%
Total current liabilities	**43,913**	44,913	(2)%
Long-term debt	**41,321**	39,113	6%
Provisions for pensions and similar obligations	**912**	1,426	(36)%
Deferred tax liabilities	**1,483**	1,655	(10)%
Provisions	**1,120**	1,463	(23)%
Other financial liabilities	**864**	1,516	(43)%
Other liabilities	**1,968**	1,933	2%
Total non-current liabilities	**47,667**	47,106	1%
Total liabilities	**91,581**	92,019	0%
Debt ratio	***62%***	*63%*	
Total equity attributable to shareholders of Siemens AG	**51,264**	47,782	7%
Equity ratio	***38%***	*37%*	
Non-controlling interests	**4,967**	5,270	(6)%
Total liabilities and equity	**147,812**	145,071	2%

Due to the classification of Innomotics as held for disposal and discontinued operations the Innomotics liabilities were reclassified to **liabilities associated with assets classified as held for disposal**, which thereby increased by €1.2 billion. For further information, please refer to Note 3 in Notes to Consolidated Financial Statements for fiscal 2024.

The decrease of **short-term debt and current maturities of long-term debt** was due mainly to the repayment of euro and U.S. dollar instruments totaling €5.5 billion. This was largely offset by the reclassifications of long-term instruments.

Trade payables decreased in most businesses, particularly at Digital Industries, and from the classification of Innomotics as held for disposal and discontinued operations.

The increase in **other current financial liabilities** was driven mainly by a put option for up to an additional 5% of the shares in Siemens Limited, India granted to the Siemens Energy group (Siemens Energy). For further information, please refer to Note 3 in Notes to Consolidated Financial Statements for fiscal 2024. This increase was partly offset by decreased accrued interest expenses and an improvement in the negative fair values of derivative financial instruments. The latter factor is also the main driver for the decrease of **other financial liabilities**.

The decrease of **current income tax liabilities** was due mainly to a reversal of income tax provisions.

Long-term debt increased due primarily to the issuance of euro bonds totaling €5.8 billion. Set against this were various debt-reducing factors, mainly the above-mentioned reclassifications and favorable currency translation effects of €0.8 billion on bonds issued in the U.S. dollar.

Provisions for pensions and similar obligations decreased mainly driven by the transfer of an 8% stake in Siemens Energy AG to Siemens Pension-Trust e.V. and a reassignment of assets to a newly established contractual trust arrangement (CTA). Actuarial losses due to a lower discount rate were more than offset by a positive return on plan assets.

The main factors for the increase in **total equity attributable to shareholders of Siemens AG** were €8.3 billion in net income attributable to shareholders of Siemens AG and a positive other comprehensive income, net of income taxes, of €2.0 billion. The latter resulted mainly from our stake in Siemens Energy AG (measured at fair value), partly offset by negative currency translation effects. Set against this increase were dividend payments of €3.7 billion (for fiscal 2023); €1.7 billion for the acquisition of 18% of the shares in Siemens Limited, India from Siemens Energy; and €0.7 billion related to the grant of a put option for up to an additional 5% of the shares in Siemens Limited, India to Siemens Energy; for further information on these transactions, please refer to Note 3 in Notes to Consolidated Financial Statements for fiscal 2024. Another offsetting factor was the repurchase of treasury shares totaling €1.6 billion.

Capital structure ratio

Our capital structure ratio as of September 30, 2024 increased to 0.7 from 0.6 a year earlier. The change was due to an increase in Industrial net debt, driven mainly by the above-mentioned increase in long-term debt, and to lower EBITDA.

Debt and credit facilities

As of September 30, 2024, we recorded, in total, €41.5 billion in notes and bonds, €2.9 billion in loans from banks, €0.4 billion in other financial indebtedness and €3.1 billion in lease liabilities. Notes and bonds were issued mainly in the U.S. dollar and the euro, and to a lesser extent in the British pound.

We have credit facilities totaling €7.5 billion which were unused as of September 30, 2024.

For further information about our debt see Note 16 in Notes to Consolidated Financial Statements for fiscal 2024. For further information about the functions and objectives of our financial risk management, see Note 25 in Notes to Consolidated Financial Statements for fiscal 2024.

Off-balance-sheet commitments

As of September 30, 2024, the undiscounted amount of maximum potential future payments related primarily to credit and performance guarantees amounting to €4.1 billion. This included primarily Siemens' obligations from performance and credit guarantees in connection with the Siemens Energy business, for which Siemens has reimbursement rights towards Siemens Energy.

In addition to these commitments, there are contingent liabilities of €0.4 billion which result mainly from other guarantees and legal proceedings. Other guarantees include €0.1 billion, for which Siemens has reimbursement rights towards Siemens Energy.

Irrevocable loan commitments amounted to €4.0 billion. A considerable portion of these commitments resulted from asset-based lending transactions, meaning that the respective loans can be drawn only after the borrower has provided sufficient collateral.

For further information about our commitments and contingencies see Notes 21 and 25 in Notes to Consolidated Financial Statements for fiscal 2024.

Share buyback

The share buyback that started on November 15, 2021 with a volume of up to €3 billion was completed prematurely on January 25, 2024 with a volume of €3 billion. The share buyback program announced on November 16, 2023 with a volume of up to €6 billion ending January 31, 2029 at the latest, began on February 12, 2024. In fiscal 2024, Siemens repurchased 10,015,957 shares under these share buyback programs.

6.2 Cash flows

(in millions of €)	Fiscal year 2024
Cash flows from operating activities	
Net income	**8,992**
Change in operating net working capital	**(798)**
Other reconciling items to cash flows from operating activities – continuing operations	**3,620**
Cash flows from operating activities – continuing operations	**11,814**
Cash flows from operating activities – discontinued operations	**(149)**
Cash flows from operating activities – continuing and discontinued operations	**11,665**
Cash flows from investing activities	
Additions to intangible assets and property, plant and equipment	**(2,088)**
Acquisitions of businesses, net of cash acquired	**(413)**
Change in investments and financial assets for investment purposes	**216**
Change in receivables from financing activities of SFS	**(1,150)**
Other disposals of assets	**297**
Cash flows from investing activities – continuing operations	**(3,138)**
Cash flows from investing activities – discontinued operations	**(144)**
Cash flows from investing activities – continuing and discontinued operations	**(3,282)**
Cash flows from financing activities	
Purchase of treasury shares	**(1,625)**
Re-issuance of treasury shares and other transactions with owners	**(2,140)**
Issuance of long-term debt	**6,688**
Repayment of long-term debt (including current maturities of long-term debt)	**(6,045)**
Change in short-term debt and other financing activities	**(179)**
Interest paid	**(1,462)**
Dividends paid to shareholders of Siemens AG	**(3,709)**
Dividends attributable to non-controlling interests	**(389)**
Cash flows from financing activities – continuing operations	**(8,860)**
Cash flows from financing activities – discontinued operations	**(20)**
Cash flows from financing activities – continuing and discontinued operations	**(8,880)**

Industrial Business recorded **cash inflows from operating activities** that exceeded its profit, with the highest contribution from Smart Infrastructure. Cash outflows from changes in operating net working capital were due primarily to Digital Industries, Siemens Healthineers and Smart Infrastructure while Mobility recorded cash inflows from changes in net operating working capital mainly resulting from a change in contract liabilities.

Cash inflows for **change in investments and financial assets for investment purposes** included proceeds from the sale of equity investments at SFS.

Cash outflows from **change in receivables from financing activities of SFS** related primarily to SFS' debt business.

Cash inflows from **other disposals of assets** resulted mainly from property sales by Siemens Real Estate.

Cash outflows from the **re-issuance of treasury shares and other transactions with owners** were driven by the acquisition of shares in Siemens Limited, India, from the Siemens Energy Group.

Cash outflows for **dividends attributable to non-controlling interests** mainly included dividends paid to the shareholders of Siemens Healthineers AG.

With our ability to generate positive operating cash flows of €11.7 billion from continuing and discontinued operations in fiscal 2024, our total liquidity (defined as cash and cash equivalents plus current tradable interest-bearing debt securities) of €10.2 billion, our unused lines of credit, and our credit ratings at year-end, we believe that we have sufficient flexibility to fund our capital requirements. Also in our opinion, our operating net working capital is sufficient for our present requirements.

Cash conversion rate

	Fiscal year 2024			Fiscal year 2023		
(in millions of €)	Continuing operations	Discontinued operations	Continuing and discontinued operations	Continuing operations	Discontinued operations	Continuing and discontinued operations
Cash flows from operating activities	**11,814**	**(149)**	**11,665**	12,293	(54)	12,239
Additions to intangible assets and property, plant and equipment	**(2,088)**	**(84)**	**(2,172)**	(2,146)	(72)	(2,218)
(I) Free cash flow	**9,726**	**(233)**	**9,494**	10,146	(126)	10,021
(II) Net income			**8,992**			8,529
(I) / (II) Cash conversion rate			**1.06**			1.17

We achieved again a cash conversion rate that clearly exceeded the average required to reach our target of 1 minus annual comparable revenue growth rate over a cycle of three to five years.

Investing activities

Additions to intangible assets and property, plant and equipment from continuing operations totaled €2.1 billion in fiscal 2024. Within the industrial businesses, ongoing investments related mainly to technological innovations; maintaining, extending and digitalizing our capacities for designing, manufacturing and marketing new solutions; improving productivity; and replacements of fixed assets. These investments amounted to €1.5 billion in fiscal 2024. The remaining portion related mainly to Siemens Real Estate, including significant amounts for projects such as new office buildings in Germany. Siemens Real Estate is responsible for uniform and comprehensive management of Company real estate worldwide (except for Siemens Healthineers) and supports the industrial businesses and corporate activities with customer-specific real estate solutions.

With regard to capital expenditures, we expect a significant increase in fiscal 2025. Significant amounts will be invested in the coming years for the construction and expansion of high-tech production facilities in the U.S., China and Singapore in the context of the €2 billion investment strategy presented in fiscal 2023 to strengthen growth, innovation and resilience. As part of this investment strategy, Siemens also announced the establishment of its new Technology Campus in Erlangen, Germany, to expand development and manufacturing capacities. In addition, up to €0.6 billion are to be invested in the new urban quarter Siemensstadt Square in Berlin. Further investments are planned in relation to new office buildings in Spain and Germany, including Siemens Campus Erlangen, and the Siemens Technology Center in Garching, Germany. Furthermore, we continue to invest in attractive innovation fields through Next47, our global venture capital unit.

7. Overall assessment of the economic position

In fiscal 2024, Siemens again delivered an outstanding performance and achieved its highest net income ever. Our industrial businesses successfully address important long-term trends such as electrification, digitalization, decarbonization and growing and aging populations. In divergent market dynamics, our Industrial Business overall achieved strong results. Smart Infrastructure and Mobility increased revenue, profit and profitability in all their businesses. Markets at Smart Infrastructure were characterized by strong demand for data centers and power distribution, while urbanization and the requirement to reduce CO_2 emissions continue to drive investments in Mobility's markets for rail transportation. Revenue, profit and profitability also rose at Siemens Healthineers in moderately growing healthcare markets. Within Digital Industries, the software business likewise increased revenue, profit and profitability, benefiting from the need for digitalization and strong demand for semiconductor design and AI. While long-term trends such as the digitalization of manufacturing continue unchanged, Digital Industries' automation business faced challenging market conditions in fiscal 2024. Customers and distributors continued to reduce elevated stock levels throughout fiscal 2024, but at a slower pace than expected at the beginning of fiscal 2024 due to weak global demand for manufactured goods. This was particularly evident in discrete automation and in Digital Industries' most important regional markets such as Europe and China. As a result of these adverse conditions, revenue, profit and profitability at Digital Industries overall came in lower year-over-year.

During fiscal 2024 and at the beginning of fiscal 2025, we continued to make significant progress in focusing and strengthening our business activities. We further reduced our stake in Siemens Energy AG in fiscal 2024 to 17.1% by transferring an 8.0% share in the company to Siemens Pension-Trust e.V. At the beginning of fiscal 2025, we successfully completed the sale of our motors and large drives company, Innomotics, and signed an agreement to sell our airport logistics business, Siemens Logistics. Also at the beginning of fiscal 2025, we signed an agreement to acquire Altair Engineering Inc., U.S., a provider of computational science and artificial intelligence software. The Altair and Siemens Logistics transactions are expected to close in the course of calendar 2025.

In fiscal 2024, orders for Siemens came in 6% lower year-over-year at €84.1 billion; the book-to-bill ratio was strong at 1.11, thus fulfilling our expectation of a ratio above 1. Order development included double-digit decreases at Mobility, due mainly to substantially lower volume from large orders year-over-year, and at Digital Industries due to substantially lower order intake in its automation business. In contrast, Smart Infrastructure reported a clear order increase, with the strongest growth contributions coming from the electrification and the electrical products businesses. Orders were slightly higher at Siemens Healthineers.

Siemens' revenue rose to €75.9 billion, up 1% compared to fiscal 2023. Smart Infrastructure and Mobility increased revenue clearly year-over-year, and revenue at Siemens Healthineers was up moderately. Revenue growth at Smart Infrastructure was led by the electrification business, which executed strongly on its large order backlog, while growth at Mobility included a strong contribution from the customer service business. Higher revenue at Siemens Healthineers was driven by the imaging and Varian businesses. These increases were partly offset by lower revenue at Digital Industries due to declines in its automation business. On a comparable basis, excluding currency translation and portfolio effects, revenue for Siemens rose 3%. We thus came in below the forecast provided in our Combined Management Report for fiscal 2023, which was to achieve comparable revenue growth in the range of 4% to 8%.

Profit Industrial Business was €11.4 billion, slightly exceeding the very strong prior-year level. The strongest increases came from Siemens Healthineers on growth in most businesses and from Smart Infrastructure due mainly to higher revenue, increased capacity utilization and productivity improvements. Profit at Mobility rose on a combination of higher revenue and strong project execution, while profit at Digital Industries came in lower due to a sharp decrease in the automation business on lower capacity utilization and a less favorable revenue mix.

The profit margin of our Industrial Business was 15.5%, matching the very high prior-year level. Siemens Healthineeres and Smart Infrastructure achieved the strongest increases, improving their profit margins to 14.2% and 17.3%, respectively. Mobility increased its profit margin clearly to 8.9%. While Digital Industries continued to contribute the highest profit margin of our industrial businesses, the profit margin declined significantly year-over-year to 18.9%.

Earnings before taxes at SFS increased significantly driven by increases in both its equity and debt businesses. Return on equity after tax for SFS rose to 17.6%.

Within Reconciliation to Consolidated Financial Statements, the above-mentioned transfer of an 8.0% stake in Siemens Energy AG to Siemens Pension-Trust e.V. and the termination of equity method accounting for our share in the company resulted in a gain of €0.5 billion in fiscal 2024.

Net income reached another historic high of €9.0 billion, and corresponding basic EPS increased to €10.53. EPS pre PPA rose to €11.15. Excluding a positive €0.61 per share related to Siemens Energy Investment, EPS pre PPA was €10.54. We thus achieved the forecast provided in our Combined Management Report for fiscal 2023, which was to achieve EPS pre PPA, excluding Siemens Energy Investment in a range of €10.40 to €11.00.

ROCE for fiscal 2024 rose to 19.1%. This increase was due to higher Net income year-over-year. We thus achieved the forecast for ROCE provided in our Combined Management Report 2023, which was to be within our target range of 15% to 20%.

We evaluate our capital structure using the ratio of Industrial net debt to EBITDA. In fiscal 2024, this ratio was 0.7. We thus achieved the forecast provided in our Combined Management Report 2023, which was to achieve a ratio of up to 1.5.

Free cash flow from continuing and discontinued operations for fiscal 2024 was an excellent €9.5 billion, only moderately below the record high of €10.0 billion in fiscal 2023. The cash conversion rate for Siemens, defined as the ratio of Free cash flow from continuing and discontinued operations to Net income, was 1.06. We thus achieved a cash conversion rate that contributed strongly to the average required to reach our target of 1 minus annual comparable revenue growth rate of Siemens over a cycle of three to five years.

We intend to continue providing an attractive shareholder return. The Siemens Managing Board, in agreement with the Siemens Supervisory Board, proposes to increase the dividend to €5.20 per share, up from €4.70 per share a year earlier.

8. Report on expected developments and associated material opportunities and risks

8.1 Report on expected developments

8.1.1 Worldwide economy

The global economy is projected to grow by 2.8% in calendar 2025, maintaining a trajectory similar to the estimated growth in calendar 2024. This outlook is based on moderate improvement for the global economy overall, but key dynamics such as sectoral performance, inflation trends, and geopolitical risks will play crucial roles in shaping economic developments.

The services sector is expected to be the primary engine of growth in calendar 2025, continuing its robust performance as industrial growth remains more subdued. Although there will be some acceleration in industrial activity, manufacturing development is anticipated to lag behind due to existing overcapacity and slow demand for manufacturing output. Nevertheless, declining interest rates as a result of easing inflationary pressures should offer some support for industrial expansion, particularly toward the latter half of the year.

As inflation begins to stabilize, central banks in major economies, such as the U.S. and the Eurozone, are expected to reduce policy rates by 1 to 1.5 percentage points by the end of calendar 2025. This monetary easing will have a lagged but positive effect on residential and non-residential investment, equipment purchases, and consumer credit, fueling further growth. However, core inflation remains a concern, and any delays in additional rate cuts could temper these positive effects.

In the U.S., economic growth is expected to slow from 2.7% in calendar 2024 to 2.1% in calendar 2025. While the country is unlikely to face a recession, the softness in industrial production remains a concern. However, there are potential growth opportunities in equipment investments, particularly as the effects of recent factory construction begin to materialize. The U.S. economy will benefit from declining interest rates and easing inflation, which are expected to support consumer spending and investment in the second half of the year.

The E.U.'s economic recovery is expected to be modest, with GDP projected to increase by 1.4% in calendar 2025, up from 0.9% in calendar 2024. The region will benefit from rising real incomes, declining unemployment, and lower financing costs, all of which should help bolster domestic demand. However, Germany remains a weak spot in the broader E.U. economy, with only 0.6% growth expected in calendar 2025 following two consecutive years of mild recession with a GDP decline of 0.1% in both years. While other E.U. countries show more promise, Germany’s slow recovery will weigh on overall regional growth.

China’s economic growth is expected to decelerate again, with GDP projected to grow by 4.6% in calendar 2025, down from 4.9% in calendar 2024. This slowdown reflects ongoing challenges in the Chinese economy, including sluggish consumer demand and structural issues within its industrial base. However, recently announced stimulus measures could provide some upside potential. China’s deflationary environment, particularly in producer prices, is also expected to ease in calendar 2025, offering some additional support for industrial recovery and investment.

Substantial risks remain, nevertheless. First, a slower-than-expected industrial recovery and prolonged industry destocking could weigh on factory investments. Additionally, if core inflation stays elevated, further rate cuts may be postponed, which could slow the recovery in investment and consumer spending. Furthermore, geopolitical tensions remain a significant concern, particularly the potential for an escalation in Ukraine, or in the Middle East, which could lead to or disruptions in the supply of energy or to the blockade of important shipping routes. Additionally, any further or escalating geopolitical conflicts or increasing protectionism could have severe consequences for global trade and economic stability.

In summary, a mixed picture emerges for the economy and Siemens’ markets in 2025. While global growth will likely continue at a moderate pace, supported by the services sector and easing inflation, industrial development is expected to remain sluggish.

The forecasts for calendars 2025 and 2024 presented here for GDP and fixed investments are based on a report from S&P Global dated October 15, 2024.

8.1.2 Siemens Group

We are basing our outlook for fiscal 2025 on the above-mentioned expectations and assumptions regarding the overall economic situation and also on the specific market conditions we expect for our respective industrial businesses, as described in chapter 3 Segment information. In particular, we anticipate moderate macroeconomic growth in fiscal 2025, due in part to continuing geopolitical uncertainty including trade conflicts, and also to ongoing challenges for the manufacturing sector due to overcapacity and weak consumer demand. At the same time, infrastructure markets, particularly in electrification and mobility, are expected to remain strong. Furthermore, we assume that geopolitical tensions do not further increase.

We are exposed to currency translation effects, mainly involving the U.S. dollar, the British pound and currencies of emerging markets, particularly the Chinese yuan. Siemens is still a net exporter from the Eurozone to the rest of the world, so a weak euro is principally favorable for our business and a strong euro is principally unfavorable. While we expect volatility in global currency markets to continue in fiscal 2025, we have improved our natural hedge on a global basis through geographic distribution of our production facilities in the past. In addition to the natural hedging strategy, we also hedge currency risk in our export business using derivative financial instruments. We expect these steps to help us limit effects on income related to currency in fiscal 2025. In this outlook, we assume that currency translation effects in fiscal 2025 do not significantly influence nominal volume growth rates for our businesses.

This outlook excludes burdens from legal and regulatory matters.

Segments

Digital Industries expects for fiscal 2025 a change in comparable revenue, net of currency translation and portfolio effects, in a range of (6)% to 1% and a profit margin of 15% to 19%.

Smart Infrastructure expects for fiscal 2025 comparable revenue growth of 6% to 9% and a profit margin of 17% to 18%.

Mobility expects for fiscal 2025 comparable revenue growth of 8% to 10% and a profit margin of 8% to 10%.

Siemens Healthineers expects to achieve comparable revenue growth of 5% to 6% in fiscal 2025, and to contribute solidly to the profit and profit margin of our Industrial Business.

SFS anticipates earnings before taxes in fiscal 2025 on the level of fiscal 2024. Return on equity (ROE) (after tax) is expected to be in the target range of 15% to 20%.

Revenue growth

For the Siemens Group we expect comparable revenue growth in the range of 3% to 7%. Furthermore, we anticipate that orders in fiscal 2025 will exceed revenue for a book-to-bill ratio above 1.

As of September 30, 2024, our order backlog totaled €113 billion, and we expect conversion from the backlog to support revenue growth in fiscal 2025 with approximately €42 billion of past orders converted to current revenue. For expected conversion of order backlog to revenue for our respective segments, see chapter 3 Segment information.

Profitability

For results outside our reportable segments, we simplified the reporting structure as of the beginning of fiscal 2025 as described above in chapter 3.7 Reconciliation to Consolidated Financial Statements.

In fiscal 2025, the negative results related to Governance are expected to be on the fiscal 2024 level which was a negative €0.3 billion.

We also started our ONE Tech Company program which aims at achieving even stronger customer focus, faster innovation and higher profitable growth, as well as exploiting opportunities arising from market shifts and changes in technology such as intensified use of AI and software even better. This program includes scaling of foundational technologies, which are used across the company to avoid internal redundancies and provide seamless functionality for Siemens' customers. As a result, we plan for sharply higher expenses in Innovation, which is expected to be in a range of a negative €0.5 billion to a negative €0.7 billion in fiscal 2025, compared to a negative €0.1 billion in fiscal 2024.

Amortization of intangible assets acquired in business combinations is expected to be approximately €0.7 billion in fiscal 2025 based on our current business portfolio.

Financing, eliminations and other items, which was a positive €0.4 billion in fiscal 2024, is expected on a similar level in fiscal 2025, depending on portfolio-related topics.

We anticipate our tax rate for fiscal 2025 to be in the range of 23% to 27%. This assumption does not take into consideration possible effects that might arise from major tax reforms.

In fiscal 2025, we expect income from discontinued operations, net of income taxes to include a preliminary gain of €2.0 billion from the sale of Innomotics. This gain however is excluded from our forecast for net income and basic EPS from net income before purchase price allocation accounting (EPS pre PPA) for fiscal 2025.

Our forecast for net income takes into account a number of additional factors. We assume that solid project execution continues in fiscal 2025. We plan to keep the ratio of R&D expenses to revenue, which was 8% in fiscal 2024, at least at this level in fiscal 2025. We expect the ratio of selling and general administrative expenses to revenue, which was 18% in fiscal 2024, to remain approximately on this level in fiscal 2025. Severance charges, which were €0.3 billion in fiscal 2024, are expected at a higher level in fiscal 2025.

Given the above-mentioned assumptions, we expect EPS pre PPA for fiscal 2025 in a range of €10.40 to €11.00, excluding the gain from the sale of Innomotics.

Capital efficiency

For fiscal 2025, we expect to achieve ROCE in our target range of 15% to 20%.

Capital structure

We aim in general for a capital structure of up to 1.5; we expect to achieve this in fiscal 2025.

Cash conversion rate

We expect to achieve another strong Free cash flow in fiscal 2025. However, our cash conversion rate, defined as the ratio of Free cash flow (continuing and discontinued operations) to net income, is expected to be impacted in fiscal 2025 as cash inflows from the above-mentioned sale of Innomotics are not included in Free cash flow, while net income comprises the gain from this transaction. Given our strong cash conversion rates in prior fiscal years, we expect a cash conversion rate in fiscal 2025 sufficient to contribute to reaching our target of 1 minus the annual comparable revenue growth rate of Siemens over a cycle of three to five years.

8.1.3 Overall assessment

We anticipate moderate macroeconomic growth in fiscal 2025, due in part to continuing geopolitical uncertainty including trade conflicts, and also to ongoing challenges for the manufacturing sector due to overcapacity and weak consumer demand. At the same time, infrastructure markets, particularly in electrification and mobility, remain strong.

For the Siemens Group we expect comparable revenue growth in the range of 3% to 7% and a book-to-bill ratio above 1.

We expect EPS pre PPA for fiscal 2025 in a range of €10.40 to €11.00, excluding the gain from the sale of Innomotics; the preliminary gain of €2.0 billion after tax will be recorded in the first quarter of fiscal 2025. For comparison, EPS pre PPA in fiscal 2024 was €10.54 excluding a positive €0.61 per share from Siemens Energy Investment.

This outlook excludes burdens from legal and regulatory matters.

Overall, the actual development for Siemens and its segments may vary, positively or negatively, from our outlook due to the risks and opportunities described below or if our expectations and assumptions do not materialize.

8.2 Risk management

8.2.1 Basic principles of risk management

Our risk management policy stems from a philosophy of pursuing sustainable growth and creating economic value while managing appropriate risks and opportunities and avoiding inappropriate risks. As risk management is an integral part of how we plan and execute our business strategies, our risk management policy is set by the Managing Board. Our organizational and accountability structure requires each of the respective managements of our organizational units to implement risk management programs that are tailored to their specific industries and responsibilities, while being consistent with the overall policy.

8.2.2 Enterprise risk management process

We have implemented and coordinated a set of risk management and control systems which support us in the early recognition of developments that could jeopardize the continuity of our business. The most important of these systems include our enterprise-wide processes for strategic planning and management reporting. Strategic planning is intended to support us in considering potential risks and opportunities well in advance of major business decisions, while management reporting is intended to enable us to monitor such risks more closely as our business progresses. Our risk management and its contributing elements are regularly the subject of audit activities by our internal audit function. Accordingly, if deficits are detected, it is possible to adopt appropriate measures for their elimination. This coordination of processes and procedures is intended to help ensure that the Managing Board and the Supervisory Board are fully informed about significant risks in a timely manner.

Risk management at Siemens builds on a comprehensive, interactive and management-oriented Enterprise Risk Management (ERM) approach that is integrated into the organization and that addresses both risks and opportunities. Our ERM approach is based on the globally accepted COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management – Integrating with Strategy and Performance (2017) and the ISO (International Organization for Standardization) Standard 31000 (2018) and is adapted to Siemens requirements. The frameworks connect the ERM process with our financial reporting process, our internal control and our compliance management system. They consider a company's strategy, the efficiency and effectiveness of its business operations, the reliability of its financial reporting and compliance with relevant laws and regulations to be equally important.

Our ERM process aims for early identification and evaluation of, and response regarding, risks and opportunities that could materially affect the achievement of our strategic, operational, financial and compliance objectives. The time horizon is typically three years, and we take a net risk approach, addressing risks and opportunities remaining after the execution of existing and effective measures and controls. If risks have already been considered in plans, budgets, forecasts or the consolidated financial statements (e.g. as a provision or risk contingency), they are supposed to be incorporated with their financial impact in the entity's business objectives. As a consequence, only additional risks arising from the same cause (e.g. deviations from business objectives, different impact perspectives) should be considered. In order to provide a comprehensive view of our business activities, risks and opportunities are identified in a structured way combining elements of both top-down and bottom-up approaches. Reporting generally follows a quarterly cycle; we complement this periodic reporting with an ad-hoc reporting process that aims to escalate critical issues in a timely manner. Relevant risks and opportunities are evaluated in terms of impact and likelihood, considering different impact perspectives, including business objectives, reputation and regulatory requirements. The bottom-up identification and prioritization process is supplemented by workshops with the respective managements of our organizational units. The top-down element ensures that potential new risks and opportunities are discussed at different management levels and are included in the subsequent reporting process, if found to be relevant. Reported risks and opportunities are analyzed regarding potential cumulative effects and are aggregated within and for each of the organizational units mentioned above.

Responsibilities are assigned for all relevant risks and opportunities, with the hierarchical level of responsibility depending on the significance of the respective risk or opportunity. In a first step, assuming responsibility for a specific risk or opportunity involves choosing one of our general response strategies. Our general response strategies with respect to risks are avoidance, transfer, reduction or acceptance of the relevant risk. Our general response strategy with respect to opportunities is to "pursue" the relevant opportunity. In a second step, responsibility for a risk or opportunity also involves the development, initiation and monitoring of appropriate response measures corresponding to the chosen response strategy. These response measures have to be specifically tailored to allow for effective risk management. Accordingly, we have developed a variety of response measures with different characteristics. For example, we mitigate the risk of fluctuations in currency and interest rates by engaging in hedging activities. Regarding our projects, systematic and comprehensive project management with standardized project milestones, including provisional acceptances during project execution and complemented by clearly defined approval processes, assists us in identifying and responding to project risks at an early stage, even before the bidding phase. Furthermore, we maintain appropriate insurance levels for potential cases of damage and liability risks in order to reduce our exposure to such risks and to avoid or minimize potential losses. Among others, we address the risk of fluctuation in economic activity and customer demand by closely monitoring macroeconomic conditions and developments in relevant industries, and by adjusting capacity and implementing cost-reduction measures in a timely and consistent manner if they are deemed necessary. Due to regular screening of climate risks and environmental, social and governance (ESG) developments we can initiate related mitigation actions in a timely manner – also as part of our DEGREE implementation. Worldwide there are risks from the transmission of infectious agents from animals to humans, from humans to humans and in other ways. Epidemic, pandemic or other infectious developments such as bioterrorism to cause high disease rates in countries, regions or continents. We constantly check information from the World Health Organization (WHO), the Centers for Disease Control and Prevention in the U.S. and Europe, the Robert Koch Institute in Germany and other institutions in order to be able to identify early epidemic or pandemic risks and determine and initiate related mitigation actions as early as possible.

8.2.3 Risk management organization and responsibilities

To oversee the ERM process and to further drive the integration and harmonization of existing control activities to align with legal and operational requirements, the Managing Board established a Risk Management and Internal Control Organization, led by the Head of Assurance. In order to allow for a meaningful discussion at the Siemens Group level, this organization aggregates individual risks and opportunities of similar cause-and-effect nature into broader risk and opportunity themes. This aggregation naturally results in a mixture of risks, including those with a primarily qualitative assessment and those with a primarily quantitative assessment; the same applies to opportunities. Accordingly, we do not adopt a purely quantitative assessment of risk and opportunity themes. Thematic risk and opportunity assessments as well as our risk-bearing capacity then form the basis for the evaluation of the company-wide risk and opportunity situation during the quarterly Managing Board meetings. The Head of Assurance assists the Managing Board with the operation and oversight of the risk and internal control system and reporting to the Audit Committee of the Supervisory Board.

8.3 Risks

Below we describe the risks that could have a material adverse effect on our business situation, financial condition (including effects on assets, liabilities and cash flows), results of operations and reputation. The order in which the risks are presented in each of the four categories reflects the currently estimated relative exposure for Siemens associated with these risks and thus provides an indication of the risks' current importance to us. Additional risks not known to us or that we currently consider immaterial may also negatively impact our business objectives and operations. Unless otherwise stated, the risks described below relate to all our organizational units.

8.3.1 Strategic risks

Economic, political and geopolitical conditions: We see geopolitical challenges to remain the biggest risk and source of uncertainty for the global economy. In addition, trade and economic policy uncertainties still weigh on the global economic outlook. The tensions in the Middle East have tended to escalate and might cause a larger regional conflict involving Iran and other parties. Sharply rising oil prices, disruptions of oil and natural gas supply, blockades of important shipping routes, or a broad military escalation could seriously hurt the global economy. Ongoing risks emanate from the Russian war on Ukraine. Both the Middle East conflict and the war in Ukraine may have negative impacts on sales growth, production processes, and purchasing and logistics processes, for example through interruptions in supply chains and energy supplies or bottlenecks affecting components, raw materials and intermediate products. Each of the conflicts could also intensify further to the point of expanding to include other warring parties, including NATO countries, and the use of unconventional weapons. An expansion of the conflicts would have a significant impact on the Siemens market environment. A further risk could come from rapidly rising inflation. Central banks might respond by tightening monetary policy, possibly contributing to a global recession. Banking sector problems or other financial crises could follow and exacerbate the recession. Similarly, higher interest rates could cause problems for highly indebted countries. Or even the U.S. might encounter difficulties in financing its government debt, which has risen to levels of more than 120% of GDP. If creditor nations would become more hesitant to finance the U.S. government, significant impacts for the global financial system could follow. Strong movements in foreign exchange markets could also pose significant stress for the financial systems, especially for emerging economies. Further risks are coming from other geopolitical tensions (particularly associated with the Baltics, Eastern Europe, the Western Balkans, China, Taiwan and North Korea). We continue to face economic risks associated with a significant further slow-down of the Chinese economy. Key risks in this regard arise from potential financial imbalances, particularly due to ongoing recession in the property sector, but also from the growing debt held by local governments, with growing negative implications for Siemens' business in China and for the country's trading partners. Obstruction and redefinitions of international cooperation agreements could severely impact our business. First and foremost, a more extensive U.S.-China decoupling would have adverse effects on confidence and investment activity and would severely hit Siemens' business. Increasing trade barriers, protectionism, sanctions and in particular technical regulations would negatively impact production costs and productivity along our global value chains, as well as significantly impede or even hinder access to growth markets. We are dependent on the economic development of certain industries; a continuation or even intensification of cyclical and structural headwinds in core customer industries, would have adverse impact on our business prospects. The outbreak of a new pandemic, a terrorist attack, a significant cybercrime incident, or a series of such attacks or incidents in major economies, could depress economic activity globally and undermine consumer and business confidence. Additionally, the highly interconnected global economy remains vulnerable to natural disasters, extreme weather events and their consequences in the context of climate change or hybrid warfare.

If we are not successful in adapting our production and cost structure to changes in conditions in the markets in which we operate, there can be no assurance that we will not experience adverse effects. For example, our customers may modify, delay or cancel plans to purchase our products, solutions and services, or fail to follow through on purchases or contracts already executed. In addition, it may become more difficult for our customers to obtain financing. Contracted payment terms, especially regarding the level of advance payments by our customers relating to long-term projects, may become less favorable, which could negatively impact our financial condition. Siemens' global setup with operations in almost all relevant economies, our wide range of offerings with varied exposures to business cycles, and our balanced mix of business models (e.g. equipment, components, systems, software, services and solutions) help us to absorb impacts from adverse developments in any single market.

Competitive environment: The worldwide markets for our products, solutions and services are highly competitive in terms of pricing, product and service quality, product development and introduction time, customer service, financing terms and shifts in market demands. We face strong, established competitors as well as rising competitors from emerging markets and new industries, which may have a better cost structure or offer a better customer solution. Some industries in which we operate are undergoing consolidation, which may result in stronger competition, a change in our relative market position, an increase in our inventory of finished or work-in-progress goods, or unexpected price erosion. Furthermore, there is a risk that critical suppliers could be taken over by competitors and a risk that competitors may offer their services to our installed base. We address these risks with various measures, for example benchmarking, strategic initiatives, sales push initiatives, executing productivity measures and target cost projects, rightsizing of our footprint, outsourcings, mergers and joint ventures and optimizing our product and service portfolio. We continuously monitor and analyze competitive, market and industry information in order to be able to anticipate unfavorable changes in the competitive environment rather than merely reacting to such changes.

Sustainability focus: Governments around the world continue to increase their focus on sustainability topics, resulting in the risk of increased costs to comply with new laws and related reporting requirements. In addition, increasing stakeholder and investor focus on sustainability topics brings reputational risk should our sustainability commitments, targets and activities be perceived as a deceptive use of green marketing or otherwise not credible. Climate change litigation has become a worldwide phenomenon with a corresponding risk to Siemens as a large corporation. We address these risks in a variety of ways including through our sustainability framework DEGREE, in which we have set ambitious sustainability targets. DEGREE includes measures to reduce our carbon and raw material footprint along with other initiatives addressing ESG topics more generally. We have implemented an ESG due diligence process that supports Siemens businesses with due diligence in the customer-oriented environment with a view to possible environmental and social risks as well as related human rights and reputational risks. Finally, we believe our overall portfolio is very well positioned to meet the current and future sustainability needs of our customers and the societies in which we operate.

Digital transformation: The markets in which our businesses operate experience rapid and significant changes due to the introduction of innovative and disruptive technologies. In the field of digitalization (e.g. Digital Twin, artificial intelligence, cloud computing), there are risks associated with new competitors, substitutions for existing products/solutions/services, new business models (e.g. in terms of pricing, financing, extended scopes for project business or subscription models in the software business), and finally the risk that our competitors may have more advanced time-to-market strategies or enjoy more favorable digital regulations in their markets such that they can introduce their disruptive products and solutions faster than Siemens. While digital regulations may aim to reduce adverse side effects of such technologies, there is a risk that regulations hinder competition and innovation. Siemens generally differentiates its software offerings from those of other software companies through deep domain know-how. There are risks associated with technologies such as artificial intelligence, including generative artificial intelligence, that domain expertise will not be a significant distinguishing feature in the future, and that additional competitors may therefore emerge more easily or rapidly. Our operating results depend to a significant extent on our technological leadership, our ability to anticipate and adapt to changes in our markets, and our ability to optimize our cost base accordingly. Introducing new products and technologies requires a significant commitment to research and development, which in return requires expenditure of considerable financial resources that may not always result in success. Our results of operations may suffer if we invest in technologies that do not operate or may not be integrated as expected, or that are not accepted in the marketplace as anticipated, or if our products, solutions or systems are not introduced to the market in a timely manner, particularly compared to our competitors, or even become obsolete. We constantly apply for new patents and actively manage our intellectual property portfolio to secure our technological position. However, our patents and other intellectual property may not prevent competitors from independently developing or selling products and services that are similar to ours.

Portfolio measures, at-equity investments, other investments and strategic alliances: Our strategy includes divesting our activities in some business areas and strengthening others through portfolio measures, including mergers and acquisitions. With respect to divestments, we may not be able to divest some of our activities as planned, and the divestitures we do carry out could have a negative impact on our business situation, financial condition, results of operations and reputation. Mergers and acquisitions are inherently risky because of difficulties that may arise when integrating people, operations, technologies and products. There can be no assurance that any of the businesses we acquire can be integrated successfully and in a timely manner as originally planned, or that they will perform as anticipated once integrated. In addition, we may incur significant acquisition, administrative, tax and other expenditures in connection with these transactions, including costs related to integration of acquired businesses. Furthermore, portfolio measures may result in additional financing needs and adversely affect our capital structure. Acquisitions can lead to substantial additions to intangible assets, including goodwill, in our statements of financial position. If we were to encounter continuing adverse business developments or if we were otherwise to perform worse than expected at acquisition activities, then these intangible assets, including goodwill, might have to be impaired, which could adversely affect our business situation, financial condition and results of operations. Our investment portfolio includes investments held for purposes other than trading, along with other investments. Any factors negatively influencing the financial condition and results of operations of our at-equity investments or our other investments could have an adverse effect on our share of income or may result in a related write-off. In addition, our business situation, financial condition and results of operations could also be adversely affected in connection with loans, guarantees or non-compliance with financial covenants related to these investments. Furthermore, such investments are inherently risky as we may not be able to sufficiently influence corporate governance processes or business decisions taken by our at-equity investments, by other investments and by strategic alliances, which may have a negative effect on our business and especially on our reputation. In addition, joint ventures bear the risk of difficulties that may arise when integrating people, operations, technologies and products. Strategic alliances may also pose risks for us because we compete in some business areas with companies with which we have strategic alliances. Besides other measures, we handle these risks with standardized processes as well as dedicated roles and responsibilities in the areas of mergers, acquisitions, divestments and carve-outs. This includes the systematic treatment of all contractual obligations and post-closing claims.

8.3.2 Operational risks

Cyber/Information security: Digital technologies are deeply integrated into our business portfolio. Further integration of information technology into products and services in conjunction with changing business strategies (such as outsourcing, globally distributed development, a lesser degree of sole production) is leading to an increasingly distributed supply chain, making efficient controls difficult. The fact of a large number of suppliers requires a significant effort to initially and then regularly verifying their effective implementation of our cybersecurity requirements. Siemens business entities might lose market access if their products, solutions and services do not comply with increasing regulations and legal requirements for cybersecurity in their respective countries. We observe a global increase of cybersecurity threats and higher levels of professionalism in computer crime, which pose a risk to the security of Siemens products, solutions and services; to Siemens IT systems and networks; and to the confidentiality, availability, and integrity of data. Like other large multinational companies, we face active cyber-threats from sophisticated adversaries that are supported by organized crime and nation-states engaged in economic espionage or even sabotage. According to external sources of relevant data, this trend has been accelerated by geopolitical developments and tensions worldwide. Especially the numbers of phishing attacks and malicious websites have increased significantly. There is a risk that confidential information or data-privacy-relevant information may be stolen or that the integrity of our business portfolio may be compromised, such as by attacks on our networks, social engineering, data manipulations in critical applications, or a loss of critical resources, resulting in financial damages and violation of data privacy laws. Moreover, the corporate IT market is relatively concentrated among a small number of hardware and software vendors, which could lead to dependence on a single provider as well as to increased price pressure. There can be no assurance that the measures aimed at protecting our intellectual property and portfolio will address these threats under all circumstances. Cybersecurity covers the IT of our entire enterprise including office IT, systems and applications, special-purpose networks, and our operating environments such as manufacturing and R&D. We strive to mitigate these risks by employing a number of cybersecurity measures, including employee training, considering new models of flexible working environments, and comprehensive monitoring of our networks and systems with an artificial intelligence solution to identify attacks faster, and thereby prevent damage to society, critical infrastructures, our customers, our partners and Siemens overall. We initiated the industrial “Charter of Trust,” signed by a growing group of global companies, which sets out principles for building trust in digital technologies and creating a more secure digital world. Nonetheless, our systems, products, solutions and services, as well as those of our service providers, remain potentially vulnerable to attacks. Such attacks could potentially lead to the publication, manipulation or leakage of information such as through industrial espionage. They could also result in deliberate improper use of our systems, vulnerable products, production downtimes and supply shortages, with potential adverse effects on our reputation, our competitiveness and results of operations. For increased protection of Siemens and reduction of a potential financial impact caused by cyber incidents, the currently insurable cybersecurity risks have been to a partial extent transferred to a consortium of insurance companies.

Internal programs and initiatives: We are in a continuous process of operational optimization and constantly engage in cost-reduction initiatives. Consolidation of business activities and manufacturing facilities, outsourcings, joint ventures and the streamlining of product portfolios are all part of these cost-reduction efforts. These measures may not be implemented as planned, may turn out to be less effective than anticipated, may become effective later than estimated or may not become effective at all. Any future contribution of these measures to our profitability will be influenced by the actual savings achieved and by our ability to sustain them. There is also a risk that our internal setup or internal IT projects could result in cost increases or have other negative impacts on our business. Furthermore, delays in critical R&D projects could lead to negative impacts in running projects. We constantly control and monitor the progress of these projects and initiatives using standardized controlling with clear targets and responsibilities and milestone tracking.

Supply chain management: The financial performance of our operating units depends on reliable and effective supply chain management for components, sub-assemblies, energy, critical parts (e.g. semiconductors) and materials. Capacity constraints and supply shortages resulting from ineffective supply chain management or external supply shocks may lead to production bottlenecks, delivery delays, quality issues, and price increases. We also rely on third parties to supply us with parts, components, and services. Using third parties to manufacture, assemble and test our products may reduce our control over manufacturing yields, quality assurance, product delivery schedules and costs. Although we work closely with our suppliers to avoid supply-related problems, there can be no assurance that we will not encounter supply problems in the future, especially if we use single-source suppliers for critical components, services and software solutions. Shortages and delays could materially harm our businesses. Unanticipated increases in the price of components or raw materials due to market shortages or other reasons could also adversely affect performance. Furthermore, we may be exposed to the risk of delays and interruptions in the supply chain as a consequence of catastrophic events (including pandemics), geopolitical uncertainties, energy shortages, sabotage, cyber incidents, operational issues or blockades on global trade routes, suppliers’ financial difficulties or suppliers not meeting our standards, particularly if we are unable to identify alternative sources of supply or means of transportation in a timely manner or at all. Besides other measures, we mitigate price fluctuation in global raw material markets with various hedging instruments.

Shortage of skilled personnel: The competition for skilled professionals, particularly in technical fields, remains fierce in the industries and regions where we operate. Our success depends in part on attracting top talent – engineers, tech specialists, and other qualified individuals – while fostering diversity, equity, inclusion, and belonging within our workforce, as well as strengthen their resilience and well-being. To meet these challenges, we are strengthening our talent acquisition capabilities through proactive, technology-enhanced strategies for identifying and recruiting diverse candidates more effectively. We also prioritize enabling our first-line leaders to elevate team effectiveness and shape the daily experience of our people, so that new hires can thrive. Additionally, we invest in the ongoing development of our organizations to maximize business impact, and in the structured development of our people, helping them build skills for life as they grow and adapt to evolving industry needs.

Project-related risks: A number of our segments conduct activities under long-term contracts that are awarded on a competitive bidding basis. Some of these contracts are inherently risky because we may assume substantially all of the risks associated with completing a project and meeting post-completion warranty obligations. For example, we may face the risk that we must satisfy technical requirements of a project even though we have not gained experience with those requirements before winning the project. The profit margins realized on fixed-priced contracts may vary from original estimates as a result of changes in costs and productivity over a contract’s term. We sometimes bear the risk of unanticipated project modifications, shortage of key personnel, quality problems, financial difficulties of our customers and/or significant partners, cost overruns or contractual penalties caused by unexpected technological problems, unexpected developments at the project sites, unforeseen changes or difficulties in the regulatory or political environment, performance problems with our suppliers, subcontractors and consortium partners or other logistical difficulties including delays and difficulties caused by more frequent extreme weather events and their consequences. Some of our multi-year contracts also contain demanding installation and maintenance requirements in addition to other performance criteria relating to timing, unit cost and compliance with government regulations, which, if not satisfied, could subject us to substantial contractual penalties, damages, non-payment and contract termination. There can be no assurance that contracts and projects, in particular those with long-term duration and fixed-price calculation, can be completed profitably. To tackle those risks, we established a global project management organization to systematically improve the technical and commercial capabilities of our project management personnel. For complex projects we conduct dedicated risk assessments in very early stages of the sales phase before we decide to hand over a binding offer to our customers.

8.3.3 Financial risks

Risks from pension obligations: The provisions for pensions and similar obligations may be affected by changes in actuarial assumptions, including the discount rate, as well as by movements in financial markets or a change in the mix of assets in our investment portfolio. Additionally, they are subject to legal risks with regard to plan design, among other factors. A significant increase in underfunding may have a negative effect on our capital structure and rating, and thus may tighten refinancing options and increase costs. In order to comply with local pension regulations in selected foreign countries, we may face an economic risk of increasing cash outflows due to changes in funding level according to local regulations of our pension plans in these countries or to changes in the regulations themselves.

Audits by tax authorities and changes in tax regulations: We operate in nearly all countries of the world and therefore are subject to many different tax regulations. Changes in tax laws in any of these jurisdictions could result in higher tax expenses and increased tax payments. Furthermore, legislative changes could impact our tax receivables and liabilities as well as deferred tax assets and deferred tax liabilities. In addition, the uncertain legal environment in some regions could limit our ability to enforce our rights. As a globally operating organization, we conduct business in countries with complex tax rules, which may be interpreted in different ways. Future interpretations regarding, or developments in, tax regimes may affect our business situation, financial condition and results of operations. We are regularly audited by tax authorities in various jurisdictions and we continuously identify and assess relevant risks.

Market price risks: We are exposed to fluctuations in exchange rates, especially between the U.S. dollar and the euro, because a high percentage of our business volume is conducted as exports from Europe to regions typically using the U.S. dollar. In addition, we are exposed to effects involving the currencies of emerging markets, in particular the Chinese yuan. Appreciable changes in euro exchange rates could materially change our competitive position. We are also exposed to fluctuations in interest rates. Even hedging activities to mitigate such risks may result in a reverse effect. Fluctuations in exchange or interest rates, negative developments in the financial markets and changes in central bank policies could therefore negatively impact our financial results. Market prices show higher volatility than in the past due to increased macroeconomic uncertainties resulting from inflation, geopolitical tensions and other factors noted above.

Liquidity and financing risks: Our treasury and financing activities could face adverse deposit and/or financing conditions from negative developments related to financial markets, such as limited availability of funds and hedging instruments; an updated evaluation of our solvency, particularly from rating agencies; negative interest rates; and impacts arising from more restrictive regulation of the financial sector, central bank policy, or the usage of financial instruments. Widening credit spreads due to uncertainty and risk aversion in the financial markets might lead to adverse changes in the market values of our financial assets, in particular our derivative financial instruments.

Credit risks: We provide our customers with various forms of direct and indirect financing of orders and projects, including guarantees. Siemens Financial Services in particular bears credit risks due to such financing activities if, for example, customers do not meet obligations arising from these financing arrangements, meet them only partially, or meet them late. The credit environment has become more dynamic due to a more uncertain macroeconomic outlook (e.g. inflation) and geopolitical tensions.

For further information on post-employment benefits, derivative financial instruments, hedging activities, financial risk management and related measures, see Notes 17, 24 and 25 in Notes to Consolidated Financial Statements for fiscal 2024.

8.3.4 Compliance risks

Current and future investigations regarding allegations of corruption, of antitrust violations and of other violations of law: Proceedings against us or our business partners regarding allegations of corruption, of antitrust violations and of other violations of law may lead to fines as well as penalties, sanctions, injunctions against future conduct, profit disgorgements, disqualifications from directly and indirectly engaging in certain types of business, the loss of business licenses or permits, other restrictions and legal consequences as well as negative public media coverage. Accordingly, we may, among other things, be required to comply with potential obligations and liabilities arising in connection with such investigations and proceedings, including potential tax penalties. Moreover, any findings related to public corruption that are not covered by the 2008 and 2009 corruption charge settlements, which we concluded with U.S. and German authorities, may endanger our business with government agencies and intergovernmental and supranational organizations. Monitors could again be appointed to review future business practices and we may otherwise be required to further modify our business practices and our compliance program.

In its global business, Siemens does part of its business with state-owned enterprises and governments. We also participate in projects funded by government agencies and intergovernmental and supranational organizations, such as multilateral development banks. Ongoing or potential future investigations into allegations of corruption, antitrust violations or other violations of law could as well impair relationships with such parties or could result in our exclusion from public contracts. Such investigations may also adversely affect existing private business relationships and our ability to pursue potentially important strategic projects and transactions, such as strategic alliances, joint ventures or other business alliances, or could result in the cancellation of certain of our existing contracts. Moreover, third parties, including our competitors, could initiate significant litigation.

In addition, future developments in ongoing and potential future investigations, such as responding to the requests of governmental authorities and cooperating with them, could divert management’s attention and resources from other issues facing our business. Furthermore, we might be exposed to compliance risks in connection with recently acquired operations that are in the ongoing process of integration.

Along with other measures, Siemens has established a global compliance organization that conducts compliance risk mitigation processes such as Compliance Risk Assessments, among others, or initiates audit activities performed by the internal assurance department.

Changes of laws, regulations and policies: Regulatory requirements are being introduced or modified at an unprecedented rate, often with little or no advance implementation lead time. This creates a risk that new requirements become effective more quickly than they can be implemented in our associated systems and processes, potentially resulting in business disruptions and the need for manual mitigation interventions. As a diversified company with global businesses, we are exposed to various product- and country-related laws, regulations and policies influencing our business activities and processes. According to observations and analysis, there is an increasing risk that existing technical regulations in target markets will suddenly change, or new ones will be set in force, which result in market access criteria that our products do not meet. The affected products would lose marketability in this market. Reducing the risk of a sales-stop depends on the required correction for the non-conformity. In case the product can technically stay as is, while it has to undergo new and additional conformity assessment and certification, there will be considerable effort and cost to carry out the needed testing and certification procedures. In a worse case, the affected product will need re-engineering or re-design to meet the requirements of the changed or new technical regulation even before it can become re-assessed and certified for market approval. The latter case will cause significant extra effort and cost to make the needed product changes and to maintain the country-specific product variant as an additional derivative item in the product portfolio. In the worst case, if the two aforementioned ways of maintaining the product’s marketability prove to be not feasible, we must stop selling the affected product in the market. The volatile geopolitical situation has triggered unpredictable – and often conflicting – extraterritorial regulations, restrictions and sanctions, thus creating a potential risk that it will be difficult to simultaneously comply with all relevant regulatory requirements of certain transactions. Complex cross-jurisdictional regulations can vary between countries, even within the same region, each with slightly different rules and requirements, creating a risk that a global standard cannot be effectively implemented and maintained, potentially leading to a need for more custom or regional standards. We monitor the political and regulatory landscape in all our key markets to anticipate potential problem areas, with the aim of quickly adjusting our business activities and processes to changed conditions. However, any changes in laws, regulations and policies could adversely affect our business activities and processes as well as our financial condition and results of operations.

Sanctions and export control: As a globally operating organization, we conduct business with customers in countries which are subject to export control regulations, embargoes, economic sanctions, debarment policies or other forms of trade restrictions (hereafter referred to as "sanctions") imposed by countries or organizations. New or expanded sanctions in countries in which we do business may result in a curtailment of our existing business in such countries or indirectly in other countries. We are also aware of policies of national authorities and institutional investors, such as pension funds or insurance companies, requiring divestment of interests in and prohibiting investment in and transactions with entities doing business with countries identified by the U.S. Department of State as state sponsors of terrorism. As a result, it is possible that such policies may result in our inability to gain or retain certain investors or customers. In addition, the termination of our activities in sanctioned countries may expose us to customer claims and other actions. Our reputation could also suffer due to our activities with counterparties in or affiliated with these countries or due to unauthorized diversion of our products to restricted parties or destinations. Siemens addresses these risks by maintaining a comprehensive and robust control program.

Protectionism (including tariffs/trade war): Protectionist trade policies, de-risking and changes in the political and regulatory environment in the markets in which we operate, such as import and export controls, tariffs and other trade barriers including debarment from certain markets, inbound and outbound investment screenings, and price or exchange controls, could affect our business in national markets and could impact our business situation, financial position and results of operations; we may also be exposed to penalties, other sanctions and reputational damage. In addition, the uncertainty of the legal environment in some regions could limit our ability to enforce our rights and subject us to increasing costs related to adjusting our compliance programs.

Environmental, health & safety and other governmental regulations: Some of the industries in which we operate are highly regulated. Current and future environmental, health, safety and other governmental regulations or changes thereto may require us to change the way we run our operations and could result in significant increases in our operating or production costs. Additionally, Siemens aligns with the objectives of the "Chemicals Strategy for Sustainability" to improve the protection of human health and the environment against risks from chemicals. We also recognize potential risks from environmental, health or safety incidents, and from potential non-compliance with environmental, health or safety regulations affecting Siemens and our contractors or sub-suppliers, resulting for example in serious injuries, business interruptions, penalties, loss of reputation, loss of customers and internal or external investigations. Furthermore, we see the risks associated with per- and polyfluoroalkyl substances (PFAS). We take the necessary steps to identify the presence of PFAS in our supply chain to ensure compliance with all existing and upcoming legal requirements.

In addition, while we have procedures in place to ensure compliance with applicable governmental regulations in the conduct of our business operations, it cannot be excluded that violations of applicable governmental regulations may be caused either by us or by third parties that we contract with, including suppliers or service providers whose activities may be attributed to us. Any such violations particularly expose us to the risk of liability, penalties, fines, reputational damage or loss of licenses or permits that are important to our business operations. In particular, we could also face liability for damage or remediation for environmental contamination at the facilities we design or operate. With regard to certain environmental risks, we maintain liability insurance at levels that our management believes are appropriate and consistent with industry practice. We may incur environmental losses beyond the limits, or outside the coverage, of such insurance, and such losses may have an adverse effect on our business situation, financial condition and results of operations.

Current or future litigation and legal and regulatory proceedings: Siemens is and potentially will be involved in numerous legal disputes and proceedings in various jurisdictions. These legal disputes and proceedings could result, in particular, in Siemens being subject to payment of damages and punitive damages, equitable remedies or sanctions, fines or disgorgement of profit. In individual cases this may also lead to formal or informal exclusion from tenders or the revocation or loss of business licenses or permits. Asserted claims are generally subject to interest rates. Some of these legal disputes and proceedings could result in adverse decisions for Siemens; or decisions, assessments or requirements of regulatory authorities could deviate from our expectations, which may have material effects on our business activities as well as our financial position, results of operations and cash flows. Siemens maintains liability insurance for certain legal risks at levels our management believes are appropriate and consistent with industry practice. However, the insurance policy does not protect Siemens against, in particular, reputational damage. Moreover, Siemens may incur losses relating to legal disputes and proceedings beyond the limits, or outside the coverage, of such insurance or exceeding any provisions made for losses related to legal disputes and proceedings. Finally, there can be no assurance that Siemens will be able to maintain adequate insurance coverage on commercially reasonable terms in the future.

For additional information with respect to specific proceedings, see Note 22 in Notes to Consolidated Financial Statements for fiscal 2024.

8.3.5 Assessment of the overall risk situation

The most significant challenges have been mentioned first in each of the four risk categories: strategic, operational, financial and compliance.

While our assessments of individual risks have changed during fiscal 2024 due to developments in the external environment, changes in our business portfolio, effects of our own mitigation measures and the revision of our risk assessment, the overall risk situation for Siemens did not change significantly as compared to the prior year. We currently see the strategic risk economic, political and geopolitical conditions as the most significant challenge for us followed by the operational risk cyber/information security.

At present, no risks have been identified that either individually or in combination could endanger our ability to continue as a going concern.

8.4 Opportunities

Within our ERM we regularly identify, evaluate and respond to opportunities that present themselves in our various fields of activity. Below we describe our most significant opportunities. Unless otherwise stated, the opportunities described relate to all organizational units. The order in which the opportunities are presented reflects the currently estimated relative exposure for Siemens associated with these opportunities and thus provides an indication of the opportunities' current importance to us. The described opportunities are not necessarily the only ones we encounter. In addition, our assessment of opportunities is subject to change because the Company, our markets and technologies are constantly advancing. It is also possible that opportunities we see today will never materialize.

Favorable political and regulatory environment including sustainability: A favorable political and regulatory environment including the transition towards a low-carbon economy could restore a more positive industrial investment sentiment that supports the growth of our markets. In addition, government initiatives and subsidies (including tax reforms, green and digital industrial policies, R&D among others) lead to more government spending (e.g. infrastructure, healthcare, mobility or digitalization investments) and may ultimately result in an opportunity for us to participate in ways that increase our revenue and profit. Investments to strengthen countries' resilience, energy and food security, as well as to diversify value chains close to major markets (reshoring, nearshoring), as well as global outbound investment programs can present opportunities to businesses. By enabling our customers to reduce their greenhouse gas (GHG) emissions using our portfolio and by reducing CO_2 emission in our own operations, Siemens strives to support the transition towards a low-carbon economy. Siemens also welcomes and supports legislative and governmental measures to accelerate the mitigation of climate change, such as through the Green Deal Industrial Plan or sustainable finance initiatives in Europe, as long as these measures do not create market distortion and unfair competition or cause companies contributing to sustainability to exit specific markets.

Optimization of organization and processes: We see opportunities for internal productivity and efficiency gains that can lead to improvements in internal processes and cost structures, optimization of product development, and expansion of market position through generative AI, process optimization and collaboration. We also leverage ideas to drive further improvements in our processes and cost structure, such as common computing architecture for image processing. Additionally, we see an opportunity of further penetrating markets by quality initiative program and avoiding or reducing non-conformance cost.

Value creation through innovation: We drive innovation by investing significantly in R&D in order to develop sustainable solutions for our customers while also strengthening our own competitiveness. Being an innovative company and constantly inventing new technologies that we expect will meet future demands arising from the megatrends of demographic change, urbanization, digitalization, environmental change, resource scarcity and glocalization is one of our core purposes. Data strategy is an essential element of our digital transformation aiming for maximizing data-driven value creation for our customers by enhancing our digital business. We are granted thousands of new patents every year and continuously develop new concepts and convincing new digital and data-driven business models. This helps us create the next generation of ground-breaking innovations in such fields as digital twin, artificial intelligence, automation and edge computing. Across our operating units, we are profiting from our strength in connecting the real and digital worlds. Our Xcelerator platform is an open, digital business platform featuring a curated portfolio of IoT-enabled hardware and software, an ecosystem and a marketplace to enhance the digital transformation of our customers. We see growth opportunities in opening up access to new markets and customers through new marketing and sales strategies, which we implement in our operating units. Our position along the value chains of automation and digitalization allows us to further increase market penetration. Along these value chains, we have identified several clear growth fields in which we see our greatest long-term potential. Hence, we are combining and developing our resources and capabilities for these growth fields.

Leveraging market potential: Through sales and services initiatives we continuously strive to grow and extend our businesses in established markets, open up new markets for existing portfolio elements and strengthen our installed base in order to gain a higher market share and increased profits. Furthermore, we aim to increase our sales via improved account management and new distribution channels.

Assessment of the overall opportunities situation: The most significant opportunity for Siemens is favorable political and regulatory environment including sustainability as described above.

While our assessments of individual opportunities have changed during fiscal 2024 due to developments in the external environment, changes in our business portfolio, our endeavors to profit from them and revision of our strategic plans, the overall opportunity situation for Siemens did not change significantly as compared to the prior year.

8.5 Significant characteristics of the internal control and risk management system

8.5.1 Internal Control System (ICS) and ERM

Our ICS and ERM are based on the principles, guidelines and measures introduced by the Managing Board, which are aimed at the organizational implementation of the Managing Board's decisions. Our ICS and ERM include the management of risks and opportunities relating to the achievement of business goals, the correctness and reliability of internal and external accounting, and compliance with the laws and regulations relevant to Siemens. Sustainability aspects are covered as well.

Our ICS and ERM are based on the globally accepted COSO framework (Committee of Sponsoring Organizations of the Treadway Commission). Our ERM approach is based on the COSO Standard "Enterprise Risk Management – Integrating with Strategy and Performance" (2017) and the ISO (International Organization for Standardization) Standard 31000 (2018) and is adapted to Siemens requirements. Our ICS is based on the internationally recognized "Internal Control – Integrated Framework" (2013) also developed by COSO. The framework defines the elements of a control system and sets the standard for assessing the adequacy and effectiveness of the ICS. The frameworks connect the ERM process with our financial reporting process and our ICS, both systems are complementary.

All Siemens entities are part of our ICS and ERM. The scope of activities to be performed by each entity is different, depending, among others, on the entity's impact on the Consolidated Financial Statements of Siemens and the specific risks associated with the entity. The management of each entity is obliged to implement an adequate and effective ICS and ERM within their area of responsibility, based on the Group-wide mandatory methodology.

Overall responsibility for our ICS and ERM lies with the Managing Board. The Siemens Risk and Internal Control (RIC) organization bundles and integrates the internal control and ERM processes and supports the Managing Board in designing and maintaining adequate and effective processes for implementing, monitoring and reporting on internal control and ERM activities. It consists of the central RIC departments of Siemens AG and the RIC departments at our organizational units. The central RIC departments are responsible for monitoring and coordinating these processes in order to ensure an adequate and effective ICS and ERM within the Group.

We have an overarching, integrated ICS and ERM methodology (RIC methodology) with a standardized procedure under which necessary controls are defined, documented in accordance with uniform standards, and tested regularly for their adequacy and effectiveness. For more information on ERM, see chapter 8.2 Risk management.

Our ICS and ERM and their contributing elements are regularly the subject of audit activities by our internal audit function. These are carried out either as part of the risk-based annual audit plan or as part of audits scheduled upon request during the year. Siemens Healthineers has its own internal audit function and annual audit plan. Topics from the annual audit plan of Siemens Healthineers that are relevant also for our Managing Board and Audit Committee must be mandated first by Siemens Healthineers' Managing Board and Audit Committee and subsequently by our Managing Board and Audit Committee. The audit procedures for these topics will be – where reasonable – executed by joint teams including members of our and Siemens Healthineers' internal audit functions, thus respecting the interests of both Siemens AG and Siemens Healthineers.

At the end of each fiscal year, our Managing Board performs an evaluation of the adequacy and effectiveness of the ICS and ERM. This evaluation is based primarily on the Siemens "In Control"-Statement and quarterly Managing Board meetings. The purpose of the "In Control"-Statement is to provide an overview of the key elements of the ICS and ERM of Siemens AG and its affiliated companies at the end of the fiscal year, to summarize the activities undertaken to review its adequacy and effectiveness and highlight any critical control weaknesses identified as part of these activities. The information contained in this statement is provided to the Audit Committee of the Supervisory Board of Siemens AG to report on the effectiveness of the ICS and ERM. The Siemens "In Control"-Statement is supported by certifications at various corporate levels and by all affiliated companies. In the quarterly Managing Board meetings, the company-wide risk and opportunity situation is evaluated, the results of the internal control process are explained and once a year an overall conclusion is made about the adequacy and effectiveness of our ICS or ERM. Based on this, the Managing Board has no indication that our ICS or ERM in their respective wholes have not been adequate or effective as of September 30, 2024.

Nevertheless, there are inherent limitations on the effectiveness of any risk management and control system. For example, no system – even if deemed to be adequate and effective – can guarantee that all risks that actually occur will be identified in advance or that any process violations will be ruled out under all circumstances.

The Audit Committee is systematically integrated into our ICS and ERM. In particular, it oversees the accounting and the accounting process as well as the adequacy and effectiveness of the ICS, ERM and the internal audit system.

Siemens Healthineers is largely subject to the Group-wide principles for our ICS and ERM and is responsible for adhering to those principles.

8.5.2 Compliance Management System (CMS)

Our ICS and ERM also comprise a CMS aligned to the Company's risk situation which is based on the three pillars – prevent, detect and react. It includes the legal risk areas of corruption, antitrust law, data protection, money laundering, export controls, and human rights and is based on an extensive internal set of rules: The Siemens Business Conduct Guidelines (BCG) define the basic principles and standards of behavior that must be observed by all employees in the company units and in relation to customers, external partners and the public, and also encompass the Siemens ethical principles, which go beyond laws and regulations. In addition, there are extensive internal compliance regulations regarding the compliance organization and the CMS, including associated controls, which oblige all Siemens employees to ensure the implementation of the CMS. They contain topic-specific implementation regulations for the individual risk areas with regard to compliance processes and tools as well as additional guidelines and information.

Compliance risk management and compliance reviews as part of the CMS aim to identify compliance risks at an early stage and thus enable us to take appropriate and effective measures to avoid or minimize risks. The risk assessment is also integrated into individual business processes and tools. The results of CMS that are relevant to the Group are taken into account as part of the Company-wide ERM.

The Compliance Control Program aims to ensure compliance with and implementation of the CMS and processes used worldwide. It is part of the ICS and is continuously further developed and adapted to the current Siemens guidelines. In addition, current compliance issues are discussed at the management level on a regular basis.

The entire CMS is continuously adapted to business-specific risks and various local legal requirements. The findings from compliance risk management and from compliance controls and audits are used to derive measures for its further development.

8.5.3 Significant characteristics of the accounting-related ICS and ERM

The overarching objective of our accounting-related ICS and ERM – as part of the overarching ICS and ERM – is to ensure that financial reporting is conducted in a proper manner, such that the Consolidated Financial Statements and the Combined Management Report of the Siemens Group and the Annual Financial Statements of Siemens AG as the parent company are prepared in accordance with all relevant regulations.

Our ICS and ERM are based on the globally recognized COSO framework, for further information see 8.5.1.

At the end of each fiscal year, our management performs an evaluation of the effectiveness of the accounting-related ICS. We have a standardized procedure under which necessary controls are defined, documented in accordance with uniform standards, and tested regularly for their effectiveness. Nevertheless, there are inherent limitations on the effectiveness of any control system, and no system, including one determined to be effective, may prevent or detect all misstatements.

Our Consolidated Financial Statements according to IFRS are prepared on the basis of a centrally issued conceptual framework which primarily consists of uniform Financial Reporting Guidelines and a chart of accounts. For Siemens AG and other companies within the Siemens Group required to prepare financial statements in accordance with German Commercial Code, this conceptual framework is complemented by mandatory regulations specific to the German Commercial Code. The need for adjustments in the conceptual framework due to regulatory changes is analyzed on an ongoing basis. Accounting departments are informed quarterly about current topics and deadlines from an accounting and closing process perspective.

The base data used in preparing our financial statements consists of the closing data reported by the operations of Siemens AG and its subsidiaries. The preparation of the closing data of most of our entities is supported by an internal shared services organization. Furthermore, other accounting activities, such as governance and monitoring activities, are usually bundled on a regional level. In particular cases, such as valuations relating to post-employment benefits, we use external experts. The reported closing data is used to prepare the financial statements in the consolidation system. The steps necessary to prepare the financial statements are subject to both manual and automated controls.

Qualification of employees involved in the accounting process is ensured through appropriate selection processes and training. As a fundamental principle, based on materiality considerations, the “four eyes” principle applies, and specific procedures must be adhered to for data authorization. Additional control mechanisms include target-performance comparisons and analyses of the composition of and changes in individual line items, both in the closing data submitted by reporting units and in the Consolidated Financial Statements. In line with our information security requirements, accounting-related IT systems contain defined access rules protecting them from unauthorized access. The manual and system-based control mechanisms referred to above generally also apply when reconciling the International Financial Reporting Standards (IFRS) closing data to the Annual Financial Statements of Siemens AG.

On a quarterly basis, we execute an internal certification process. Management at different levels of our organization, supported by confirmations by managements of entities under their responsibility, confirms the accuracy of the financial data that has been reported to Siemens’ corporate headquarters and reports on the effectiveness of the related control systems.

Siemens Healthineers is subject to our Group-wide principles for the accounting-related ICS and ERM and is responsible for adhering to those principles.

Our internal audit function systematically reviews our financial reporting integrity, our accounting-related ICS and ERM. Siemens Healthineers has its own internal audit department and annual audit plan (see also 8.5.1). The Audit Committee is integrated into our accounting-related ICS. In particular, it oversees the accounting and accounting process and the adequacy and effectiveness of the associated ICS, the ERM and the internal audit system. Moreover, we have rules for accounting-related complaints.

9. Siemens AG

The Annual Financial Statements of Siemens AG have been prepared in accordance with the regulations set forth in the German Commercial Code (Handelsgesetzbuch) and the German Stock Corporation Act (Aktiengesetz).

In fiscal 2024, results for Siemens AG arise mainly from the business activities of Digital Industries and Smart Infrastructure and are influenced significantly by the results of subsidiaries and investments Siemens AG owns either directly or indirectly. The business development of Siemens AG is fundamentally subject to the same risks and opportunities as the Siemens Group. Therefore, the foregoing explanations for the Siemens Group apply also for Siemens AG.

The Supervisory Board and the Managing Board propose to distribute a dividend of €5.20 per share of no par value entitled to the dividend, from the unappropriated net income of Siemens AG for the fiscal year ended September 30, 2024 amounting to €4.2 billion. The proposed dividend represents a total payout of €4.1 billion based on the estimated number of shares entitled to dividend at the date of the Annual Shareholders' Meeting. We intend to continue providing an attractive return to our shareholders. This includes striving for a dividend per share that exceeds the amount for the preceding year, or at least matches it. For fiscal 2025, we expect that net income of Siemens AG will be sufficient to fund the distribution of a commensurate dividend.

As of September 30, 2024, the number of employees was around 47,700.

9.1 Results of operations

Statement of Income of Siemens AG in accordance with German Commercial Code (condensed)

	Fiscal year		% Change
(in millions of €)	2024	2023	
Revenue	**16,428**	19,660	(16)%
Cost of sales	**(11,567)**	(13,671)	15%
Gross profit	**4,861**	5,989	(19)%
as percentage of revenue	***30%***	*30%*	
Research and development expenses	**(2,020)**	(2,084)	3%
Selling and general administrative expenses	**(3,476)**	(3,701)	6%
Other operating income (expenses), net	**530**	(53)	n/a
Income (loss) from investments, net	**6,821**	4,734	44%
Interest and other financial income (expenses), net	**(1,165)**	(128)	>(200)%
Income from business activity	**5,552**	4,758	17%
Income taxes	**(34)**	(298)	88%
Earnings after taxes / net income	**5,518**	4,460	24%
Profit carried forward	**51**	250	(79)%
Allocation to other retained earnings	**(1,409)**	(950)	(48)%
Unappropriated net income	**4,160**	3,760	11%

On a geographical basis, 74% of revenue was generated in the Europe, C.I.S., Africa, Middle East region, 16% in the Asia, Australia region and 10% in the Americas region. Exports from Germany accounted for 56% of overall revenue. In fiscal 2024, orders for Siemens AG amounted to €14.0 billion.

The decreases in **revenue** and **cost of sales** were due mainly to Digital Industries.

The R&D intensity (R&D costs as a percentage of revenue) increased to 12.3%, from 10.6 % in fiscal 2023. The R&D activities of Siemens AG are fundamentally the same as for its corresponding business activities within the Siemens Group. **R&D expenses** in both periods related mainly to Digital Industries. On average, Siemens AG employed 7,100 people in R&D in fiscal 2024.

Lower **selling and general administrative expenses** included lower expenses for pensions.

Other operating income (expenses), net, included mainly income from the release of provisions of €0.3 billion and income from an intragroup agreement of €0.3 billion. Fiscal 2023 included mainly a loss of €0.2 billion from a disposal in connection with carve-out of business activities, partly offset by €0.1 billion in income from the intragroup agreement as mentioned before.

The increase in **income (loss) from investments, net** related mainly to Siemens AG's stake in Siemens Energy AG: Siemens AG recorded a gain of €1.1 billion (in fiscal 2023: €0.2 billion) from the sale of a part of its stake in Siemens Energy AG and a gain of €1.0 billion (fiscal 2023: €0.2 billion) from the reversal of an impairment on the remaining stake in Siemens Energy AG. The remaining stake held directly by Siemens AG amounted to 6.2% as of September 30, 2024 (September 30, 2023: 21.0%).

The negative change in **interest and other financial income (expenses), net** was mainly due to higher interest expenses to affiliated companies driven by the effect of higher interest rates on intragroup financing activities and a negative change in the results from foreign currency, interest rate and other derivative financial instruments, which in fiscal 2023 included income of €0.5 billion from the termination of hedging contracts in connection with intragroup financing.

9.2 Net assets and financial position

Statement of Financial Position of Siemens AG in accordance with German Commercial Code (condensed)

	Sep. 30,		% Change
(in millions of €)	2024	2023	
Assets			
Non-current assets			
Intangible and tangible assets	**1,336**	1,307	2%
Financial assets	**70,182**	71,303	(2)%
	71,518	72,610	(2)%
Current assets			
Inventories, receivables and other assets	**23,415**	26,190	(11)%
Cash and cash equivalents, other securities	**1,892**	2,534	(25)%
	25,307	28,724	(12)%
Prepaid expenses	**218**	223	(2)%
Deferred tax assets	**2,081**	2,294	(9)%
Active difference resulting from offsetting	**64**	33	97%
Total assets	**99,188**	103,884	(5)%
Liabilities and equity			
Equity	**22,409**	21,422	5%
Special reserve with an equity portion	**539**	540	0%
Provisions			
Provisions for pensions and similar commitments	**13,248**	13,604	(3)%
Provisions for taxes and other provisions	**3,956**	4,666	(15)%
	17,204	18,270	(6)%
Liabilities			
Liabilities to banks	**240**	339	(29)%
Trade payables, liabilities to affiliated companies and other liabilities	**58,572**	63,079	(7)%
	58,811	63,417	(7)%
Deferred income	**225**	235	(4)%
Total liabilities and equity	**99,188**	103,884	(5)%

The decline in **financial assets** was due mainly to withdrawal of capital at Siemens Beteiligungsverwaltung GmbH & Co. OHG in the amount of €7.0 billion and the sale of a part of Siemens AG's stake in Siemens Energy AG in the amount of €1.5 billion. These decreases were partly offset by a capital increase of Innomotics GmbH in the amount of €2.4 billion, the purchase of 18% of the shares in Siemens Limited, India, from Siemens Energy in the amount of €2.1 billion, and the reversal of an impairment on the remaining stake in Siemens Energy AG as mentioned above.

The change in **cash and cash equivalents, other securities** relates to the liquidity management conducted by Corporate Treasury, which was focused not solely on the business activities of Siemens AG. The liquidity management is based on the financing policy of the Siemens Group, which is aimed towards a balanced financing portfolio, a diversified maturity profile and a comfortable liquidity cushion. Intra-group financing activities drove both a decrease of €2.9 billion in receivables from affiliated companies, which resulted in lower **inventories, receivables and other assets,** and a decrease of €4.0 billion in liabilities to affiliated companies, which was the main reason for the decrease of **trade payables, liabilities to affiliated companies and other liabilities.**

Lower **provisions** included a decrease of €0.4 billion in provisions for contingent losses from derivative instruments.

The increase in **equity** was due to net income for the year of €5.5 billion and the transfer of €0.8 billion in treasury shares to employees in connection with our share-based payment programs. These factors were partly offset by dividends paid in fiscal 2024 (for fiscal 2023) of €3.7 billion and share buybacks during the year amounting to €1.6 billion. The equity ratio as of September 30, 2024 increased to 23%, from 21% a fiscal year earlier. For the disclosures in accordance with Section 160 para. 1 no. 2 of the German Stock Corporation Act about treasury shares, refer to Note 15 of our Notes to Annual Financial Statements for fiscal 2024.

9.3 Corporate Governance statement

The Corporate Governance statement pursuant to Sections 289f and 315d of the German Commercial Code will be made publicly available on the company's website at siemens.com/corporate-governance simultaneously with the Combined Management Report.

10. Takeover-relevant information (pursuant to Sections 289a and 315a of the German Commercial Code) and explanatory report

10.1 Composition of common stock

As of September 30, 2024, the Company's capital stock amounts to €2.400 billion, divided into 800 million registered shares of no par value of the Company (Siemens shares). The shares are fully paid in. All shares confer the same rights and obligations. The shareholders' rights and obligations are governed in detail by the provisions of the German Stock Corporation Act, in particular by Sections 12, 53a et seq., 118 et seq. and 186 of the German Stock Corporation Act.

10.2 Restrictions on voting rights or transfer of shares

At the Shareholders' Meeting, each share of stock has one vote and accounts for the shareholder's proportionate share in the Company's net income. An exception to this rule applies with regard to treasury shares held by the Company, which do not entitle the Company to any rights. Under Section 136 of the German Stock Corporation Act the voting right of the affected shares is excluded by law.

Siemens shares issued to employees worldwide under the Siemens share programs implemented since the beginning of fiscal 2009, in particular the Share Matching Plan, are freely transferable unless applicable local laws indicate otherwise. Under the rules of the Share Matching Plan, however, in order to receive one matching share free of charge for each three shares purchased, participants are required to hold the shares purchased by them for a vesting period of several years, during which the participants must be continuously employed by Siemens AG or any of its affiliated companies. The right to receive matching shares is forfeited if the purchased shares are sold, transferred, hedged on, pledged or hypothecated in any way during the relevant vesting period.

The von Siemens-Vermögensverwaltung GmbH (vSV) has, on a sustained basis, powers of attorney allowing it to exercise the voting rights for 9,486,388 Siemens shares (as of September 30, 2024) on behalf of members of the Siemens family. These shares are part of the total number of shares held by the family's members. The powers of attorney are based on an agreement between the vSV and, among others, members of the Siemens family. The shares are voted together by vSV, taking into account the suggestions of a family partnership established by the family's members or of one of this partnership's governing bodies.

10.3 Legislation and provisions of the Articles of Association applicable to the appointment and removal of members of the Managing Board and governing amendment to the Articles of Association

The appointment and removal of members of the Managing Board are subject to the provisions of Sections 84 and 85 of the German Stock Corporation Act and Section 31 of the German Codetermination Act (Mitbestimmungsgesetz). According to Section 8 para. 1 of the Articles of Association, the Managing Board is comprised of several members, the number of which is determined by the Supervisory Board.

According to Section 179 of the German Stock Corporation Act, any amendment to the Articles of Association requires a resolution of the Shareholders' Meeting. The authority to adopt purely formal amendments to the Articles of Association was transferred to the Supervisory Board under Section 13 para. 2 of the Articles of Association. In addition, by resolutions adopted during past Shareholders' Meetings, the Supervisory Board has been authorized to amend Section 4 of the Articles of Association in accordance with the utilization of the Authorized and Conditional Capitals, and after expiration of the then-applicable authorization and utilization period.

Resolutions of the Shareholders' Meeting require a simple majority vote, unless a greater majority is required by law (Section 23 para. 2 of the Articles of Association). Pursuant to Section 179 para. 2 of the German Stock Corporation Act, amendments to the Articles of Association require a majority of at least three-quarters of the capital stock represented at the time of the casting of the votes, unless another capital majority is prescribed by the Articles of Association.

10.4 Powers of the Managing Board to issue and repurchase shares

The Managing Board is authorized to increase, with the approval of the Supervisory Board, the capital stock until February 2, 2026 by up to €90 million through the issuance of up to 30 million Siemens shares against contributions in cash (Authorized Capital 2021). Subscription rights of existing shareholders are excluded. The new shares shall be offered exclusively to employees of the Company and any of its affiliated companies. To the extent permitted by law, such employee shares may also be issued in such a manner that the contribution to be paid on such shares is covered by that part of the annual net income which the Managing Board and the Supervisory Board may allocate to other retained earnings under Section 58 para. 2 of the German Stock Corporation Act.

Furthermore, the Managing Board is authorized to increase, with the approval of the Supervisory Board, the capital stock until February 7, 2029 by up to €480 million through the issuance of up to 160 million Siemens shares against contributions in cash and/or in kind (Authorized Capital 2024).

As of September 30, 2024, the total unissued authorized capital of Siemens AG therefore consisted of €570 million nominal that may be used, in installments with varying terms, by issuing up to 190 million Siemens shares.

By resolutions of the Shareholders' Meetings on February 5, 2020 and February 8, 2024, the Managing Board is authorized to issue bonds with conversion, exchange or option rights or conversion obligations, or a combination of these instruments, entitling the holders/creditors to subscribe to up to 60 million and up to 70 million Siemens shares, respectively. Based on these two authorizations, the Company or its affiliated companies may issue such convertible bonds and/or warrant bonds until February 4, 2025 and February 7, 2029, respectively, each in an aggregate principal amount of up to €15 billion. In order to grant shares of stock to holders/creditors of such convertible bonds and/or warrant bonds, the capital stock was conditionally increased by resolutions of the Shareholders' Meetings in 2020 and 2024, by up to 60 million and up to 70 million Siemens shares, respectively (Conditional Capitals 2020 and 2024), i.e. in total by up to €390 million nominal through the issuance of up to 130 million Siemens shares.

The new shares under Authorized Capital 2024 and the aforementioned bonds are to be issued against contributions in cash or in kind. They are, as a matter of principle, to be offered to shareholders for subscription. The Managing Board is authorized to exclude, with the approval of the Supervisory Board, subscription rights of shareholders in the event of capital increases against contributions in kind. In the event of capital increases against contributions in cash, the Managing Board is authorized to exclude shareholders' subscription rights with the approval of the Supervisory Board in the following cases:

- The issue price of the new shares/bonds is not significantly lower than the stock market price of Siemens shares already listed or the theoretical market price of the bonds computed in accordance with generally accepted actuarial methods (exclusion of subscription rights in accordance with or by mutatis mutandis application of Section 186 para. 3 sentence 4 German Stock Corporation Act).
- The exclusion is necessary with regard to fractional amounts resulting from the subscription ratio.
- The exclusion is used to provide subscription rights as dilution compensation for holders/creditors of conversion or option rights/ obligations on Siemens shares.

The new shares issued or to be issued against contributions in cash or in kind, and with shareholders' subscription rights excluded, may in certain cases be subject to further restrictions (especially the limit to increase the capital stock by a total of not more than 10%). The details of those restrictions are described in the respective authorizations and in a voluntary commitment of the Managing Board that ends on February 4, 2025.

The Company may not repurchase Siemens shares unless so authorized by a resolution duly adopted by the shareholders at a general meeting or in other very limited circumstances set forth in the German Stock Corporation Act. On February 5, 2020, the Shareholders' Meeting authorized the Company to acquire until February 4, 2025 up to 10% of its capital stock existing at the date of adopting the resolution or – if the value is lower – as of the date on which the authorization is exercised. The aggregate of shares of stock of Siemens AG repurchased under this authorization and any other Siemens shares previously acquired and still held in treasury by the Company or attributable to the Company pursuant to Sections 71d and 71e of the German Stock Corporation Act may at no time exceed 10% of the then existing capital stock. Any repurchase of Siemens shares shall be accomplished at the discretion of the Managing Board either (1) by acquisition over the stock exchange, (2) through a public share repurchase offer or (3) through a public offer to swap Siemens shares for shares in a listed company within the meaning of Section 3 para. 2 German Stock Corporation Act. The Managing Board is additionally authorized to complete the repurchase of Siemens shares in accordance with the authorization described above by using certain derivatives (put and call options, forward purchases and any combination of these derivatives). In exercising this authorization, all stock repurchases based on the derivatives are limited to a maximum volume of 5% of Siemens' capital stock existing at the date of adopting the resolution at the Shareholders' Meeting. A derivative's term of maturity may not, in any case, exceed 18 months and must be chosen in such a way that the repurchase of Siemens shares upon exercise of the derivative will take place no later than February 4, 2025.

In addition to selling over the stock exchange or through a public sales offer to all shareholders, the Managing Board is authorized by resolution of the Shareholders' Meeting on February 5, 2020 to also use Siemens shares repurchased on the basis of this or any previously given authorization for every permissible purpose. In particular such shares may be:

- retired;
- used in connection with share-based compensation programs and/or employee share programs of the Company or any of its affiliated companies and issued to individuals currently or formerly employed by the Company or any of its affiliated companies as well as to board members of any of the Company's affiliated companies;
- offered and transferred, with the approval of the Supervisory Board, to third parties against non-cash contributions;
- sold by the Managing Board, with the approval of the Supervisory Board, against payment in cash if the price at which such Siemens shares are sold is not significantly lower than the market price of Siemens stock (exclusion of subscription rights by mutatis mutandis application of Section 186 para. 3 sentence 4 German Stock Corporation Act, limited to 10% of the capital stock; consideration of exclusions of subscription rights as further described in the authorization); or
- used to service or secure obligations or rights to acquire Siemens shares arising particularly from or in connection with convertible bonds or warrant bonds of the Company or its affiliated companies. Moreover, the Managing Board is authorized to exclude subscription rights in order to provide subscription rights as dilution compensation for holders/creditors of conversion or option rights/obligations on Siemens shares, and to use Siemens shares to service such subscription rights.

Furthermore, the Supervisory Board is authorized to use shares acquired on the basis of this or any previously given authorization to meet obligations or rights to acquire Siemens shares that were or will be agreed with members of the Managing Board within the framework of rules governing Managing Board compensation.

On November 16, 2023, the Company announced a new share buyback program until January 31, 2029 at the latest. This buyback is limited to a maximum value of €6 billion (excluding incidental transaction charges) on purchases of no more than 80 million Siemens shares. This buyback began on February 12, 2024, after a buyback of up to €3 billion launched on November 15, 2021, ended prematurely on January 25, 2024 with a volume of €3 billion. Using the authorization given by the Annual Shareholders' Meeting on February 5, 2020, Siemens repurchased 6,329,638 shares by September 30, 2024 under this share buyback. This buyback and the treasury shares acquired thereunder serve the sole purposes of retirement, use for employee share programs, including the issuance to board members of any of Siemens' affiliated companies and to members of the Managing Board of Siemens AG as well as servicing/securing the obligations or rights to acquire Siemens shares arising particularly from or in connection with convertible bonds or warrant bonds.

As of September 30, 2024, the Company held 15,130,836 shares of stock in treasury.

For details on the authorizations referred to above, especially the terms to exclude subscription rights, please refer to the relevant resolution and to Section 4 of the Articles of Association.

10.5 Significant agreements which take effect, alter or terminate upon a change of control of the Company following a takeover bid

As of September 30, 2024, Siemens AG maintained lines of credit in the amount of € 7.45 billion.

In December 2023 and in February 2024 respectively, a consolidated subsidiary as borrower and Siemens AG as guarantor entered into a bilateral loan agreement, each of which has been drawn in the full amount of EUR 500 million.

In January 2023, Siemens AG entered into a bilateral loan agreement in the amount of US$ 250 million; the loan agreement has been fully drawn.

In December 2021, a consolidated subsidiary as borrower and Siemens AG as guarantor entered into a bilateral loan agreement in the amount of € 500 million, which has been fully drawn. In addition, in March 2020 and in June 2019 respectively, a consolidated subsidiary as borrower and Siemens AG as guarantor entered into a bilateral loan agreement, each of which has been drawn in the full amount of US$ 500 million.

The lines of credit, and the relevant loan agreements mentioned above provide their respective lenders with a right of termination in the event that (1) Siemens AG becomes a subsidiary of another company or (2) a person or a group of persons acting in concert acquires effective control over Siemens AG by being able to exercise decisive influence over its activities (Art. 3 (2) of Council Regulation (EC) 139/2004).

Framework agreements concluded by Siemens AG under International Swaps and Derivatives Association Inc. documentation (ISDA Agreements) grant each counterparty a right of termination, including in certain cases of (i) a transformation (for example mergers and changes of form), (ii) an asset transfer or (iii) acquisition of ownership interests that enables the acquirer to exercise control over Siemens AG or its controlling bodies. Partially this right of termination exists only, if (1) the resulting entity fails to simultaneously assume Siemens AG's obligations under the ISDA Agreements or (2) the resulting entity's creditworthiness is materially weaker than Siemens AG's immediately prior to such event. Generally, ISDA Agreements are designed such that upon termination all outstanding payment claims documented under them are to be netted.

10.6 Compensation agreements with members of the Managing Board or employees in the event of a takeover bid

The contracts with the members of the Managing Board previously contained the right of the member to terminate his or her contract with the Company for good cause in the event of a change of control that results in a substantial change in the position of a Managing Board member (for example, due to a change in corporate strategy or a change in the Managing Board member's duties and responsibilities). If this right of termination was exercised, the Managing Board member was entitled to a severance payment.

On September 18, 2019, the Supervisory Board of Siemens AG resolved that the contracts with members of the Managing Board should not contain such right of termination in the future. In the meantime, this has been taken into account in the contracts of all current members of the Managing Board.

10.7 Other takeover-relevant information

We are not aware of, nor have we during the last fiscal year been notified of, any shareholder directly or indirectly holding 10% or more of the voting rights. There are no Siemens shares with special rights conferring powers of control. Shares of stock issued by Siemens AG to employees under its share programs and/or as share-based compensation are transferred to the employees. The beneficiary employees who hold shares of employee stock may exercise their control rights in the same way as any other shareholder in accordance with applicable laws and the Articles of Association.

11. EU Taxonomy

The EU Taxonomy results in this section were determined based on Commission Delegated Regulation (EU) 2021/2178 in conjunction with the International Financial Reporting Standards applicable for the Consolidated Financial Statements. In order to enhance the usefulness and comparability of this information, Siemens assesses Taxonomy-alignment for all relevant environmental objectives one year ahead of the regulatory requirement. The expansion of the reporting scope regarding environmental objectives and the associated increase of economic activities, including amended economic activities for the climate objectives, resulted in sharply increased Taxonomy-eligibility and underlines the relevance of the Siemens product portfolio and solutions for a sustainable transformation.

EU Taxonomy results for the reporting year (Siemens Group)

	Taxonomy-eligible Fiscal year		Taxonomy-aligned Fiscal year	
	2024	2023	2024	2023
EU Taxonomy Revenue	68.1%	20.3%	25.4%	16.5%
EU Taxonomy Capital Expenditures (CapEx)	72.2%	34.5%	18.2%	12.2%
EU Taxonomy Operating Expenditures (OpEx)	74.0%	12.4%	32.3%	8.2%

The **revenue figure** shows the ratio of revenue from Taxonomy-eligible and/or -aligned economic activities to the total revenue in the Consolidated Statements of Income for the reporting year. Revenue comes primarily from contracts with customers, to a minor extent also from leasing activities (for further details see Note 29 to the Consolidated Financial Statements). The Innomotics business, reported under Discontinuing Operations, was consequently not part of the revenue baseline and associated Taxonomy assessments.

Based on a comprehensive assessment of the Siemens business portfolio, Taxonomy-eligible revenue accounted for 68.1% of total revenue and Taxonomy-aligned revenue for 25.4%. This translated into €51.7 billion in Taxonomy-eligible revenue and thereof €19.3 billion in -aligned revenue. Taxonomy-eligible means, that 68.1% of Siemens' business potentially qualifies as environmentally sustainable as defined by the EU Taxonomy regulation. The Taxonomy-eligible business is primarily associated with the EU's environmental objectives Climate Change Mitigation (CCM) and Transition to a Circular Economy (CE). Siemens business activities outside of the scope of EU Taxonomy are mainly within Siemens Healthineers, partly because currently the Healthcare sector is only partially covered by the EU Taxonomy. Taxonomy-aligned implies, that 25.4% of our business activities are already environmentally sustainable and contribute substantially to Climate Change Mitigation or Transition to a Circular Economy.

Taxonomy-aligned economic activities were primarily driven by the activities (i) Manufacture of low-carbon technologies for transport (CCM 3.3), (ii) rail transportation infrastructure (CCM 6.14), both associated with the business portfolio of Mobility, and (iii) Provision of IT/OT data-driven solutions (CE 4.1) related to Digital Industries. Furthermore, (iv) Services for energy-efficient building technologies (CCM 7.5) as part of our Smart Infrastructure business contributed to alignment in revenue in the reporting year.

A major share of eligible, non-aligned revenue was tied to the new economic activities (i) Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation (CCM 3.20) and (ii) Manufacture of electrical and electronic equipment (CE 1.2).

The difference between alignment and eligibility was mainly due to criteria related to substances of concern, which go beyond existing national and EU regulations. On the one hand, the criteria for substantial contribution for the activity Manufacture of electrical and electronic equipment (CE 1.2) require proactive substitution for many of these substances, which largely depends on the availability of (economic) alternatives as well as lead times in product life cycles to be feasible. On the other hand, the Do No Significant Harm (DNSH) criteria related to the use and presence of substances, part of Appendix C pollution prevention and control, require transparency regarding the use of substances of concern especially in non-European countries, which is not completely available yet, as well as additional documentation related to the proactive substitution of substances or justifications for their ongoing use.

The **CapEx figure** shows the ratio of CapEx from Taxonomy-eligible and/or aligned economic activities to the total CapEx, reflecting additions (including additions from business combinations) to other intangible assets and property, plant and equipment in accordance with Note 13 to the Consolidated Financial Statements, as well as additions of assets for Innomotics. In the reporting year, 72.2% (€2.8 billion) of Siemens' CapEx was Taxonomy-eligible, and 18.2% (€0.7 billion) was Taxonomy-aligned. Within the Taxonomy-aligned CapEx, the majority is related to additions to property, plant and equipment (€0.4 billion), while the remainder pertains to capitalized right-of-use assets (€0.2 billion) and internally generated intangible assets (€0.1 billion).

The contributors for alignment in CapEx were primarily the following activities: (i) Acquisition and ownership of buildings (CCM 7.7) related to Siemens' real estate portfolio, (ii) Provision of IT/OT data-driven solutions (CE 4.1), and (iii) Manufacture of low-carbon technologies for transport (CCM 3.3). The Taxonomy-aligned CapEx included €176 million related to a CapEx plan for building projects to be finalized by fiscal 2028, summing up to a planned total volume of €1.5 billion (capitalizable and non-capitalizable costs). The buildings are designed to minimize energy use and carbon emissions (CCM 7.7). The total volume of this CapEx plan increased by €0.1 billion compared to the prior fiscal year due to addition of new building projects. When finalizing or starting building projects that are part of the CapEx plan, the planned total volume reported in the respective period is adjusted accordingly.

Acquisition and ownership of buildings (CCM 7.7) represented the largest portion in overall CapEx eligibility. The difference between Taxonomy-eligible CapEx and Taxonomy-aligned CapEx for this economic activity was impacted by (i) only partial availability of information on energy performance certificates for our global portfolio and (ii) energy certificates below the required threshold defined in the Substantial Contribution criteria for the energy efficiency of buildings.

Furthermore, eligibility in CapEx benefited from the new economic activities (i) Manufacture of electrical and electronic equipment (CE 1.2) and (ii) Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation (CCM 3.20). As outlined above under the revenue figure, alignment here was still negligible due to criteria related to substances of concern.

The **OpEx figure** shows the ratio of OpEx from Taxonomy-eligible and/or -aligned economic activities to total OpEx. The total OpEx comprises direct non-capitalized costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment as defined in Annex I of the Commission Delegated Regulation (EU) 2021/2178. Within Siemens' OpEx, 74.0% (€5.5 billion) were Taxonomy-eligible and 32.3% (€2.4 billion) were Taxonomy-aligned in the reporting year. The Taxonomy-aligned OpEx is mainly composed of research and development expenditures (€2.3 billion); the remainder relates to maintenance and repair costs (€80 million), building renovation measures (€29 million), and short-term leases (€18 million).

Taxonomy-aligned expenditures related primarily to processes and assets associated with economic activities also being main alignment contributors for the revenue figure, with the major share resulting from the activity Provision of IT/OT data-driven solutions supporting circular economy (CE 4.1). Taxonomy-aligned OpEx included €10 million related to the CapEx plan mentioned above.

Eligible, non-aligned OpEx consisted mainly of (i) Manufacture of electrical and electronic equipment (CE 1.2), and (ii) Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation (CCM 3.20).

As for revenue, the difference between Taxonomy-eligible OpEx and Taxonomy-aligned OpEx was mainly due to criteria related to substances of concern, mentioned above under "revenue figure".

Key economic activities in the context of the Industrial Business

Whereas reported EU-Taxonomy figures are based on Siemens Group, this section provides contextual information specifically for Siemens' Industrial Businesses.

Digital Industries: For fiscal 2024, the share of Taxonomy-eligible revenue, CapEx and OpEx associated with Digital Industries' automation and software offerings, respectively, increased due to new economic activities. This is driven by the newly added environmental objective Transition to a circular economy and its related economic activities concerning Manufacturing of electrical and electronic equipment (CE 1.2) and Provision of data-driven solutions contributing to a circular economy (CE 4.1) as well as the new activity Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution resulting in or enabling a substantial contribution to climate change mitigation (CCM 3.20).

Smart Infrastructure: A substantial portion of the Smart Infrastructure portfolio was already eligible for climate-objective related EU Taxonomy reporting last year; including energy efficient equipment for buildings and services for energy performance of buildings (CCM 7.5). The coverage for Smart Infrastructure increased further in fiscal 2024, especially through the addition of the new activity Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution resulting in or enabling a substantial contribution to climate change mitigation (CCM 3.20).

Mobility: By providing products, solutions and services in the area of rail passenger and freight transportation, the Siemens Mobility portfolio was fully eligible, contributing to climate change mitigation through Manufacturing of low carbon technologies for transportation (CCM 3.3), and providing Infrastructure for rail transportation and infrastructure enabling public transport (CCM 6.14, CCM 6.15).

Siemens Healthineers: Siemens Healthineers reported an increase in Taxonomy-eligibility in 2024 due to the expansion of the EU Taxonomy regulation. With Siemens Healthineers being a global provider of healthcare equipment, a portion of the business can be assigned to the environmental objective Transition to a circular economy and the related activity Manufacture of electrical and electronic equipment (CE 1.2).

Determination of Taxonomy-eligible and -aligned figures

For calculating the Taxonomy-eligible and -aligned key figures, Siemens' business activities and associated revenue, CapEx and OpEx were mapped to applicable economic activities listed in the respective Taxonomy Climate and Environmental Delegated Acts. Where necessary, allocation keys were used for the calculation of CapEx and OpEx based on the revenue share of the Taxonomy-eligible and -aligned activities. To avoid double counting in the calculation of the Taxonomy figures, it was ensured that revenue, CapEx and OpEx were allocated only to the environmental objective they substantially contribute to, even if there is a contribution to multiple objectives.

For evaluation of EU Taxonomy alignment, the Substantial Contribution criteria for all Taxonomy-eligible business activities were assessed and documented by experts from the respective businesses and organizational units supported by our internal software solution. Depending on the type of economic activity, the assessment level was based on internal reporting hierarchy levels, such as business-segment, product-family or project level. The assessment of activities substantially contributing to climate change mitigation included for example the comparison of our rail rolling stock portfolio (including bi-mode vehicles) to the criteria of zero direct CO_2 emissions. For the activity Provision of data-driven solutions contributing to a circular economy (CE 4.1) as another example, assessments were carried out at a product group level, considering the various categories under CE 4.1, including (a) remote monitoring and predictive maintenance systems, (b) tracking and tracing software and IT/OT systems, (d) design and engineering software, and (f) lifecycle performance management software. We compared and evaluated the respective product group against the specific Substantial Contribution criteria, e.g. (d) whether our design and engineering software includes features allowing to make informed decisions on the circularity and environmental performance of products already during the product design phase.

Accordingly, based on the specific regulatory requirements and together with technical and/or local experts, the DNSH criteria were assessed on the product, site, project and/or supplier level. This included for example an analysis of risks arising from climate change using climate risk and vulnerability assessments across various levels of the organization. An additional requirement for EU Taxonomy alignment is compliance with minimum safeguards (MS) as outlined in Article 18 of the EU Taxonomy Regulation. The MS requirements were met. To assess and comply with the MS requirements covering the areas of human rights, anti-corruption and bribery, taxation and fair competition, Siemens has introduced a standardized, group-wide assessment of due diligence processes. Arisen issues are addressed, using established grievance mechanisms and remediation measures. For companies and units that become part of the Siemens Group, this assessment process is also rolled out as part of the integration process.

EU Taxonomy – Revenue		Fiscal year 2024		Substantial contribution criteria						DNSH criteria								
	Code	Absolute Revenue[2]	Proportion of Revenue, Fiscal year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Revenue, Fiscal year 2023	Category (E = enabling; T = transitional)
Economic activities		(in millions of €)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T
A. Taxonomy-eligible activities[1]																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of low carbon technologies for transport	CCM 3.3	5,469	7.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	6.4%	E
Manufacture of energy efficiency equipments for buildings	CCM 3.5	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture of other low carbon technologies	CCM 3.6	98	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2%	E
Manufacture of rail rolling stock constituents	CCM 3.19	80	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	253	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Infrastructure for rail transport	CCM 6.14	2,999	4.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.9%	E
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	1,226	1.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.5%	E
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%	E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	2,806	3.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.3%	E
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	63	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2%	E
Acquisition and ownership of buildings	CCM 7.7	3	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	
Manufacture of electrical and electronic equipment	CE 1.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	6,244	8.2%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y		Y	Y	Y		E
Repair, refurbishment and remanufacturing	CE 5.1	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Sale of spare parts	CE 5.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Manufacture of medicinal products	PPC 1.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		19,295	25.4%	67.6%	0.0%	0.0%	32.4%	0.0%	0.0%								16.5%	
of which enabling		19,292	25.4%	67.6%	0.0%	0.0%	32.4%	0.0%	0.0%								16.5%	E
of which transitional		–	0.0%	0.0%													0.0%	T

EU Taxonomy – Revenue	Code	Fiscal year 2024: Absolute Revenue[2]	Fiscal year 2024: Proportion of Revenue, Fiscal year 2024	Taxonomy eligibility: Climate change mitigation	Taxonomy eligibility: Climate change adaptation	Taxonomy eligibility: Water and marine resources	Taxonomy eligibility: Circular economy	Taxonomy eligibility: Pollution	Taxonomy eligibility: Biodiversity	DNSH criteria: Climate change mitigation	DNSH criteria: Climate change adaptation	DNSH criteria: Water and marine resources	DNSH criteria: Circular economy	DNSH criteria: Pollution	DNSH criteria: Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Revenue, Fiscal year 2023	Category (E = enabling; T = transitional)
Economic activities		(in millions of €)	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Manufacture of low carbon technologies for transport	CCM 3.3	1,317	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7%	
Manufacture of energy efficiency equipments for buildings	CCM 3.5	828	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3%	
Manufacture of other low carbon technologies	CCM 3.6	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%	
Manufacture of rail rolling stock constituents	CCM 3.19	11	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	13,143	17.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure for rail transport	CCM 6.14	297	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	48	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	430	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	62	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Acquisition and ownership of buildings	CCM 7.7	95	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Manufacture of electrical and electronic equipment	CE 1.2	13,956	18.4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	17	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Repair, refurbishment and remanufacturing	CE 5.1	504	0.7%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Sale of spare parts	CE 5.2	1,001	1.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	256	0.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Manufacture of medicinal products	PPC 1.2	410	0.5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		32,446	42.7%	50.2%	0.0%	0.0%	48.6%	1.3%	0.0%								3.8%	
A. Revenue of Taxonomy-eligible activities (A1+A2)[1]		51,742	68.1%	56.7%	0.0%	0.0%	42.5%	0.8%	0.0%								20.3%	
B. Taxonomy-non-eligible activities																		
Revenue of Taxonomy-non-eligible activities (B)		24,188	31.9%															
Total A + B		75,930	100%															

EU Taxonomy – CapEx		Fiscal year 2024		Substantial contribution criteria						DNSH criteria								
Economic activities	Code	Absolute CapEx[2] (in millions of €)	Proportion of CapEx, Fiscal year 2024 %	Climate change mitigation Y; N; N/EL	Climate change adaptation Y; N; N/EL	Water and marine resources Y; N; N/EL	Circular economy Y; N; N/EL	Pollution Y; N; N/EL	Biodiversity Y; N; N/EL	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity Y/N	Minimum safeguards Y/N	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, Fiscal year 2023 %	Category (E = enabling; T = transitional) E/T
A. Taxonomy-eligible activities[1]																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of low carbon technologies for transport	CCM 3.3	110	2.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.0%	E
Manufacture of energy efficiency equipments for buildings	CCM 3.5	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture of other low carbon technologies	CCM 3.6	2	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture of rail rolling stock constituents	CCM 3.19	19	0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	8	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Urban and suburban transport, road passenger transport	CCM 6.3	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	T
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	49	1.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.3%	T
Freight transport services by road	CCM 6.6	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	T
Infrastructure for rail transport	CCM 6.14	84	2.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.7%	E
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	13	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.5%	E
Renovation of existing buildings	CCM 7.2/ (CE 3.2)	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	24	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.6%	E
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	8	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2%	E
Acquisition and ownership of buildings	CCM 7.7	241	6.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	5.4%	
Manufacture of electrical and electronic equipment	CE 1.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Renovation of existing buildings	(CCM 7.2)/ CE 3.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	148	3.8%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y		Y	Y	Y		E
Repair, refurbishment and remanufacturing	CE 5.1	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		710	18.2%	79.1%	0.0%	0.0%	20.9%	0.0%	0.0%								12.2%	
of which enabling		416	10.7%	64.7%	0.0%	0.0%	35.3%	0.0%	0.0%								6.5%	E
of which transitional		49	1.2%	100%													0.3%	T

EU Taxonomy – CapEx		Fiscal year 2024		Taxonomy eligibility						DNSH criteria								
	Code	Absolute CapEx[2]	Proportion of CapEx, Fiscal year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, Fiscal year 2023	Category (E = enabling; T = transitional)
Economic activities		(in millions of €)	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Manufacture of low carbon technologies for transport	CCM 3.3	27	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%	
Manufacture of energy efficiency equipments for buildings	CCM 3.5	30	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%	
Manufacture of other low carbon technologies	CCM 3.6	5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Manufacture of rail rolling stock constituents	CCM 3.19	3	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	302	7.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Urban and suburban transport, road passenger transport	CCM 6.3	6	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	51	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.8%	
Freight transport services by road	CCM 6.6	10	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure for rail transport	CCM 6.14	2	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Renovation of existing buildings	CCM 7.2/ (CE 3.2)	6	0.2%	EL	N/EL	N/EL	EL	N/EL	N/EL								1.4%	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	6	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	7	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Acquisition and ownership of buildings	CCM 7.7	921	23.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								17.1%	
Manufacture of electrical and electronic equipment	CE 1.2	404	10.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Renovation of existing buildings	(CCM 7.2)/ CE 3.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Repair, refurbishment and remanufacturing	CE 5.1	6	0.2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	315	8.1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,110	54.0%	65.6%	0.0%	0.0%	34.4%	0.0%	0.0%								22.3%	
A. CapEx of Taxonomy-eligible activities (A1+A2)[1]		2,820	72.2%	69.0%	0.0%	0.0%	31.0%	0.0%	0.0%								34.5%	
B. Taxonomy-non-eligible activities																		
CapEx of Taxonomy-non-eligible activities (B)		1,084	27.8%															
Total A + B		3,905	100%															

EU Taxonomy – OpEx		Fiscal year 2024		Substantial contribution criteria						DNSH criteria								
	Code	Absolute OpEx[2]	Proportion of OpEx, Fiscal year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, Fiscal year 2023	Category (E = enabling; T = transitional)
Economic activities		(in millions of €)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T
A. Taxonomy-eligible activities[1]																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of low carbon technologies for transport	CCM 3.3	157	2.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.1%	E
Manufacture of energy efficiency equipments for buildings	CCM 3.5	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture of other low carbon technologies	CCM 3.6	6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture of rail rolling stock constituents	CCM 3.19	39	0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	53	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E
Infrastructure for rail transport	CCM 6.14	200	2.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	2.7%	E
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	46	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.9%	E
Renovation of existing buildings	CCM 7.2/ (CE 3.2)	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	26	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.4%	E
Acquisition and ownership of buildings	CCM 7.7	15	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.1%	
Manufacture of electrical and electronic equipment	CE 1.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Renovation of existing buildings	(CCM 7.2)/ CE 3.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	1,863	24.9%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y		Y	Y	Y		E
Repair, refurbishment and remanufacturing	CE 5.1	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Sale of spare parts	CE 5.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2,418	32.3%	23.0%	0.0%	0.0%	77.0%	0.0%	0.0%								8.2%	
of which enabling		2,389	31.9%	22.5%	0.0%	0.0%	0.0%	0.0%	0.0%								8.1%	E
of which transitional		–	0.0%	0.0%													0.0%	T

EU Taxonomy – OpEx	Code	Fiscal year 2024		Taxonomy eligibility						DNSH criteria								
		Absolute OpEx[2]	Proportion of OpEx, Fiscal year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, Fiscal year 2023	Category (E = enabling; T = transitional)
Economic activities		(in millions of €)	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Manufacture of low carbon technologies for transport	CCM 3.3	38	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%	
Manufacture of energy efficiency equipments for buildings	CCM 3.5	170	2.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.6%	
Manufacture of other low carbon technologies	CCM 3.6	27	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%	
Manufacture of rail rolling stock constituents	CCM 3.19	4	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	568	7.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure for rail transport	CCM 6.14	18	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	13	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Renovation of existing buildings	CCM 7.2/ (CE 3.2)	10	0.1%	EL	N/EL	N/EL	EL	N/EL	N/EL								0.2%	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	23	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Acquisition and ownership of buildings	CCM 7.7	29	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%	
Manufacture of electrical and electronic equipment	CE 1.2	2,122	28.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Renovation of existing buildings	(CCM 7.2)/ CE 3.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Provision of IT/OT data-driven solutions	CE 4.1	18	0.2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Repair, refurbishment and remanufacturing	CE 5.1	54	0.7%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Sale of spare parts	CE 5.2	20	0.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,125	41.7%	29.0%	0.0%	0.0%	70.8%	0.2%	0.0%								4.2%	
A. OpEx of Taxonomy-eligible activities (A1+A2)[1]		5,543	74.0%	26.4%	0.0%	0.0%	73.5%	0.1%	0.0%								12.4%	
B. Taxonomy-non-eligible activities																		
OpEx of Taxonomy-non-eligible activities (B)		1,952	26.0%															
Total A + B		7,495	100%															

Tables according to footnote (c) of Environmental Delegated Act Annex V[3]

Proportion of Revenue/Total Revenue		
	aligned per objective	eligible per objective
Climate change mitigation (CCM)	17.2%	38.6%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)	0.0%	0.0%
Circular economy (CE)	8.2%	29.0%
Pollution (PPC)	0.0%	0.5%
Biodiversity and ecosystems (BIO)	0.0%	0.0%

Proportion of CapEx/Total CapEX		
	aligned per objective	eligible per objective
Climate change mitigation (CCM)	14.4%	49.8%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)	0.0%	0.0%
Circular economy (CE)	3.8%	22.4%
Pollution (PPC)	0.0%	0.0%
Biodiversity and ecosystems (BIO)	0.0%	0.0%

Proportion of OpEx/Total OpEx		
	aligned per objective	eligible per objective
Climate change mitigation (CCM)	7.4%	19.5%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)	0.0%	0.0%
Circular economy (CE)	24.9%	54.4%
Pollution (PPC)	0.0%	0.1%
Biodiversity and ecosystems (BIO)	0.0%	0.0%

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

[1] Economic activities with minor relevance and a share of up to 0.1% Taxonomy-eligibility in the reporting year are not displayed in the table
[2] Value may be below €0.5 million, therefore rounded to zero
[3] May sum up to >100% as all relevant environmental objectives are to be considered in this table

Codes in columns of substantial contribution criteria:
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective

Codes in columns of taxonomy eligibility:
EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective

Consolidated Financial Statements*

for fiscal 2024

* This document is an English language translation of the authoritative German version and is not provided in the European Single Electronic Format (ESEF). The legally required rendering in ESEF is filed in German language with the operator of the German Company Register and published in the German Company Register.

SIEMENS

1. Consolidated Statements of Income

		Fiscal year	
(in millions of €, per share amounts in €)	Note	2024	2023
Revenue	2, 30	**75,930**	74,882
Cost of sales		**(46,107)**	(45,766)
Gross profit		**29,823**	29,117
Research and development expenses		**(6,276)**	(6,113)
Selling and general administrative expenses		**(13,984)**	(13,553)
Other operating income	5	**544**	572
Other operating expenses	6	**(514)**	(447)
Income (loss) from investments accounted for using the equity method, net	4	**827**	906
Interest income		**2,833**	2,402
Interest expenses		**(1,785)**	(1,369)
Other financial income (expenses), net	6	**(240)**	(388)
Income from continuing operations before income taxes		**11,227**	11,126
Income tax expenses	7	**(2,320)**	(2,600)
Income from continuing operations		**8,907**	8,525
Income from discontinued operations, net of income taxes	3	**85**	3
Net income		**8,992**	8,529
Attributable to:			
Non-controlling interests		**691**	579
Shareholders of Siemens AG		**8,301**	7,949
Basic earnings per share	28		
Income from continuing operations		**10.42**	10.04
Income from discontinued operations		**0.11**	–
Net income		**10.53**	10.04
Diluted earnings per share	28		
Income from continuing operations		**10.27**	9.91
Income from discontinued operations		**0.11**	–
Net income		**10.38**	9.91

2. Consolidated Statements of Comprehensive Income

		Fiscal year	
(in millions of €)		2024	2023
Net income		**8,992**	8,529
Remeasurements of defined benefit plans	17	**687**	(104)
therein: Income tax effects		***411***	*(84)*
Remeasurements of equity instruments		**2,966**	(41)
Income (loss) from investments accounted for using the equity method, net		**(18)**	10
Items that will not be reclassified to profit or loss		**3,636**	(135)
Currency translation differences		**(1,900)**	(4,262)
Derivative financial instruments		**163**	(8)
therein: Income tax effects		***(69)***	*(15)*
Income (loss) from investments accounted for using the equity method, net		**(82)**	(161)
Items that may be reclassified subsequently to profit or loss		**(1,819)**	(4,431)
Other comprehensive income, net of income taxes		**1,817**	(4,566)
Total comprehensive income		**10,809**	3,962
Attributable to:			
Non-controlling interests		**483**	(10)
Shareholders of Siemens AG		**10,326**	3,972

3. Consolidated Statements of Financial Position

(in millions of €)	Note	Sep 30, 2024	Sep 30, 2023
Assets			
Cash and cash equivalents		**9,156**	10,084
Trade and other receivables	8	**16,963**	17,405
Other current financial assets	9	**10,492**	10,605
Contract assets	10	**7,985**	7,581
Inventories	11	**10,923**	11,548
Current income tax assets		**1,767**	1,363
Other current assets	11	**1,632**	1,955
Assets classified as held for disposal	3	**2,433**	99
Total current assets		**61,353**	60,639
Goodwill	3, 12	**31,384**	32,224
Other intangible assets	3, 13	**9,593**	10,641
Property, plant and equipment	13	**12,242**	11,938
Investments accounted for using the equity method	4	**980**	3,014
Other financial assets	14, 23	**27,388**	22,855
Deferred tax assets	7	**2,677**	2,235
Other assets		**2,196**	1,523
Total non-current assets		**86,459**	84,432
Total assets		**147,812**	145,071
Liabilities and equity			
Short-term debt and current maturities of long-term debt	16	**6,598**	7,483
Trade payables		**8,843**	10,130
Other current financial liabilities	3	**2,006**	1,613
Contract liabilities	10	**12,855**	12,571
Current provisions	18	**2,730**	2,320
Current income tax liabilities		**1,805**	2,566
Other current liabilities	15	**7,833**	8,182
Liabilities associated with assets classified as held for disposal	3	**1,245**	50
Total current liabilities		**43,913**	44,913
Long-term debt	16	**41,321**	39,113
Provisions for pensions and similar obligations	17	**912**	1,426
Deferred tax liabilities	7	**1,483**	1,655
Provisions	18	**1,120**	1,463
Other financial liabilities		**864**	1,516
Other liabilities		**1,968**	1,933
Total non-current liabilities		**47,667**	47,106
Total liabilities		**91,581**	92,019
Equity	19		
Issued capital		**2,400**	2,400
Capital reserve		**7,757**	7,411
Retained earnings	3	**39,657**	36,866
Other components of equity		**3,615**	2,282
Treasury shares, at cost		**(2,165)**	(1,177)
Total equity attributable to shareholders of Siemens AG		**51,264**	47,782
Non-controlling interests	3	**4,967**	5,270
Total equity		**56,231**	53,052
Total liabilities and equity		**147,812**	145,071

4. Consolidated Statements of Cash Flows

	Fiscal year	
(in millions of €)	2024	2023
Cash flows from operating activities		
Net income	**8,992**	8,529
Adjustments to reconcile net income to cash flows from operating activities – continuing operations		
Income from discontinued operations, net of income taxes	**(85)**	(3)
Amortization, depreciation and impairments	**3,158**	3,544
Income tax expenses	**2,320**	2,600
Interest (income) expenses, net	**(1,048)**	(1,032)
(Income) loss related to investing activities	**(918)**	(979)
Other non-cash (income) expenses	**213**	(657)
Change in operating net working capital from		
Contract assets	**(723)**	(383)
Inventories	**(81)**	(1,311)
Trade and other receivables	**(694)**	(1,613)
Trade payables	**(458)**	170
Contract liabilities	**1,159**	1,006
Additions to assets leased to others in operating leases	**(400)**	(444)
Change in other assets and liabilities	**865**	3,171
Income taxes paid	**(3,463)**	(2,767)
Dividends received	**294**	258
Interest received	**2,683**	2,205
Cash flows from operating activities – continuing operations	**11,814**	12,293
Cash flows from operating activities – discontinued operations	**(149)**	(54)
Cash flows from operating activities – continuing and discontinued operations	**11,665**	12,239
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	**(2,088)**	(2,146)
Acquisitions of businesses, net of cash acquired	**(413)**	(407)
Purchase of investments and financial assets for investment purposes	**(942)**	(723)
Change in receivables from financing activities	**(1,150)**	(1,461)
Disposal of intangibles and property, plant and equipment	**237**	236
Disposal of businesses, net of cash disposed	**60**	368
Disposal of investments and financial assets for investment purposes	**1,158**	746
Cash flows from investing activities – continuing operations	**(3,138)**	(3,387)
Cash flows from investing activities – discontinued operations	**(144)**	210
Cash flows from investing activities – continuing and discontinued operations	**(3,282)**	(3,176)
Cash flows from financing activities		
Purchase of treasury shares	**(1,625)**	(884)
Re-issuance of treasury shares and other transactions with owners	**(2,140)**	(414)
Issuance of long-term debt	**6,688**	2,470
Repayment of long-term debt (including current maturities of long-term debt)	**(6,045)**	(5,246)
Change in short-term debt and other financing activities	**(179)**	299
Interest paid	**(1,462)**	(1,208)
Dividends paid to shareholders of Siemens AG	**(3,709)**	(3,362)
Dividends attributable to non-controlling interests	**(389)**	(389)
Cash flows from financing activities – continuing operations	**(8,860)**	(8,734)
Cash flows from financing activities – discontinued operations	**(20)**	4
Cash flows from financing activities – continuing and discontinued operations	**(8,880)**	(8,731)
Effect of changes in exchange rates on cash and cash equivalents	**(220)**	(721)
Change in cash and cash equivalents	**(717)**	(388)
Cash and cash equivalents at beginning of period	**10,084**	10,472
Cash and cash equivalents at end of period	**9,368**	10,084
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	**211**	–
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	**9,156**	10,084

5. Consolidated Statements of Changes in Equity

(in millions of €)	Issued capital	Capital reserve	Retained earnings	Currency translation differences	Equity instruments	Derivative financial instruments	Treasury shares at cost	Total equity attributable to share-holders of Siemens AG	Non controlling interests	Total equity
Balance as of October 1, 2022	2,550	7,174	38,959	6,306	(12)	(134)	(5,948)	48,895	5,910	54,805
Net income	–	–	7,949	–	–	–	–	7,949	579	8,529
Other comprehensive income, net of income taxes	–	–	(100)	(3,881)	(41)	45	–	(3,977)	(589)	(4,566)
Dividends	–	–	(3,362)	–	–	–	–	(3,362)	(400)	(3,762)
Share-based payment	–	176	(46)	–	–	–	–	130	–	130
Purchase of treasury shares	–	–	–	–	–	–	(884)	(884)	–	(884)
Re-issuance of treasury shares	–	57	–	–	–	–	445	502	–	502
Cancellation of treasury shares	(150)	–	(5,061)	–	–	–	5,211	–	–	–
Disposal of equity instruments	–	–	14	–	–	–	–	14	–	14
Changes in equity resulting from major portfolio transactions	–	–	(1,553)	–	–	–	–	(1,553)	–	(1,553)
Other transactions with non-controlling interests	–	3	71	–	–	–	–	75	(267)	(193)
Other changes in equity	–	–	3	–	–	–	–	3	37	41
Balance as of September 30, 2023	2,400	7,411	36,874	2,425	(53)	(89)	(1,177)	47,791	5,270	53,060
Balance as of September 30, 2023 (as previously reported)	**2,400**	**7,411**	**36,874**	**2,425**	**(53)**	**(89)**	**(1,177)**	**47,791**	**5,270**	**53,060**
Effects of retrospectively adopting IFRS	**–**	**–**	**(8)**	**–**	**–**	**–**	**–**	**(8)**	**–**	**(8)**
Balance as of October 1, 2023	**2,400**	**7,411**	**36,866**	**2,425**	**(53)**	**(89)**	**(1,177)**	**47,782**	**5,270**	**53,052**
Net income	**–**	**–**	**8,301**	**–**	**–**	**–**	**–**	**8,301**	**691**	**8,992**
Other comprehensive income, net of income taxes	**–**	**–**	**693**	**(1,746)**	**2,966**	**111**	**–**	**2,025**	**(208)**	**1,817**
Dividends	**–**	**–**	**(3,709)**	**–**	**–**	**–**	**–**	**(3,709)**	**(390)**	**(4,099)**
Share-based payment	**–**	**284**	**(157)**	**–**	**–**	**–**	**–**	**128**	**–**	**128**
Purchase of treasury shares	**–**	**–**	**–**	**–**	**–**	**–**	**(1,602)**	**(1,602)**	**–**	**(1,602)**
Re-issuance of treasury shares	**–**	**59**	**–**	**–**	**–**	**–**	**614**	**673**	**–**	**673**
Disposal of equity instruments	**–**	**–**	**(7)**	**–**	**–**	**–**	**–**	**(7)**	**–**	**(7)**
Changes in equity resulting from major portfolio transactions	**–**	**–**	**(2,349)**	**–**	**–**	**–**	**–**	**(2,349)**	**(480)**	**(2,829)**
Other transactions with non-controlling interests	**–**	**4**	**39**	**–**	**–**	**–**	**–**	**43**	**84**	**127**
Other changes in equity	**–**	**–**	**(20)**	**–**	**–**	**–**	**–**	**(20)**	**1**	**(20)**
Balance as of September 30, 2024	**2,400**	**7,757**	**39,657**	**679**	**2,913**	**22**	**(2,165)**	**51,264**	**4,967**	**56,231**

6. Notes to Consolidated Financial Statements

NOTE 1 Basis of presentation

The accompanying Consolidated Financial Statements present the operations of Siemens Aktiengesellschaft with registered offices in Berlin (registry number HRB 12300) and Munich (registry number HRB 6684), Germany, and its subsidiaries (the Company or Siemens). They have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union as well as with the additional requirements set forth in Section 315e (1) of the German Commercial Code (HGB). The Consolidated Financial Statements are in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The Consolidated Financial Statements were authorized for issue by the Managing Board on December 2, 2024. Siemens prepares and reports its Consolidated Financial Statements in euros (€). Due to rounding, numbers presented may not add up precisely to totals provided. Siemens is a German based multinational focused technology company.

NOTE 2 Material accounting policies and critical accounting estimates

Certain of the following accounting policies require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and have a material impact on the Company's results of operations, financial positions and cash flows. Critical accounting estimates could also involve estimates where Siemens reasonably could have used a different estimate in the current accounting period. Siemens cautions that future events often vary from forecasts and that estimates routinely require adjustment.

Siemens operates in an ongoing complex and uncertain macroeconomic and geopolitical environment, particularly due to the war in Ukraine and the conflict in Middle East. Uncertainties also relate to trade conflicts and to ongoing challenges for the manufacturing sector due to overcapacity and weak consumer demand. Notably, we face uncertainties in future price developments, still high interest rates despite gradually falling and easing inflation, volatile foreign currency and share prices along with presumably unsatisfactory economic growth in significant markets. Consequently, there are uncertainties in prognosis and forecasts, in applying critical accounting estimates and in using management judgements. Those trends could impact fair values and carrying amounts of assets and liabilities, amount and timing of results of operations and cash flows of Siemens. Severity and duration of those trends are decisive on the magnitude of its impact on Siemens' Consolidated Financial Statements. Siemens based its estimates and assumptions on currently available knowledge and best available information.

Basis of consolidation – The Consolidated Financial Statements include the accounts of Siemens AG and its subsidiaries over which the Company has control. Siemens controls an investee if it has power over the investee. In addition, Siemens is exposed to, or has rights to, variable returns from the involvement with the investee and Siemens is able to use its power over the investee to affect the amount of Siemens' return.

Business combinations – Cost of an acquisition is measured at the fair value of the assets given and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities assumed in a business combination (including contingent liabilities) are initially measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Non-controlling interests are measured at the proportional fair value of assets acquired and liabilities assumed (partial goodwill method). If there is no loss of control, transactions with non-controlling interests are accounted for as equity transactions not affecting net income. At the date control is lost, any retained equity interests are remeasured to fair value. In case of a written put option on non-controlling interests the Company assesses whether the prerequisites for the transfer of present ownership interest are fulfilled at the balance sheet date. If the Company is not the beneficial owner of the shares underlying the put option, the exercise of the put option will be assumed at each balance sheet date and treated as equity transaction between shareholders with the recognition of a purchase liability at the respective exercise price. The non-controlling interests participate in profits and losses during the reporting period.

Associates and joint ventures – Associates are companies over which Siemens has the ability to exercise significant influence over operating and financial policies (generally through direct or indirect ownership of 20% to 50% of the voting rights). Joint ventures are entities over which Siemens and one or more parties have joint control. Joint control requires unanimous consent of the parties sharing control in decision making on relevant activities. The assessment of significant influence involves judgement, particularly regarding the investment in Siemens Energy AG.

Associates and joint ventures are recorded in the Consolidated Financial Statements using the equity method and are initially recognized at cost. If the investment was retained in a transaction in which Siemens lost control of a subsidiary, the fair value of the investment represents the cost on initial recognition. Siemens' share of its associate's or joint venture's post-acquisition profits or losses is recognized in the Consolidated Statements of Income, and its share of post-acquisition changes in equity that have not been recognized in the associate's or joint venture's profit or loss is recognized directly in equity. The cumulative post-acquisition changes also include effects from fair value adjustments and are adjusted against the carrying amount of the investment. When Siemens' share of losses in an associate or joint venture equals or exceeds its interest in the investment, Siemens does not recognize further losses, unless it incurs obligations or makes payments on behalf of the associate or joint venture. The interest in an associate or joint venture is the carrying amount of the investment together with any long-term interests that, in substance, form part of Siemens' net investment in the associate or joint venture.

Siemens reviews associates and joint ventures for impairment whenever there is objective evidence that its investment is impaired, for example a significant or prolonged decline in the fair value of the investment below its cost. In addition, Siemens similarly assesses whether there are indications that an impairment loss recorded in prior periods may no longer exist or may have decreased. If this is the case, any reversal of an impairment loss is recognized to the extent that the recoverable amount subsequently increases, not exceeding the carrying amount, had no impairment loss been recognized in previous periods.

Foreign currency translation – Assets and liabilities of foreign subsidiaries, where the functional currency is other than the euro, are translated using the spot exchange rate at the end of the reporting period, while the Consolidated Statements of Income are translated using average exchange rates during the period. Differences arising from such translations are recognized within equity and reclassified to net income when the gain or loss on disposal of the foreign subsidiary is recognized. The Consolidated Statements of Cash Flows are translated at average exchange rates during the period, whereas cash and cash equivalents are translated at the spot exchange rate at the end of the reporting period.

Foreign currency transaction – Transactions that are denominated in a currency other than the functional currency of an entity, are recorded at that functional currency applying the spot exchange rate at the date when the underlying transactions are initially recognized. At the end of the reporting period, foreign currency-denominated monetary assets and liabilities are revalued to functional currency applying the spot exchange rate prevailing at that date. Gains and losses arising from these foreign currency revaluations are recognized in net income. Those foreign currency-denominated transactions which are classified as non-monetary are remeasured using the historical spot exchange rate.

Revenue recognition – Siemens recognizes revenue when, or as control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking our customer's creditworthiness into account. Revenue is the transaction price Siemens expects to be entitled to. Variable consideration is included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. If Siemens receives consideration from a customer and expects to refund some or all of the consideration to the customer a refund liability is recognized, which is reported in contract liabilities. Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or Siemens. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those. Revenue is recognized for each performance obligation either at a point in time or over time.

Revenues from construction-type contracts: Revenues are recognized over time under the percentage-of-completion method, based on the percentage of costs incurred to date compared to total estimated costs. An expected loss on the contract is recognized as an expense immediately. Payment terms are usually 30 days from the date of invoice issued according to the contractual terms.

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required to fulfill the contractually defined obligations. These significant estimates include total estimated costs, total estimated revenues, contract risks, including technical, political and regulatory risks, risks from supply chain constraints and other judgments. Under the percentage-of-completion method, changes in estimates may lead to an increase or decrease of revenue. In addition, Siemens needs to assess whether the contract is expected to continue or whether it is terminated. In determining whether the continuation or termination of a contract is expected to be the most likely scenario, all relevant facts and circumstances relating to the contract are considered on an individual basis.

Revenues from maintenance and service contracts: Revenues are recognized over time on a straight-line basis or, if the performance pattern is other than straight-line, as services are provided, i.e. under the percentage-of-completion method as described above. Payment terms are usually 30 days from the date of invoice issued according to the contractual terms.

Revenues from product sales: Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon delivery of the goods. Invoices are issued at that point in time and are usually payable within 30 days.

Revenues from software contracts: Software contracts usually comprise the sale of subscription licenses and perpetual licenses, which are both on-premise, as well as technical support services including updates and unspecified upgrades and the sale of software-as-a-service. Subscription contracts generally contain two separate performance obligations: time-based software license and technical support service. Revenues for perpetual and time-based licenses granting the customer a right to use Siemens' intellectual property are recognized at a point in time, i.e. when control of the license passes to the customer. Revenues for technical support services including updates and unspecified upgrades are recognized over time on a straight-line basis as the customer simultaneously receives and consumes the benefits provided by Siemens' services. Software-as-a-service contracts including related cloud services represent one performance obligation for which revenues are recognized over time on a straight-line basis. Payment terms for all transactions are usually 30 days from the date of invoice issued according to the contractual terms.

Income from interest – Interest is recognized using the effective interest method.

Functional costs – In general, operating expenses by types are assigned to the functions following the functional area of the corresponding profit and cost centers. Amortization, depreciation and impairment of intangible assets and property, plant and equipment are included in functional costs depending on the use of the assets.

Product-related expenses – Provisions for estimated costs related to product warranties are recorded in line item Cost of sales at the time the related sale is recognized.

Research and development costs – Costs of research activities are expensed as incurred. Costs of development activities are capitalized when the recognition criteria in IAS 38 are met. Capitalized development costs are stated at cost less accumulated amortization and impairment losses with an amortization period of generally three to 25 years.

Earnings per share – Basic earnings per share are computed by dividing income from continuing operations, income from discontinued operations and net income, all attributable to ordinary shareholders of Siemens AG by the weighted average number of shares outstanding during the year. Diluted earnings per share are calculated by assuming conversion or exercise of all potentially dilutive securities and share-based payment plans.

Goodwill – Goodwill is not amortized, instead, goodwill is tested for impairment annually, as well as whenever there are events or changes in circumstances (triggering events) which suggest that the carrying amount may not be recoverable. Goodwill is carried at cost less accumulated impairment losses. The goodwill impairment test is performed at the level of a cash-generating unit or a group of cash-generating units, generally represented by a segment. Siemens Healthineers is tested one level below the segment. This is the lowest level at which goodwill is monitored for internal management purposes.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the (group of) cash-generating unit(s) that is expected to benefit from the synergies of the business combination. If the carrying amount of the (group of) cash-generating unit(s), to which the goodwill is allocated, exceeds its recoverable amount, an impairment loss on goodwill allocated to that (group of) cash-generating unit(s) is recognized. The recoverable amount is the higher of the (group of) cash-generating unit(s)' fair value less costs to sell and its value in use. If either of these values exceeds the carrying amount, it is not always necessary to determine both values. These values are generally determined based on discounted cash flow calculations. Impairment losses on goodwill are not reversed in future periods.

The determination of the recoverable amount of a (group of) cash-generating unit(s) to which goodwill is allocated involves the use of estimates by management. The outcome predicted by these estimates is influenced e.g. by the successful integration of acquired entities, volatility of capital markets, interest rate developments, foreign exchange rate fluctuations and the outlook on economic trends. In determining recoverable amounts, discounted cash flow calculations generally use five-year projections (in exceptional cases up to ten years) that are based on financial forecasts. Cash flow projections consider past experience and represent management's best estimate about future developments. Cash flows after the planning period are extrapolated using individual growth rates. Key assumptions on which management has based its determination of fair value less costs to sell and value in use include estimated growth rates and weighted average cost of capital. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment.

Other intangible assets – The Company amortizes intangible assets with finite useful lives on a straight-line basis over their respective estimated useful lives. Estimated useful lives for patents, licenses and other similar rights generally range from three to five years, except for intangible assets with finite useful lives acquired in business combinations. Intangible assets acquired in business combinations primarily consist of customer relationships and trademarks as well as technology. Useful lives in specific acquisitions ranged from two to 30 years for customer relationships and trademarks and for technology from five to 22 years.

Property, plant and equipment – Property, plant and equipment, is valued at cost less accumulated depreciation and impairment losses. Depreciation expense is recognized using the straight-line method. The following useful lives are assumed:

Factory and office buildings	20 to 50 years
Other buildings	5 to 10 years
Technical machinery & equipment	generally 10 years
Office & other equipment	generally 5 years
Equipment leased to others	generally 3 to 7 years

Impairment of property, plant and equipment and other intangible assets – The Company reviews property, plant and equipment and other intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In addition, intangible assets not yet available for use are subject to an annual impairment test. Impairment testing of property, plant and equipment and other intangible assets involves the use of estimates in determining the assets' recoverable amount, which can have a material impact on the respective values and ultimately the amount of any impairment.

Leases – A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Further information on leases can be found in Notes 8, 13 and 16.

Lessor: Leases are classified as either finance or operating leases, determined based on whether substantially all the risks and rewards incidental to ownership of an underlying asset are transferred. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. Receivables from finance leases are recognized at an amount equal to the net investment in the lease. The assets underlying the operating leases are presented in Property, plant and equipment and depreciated on a straight-line basis over their useful lives or to their estimated residual value. Operating lease income is recognized on a straight-line basis over the lease term.

Lessee: Siemens recognizes right-of-use assets and lease liabilities for leases with a term of more than twelve months if the underlying asset is not of low value. Payments for short-term and low-value leases are expensed over the lease term. Extension options are included in the lease term if their exercise is reasonably certain. Right-of-use assets are measured at cost less accumulated depreciation expense and impairment losses adjusted for any remeasurements. Right-of-use assets are depreciated under the straight-line method over the shorter of the lease term and the useful life of the underlying assets. Lease liabilities are measured at the present value of the lease payments due over the lease term, generally discounted using the incremental borrowing rate. Lease liabilities are subsequently measured at amortized cost using the effective interest method. They are remeasured in case of modifications or reassessments of the lease.

Discontinued operations and non-current assets held for disposal – Discontinued operations are reported when a component of an entity is classified as held for disposal or has been disposed of, if the component represents a separate major line of business or geographical area of operations and is part of a single coordinated plan to disposal. A non-current asset or a disposal group is held for disposal, if its carrying amount will be recovered principally through a sale transaction or through a distribution to owners rather than through continuing use. Depreciation and amortization as well as accounting under the equity method cease for assets classified as held for disposal. In the Consolidated Statements of Income and of Cash Flows, discontinued operations are reported separately from continuing operations; prior periods are presented on a comparable basis. The disclosures in the Notes to the Consolidated Financial Statements outside of Note 3 relate to continuing operations or assets and liabilities not held for disposal. The non-current asset held for disposal or the disposal group is measured at the lower of its carrying amount and fair value less costs to sell. The determination of the fair value less costs to sell includes the use of estimates and assumptions that tend to be uncertain.

Income taxes – Tax positions are calculated taking into consideration the respective local tax laws, relevant court decisions and applicable tax authorities' views. Tax regulations can be complex and possibly subject to different interpretations of tax payers and local tax authorities. Different interpretations of existing or new tax laws as a result of tax reforms or other tax legislative procedures may result in additional tax payments for prior years and are taken into account based on management's considerations. Under the liability method, deferred tax assets and liabilities are recognized for expected tax consequences of future periods attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets are recognized if sufficient future taxable profit is available, including income from forecasted operating earnings, the reversal of existing taxable temporary differences and available tax planning opportunities that Siemens would execute. As of each period-end, Siemens evaluates the recoverability of deferred tax assets, based on taxable income of past periods and projected future taxable profits. As future developments are uncertain and partly beyond Siemens's control, assumptions are necessary to estimate future taxable profits as well as the period in which deferred tax assets will recover. Estimates are revised in the period in which there is sufficient evidence to revise the assumption. Global minimum taxation rules (Pillar Two) were transformed in German Law and are to be applied for the first time from the fiscal year 2025. Rules concerning Qualified Domestic Minimum Top up Tax (QDMTTs) of other jurisdictions are applied at their respective initial application dates.

Contract assets, contract liabilities, receivables – When either party to a contract with customers has performed, Siemens presents a contract asset, a contract liability or a receivable depending on the relationship between Siemens' performance and the customer's payment. Contract assets and liabilities are presented as current since incurred in the normal operating cycle. Receivables are recognized when the right to consideration becomes unconditional. Valuation allowances for credit risks are made for contract assets and receivables in accordance with the accounting policy for financial assets measured at amortized cost.

Inventories – Inventories are valued at the lower of acquisition or production costs and net realizable value, costs being generally determined based on an average or first-in, first-out method. Determining net realizable value of inventories involves accounting estimates for quantity, technical and price risks.

Defined benefit plans – Siemens measures the entitlements by applying the projected unit credit method. The approach reflects an actuarially calculated net present value of the future benefit entitlement for services already rendered. In determining the net present value of the future benefit entitlement for service already rendered (Defined Benefit Obligation (DBO)), the expected rates of salary and pension increases are considered. The assumptions used for the calculation of the DBO as of the period-end of the preceding fiscal year are used to determine the calculation of service cost and interest income and expense of the following year. Significant plans apply individual spot rates from full discount rate curves to determine service cost and interest expense. The net interest income or expense for the fiscal year will be based on the discount rate for the respective year multiplied by the net defined benefit liability (asset) at the preceding fiscal year's period-end date.

Service cost, past service cost and settlement gains (losses) for pensions and similar obligations as well as administration costs unrelated to the management of plan assets are allocated among functional costs. Past service cost and settlement gains (losses) are recognized immediately in profit or loss. For unfunded plans, the amount in line item Provisions for pensions and similar obligations equals the DBO. For funded plans, Siemens offsets the fair value of the plan assets from the DBO. Siemens recognizes the net amount, after adjustments for effects relating to any asset ceiling.

Remeasurements comprise actuarial gains and losses as well as the difference between the return on plan assets and the amounts included in net interest on the net defined benefit liability (asset). They are recognized in Other comprehensive income, net of income taxes.

Actuarial valuations rely on key assumptions including discount rates, expected compensation increases, rate of pension progression and mortality rates. Discount rates used are determined by reference to yields on high-quality corporate bonds of appropriate duration and currency at the end of the reporting period. In case such yields are not available, discount rates are based on government bonds yields. Due to changing market, economic and social conditions, the underlying key assumptions may differ from actual developments.

Entitlements resulting from plans based on asset returns from underlying assets are generally measured at the fair value of the underlying assets at period-end. If the performance of the underlying assets is lower than a guaranteed return, the DBO is measured by projecting forward the contributions at the guaranteed fixed return and discounting back to a present value.

Provisions – A provision is recognized in the Statement of Financial Position when (1) it is probable that the Company has a present legal or constructive obligation as a result of a past event and (2) it is probable that an outflow of economic benefits will be required to settle the obligation and (3) a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognized at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognized as a provision.

Significant estimates are involved in the determination of provisions related to onerous contracts, warranty costs, asset retirement obligations, legal and regulatory proceedings as well as governmental investigations (Legal Proceedings). Siemens records a provision for onerous contracts with customers when current estimates of total estimated costs exceed estimated revenue. Onerous contracts with customers are identified by monitoring the progress of the project and updating the estimates which requires significant judgment relating to achieving certain performance standards as well as estimates involving warranty costs and estimates regarding project delays including the assessment of responsibility splits between the contract partners for these delays.

Legal Proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process. Due to new developments, it may be necessary, to record a provision for an ongoing Legal Proceeding or to adjust the amount of a previously recognized provision. Upon resolution of a Legal Proceeding, Siemens may incur charges in excess of the recorded provisions for such matters. The outcome of Legal Proceedings may have a material effect on Siemens' financial position, its results of operations and/or its cash flows.

Termination benefits – Termination benefits are provided as a result of an entity's offer made in order to encourage voluntary redundancy before the regular retirement date or from an entity's decision to terminate the employment. Termination benefits in accordance with IAS 19, Employee Benefits, are recognized as a liability and an expense when the entity can no longer withdraw the offer of those benefits.

Financial instruments – A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Based on their contractual cash flow characteristics and the business model they are held in, financial instruments are classified as financial assets and financial liabilities measured at cost or amortized cost, measured at fair value, loan commitments, contract assets and receivables from finance leases. Regular way purchases or sales of financial assets are accounted for at the trade date. Initially, financial instruments are recognized at fair value and net of transaction costs, if not categorized at FVTPL. Subsequently, financial assets and liabilities are measured according to the category to which they are assigned to:

Financial assets measured at fair value through profit and loss (FVTPL): a) mandatorily measured at FVTPL: Debt financial assets are measured at FVTPL if the business model they are held in is not a hold-to-collect or a hold-and-sell business model, or if their contractual cash flows do not represent solely payments of principal and interest. Equity instruments are measured at FVTPL unless the FVOCI-option is elected. b) Financial assets designated as measured at FVTPL are irrevocably designated at initial recognition if the designation significantly reduces accounting mismatches that would otherwise arise if assets and liabilities as well as recognizing gains (losses) were measured on different bases.

Financial assets measured at fair value through other comprehensive income (FVOCI): are equity instruments for which Siemens irrevocably elects to present subsequent fair value changes in OCI at initial recognition of the instrument. Unrealized gains and losses, net of deferred income tax expenses, as well as gains and losses on the subsequent sale of the instruments are recognized in line item Other comprehensive income, net of income taxes.

Financial assets measured at amortized cost: Loans, receivables and other debt instruments held in a hold-to-collect business model with contractual cash flows that represent solely payments of principal and interest are measured at amortized cost using the effective interest method less valuation allowances for expected credit losses.

Valuation allowances are set up for expected credit losses, representing a forward-looking estimate of future credit losses involving significant judgment. Expected credit loss is the gross carrying amount less collateral, multiplied by the probability of default and a factor reflecting the loss in the event of default. Valuation allowances are not recognized as far as the gross carrying amount is sufficiently collateralized. Probabilities of default are mainly derived from internal rating grades. A simplified approach is used to assess expected credit losses from trade receivables, lease receivables and contract assets by applying their lifetime expected credit losses. The valuation allowance for loans and other long-term debt instruments primarily held at Siemens Financial Services (SFS) is measured according to a three-stage impairment approach:

Stage 1: At inception, twelve-month expected credit losses are recognized based on a twelve months probability of default.

Stage 2: If the credit risk of a financial asset increases significantly without being credit-impaired, lifetime expected credit losses are recognized based on a lifetime probability of default. A significant increase in credit risk is determined for each individual financial instrument using internal credit ratings. A rating deterioration does not trigger a transfer into Stage 2, if the credit rating remains within the investment grade range. More than 30 days past due payments will not be transferred into Stage 2, if the delay is not credit-risk-related.

Stage 3: If the financial asset is credit-impaired, valuation allowances equal lifetime expected credit losses. A financial asset is considered credit-impaired when there is observable information about significant financial difficulties and a high vulnerability to default, however, the definition of default is not yet met. Impairment triggers include liquidity problems, a request for debt restructuring or a breach of contract. A credit-risk driven contractual modification always results in a credit-impaired financial asset.

Financial assets are written off as uncollectible if recovery appears unlikely. Generally, if the limitation period expired, when a debtor's sworn statement of affairs is received, or when the receivable is not pursued due to its minor value. Receivables are written off when bankruptcy proceedings close.

A financial asset is derecognized when the rights to cash flows expire or the financial asset is transferred to another party. Significant modifications of contractual terms of a financial asset measured at amortized cost result in derecognition and recognition of a new financial asset; for insignificant modifications, the carrying amount of the financial asset is adjusted without derecognition.

Cash and cash equivalents – The Company considers all highly liquid investments with less than three months maturity from the date of acquisition to be cash equivalents. Cash and cash equivalents are measured at cost.

Loan Commitments – Expected credit losses for irrevocable loan commitments are determined using the three-stage impairment approach for financial assets measured at amortized cost and recognized as a liability.

Financial liabilities – except for derivative financial instruments, Siemens measures financial liabilities at amortized cost using the effective interest method.

Derivative financial instruments – Derivative financial instruments, such as foreign currency exchange contracts and interest rate swap contracts are measured at fair value unless they are designated as hedging instruments, for which hedge accounting is applied. Changes in the fair value of derivative financial instruments are recognized either in net income or, in the case of a cash flow hedge, in line item Other comprehensive income, net of income taxes (applicable deferred income tax). Certain derivative instruments embedded in host contracts are also accounted for separately as derivatives.

Fair value hedges: The carrying amount of the hedged item is adjusted by the gain or loss attributable to the hedged risk. Where an unrecognized firm commitment is designated as hedged item, the subsequent cumulative change in its fair value is recognized as a separate financial asset or liability with corresponding gain or loss recognized in net income. For hedged items carried at amortized cost, the adjustment is amortized until maturity of the hedged item. For hedged firm commitments the initial carrying amount of the assets or liabilities that result from meeting the firm commitments are adjusted to include the cumulative changes in the fair value that were previously recognized as separate financial assets or liabilities.

Cash flow hedges: The effective portion of changes in the fair value of derivative instruments designated as cash flow hedges are recognized in line item Other comprehensive income, net of income taxes, and any ineffective portion is recognized immediately in net income. Amounts accumulated in equity are reclassified into net income in the same periods in which the hedged item affects net income.

Share-based payment – Share-based payment awards at Siemens are predominately designed as equity-settled. Fair value is measured at grant date and is expensed over the vesting period. Fair value is determined as the price of the underlying shares, considering dividends during the vesting period the grantees are not entitled to as well as market conditions and non-vesting conditions, if applicable. Plans granting the rights to receive subsidiary shares constitute own shares and, accordingly, are accounted as equity-settled.

Prior-year information – The presentation of certain prior-year information has been reclassified to conform to the current year presentation.

Insurance contracts – As of October 1, 2023, Siemens adopted IFRS 17 retrospectively in accordance with IFRS 17 transitional provisions. IFRS 17 introduces and applies uniform accounting policies for insurance contracts and supersedes IFRS 4 Insurance contracts. The adoption of IFRS 17 has no significant impact on Siemens' Consolidated Financial Statements.

New accounting pronouncements, not yet adopted – In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18). IFRS 18 requires additional defined subtotals in the Statement of Income, disclosures about management-defined performance measures, adds new principles for aggregation and disaggregation of information and provides limited amendments to IAS 7, Statement of Cash Flows. IFRS 18 supersedes IAS 1, Presentation of Financial Statements. The new standard is effective for fiscal years beginning on or after January 1, 2027. Early application is permitted. The standard needs to be applied retrospectively. The Company is assessing the impact of adopting IFRS 18 on the Company's Consolidated Financial Statements.

NOTE 3 Acquisitions, changes in ownership interests and discontinued operations

Acquisitions and changes in ownership interests

In December 2023, Siemens acquired 18% of the shares in Siemens Limited, India, from the Siemens Energy Group (Siemens Energy) for a price of €2,081 million in cash and subsequently holds 69%. The acquisition is accounted for as an equity transaction, decreasing Non-controlling interests by €313 million and Retained earnings by €1,699.

In December 2023, Siemens granted Siemens Energy a put option for up to an additional 5% of the shares in Siemens Limited, India. If specific guarantee events occur, Siemens Energy can exercise the option for a fixed price totaling €750 million for the entire 5% stake to be paid by Siemens. As of September 30, 2024, the transaction resulted in a decrease of Retained earnings of €652 million, Non-controlling interests of €93 million and an increase of Other current financial liabilities of €745 million.

In fiscal 2024, Siemens completed several individually minor acquisitions for a total purchase price of €350 million (€373 million in fiscal 2023), mainly paid in cash. The partly preliminary purchase price allocations resulted in Other intangible assets of €114 million (€180 million in fiscal 2023) and Goodwill of €312 million (€203 million in fiscal 2023).

Discontinued operations

In May 2024, Siemens signed an agreement to sell Innomotics, a supplier of electric motor and large-drive systems, to KPS Capital Partners, LP in cash. Accordingly, the results are disclosed as discontinued operations in the Consolidated Statements of Income for all periods presented:

(in millions of €)	FY 2024	FY 2023
Revenue	**2,881**	2,886
Expenses, including costs to sell	**(2,740)**	(2,812)
Income from discontinued operations before income taxes	**141**	75
Income taxes on ordinary activities	**(24)**	(4)
Other income taxes[1]	**(198)**	(83)
Income from discontinued operations, net of income taxes	**(81)**	(12)
thereof attributable to Siemens AG shareholders	***(81)***	*(12)*

[1] mainly includes income taxes relating to the legal carve-out of the disposal group

The carrying amounts of the major classes of assets and liabilities of Innomotics classified as held for disposal are:

(in millions of €)	September 30, 2024
Cash and cash equivalents	**211**
Trade and other receivables	**564**
Contract assets	**106**
Inventories	**471**
Goodwill	**293**
Property, plant and equipment	**429**
Miscellaneous assets	**222**
Assets classified as held for disposal	**2,296**
Trade payables	**360**
Contract liabilities	**356**
Other current liabilities	**225**
Miscellaneous liabilities	**240**
Liabilities associated with assets classified as held for disposal	**1,180**

NOTE 4 Interests in other entities

Investments accounted for using the equity method

(in millions of €)	Fiscal year 2024	2023
Share of profit (loss), net	**151**	(1,298)
Gains (losses) on disposals, net	**711**	618
Impairments and reversals of impairment	**(35)**	1,586
Income (loss) from investments accounted for using the equity method, net	**827**	906

In December 2023, Siemens transferred an 8% stake in Siemens Energy AG to the Siemens Pension-Trust e.V. at fair value (share price of €11.01; level 1 of the fair value hierarchy), which reduced Siemens' remaining share in Siemens Energy AG to 17.1%. Representatives of Siemens AG resigned from Siemens Energy AG's supervisory board and its committees. The decrease in voting rights and the unbundling of personnel, along with not being represented on Siemens Energy AG's management board and not having material influence on business processes, resulted in a loss of significant influence. Accordingly, Siemens ceased accounting using the equity method for Siemens Energy. The share transfer and the termination of the equity method accounting together with Siemens' share of Siemens Energy AG's net losses resulted in a gain of €479 million presented in Income (loss) from investments accounted for using the equity method, net, and in Reconciling items of Segment information in fiscal 2024. In fiscal 2024 and 2023, Siemens Energy added a loss to Share of profit (loss), net of (45) million and €(1,478) million, respectively.

In December 2023, Siemens sold a 7% share in an investment accounted for using the equity method, net in India for €162 million in cash reducing its stake to 10%. Before and after the transaction, Siemens has significant influence due to contractual arrangements and, accordingly, accounts for the investment using the equity method. Siemens recognized a disposal gain of €131 million, presented in Income (loss) from investments accounted for using the equity method, net and in Profit of SFS, in fiscal 2024.

As of September 30, 2024, and 2023, the carrying amount of all individually not material associates is €719 million and €901 million, respectively. As of September 30, 2024, and 2023, the carrying amount of all individually not material joint ventures is €261 million and €334 million, respectively. The aggregate amount of the Siemens' share in the following line items of these associates and joint ventures is presented below:

	Associates		Joint ventures	
	Fiscal year		Fiscal year	
(in millions of €)	2024	2023	2024	2023
Income (loss) from continuing operations	**101**	95	**79**	86
Other comprehensive income	**(25)**	(21)	**(19)**	(14)
Total comprehensive income	**75**	73	**59**	72

Subsidiary with material non-controlling interests

Summarized consolidated financial information, in accordance with IFRS and before intercompany eliminations, is presented below

	Siemens Healthineers AG registered in Munich, Germany	
(in millions of €)	Sep 30, 2024	Sep 30, 2023
Ownership interests held by non-controlling interests	**24%**	24%
Accumulated non-controlling interests	**4,412**	4,341
Current assets	**14,443**	14,136
Non-current assets	**31,612**	32,548
Current liabilities	**11,573**	13,440
Non-current liabilities	**16,234**	15,110

	Fiscal year 2024	2023
Net income attributable to non-controlling interests	**491**	372
Dividends paid to non-controlling interests	**271**	273
Revenue	**22,363**	21,680
Income (loss) from continuing operations, net of income taxes	**1,959**	1,525
Other comprehensive income, net of income taxes	**(952)**	(1,989)
Total comprehensive income, net of income taxes	**1,007**	(464)
Total cash flows	**503**	361

NOTE 5 Other operating income

Other operating income in fiscal 2024 and 2023, mainly includes gains from sales of property, plant and equipment of €128 million and €174 million, respectively. Also included were effects from resolving contingent financial liabilities and from legal proceedings as well as gains from disposals of businesses.

NOTE 6 Other operating expenses and Other financial income (expenses), net

Other operating expenses

Other operating expenses in fiscal 2024, include losses of €194 million primarily from recycling Other components of equity from entities in Russia for which control was surrendered; the majority is disclosed in Financing, eliminations and other items of Reconciling items in Note Segment information. In fiscal 2024 and 2023, Other operating expenses also includes losses on the sale of property, plant and equipment as well as effects from personnel, legal and regulatory matters.

Other financial income (expenses), net

In fiscal 2024, expenses from hyperinflationary subsidiaries (Türkiye and Argentina) were €116 million, of which €85 million are presented in Other financial income (expenses). The hyperinflationary subsidiaries' non-monetary assets and liabilities as well as equity and comprehensive income were restated using a price index for changes in the general purchasing power. All of those subsidiaries' fiscal 2024 financial statement items were translated at the September 30, 2024 closing rate; prior year amounts remained unchanged.

NOTE 7 Income taxes

Income tax expenses (benefits) consist of the following:

	Fiscal year	
(in millions of €)	2024	2023
Current taxes	**2,652**	3,116
Deferred taxes	**(332)**	(516)
Income tax expenses	**2,320**	2,600

Current income tax expenses in fiscal 2024 and 2023, include adjustments recognized for current taxes of prior years in the amount of €(330) million and €67 million, respectively. In fiscal 2024 and 2023, deferred taxes include tax effects from the origination and reversal of temporary differences of €(484) million and €(677) million, respectively.

In Germany, the calculation of current taxes is based on a combined tax rate of 31%, consisting of a corporate tax rate of 15%, a solidarity surcharge thereon of 5.5% and an average trade tax rate of 15%. For foreign subsidiaries, current taxes are calculated based on the local tax law and applicable tax rates in the individual foreign countries. Deferred tax assets and liabilities in Germany and abroad are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

Siemens is in scope of the global minimum tax rules (Pillar Two) published by the OECD. The statutory rules of the German Minimum Tax Law (Mindeststeuergesetz) will be applied in fiscal 2025 for the first time. Rules concerning Qualified Domestic Minimum Top-up Tax (QDMTT) of other jurisdictions are applied as of their date of first application. Based on our analysis, we assume, that minimum taxes will be levied for a small number of jurisdictions, in particular Switzerland, United Arab Emirates and Qatar. For fiscal 2025, we expect an increase in current taxes in a low double-digit million euro range.

Current and deferred income tax expenses differ from the amounts computed by applying a combined statutory German income tax rate of 31% as follows:

	Fiscal year	
(in millions of €)	2024	2023
Expected income tax expenses	**3,480**	3,449
Increase (decrease) in income taxes resulting from:		
Non-deductible expenses	**663**	728
Tax-free income	**(564)**	(1,138)
Taxes for prior years	**(230)**	(15)
Change in realizability of deferred tax assets and tax credits	**(76)**	38
Foreign tax rate differential	**(746)**	(720)
Tax effect of investments accounted for using the equity method	**(30)**	410
Other, net (primarily German trade tax differentials)	**(177)**	(152)
Actual income tax expenses	**2,320**	2,600

Deferred income tax assets and (liabilities) are summarized as follows:

(in millions of €)	Sep 30, 2024 Deferred Tax assets	Sep 30, 2024 Deferred Tax liabilities	Sep 30, 2023 Deferred Tax assets	Sep 30, 2023 Deferred Tax liabilities
Deferred taxes due to temporary differences				
Intangible assets	**201**	**(1,911)**	83	(2,291)
Pensions and similar obligations	**2,095**	**(37)**	1,729	(20)
Current assets and liabilities	**1,149**	**(569)**	1,209	(565)
Non-current assets and liabilities	**301**	**(584)**	368	(686)
Tax loss carryforwards and tax credits	**549**	**–**	753	–
Netting	**(1,618)**	**1,618**	(1,907)	1,907
Total deferred taxes	**2,677**	**(1,483)**	2,235	(1,655)

Deferred tax balances developed as follows:

(in millions of €)	Fiscal year 2024	Fiscal year 2023
Balance at beginning of fiscal year of deferred tax (assets) liabilities	**(580)**	(78)
Income taxes presented in the Consolidated Statements of Income	**(332)**	(516)
Changes in items of the Consolidated Statements of Comprehensive Income	**(341)**	99
Additions from acquisitions not impacting net income	**20**	18
Change in connection with Innomotics	**72**	(47)
Other (includes mainly currency translation differences)	**(33)**	(56)
Balance at end of fiscal year of deferred tax (assets) liabilities	**(1,194)**	(580)

Minus amounts represent deferred tax assets.

Deferred tax assets have not been recognized with respect of the following items (gross amounts):

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Deductible temporary differences	**1,097**[1]	550
Tax loss carryforwards	**1,330**	1,314
	2,427	1,864

[1]The increase results mainly from Siemens Healthineers.

Of the tax loss carryforward, an amount of €168 million and €189 million, respectively, in fiscal 2024 and 2023, can be carried forward for a limited period. A material portion thereof will expire until 2029 and 2031, respectively.

Siemens has not recognized deferred tax liabilities for income taxes or foreign withholding taxes on the cumulative earnings of subsidiaries of €24,131 million and €29,720 million, respectively, in fiscal 2024 and 2023, because the earnings are intended to be permanently reinvested in the subsidiaries.

Including items charged or credited directly to equity and the expenses (benefits) from continuing and discontinued operations, the income tax expenses (benefits) consist of the following:

(in millions of €)	Fiscal year 2024	Fiscal year 2023
Continuing operations	**2,320**	2,600
Discontinued operations	**55**	95
Income and expenses recognized directly in equity	**(455)**	(4)
	1,920	2,692

A litigation arising from a foreign tax reform may result in potential future tax payments amounting to a higher three-digit million euro range excluding any ancilliary tax payments. Due to the low probability and the character of a contingent liability, no tax liability was recognized.

NOTE 8 Trade and other receivables

(in millions of €)	Sep 30, 2024	2023
Trade receivables from the sale of goods and services	**14,955**	15,454
Receivables from finance leases	**2,008**	1,952
	16,963	17,405

In fiscal 2024 and 2023, the long-term portion of receivables from finance leases is reported in Other financial assets amounting to €4,823 million and €4,606 million, respectively.

Future minimum lease payments to be received are as follows:

(in millions of €)	Sep 30, 2024	2023
Within one year	**2,489**	2,384
After one year but not more than two years	**1,832**	1,721
After two years but not more than three years	**1,326**	1,243
After three years but not more than four years	**877**	829
After four years but not more than five years	**539**	489
More than five years	**799**	808
	7,863	7,475

Future minimum lease payments reconcile to the net investment in the lease as follows:

(in millions of €)	Sep 30, 2024	2023
Future minimum lease payments	**7,863**	7,475
Less: Unearned finance income relating to future minimum lease payments	**(1,031)**	(922)
Present value of future minimum lease payments	**6,832**	6,552
Plus present value of unguaranteed residual value	**140**	144
Net investment in the lease	**6,972**	6,696

Investments in finance leases primarily relate to industrial machinery, medical equipment, transportation systems, equipment for information technology and office machines.

In fiscal 2024 and 2023, finance income on the net investment in the lease is €459 million and €372 million.

NOTE 9 Other current financial assets

(in millions of €)	Sep 30, 2024	2023
Loans receivable	**7,961**	7,588
Tradable interest-bearing debt instruments	**1,060**	1,047
Derivative financial instruments	**228**	573
Other	**1,242**	1,397
	10,492	10,605

NOTE 10 Contract assets and liabilities

As of September 30, 2024, and 2023, amounts expected to be settled after twelve months are €1,486 million and €1,487 million for contract assets and €2,689 million and €1,812 million for contract liabilities, respectively. In fiscal 2024, and 2023, revenue includes €8,024 million and €7,922 million, respectively, which was included in contract liabilities at the beginning of the fiscal year.

NOTE 11 Inventories

(in millions of €)	Sep 30, 2024	2023
Raw materials and supplies	**3,331**	3,516
Work in progress	**3,863**	4,029
Finished goods and products held for resale	**3,457**	3,715
Advances to suppliers	**272**	287
	10,923	11,548

Cost of sales includes inventories recognized as expense amounting to €45,478 million and €45,001 million, respectively, in fiscal 2024 and 2023. Compared to prior year, write-downs increased by €108 million in fiscal 2024. In fiscal 2023, write-downs increased by €129 million compared to fiscal 2022.

NOTE 12 Goodwill

	Fiscal year	
(in millions of €)	2024	2023
Cost		
Balance at begin of fiscal year	**33,910**	35,721
Translation differences and other	**(943)**	(1,899)
Acquisitions and purchase accounting adjustments	**362**	198
Dispositions and reclassifications to assets classified as held for disposal	**(336)**	(110)
Balance at fiscal year-end	**32,993**	33,910
Accumulated impairment losses and other changes		
Balance at begin of fiscal year	**1,686**	1,859
Translation differences and other	**(70)**	**(118)**
Impairment losses recognized during the period	–	8
Dispositions and reclassifications to assets classified as held for disposal	**(7)**	(63)
Balance at fiscal year-end	**1,609**	1,686
Carrying amount		
Balance at begin of fiscal year	**32,224**	33,861
Balance at fiscal year-end	**31,384**	32,224

Siemens performs the mandatory annual impairment test in the three months ended September 30. Key assumptions on which Siemens based its determinations of the fair value less costs to sell for the (group of) cash-generating unit(s) being part of the segments include terminal value growth rates up to 1.9% in fiscal 2024 and 2023, and after-tax discount rates of 7.5% to 9.5% in fiscal 2024 and as well in fiscal 2023.

To estimate the fair value less costs to sell of the cash-generating units or groups of cash-generating units, cash flows were projected for the next five years (in exceptional cases up to ten years) based on past experience, actual operating results and management's best estimate about future developments as well as market assumptions. The determined fair value of the cash-generating units or groups of cash-generating units is assigned to level 3 of the fair value hierarchy.

The fair value less costs to sell is mainly driven by the terminal value, which is particularly sensitive to changes in the assumptions on the terminal value growth rate and discount rate. Both assumptions are determined individually for each cash-generating unit or group of cash-generating units. Discount rates are based on the weighted average cost of capital (WACC). Siemens Financial Services' discount rate represents its specific cost of equity. The discount rates are calculated based on a risk-free rate of interest and a market risk premium. In addition, the discount rates reflect the current market assessment of the risks specific to each cash-generating unit or group of cash-generating units by taking into account specific peer group information on beta factors, leverage and cost of debt as well as country specific premiums. The parameters for calculating the discount rates are based on external sources of information. The peer group is subject to an annual review and adjusted, if necessary. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

The following table presents key assumptions used to determine fair value less costs to sell for impairment test purposes for the groups of cash-generating units to which a significant amount of goodwill is allocated:

	Sep 30, 2024		
(in millions of €)	Goodwill	Terminal value growth rate	After-tax discount rate
Varian of Siemens Healthineers	**7,720**	**1.9%**	**9.0%**
Digital Industries	**7,404**	**1.9%**	**9.5%**
Imaging of Siemens Healthineers	**6,600**	**1.9%**	**8.0%**

Revenue figures in the detailed forecast planning period of the groups of cash-generating units to which a significant amount of goodwill is allocated are based on average revenue growth rates (excluding portfolio effects) of between 7.3% and 7.8% (7.3% and 8.4% in fiscal 2023).

	Sep 30, 2023		
(in millions of €)	Goodwill	Terminal value growth rate	After-tax discount rate
Varian of Siemens Healthineers	7,874	1.9%	8.5%
Digital Industries	7,828	1.9%	9.5%
Imaging of Siemens Healthineers	6,782	1.9%	8.0%

The sensitivity analysis for the groups of cash-generating units to which a significant amount of goodwill is allocated was based on a reduction in after-tax future cash flows by 10% or an increase in after-tax discount rates by one percentage point or a reduction in the terminal value growth rate by one percentage point. Siemens concluded that no impairment loss would need to be recognized on goodwill in any of these groups of cash-generating units.

NOTE 13 Other intangible assets and property, plant and equipment

(in millions of €)	Gross carrying amount 10/01/2023	Translation differences	Additions through business combi-nations	Additions	Reclassi-fications	Retire-ments[1]	Gross carrying amount 09/30/2024	Accumu-lated depre-ciation/am-ortization and impair-ment	Carrying amount 09/30/2024	Deprecia-tion/amorti-zation and impairment in fiscal 2024
Internally generated technology	4,165	(91)	–	206	–	(208)	4,072	(2,144)	**1,927**	(159)
Acquired technology including patents, licenses and similar rights	7,882	(256)	58	43	–	(578)	7,148	(4,154)	**2,995**	(380)
Customer relationships and trademarks	8,200	(198)	9	–	–	(85)	7,926	(3,256)	**4,671**	(435)
Other intangible assets	20,247	(545)	67	249	–	(871)	19,146	(9,554)	**9,593**	(975)
Land and buildings	10,894	(166)	13	955	233	(846)	11,084	(5,251)	**5,833**	(737)
Technical machinery and equipment	5,333	(85)	3	279	421	(867)	5,082	(3,362)	**1,721**	(307)
Office and other equipment	5,900	(108)	1	712	107	(940)	5,673	(4,250)	**1,423**	(663)
Equipment leased to others	3,857	(47)	–	666	(164)	(553)	3,759	(1,983)	**1,776**	(477)
Advances to suppliers and construction in progress	1,296	(32)	–	886	(597)	(64)	1,490	–	**1,489**	–
Property, plant and equipment	27,280	(437)	17	3,498	–	(3,270)	27,088	(14,846)	**12,242**	(2,184)

[1] Includes assets reclassified to Assets classified as held for disposal and dispositions of those entities.

(in millions of €)	Gross carrying amount 10/01/2022	Translation differences	Additions through business combi-nations	Additions	Reclassi-fications	Retire-ments[1]	Gross carrying amount 09/30/2023	Accumu-lated depre-ciation/am-ortization and impair-ment	Carrying amount 09/30/2023	Deprecia-tion/amorti-zation and impairment in fiscal 2023
Internally generated technology	4,215	(150)	–	301	–	(202)	4,165	(2,170)	1,995	(164)
Acquired technology including patents, licenses and similar rights	8,383	(490)	43	48	–	(102)	7,882	(4,465)	3,417	(702)
Customer relationships and trademarks	9,484	(438)	160	–	–	(1,007)	8,200	(2,971)	5,229	(451)
Other intangible assets	22,082	(1,077)	203	349	–	(1,310)	20,247	(9,605)	10,641	(1,317)
Land and buildings	10,610	(425)	1	831	424	(548)	10,894	(5,073)	5,821	(731)
Technical machinery and equipment	5,190	(177)	–	289	215	(185)	5,333	(3,691)	1,642	(279)
Office and other equipment	5,742	(223)	15	748	103	(485)	5,900	(4,482)	1,418	(648)
Equipment leased to others	4,025	(149)	–	643	12	(675)	3,857	(2,088)	1,769	(543)
Advances to suppliers and construction in progress	1,359	(41)	–	742	(755)	(8)	1,296	(8)	1,288	(2)
Property, plant and equipment	26,926	(1,015)	17	3,252	–	(1,901)	27,280	(15,342)	11,938	(2,202)

[1] Includes assets reclassified to Assets classified as held for disposal and dispositions of those entities.

The carrying amount of Advances to suppliers and construction in progress includes €1,326 million and €1,125 million, respectively, of property, plant and equipment under construction in fiscal 2024 and 2023. As of September 30, 2024, and 2023, contractual commitments for purchases of property, plant and equipment are €875 million and €694 million, respectively.

Right-of-use assets are presented in Property, plant and equipment in accordance with their nature; right-of-use assets have a carrying amount of €2,729 million and €2,546 million as of September 30, 2024, and 2023, respectively; additions are €1,119 million and €924 million and depreciation expense is €764 million and €770 million in fiscal 2024 and 2023. Right-of-use assets mainly relate to leases of land and buildings with a carrying amount of €2,257 million and €2,176 million as of September 30, 2024, and 2023, additions of €730 million and €604 million and depreciation expense of €525 million and €554 million in fiscal 2024, and 2023. Equipment leased to others mainly relate to Technical machinery and equipment as well as to Office and other equipment owned by Siemens with a carrying amount of €1,190 million and €280 million, respectively, as of September 30, 2024 and €1,248 million and €298 million, respectively, as of September 30, 2023.

In fiscal 2024 and 2023, expenses recognized for short-term leases are €57 million and €61 million, respectively; expenses for low-value leases not accounted for under the right-of-use model are €30 million and €26 million, respectively. Sale and Leaseback transactions resulted in gains of €4 million and 2 million, respectively, in fiscal 2024 and 2023.

Future minimum lease payments to be received under operating leases are:

	Sep 30,	
(in millions of €)	2024	2023
Within one year	**307**	372
After one year but not more than two years	**232**	284
After two years but not more than three years	**171**	215
After three years but not more than four years	**115**	161
After four years but not more than five years	**80**	101
More than five years	**124**	139
	1,030	1,272

In fiscal 2024 and 2023, income from operating leases is €487 million and €610 million, respectively, thereof from variable lease payments €75 million and €137 million, respectively.

NOTE 14 Other financial assets

	Sep 30,	
(in millions of €)	2024	2023
Loans receivable	**14,559**	14,917
Receivables from finance leases	**4,823**	4,606
Derivative financial instruments	**1,083**	1,213
Equity instruments	**5,909**	1,360
Other	**1,013**	760
	27,388	22,855

Item Loans receivable primarily relate to long-term loan transactions of SFS. Equity instruments include our 17.1% interest in Siemens Energy AG with a carrying amount of €4,522 million as of September 30, 2024.

NOTE 15 Other current liabilities

	Sep 30,	
(in millions of €)	2024	2023
Liabilities to personnel	**5,260**	5,522
Accruals for pending invoices	**576**	569
Deferred Income	**139**	105
Other	**1,858**	1,985
	7,833	8,182

In fiscal 2024 and 2023, Other includes miscellaneous tax liabilities of €955 million and €899 million, respectively, as well as various accruals of €350 million and €368 million, respectively.

NOTE 16 Debt

	Current debt		Non-current debt	
(in millions of €)	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023
Notes and bonds	**4,331**	5,545	**37,209**	35,383
Loans from banks	**1,190**	733	**1,736**	1,461
Other financial indebtedness	**352**	511	**38**	38
Lease liabilities	**725**	693	**2,337**	2,230
Total debt	**6,598**	**7,483**	**41,321**	**39,113**

In fiscal 2024 and 2023, Siemens recognized interest expenses on lease liabilities of €95 million and €71 million and expenses relating to variable lease payments not included in the measurement of lease liabilities of €110 million and €99 million, respectively. In fiscal 2024 and 2023, cash flows to which Siemens is potentially exposed and which are not reflected in the measurement of lease liabilities, relate primarily to lease contracts entered into, however which have not yet commenced as well as to extension options whose exercise is not yet reasonably certain totaling €2.7 billion and €2.9 billion, respectively; and, in addition, those relate to variable lease payments mainly relating to incidental and operating costs for buildings leased by Siemens.

Changes in liabilities arising from financing activities

(in millions of €)	10/01/2023	Cash flows from issuances and repayments	(Acquisi-tions)/Dis-positions	Foreign currency translation	Fair value hedge adjustments	Reclassifi-cations and other changes	09/30/2024
Non-current notes and bonds	35,383	5,688	–	(726)	550	(3,687)	**37,209**
Current notes and bonds	5,545	(5,213)	–	(155)	30	4,123	**4,331**
Loans from banks (current and non-current)	2,194	821	(5)	(82)	–	(2)	**2,926**
Other financial indebtedness (current and non-current)	549	(73)	–	(86)	–	–	**390**
Lease liabilities (current and non-current)	2,924	(793)	(22)	(48)	–	1,000	**3,062**
Total debt	46,596	430	(27)	(1,097)	581	1,435	**47,918**

In addition, other financing activities resulted in €16 million cash flows in fiscal 2024. Interest payments for notes and bonds were €909 million in fiscal 2024.

(in millions of €)	10/01/2022	Cash flows from issuances and repayments	(Acquisi-tions)/Dis-positions	Foreign currency translation	Fair value hedge adjustments	Reclassifi-cations and other changes	09/30/2023
Non-current notes and bonds	39,964	2,470	—	(1,911)	153	(5,291)	35,383
Current notes and bonds	4,797	(4,574)	—	114	(59)	5,267	5,545
Loans from banks (current and non-current)	2,745	(404)	39	(144)	—	(41)	2,194
Other financial indebtedness (current and non-current)	128	546	—	(123)	—	(3)	549
Lease liabilities (current and non-current)	3,002	(771)	(3)	(97)	—	793	2,924
Total debt	50,636	(2,733)	35	(2,162)	94	725	46,596

In addition, other financing activities resulted in €251 million cash flows in fiscal 2023. Interest payments for notes and bonds were €874 million in fiscal 2023.

Credit facilities

As of September 30, 2024, and 2023, Siemens has €7.45 billion lines of credit, which are unused. The €7.0 billion syndicated loan facility matures in February 2026. In September 2024, the €450 million revolving bilateral credit facility was extended to September 2025. The facilities are for general corporate purposes.

Notes and bonds

(interest/issued/maturity)		Sep 30, 2024 Currency Notional amount (in millions)	Sep 30, 2024 Carrying amount in millions of € [1]		Sep 30, 2023 Currency Notional amount (in millions)	Sep 30, 2023 Carrying amount in millions of € [1]
2.75%/2012/September 2025/GBP fixed-rate instruments	**£**	**350**	**408**	£	350	377
3.75%/2012/September 2042/GBP fixed-rate instruments	**£**	**650**	**767**	£	650	741
2.875%/2013/March 2028/EUR fixed-rate instruments	**€**	**1,000**	**1,040**	€	1,000	1,001
3.5%/2013/March 2028/US$ fixed-rate instruments	**US$**	**100**	**89**	US$	100	93
1.0%/2018/September 2027/EUR fixed-rate instruments	**€**	**750**	**719**	€	750	677
1.375%/2018/September 2030/EUR fixed-rate instruments	**€**	**1,000**	**996**	€	1,000	996
0.3%/2019/February 2024/EUR fixed-rate instruments	**–**	**–**	**–**	€	750	737
0.9%/2019/February 2028/EUR fixed-rate instruments	**€**	**650**	**612**	€	650	572
1.25%/2019/February 2031/EUR fixed-rate instruments	**€**	**800**	**727**	€	800	664
1.75%/2019/February 2039/EUR fixed-rate instruments	**€**	**800**	**663**	€	800	576
0.0%/2019/September 2024/EUR fixed-rate instruments	**–**	**–**	**–**	€	500	484
0.125%/2019/September 2029/EUR fixed-rate instruments	**€**	**1,000**	**996**	€	1,000	995
0.5%/2019/September 2034/EUR fixed-rate instruments	**€**	**1,000**	**993**	€	1,000	993
0.0%/2020/February 2026/EUR fixed-rate instruments	**€**	**1,000**	**983**	€	1,000	953
0.25%/2020/February 2029/EUR fixed-rate instruments	**€**	**1,000**	**998**	€	1,000	998
0.5%/2020/February 2032/EUR fixed-rate instruments	**€**	**750**	**748**	€	750	748
1.0%/2020/February 2025/GBP fixed-rate instruments	**£**	**850**	**1,005**	£	850	932
0.25%/2020/June 2024/EUR fixed-rate instruments	**–**	**–**	**–**	€	1,000	976
0.375%/2020/June 2026/EUR fixed-rate instruments	**€**	**1,000**	**971**	€	1,000	924
0.625%/2022/February 2027/EUR fixed-rate instruments	**€**	**500**	**481**	€	500	455
1.0%/2022/February 2030/EUR fixed-rate instruments	**€**	**750**	**747**	€	750	746
1.25%/2022/February 2035/EUR fixed-rate instruments	**€**	**750**	**810**	€	750	739
2.25%/2022/March 2025/EUR fixed-rate instruments	**€**	**1,000**	**1,000**	€	1,000	998
2.5%/2022/September 2027/EUR fixed-rate instruments	**€**	**500**	**499**	€	500	499
2.75%/2022/September 2030/EUR fixed-rate instruments	**€**	**500**	**498**	€	500	497
3.0%/2022/September 2033/EUR fixed-rate instruments	**€**	**1,000**	**997**	€	1,000	997
3.375%/2023/August 2031/EUR fixed-rate instruments	**€**	**1,250**	**1,245**	€	1,250	1,244
3.5%/2023/February 2036/EUR fixed-rate instruments	**€**	**500**	**542**	€	500	492
3.625%/2023/February 2043/EUR fixed-rate instruments	**€**	**750**	**736**	€	750	735
3m EURIBOR+0.23%/2023/December 2025/EUR floating-rate instruments	**€**	**750**	**749**	–	–	–
3.0%/2024/November 2028/EUR fixed-rate instruments	**€**	**1,000**	**994**	–	–	–
3.125%/2024/May 2032/EUR fixed-rate instruments	**€**	**1,250**	**1,237**	–	–	–
3.375%/2024/February 2037/EUR fixed-rate instruments	**€**	**1,250**	**1,234**	–	–	–
3.625%/2024/February 2044/EUR fixed-rate instruments	**€**	**1,500**	**1,477**	–	–	–
Total Debt Issuance Program			**25,962**			21,842
6.125%/2006/August 2026/US$ fixed-rate instruments	**US$**	**1,750**	**1,681**	US$	1,750	1,758
3.25%/2015/May 2025/US$ fixed-rate-instruments	**US$**	**1,500**	**1,324**	US$	1,500	1,350
4.4%/2015/May 2045/US$ fixed-rate-instruments	**US$**	**1,750**	**1,570**	US$	1,750	1,635
2.35%/2016/October 2026/US$-fixed-rate-instruments	**US$**	**1,700**	**1,516**	US$	1,700	1,602
3.3%/2016/September 2046/US$-fixed-rate-instruments	**US$**	**1,000**	**887**	US$	1,000	937
3.125%/2017/March 2024/US$ fixed-rate-instruments	**–**	**–**	**–**	US$	1,000	929
3.4%/2017/March 2027/US$ fixed-rate-instruments	**US$**	**1,250**	**1,115**	US$	1,250	1,178
4.2%/2017/March 2047/US fixed-rate-instruments	**US$**	**1,500**	**1,329**	US$	1,500	1,404
Compounded SOFR+0.43%/2021/March 2024/US$ floating-rate instruments	**–**	**–**	**–**	US$	1,000	944
0.65%/2021/March 2024/US$ fixed-rate-instruments	**–**	**–**	**–**	US$	1,500	1,416
1.2%/2021/March 2026/US$ fixed-rate-instruments	**US$**	**1,750**	**1,561**	US$	1,750	1,649
1.7%/2021/March 2028/US$ fixed-rate-instruments	**US$**	**1,250**	**1,113**	US$	1,250	1,176
2.15%/2021/March 2031/US$ fixed-rate-instruments	**US$**	**1,750**	**1,557**	US$	1,750	1,645
2.875%/2021/March 2041/US$ fixed-rate-instruments	**US$**	**1,500**	**1,330**	US$	1,500	1,405
2023/February 2024/EUR fixed-rate instruments	**–**	**–**	**–**	€	60	60
2024/September 2025/EUR fixed-rate instruments	**€**	**300**	**300**	–	–	–
Total Stand Alone Bonds			**15,284**			19,087
Total			**41,247**			40,929

[1] Includes adjustments for fair value hedge accounting and disregards accrued interest.

Debt Issuance Program – The Company has a program in place to issue debt instruments under which up to €35 billion and up to €30 billion of instruments can be issued as of September 2024 and 2023, respectively. As of September 30, 2024, €26.3 billion in notional amounts were issued and are outstanding (€22.7 billion as of September 30, 2023).

In February 2024, the 0.3% €750 million fixed-rate instrument, in June 2024, the 0.25% €1.0 billion fixed-rate instrument and in September 2024, the 0.0% €500 million fixed-rate instrument were redeemed at face value as due.

In December 2023, Siemens issued a 3-month EURIBOR +0.23% €750 million floating rate instrument maturing in December 2025. In February 2024, Siemens issued instruments totaling €5.0 billion in four tranches: a 3.0% €1.0 billion fixed-rate instrument due November 2028; a 3.125% €1.25 billion fixed-rate instrument due May 2032; a 3.375% €1.25 billion fixed-rate instrument due February 2037 and a 3.625% €1.5 billion fixed-rate instrument due February 2044.

Stand Alone Bonds – In February 2024, the €60 million fixed-rate instrument, in March 2024, the 3.125% US$1.0 billion fixed-rate instrument, the Compounded SOFR+0.43% US$1.0 billion floating rate instrument and the 0.65% US$1.5 billion fixed-rate instrument were redeemed at face value. In September 2024 Siemens issued a €300 million fixed-rate instrument due September 2025.

Assignable and term loans

As of September 30, 2024, and 2023, six respectively five bilateral term loan facilities are outstanding (in aggregate €2.6 billion and €1.8 billion, respectively). In fiscal 2024, the bilateral US$250 million (€223 million) term loan facility maturing in fiscal 2025 was extended by one year to mature in fiscal 2026 with no remaining extension option. Two bilateral term loan facilities were newly signed: one bilateral €500 million term loan facility maturing in fiscal 2027 and one bilateral €500 million term loan facility maturing in fiscal 2026 with one one-year extension option. In March 2024 the bilateral US$500 million (€447 million) term loan facility maturing in fiscal 2024 was extended by three years to mature in fiscal 2027 with two one-year extension options. The bilateral PLN 500 million (€117 million) term loan facility originally maturing in fiscal 2026 was redeemed in April 2024. The existing bilateral term loan facility of US$500 million (€447 million) and the existing bilateral €500 million term loan facility mature in fiscal 2025.

Commercial paper program

As of September 30, 2024, and 2023, Siemens has a commercial paper program in place amounting to US$9.0 billion (€8.0 billion and €8.5 billion as of September 30, 2024 and 2023, respectively). As of September 30, 2024, and 2023, US$47 million (€42 million) and US$49 million (€46 million), respectively, were outstanding. Siemens' commercial papers have a maturity of generally less than 90 days. Interest rates ranged from 3.78% to 5.59% in fiscal 2024 and from 3.06% to 5.29% in fiscal 2023.

NOTE 17 Post-employment benefits

Disclosures in this Note include Innomotics. Accordingly, it comprises the total of continuing and discontinued operations.

Defined benefit plans

The defined benefit plans open to new entrants are based predominantly on contributions made by the Company. Only to a certain extent, those plans are affected by longevity, inflation and compensation increases and take country specific differences into account. The Company's major plans are funded with assets in segregated entities. In accordance with local laws, these plans are managed in the interest of the beneficiaries by way of contractual trust agreements with each separate legal entity. The defined benefit plans cover 434,000 participants, including 188,000 actives, 70,000 deferreds with vested benefits and 176,000 retirees and surviving dependents.

Germany

In Germany, pension benefits are provided through the following plans: BSAV (Beitragsorientierte Siemens Altersversorgung), frozen legacy plans as well as deferred compensation plans. The majority of active employees participate in the BSAV. Those benefits are based predominantly on notional contributions and the return on the corresponding assets of this plan, subject to a minimum return guaranteed by the employer. At inception of the BSAV, benefits provided under the frozen legacy plans were modified to substantially eliminate the effects of compensation increases. However, the frozen plans still expose Siemens to investment risk, interest rate risk, inflation risk and longevity risk. The pension plans are funded via contractual trust arrangements (CTA). In fiscal 2024, Siemens established another CTA, whose assets primarily protect the pension plans in Germany and subordinately selected pension plans outside of Germany. In this context, assets in the amount of €445 million have been reassigned to the newly established CTA. In Germany no legal or regulatory minimum funding requirements apply.

U.S.

In the U.S., the Pension Plans are sponsored by Siemens, which for the most part have been frozen to new entrants and to future benefit accruals, except for interest credits on cash balance accounts. Siemens has appointed the Investment Committee as the named fiduciary for the management of the assets of the Plans. The Plans' assets are held in Trusts and the trustees of the Trusts are responsible for the administration of the assets of the Trusts, taking directions from the Investment Committee. The Plans are subject to the funding requirements under the Employee Retirement Income Security Act of 1974 as amended (ERISA). There is a regulatory requirement to maintain a minimum funding level of 80% in the defined benefit plans in order to avoid benefit restrictions. At their discretion, sponsoring employers may contribute in excess of this regulatory requirement. Annual contributions are calculated by independent actuaries.

U.K.

Pension benefits are mainly offered through the Siemens Benefit Scheme, which is a legacy defined benefit plan; no new entrants are admitted and members no longer accrue benefits within the scheme. However, most accrued benefits receive mandatory inflationary increases each year, both before and after retirement. The required funding is determined by a funding valuation carried out every third year based on legal requirements. Due to deviating guidelines for setting assumptions, in particular the determination of the discount rates, the technical funding deficit is usually larger than the IFRS funding deficit. To reduce the deficit, Siemens entered into an agreement with the trustees to provide annual payments of £31 (€36) million until fiscal 2033. The agreement also provides for a cumulative advance payment by Siemens AG compensating the remaining annual payments if early termination of the agreement occurs due to either cancellation or insolvency.

Switzerland

Following the Swiss law of occupational benefits (BVG) each employer has to grant post-employment benefits for qualifying employees. Accordingly, Siemens in Switzerland sponsors several cash balance plans. These plans are administered by external foundations. The board of the main foundation is composed of equally many employer and employee representatives. The board of the foundation is responsible for investment policy and asset management, as well as for any changes in the plan rules and the determination of contributions to finance the benefits. The Company is required to make total contributions at least as high as the sum of the employee contributions set out in the plan rules. In case of an underfunded plan the Company together with the employees may be asked to pay supplementary contributions according to a well-defined framework of recovery measures.

Development of the defined benefit plans

	Defined benefit obligation (DBO)[1] (I)		Fair value of plan assets (II)		Effects of asset ceiling (III)		Net defined benefit balance (I – II + III)	
	Fiscal year		Fiscal year		Fiscal year		Fiscal year	
(in millions of €)	2024	2023	2024	2023	2024	2023	2024	2023
Balance at begin of fiscal year	**26,610**	27,853	**26,055**	26,523	**578**	620	**1,132**	1,949
Current service cost	**387**	386	**–**	–	**–**	–	**387**	386
Interest expenses	**1,161**	1,056	**–**	–	**13**	14	**1,174**	1,070
Interest income	**–**	–	**1,135**	990	**–**	–	**(1,135)**	(990)
Other[2]	**3**	(2)	**(15)**	(10)	**–**	–	**18**	8
Components of defined benefit costs recognized in the Consolidated Statements of income	**1,551**	1,440	**1,120**	980	**13**	14	**443**	474
Return on plan assets excluding amounts included in net interest income and net interest expenses	**–**	–	**2,609**	(788)	**–**	–	**(2,609)**	788
Actuarial (gains) losses	**2,382**	(696)	**–**	–	**–**	–	**2,382**	(696)
Effects of asset ceiling	**–**	–	**–**	–	**(41)**	(50)	**(41)**	(50)
Remeasurements recognized in the Consolidated Statements of Comprehensive Income	**2,382**	(696)	**2,609**	(788)	**(41)**	(50)	**(268)**	42
Employer contributions	**–**	–	**941**	1,104	**–**	–	**(941)**	(1,104)
Plan participants' contributions	**132**	126	**132**	126	**–**	–	**–**	–
Benefits paid	**(1,850)**	(1,811)	**(1,752)**	(1,687)	**–**	–	**(98)**	(124)
Settlement payments	**(155)**	(15)	**(107)**	(11)	**–**	–	**(48)**	(5)
Business combinations, disposals and other	**(3)**	(5)	**(3)**	12	**–**	–	**–**	(17)
Foreign currency translation effects	**4**	(281)	**67**	(204)	**14**	(6)	**(49)**	(83)
Other reconciling items	**(1,871)**	(1,987)	**(721)**	(660)	**14**	(6)	**(1,136)**	(1,333)
Balance at fiscal year-end	**28,671**	26,610	**29,063**	26,055	**563**	578	**171**	1,132
Germany	***17,554***	*16,023*	***17,696***	*15,760*	**–**	–	***(142)***	*262*
U.S.	***2,235***	*2,240*	***2,066***	*2,057*	**–**	–	***169***	*183*
U.K.	***3,846***	*3,654*	***3,964***	*3,591*	***12***	*12*	***(106)***	*76*
CH	***3,571***	*3,175*	***4,161***	*3,783*	***545***	*561*	***(45)***	*(47)*
Other countries	***1,464***	*1,518*	***1,175***	*864*	***6***	*4*	***295***	*658*
Total	**28,671**	26,610	**29,063**	26,055	**563**	578	**171**	1,132
thereof provisions for pensions and similar obligations							***949***	*1,426*
thereof net defined benefit assets (presented in Other assets)							***778***	*293*

[1] Total Defined benefit obligation (DBO) includes other post-employment benefits of €273 million and €284 million in fiscal 2024 and 2023 respectively, which primarily consist of transition payments to German employees after retirement as well as post-employment health care and life insurance benefits to employees in the U.S.

[2] Includes past service benefits/costs, settlement gains/losses and administration costs related to liabilities.

Net interest expenses relating to provisions for pensions and similar obligations amount to €77 million and €97 million, respectively, in fiscal 2024 and 2023. The DBO is attributable to actives 29% and 29%, to deferreds with vested benefits 11% and 12% and to retirees and surviving dependents 60% and 60%, respectively, in fiscal 2024 and 2023.

The DBO remeasurements comprise actuarial (gains) and losses resulting from:

	Fiscal year	
(in millions of €)	2024	2023
Changes in demographic assumptions	**(87)**	(82)
Changes in financial assumptions	**2,368**	(1,246)
Experience (gains) losses	**101**	631
Total	**2,382**	(696)

Actuarial assumptions

The weighted-average discount rate used for the actuarial valuation of the DBO was as follows:

	Sep 30,	
	2024	2023
Discount rate	**3.5%**	4.6%
EUR	**3.4%**	4.5%
USD	**4.8%**	5.9%
GBP	**5.0%**	5.5%
CHF	**1.1%**	2.1%

Discount rates are derived from high-quality corporate bonds in the respective currency zones and are provided by external actuaries.

Applied mortality tables are:

Germany	Siemens specific tables (Siemens Bio 2017/2024)
U.S.	Pri-2012 with generational projection from the US Social Security Administration's Long Range Demographic Assumptions
U.K.	SAPS S3 (Standard mortality tables for Self-Administered Pension Schemes with allowance for future mortality improvements)
CH	BVG 2020 G with generational projection according to CMI model with a long-term trend rate of 1.25%

The mortality tables used in Germany (Siemens Bio 2017/2024) are mainly derived from data of the German Siemens population and to a lesser extent from data of the Federal Statistical Office in Germany by applying formulas in accordance with recognized actuarial standards.

The weighted-average assumptions for pension increase for countries with significant effects are shown in the following table. Inflation effects, if applicable, are included in the assumptions below.

	Sep 30,	
	2024	2023
Pension increase		
Germany	**2.1%**	2.3%
U.K.	**2.8%**	3.0%

Sensitivity analysis

A one-half-percentage-point change of the above assumptions would result in the following increase (decrease) of the DBO:

	Effect on DBO due to a one-half percentage-point			
	increase	decrease	increase	decrease
	Sep 30,			
(in millions of €)	2024		2023	
Discount rate	**(1,281)**	**1,418**	(1,123)	1,208
Rate of pension increase	**896**	**(723)**	788	(642)

The DBO effect of a 10% reduction in mortality rates for all beneficiaries would be an increase of €827 million and €714 million, respectively, as of September 30, 2024 and 2023.

As in prior years, sensitivity determinations apply the same methodology as those applied in determining post-employment benefit obligations. Sensitivities reflect changes in the DBO solely for the assumption changed.

Asset Liability Matching Strategies

As a significant risk, the Company considers a decline in the plans' funded status due to adverse developments of plan assets and/or defined benefit obligations resulting from changing parameters. Accordingly, Siemens implemented a risk management concept aligned with the defined benefit obligations (Asset Liability Matching). Risk management is based on a worldwide defined risk threshold (Value at Risk). The concept, the Value at Risk and the asset development including the investment strategy are monitored and adjusted on an ongoing basis under consultation of senior external experts. Independent asset managers are selected based on quantitative and qualitative analyses, which include their performance and risk evaluation. Derivatives are used to reduce risks as part of risk management.

Disaggregation of plan assets

(in millions of €)	Sep 30, 2024	2023
Equity securities	**3,186**	3,360
Fixed income securities	**13,196**	10,504
Government bonds	***4,411***	*2,639*
Corporate bonds	***8,786***	*7,865*
Alternative investments	**4,905**	5,207
Multi strategy funds	**4,002**	3,329
Derivatives	**568**	499
Cash and cash equivalents	**747**	818
Insurance contracts	**2,198**	2,039
Other assets	**260**	299
Total	**29,063**	26,055

Virtually all equity securities have quoted prices in active markets. The fair value of fixed income securities is based on prices provided by price service agencies. The fixed income securities are traded in active markets and almost all fixed income securities are investment grade. Alternative investments include hedge funds, private equity and real estate investments, thereof real estate used by the Company with a fair value of €596 million and €608 million, respectively, as of September 30, 2024 and 2023. Multi strategy funds mainly comprise absolute return funds and diversified growth funds that invest in various asset classes within a single fund and aim to stabilize return and reduce volatility. Derivatives predominantly consist of financial instruments for hedging interest rate risk and inflation risk.

Future cash flows

Employer contributions expected to be paid to defined benefit plans in fiscal 2025 are €235 million. Over the next ten fiscal years, average annual benefit payments of €1,898 million and €1,945 million, respectively, are expected as of September 30, 2024 and 2023. The weighted average duration of the DBO for Siemens defined benefit plans was 10 and 9 years, respectively, as of September 30, 2024 and 2023.

Defined contribution plans and state plans

Amounts recognized as expenses for defined contribution plans are €647 million and €611 million in fiscal 2024 and 2023, respectively. Contributions to state plans amount to €1,842 million and €1,723 million, respectively, in fiscal 2024 and 2023.

NOTE 18 Provisions

(in millions of €)	Warranties	Order related losses and risks	Asset retirement obligations	Other	Total
Balance as of October 1, 2023	1,566	470	556	1,190	3,783
thereof: non-current	*585*	*207*	*179*	*492*	*1,463*
Additions	712	143	7	371	1,233
Usage	(429)	(145)	(9)	(128)	(712)
Reversals	(291)	(53)	(7)	(75)	(426)
Translation differences	(21)	(13)	(2)	(17)	(53)
Accretion expense and effect of changes in discount rates	5	2	6	11	24
Other changes including reclassifications to held for disposal and disposition of those entities	(115)	(14)	3	126	–
Balance as of September 30, 2024	**1,427**	**390**	**554**	**1,478**	**3,849**
thereof: non-current	***499***	***174***	***179***	***269***	***1,120***

The majority of the Company's provisions are generally expected to result in cash outflows during the next five years.

Warranties mainly relate to products sold. Order related losses and risks are provided for anticipated losses and risks on uncompleted construction, sales and leasing contracts.

The Company is subject to asset retirement obligations related to certain items of property, plant and equipment. Such asset retirement obligations are primarily attributable to environmental clean-up costs and to costs primarily associated with the removal of leasehold improvements at the end of the lease term.

Environmental clean-up costs relate to remediation and environmental protection liabilities which have been accrued based on the estimated costs of decommissioning the site for the production of uranium and mixed-oxide fuel elements in Hanau, Germany (Hanau facilities), as well as for a nuclear research and service center in Karlstein, Germany (Karlstein facilities). In May 2021, Siemens AG and the Federal Republic of Germany entered into a contract under public-law, based on which the obligation of final disposal of nuclear waste is transferred to the Federal Republic of Germany for a payment of €360 million. The contract and therefore the payment is subject to the approval of the EU commission under state-aid rules. Estimation uncertainties still relate to assumptions made to measure the obligations that remain with Siemens AG, regarding conditioning and packaging of nuclear waste, as well as intermediate storage and transport to the final storage facility "Schacht Konrad" until year-end 2032. As of September 30, 2024, and 2023, the provisions total €478 million and €480 million, respectively.

Other includes provisions for Legal Proceedings, as far as the risks that are subject to such Legal Proceedings are not already covered by project accounting. Provisions for Legal Proceedings amounted to €437 million and €227 million as of September 30, 2024 and 2023, respectively. Legal Proceedings increased due to a reclassification from project risks relating to Siemens Energy with no effect on income, for which €191 million reimbursement rights towards Siemens Energy exist. As of September 30, 2024, and 2023, €221 million and €213 million are included for claims and charges resulting from the construction business. Furthermore, Other includes provision for indemnifications in connection with dispositions of businesses of €93 million and €82 million as of September 30, 2024 and 2023. Such indemnifications may protect the buyer from potential tax, legal and other risks in conjunction with the purchased business.

NOTE 19 Equity

As of September 30, 2024, and 2023, Siemens' issued capital is divided into 800 million registered shares, with no par value and a notional value of €3.00 per share. The shares are paid in full. At the Shareholders' Meeting, each share has one vote and accounts for the shareholders' proportionate share in the Company's net income. All shares confer the same rights and obligations.

In fiscal 2024 and 2023, Siemens repurchased 10,015,957 shares and 6,853,091 shares, respectively. In fiscal 2024 and 2023, Siemens transferred 4,965,039 and 4,227,344 treasury shares, respectively. As of September 30, 2024, and 2023, the Company has treasury shares of 15,130,836 and 10,079,918 respectively.

In fiscal 2024 and 2023, share-based payment expenses increased Capital reserve by €530 million and €444 million (including non-controlling interests). In connection with the settlement of share-based payment awards, Siemens treasury shares (at cost) were transferred to employees amounting to €410 million and €265 million, respectively, in fiscal 2024 and 2023, which decreased Capital reserve and Retained earnings by €256 million and €154 million, respectively in fiscal 2024 and by €221 million and €44 million in fiscal 2023.

Based on a resolution at the Shareholders' Meeting on February 8, 2024, total authorized capital of Siemens AG was reduced to nominal €570 million representing 190 million shares from nominal €600 million representing 200 million shares as of September 30, 2023. Authorized capital is issuable in installments based on various time-limited authorizations. As of September 30, 2024, conditional capital of Siemens AG is €390 million representing 130 million shares, reduced from €420.6 million or 140.2 million shares as of September 30, 2023. The changes in conditional capital are based on resolutions at the Shareholders' Meeting on February 8, 2024 and a redemption in the fourth quarter of fiscal 2024. Conditional capital can primarily be used to serve convertible bonds or warrants under warrant bonds that could or can be issued based on various time-limited authorizations approved by the respective Shareholders' Meeting.

Dividends paid per share were €4.70 and €4.25, respectively, in fiscal 2024 and 2023. The Managing Board and the Supervisory Board propose to distribute a dividend of €5.20 per share to holders entitled to dividends, in total representing approximately €4.1 billion in expected payments. Payment of the proposed dividend is contingent upon approval at the Shareholders' Meeting on February 13, 2025.

NOTE 20 Additional capital disclosures

A key consideration of our capital structure management is to maintain ready access to capital markets through various debt instruments and to sustain our ability to repay and service our debt obligations over time. In order to achieve our target, Siemens intends to maintain an Industrial net debt divided by EBITDA (continuing operations) ratio of up to 1.5 in accordance with our Financial Framework. The ratio indicates the approximate number of years that would be needed to cover the Industrial net debt through Income from continuing operations, excluding interest, other financial income (expenses), taxes, depreciation, amortization and impairments. The fiscal 2023 ratio is disclosed as computed in the prior year; accordingly, it is not adjusted for discontinued operations.

	Sep 30,	
(in millions of €)	2024	2023
Short-term debt and current maturities of long-term debt	**6,598**	7,483
Plus: Long-term debt	**41,321**	39,113
Less: Cash and cash equivalents	**(9,156)**	(10,084)
Less: Current tradeable interest-bearing debt instruments	**(1,060)**	(1,047)
Less: Fair value of foreign currency and interest hedges relating to short- and long-term debt[1]	**(806)**	(621)
Net debt	**36,896**	34,843
Less: SFS debt[2]	**(28,699)**	(28,756)
Plus: Provisions for pensions and similar obligations	**912**	1,426
Plus: Credit guarantees	**313**	411
Industrial net debt	**9,421**	7,924
Income from continuing operations before income taxes	**11,227**	11,201
Plus/Less: Interest income, interest expenses and other financial income (expenses), net	**(808)**	(646)
Plus: Amortization, depreciation and impairments	**3,158**	3,608
EBITDA	**13,577**	14,163
Industrial net debt/EBITDA	**0.7**	0.6

[1] Debt is generally reported at a value approximately representing the amount to be repaid. Accordingly, debt in a hedging relationship is adjusted for fair values of interest hedges as well as for foreign currency hedge effects. Siemens deducts resulting changes in fair value, to derive an amount of debt that approximates the amount that will be repaid.

[2] The adjustment considers that both Moody's and S&P view SFS as a captive finance company. These rating agencies generally recognize and accept higher levels of debt attributable to captive finance subsidiaries in determining credit ratings. Following this concept, Siemens excludes SFS debt.

The SFS business is capital intensive and operates with a larger amount of debt to finance its operations compared to the industrial business.

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Allocated equity	**3,110**	3,133
SFS debt	**28,699**	28,756
Debt to equity ratio	**9.23**	9.18

Equity allocated to SFS differs from the carrying amount of equity as it is mainly allocated based on the risks of the underlying business.

Siemens' current corporate credit ratings are:

	Sep 30, 2024		Sep 30, 2023	
	Moody's Investors Service	S&P Global Ratings	Moody's Investors Service	S&P Global Ratings
Long-term debt	**Aa3**	**AA-**	Aa3	A+
Short-term debt	**P-1**	**A-1+**	P-1	A-1+

NOTE 21 Commitments and contingencies

The following table presents the undiscounted amount of maximum potential future payments for major groups of guarantees:

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Credit guarantees	**313**	411
Performance guarantees	**3,827**	5,746
	4,139	6,156

Liabilities recorded in connection with guarantees in the table above are €74 million and €76 million, respectively, as of September 30, 2024 and 2023.

Credit guarantees cover the financial obligations of third parties generally in cases where Siemens is the vendor and (or) contractual partner or Siemens is liable for obligations of associated companies accounted for using the equity method. Additionally, credit guarantees are issued in the course of the SFS business. Credit guarantees generally provide that in the event of default or non-payment by the primary debtor, Siemens will be required to settle such financial obligations. The maximum amount of these guarantees is equal to the outstanding balance of the credit or, in case a credit line is subject to variable utilization, the nominal amount of the credit line. These guarantees have typically residual terms of up to two years (in fiscal 2023 three years). The Company held collateral mainly through inventories and trade receivables. As of September 30, 2024, and 2023, Credit guarantees include €73 million and €95 million for which Siemens holds reimbursement rights against Siemens Energy.

Furthermore, Siemens issues performance guarantees. In the event of non-fulfillment of contractual obligations by the primary obligor, Siemens will be required to pay up to an agreed-upon maximum amount. These agreements typically have terms of up to ten years. As of September 30, 2024, and 2023, Performance guarantees include €3,462 million and €5,341 million for which Siemens holds reimbursement rights against Siemens Energy; the related contract liability amount for previous parent company guarantees is generally reduced using the straight-line method over the planned term of the underlying delivery or service agreement.

As of September 30, 2024, and 2023, in addition to guarantees disclosed in the table above, there are contingent liabilities of €365 million and €402 million which mainly result from other guarantees and legal proceedings. Other guarantees include €66 million and €71 million for which Siemens holds reimbursement rights against Siemens Energy.

NOTE 22 Legal proceedings

Siemens is involved in numerous Legal Proceedings in various jurisdictions. These Legal Proceedings could result, in particular, in Siemens being subject to payment of damages and punitive damages, equitable remedies or sanctions, fines or disgorgement of profit. In individual cases this may also lead to formal or informal exclusion from tenders or the revocation or loss of business licenses or permits. In addition, further Legal Proceedings may be commenced or the scope of pending Legal Proceedings may be extended. Asserted claims are generally subject to interest rates.

Some of these Legal Proceedings could result in adverse decisions for Siemens, which may have material effects on its business activities as well as its financial position, results of operations and cash flows.

For Legal Proceedings information required under IAS 37, Provisions, Contingent Liabilities and Contingent Assets is not disclosed if the Company concludes that disclosure can be expected to seriously prejudice the outcome of the matter.

Proceedings out of or in connection with alleged compliance violations

As previously reported, in July 2008, Hellenic Telecommunications Organization S.A. (OTE) filed a lawsuit against Siemens AG with the district court of Munich, Germany, seeking to compel Siemens AG to disclose the outcome of its internal investigations with respect to OTE. OTE seeks to obtain information with respect to allegations of undue influence and/or acts of bribery in connection with contracts concluded between Siemens AG and OTE from calendar 1992 to 2006. At the end of July 2010, OTE expanded its claim and requested payment of damages by Siemens AG of at least €57 million to OTE for alleged bribery payments to OTE employees. In October 2014, OTE increased its damage claim to the amount of at least €68 million. In August 2024, the district court of Munich rejected OTE's claim in full. In September 2024, OTE appealed against the first-instance decision to the Munich Higher Regional Court. Siemens AG continues to defend itself against the claim.

As previously reported, in May 2014, the Public Affairs Office (Ministério Público) São Paulo initiated a lawsuit against Siemens Ltda. as well as other companies and several individuals claiming, inter alia, damages in an amount of BRL2.5 billion (approximately €413 million as of September 2024) plus adjustments for inflation and related interest in relation to train refurbishment contracts entered into between 2008 and 2011. In connection with the same contracts, the Companhia do Metropolitano de São Paulo (Metro/SP) initiated in January 2024 administrative proceedings against Siemens Energy do Brasil Ltda. (formerly Siemens Ltda.) and other companies. Metro/SP requests that Siemens Energy do Brasil Ltda. and the other companies be excluded from public tenders and contracts with public entities for a period of up to two years. In January 2015, the district court of São Paulo admitted a lawsuit of the State of São Paulo and two customers against Siemens Ltda., Siemens AG and other companies and individuals claiming damages in an unspecified amount. In March 2015, the district court of São Paulo admitted a lawsuit of the Public Affairs Office (Ministério Público) São Paulo against Siemens Ltda. and other companies claiming, inter alia, damages in an amount of BRL487 million (approximately €81 million as of September 2024) plus adjustments for inflation and related interest in relation to train maintenance contracts entered into in 2000 and 2002. In September 2015, the district court of São Paulo admitted another lawsuit of the Public Affairs Office (Ministério Público) São Paulo against Siemens Ltda. and other companies claiming, inter alia, damages in an amount of BRL918 million (approximately €152 million as of September 2024) plus adjustments for inflation and related interest in relation to train maintenance contracts entered into in 2006 and 2007. Siemens is defending itself against these actions. It cannot be excluded that further significant damage claims will be brought by customers or the state against Siemens.

As previously reported, in June 2015, Siemens Ltda. appealed to the Supreme Court against a decision of a previous court to suspend Siemens Ltda. from participating in public tenders and signing contracts with public administrations in Brazil for a five year term based on alleged irregularities in calendar 1999 and 2004 in public tenders with the Brazilian Postal authority. In June 2018, the court accepted Siemens' appeal and declared the earlier instance decision as void. In June 2021, the court referred the case back to the court of first instance. In February 2018, the Ministério Público in Brasilia filed a lawsuit based on the same set of facts, mainly claiming the exclusion of Siemens Ltda. from public tenders for a ten year term. Siemens Ltda. is defending itself against the lawsuit. Siemens Ltda. is currently not excluded from participating in public tenders.

NOTE 23 Additional disclosures on financial instruments

The following table discloses the carrying amounts of each category of financial assets and financial liabilities:

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Loans, receivables and other debt instruments measured at amortized cost[1]	**40,006**	40,464
Cash and cash equivalents	**9,156**	10,084
Derivatives designated in a hedge accounting relationship	**1,078**	1,466
Financial assets mandatorily measured at FVTPL[2]	**1,574**	1,578
Financial assets designated as measured at FVTPL[3]	**176**	136
Equity instruments measured at FVOCI[1]	**5,178**	665
Financial assets	**57,169**	54,392
Financial liabilities measured at amortized cost[4]	**55,686**	55,341
Derivatives not designated in a hedge accounting relationship[5]	**294**	296
Derivatives designated in a hedge accounting relationship[5]	**589**	1,282
Financial liabilities	**56,569**	56,919

[1] Reported in the following line items of the Statements of Financial Position as of September 30, 2024, and 2023, respectively: Trade and other receivables, Other current financial assets and Other financial assets, except for separately disclosed €6,265 million and €1,691 million equity instruments and shares in funds in Other current financial assets and Other financial assets (thereof €5,178 million and €665 million at FVOCI), €176 million and €136 million designated as FVTPL and €1,311 million and €1,786 million derivative financial instruments (thereof in Other financial assets €1,083 million and €1,213 million) as well as €254 million and €232 million debt instruments measured at FVTPL in Other financial assets. Includes €14,955 million and €15,454 million trade receivables from the sale of goods and services, thereof €656 million and €640 million with a term of more than twelve months as of September 30, 2024 and 2023.

[2] Reported in line items Other current financial assets and Other financial assets.

[3] Reported in Other financial assets.

[4] Includes fair value hedge adjustments. Reported in the following line items of the Statements of Financial Position: Short-term debt and current maturities of long-term debt, Trade payables, Other current financial liabilities, Long-term debt and Other financial liabilities, except for separately disclosed derivative financial instruments of €883 million and €1,578 million as of September 30, 2024 and 2023, respectively.

[5] Reported in line items Other current financial liabilities and Other financial liabilities.

As of September 30, 2024, and 2023, the carrying amount of financial assets Siemens pledged as collateral is €164 million and €164 million, respectively.

The following table presents the fair values and carrying amounts of financial assets and financial liabilities measured at cost or amortized cost for which the carrying amounts do not approximate fair value:

	Sep 30, 2024		Sep 30, 2023	
(in millions of €)	Fair value	Carrying amount	Fair value	Carrying amount
Notes and bonds	**39,531**	**41,540**	37,059	40,929
Loans from banks and other financial indebtedness	**3,324**	**3,317**	2,681	2,744

Fixed-rate and variable-rate receivables with a remaining term of more than twelve months, including receivables from finance leases, are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer, and the risk characteristics of the financed project. Based on this evaluation, allowances for these receivables are recognized.

The fair value of notes and bonds is based on prices provided by price service agencies at the period-end date (Level 2). The fair value of loans from banks and other financial indebtedness as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt of similar terms and remaining maturities (Level 2).

The following table allocates financial assets and financial liabilities measured at fair value to the three levels of the fair value hierarchy:

				Sep 30, 2024
(in millions of €)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	**4,791**	**1,438**	**1,777**	**8,006**
Equity instruments measured at FVTPL	**93**	**127**	**868**	**1,087**
Equity instruments measured at FVOCI	**4,522**	**–**	**656**	**5,178**
Debt instruments measured at FVTPL	**176**	**–**	**254**	**430**
Derivative financial instruments	**–**	**1,311**	**–**	**1,311**
Not designated in a hedge accounting relationship (including embedded derivatives)	**–**	***233***	**–**	***233***
In connection with fair value hedges	**–**	***110***	**–**	***110***
In connection with cash flow hedges	**–**	***968***	**–**	***968***
Financial liabilities measured at fair value – Derivative financial instruments	**–**	**883**	**–**	**883**
Not designated in a hedge accounting relationship (including embedded derivatives)	**–**	***294***	**–**	***294***
In connection with fair value hedges	**–**	***438***	**–**	***438***
In connection with cash flow hedges	**–**	***151***	**–**	***151***

				Sep 30, 2023
(in millions of €)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	349	2,193	1,302	3,844
Equity instruments measured at FVTPL	213	334	479	1,026
Equity instruments measured at FVOCI	–	2	663	665
Debt instruments measured at FVTPL	136	71	161	367
Derivative financial instruments	–	1,786	–	1,786
Not designated in a hedge accounting relationship (including embedded derivatives)	–	*320*	–	*320*
In connection with fair value hedges	–	*34*	–	*34*
In connection with cash flow hedges	–	*1,432*	–	*1,432*
Financial liabilities measured at fair value – Derivative financial instruments	–	1,578	–	1,578
Not designated in a hedge accounting relationship (including embedded derivatives)	–	*296*	–	*296*
In connection with fair value hedges	–	*954*	–	*954*
In connection with cash flow hedges	–	*328*	–	*328*

Fair value of equity instruments quoted in an active market is based on price quotations at period-end date. Fair value of debt instruments, is either based on prices provided by price service agencies or is estimated by discounting future cash flows using current market interest rates.

Fair values of derivative financial instruments are determined in accordance with the specific type of instrument. Fair values of derivative interest rate contracts are estimated by discounting expected future cash flows using current market interest rates and yield curves over the remaining term of the instrument. Interest rate futures are valued based on quoted market prices, if available. Fair values of foreign currency derivatives are based on forward exchange rates. Options are generally valued based on quoted market prices or based on option pricing models. No compensating effects from underlying transactions (e.g. firm commitments and forecast transactions) are considered.

The Company limits default risks resulting from derivative financial instruments by generally transacting with financial institutions with a minimum credit rating of investment grade. Based on Siemens' net risk exposure towards the counterparty, the resulting credit risk is considered via a credit valuation adjustment.

Due to the strategic and operating development of Siemens and Siemens Energy, Siemens designated the 17.1% equity investment in Siemens Energy as accounted for at FVOCI. The level 1 fair value of our investment in Siemens Energy based on the Xetra closing price of €33,07 is €4.522 million as of September 30, 2024.

Level 3 financial assets primarily include equity instruments measured at fair value through profit and loss of Siemens Financial Services as well as venture capital investments measured at fair value through Other comprehensive income of Next 47. Measurement of Level 3 equity instruments is mainly based on parameters of the latest conducted financing rounds, the subsequent performance or on observable financial information. In fiscal 2024 and 2023, new level 3 investments and purchases amounted to €303 million and €156 million, respectively. Sales of Level 3 financial assets were €64 million and €40 million, respectively, in fiscal 2024 and 2023. As a result of a portfolio review, Level 2 financial assets of €278 million (as of October 1, 2023) were transferred to Level 3.

Net gains (losses) resulting from financial instruments are:

	Fiscal year	
(in millions of €)	2024	2023
Cash and cash equivalents	**(31)**	(38)
Loans, receivables and other debt instruments measured at amortized cost	**(311)**	(300)
Financial liabilities measured at amortized cost	**6**	(21)
Financial assets and financial liabilities at FVTPL	**(506)**	(1,296)

Amounts include foreign currency gains (losses) from recognizing and measuring financial assets and liabilities. Net gains (losses) on loans, receivables and other debt instruments measured at amortized cost also include changes in valuation allowances. Net gains (losses) on financial assets and liabilities measured at FVTPL resulted from those mandatorily measured at FVTPL and comprise fair value changes of derivative financial instruments for which hedge accounting is not applied including interest income (expense), as well as dividends from and fair value changes of equity instruments measured at FVTPL.

Interest income (expense) includes interest from financial assets and financial liabilities not at fair value through profit or loss:

	Fiscal year	
(in millions of €)	2024	2023
Total interest income on financial assets	**2,245**	1,970
Total interest expenses on financial liabilities	**(1,700)**	1,355

Valuation allowances for expected credit losses

	Loans, receivables and other debt instruments measured at amortized cost				Contract Assets	Lease Receivables
	Loans and other debt instruments under the general approach			Trade receivables and other debt instruments under the simplified approach		
(in millions of €)	Stage 1	Stage 2	Stage 3			
Valuation allowance as of October 1, 2023	**100**	**18**	**274**	**498**	**134**	**138**
Change in valuation allowances recorded in the Consolidated Statements of Income in the current period	**100**	**(10)**	**29**	**259**	**5**	**33**
Write-offs charged against the allowance	**n/a**	**n/a**	**(109)**	**(81)**	**–**	**(38)**
Recoveries of amounts previously written off	**n/a**	**n/a**	**5**	**8**	**–**	**8**
Foreign exchange translation differences and reclassifications between Stages	**(117)**	**35**	**71**	**(18)**	**(2)**	**(1)**
Reclassifications to line item Assets held for disposal and dispositions of entities	**–**	**–**	**–**	**(32)**	**(4)**	**–**
Valuation allowance as of September 30, 2024	**83**	**44**	**270**	**634**	**134**	**140**

(in millions of €)	Loans, receivables and other debt instruments measured at amortized cost				Contract Assets	Lease Receivables
	Loans and other debt instruments under the general approach			Trade receivables and other debt instruments under the simplified approach		
	Stage 1	Stage 2	Stage 3			
Valuation allowance as of October 1, 2022	106	22	227	567	140	172
Change in valuation allowances recorded in the Consolidated Statements of Income in the current period	106	3	74	41	(1)	6
Write-offs charged against the allowance	n/a	n/a	(135)	(69)	–	(36)
Recoveries of amounts previously written off	n/a	n/a	4	9	–	4
Foreign exchange translation differences and reclassifications between Stages	(112)	(6)	104	(48)	(4)	(8)
Reclassifications to line item Assets held for disposal and dispositions of entities	–	–	–	(2)	–	–
Valuation allowance as of September 30, 2023	100	18	274	498	134	138

Impairment losses on financial instruments are presented in line items Cost of sales, Selling and general administrative expenses and Other financial income (expenses), net. In fiscal 2024, net losses (gains) for continuing operations are €382 million and in fiscal 2023, €244 million. In fiscal 2024 and 2023, impairment losses net of (gains) from reversal of impairments at SFS total €130 million and €181 million, respectively. Impairment losses and (gains) from reversal of impairments at SFS are presented in Other financial income (expenses), net.

Offsetting

Siemens enters into master netting and similar agreements for derivative financial instruments. Potential offsetting effects are as follows:

(in millions of €)	Financial assets Sep 30, 2024	Financial assets Sep 30, 2023	Financial liabilities Sep 30, 2024	Financial liabilities Sep 30, 2023
Gross amounts	**1,293**	1,705	**856**	1,559
Amounts offset in the Statement of Financial Position	**–**	–	**–**	–
Net amounts in the Statement of Financial Position	**1,293**	1,705	**856**	1,558
Related amounts not offset in the Statement of Financial Position	**494**	863	**494**	865
Net amounts	**799**	842	**362**	694

NOTE 24 Derivative financial instruments and hedging activities

To hedge foreign currency exchange and interest rate risks, derivatives are contracted to achieve a 1:1 hedge ratio so that the main characteristics match the underlying hedged items (e.g. nominal amount, maturity) in a critical term match, which ensures an economic relationship between hedging instruments and hedged items suitable for hedge accounting. The nominal amounts of hedging instruments by maturity are:

(in millions of €)	Sep 30, 2024 Up to 12 months	Sep 30, 2024 More than 12 months	Sep 30, 2023 Up to 12 months	Sep 30, 2023 More than 12 months
Foreign currency exchange contracts	**4,483**	**10,484**	8,325	11,538
Interest rate swaps	**2,768**	**7,713**	3,090	10,597
therein: included in cash flow hedges	**–**	**–**	–	–
therein: included in fair value hedges	***2,768***	***7,713***	*3,090*	*10,597*

Fair values of each type of derivative financial instruments reported as financial assets or financial liabilities in line items Other current financial assets (liabilities) or Other financial assets (liabilities) are:

	Sep 30, 2024		Sep 30, 2023	
(in millions of €)	Asset	Liability	Asset	Liability
Foreign currency exchange contracts	**1,133**	**400**	1,637	603
therein: included in cash flow hedges	***966***	***150***	*1,431*	*328*
Interest rate swaps and combined interest and currency swaps	**136**	**439**	73	955
therein: included in cash flow hedges	**–**	**–**	–	–
therein: included in fair value hedges	***110***	***438***	*34*	*954*
Other (embedded derivatives, options, commodity swaps)	**43**	**43**	76	20
	1,311	**883**	1,786	1,578

Other components of equity, net of income taxes, relating to cash flow hedges reconciles as follows:

	Interest rate risk	Foreign currency risk	
(in millions of €)	Cash flow hedge reserve	Cash flow hedge reserve	Cost of hedging reserve
Balance as of October 1, 2023	25	(44)	(107)
Hedging gains (losses) presented in OCI	16	(13)	253
Reclassification to net income	(5)	21	(115)
Balance as of September 30, 2024	**36**	**(36)**	**31**
thereof: discontinued hedge accounting	***36***	***(45)***	**–**

Amounts reclassified to net income in connection with interest rate risk hedges and non-operative foreign currency hedges are presented in Other financial income (expenses), net. Reclassifications of foreign currency risk hedges with operative business purposes are presented as functional costs. Costs of hedging reserve is the forward element of forward contracts which are non-operative foreign currency hedges that are not designated as hedge accounting and which are amortized to interest expense on a straight-line basis as the hedged item is time-period related.

Foreign currency exchange rate risk management

Derivative financial instruments not designated in a hedging relationship

The Company manages its risks associated with fluctuations in foreign currency denominated receivables, payables, debt, firm commitments and forecast transactions primarily through a Company-wide portfolio approach. Under this approach the Company-wide risks are aggregated centrally, and various derivative financial instruments, primarily foreign currency exchange contracts, foreign currency swaps and options, are utilized to minimize such risks. Such a strategy does not qualify for hedge accounting treatment. The Company also accounts for foreign currency derivatives, which are embedded in sale and purchase contracts.

Cash flow hedges

The Company's operating units apply hedge accounting to certain significant forecast transactions and firm commitments denominated in foreign currencies. Particularly, the Company entered into foreign currency exchange contracts to reduce the risk of variability of future cash flows resulting from forecast sales and purchases as well as firm commitments. The risk mainly results from contracts denominated in US$ both from Siemens' operating units entering into long-term contracts e.g. from the project business and from the standard product business. In fiscal 2024 and 2023, the risk is hedged against the euro at an average rate of 1.2518 €/US$ and 1.1696 €/US$ (forward purchases of US$), respectively, and 1.1412 €/US$ and 1.1027 €/US$ (forward sales of US$), respectively. As of September 30, 2024, and 2023, the hedging transactions have a minimum remaining maturity until 2024 and 2023 (forward purchases of US$) as well as 2024 and 2023 (forward sales of US$), respectively. The Maximum remaining maturity is until 2033 and 2033 (forward purchases of US$) as well as 2034 and 2034 (forward sales of US$), respectively.

Besides, Siemens entered into foreign currency forward contracts to hedge foreign currency risks relating to US$10 billion (€10 billion) bonds granted to Siemens Healthineers, through which a synthetic Euro financing structure is achieved. It factually, also turns interest into € with volume weighted average interest rates of about 0.58% and 0.7%, respectively, in fiscal 2024 and 2023. As of September 30, 2024, and 2023, these foreign currency forward contracts have a minimum remaining maturity until 2025 and 2024, respectively, and a maximum remaining maturity until 2041 and 2041, respectively.

Interest rate risk management

Derivative financial instruments not designated in a hedging relationship

Interest rate risk management uses derivative financial instruments under a portfolio-based approach to manage interest risk actively. The approach does not qualify for hedge accounting. Gains and losses in connection with interest rate swap agreements are recorded in Other financial income (expenses), net. The interest rate risk management includes SFS business, for which the interest rate risk was formerly managed separately.

Fair value hedges of fixed-rate debt obligations

Under interest rate swap agreements outstanding in fiscal 2024 and 2023, the Company agreed to pay a variable rate of interest multiplied by a notional principal amount, and to receive in return an amount equal to a specified fixed rate of interest multiplied by the same notional principal amount. These interest rate swap agreements offset future changes in interest rates designated as hedged risk on the fair value of the underlying fixed-rate debt obligations. As of September 30, 2024, and 2023, the carrying amounts of €10,167 million and €12,786 million, respectively, of fixed-rate debt obligations are designated in fair value hedges, including €(295) million and €(876) million cumulative fair value hedge adjustments. Unamortized fair value hedge adjustments of €232 million and €112 million as of September 30, 2024 and 2023, respectively, relate to no longer applied hedge accounting. The amounts are amortized over the remaining term of the underlying debt, maturing until 2045. Carrying amount adjustments to debt of €(722) million and €(95) million, respectively, in fiscal 2024 and 2023 are included in Other financial income (expenses), net; the related swap agreements resulted in gains (losses) of €708 million and €74 million, respectively, in fiscal 2024 and 2023. Net cash receipts and payments relating to such interest rate swap agreements are recorded as interest expenses.

The Company had interest rate swap contracts to pay variable rates of interest of an average of 4,28% and 3.00% as of September 30, 2024 and 2023, respectively and received fixed rates of interest (average rate of 2,07% and 1.81%, as of September 30, 2024 and 2023, respectively). The notional amount of indebtedness hedged as of September 30, 2024 and 2023 was €10,481 million and €13,687 million, respectively. This changed 25% and 33% of the Company's underlying notes and bonds from fixed interest rates into variable interest rates as of September 30, 2024 and 2023, respectively. The notional amounts of these contracts mature at varying dates based on the maturity of the underlying hedged items. The net fair value of interest rate swap contracts (excluding accrued interest) used to hedge indebtedness as of September 30, 2024 and 2023 were €(295) million and €(844) million, respectively.

NOTE 25 Financial risk management

Increasing market fluctuations may result in significant earnings and cash flow volatility risk for Siemens. The Company's operating business as well as its investment and financing activities are affected particularly by changes in foreign exchange rates and interest rates. In order to optimize the allocation of financial resources across Siemens' segments and entities, as well as to achieve its aims, Siemens identifies, analyzes and manages the associated market risks. The Company seeks to manage and control these risks primarily through its regular operating and financing activities and uses derivative financial instruments when deemed appropriate.

With fiscal 2024, the quantification of equity price risk and interest rate risk was changed from VaR to a sensitivity analysis in order to reflect how Siemens manages these risks.

Foreign currency exchange rate risk and equity price risk are quantified based on a sensitivity analysis of net income and equity.

In order to quantify interest rate risk, Siemens calculates sensitivities on the basis of the economically open risk positions, which are also used for internal risk management. Actual results that are included in the Consolidated Statements of Income or Consolidated Statements of Comprehensive Income may differ substantially from these sensitivities due to fundamental conceptual differences. While the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income are prepared in accordance with IFRS, these sensitivities are calculated from a purely financial perspective and represent the potential financial gain or loss in the case of an interest rate movement in the respective currencies as of the reporting date.

Any market sensitive instruments, including equity and interest-bearing investments that our Company's pension plans hold are not included in the following quantitative and qualitative disclosures.

Foreign currency exchange rate risk

Transaction risk

Each Siemens unit conducting businesses with international counterparties leading to future cash flows denominated in a currency other than its functional currency is exposed to risks from changes in foreign currency exchange rates. In the ordinary course of business, Siemens units are exposed to foreign currency exchange rate fluctuations, particularly between the U.S. dollar and the euro. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies as well as production activities and other contributions along the value chain in the local markets.

Operating units are prohibited from borrowing or investing in foreign currencies on a speculative basis. Intercompany financing or investments of operating units are preferably carried out in their functional currency or on a hedged basis.

According to the Company policy, Siemens units are responsible for recording, assessing and monitoring their foreign currency transaction exposure. Foreign currency transaction exposure of Siemens units from contracted business and cash balances in foreign currency is generally hedged approximately by 100% with Corporate Treasury. Foreign currency transaction exposure of Siemens units from planned business above defined thresholds has to be hedged with Corporate Treasury within a band of 75% to 100% for a hedging period of at least three months.

Generally, the operating units conclude their hedging activities internally with Corporate Treasury. By applying a cost-optimizing portfolio approach, Corporate Treasury itself hedges foreign currency exchange rate risks with external counterparties and limits them.

The following table demonstrates the sensitivity of net income and equity to a reasonably possible change in the considered currency versus all other currencies compared to the respective year-end exchange rates. The analysis does not include effects of foreign currency translation and any tax effects. The effect on net income is due to changes in the fair values of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The effect on equity is due to changes in the fair values of forward exchange contracts designated as cash flow hedges.

(in millions of €)	Change in currency	Sep 30, 2024			Sep 30, 2023		
		USD	GBP	CNY	USD	GBP	CNY
Effect on net income	+5%	**(31)**	**20**	**(4)**	(27)	(15)	3
	(5)%	**31**	**(20)**	**4**	27	15	(3)
Effect on equity	+5%	**(12)**	**(60)**	**(6)**	3	(62)	(19)
	(5)%	**12**	**60**	**6**	(3)	62	19

Translation risk

Many Siemens units are located outside the Eurozone. Because the financial reporting currency of Siemens is the euro, the financial statements of these subsidiaries are translated into euro for the preparation of the Consolidated Financial Statements. To consider the effects of foreign currency translation in the risk management, the general assumption is that investments in foreign-based operations are permanent and that reinvestment is continuous. Effects from foreign currency exchange rate fluctuations on the translation of net asset amounts into euro are reflected in the Company's consolidated equity position.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk arises whenever interest terms of financial assets and liabilities are different. In order to manage the Company's position with regard to interest rate risk, interest income and interest expenses, Corporate Treasury performs a comprehensive corporate interest rate risk management by using fixed or variable interest rates from bond issuances and derivative financial instruments when appropriate. The interest rate risk is mitigated by managing interest rate risk within an integrated Asset Liability Management approach.

If there are no conflicting country-specific regulations, all Siemens operating units generally obtain any required financing through Corporate Treasury in the form of loans or intercompany clearing accounts. The same concept is adopted for deposits of cash generated by the units.

The exposure to interest rate risk is measured on the basis of the open interest rate position for interest rates in the most important currencies. As of September 30, 2024, Siemens is particularly exposed to interest rate risk resulting from funding in the euro, U.S. dollar and British pound. The sensitivities to interest rate movement are calculated as a fair value change on the open interest rate position. As of September 30, 2024 and 2023, a shift in the interest rates of +1 basis point would have led to a fair value change of the open interest rate position of €18 million and €13 million, respectively; a shift in the interest rates of -1 basis point would have led to a fair value change of €(18) million and €(13) million, respectively. The increase was driven mainly by the issuance of euro bonds.

Liquidity risk

Liquidity risk results from the Company's inability to meet its financial liabilities. Siemens follows a deliberated financing policy that is aimed towards a balanced financing portfolio, a diversified maturity profile and a comfortable liquidity cushion. Siemens mitigates liquidity risk by the implementation of effective working capital and cash management, arranged credit facilities with highly rated financial institutions, via a debt issuance program and via a global multi-currency commercial paper program. Liquidity risk may also be mitigated by the Siemens Bank GmbH, which increases the flexibility of depositing cash or refinancing.

In addition, Siemens constantly monitors funding options available in the capital markets, as well as trends in the availability and costs of such funding, with a view to maintaining financial flexibility and limiting repayment risks.

The following table reflects our contractually fixed pay-offs for settlement, repayments and interest. The disclosed expected undiscounted net cash outflows from derivative financial liabilities are determined based on each particular settlement date of an instrument and based on the earliest date on which Siemens could be required to pay. Cash outflows for financial liabilities (including interest) without fixed amount or timing are based on the conditions existing at September 30, 2024.

(in millions of €)	2025	2026	2027 to 2029	Fiscal year 2030 and thereafter
Non-derivative financial liabilities				
Notes and bonds	5,093	6,783	12,246	27,051
Loans from banks	1,291	817	973	18
Other financial indebtedness	356	1	37	–
Lease liabilities	799	645	1,009	1,049
Trade payables	9,240	11	1	–
Other financial liabilities	1,672	196	64	8
Derivative financial liabilities	381	232	183	154
with gross settlement	363	226	176	154
Cash outflows	7,889	2,674	1,505	509
Cash inflows	(7,526)	(2,448)	(1,329)	(355)
with net settlement	18	6	8	–
Cash outflows/inflows	18	6	8	–
Credit guarantees[1]	313	–	–	–
Irrevocable loan commitments[2]	3,513	327	113	2

[1] Based on the maximum amounts Siemens could be required to settle in the event of default by the primary debtor.
[2] A considerable portion result from asset-based lending transactions meaning that the respective loans can only be drawn after sufficient collateral has been provided by the borrower.

Credit risk

Credit risk is defined as an unexpected loss in financial instruments if the contractual partner is failing to discharge its obligations in full and on time or if the value of collateral declines.

Siemens provides its customers with various forms of direct and indirect financing particularly in connection with large projects. Hence, credit risks are determined by the solvency of the debtors, the recoverability of the collaterals, the success of projects we invested in and the global economic development.

The effective monitoring and controlling of credit risk through credit evaluations and ratings is a core competency of our risk management system. In this context, Siemens has implemented a binding credit policy.

Siemens maintains a Credit Risk Intelligence Unit to which numerous operating units from the Siemens Group regularly transfer business partner data as a basis for a centralized internal rating and credit limit recommendation process. Due to the identification, quantification and active management of credit risks, this increases credit risk transparency.

Ratings and individually defined credit limits are based on generally accepted rating methodologies, with information obtained from customers, external rating agencies, data service providers and Siemens' credit default experiences. Internal ratings consider appropriate forward-looking information relevant to the specific financial instrument like expected changes in the debtor's financial position, ownership, management or operational risks, as well as broader forward-looking information, such as expected macroeconomic, industry-related and competitive developments. The ratings also consider a country-specific risk component derived from external country credit ratings. Ratings and credit limits for financial institutions as well as Siemens' public and private customers, which are determined by internal risk assessment specialists, are continuously updated and considered for investments in cash and cash equivalents and in determining the conditions under which direct or indirect financing will be offered to customers.

An exposure is considered defaulted if the debtor is unwilling or unable to pay its credit obligations. A range of internally defined events trigger a default rating, including the opening of bankruptcy proceedings, receivables being more than 90 days past due, or a default rating by an external rating agency.

To analyze and monitor credit risks, the Company applies various systems and processes. A main element is a central IT application that processes data from operating units together with rating and default information and calculates an estimate, which may be used as a basis for individual bad debt provisions. Additionally, qualitative information is considered to particularly incorporate the latest developments.

The carrying amount is the maximum exposure to a financial asset's credit risk, without taking account of any collateral. Collateral reduces the valuation allowance to the extent it mitigates credit risk. Collateral needs to be specific, identifiable and legally enforceable to be taken into account. Those collaterals are mostly held in the portfolio of SFS.

For financial assets measured at fair value, protection from the risk of a counterparty's insolvency is provided in connection with netting agreements for derivatives. As of September 30, 2024 and 2023, resulting netting effects amount to €494 and €863 million, respectively. As of September 30, 2024 and 2023, collateral held for credit-impaired receivables from finance leases amounted to €78 million and €66 million, respectively. As of September 30, 2024 and 2023, collateral held for financial assets measured at amortized cost amounted to €4,043 million and €3,918 million, respectively, including €308 million and €135 million, respectively, for credit-impaired loans in SFS' asset finance business. Those collaterals mainly comprised property, plant and equipment. Credit risks arising from irrevocable loan commitments are equal to the expected future pay-offs resulting from these commitments.

SFS' external financing portfolio disaggregates into credit risk rating grades as of September 30, 2024 as follows (pre valuation allowances):

	Loans and other debt instruments under the general approach			Financial guarantees and loan commitments			Lease Receivables
(in millions of €)	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Investment Grade Ratings	5,179	4	n/a	708	n/a	n/a	2,474
Non-Investment Grade Ratings	15,622	1,511	1,137	3,133	128	140	3,894

Trade receivables of operating units are generally rated internally; as of September 30, 2024 and 2023, approximately 42% and 45%, respectively, have an investment grade rating and 58% and 55%, respectively, have a non-investment grade rating. Contract assets generally show similar risk characteristics as trade receivables in operating units.

Amounts above do not represent economic credit risk, since they consider neither collateral held nor valuation allowances already recognized.

Equity price risk

Siemens' investment portfolio consists of direct and indirect investments in publicly and not publicly traded companies that are predominantly classified as long-term investments. The publicly traded companies are monitored based on their current market value, affected primarily by fluctuations on the volatile technology-related markets worldwide. The companies that are not publicy listed are mainly monitored based on financial information provided by those companies. As of September 30, 2024 and 2023, the fair value of Siemens' portfolio was € 6,265 million and € 1,691 million, respectively.

The equity price risk is measured based on the fair value of the investments. The analysis does not include any tax effects. As of September 30, 2024 and 2023, an increase in fair values of 10 % results in an increase in net income of € 109 million and € 103 million, respectively, as well as an increase in equity of € 518 million and € 66 million, respectively. As of September 30, 2024 and 2023, a decrease in fair values of 10% results in a decrease of net income of € 109 million and € 103 million, respectively, as well as a decrease of equity of € 518 million and € 66 million, respectively.

NOTE 26 Share-based payment

Share-based payment awards may be settled in newly issued shares of capital stock of Siemens AG, in treasury shares or in cash. Share-based payment awards may forfeit if the employment of the beneficiary terminates prior to the expiration of the vesting period. In fiscal 2024 and 2023, expense from equity-settled awards for continuing operations are €524 million and €438 million. Included is expense of €126 million and €109 million in fiscal 2024 and 2023, respectively, relating to Siemens Healthineers plans. Siemens Healthineers plans are largely similar to Siemens' plans, except for granting Siemens Healthineers AG shares.

Stock awards

Stock awards granted by Siemens are distinguished between a) subject to performance conditions and b) no performance conditions. Stock awards entitle the beneficiaries to Siemens shares without payment of consideration at the end of the respective vesting period.

Stock awards subject to performance conditions

The Company grants stock awards subject to performance conditions to members of the Managing Board, members of the senior management and other eligible employees. The vesting period for awards granted to members of the senior management and other eligible employees is three years respectively four years for awards granted prior to fiscal 2022. Awards granted to members of the Managing Board are subject to a four year vesting period.

For stock awards subject to performance conditions, 80% of the target amount is linked to the relative total shareholder return of Siemens compared to the total shareholder return of the MSCI World Industrials sector index (TSR-Target); the remaining 20% are linked to a Siemens internal sustainability target considering environmental, social and governance targets (ESG-Target). The annual target amount for stock awards up to and including tranche 2019 is linked to the share price performance of Siemens relative to the share price performance of five important competitors. The target attainment for each individual performance criteria ranges between 0% and 200%. Settlement of the awards is in shares corresponding to the actual target attainment.

Commitments to members of the Managing Board

Fair values of TSR-related stock awards granted are €8 million and €7 million, respectively, in fiscal 2024 and 2023, calculated by applying a valuation model (Monte Carlo simulation based on the Black-Scholes model assumptions). In fiscal 2024 and 2023, inputs to that model include an expected weighted volatility of Siemens shares of 26.52% and 26.71%, respectively, and a Siemens share price of €156.98 and €130.68, respectively. Expected volatility was determined by reference to historic volatilities. The model applies a risk-free interest rate of up to 2.81% and 2.76%, respectively, in fiscal 2024 and 2023 and an expected dividend yield of 2.99% in fiscal 2024 and 3.25% in fiscal 2023. Assumptions relating to correlations between the Siemens share price and the development of the MSCI index were derived from historic observations of share price and index changes. The fair value of the ESG component of €136.93 and €112.39 per share in fiscal 2024 and 2023, respectively, was determined as Siemens' share price, less the present value of expected dividends during the vesting period.

Commitments to members of the senior management and other eligible employees

In fiscal 2024 and 2023, 1,798,965 and 1,784,892 equity-settled stock awards were granted relating to the TSR-Target with a fair value of €137 million and €114 million, respectively. In fiscal 2024 and 2023, 449,839 and 446,237 equity-settled stock awards were granted relating to the ESG-Target with a fair value of €64 million and €54 million, respectively.

The fair value of stock awards granted in fiscal 2024 and 2023 (TSR-related) was calculated by applying a valuation model (Monte Carlo simulation based on the Black-Scholes model assumptions). In fiscal 2024 and 2023, inputs to that model include an expected weighted volatility of Siemens shares of 26.52% and 26.70%, respectively, and a Siemens' share price of €156.00 and €133.66. Expected volatility was determined by reference to historic volatilities. The model applies a risk-free interest rate of up to 3.03% and 2.68% in fiscal 2024 and 2023, respectively, and an expected dividend yield of 3.01% in fiscal 2024 and 3.18% in fiscal 2023. Assumptions relating to correlations between the Siemens share price and the development of the MSCI Index were derived from historic observations of share price and index changes. The fair value of the ESG component of €141.33 and €120.28 per share in fiscal 2024 and 2023, respectively, was determined as Siemens' share price, less the present value of expected dividends during the vesting period.

Stock awards not subject to performance conditions

Each quarter, the Company grants stock awards not subject to performance conditions to selected employees. The awards are subject to a ratable vesting period of one to four years, i.e. 25% of the number of awards granted are transferred each year.

The weighted average fair value of stock awards granted in fiscal 2024 and 2023 of €147.14 and €125.42 per share, respectively, was determined as Siemens' share price, less the present value of expected dividends during the respective vesting period.

Changes in stock awards:

	Subject to performance conditions		Not subject to performance conditions	
	Fiscal year		Fiscal year	
	2024	2023	2024	2023
Non-vested, beginning of period	**8,388,910**	8,956,287	**1,593,270**	1,131,311
Granted	**2,422,496**	2,401,240	**924,532**	897,484
Vested and fulfilled	**(1,930,115)**	(1,192,351)	**(511,347)**	(365,913)
Adjustments due to vesting conditions other than market conditions	**(108,237)**	(91,905)	**n/a**	n/a
Forfeited	**(404,595)**	(1,667,914)	**(80,879)**	(66,128)
Settled	**(9,420)**	(16,447)	**(2,210)**	(3,484)
Non-vested at period-end	**8,359,039**	8,388,910	**1,923,366**	1,593,270

Share Matching Program and its underlying plans

In fiscal 2024, Siemens issued a new tranche under each of the plans of the Share Matching Program.

Share Matching Plan

Under the Share Matching Plan, senior managers may invest a specified part of their variable compensation in Siemens shares (investment shares). The shares are purchased at market price at a predetermined date in the second quarter. Plan participants receive the right to one Siemens share without payment of consideration (matching share) for every three investment shares continuously held over a period of about three years (vesting period) provided the plan participant has been continuously employed by Siemens until the end of the vesting period.

Monthly Investment Plan

Under the Monthly Investment Plan employees other than senior managers may invest a specified part of their compensation in Siemens shares on a monthly basis over a period of twelve months. Shares are purchased at market price at a predetermined date once a month. If the Managing Board decides that shares acquired under the Monthly Investment Plan are transferred to the Share Matching Plan, plan participants will receive the right to matching shares under the same conditions applying to the Share Matching Plan described above with a vesting period of about two years. The Managing Board decided that shares acquired under the tranches issued in fiscal 2023 and 2022 are transferred to the Share Matching Plan as of February 2024 and February 2023, respectively.

Base Share Program

Under the Base Share Program employees of Siemens AG and participating domestic Siemens companies may invest a fixed amount of their compensation in Siemens shares, sponsored by Siemens. The shares are bought at market price at a predetermined date in the second quarter and grant the right to receive matching shares under the same conditions applying to the Share Matching Plan described above. Siemens' contributions to the Base Share Program recognized as expense for continuing operations were €23 million and €22 million in fiscal 2024 and 2023, respectively.

Resulting Matching Shares:

	Fiscal year	
	2024	2023
Outstanding, beginning of period	**1,245,467**	1,255,825
Granted	**570,023**	655,177
Vested and fulfilled	**(439,374)**	(573,468)
Forfeited	**(67,884)**	(68,404)
Settled	**(25,574)**	(23,663)
Outstanding, end of period	**1,282,658**	1,245,467

The weighted average fair value of matching shares granted in fiscal 2024 and 2023 of €127.68 and €107.60 per share, respectively, was determined as Siemens' share price, less the present value of expected dividends; non-vesting conditions were taken into account.

Jubilee Share Program

For their 25th and 40th service anniversary eligible employees receive jubilee shares. There were 3.17 million and 3.14 million entitlements to jubilee shares outstanding as of September 30, 2024 and 2023, respectively.

NOTE 27 Personnel costs

	Continuing operations		Continuing and discontinued operations	
	Fiscal year		Fiscal year	
(in millions of €)	2024	2023	2024	2023
Wages and salaries	**24,937**	23,987	**25,673**	24,689
Statutory social welfare contributions and expenses for optional support	**3,880**	3,652	**4,014**	3,774
Expenses relating to post-employment benefits	**1,058**	1,011	**1,079**	1,031
	29,875	28,650	**30,766**	29,494

In fiscal 2024 and 2023, severance charges for continuing operations amount to €312 million and €416 million, thereof at Siemens Healthineers €104 million and €167 million, respectively.

Employees were engaged in (averages; based on headcount):

	Continuing operations		Continuing and discontinued operations	
	Fiscal year		Fiscal year	
(in thousands)	2024	2023	2024	2023
Manufacturing and services	**174**	170	**187**	183
Sales and marketing	**56**	55	**58**	57
Research and development	**52**	49	**52**	50
Administration and general services	**27**	26	**28**	27
	309	302	**324**	316

NOTE 28 Earnings per share

	Fiscal year	
(shares in thousands; earnings per share in €)	2024	2023
Income from continuing operations	**8,907**	8,525
Less: Portion attributable to non-controlling interest	**691**	579
Income from continuing operations attributable to shareholders of Siemens AG	**8,216**	7,946
Less: Dilutive effect from share based payment resulting from Siemens Healthineers	**(7)**	(4)
Income from continuing operations attributable to shareholders of Siemens AG to determine dilutive earnings per share	**8,209**	7,942
Weighted average shares outstanding - basic	**788,674**	791,538
Effect of dilutive share-based payment	**10,241**	9,803
Weighted average shares outstanding - diluted	**798,915**	801,342
Basic earnings per share (from continuing operations)	**10.42**	10.04
Diluted earnings per share (from continuing operations)	**10.27**	9.91

NOTE 29 Segment information

	Orders		External revenue		Intersegment Revenue		Total revenue		Profit		Assets		Free cash flow		Additions to intangible assets and property, plant & equipment		Amortization, depreciation & impairments	
	Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year		Sep 30,	Sep 30,	Fiscal year		Fiscal year		Fiscal year	
(in millions of €)	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Digital Industries	**17,023**	19,387	**18,154**	20,196	**383**	439	**18,536**	20,636	**3,498**	4,833	**10,476**	10,523	**3,158**	4,127	**265**	399	**496**	574
Smart Infrastructure	**24,023**	22,333	**21,005**	19,564	**363**	381	**21,368**	19,946	**3,707**	3,074	**6,650**	6,386	**3,588**	2,908	**351**	284	**396**	393
Mobility	**15,795**	20,629	**11,406**	10,537	**15**	12	**11,420**	10,549	**1,013**	882	**2,018**	2,244	**1,159**	1,046	**190**	190	**256**	238
Siemens Healthineers	**24,774**	24,499	**22,314**	21,574	**48**	108	**22,362**	21,681	**3,172**	2,527	**33,457**	34,415	**2,994**	2,221	**692**	817	**1,223**	1,555
Industrial Business	**81,615**	86,848	**72,879**	71,871	**808**	941	**73,687**	72,812	**11,390**	11,316	**52,601**	53,568	**10,899**	10,303	**1,497**	1,690	**2,371**	2,760
Siemens Financial Services	**414**	468	**390**	442	**23**	25	**414**	468	**637**	563	**32,841**	32,915	**785**	852	**29**	32	**158**	175
Reconciliation to Consolidated Financial Statements	**2,027**	2,054	**2,660**	2,568	**(832)**	(966)	**1,829**	1,602	**(800)**	(753)	**62,369**	58,588	**(1,958)**	(1,008)	**561**	425	**628**	609
Siemens (continuing operations)	**84,056**	89,371	**75,930**	74,882	**–**	–	**75,930**	74,882	**11,227**	11,126	**147,812**	145,071	**9,726**	10,146	**2,088**	2,146	**3,158**	3,544

Description of reportable segments

Digital Industries offers a comprehensive product portfolio and system solutions for automation used in discrete and process industries. It provides process control systems, machine-to-machine communication products, sensors and radio frequency identification systems, production and product lifecycle management (PLM) software, and software for simulation and testing of mechatronic systems, which are supplemented by an electronic design automation (EDA) software portfolio, the Mendix cloud-native low-code application development platform and digital marketplaces for the global electronics value chain. It also offers lifecycle and data-driven services.

Smart Infrastructure offers products, systems, solutions, services and software to support the global transition from fossil to renewable energy sources, and the associated transition to smarter, more sustainable buildings and communities.

Mobility combines all Siemens businesses in the area of rail passenger and rail freight transportation, including rail vehicles, rail automation systems and leasing, rail electrification systems, digital and cloud-based solutions and related services,

Siemens Healthineers provides healthcare solutions and services. It develops, manufactures, and sells a diverse range of diagnostic and therapeutic products and services.

Siemens Financial Services provides financing solutions for Siemens' customers as well as other companies in the form of debt and equity investments, offering leasing, lending, working capital and structured financing solutions and a broad range of equipment and project financing.

Reconciliation to Consolidated Financial Statements

Siemens Energy Investment – includes effects of our investment in Siemens Energy. Since the loss of significant influence in fiscal 2024, the remaining equity investment is measured at FVOCI with no impact on Net income.

Siemens Real Estate (SRE) – Siemens Real Estate is responsible for uniform and comprehensive management of Company real estate worldwide (except for Siemens Healthineers) and supports the industrial businesses and corporate activities with customer-specific real estate solutions.

Innovation – mainly includes results from our units Technology and Next47.

Governance – primarily includes Siemens brand fees and governance costs, group managing costs and corporate services.

Centrally carried pension expense – includes the Company's pension related income (expense) not allocated to the segments or to Siemens Real Estate.

Financing, eliminations and other items – comprise activities of Advanta and Global Business Services, results from corporate projects, equity interests and activities generally intended for closure as well as activities remaining from divestments, consolidation of transactions within the segments, certain reconciliation and reclassification items as well as central financing activities. It also includes interest income and expense, such as, for example, interest not allocated to segments (referred to as financing interest), interest related to central financing activities or resulting consolidation and reconciliation effects on interest. As a result of Innomotics being classified as discontinued operation in fiscal 2024, remaining activities of the previous Portfolio Companies (being Siemens Logistics and certain regional business activities) were moved to Financing, eliminations and other items; prior period amounts were adjusted retrospectively.

Measurement – Segments

Accounting policies for Segment information are generally the same as those used for the Consolidated Financial Statements. Segment information is disclosed for continuing operations. For internal and segment reporting purposes, intercompany lease transactions, however, are classified as operating leases by the lessor and are accounted for off-balance sheet by the lessee (except for intercompany leases with Siemens Healthineers as lessees). Intersegment transactions are based on market prices.

Revenue

Revenue includes revenue from contracts with customers and revenue from leasing activities. In fiscal 2024 and 2023, lease revenue is €915 million and €1,001 million, respectively. In fiscal 2024 and 2023, Digital industries recognized €6,286 million and €5,067 million revenue, respectively, from its software business, Smart Infrastructure recognized €4,556 million and €4,243 million in its service business. Revenues of Mobility are mainly derived from construction-type business.

Profit

Siemens' Managing Board is responsible for assessing the performance of the segments (chief operating decision maker). The Company's profitability measure of the segments except for SFS is earnings before interest, certain pension costs, income taxes and amortization expenses of intangible assets acquired in business combinations as determined by the chief operating decision maker (Profit). The major categories of items excluded from Profit are described below.

Interest income (expenses) are excluded from Profit. Decision-making regarding financing is typically made at the corporate level.

Decisions on essential pension items are made centrally. Accordingly, Profit primarily includes amounts related to service cost of pension plans only, while all other regularly recurring pension related costs are included in reconciliations in line item Centrally carried pension expense.

Amortization expenses of intangible assets acquired in business combinations are not part of Profit. Furthermore, income taxes are excluded from Profit since income tax is subject to legal structures, which typically do not correspond to the structure of the segments. The effect of certain litigation and compliance issues is excluded from Profit, if such items are not indicative of performance. This may also be the case for items that refer to more than one reportable segment or SRE or have a corporate or central character. Costs for support functions are primarily allocated to the segments.

Profit of the segment SFS

In contrast to performance measurement principles applied to other segments, interest income and expenses are included, since interest is an important source of revenue and expense of SFS. SFS discloses interest income and expenses comparable to banks.

Asset measurement principles

Management determined Assets (Net capital employed) as a measure to assess capital intensity of the segments except for SFS. Its definition corresponds to the Profit measure except for amortization expenses of intangible assets acquired in business combinations which are not part of Profit, however, the related intangible assets are included in the segments' Assets. Segment Assets is based on Total assets of the Consolidated Statements of Financial Position, primarily excluding intragroup financing receivables, tax related assets and assets of discontinued operations, since the corresponding positions are excluded from Profit. The remaining assets are reduced by non-interest-bearing liabilities other than tax related liabilities, e.g. trade payables, to derive Assets. In contrast, Assets of SFS is Total assets. In individual cases assets of Mobility include project-specific intercompany financing of long-term projects. Assets of Siemens Healthineers include real estate, while real estate of all other segments is carried at SRE.

Orders

Orders are determined principally as estimated revenue of accepted purchase orders for which enforceable rights and obligations exist as well as subsequent order value changes and adjustments, excluding letters of intent. To determine orders, Siemens considers termination rights and customer's creditworthiness.

As of September 30, 2024, and 2023, order backlog totaled €113 billion and €109 billion; thereof Digital Industries €9 billion and €11 billion, Smart Infrastructure €18 billion and €16 billion, Mobility €48 billion and €45 billion and Siemens Healthineers €35 billion and €34 billion. In fiscal 2025, Siemens expects to convert approximately €42 billion of the September 30, 2024 order backlog into revenue; thereof at Digital Industries approximately €6 billion, Smart Infrastructure approximately €13 billion, Mobility approximately €11 billion and Siemens Healthineers approximately €11 billion.

Free cash flow definition

Free cash flow of the segments constitutes cash flows from operating activities less additions to intangible assets and property, plant and equipment. Except for SFS, it excludes financing interest, except for cases where interest on qualifying assets is capitalized or classified as contract costs; it also excludes income tax as well as certain other payments and proceeds. Free cash flow of SFS includes related financing interest payments and proceeds; income tax payments and proceeds of SFS are excluded. In individual cases, free cash flow of Mobility includes project-specific intercompany financing of long-term projects.

Additions to intangible assets and property, plant & equipment

Equals the respective line item of the Consolidated Statement of Cash Flows.

Amortization, depreciation and impairments

Amortization, depreciation and impairments includes depreciation and impairments of property, plant and equipment as well as amortization and impairments of intangible assets each net of reversals of impairment.

Measurement – Siemens Real Estate

Siemens Real Estate applies the measurement principles of SFS.

Reconciliation to Consolidated Financial Statements

Profit

	Fiscal year	
(in millions of €)	2024	2023
Siemens Energy Investment	**479**	668
Siemens Real Estate	**76**	67
Innovation	**(187)**	(195)
Governance	**(308)**	(451)
Centrally carried pension expense	**(63)**	(102)
Amortization of intangible assets acquired in business combinations	**(747)**	(865)
Financing, eliminations and other items	**(48)**	125
Reconciliation to Consolidated Financial Statements	**(800)**	(753)

In fiscal 2024, and 2023, Profit of SFS includes interest income of €2,320 million and €2,005 million, respectively and interest expenses of €1,317 million and €1,048 million, respectively.

Assets

(in millions of €)	Sep 30, 2024	Sep 30, 2023
Siemens Energy Investment	**4,522**	1,801
Assets Siemens Real Estate	**5,284**	5,126
Assets Innovation, Governance and Pensions	**2,026**	1,208
Asset-based adjustments:		
Intragroup financing receivables	**49,834**	56,888
Tax-related assets	**4,352**	3,400
Liability-based adjustments	**36,977**	37,251
Financing, eliminations and other items	**(40,625)**	(47,085)
Reconciliation to Consolidated Financial Statements	**62,369**	58,588

NOTE 30 Information about geographies

	Revenue by location of customers		Revenue by location of companies		Non-current assets	
	Fiscal year		Fiscal year		Sep 30,	
(in millions of €)	2024	2023	2024	2023	2024	2023
Europe, C.I.S., Africa, Middle East	**35,254**	35,428	**36,323**	36,559	**23,664**	23,492
Americas	**23,755**	21,899	**24,563**	21,969	**23,444**	24,844
Asia, Australia	**16,921**	17,555	**15,043**	16,353	**6,110**	6,468
Siemens	**75,930**	74,882	**75,930**	74,882	**53,219**	54,804
thereof Germany	**11,298**	12,194	**13,557**	14,120	**7,634**	7,535
thereof countries outside of Germany	**64,632**	62,688	**62,373**	60,762	**45,584**	47,269
therein U.S.	**20,024**	18,177	**20,988**	18,681	**22,313**	23,644

Non-current assets consist of property, plant and equipment, goodwill and other intangible assets.

NOTE 31 Related party transactions

Joint ventures and associates

Siemens has relationships with many joint ventures and associates in the ordinary course of business whereby Siemens buys and sells a wide variety of products and services generally on arm's length terms. The transactions between continuing operations and joint ventures and associates were as follows:

	Sales of goods and services and other income		Purchases of goods and services and other expenses		Receivables		Liabilities	
	Fiscal Year		Fiscal Year		Sep 30,	Sep 30,	Sep 30,	Sep 30,
(in millions of €)	2024	2023	2024	2023	2024	2023	2024	2023
Joint ventures	**148**	116	**34**	30	**70**	42	**29**	55
Associates	**333**	1,373	**179**	467	**7**	1,436	**41**	777
	482	1,489	**213**	497	**77**	1,478	**70**	832

In fiscal 2024 and 2023, sales of goods and services and other income resulting from transactions between discontinued operations and associates amounted to €37 million and €154 million, respectively. Purchases of goods and services and other expenses resulting from transactions between discontinued operations and associates amounted to €1 million and €20 million, respectively.

Sales of goods and services and other income as well as purchases of goods and services and other expenses resulting from transactions with Siemens Energy were included until December 2023, when Siemens lost significant influence over Siemens Energy. Receivables and liabilities to associates as of September 30, 2023 resulted mainly from Siemens Energy activities which legally remained at Siemens but had economically to be allocated to Siemens Energy.

As of September 30, 2024 and 2023, guarantees to joint ventures and associates amounted to €10 million and €5,098 million, respectively, thereof €5,081 million to associates as of September 30, 2023. The amounts as of September 30, 2023 included mainly obligations from performance and credit guarantees in connection with the Siemens Energy business.

As of September 30, 2024 and 2023, loans given to joint ventures and associates amounted to €116 million and €160 million, therein €95 million and €126 million related to joint ventures, respectively. The related book values amounted to €95 million and €133 million, therein €89 million and €112 million related to joint ventures, respectively.

As of September 30, 2024 and 2023, the Company had commitments to make capital contributions to joint ventures and associates of €68 million and €108 million, therein €54 million and €86 million related to joint ventures, respectively.

Pension entities

As of September 30, 2024 and 2023, lease liabilities resulting from sale and leaseback transactions with pension entities amounted to €260 million and €264 million, respectively.

For information regarding the funding of our post-employment benefit plans see Notes 4 and 17.

Related individuals

In fiscal 2024 and 2023, members of the Managing Board received short-term employee benefits of €16.6 million and €18.8 million. The fair value of share-based compensation amounted to €13.1 million and €10.5 million for 173,692 and 170,111 stock awards, respectively, granted in fiscal 2024 and 2023. In fiscal 2024 and 2023, the Company granted contributions under the BSAV to members of the Managing Board totaling €2.2 million and €2.2 million, respectively.

Therefore, in fiscal 2024 and 2023, compensation and benefits, attributable to members of the Managing Board amounted to €31.9 million and €31.6 million in total, respectively.

In fiscal 2024 and 2023, expense related to share-based compensation amounted to €10.1 million and €8.3 million, respectively, including expenses related to the additional cash payment compensation due to the spin-off of Siemens Energy.

Former members of the Managing Board and their surviving dependents received emoluments within the meaning of Section 314 para. 1 No. 6 b of the German Commercial Code totaling €29.9 million and €24.6 million in fiscal 2024 and 2023, respectively. The defined benefit obligation (DBO) of all pension commitments to former members of the Managing Board and their surviving dependents as of September 30, 2024 and 2023 amounted to €145.5 million and €140.3 million, respectively.

Compensation attributable to members of the Supervisory Board comprised in fiscal 2024 and 2023 base compensation and additional compensation for committee work and amounted to €5.3 million and €5.3 million (including meeting fees), respectively.

In fiscal 2024 and 2023, no other major transactions took place between the Company and the members of the Managing Board and the Supervisory Board.

Some of our board members hold, or in the last year have held, positions of significant responsibility with other entities. We have relationships with almost all of these entities in the ordinary course of our business whereby we buy and sell a wide variety of products and services on arm's length terms.

NOTE 32 Principal accountant fees and services

Fees related to professional services rendered by the Company's principal accountant, PwC for fiscal 2024 and EY for fiscal 2023, are:

	Fiscal year	
(in millions of €)	2024	2023
Audit services	**40.8**	41.2
Other attestation services	**13.4**	3.3
Other services	**0.1**	–
	54.3	44.5

In fiscal 2024, €23.7 million of the total fees related to PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Germany; €15.4 million incurred for audit services and €8.3 million for other attestation services. In fiscal 2023, 39% of the total fees related to Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Germany; €15.2 million incurred for audit services and €2.0 million for other attestation services.

Audit Services relate primarily to services to audit Siemens' Consolidated Financial Statements, to audit the financial statements of Siemens AG and its subsidiaries, to review interim financial statements being integrated into the audit, for project-accompanying IT audits, as well as to audits of the internal control system at service companies. Other Attestation Services include primarily audits of financial statements as well as other attestation services in connection with M&A activities, audits of employee benefit plans, attestation services relating to sustainability reporting, compensation reporting and disclosures in accordance with EU taxonomy, comfort letters and other attestation services required under regulatory requirements, contractually agreed or requested on a voluntary basis.

NOTE 33 Corporate governance

The Managing and Supervisory Boards of Siemens Aktiengesellschaft and of Siemens Healthineers AG, a publicly listed subsidiary of Siemens, provided the declaration required under Section 161 of the German Stock Corporation Act (AktG) on October 1, 2024, and September 30, 2024, respectively. The declarations are available on the company's websites at siemens.com/gcg-code and at corporate.siemens-healthineers.com/investor-relations/corporate-governance.

NOTE 34 Subsequent events

In October 2024, Siemens completed the sale of Innomotics for a preliminary consideration of €3.2 billion, resulting in a preliminary gain after taxes of €2.0 billion, which will be presented in income from discontinued operations, net of income taxes.

In October 2024, Siemens signed an agreement to acquire Altair Engineering Inc. (Altair), U.S., a provider of computational science and artificial intelligence software. Altair shareholders will receive US$113 per share, representing an enterprise value of approximately US$10 billion. Closing of the transaction is subject to customary conditions and is expected within the second half of calendar 2025.

In October 2024, Siemens signed an agreement to dispose the airport logistics business for €0.3 billion (enterprise value). Closing is subject to regulatory approvals and expected in calendar 2025.

NOTE 35 List of subsidiaries and associated companies pursuant to Section 313 para. 2 of the German Commercial Code

September 30, 2024	Equity interest in %
Subsidiaries	
Germany (121 companies)	
Acuson GmbH, Erlangen	**100**[7]
Airport Munich Logistics and Services GmbH, Hallbergmoos	**100**[10]
AIT Applied Information Technologies GmbH & Co. KG, Stuttgart	**100**[9]
AIT Verwaltungs-GmbH, Stuttgart	**100**
Alpha Verteilertechnik GmbH, Cham	**100**[10]
BEFUND24 GmbH, Erlangen	**85**
Berliner Vermögensverwaltung GmbH, Berlin	**100**[10]
Capta Grundstücks-Verwaltungsgesellschaft mbH, Grünwald	**100**
Dade Behring Grundstücks GmbH, Kemnath	**100**
eos.uptrade GmbH, Hamburg	**100**[10]
evosoft GmbH, Nuremberg	**100**[10]
Geisenhausener Entwicklungs Management GmbH, Grünwald	**100**[7]
Geisenhausener Entwicklungs-GmbH & Co. KG, Grünwald	**100**[9]
HaCon Ingenieurgesellschaft mbH, Hanover	**100**[10]
Heliox Leistungselektronik GmbH, Dortmund	**100**
ILLIT Grundstücksverwaltungs-Management GmbH, Grünwald	**85**
Innomotics Beteiligungs-GmbH, Munich	**100**[7]
Innomotics GmbH, Munich	**100**
Innomotics Real Estate GmbH & Co. KG, Nuremberg	**100**[9]
IPGD Grundstücksverwaltungs-Gesellschaft mbH, Grünwald	**100**
KACO new energy GmbH, Neckarsulm	**100**
Khnoton I GmbH, Munich	**100**[7]
KompTime GmbH, Munich	**100**[10]
Kyros 54 GmbH, Munich	**100**[7]
Kyros 58 GmbH, Munich	**100**[7]
Kyros 68 GmbH, Munich	**100**[7]
Kyros 71 GmbH, Munich	**100**[7]
Kyros 72 GmbH, Munich	**100**[7]
Kyros B AG, Munich	**100**[7]
Kyros C AG, Munich	**100**[7]
Moorenbrunn Entwicklungs Management GmbH, Grünwald	**100**[7]
Moorenbrunn Entwicklungs-GmbH & Co. KG, Grünwald	**100**[9]
Next47 GmbH, Munich	**100**[10]
Next47 Services GmbH, Munich	**100**[10]
OPTIO Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Tübingen KG, Grünwald	**100**[9]
REMECH Systemtechnik GmbH, Unterwellenborn	**100**[10]
RISICOM Rückversicherung AG, Grünwald	**100**
Siemens Advanta Solutions GmbH, Munich	**100**[10]
Siemens Bank GmbH, Munich	**100**
Siemens Beteiligungen Europa GmbH, Munich	**100**[10]
Siemens Beteiligungen Inland GmbH, Munich	**100**[10]
Siemens Beteiligungen Management GmbH, Kemnath	**100**[7]
Siemens Beteiligungen USA GmbH, Berlin	**100**[10]
Siemens Beteiligungsverwaltung GmbH & Co. OHG, Kemnath	**100**[9, 12]
Siemens Campus Erlangen Grundstücks-GmbH & Co. KG, Grünwald	**100**[9]
Siemens Campus Erlangen Objekt 3 GmbH & Co. KG, Grünwald	**100**[9]

Siemens Campus Erlangen Objekt 4 GmbH & Co. KG, Grünwald	100[9]
Siemens Campus Erlangen Objekt 5 GmbH & Co. KG, Grünwald	100[9]
Siemens Campus Erlangen Objekt 6 GmbH & Co. KG, Grünwald	100[9]
Siemens Campus Erlangen Objekt 7 GmbH & Co. KG, Grünwald	100[9]
Siemens Campus Erlangen Objektmanagement GmbH, Grünwald	100
Siemens Campus Erlangen Verwaltungs-GmbH, Grünwald	100[7]
Siemens Digital Business Builder GmbH, Munich	100
Siemens Digital Logistics GmbH, Frankenthal	100
Siemens Electronic Design Automation GmbH, Munich	100[10]
Siemens Finance & Leasing GmbH, Munich	100
Siemens Financial Services GmbH, Munich	100[10]
Siemens Fonds Invest GmbH, Munich	100[10]
Siemens Global Innovation Partners Management GmbH, Munich	100[7]
Siemens Healthcare Diagnostics Products GmbH, Marburg	100
Siemens Healthcare GmbH, Munich	100
Siemens Healthineers AG, Munich	75
Siemens Healthineers Beteiligungen GmbH & Co. KG, Röttenbach	100
Siemens Healthineers Beteiligungen Verwaltungs-GmbH, Röttenbach	100[7]
Siemens Healthineers Holding I GmbH, Munich	100
Siemens Healthineers Holding III GmbH, Munich	100
Siemens Healthineers Innovation GmbH & Co. KG, Röttenbach	100
Siemens Healthineers Innovation Verwaltungs-GmbH, Röttenbach	100[7]
Siemens Immobilien Besitz GmbH & Co. KG, Grünwald	100[9]
Siemens Immobilien Management GmbH, Grünwald	100[7]
Siemens Industriepark Karlsruhe GmbH & Co. KG, Grünwald	100[9]
Siemens Industry Software GmbH, Cologne	100[10]
Siemens Liquidity One, Munich	100
Siemens Logistics GmbH, Nuremberg	100[10]
Siemens Middle East Services GmbH & Co. KG, Munich	100[9, 13]
Siemens Middle East Services LP GmbH, Munich	100
Siemens Mobility GmbH, Munich	100[10]
Siemens Mobility Real Estate GmbH & Co. KG, Grünwald	100[9]
Siemens Mobility Real Estate Management GmbH, Grünwald	100[7]
Siemens Nixdorf Informationssysteme GmbH, Grünwald	100
Siemens OfficeCenter Verwaltungs GmbH, Grünwald	100
Siemens Private Finance Versicherungsvermittlungsgesellschaft mbH, Munich	100[10]
Siemens Project Ventures GmbH, Erlangen	100[10]
Siemens Real Estate Consulting GmbH & Co. KG, Munich	100[9]
Siemens Real Estate Consulting Management GmbH, Grünwald	100
Siemens Real Estate GmbH & Co. KG, Kemnath	100
Siemens Real Estate Management GmbH, Kemnath	100[7]
Siemens Technology Accelerator GmbH, Munich	100[10]
Siemens Technopark Nürnberg GmbH & Co. KG, Grünwald	100[9]
Siemens Traction Gears GmbH, Penig	100[10]
Siemens Trademark GmbH & Co. KG, Kemnath	100[9]
Siemens Trademark Management GmbH, Kemnath	100[7]
Siemens Treasury GmbH, Munich	100[10]
Siemens-Fonds C-1, Munich	100
Siemens-Fonds Pension Captive, Munich	100
Siemens-Fonds S-7, Munich	100
Siemens-Fonds S-8, Munich	100
Siemensstadt C1 GmbH & Co. KG, Grünwald	100[9]
Siemensstadt C1 Verwaltungs GmbH, Grünwald	100[7]
Siemensstadt CX GmbH & Co. KG, Grünwald	100[7]
Siemensstadt CX Verwaltungs GmbH, Grünwald	100[7]
Siemensstadt Grundstücks-GmbH & Co. KG, Grünwald	100[9]

Siemensstadt Management GmbH, Grünwald	100[7]
Siemensstadt SPE GmbH & Co. KG, Grünwald	100[9]
Siemensstadt SPE Verwaltungs GmbH, Grünwald	100[7]
Siemensstadt SWHH GmbH & Co. KG, Grünwald	100[9]
Siemensstadt SWHH Verwaltungs GmbH, Grünwald	100[7]
Siemensstadt VG GmbH & Co. KG, Grünwald	100[9]
Siemensstadt VG Verwaltungs GmbH, Grünwald	100[7]
SILLIT Grundstücks-Verwaltungsgesellschaft mbH, Munich	100
SIMAR Ost Grundstücks-GmbH, Grünwald	100[10]
Smart Train Lease GmbH, Munich	100[10]
Varian Medical Systems Deutschland GmbH & Co. KG, Darmstadt	100[13]
Varian Medical Systems Haan GmbH, Haan	100
Varian Medical Systems München GmbH, Munich	100
Varian Medical Systems Particle Therapy GmbH & Co. KG, Troisdorf	100[13]
VMS Deutschland Holdings GmbH, Darmstadt	100
VVK Versicherungsvermittlungs- und Verkehrskontor GmbH, Munich	100[10]
WSTECH GmbH, Flensburg	100
Zeleni Holding GmbH, Kemnath	100
Zeleni Real Estate GmbH & Co. KG, Kemnath	100
Europe, Commonwealth of Independent States (C.I.S.), Africa, Middle East (without Germany) (298 companies)	
ESTEL Rail Automation SPA, Algiers / Algeria	51
Siemens Healthineers Algeria E.U.R.L., Hydra / Algeria	100
Siemens Healthineers Oncology Services Algeria E.U.R.L., Hydra / Algeria	100
Siemens Spa, Algiers / Algeria	100
Siemens Industry Software Closed Joint-Stock Company, Yerevan / Armenia	100
Acuson Österreich GmbH, Vienna / Austria	100[7]
ETM professional control GmbH, Eisenstadt / Austria	100
Innomotics GmbH, Vienna / Austria	100
ITH icoserve technology for healthcare GmbH, Innsbruck / Austria	69
Siemens Aktiengesellschaft Österreich, Vienna / Austria	100
Siemens Healthcare Diagnostics GmbH, Vienna / Austria	100
Siemens Industry Software GmbH, Linz / Austria	100
Siemens Konzernbeteiligungen GmbH, Vienna / Austria	100
Siemens Metals Technologies Vermögensverwaltungs GmbH, Vienna / Austria	100
Siemens Mobility Austria GmbH, Vienna / Austria	100
Siemens Personaldienstleistungen GmbH, Vienna / Austria	100
Steiermärkische Medizinarchiv GesmbH, Graz / Austria	52
Varian Medical Systems Gesellschaft mbH, Brunn am Gebirge / Austria	100
VVK Versicherungs-Vermittlungs- und Verkehrs-Kontor GmbH, Vienna / Austria	100
Siemens W.L.L., Manama / Bahrain	51
Innomotics N.V., Beersel / Belgium	100
Siemens Healthcare NV, Groot-Bijgaarden / Belgium	100
Siemens Industry Software NV, Leuven / Belgium	100
Siemens Mobility S.A. / N.V, Beersel / Belgium	100
Siemens S.A./N.V., Beersel / Belgium	100
Thermotec NV, Bornem / Belgium	100
Varian Medical Systems Belgium NV, Groot-Bijgaarden / Belgium	100
Siemens d.o.o. Sarajevo - U Likvidaciji, Sarajevo / Bosnia and Herzegovina	100
Siemens Medicina d.o.o., Sarajevo / Bosnia and Herzegovina	100
Siemens EOOD, Sofia / Bulgaria	100
Siemens Healthcare EOOD, Sofia / Bulgaria	100
Siemens Mobility EOOD, Sofia / Bulgaria	100
Varinak Bulgaria EOOD, Sofia / Bulgaria	100
Siemens d.d., Zagreb / Croatia	100
Siemens Healthcare d.o.o., Zagreb / Croatia	100

Innomotics, s.r.o., Brno / Czech Republic	100
OEZ s.r.o., Letohrad / Czech Republic	100
Siemens Healthcare, s.r.o., Prague / Czech Republic	100
Siemens Industry Software, s.r.o., Prague / Czech Republic	100
Siemens Mobility, s.r.o., Prague / Czech Republic	100
Siemens, s.r.o., Prague / Czech Republic	100
Innomotics A/S, Ballerup / Denmark	100
Siemens A/S, Ballerup / Denmark	100
Siemens Healthcare A/S, Ballerup / Denmark	100
Siemens Industry Software A/S, Ballerup / Denmark	100
Siemens Mobility A/S, Ballerup / Denmark	100
Siemens Healthcare Logistics LLC, Cairo / Egypt	100
Siemens Healthcare S.A.E., Cairo / Egypt	100
Siemens Industrial LLC, New Cairo / Egypt	100
Siemens Industry Software (A Limited Liability Company - Private Free Zone), New Cairo / Egypt	100
Siemens Mobility Egypt LLC, Cairo / Egypt	100
Siemens Healthcare Oy, Espoo / Finland	100
Siemens Industry Software Oy, Espoo / Finland	100
Siemens Mobility Oy, Espoo / Finland	100
Siemens Osakeyhtiö, Espoo / Finland	100
Varian Medical Systems Finland OY, Helsinki / Finland	100
VIBECO - Virtual Buildings Ecosystem Oy, Espoo / Finland	100
Acuson France SAS, Courbevoie / France	100[7]
BLOCK IMAGING SAS, Weyersheim / France	100
Innomotics SAS, Saint-Priest / France	100
Padam Mobility SAS, Paris / France	100
PETNET Solutions SAS, Lisses / France	100
Siemens Electronic Design Automation SARL, Meudon La Forêt / France	100
Siemens Financial Services SAS, Courbevoie / France	100
Siemens France Holding SAS, Courbevoie / France	100
Siemens Healthcare SAS, Courbevoie / France	100
Siemens Industry Software SAS, Châtillon / France	100
Siemens Lease Services SAS, Courbevoie / France	100
Siemens Logistics SAS, Saint-Denis / France	100
Siemens Mobility SAS, Châtillon / France	100
Siemens SAS, Courbevoie / France	100
Sqills IT Services SAS, Paris / France	100
Varian Medical Systems France SARL, Le Plessis-Robinson / France	100
Wattsense SAS, Champagne-au-Mont-d'Or / France	100
Siemens Electrotechnical Projects and Products Single Member Societe Anonyme, Athens / Greece	100
SIEMENS HEALTHINEERS HELLAS SINGLE MEMBER SOCIETE ANONYME, Marousi / Greece	100
SIEMENS MOBILITY RAIL AND ROAD TRANSPORTATION SOLUTIONS SINGLE-MEMBER SOCIETE ANONYME, Athens / Greece	100
evosoft Hungary Szamitastechnikai Kft., Budapest / Hungary	100
Siemens Healthcare Kft., Budapest / Hungary	100
Siemens Industry Software Kft., Budapest / Hungary	100
Siemens Mobility Kft., Budapest / Hungary	100
Siemens Zrt., Budapest / Hungary	100
Varian Medical Systems Hungary Kft., Budapest / Hungary	100
Mentor Graphics (Holdings) Unlimited Company, Shannon, County Clare / Ireland	100[13]
Mentor Graphics Development Services Limited, Shannon, County Clare / Ireland	100
Siemens Electronic Design Automation Limited, Shannon, County Clare / Ireland	100[7]
Siemens Healthcare Diagnostics Manufacturing Limited, Swords, County Dublin / Ireland	100
Siemens Healthcare Medical Solutions Limited, Swords, County Dublin / Ireland	100
Siemens Industry Software Limited, Shannon, County Clare / Ireland	100
Siemens Limited, Dublin / Ireland	100
Siemens Concentrated Solar Power Ltd., Rosh Ha'ayin / Israel	100

Siemens Electronic Design Automation Ltd, Herzilya Pituah / Israel	**100**
Siemens HealthCare Ltd., Rosh Ha'ayin / Israel	**100**
Siemens Industry Operations Ltd., Rosh Ha'ayin / Israel	**100**[7]
Siemens Industry Software Ltd., Airport City / Israel	**100**
Siemens Ltd., Rosh Ha'ayin / Israel	**100**
Siemens Mobility Ltd., Rosh Ha'ayin / Israel	**100**
Siemens Mobility Operations Ltd., Rosh Ha'ayin / Israel	**100**[7]
UGS Israeli Holdings (Israel) Ltd., Airport City / Israel	**100**
Acuson Italy S.r.l., Milan / Italy	**100**[7]
Innomotics S.r.l., Milan / Italy	**100**
Siemens Healthcare S.r.l., Milan / Italy	**100**
Siemens Industry Software S.r.l., Milan / Italy	**100**
Siemens Logistics S.r.l., Milan / Italy	**100**
Siemens Mobility S.r.l., Milan / Italy	**100**
Siemens S.p.A., Milan / Italy	**100**
Varian Medical Systems Italia S.p.A., Milan / Italy	**100**
Innomotics Limited Liability Partnership, Almaty / Kazakhstan	**100**
Siemens Healthcare Limited Liability Partnership, Almaty / Kazakhstan	**100**
Siemens TOO, Almaty / Kazakhstan	**100**
VMS Kenya, Ltd, Nairobi / Kenya	**100**
Innomotics Company for Repairing & Maintenance of Light & Heavy Equipment, W.L.L, Ahmadi / Kuwait	**49**[2]
Siemens Industrial Business Co. For Electrical, Electronic and Mechanical Contracting WLL, Kuwait City / Kuwait	**49**[2]
Crabtree (Pty) Ltd, Maseru / Lesotho	**100**
Atruvi Invest Management S.à.r.l, Munsbach / Luxembourg	**100**[7]
FAST TRACK DIAGNOSTICS LUXEMBOURG S.à r.l., Esch-sur-Alzette / Luxembourg	**100**
TFM International S.A. i.L., Luxembourg / Luxembourg	**100**
FTD Europe Ltd, Birkirkara / Malta	**100**
CTSI (Mauritius), Ltd, Ebene / Mauritius	**100**
Varian Medical Systems Mauritius Ltd., Ebene / Mauritius	**100**
BLACKSEA-EMS S.R.L., Straseni / Moldova, Republic of	**100**
Siemens Healthcare SARL, Casablanca / Morocco	**100**
Siemens Industry Software SARL, Sala Al Jadida / Morocco	**100**
Siemens SARLAU, Casablanca / Morocco	**100**
Castor III B.V., The Hague / Netherlands	**100**
ChargeSight B.V., Veldhoven / Netherlands	**100**
Chronos B.V., Enschede / Netherlands	**100**
Heliox Automotive B.V., Veldhoven / Netherlands	**100**
Heliox Power Driven B.V., Veldhoven / Netherlands	**100**
LED Driven B.V., Breda / Netherlands	**100**
Mendix Technology B.V., Rotterdam / Netherlands	**100**
Pollux III B.V., The Hague / Netherlands	**100**
Recoy B.V., Veldhoven / Netherlands	**100**
Siemens Electronic Design Automation B.V., Eindhoven / Netherlands	**100**
Siemens eMobility Holding B.V., Veldhoven / Netherlands	**100**
Siemens Finance B.V., The Hague / Netherlands	**100**
Siemens Financieringsmaatschappij N.V., The Hague / Netherlands	**100**
Siemens Healthineers Holding I B.V., The Hague / Netherlands	**100**
Siemens Healthineers Holding III B.V., The Hague / Netherlands	**100**
Siemens Healthineers Holding IV B.V., The Hague / Netherlands	**100**
Siemens Healthineers Holding V B.V., The Hague / Netherlands	**100**
Siemens Healthineers Nederland B.V., The Hague / Netherlands	**100**
Siemens Industry Software Netherlands B.V., Eindhoven / Netherlands	**100**
Siemens International Holding B.V., The Hague / Netherlands	**100**
Siemens Mobility B.V., Zoetermeer / Netherlands	**100**
Siemens Mobility Holding B.V., The Hague / Netherlands	**100**
Siemens Nederland N.V., The Hague / Netherlands	**100**

Sqills Products B.V., Enschede / Netherlands	100
TASS International B.V., Helmond / Netherlands	100
Varian Medical Systems Nederland B.V., Houten / Netherlands	100
Innomotics AS, Oslo / Norway	100
Siemens AS, Oslo / Norway	100
Siemens Healthcare AS, Oslo / Norway	100
Siemens Mobility AS, Oslo / Norway	100
Siemens Industrial LLC, Muscat / Oman	51
Siemens Healthcare (Private) Limited, Lahore / Pakistan	100
SIEMENS INDUSTRY SOFTWARE (PRIVATE) LIMITED, Lahore / Pakistan	100
Siemens Pakistan Engineering Co. Ltd., Karachi / Pakistan	75
Innomotics Sp. z o.o., Katowice / Poland	100
Siemens Finance Sp. z o.o., Warsaw / Poland	100
Siemens Healthcare Sp. z o.o., Warsaw / Poland	100
Siemens Industry Software Sp. z o.o., Warsaw / Poland	100
Siemens Mobility Sp. z o.o., Warsaw / Poland	100
Siemens Sp. z o.o., Warsaw / Poland	100
Varian Medical Systems Poland Sp. z o.o., Warsaw / Poland	100
SIEMENS HEALTHCARE, UNIPESSOAL, LDA, Amadora / Portugal	100
Siemens Logistics, Unipessoal Lda, Lisbon / Portugal	100
SIEMENS MOBILITY, UNIPESSOAL LDA, Amadora / Portugal	100
Siemens S.A., Amadora / Portugal	100
Innomotics Motors and Large Drives W.L.L., Doha / Qatar	55
Siemens W.L.L., Doha / Qatar	55
INNOMOTICS S.R.L., Sibiu / Romania	100
Siemens Healthcare S.R.L., Bucharest / Romania	100
Siemens Industry Software S.R.L., Brasov / Romania	100
Siemens Mobility S.R.L., Bucharest / Romania	100
Siemens S.R.L., Bucharest / Romania	100
SIMEA SIBIU S.R.L., Sibiu / Romania	100
Varinak Europe SRL (Romania), Pantelimon / Romania	100
Siemens Healthcare Limited Liability Company, Moscow / Russian Federation	100
Varian Medical Systems (RUS) Limited Liability Company, Moscow / Russian Federation	100
Arabia Electric Ltd. (Equipment), Jeddah / Saudi Arabia	51
Innomotics Ltd., Khobar / Saudi Arabia	51
Siemens Healthcare Limited, Riyadh / Saudi Arabia	51
Siemens Healthineers Diagnostics Ltd, Riyadh / Saudi Arabia	100
Siemens Healthineers Regional Headquarter, Riyadh / Saudi Arabia	100
Siemens Ltd., Riyadh / Saudi Arabia	51
Siemens Mobility Saudi Ltd, Khobar / Saudi Arabia	51
Siemens Regional Headquarters Ltd., Jeddah / Saudi Arabia	100
Varian Medical Systems Arabia Commercial Limited, Riyadh / Saudi Arabia	75
Innomotics d.o.o. Beograd, Belgrade / Serbia	100
Siemens d.o.o. Beograd, Belgrade / Serbia	100
Siemens Healthcare d.o.o. Beograd, Belgrade / Serbia	100
Siemens Industry Software doo Beograd, Belgrade / Serbia	100
Siemens Mobility d.o.o. Cerovac, Kragujevac / Serbia	100
Acuson Slovakia s. r. o., Bratislava / Slovakia	100[7]
HMH, s.r.o., Bratislava / Slovakia	100
Innomotics, s.r.o., Bratislava / Slovakia	100
OEZ Slovakia, spol. s r.o., Bratislava / Slovakia	100
Rolling Stock Services Bratislava s.r.o., Bratislava / Slovakia	60
SAT Systémy automatizacnej techniky spol. s.r.o., Bratislava / Slovakia	60
Siemens Healthcare s.r.o., Bratislava / Slovakia	100
Siemens Mobility, s.r.o., Bratislava / Slovakia	100
Siemens s.r.o., Bratislava / Slovakia	100

SIPRIN s.r.o., Bratislava / Slovakia	100
Siemens Healthcare d.o.o., Ljubljana / Slovenia	100
Siemens Mobility d.o.o., Ljubljana / Slovenia	100
Siemens Trgovsko in storitveno podjetje, d.o.o., Ljubljana / Slovenia	100
Crabtree South Africa Pty. Limited, Midrand / South Africa	100
Innomotics (Pty) Ltd., Midrand / South Africa	100
Innomotics Employee Ownership Trust, Johannesburg / South Africa	–[3]
KACO NEW ENERGY AFRICA (PTY) LTD, Midrand / South Africa	100
Siemens Employee Share Ownership Trust, Johannesburg / South Africa	–[3]
Siemens Healthcare Employee Share Ownership Trust, Midrand / South Africa	–[3]
Siemens Healthcare Proprietary Limited, Halfway House / South Africa	90
SIEMENS INDUSTRY SOFTWARE SA (PTY) LTD, Pretoria / South Africa	100
Siemens Mobility (Pty) Ltd, Randburg / South Africa	75
Siemens Proprietary Limited, Midrand / South Africa	85
S´Mobility Employee Stock Ownership Trust, Johannesburg / South Africa	–[3]
Fábrica Electrotécnica Josa, S.A.U., Tres Cantos / Spain	100
Heliox Charging Solutions Iberica S.L.U., Sant Cugat del Valles / Spain	100
Innomotics, S.L., Madrid / Spain	100
Innovation Strategies, S.L., Palma / Spain	100
Siemens Campus Madrid, S.L., Madrid / Spain	100
Siemens Financial Services S.A.U, Madrid / Spain	100
SIEMENS HEALTHCARE, S.L.U., Madrid / Spain	100
Siemens Industry Software S.L., Tres Cantos / Spain	100
Siemens Logistics S.L. Unipersonal, Madrid / Spain	100
SIEMENS MOBILITY, S.L.U., Tres Cantos / Spain	100
Siemens Rail Automation S.A.U., Tres Cantos / Spain	100
Siemens S.A., Madrid / Spain	100
Telecomunicación, Electrónica y Conmutación S.A., Madrid / Spain	100
Varian Medical Systems Iberica SL, Madrid / Spain	100
WSTECH Energy Global, S.L., Viladecans / Spain	100
Heliox Sverige AB, Gothenburg / Sweden	100
Innomotics AB, Solna / Sweden	100
Siemens AB, Solna / Sweden	100
Siemens Electronic Design Automation AB, Solna / Sweden	100
Siemens Financial Services AB, Solna / Sweden	100
Siemens Healthcare AB, Solna / Sweden	100
Siemens Industry Software AB, Solna / Sweden	100
Siemens Mobility AB, Solna / Sweden	100
Siemens Healthineers International AG, Steinhausen / Switzerland	100
Siemens Industry Software GmbH, Zurich / Switzerland	100
Siemens Mobility AG, Wallisellen / Switzerland	100
Siemens Schweiz AG, Zurich / Switzerland	100
Varian Medical Systems Imaging Laboratory GmbH, Dättwil / Switzerland	100
Siemens Tanzania Ltd. i.L., Dar es Salaam / Tanzania	100
Siemens Industry Software SARL, Tunis / Tunisia	100
Siemens Mobility S.A.R.L., Tunis / Tunisia	100
Siemens S.A., Tunis / Tunisia	100
Innomotics Motorlar Ve Yüksek Güclü Sürücüler Anonim Sirketi, Istanbul / Türkiye	100
Siemens AG - Siemens Sanayi Ve Ticaret AS Velaro Joint Venture, Kartal - Istanbul / Türkiye	100[12, 13]
Siemens Finansal Kiralama A.S., Istanbul / Türkiye	100
Siemens Healthcare Saglik Anonim Sirketi, Istanbul / Türkiye	100
Siemens Industry Software Yazilim Hizmetleri Anonim Sirketi, Istanbul / Türkiye	100
Siemens Mobility Ulasim Sistemleri Anonim Sirketi, Istanbul / Türkiye	100
Siemens Sanayi ve Ticaret Anonim Sirketi, Istanbul / Türkiye	100
Sqills Turkey Bilgi Teknolojileri Ticaret Limited Sirketi, Istanbul / Türkiye	100
V.O.S.S. Varinak Onkoloji Sistemleri Satis Ve Servis Anonim Sirketi, Istanbul / Türkiye	100

100% foreign owned subsidiary "Siemens Ukraine", Kiev / Ukraine	**100**
SIEMENS HEALTHCARE LIMITED LIABILITY COMPANY, Kiev / Ukraine	**100**
Acuson Middle East FZ LLC, Dubai / United Arab Emirates	**100**[7]
Innomotics Contracting LLC, Abu Dhabi / United Arab Emirates	**49**[2]
PSE Software and Consulting L.L.C., Abu Dhabi / United Arab Emirates	**49**[2]
SD (Middle East) LLC, Dubai / United Arab Emirates	**100**
Siemens Capital Middle East Ltd, Abu Dhabi / United Arab Emirates	**100**
Siemens Healthcare FZ LLC, Dubai / United Arab Emirates	**100**
Siemens Healthcare L.L.C., Dubai / United Arab Emirates	**49**[2]
Siemens Industrial LLC, Masdar City / United Arab Emirates	**49**[2]
Siemens Middle East Limited, Masdar City / United Arab Emirates	**100**
SIEMENS MOBILITY LLC, Dubai / United Arab Emirates	**49**[2]
Acuson United Kingdom Ltd., Camberley, Surrey / United Kingdom	**100**[7]
Brightly Software Limited, Farnborough, Hampshire / United Kingdom	**100**
Electrium Sales Limited, Farnborough, Hampshire / United Kingdom	**100**
Heliox Energy Ltd., Farnborough, Hampshire / United Kingdom	**100**
Henley Bidco Limited, Farnborough, Hampshire / United Kingdom	**100**
Henley Topco Limited, Farnborough, Hampshire / United Kingdom	**100**
Innomotics Motors and Large Drives Limited, Manchester / United Kingdom	**100**
Project Ventures Rail Investments I Limited, Farnborough, Hampshire / United Kingdom	**100**
SBS Pension Funding (Scotland) Limited Partnership, Edinburgh / United Kingdom	**57**[3]
Siemens Electronic Design Automation Ltd, Farnborough, Hampshire / United Kingdom	**100**
Siemens Financial Services Ltd., Stoke Poges, Buckinghamshire / United Kingdom	**100**
Siemens Healthcare Diagnostics Ltd, Camberley, Surrey / United Kingdom	**100**
Siemens Healthcare Diagnostics Manufacturing Ltd, Camberley, Surrey / United Kingdom	**100**
Siemens Healthcare Diagnostics Products Ltd, Camberley, Surrey / United Kingdom	**100**
Siemens Healthcare Limited, Camberley, Surrey / United Kingdom	**100**
Siemens Holdings plc, Farnborough, Hampshire / United Kingdom	**100**
Siemens Industry Software Computational Dynamics Limited, Farnborough, Hampshire / United Kingdom	**100**
Siemens Industry Software Limited, Farnborough, Hampshire / United Kingdom	**100**
Siemens Mobility Limited, London / United Kingdom	**100**
Siemens Pension Funding (General) Limited, Farnborough, Hampshire / United Kingdom	**100**
Siemens Pension Funding Limited, Farnborough, Hampshire / United Kingdom	**100**
Siemens plc, Farnborough, Hampshire / United Kingdom	**100**
Siemens Process Systems Engineering Limited, Farnborough, Hampshire / United Kingdom	**100**
Siemens Rail Automation Limited, London / United Kingdom	**100**
Varian Medical Systems UK Holdings Limited, Ringwood, Hampshire / United Kingdom	**100**
Varian Medical Systems UK Limited, Crawley, West Sussex / United Kingdom	**100**
Vendigital Limited, Farnborough, Hampshire / United Kingdom	**100**
Americas (129 companies)	
Innomotics S.A., Buenos Aires / Argentina	**100**
Siemens Healthcare S.A., Buenos Aires / Argentina	**100**
Siemens IT Services S.A., Buenos Aires / Argentina	**100**
Siemens Mobility S.A., Buenos Aires / Argentina	**100**
Siemens S.A., Buenos Aires / Argentina	**100**
Acuson Brasil Ltda., Joinville / Brazil	**100**[7]
Innomotics Motores e Grandes Conversores Ltda, Jundiaí / Brazil	**100**
Siemens Healthcare Diagnósticos Ltda., São Paulo / Brazil	**100**
Siemens Industry Software Ltda., São Caetano do Sul / Brazil	**100**
Siemens Infraestrutura e Indústria Ltda., São Paulo / Brazil	**100**
Siemens Mobility Soluções de Mobilidade Ltda., São Paulo / Brazil	**100**
Siemens Participações Ltda., São Paulo / Brazil	**100**
Varian Medical Systems Brasil Ltda., Jundiaí / Brazil	**100**
Dade Behring Hong Kong Holdings Corporation, Tortola / British Virgin Islands	**100**
Brightly Software Canada, Inc., Oakville / Canada	**100**

EPOCAL INC., Toronto / Canada	100
Innomotics Inc., Oakville / Canada	100
Siemens Canada Limited, Oakville / Canada	100
Siemens Electronic Design Automation ULC, Vancouver / Canada	100[13]
Siemens Financial Ltd., Oakville / Canada	100
Siemens Healthcare Limited, Oakville / Canada	100
Siemens Industry Software ULC, Vancouver / Canada	100[13]
SIEMENS MOBILITY LIMITED, Oakville / Canada	100
Varian Medical Systems Canada, Inc., Ottawa / Canada	100
Innomotics S.A., Santiago de Chile / Chile	100
Siemens Healthcare Equipos Médicos Sociedad por Acciones, Santiago de Chile / Chile	100
Siemens Mobility SpA, Santiago de Chile / Chile	100
Siemens S.A., Santiago de Chile / Chile	100
Innomotics S.A.S., Tenjo / Colombia	100
J. Restrepo Equiphos S.A.S, Bogotá / Colombia	100
Siemens Healthcare S.A.S., Tenjo / Colombia	100
Siemens S.A.S., Tenjo / Colombia	100
Siemens Healthcare Diagnostics S.A., San José / Costa Rica	100
Siemens Mobility, S.R.L., Santo Domingo / Dominican Republic	100
Siemens S.A., Quito / Ecuador	100
Siemens-Healthcare Cia. Ltda., Quito / Ecuador	100
Siemens Healthcare, Sociedad Anonima, Antiguo Cuscatlán / El Salvador	100
Siemens S.A., Antiguo Cuscatlán / El Salvador	100
Siemens S.A., Guatemala / Guatemala	100
Acuson México, S. de R.L. de C.V., Mexico City / Mexico	100[7]
Grupo Siemens S.A. de C.V., Mexico City / Mexico	100
Indústria de Trabajos Eléctricos S.A. de C.V., Ciudad Juárez / Mexico	100
Innomotics Motors, S. de R.L. de C.V., Mexico City / Mexico	100
Siemens Healthcare Diagnostics, S. de R.L. de C.V., Mexico City / Mexico	100
Siemens Industry Software, S.A. de C.V., Mexico City / Mexico	100
Siemens Inmobiliaria S.A. de C.V., Mexico City / Mexico	100
Siemens Logistics S. de R.L. de C.V., Mexico City / Mexico	100
Siemens Mobility S. de R.L. de C.V., Mexico City / Mexico	100
SIEMENS SERVICIOS COMERCIALES SA DE CV, SOFOM, ENR, Mexico City / Mexico	100
Siemens, S.A. de C.V., Mexico City / Mexico	100
Innomotics S.A., Panama City / Panama	100
Innomotics S.A.C., Surquillo / Peru	100
Siemens Healthcare S.A.C., Surquillo / Peru	100
Siemens Mobility S.A.C., Lima / Peru	100
Siemens S.A.C., Surquillo / Peru	100
Varian Medical Systems Puerto Rico, LLC, Guaynabo / Puerto Rico	100
Acuson Holding LLC, Wilmington, DE / United States	100[7]
Acuson, LLC, Wilmington, DE / United States	100[7]
Alteriix, LLC, Wilmington, DE / United States	100
Associates in Medical Physics, LLC, Greenbelt, MD / United States	100
Block Imaging International, LLC, Wilmington, DE / United States	100
Block Imaging Parts & Service, LLC, Holt, MI / United States	100
Block Imaging Technical Excellence, LLC, Holt, MI / United States	100
Brightly Software, Inc., Wilmington, DE / United States	100
Building Robotics Inc., Wilmington, DE / United States	100
Corindus, Inc., Wilmington, DE / United States	100
D3 Oncology Inc., Wilmington, DE / United States	100
ECG Acquisition, Inc., Wilmington, DE / United States	100
ECG TopCo Holdings, LLC, Wilmington, DE / United States	83
Executive Consulting Group, LLC, Wilmington, DE / United States	100
Healthcare Technology Management, LLC, Wilmington, DE / United States	78

Heliox Technology Inc., Dover, DE / United States	**100**
Innomotics LLC, Wilmington, DE / United States	**100**
J2 Innovations, Inc., Los Angeles, CA / United States	**100**
Keystone Physics Limited, Millersville, PA / United States	**100**
Mannesmann Corporation, New York, NY / United States	**100**
Mansfield Insurance Company, Jeffersonville, VT / United States	**100**
Medical Physics Holdings, LLC, Dover, DE / United States	**100**
Next47 Fund 2018, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2019, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2020, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2021, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2022, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2023, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2024, L.P., Palo Alto, CA / United States	**100**
Next47 Fund 2025, L.P., Palo Alto, CA / United States	**100**
Next47 Inc., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2018, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2019, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2020, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2021, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2022, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2023, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2024, L.P., Wilmington, DE / United States	**100**
Next47 Mid-Tier GP 2025, L.P., Wilmington, DE / United States	**100**
Next47 TTGP, L.L.C., Wilmington, DE / United States	**100**
P.E.T.NET Houston, LLC, Austin, TX / United States	**51**
Page Mill Corporation, Boston, MA / United States	**100**
PETNET Indiana, LLC, Indianapolis, IN / United States	**50**[1]
PETNET Solutions Cleveland, LLC, Wilmington, DE / United States	**63**
PETNET Solutions, Inc., Knoxville, TN / United States	**100**
Radiation Management Associates, LLC, Greenbelt, MD / United States	**100**
Rail-Term LLC, Plymouth, MI / United States	**100**
Siemens Capital Company LLC, Wilmington, DE / United States	**100**
Siemens Corporation, Wilmington, DE / United States	**100**
Siemens Financial Services, Inc., Wilmington, DE / United States	**100**
Siemens Financial, Inc., Wilmington, DE / United States	**100**
Siemens Government Technologies, Inc., Wilmington, DE / United States	**100**
Siemens Healthcare Diagnostics Inc., Los Angeles, CA / United States	**100**
Siemens Healthcare Laboratory, LLC, Wilmington, DE / United States	**100**
Siemens Healthineers Holdings, LLC, Wilmington, DE / United States	**100**
Siemens Industry Software Inc., Wilmington, DE / United States	**100**
Siemens Industry, Inc., Wilmington, DE / United States	**100**
Siemens Logistics LLC, Wilmington, DE / United States	**100**
Siemens Medical Solutions USA, Inc., Wilmington, DE / United States	**100**
Siemens Mobility, Inc, Wilmington, DE / United States	**100**
Siemens Public, Inc., Iselin, NJ / United States	**100**
Siemens USA Holdings, Inc., Wilmington, DE / United States	**100**
SMI Holding LLC, Wilmington, DE / United States	**100**
Supplyframe, Inc., Glendale, CA / United States	**100**
Varian BioSynergy, Inc., Wilmington, DE / United States	**100**
Varian Medical Systems Africa Holdings, Inc., Wilmington, DE / United States	**100**
Varian Medical Systems India Private Limited, Wilmington, DE / United States	**100**
Varian Medical Systems International Holdings, Inc., Wilmington, DE / United States	**100**
Varian Medical Systems Latin America, Ltd., Wilmington, DE / United States	**100**
Varian Medical Systems Pacific, Inc., Wilmington, DE / United States	**100**
Varian Medical Systems, Inc., Wilmington, DE / United States	**100**

Siemens S.A., Montevideo / Uruguay	100
Siemens Rail Automation, C.A., Caracas / Venezuela	100
Asia, Australia (157 companies)	
Australia Hospital Holding Pty Limited, Bayswater / Australia	100
Brightly Software Australia Pty Ltd, Sydney / Australia	100
Brightly Software Holdings Pty. Ltd., Sydney / Australia	100
Exemplar Health (NBH) 2 Pty Limited, Bayswater / Australia	100[7]
Exemplar Health (NBH) Holdings 2 Pty Limited, Bayswater / Australia	100
Exemplar Health (NBH) Trust 2, Bayswater / Australia	100
Innomotics Pty Ltd, Bayswater / Australia	100
Project Ventures Rail Investments (SMWSA) Pty Ltd, Bayswater / Australia	100
Siemens Healthcare Pty. Ltd., Hawthorn East / Australia	100
Siemens Industry Software Pty Ltd, Bayswater / Australia	100
Siemens Ltd., Bayswater / Australia	100
Siemens Mobility Pty Ltd, Melbourne / Australia	100
SIEMENS RAIL AUTOMATION PTY. LTD., Bayswater / Australia	100
Varian Medical Systems Australasia Pty Ltd., Belrose / Australia	100
Siemens Healthcare Ltd., Dhaka / Bangladesh	100
Siemens Industrial Limited, Dhaka / Bangladesh	100
Acuson (Shanghai) Co., Ltd., Shanghai / China	100[7]
Beijing Siemens Cerberus Electronics Ltd., Beijing / China	100
Green Matrix (Suzhou) Network Technology Co., Ltd., Suzhou / China	100
Hangzhou Alicon Pharm Sci & Tec Co., Ltd., Hangzhou / China	100
Innomotics Electrical Large Drives (Shanghai) Ltd., Shanghai / China	100
Innomotics Large Drives (Shanghai) Co., Ltd., Shanghai Pilot Free Trade Zone / China	100
Innomotics Large Motors (Tianjin) Ltd., Tianjin / China	85
Innomotics Mechanical Drives (Tianjin) Co., Ltd., Tianjin / China	100
Innomotics Standard Motors Ltd., Yizheng / China	100
Scion Medical Technologies (Shanghai) Ltd., Shanghai / China	100
Siemens Building Technologies (Tianjin) Ltd., Tianjin / China	70
Siemens Circuit Protection Systems Ltd., Shanghai, Shanghai / China	75
Siemens Commercial Factoring Ltd., Shanghai / China	100
Siemens Digital Technology (Shenzhen) Co., Ltd., Shenzhen / China	100
Siemens Electrical Apparatus Ltd., Suzhou, Suzhou / China	100
Siemens Electrical Drives Ltd., Tianjin / China	85
Siemens Electronic Design Automation (Shanghai) Co., Ltd., Shanghai Pilot Free Trade Zone / China	100
Siemens Factory Automation Engineering Ltd., Beijing / China	100
Siemens Finance and Leasing Ltd., Beijing / China	100
Siemens Financial Services Ltd., Beijing / China	100
Siemens Healthcare Diagnostics Manufacturing Ltd., Shanghai, Shanghai / China	100
Siemens Healthineers Diagnostics (Shanghai) Co., Ltd., Shanghai / China	100
Siemens Healthineers Digital Technology (Shanghai) Co., Ltd., Shanghai / China	100
Siemens Healthineers Ltd., Shanghai / China	100
Siemens Industrial Automation Products Ltd., Chengdu, Chengdu / China	100
Siemens Industry Software (Beijing) Co., Ltd., Beijing / China	100
Siemens Industry Software (Shanghai) Co., Ltd., Shanghai / China	100
Siemens Intelligent Signalling Technologies Co. Ltd., Foshan, Foshan / China	60
Siemens International Trading Ltd., Shanghai, Shanghai / China	100
Siemens Logistics Automation Systems (Beijing) Co., Ltd, Beijing / China	100
Siemens Ltd., China, Beijing / China	100
Siemens Manufacturing and Engineering Centre Ltd., Shanghai / China	51
Siemens Mechatronics Technology JiangSu Ltd., Yizheng / China	100
Siemens Medium Voltage Switching Technologies (Wuxi) Ltd., Wuxi / China	85
Siemens Mobility Electrification Equipment (Shanghai) Co., Ltd., Shanghai / China	51
Siemens Mobility Equipment (China) Co., Ltd, Shanghai Pilot Free Trade Zone / China	100

Siemens Mobility Rail Equipment (Tianjin) Ltd., Tianjin / China	**100**
Siemens Mobility Technologies (Beijing) Co., Ltd, Beijing / China	**100**
Siemens Numerical Control Ltd., Nanjing, Nanjing / China	**80**
Siemens Power Automation Ltd., Nanjing / China	**100**
Siemens Sensors & Communication Ltd., Dalian / China	**100**
Siemens Shanghai Medical Equipment Ltd., Shanghai / China	**100**
Siemens Shenzhen Magnetic Resonance Ltd., Shenzhen / China	**100**
Siemens Signalling Co., Ltd., Xi'an / China	**70**
Siemens Switchgear Ltd., Shanghai, Shanghai / China	**55**
Siemens Technology Development Co., Ltd. of Beijing, Beijing / China	**90**
Siemens Wiring Accessories Shandong Ltd., Zibo / China	**100**
Siemens X-Ray Vacuum Technology Ltd., Wuxi, Wuxi / China	**100**
Suzhou Ling Dong Zhen GE Network Technology Co., Ltd., Suzhou / China	**–**[3]
Varian Medical Systems China Co., Ltd., Beijing / China	**100**
Varian Medical Systems Trading (Beijing) Co., Ltd., Beijing / China	**100**
Scion Medical Limited, Hong Kong / Hong Kong	**100**
Siemens Healthcare Limited, Hong Kong / Hong Kong	**100**
Siemens Industry Software Limited, Hong Kong / Hong Kong	**100**
Siemens Limited, Hong Kong / Hong Kong	**100**
Siemens Logistics Limited, Hong Kong / Hong Kong	**100**
Siemens Mobility Limited, Hong Kong / Hong Kong	**100**
Supply Frame (Hong Kong) Limited, Hong Kong / Hong Kong	**100**
Vertice Investment Limited, Hong Kong / Hong Kong	**100**
American Institute of Pathology and Laboratory Sciences Private Limited, Hyderabad / India	**100**
Artmed Healthcare Private Limited, Hyderabad / India	**100**
Brightly Software India Private Limited, Bangalore / India	**100**
Bytemark India LLP, Bangalore / India	**100**
Bytemark Technology Solutions India Pvt Ltd, Bangalore / India	**100**
C&S Electric Limited, New Delhi / India	**99**
Cancer Treatment Services Hyderabad Private Limited, Hyderabad / India	**100**
Enlighted Energy Systems Pvt Ltd, Chennai / India	**100**
INNOMOTICS INDIA PRIVATE LIMITED, Mumbai / India	**100**
PETNET Radiopharmaceutical Solutions Pvt. Ltd., Mumbai / India	**100**
SIEMENS EDA (INDIA) PRIVATE LIMITED, New Delhi / India	**100**
SIEMENS EDA (SALES & SERVICES) PRIVATE LIMITED, New Delhi / India	**100**
SIEMENS ENERGY INDIA LIMITED, Mumbai / India	**100**
Siemens Factoring Private Limited, Navi Mumbai / India	**100**
Siemens Financial Services Private Limited, Mumbai / India	**100**
Siemens Healthcare Private Limited, Mumbai / India	**100**
Siemens Healthineers India LLP, Bangalore / India	**100**
SIEMENS HEALTHINEERS INDIA MANUFACTURING PRIVATE LIMITED, Mumbai / India	**100**[7]
Siemens Industry Software (India) Private Limited, New Delhi / India	**100**
Siemens Limited, Mumbai / India	**69**
Siemens Logistics India Private Limited, Navi Mumbai / India	**100**
Siemens Rail Automation Pvt. Ltd., Navi Mumbai / India	**100**
Siemens Technology and Services Private Limited, Mumbai / India	**100**
Varian Medical Systems International (India) Private Limited, Mumbai / India	**100**
P.T. Siemens Indonesia, Jakarta / Indonesia	**100**
PT Innomotics Motors and Solutions, Jakarta / Indonesia	**100**
PT Siemens Healthineers Indonesia, Jakarta / Indonesia	**100**
PT Siemens Mobility Indonesia, Jakarta / Indonesia	**100**
Acrorad Co., Ltd., Okinawa / Japan	**100**
Acuson Japan K.K., Tokyo / Japan	**100**[7]
Innomotics G.K., Tokyo / Japan	**100**
Nihon Block Imaging KK, Tokyo / Japan	**100**
Siemens Electronic Design Automation Japan K.K., Tokyo / Japan	**100**

Siemens Healthcare Diagnostics K.K., Tokyo / Japan	**100**
Siemens Healthcare K.K., Tokyo / Japan	**100**
Siemens K.K., Tokyo / Japan	**100**
Varian Medical Systems K.K., Tokyo / Japan	**100**
Acuson Korea Ltd., Seongnam-si / Korea	**100**[7]
Innomotics Limited, Seoul / Korea	**100**
Siemens Electronic Design Automation (Korea) LLC, Seoul / Korea	**100**
Siemens Healthineers Ltd., Seoul / Korea	**100**
Siemens Industry Software Ltd., Seoul / Korea	**100**
Siemens Ltd. Seoul, Seoul / Korea	**100**
Siemens Mobility Ltd., Seoul / Korea	**100**
Varian Medical Systems Korea, Inc., Seoul / Korea	**100**
Innomotics Sdn. Bhd., Shah Alam / Malaysia	**100**
Radica Software Sdn. Bhd., George Town / Malaysia	**100**
Siemens Healthcare Sdn. Bhd., Kuala Lumpur / Malaysia	**100**
Siemens Industry Software Sdn. Bhd., George Town, Penang / Malaysia	**100**
Siemens Malaysia Sdn. Bhd., Petaling Jaya / Malaysia	**100**
Siemens Mobility Sdn. Bhd., Kuala Lumpur / Malaysia	**100**
Varian Medical Systems Malaysia Sdn Bhd, Kuala Lumpur / Malaysia	**100**
Siemens (N.Z.) Limited, Auckland / New Zealand	**100**
Siemens Healthcare Limited, Auckland / New Zealand	**100**
Siemens Healthcare Inc., Manila / Philippines	**100**
Siemens, Inc., Manila / Philippines	**100**
Varian Medical Systems Philippines, Inc., City of Pasig / Philippines	**100**
Acuson Singapore Pte. Ltd., Singapore / Singapore	**100**[7]
Innomotics Pte. Ltd., Singapore / Singapore	**100**
Siemens Electronic Design Automation Pte. Ltd., Singapore / Singapore	**100**
Siemens Healthcare Pte. Ltd., Singapore / Singapore	**100**
Siemens Industry Software Pte. Ltd., Singapore / Singapore	**100**
Siemens Logistics Pte. Ltd., Singapore / Singapore	**100**
Siemens Mobility Pte. Ltd., Singapore / Singapore	**100**
Siemens Pte. Ltd., Singapore / Singapore	**100**
Fang Zhi Health Management Co., Ltd., Taipei / Taiwan	**100**
Hong Tai Health Management Co. Ltd., Taipei / Taiwan	**100**
New Century Technology Co. Ltd., Taipei / Taiwan	**100**
Siemens Healthcare Limited, Taipei / Taiwan	**100**
Siemens Industry Software (TW) Co., Ltd., Taipei / Taiwan	**100**
Siemens Limited, Taipei / Taiwan	**100**
Varian Medical Systems Taiwan Co., Ltd., Taipei / Taiwan	**100**
YaRa Information Inc., Taipei / Taiwan	**100**
Innomotics Limited, Bangkok / Thailand	**100**
Siemens Healthcare Limited, Bangkok / Thailand	**100**
Siemens Limited, Bangkok / Thailand	**100**
Siemens Logistics Automation Systems Ltd., Bangkok / Thailand	**100**
Siemens Mobility Limited, Bangkok / Thailand	**100**
INNOMOTICS LIMITED COMPANY, Ho Chi Minh City / Viet Nam	**100**
Siemens Healthcare Limited, Ho Chi Minh City / Viet Nam	**100**
Siemens Ltd., Ho Chi Minh City / Viet Nam	**100**
Varian Medical Systems Vietnam Co Ltd, Ho Chi Minh City / Viet Nam	**100**
Associated companies and joint ventures	
Germany (16 companies)	
Alchemist Accelerator Europe Fund I GmbH & Co. KG, Grünwald	**41**[8]
ATS Projekt Grevenbroich GmbH, Schüttorf	**25**[8]
BentoNet GmbH, Baden-Baden	**50**
Caterva GmbH, Pullach i. Isartal	**50**

Creolytix GmbH, Weilheim	50
DKS Dienstleistungsgesellschaft f. Kommunikationsanlagen des Stadt- und Regionalverkehrs mbH, Cologne	49
GuD Herne GmbH, Essen	50
IFTEC GmbH & Co. KG, Leipzig	50
inpro Innovationsgesellschaft für fortgeschrittene Produktionssysteme in der Fahrzeugindustrie mbH, Berlin	50[8]
LIB Verwaltungs-GmbH, Leipzig	50[8]
Ludwig Bölkow Campus GmbH, Taufkirchen	25[8]
Nordlicht Holding GmbH & Co. KG, Frankfurt	33
Nordlicht Holding Verwaltung GmbH, Frankfurt	33[8]
Siemens EuroCash, Munich	3[6]
Sternico GmbH, Wendeburg	49[8]
WUN H2 GmbH, Wunsiedel	45
Europe, Commonwealth of Independent States (C.I.S.), Africa, Middle East (without Germany) (33 companies)	
VARIAN MEDICAL SYSTEMS ALGERIA SPA, Hydra / Algeria	49[8]
Armpower CJSC, Yerevan / Armenia	40
Aspern Smart City Research GmbH, Vienna / Austria	49[8]
Aspern Smart City Research GmbH & Co KG, Vienna / Austria	49
Siemens Aarsleff Konsortium I/S, Ballerup / Denmark	67[4, 8, 12, 13]
Siemens Mobility Aarsleff Konsortium I/S, Ballerup / Denmark	50[8, 13]
TRIXELL, Moirans / France	25
EVIOP-TEMPO S.A. Electrical Equipment Manufacturers, Vassiliko / Greece	48
Parallel Graphics Ltd., Dublin / Ireland	57[4, 8]
Transfima GEIE, Milan / Italy	42[8, 13]
Transfima S.p.A., Milan / Italy	49[8]
KACO New Energy Co., Amman / Jordan	49[8]
Temir Zhol Electrification LLP, Nur-Sultan-City / Kazakhstan	49
EGM Holding Limited, Birkirkara / Malta	33
Energie Electrique de Tahaddart S.A., Tangier / Morocco	20
Buitengaats C.V., Amsterdam / Netherlands	20[6, 13]
Buitengaats Management B.V., Eemshaven / Netherlands	20[8]
Infraspeed EPC Consortium V.O.F., Zoetermeer / Netherlands	50[8, 13]
Infraspeed Maintainance B.V., Dordrecht / Netherlands	50
Locomotive Workshop Rotterdam B.V., Zoetermeer / Netherlands	50
Ural Locomotives Holding Besloten Vennootschap, The Hague / Netherlands	50
ZeeEnergie C.V., Amsterdam / Netherlands	20[6, 13]
ZeeEnergie Management B.V., Eemshaven / Netherlands	20[8]
Rousch (Pakistan) Power Ltd., Islamabad / Pakistan	26
Impilo Consortium (Pty.) Ltd., La Lucia / South Africa	31
Nertus Mantenimiento Ferroviario y Servicios S.A., Madrid / Spain	51[4]
Certas AG, Zurich / Switzerland	50
Interessengemeinschaft TUS, Volketswil / Switzerland	50[13]
CAPTON ENERGY DMCC, Dubai / United Arab Emirates	49
Awel Y Môr Offshore Wind Farm Limited, Swindon, Wiltshire / United Kingdom	10[6]
Cross London Trains Holdco 2 Limited, London / United Kingdom	33
Galloper Wind Farm Holding Company Limited, Swindon, Wiltshire / United Kingdom	25
Plessey Holdings Ltd., Farnborough, Hampshire / United Kingdom	50[8]
Americas (18 companies)	
Brasol Participaçoes e Empreendimentos S.A., Brazil, São Paulo / Brazil	36
GNA 1 Geração de Energia S.A., São João da Barra / Brazil	22
Micropower Comerc Energia S.A., São Paulo / Brazil	20
MPC Serviços Energéticos 1A S.A, Navegantes / Brazil	48
MPC Serviços Energéticos 1B S.A., Cabo de Santo Agostinho / Brazil	48
Tractian Limited, Grand Cayman / Cayman Islands	22
Akuo Energy Dominicana, S.R.L, Santo Domingo / Dominican Republic	33
DELARO, S.A.P.I. DE C.V., Mexico City / Mexico	29

Tenedora de Activos Medicos S.A.P.I. de C.V, Mexico City / Mexico	**49**
AurasellAI, Inc, Dover, DE / United States	**26**
DeepHow Corp., Princeton, NJ / United States	**23**[8]
Fluence Energy, Inc., Wilmington, DE / United States	**22**
NMR-SGT JV, LLC, Wilmington, DE / United States	**49**
PhSiTh LLC, New Castle, DE / United States	**33**
Radiant Security, Inc., Wilmington, DE / United States	**23**
Rether networks, Inc., Berkeley, CA / United States	**30**[8]
Software.co Technologies, Inc., Wilmington, DE / United States	**23**
Wi-Tronix Group Inc., Dover, DE / United States	**30**
Asia, Australia (24 companies)	
Exemplar Health (NBH) Partnership, Melbourne / Australia	**50**
Parklife Metro Holdings Pty Ltd, Melbourne / Australia	**20**
Parklife Metro Holdings Unit Trust, Melbourne / Australia	**20**
PHM Technology Pty Ltd, Melbourne / Australia	**37**[8]
Chengdu Wayin Zhiyun Medical Technology Co., Ltd., Chengdu / China	**49**[8]
DBEST (Beijing) Facility Technology Management Co., Ltd., Beijing / China	**25**
Guangzhou Suikai Smart Energy Co., Ltd., Guangzhou / China	**35**
Siemens Traction Equipment Ltd., Zhuzhou, Zhuzhou / China	**50**
Smart Metering Solutions (Changsha) Co. Ltd., Changsha / China	**49**
TianJin ZongXi Traction Motor Ltd., Tianjin / China	**50**
TieKe Intelligent Signalling Railway Equipment Co., Ltd., Tianjin / China	**49**
Xi’An X-Ray Target Ltd., Xi'an / China	**43**[8]
Zhenjiang Siemens Busbar Trunking Systems Co. Ltd., Yangzhong / China	**50**
Zhi Dao Railway Equipment Ltd., Taiyuan / China	**50**
Bangalore International Airport Ltd., Bangalore / India	**10**[6]
Greenko Sironj Wind Power Private Limited, New Delhi / India	**46**
Happzee Technologies Private Limited, Hyderabad / India	**7**[6]
Pune IT City Metro Rail Limited, Pune / India	**26**
SUNSOLE RENEWABLES PRIVATE LIMITED, Mumbai / India	**26**[8]
P.T. Jawa Power, Jakarta / Indonesia	**50**
BE C&I Solutions Holding Pte. Ltd., Singapore / Singapore	**25**
Power Automation Pte. Ltd., Singapore / Singapore	**49**
SINGAPORE AQUACULTURE TECHNOLOGIES (SAT) PTE LTD, Singapore / Singapore	**14**[6]
Asiri A O I Cancer Centre (Private) Limited, Colombo / Sri Lanka	**50**[8]

	Equity interest in %	Net income in millions of €	Equity in millions of €
Other investments[11]			
Germany (1 company)			
Siemens Energy AG, Munich	**17**	**48**	**14,450**
Europe, Commonwealth of Independent States (C.I.S.), Africa, Middle East (without Germany) (1 company)			
KIC InnoEnergy S.E., Eindhoven / Netherlands	**6**	**(53)**	**401**
Americas (3 companies)			
Electrify America, LLC, Wilmington, DE / United States	**9**	**(64)**	**782**
HistoSonics, Inc., Wilmington, DE / United States	**7**	**n/a**	**n/a**
Thoughtworks Holding Inc., Wilmington, DE / United States	**7**	**(62)**	**700**

[1] Control due to a majority of voting rights.
[2] Control due to rights to appoint, reassign or remove members of the key management personnel.
[3] Control due to contractual arrangements to determine the direction of the relevant activities.
[4] No control due to contractual arrangements or legal circumstances.
[5] No significant influence due to contractual arrangements or legal circumstances.
[6] Significant influence due to contractual arrangements or legal circumstances.
[7] Not consolidated due to immateriality.
[8] Not accounted for using the equity method due to immateriality.
[9] Exemption pursuant to Section 264 b German Commercial Code.
[10] Exemption pursuant to Section 264 (3) German Commercial Code.
[11] Values according to the latest available local GAAP financial statements; the underlying fiscal year may differ from the Siemens fiscal year.
[12] Siemens AG is a shareholder with unlimited liability of this company.
[13] A consolidated affiliated company of Siemens AG is a shareholder with unlimited liability of this company.
n/a = No financial data available.

Responsibility Statement

to the Consolidated Financial Statements and the
Group Management Report for fiscal 2024

SIEMENS

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report, which has been combined with the Management Report for Siemens Aktiengesellschaft, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Munich, December 2, 2024

Siemens Aktiengesellschaft

The Managing Board

Dr. Roland Busch

Veronika Bienert	Dr. Peter Körte	Cedrik Neike
Matthias Rebellius	Prof. Dr. Ralf P. Thomas	Judith Wiese

Independent Auditor’s Reports

to the Consolidated Financial Statements and the Group Management Report for fiscal 2024

SIEMENS

Independent auditor's report

To Siemens Aktiengesellschaft, Berlin and Munich

Report on the audit of the consolidated financial statements and of the group management report

Audit Opinions

We have audited the consolidated financial statements of Siemens Aktiengesellschaft, Berlin and Munich, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at September 30, 2024, and the consolidated statement of comprehensive income, consolidated statement of income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from October 1, 2023 to September 30, 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Siemens Aktiengesellschaft, which is combined with the Company's management report, for the financial year from October 1, 2023 to September 30, 2024. In accordance with the German legal requirements, we have not audited the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the group management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at September 30, 2024, and of its financial performance for the financial year from October 1, 2023 to September 30, 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the group management report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the consolidated financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from October 1, 2023 to September 30, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1. Revenue recognition in the project and software business

2. Pension provisions

3. Loss of significant influence over Siemens Energy AG and discontinuation of accounting using the equity method

Our presentation of these key audit matters has been structured in each case as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Hereinafter we present the key audit matters:

1. Revenue recognition in project and software business

1. A material share of the Group's revenue is generated in the project and software business. Revenue from contracts in the project business is accounted for using the percentage of completion method. In determining the percentage of completion, estimates are made by the executive directors, particularly with regard to the required scope of services, the estimated total costs, the costs still to be incurred until completion, the estimated revenue, and the contract risks. Accounting for contracts in the software business, that comprise several separable performance bundles, requires allocation of the agreed transaction price to its separate performance obligations on the basis of calculated stand-alone selling prices. Revenue is recognized over time or at a point in time, depending on the nature of the performance obligation.

From our point of view, recognition of revenue in the project and software business is of particular significance to our audit, as, to a large extent, estimates and assumptions as well as complex management judgement are required, resulting in a considerable scope of discretion.

2. As part of our audit, we gained an understanding of the relevant methods, procedures and control mechanisms used in recognizing revenue in the project and software business and assessed the design and effectiveness of the relevant internal controls. We also conducted tests of details.

In the project business, we focused in particular on internally defined methods, procedures and control mechanisms for project management in the bid and execution phase. We assessed the design and effectiveness of accounting-related internal controls in the project business by tracing project-specific business transactions from their origin to their presentation in the consolidated financial statements. We also tested controls over timely assessment of changes in estimates, their timely and complete recognition in the project calculation and their accounting treatment. We assessed management estimates and assumptions made as part of our tests of details, in particular in the context of project discussions. In doing so, we selected projects primarily with significant future uncertainties and risks, such as projects with high technical and regulatory requirements; projects with cross-border transactions or operations; and projects with cost changes, delays and/or low or volatile margins. We also held interviews with commercial and technical project management teams on the development of projects, the reasons for deviations between budgeted and actual costs and management's assessment of the likelihood of contract risks occurring and claims arising from liability agreements.

In the software business, we assessed, in particular, the process and control activities for estimating stand-alone selling prices, which are applied to contracts with several separable performance bundles to allocate transaction prices to individual performance obligations. We also performed tests of details for all software contracts with a particularly high order volume and for a sample of all software contracts. Among others, our audit procedures included an analysis of the contract and interviews with management in order to assess the economic substance of the contracts. Based on that, we concluded whether revenue recognition of these contracts was appropriate.

Based on our audit procedures, we were able to satisfy ourselves that estimates and assumptions made by the executive directors are substantiated and sufficiently documented.

3. Please refer to note 2 "Material accounting policies and critical accounting estimates" in the notes to the consolidated financial statements for information on the accounting polices used to recognize contracts in the project and software business. For information on contract assets and liabilities and provisions for order related losses and risks, please refer to note 10 "Contract assets and liabilities", note 18 "Provisions" and note 21 "Commitments and contingencies" in the notes to the consolidated financial statements.

2. Pension provisions

1. In the consolidated financial statements of the Company, a total of € 0.9 billion is reported at item "Provisions for pensions and similar obligations" of the consolidated statement of financial position. As a result of pension scheme surpluses for some defined benefit plans, pension assets of € 0.8 billion are reported at "Other non-current assets" of the statement of financial position as at September 30, 2024. The net pension provisions amounting to € 0.2 billion comprise obligations from defined benefit pension plans of € 28.7 billion, less the fair value of plan assets of € 29.1 billion and an effect of the asset ceiling of € 0.6 billion.

Obligations under defined benefit plans are measured either using the projected unit credit method or, in the case of components from securities-linked obligations, at the assets' fair value at the end of the reporting period, if those exceed a guaranteed minimum amount.

Measuring obligations using the projected unit credit method requires assumptions, in particular about long-term rates of growth in pensions and about average life expectancy. The discount rate must be determined by reference to market yields on high-quality corporate bonds with matching currencies and comparable maturities. It usually requires extrapolation of available data, because sufficient long-term corporate bonds do not exist. Plan assets are measured at fair value, which, in turn, involves estimates that are subject to uncertainties.

From our point of view, these matters were of particular significance to our audit, because recognition and measurement of these significant items are, to a large extent, subject to management estimates and assumptions.

2. As part of our audit, we evaluated the reports obtained from external actuarial experts and the professional qualifications of the external experts, among others. We also examined the specific features of the actuarial calculations. We used our internal pension valuation experts to assess the appropriateness of actuarial parameters and the underlying valuation methods applied. We also audited the completeness and accuracy of numerical data and its underlying information. Based on that, among other factors, we verified the calculation of recorded pension provisions and analyzed the development of the obligation and the cost components in accordance with actuarial expert reports in the light of changes in valuation parameters and numerical data and assessed their plausibility. In addition, we audited the presentation in the consolidated statement of financial position and in the notes to the consolidated financial statements. To audit the fair value of plan assets, we obtained bank, fund and insurance confirmations and assessed real estate appraisals submitted to us.

Based on our audit procedures, we were able to satisfy ourselves that management estimates and assumptions are substantiated and sufficiently documented.

3. The Company's disclosures relating to provisions for pensions and similar obligations are presented in note 2 "Material accounting policies and critical accounting estimates" and in note 17 "Post-employment benefits" of the notes to the consolidated financial statements.

3. Loss of significant influence over Siemens Energy AG and cessation of accounting using the equity method

1. In the financial year, Siemens AG transferred 8% of the shares in Siemens Energy AG to the plan assets (Siemens Pension-Trust e.V.). In addition to reducing voting rights to 17.1%, representatives of Siemens AG declared their resignation from the Supervisory Board and Supervisory Board committees of Siemens Energy AG. Reducing voting rights and the unbundling of personnel, in combination with not being represented on the management body, and no significant influence on business processes, means that the Company no longer has significant influence over the entity. Consequently, in the consolidated financial statements, the shares in Siemens Energy AG are no longer accounted for using the equity method, which led to a gain of € 0.5 billion, recognized in income (loss) from investments accounted for using the equity method, taking into account the share in the result of Siemens Energy until the date that significant influence was lost. Subsequent recognition is at fair value through other comprehensive income, with changes in fair value over time being recognized directly in Group equity.

From our point of view, this matter was of particular significance to our audit, because assessing the loss of significant influence over the equity investment in Siemens Energy AG is discretionary and because the effects of the cessation of the accounting using the equity method have a material impact on the Group's results of operations in the 2024 financial year.

2. In the course of our audit procedures regarding the executive directors' assessment of estimates involved in loosing significant influence on Siemens Energy AG, we examined the basis of the decision-making processes at the Siemens Energy AG level as well as the possibility of individual persons exerting influence on the decisions of the Supervisory Board. We also assessed the binding nature of the declaration to resign. In addition, our audit procedures included an assessment of the endowment agreement between Siemens AG and Siemens Pension-Trust e.V., in particular, with regard to the statements made in the agreement on the actual transfer of voting rights to Siemens Pension-Trust e.V. and the resulting loss of Siemens AG's ability to exercise its voting rights. With regard to the assessment of whether significant influence could be exerted over the existence of material transactions between Siemens AG and Siemens Energy AG, we inspected corresponding transactions and agreements and assessed their economic significance. We also evaluated the appropriateness of applying the equity method for the period before the loss of significant influence, and also the effects that ceasing accounting of the shares using the equity method had on the consolidated financial statements. Regarding the subsequent measurement at fair value, we assessed the appropriate determination of the fair value of the shares based on the share price of Siemens Energy AG.

Based on our audit procedures, we were able to satisfy ourselves that the executive directors’ assessment regarding the loss of significant influence over Siemens Energy AG and the resulting cessation of accounting using the equity method are substantiated and sufficiently documented.

3. The Company's disclosures relating to the loss of significant influence over Siemens Energy AG and the cessation of accounting using the equity method are contained in note 4 of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for other information. Other information comprises the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the group management report.

In addition, other information comprises:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the compensation report pursuant to § 162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the publication “Siemens Report for fiscal 2024” – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the “ESEF documents”) contained in the electronic file “SIEMENS_2024.zip” and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from October 1, 2023 to September 30, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above. Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor’s Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor’s Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on February 8, 2024. We were engaged by the supervisory board on February 8, 2024. We have been the group auditor of Siemens Aktiengesellschaft, Berlin and Munich, without interruption since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Reference to an other matter – use of the auditor´s report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Ralph Welter.

Munich, December 2, 2024

PricewaterhouseCoopers GmbH

Wirtschaftsprüfungsgesellschaft

Petra Justenhoven	Ralph Welter
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Independent Practitioner's Report on a Limited Assurance Engagement

To Siemens Aktiengesellschaft, Berlin and Munich

We have performed a limited assurance engagement on the chapter 11 "EU Taxonomy" of the combined management report of Siemens Aktiengesellschaft, Berlin and Munich, (hereinafter the "Company") for the period from October 1, 2023 to September 30, 2024, (hereinafter the "EU Taxonomy disclosures").

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the EU Taxonomy disclosures in accordance with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020, on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in the EU Taxonomy disclosures.

This responsibility includes the selection and application of appropriate methods for EU Taxonomy disclosures and making assumptions and estimates about individual disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of EU Taxonomy disclosures that are free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in the EU Taxonomy disclosures. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Audit Firm's Independence and Quality Management

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the EU Taxonomy disclosures based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's EU Taxonomy disclosures are not prepared, in all material respects, in accordance with the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in the EU Taxonomy disclosures.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organization and stakeholder engagement
- Inquiries of the relevant employees for the assessment of the process to identify the taxonomy-eligible and taxonomy-aligned economic activities
- Inquiries of the employees responsible for data capture and consolidation as well as the preparation of the EU Taxonomy disclosures about the reporting processes, the data capture and compilation methods as well as the internal controls to the extent relevant for the limited assurance of the EU Taxonomy disclosures
- Identification of likely risks of material misstatement in the EU Taxonomy disclosures
- Analytical evaluation of data at the level of the Group and business areas as well as service and governance units
- Inquiries and inspection of documents relating to the collection and reporting of data
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and group management report
- Evaluation of the presentation of the EU Taxonomy disclosures

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the EU Taxonomy disclosures of the Company for the period from October 1, 2023 to September 30, 2024 are not prepared, in all material respects, in accordance with the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in the EU Taxonomy disclosures.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Munich, December 2, 2024

PricewaterhouseCoopers GmbH

Wirtschaftsprüfungsgesellschaft

Ralph Welter	Hendrik Fink
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Annual Financial Statements*

for fiscal 2024

* This document is an English language translation of the authoritative German version and is not provided in the European Single Electronic Format (ESEF). The legally required rendering in ESEF is filed in German language with the operator of the German Company Register and published in the German Company Register.

SIEMENS

1. Income Statement

		Fiscal year	
(in millions of €)	Note	2024	2023
Revenue	1	**16,428**	19,660
Cost of sales		**(11,567)**	(13,671)
Gross profit		**4,861**	5,989
Research and development expenses		**(2,020)**	(2,084)
Selling expenses		**(2,298)**	(2,492)
General administrative expenses		**(1,177)**	(1,209)
Other operating income	2	**715**	338
Other operating expenses	2	**(185)**	(391)
Loss (income) from operations		**(105)**	151
Income (loss) from investments, net	3	**6,821**	4,734
Interest income	4	**1,294**	1,014
Interest expenses	4	**(2,254)**	(1,586)
Other financial income (expenses), net	5	**(205)**	445
Income from business activity		**5,552**	4,758
Income taxes	6	**(34)**	(298)
Earnings after taxes / net income		**5,518**	4,460

Appropriation of net income	27		
Net income		**5,518**	4,460
Profit carried forward		**51**	250
Allocation to other retained earnings		**(1,409)**	(950)
Unappropriated net income		**4,160**	3,760

2. Balance Sheet

(in millions of €)	Note	Sep. 30, 2024	2023
Assets			
Non-current assets	10		
Intangible assets		**272**	285
Property, plant and equipment		**1,063**	1,022
Financial assets		**70,182**	71,303
		71,518	72,610
Current assets			
Inventories	11	**2,570**	2,487
Advance payments received		**(1,080)**	(916)
		1,490	1,571
Receivables and other assets	12		
Trade receivables		**1,328**	1,762
Receivables from affiliated companies		**18,760**	21,630
Other receivables and other assets		**1,836**	1,227
		21,925	24,619
Other Securities		**95**	164
Cash and cash equivalents		**1,797**	2,370
		25,307	28,724
Prepaid expenses		**218**	223
Deferred tax assets	13	**2,081**	2,294
Active difference resulting from offsetting	14	**64**	33
Total assets		**99,188**	103,884
Shareholders´ equity and liabilities			
Shareholders´ equity	15		
Subscribed capital[1]		**2,400**	2,400
Treasury shares		**(45)**	(30)
Issued capital		***2,355***	*2,370*
Capital reserve		**8,903**	8,737
Other retained earnings		**6,991**	6,555
Unappropriated net income		**4,160**	3,760
		22,409	21,422
Special reserve with an equity portion		**539**	540
Provisions			
Provisions for pensions and similar commitments	16	**13,248**	13,604
Provisions for taxes		**401**	680
Other provisions	17	**3,555**	3,987
		17,204	18,270
Liabilities	18		
Liabilities to banks		**240**	339
Trade payables		**1,727**	2,374
Liabilities to affiliated companies		**55,449**	59,483
Other liabilities		**1,396**	1,222
		58,811	63,417
Deferred income		**225**	235
Total shareholders´ equity and liabilities		**99,188**	103,884

[1] Conditional Capital as of September 30, 2024 and 2023 amounted to €390 million and €421 million, respectively.

3. Notes to Annual Financial Statements

3.1 General Disclosures

Siemens Aktiengesellschaft (Siemens AG) has registered offices in Berlin and Munich, Germany. The Company is registered in the commercial register maintained by the local courts in Berlin Charlottenburg, Germany, under the entry number HRB 12300, and in Munich, Germany, under the entry number HRB 6684.

The Annual Financial Statements of Siemens AG have been prepared in accordance with the regulations set forth in the German Commercial Code (Handelsgesetzbuch, HGB) and the German Stock Corporation Act (Aktiengesetz, AktG). Amounts are presented in millions of euros (€ million). Due to rounding, numbers presented may not add up precisely to totals provided.

3.2 Accounting and Measurement Principles

Revenue are proceeds from selling and leasing products, providing services and granting licenses, including licensing contracts for the use of the Siemens trademark.

Intangible assets acquired for consideration are capitalized at acquisition costs and amortized on a straight-line basis over a maximum of five years or, if longer, the contractually agreed useful life. Items are amortized on a pro rata temporis basis in the year of acquisition. The capitalization option for internally generated intangible assets is not used.

Acquired **goodwill** is generally amortized systematically over the expected useful life of five to 15 years. The expected useful life is based on the expected use of the acquired businesses and is determined in particular by economic factors such as future growth and profit expectations, synergy effects and employee base.

Property, plant and equipment: The components of production costs are described in the context of the explanations for inventories. In general, property, plant and equipment is depreciated using the straight-line method. In certain cases, the declining balance method is applied, whereby a switch is made from the declining balance to the straight-line method as soon as the latter results in higher depreciation expense. Items are depreciated on a pro rata temporis basis in the year of acquisition. Low-value non-current assets that are subject to wear and tear, movable, and capable of being used independently, are expensed immediately or capitalized and fully depreciated in the year of acquisition.

Useful lives of property, plant and equipment

Factory and office buildings	20 to 50 years
Other buildings	5 to 10 years
Technical equipment and machines	mostly 10 years
Other equipment, plant and office equipment	3 to 8 years
Equipment leased to others	mostly 3 to 5 years

Special reserve with an equity portion includes reserves pursuant to Section 6b of the German Income Tax Act (Einkommensteuergesetz), recognized and transferred in fiscal years prior to the transition to regulations of the German Accounting Law Modernisation Act (Bilanzrechtsmodernisierungsgesetz).

Financial assets: Impairment losses are recognized if the decline in value is presumed to be other than temporary. This is generally assumed, unless objective evidence, particularly forward rates or structural events, indicate a temporary nature. In case of an impairment in prior periods, a lower valuation may not be maintained if the reasons for the impairment do no longer exist.

Inventories are measured at the lower of average acquisition or production costs and daily values. Production costs comprise, in addition to direct costs, an appropriate portion of production and material overheads and depreciation of fixed assets. General administration expenses, expenses for social facilities, voluntary social costs and company pension scheme costs are not capitalized. Write-downs are recorded to cover inventory risks for reduced usability and technological obsolescence as well as in the context of loss-free valuation of unbilled contracts in construction-type and service businesses.

Allowances on **receivables** are determined on the basis of the probability of default and country risks.

Deferred tax assets for differences between valuations of balance sheet line items in accordance to commercial and tax law and tax loss carryforwards are recognized if a future tax benefit is expected. Deferred tax assets are netted with deferred tax liabilities. Recognized deferred tax assets and liabilities comprise temporary differences of assets, liabilities, and deferred items of entities forming part of the Siemens AG tax group and partnerships to the extent that the recovery or settlement of the carrying amount of assets, liabilities, or deferred items result in a deductible or taxable amount in the taxable profit (loss) of Siemens AG.

Offsetting of assets and of income and expenses: Siemens AG measures assets at fair value that are designated as being held exclusively to settle specified pension obligations and obligations for early retirement ("Altersteilzeit") arrangements and which cannot be accessed by other creditors. The fair value of these assets corresponds to the market value.

Pensions and similar commitments: Siemens AG measures its pension obligations using the settlement amount calculated with the actuarial projected unit credit method on the basis of biometric probabilities. The discount rate used corresponds to the average market interest rate for instruments with an assumed remaining maturity of 15 years as published by German Federal Reserve Bank (Deutsche Bundesbank).

Entitlements resulting from plans based on asset returns from underlying assets are generally measured at the fair value of the underlying assets at the balance sheet date. If the performance of the underlying assets is lower than a guaranteed return, the pension provision is measured by projecting forward the contributions at the guaranteed fixed return and discounting to a present value.

According to the Act on the Improvement of Company Pensions (Gesetz zur Verbesserung der betrieblichen Altersversorgung), Siemens AG is secondarily liable for pension benefits provided under an indirect pension funding vehicle (mittelbarer Durchführungsweg). Siemens AG recognizes the underfunding in the item Provisions for pensions and similar commitments as far as the respective assets of the pension fund or of the pension and support fund (Pensions- und Unterstützungskasse) do not cover the settlement amount of the respective pension obligations.

Other provisions are recognized in an appropriate and sufficient amount to cover individual obligations for all identifiable risks relating to liabilities of uncertain timing and amount and for anticipated losses on onerous contracts, taking account of price and cost increases expected to arise in the future. Provisions for agreed personnel restructuring measures were recognized for legal and constructive obligations. Significant provisions with a remaining term of more than one year are discounted using a discount rate which corresponds to the average market interest rate appropriate for the remaining term of the obligations, as calculated and published by Deutsche Bundesbank.

Foreign currency translation: Receivables, other current assets, securities, cash and cash equivalents, provisions and liabilities (excluding advance payments received on orders) as well as commitments and contingencies denominated in foreign currency are generally measured applying the mean spot exchange rate on the balance sheet date. The results from the realization of monetary balance sheet items denominated in foreign currencies and from foreign currency derivative financial instruments of the Corporate Treasury are reported in other financial income (expenses), net. These results of the operating units are recognized in cost of sales. Balance Sheet line items denominated in foreign currency which are part of a valuation unit used to hedge foreign currency risk are measured using the mean spot exchange rate on the transaction date. Non-current assets and inventories acquired in foreign currency are generally measured applying the mean spot exchange rate on the transaction date.

Guarantees and other commitments: Siemens AG issues parent company guarantees, i.e. guarantees to ensure performance obligations incurred from the delivery of goods or provision of services by affiliated and long-term investee companies or their parent companies. For measurement purposes, the contract amount of the secured delivery or service agreement is reduced using the straight-line method over the planned term of the delivery or service agreement, unless there are reasons for a different risk assessment and an increased liability amount ("risk-adequate liability amount"). Credit lines included in the guarantee obligations in the context of financing affiliated companies are recognized at their nominal amount.

Derivative financial instruments are used by Siemens AG almost exclusively for hedging purposes and – if the relevant conditions are met – are aggregated with the underlying hedged item into valuation units. When a valuation unit is created, changes in values or cash flows from the hedged item and hedging contract are compared. A provision is recognized only for a negative surplus from the ineffective part of the market value changes. The unrealized gains and losses from the effective part offset each other completely and are not recognized in the Balance Sheet or the Income Statement.

Classification of items in the annual financial statements: Siemens AG aggregates individual line items of the Income Statement and Balance Sheet if the individual line item is not material for providing a true and fair view of the Company's financial position and if such an aggregation improves the clarity of the presentation. Siemens AG discloses these items separately in the notes.

3.3 Notes to the Income Statement

NOTE 1 Revenue

Revenue by lines of business

(in millions of €)	Fiscal year 2024
Digital Industries	**8,026**
Smart Infrastructure	**6,197**
Other revenue	**2,205**
Revenue	**16,428**

Revenue by region

(in millions of €)	Fiscal year 2024
Europe, C.I.S., Africa, Middle East	**12,203**
Americas	**1,599**
Asia, Australia	**2,626**
Revenue	**16,428**

NOTE 2 Other operating income and expenses

Other operating income included income from the reversal of provisions for pensions and similar obligations as well as other provisions amounting to €318 million and an intragroup agreement amounting to €283 million.

Other operating expenses included mainly expenses due to the share matching program as well as expenses related to carve-out activities.

NOTE 3 Income (loss) from investments, net

(in millions of €)	Fiscal year 2024	2023
Income from investments	**3,310**	2,907
thereof from affiliated companies	***3,310***	*2,905*
Income from profit transfer agreements with affiliated companies	**1,327**	1,562
Expenses from loss transfers from affiliated companies	**(43)**	–
Impairments on investments	**(334)**	(179)
Reversals of impairments on investments	**1,113**	224
Gains from the disposal of investments	**1,451**	240
Losses from the disposal of investments	**(2)**	(19)
Income from investments, net	**6,821**	4,734

Income from investments included in particular profit distributions from Siemens Ltd., China, amounting to €1,368 million, and from Siemens Trademark GmbH & Co. KG amounting to €1,000 million.

Income from profit transfer agreements with affiliated companies is primarily due to profit transfers from Siemens Mobility GmbH amounting to €781 million.

Impairments on investments include in particular an impairment on an affiliated company amounting to €330 million.

In fiscal year 2024, Siemens AG sold 14.8% of the shares in Siemens Energy AG that were held as pension assets at that time. This resulted in a gain of €1,070 million from the disposal of investments. As of the balance sheet date, Siemens AG directly held a 6.2% stake in Siemens Energy AG. A reversal of impairment in the amount of €958 million was made on these shares based on the increased stock market price.

NOTE 4 Interest income and interest expenses

Interest income from loans of non-current financial assets amounted to €117 million (2023: €113 million), thereof with affiliated companies of €110 million (2023: €108 million).

Interest income included interest income from affiliated companies of €1.151 million (2023: €890 million). Interest expenses included interest expenses to affiliated companies of €2,209 million (2023: €1,548 million). The increase in interest income and interest expenses from/to affiliated companies resulted primarily from the effects of higher interest rates in connection with intragroup financing.

NOTE 5 Other financial income (expenses), net

(in millions of €)	Fiscal year 2024	2023
Interest component of changes in the pension and personnel-related provisions that are offset against designated plan assets	**(41)**	(21)
Income from designated plan assets	**76**	44
Expenses from designated plan assets	**–**	(1)
Financial income (expenses), (net) from pension and personnel-related provisions that are offset against designated plan	**35**	22
Interest component of changes in the pension and personnel-related provisions that are not offset against designated plan assets	**(224)**	(181)
Income from realization of monetary balance sheet items denominated in foreign currencies	**880**	2,186
Expenses from realization of monetary balance sheet items denominated in foreign currencies	**(1,138)**	(2,214)
Income from foreign currency, interest rate and other derivative financial instruments	**1,565**	2,632
Expenses from foreign currency, interest rate and other derivative financial instruments	**(1,867)**	(2,153)
Result from changes in provisions for risks relating to derivative financial instruments	**386**	59
Reversal of impairments of loans and securities	**138**	71
Other financial income	**23**	23
Other financial expenses	**(2)**	–
Other financial income (expenses), net	**(205)**	445

NOTE 6 Income taxes

(in millions of €)	Fiscal year 2024	Fiscal year 2023
Income tax expenses	**179**	(527)
Deferred taxes	**(213)**	229
Income taxes	**(34)**	(298)

Income tax expenses included income from settled legal remedies as well as the reversal of tax provisions.

Deferred taxes included expenses from the utilization of tax loss carryforwards and from the reduction of deferred tax assets from other provisions. Offsetting effects arise from income regarding a change in deferred taxes from pension provisions and pension assets.

The international agreements on global minimum taxation (Pillar Two) were transposed into German law at the end of December 2023. Siemens AG is required to apply the law group-wide from fiscal 2025 and expects an increase in tax expenses for fiscal 2025 by a low double-digit million euro amount.

NOTE 7 Other taxes

Other taxes of €24 million (2023: €21 million) were included in functional costs.

NOTE 8 Income relating to prior periods

The income statement of Siemens AG included income relating to prior periods of €905 million, resulting mainly from taxes amounting to €454 million as well as the release of provisions amounting to €372 million.

NOTE 9 Expenses relating to prior periods

The income statement of Siemens AG included expenses relating to prior periods of €69 million (primarily tax expenses).

3.4 Notes to the Balance Sheet

NOTE 10 Non-current assets

(in millions of €)	Acquisition or production costs					Accumulated depreciation/amortization						Carrying amount	
	Oct 01, 2023	Additions	Reclassifi-cations	Disposals	Sep 30, 2024	Oct 01, 2023	Depreciation/ amortization	Write-ups	Reclassifi-cations	Disposals	Sep 30, 2024	Sep 30, 2024	Sep 30, 2023
Intangible assets													
Concessions and industrial property rights	310	20	–	(27)	**304**	(217)	(22)	–	–	25	**(214)**	**90**	93
Goodwill	319	20	–	–	**339**	(128)	(29)	–	–	–	**(157)**	**183**	192
	630	40	–	(27)	**643**	(345)	(51)	–	–	25	**(370)**	**272**	285
Property, plant and equipment													
Land, land rights and buildings, including buildings on third-party land	442	7	51	(3)	**496**	(259)	(11)	–	–	1	**(269)**	**227**	183
Technical equipment and machinery	1,173	65	214	(58)	**1,393**	(830)	(70)	–	(119)	48	**(971)**	**422**	343
Other equipment, plant and office equipment	1,170	138	11	(158)	**1,161**	(872)	(141)	–	–	155	**(859)**	**303**	298
Equipment leased to others	170	4	(172)	(2)	**–**	(115)	(6)	–	119	2	**–**	**–**	55
Advanced payments made and construction in progress	145	71	(104)	(1)	**111**	(1)	–	–	–	1	**–**	**111**	144
	3,100	284	–	(222)	**3,162**	(2,078)	(228)	–	–	208	**(2,099)**	**1,063**	1,022
Financial assets													
Shares in affiliated companies	64,065	6,082	11	(12,764)	**57,395**	(1,886)	(334)	154	–	387	**(1,679)**	**55,715**	62,180
Loans to affiliated companies	4,383	481	–	(711)	**4,153**	–	–	–	–	–	**–**	**4,153**	4,383
Shares in investments	6,222	–	(11)	(4,203)	**2,007**	(3,492)	–	959	–	2,475	**(58)**	**1,950**	2,730
Investment securities held as fixed assets	1,727	6,335	–	(83)	**7,978**	(154)	–	135	–	–	**(19)**	**7,959**	1,572
Other loans	438	50	–	(83)	**405**	–	–	–	–	–	**–**	**405**	438
	76,835	12,949	–	(17,846)	**71,938**	(5,532)	(334)	1,248	–	2,862	**(1,756)**	**70,182**	71,303
Non-current assets	80,565	13,273	–	(18,095)	**75,743**	(7,955)	(613)	1,248	–	3,095	**(4,225)**	**71,517**	72,610

The **additions to shares in affiliated companies** mainly resulted from a capital increase of Innomotics GmbH amounting to €2.4 billion as well as the purchase of 18% of the shares in Siemens Limited, India, from the Siemens Energy Group (Siemens Energy) amounting to €2.1 billion. The **disposals of shares in affiliated companies** were mainly related to capital withdrawals from Siemens Beteiligungsverwaltung GmbH & Co. OHG amounting to €7.0 billion and from SPT Beteiligungen GmbH & Co. KG amounting to €5.1 billion. The latter was due to the withdrawal of investment assets, which increased the **additions to investment securities held as fixed assets**. The **disposals of shares in investments** were primarily due to the sale of shares in Siemens Energy AG amounting to €1.5 billion, which were held by Siemens Pension Trust e.V.

Total impairments of non-current assets were €336 million (2023: €179 million).

NOTE 11 Inventories

	Sep 30,	
(in millions of €)	2024	2023
Raw materials and supplies	**760**	812
Work in progress	**253**	278
Finished products and goods	**386**	399
Cost of unbilled contracts	**1,098**	937
Advance payments made	**73**	60
Inventories	**2,570**	2,487

NOTE 12 Receivables and other assets

(in millions of €)	Sep 30, 2024	thereof maturities more than one year	Sep 30, 2023	thereof maturities more than one year
Trade receivables	**1,328**	**3**	1,762	15
Receivables from affiliated companies	**18,760**	**4,652**	21,630	5,119
Other receivables and other assets	**1,836**	**363**	1,227	161
thereof from long-term investees	***2***	**–**	*5*	–
thereof other assets	***1,835***	***363***	*1,222*	*161*
Receivables and other assets	**21,925**	**5,018**	24,619	5,295

Receivables from affiliated companies resulted primarily from intragroup financing activities.

NOTE 13 Deferred tax assets

Deferred tax assets resulted mainly from pension provisions and pension-related assets, other provisions and tax loss carryforwards. Deferred tax liabilites from partnerships had a reducing effect.

For the measurement of deferred taxes, a tax rate of 31.33% was applied. Deviating from this, a tax rate of 15.83% was applied for temporary differences related to assets, liabilities and prepaid/deferred items of partnerships.

NOTE 14 Active difference resulting from offsetting

(in millions of €)	Sep 30, 2024
Fair value of designated plan assets	**1,053**
Settlement amount for offset pension provisions	**(715)**
Settlement amount for offset personnel-related provisions	**(274)**
Active difference resulting from offsetting	**64**
Acquisition cost of designated plan assets	**922**

NOTE 15 Shareholders’ equity

(in millions of €)	Oct 01, 2023	Share buybacks	Issuance of treasury shares under share-based payments and employee share programs	Dividend for 2023	Net income	Sep 30, 2024
Subscribed capital	2,400	–	–	–	–	**2,400**
Treasury shares	(30)	(30)	15	–	–	**(45)**
Issued capital	2,370	(30)	15	–	–	**2,355**
Capital reserve	8,737	–	166	–	–	**8,903**
Other retained earnings	6,555	(1,572)	599	–	1,409	**6,991**
Unappropriated net income	3,760	–	–	(3,709)	4,109	**4,160**
Shareholders' equity	21,422	(1,602)	780	(3,709)	5,518	**22,409**

Subscribed capital

The capital stock of Siemens AG is divided into 800,000,000 registered shares of no-par value with a notional value of €3.00 per share.

Authorized capital

As of September 30, 2024, Siemens AG had authorized capital totaling a nominal amount of €570 million, which can be issued in instalments and with different time limits by issuing up to 190 million registered no-par value shares.

In detail, there are the following authorizations to increase the capital stock:

- By resolution of the Annual Shareholders’ Meeting of February 3, 2021, the Managing Board is authorized to increase the capital stock until February 2, 2026 by up to €90 million through the issuance of up to 30 million Siemens shares against contributions in cash (Authorized Capital 2021). Subscription rights of existing shareholders are excluded. The new shares may exclusively be offered to employees of Siemens AG and its affiliated companies (employee shares). To the extent permitted by law, employee shares may also be issued in such a manner that the contribution to be paid on such shares is covered by that part of the annual net income which the Managing Board and the Supervisory Board may allocate to other retained earnings under Section 58 para. 2 of the German Stock Corporation Act.
- Further, by resolution of the Annual Shareholders’ Meeting of February 8, 2024, the Managing Board is authorized to increase, with the approval of the Supervisory Board, the capital stock until February 7, 2029 by up to €480 million through the issuance of up to 160 million registered no-par value shares against cash contributions and/or contributions in kind (Authorized Capital 2024). Under certain conditions, the Managing Board is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in the event of issue against contributions in kind. In the case of issue against cash payment, the shares are generally to be offered to shareholders for subscription. However, the Managing Board is authorized, with the consent of the Supervisory Board, to exclude subscription rights, firstly for any fractional amounts, secondly, to grant dilution compensation in connection with convertible bonds or bonds with warrants already issued, and thirdly, under certain further conditions, if the issue price of the new shares does not fall significantly below the stock exchange price of the Company's already listed shares.

Treasury shares

The following table presents the development of treasury shares:

(in number of shares)	Fiscal year 2024
Treasury shares, beginning of fiscal year	**10,079,918**
Share buyback	**10,015,957**
Issuance under share-based payments and employee share programs	**(4,965,039)**
Treasury shares, end of fiscal year	**15,130,836**

Siemens AG held treasury shares, equaling a nominal amount of €45 million, representing 1.9% of the capital stock.

On January 25, 2024, the share buyback program announced on June 24, 2021 with a volume of up to €3 billion, which had started on November 15, 2021, was completed. In fiscal 2024, Siemens AG repurchased a total of 3,686,319 treasury shares under this buyback program. This represented a nominal amount of €11 million or 0.5% of capital stock. In the current reporting period, €527 million (excluding incidental transaction charges) were spent for this purpose; this represents a weighted average acquisition price of €142.92 per share. The purchases were made in the reporting period until January 25, 2024 on 79 Xetra trading days and were carried out by a bank that had been commissioned by Siemens AG; the shares were purchased exclusively on the electronic trading platform of the Frankfurt Stock Exchange (Xetra). The average volume on these trading days was about 46,662 shares.

On November 16, 2023, Siemens announced another share buyback program with a volume of up to six billion euros over a period until January 31, 2029, at the latest. The execution of the share buyback, which began on February 12, 2024, was carried out under the authorization granted by the Annual Shareholders’ Meeting on February 5, 2020. The share buyback is intended to allow shareholders to continuously participate in the company’s success in addition to the dividend policy.

In fiscal 2024, Siemens AG repurchased a total of 6,329,638 of its own shares as part of this share buyback program. This represented a nominal amount of €19 million or 0.8% of the capital stock. For this, €1,075 million (excluding incidental acquisition costs) were paid during this period; this represents a weighted average acquisition price of €169.82 per share. The purchases were made in the reporting period from February 12, 2024, on 157 Xetra trading days and were carried out by a bank that had been commissioned by Siemens AG; the shares were purchased exclusively on the electronic trading platform of the Frankfurt Stock Exchange (Xetra). The average volume on these trading days was about 40,316 shares.

The treasury shares purchased under the share buybacks may be used for purposes of retirement, distribution to employees, members of the executive bodies of companies affiliated with Siemens and members of the Managing Board, as well as the servicing of convertible bonds with attached warrants.

In fiscal 2024, Siemens AG re-issued in total 4,965,039 treasury shares under the exclusion of subscription rights in connection with share-based payments and employee share programs in the Group, equaling a nominal amount of €15 million and 0.6% of capital stock. The Company received in total €263 million for 1,741,020 shares, re-issued against payment of a purchase price. Siemens AG received this amount for unrestricted use. All shares were sold as investment shares in connection with the share matching program to plan participants. In each case, the purchase price was determined on the basis of the closing rate in Xetra trading, determined on a monthly effective date. Therefore, in the reporting period, in total 1,213,868 shares related to the monthly investment plan at a weighted average share price of €164.41 per share, 238,025 shares related to the share matching plan at a weighted average share price of €165.04 per share, and 289,127 shares related to the base share program at a price of €82.52 per share (after consideration of a 50% subsidy by the Company). The other shares re-issued during the reporting period can be primarily attributed to the servicing of stock awards granted in fiscal 2020 totaling 2,650,564 shares, to 439,375 matching shares under the share matching program for fiscal 2021, and to 134,080 jubilee shares.

Information on amounts subject to dividend payout restrictions

(in millions of €)	Fiscal Year 2024
Amounts from the capitalization of deferred taxes	**2,081**
Amounts from the capitalization of assets at fair value	**27**

These amounts subject to dividend payout restrictions face other retained earnings in a sufficiently high amount. The unappropriated net income of €4,160 million is available for distribution. There is a negative difference of €57 million between the recognition of provisions for pensions and similar obligations based on a ten-year average interest rate and a seven-year average interest rate, which is not subject to a distribution restriction.

Disclosures on shareholdings of Siemens AG

As of September 30, 2024, the following information on shareholdings subject to reporting requirements was available to the Company pursuant to Section 160 para 1 No. 8 German Stock Corporation Act (Aktiengesetz):

BlackRock, Inc., Wilmington, USA, informed us on September 18, 2024, that as of September 13, 2024, its percentage of voting rights (held either directly or indirectly) in Siemens AG amounted to 6.32% of which 6.23% were voting rights from 49,867,285 shares due to their participation and 0.09% were attributable to instruments.

Capital Group Companies, Inc., Los Angeles, USA, informed us on May 17, 2024, that as of May 16, 2024, its percentage of voting rights (held either directly or indirectly) in Siemens AG amounted to 3.01% of which 3.01% were voting rights from 24,045,258 shares due to their participation and 0.00% were attributable to instruments.

Goldman Sachs Group, Inc., Wilmington, USA, informed us on December 22, 2022, that as of December 16, 2022, its percentage of voting rights (held either directly or indirectly) in Siemens AG amounted to 4.15% of which 0.28% were voting rights from 2,377,304 shares due to their participation and 3.87% were attributable to instruments.

The Werner Siemens-Stiftung, Zug, Switzerland, informed us on January 21, 2008, that its percentage of voting rights (held either directly or indirectly) in Siemens AG exceeded the threshold of 3% of the voting rights in our Company on January 2, 2008 and amounted to 3.03% (27,739,285 voting rights) as per this date.

NOTE 16 Provisions for pensions and similar commitments

In Germany, Siemens AG provides pension benefits through the BSAV (Beitragsorientierte Siemens Altersversorgung), frozen legacy plans and deferred compensation plans. The majority of Siemens' active employees participate in the BSAV. The benefits are predominantly based on nominal contributions by the Company and investment returns on assets designated to that plan, subject to a minimum return guaranteed by the Company. At inception of the BSAV, benefits provided under the frozen legacy plans were modified to substantially eliminate the effects of compensation increases. However, the frozen plans still expose Siemens to investment risk, interest rate risk, inflation risk and longevity risk. The pension benefits are funded via contractual trust arrangements (CTA). A portion of these trust assets also covers the pension obligations of subsidiaries. Therefore, the assets do not meet the criteria for offsetting against the pension obligation and are presented mainly as financial assets of Siemens AG.

The actuarial assumptions for valuation of the settlement amount as of September 30, 2024 were based, among others, on a discount rate of 1.87% and an average weighted pension increase of 2.14% p.a. The mortality tables used (Siemens Bio 2017/2024) are primarily based on data of the German Siemens population, using a set of formulas that corresponds to generally accepted actuarial standards.

NOTE 17 Other provisions

The major amounts in other provisions were contributed by provisions related to personnel costs amounting to €1,208 million, provisions for decontamination obligations amounting to €481 million, provisions for contingent losses from derivative financial instruments amounting to €338 million, provisions for warranties, delay compensations, penalties for delay and breach of contract amounting to €325 million, as well as provisions related to guarantees and expected obligations from consortium agreements amounting to €269 million.

In May 2021, Siemens AG and the Federal Republic of Germany entered into a public-law contract based on which the obligation of final disposal of nuclear waste is transferred to the Federal Republic of Germany for a payment of €360 million. The contract and therefore the payment is subject to the approval of the EU commission under state-aid rules. Estimation uncertainties still relate to assumptions made to measure the obligations that remain with Siemens AG, with regard to conditioning and packaging of nuclear waste, as well as intermediate storage and transport to the final storage facility "Schacht Konrad" until year-end 2032.

NOTE 18 Liabilities

(in million of €)	Sep 30, 2024	thereof maturities up to 1 year	1 year up to 5 years	more than 5 years	Sep 30, 2023	thereof maturities up to 1 year	1 year up to 5 years	more than 5 years
Liabilities to banks	**240**	**9**	**231**	**–**	339	2	337	–
Trade payables	**1,727**	**1,721**	**6**	**–**	2,374	2,367	7	–
Liabilities to affiliated companies	**55,449**	**51,633**	**2,230**	**1,585**	59,483	54,165	3,732	1,585
Other liabilities	**1,396**	**1,383**	**13**	**–**	1,222	1,203	19	–
thereof to long-term investees	***2***	***2***	***–***	***–***	*5*	*5*	*–*	*–*
thereof miscellaneous liabilities	***1,394***	***1,381***	***13***	***–***	*1,217*	*1,198*	*19*	*–*
therein from taxes	***160***	***160***	***–***	***–***	*111*	*111*	*–*	*–*
therein for social security	***74***	***74***	***–***	***–***	*91*	*91*	*–*	*–*
Liabilities	**58,811**	**54,746**	**2,480**	**1,585**	63,417	57,737	4,095	1,585

Liabilities to affiliated companies resulted primarily from intragroup-financing activities.

3.5 Other disclosures

NOTE 19 Material expenses

(in millions of €)	Fiscal year 2024	2023
Expenses for raw materials, supplies and purchased merchandise	**(4,562)**	(6,047)
Costs of purchased services	**(4,593)**	(4,210)
Material expenses	**(9,154)**	(10,257)

NOTE 20 Personnel expenses

(in millions of €)	Fiscal year 2024	2023
Wages and salaries	**(4,688)**	(4,767)
Social security contributions and expenses for other employee benefits	**(696)**	(689)
Expenses for pensions	**(368)**	(1,148)
Personnel expenses	**(5,751)**	(6,603)

Personnel expenses did not include the expenses from the compounding of the pension and personnel-related provisions reported in other financial income (expenses), net.

The breakdown of employees per function is as follows:

	Fiscal year 2024
Production	**26,100**
Sales	**8,000**
Research and development	**7,100**
Administration and general functions	**6,500**
Employees	**47,800**

NOTE 21 Share-based payment

Siemens AG allows employees and members of the Managing Board to participate in share-based payment programs. For the purpose of servicing share-based payment programs, Siemens AG also delivers Siemens shares, which have been granted by affiliated companies.

Stock Awards

Siemens AG grants stock awards to members of the Managing Board, members of the senior management and other eligible employees.

Stock awards to beneficiaries of Siemens AG are expensed as incurred over the vesting period and are measured at the intrinsic value (= share price of the Siemens stock) at the balance sheet date on a pro rata basis for the proportion of the vesting period expired, if applicable, considering the estimated target attainment at the balance sheet date.

The following table shows the changes of stock awards subject to performance conditions held by beneficiaries of Siemens AG and also stock awards not subject to performance conditions:

(in number of shares)	Fiscal year 2024
Non-vested, beginning of fiscal year	**4,740,136**
Granted	**1,272,732**
Vested and fulfilled	**(1,200,812)**
Forfeited	**(71,302)**
Settled	**(4,601)**
Organizational changes	**820**
Non-vested, end of fiscal year	**4,736,973**

The pro rata intrinsic value of all stock awards issued to beneficiaries of Siemens AG amounted to €439 million at the balance sheet date.

Share Matching Program

Plan participants receive the right to one Siemens share without payment (matching share) for every three investment shares continuously held over a vesting period.

Matching shares granted to beneficiaries of Siemens AG are expensed as incurred over the vesting period and are measured at the intrinsic value (= share price of the Siemens stock) at the balance sheet date on a pro rata basis for the proportion of the vesting period expired at the balance sheet date.

The following table shows the changes in the entitlements to matching shares of beneficiaries of Siemens AG:

(in number of shares)	Fiscal year 2024
Outstanding, beginning of fiscal year	**602,270**
Granted	**256,719**
Vested and fulfilled	**(210,011)**
Forfeited	**(29,635)**
Settled	**(12,356)**
Organizational changes	**334**
Outstanding, end of fiscal year	**607,320**

The pro rata intrinsic value of all matching shares issued to beneficiaries of Siemens AG amounted to €67 million.

NOTE 22 Shares in investment funds

The following shares in investment funds according to investment objects were held:

(in million of €)	Sep 30, 2024 Carrying amount	Market value	Deviation from carrying amount
Mixed funds	**8,384**	**9,182**	**798**
Bond-based funds	**333**	**333**	**–**
Share-based funds	**24**	**24**	**–**
Money market funds	**49**	**49**	**–**
Shares in investment assets according to investment objects	**8,790**	**9,588**	**798**

Generally, shares in investment funds are accounted for securities held as non-current financial assets. Exceptions were those shares which represented plan assets and therefore were not accessible by all other creditors. These shares are held exclusively for the purpose of settling liabilities arising from post-employment obligations or comparable obligations with a long-term maturity, and are to be offset against such liabilities.

NOTE 23 Guarantees and other commitments

(in millions of €)	Sep 30, 2024
Obligations from guarantees	**2,961**
Warranty obligations	**95,045**
thereof relating to financing of affiliated companies	***65,922***
thereof relating to performance guarantees on behalf of affiliated companies	***22,573***
thereof Others	***6,550***
Guarantees and other commitments	**98,006**

Warranty obligations relating to financing of affiliated companies included guarantees towards banks for credit lines granted to affiliated companies.

The items Obligations from guarantees and Others included guarantees and other commitments for the benefit of companies of the Siemens Energy Group totaling €0.1 billion and €3.1 billion, respectively, with corresponding full reimbursement rights towards Siemens Energy Global GmbH & Co. KG. In addition, the items included indemnifications issued in connection with dispositions of businesses. Such indemnifications, if customary to the relevant transactions, may protect the buyer from potential tax, legal and other risks in conjunction with the purchased business.

Warranty obligations included obligations of Siemens AG towards affiliated companies totaling €0.9 billion.

Siemens AG only enters into guarantees and other commitments after careful consideration of the risks concerned and in general only in relation to its own business activities or those of affiliated companies as well as to business activities of companies, if it holds an investment in them or their parent companies. Based on an ongoing risk evaluation of the arrangements entered into and taking into account all information available up to the date on which the Annual Financial Statements were issued for approval, Siemens AG concluded that the relevant primary debtors are able to fulfill the underlying obligations. For this reason, Siemens AG considered it not probable that it will be called upon in conjunction with any of the guarantees and commitments described above.

NOTE 24 Financial payment obligations under lease and rental arrangements

Expenses for lease and rental arrangements in which the economic ownership of the leased/rented asset was not attributable to Siemens AG and the relevant items were not recognized as assets by Siemens AG amounted to €0.3 billion. Object of these contracts were mainly real estate and other non-current assets.

Payment obligations under lease and rental arrangements amounted to €1.3 billion, of which €0.9 billion resulted from transactions with affiliated companies. Payment obligations under lease and rental arrangements due within the next fiscal year amounted to €0.3 billion.

NOTE 25 Other financial obligations

Approximately €1.2 billion were outstanding as of September 30, 2024, from an outsourcing agreement with a maturity of several years.

Obligations for equity contributions to affiliated companies amounted to €0.5 billion.

Siemens AG has entered into a contract to pay its affiliated company Siemens Trademark GmbH & Co. KG, Germany, a running royalty for the use of the Siemens trademark rights. The fee is calculated by applying business-specific royalty rates to brand-related revenue. The contract has an indefinite duration. For fiscal 2024, the corresponding expenses amounted to €1,118 million. For fiscal 2025, the royalty is expected to be in the same magnitude.

In the course of its normal business operations, Siemens AG is involved in numerous legal and regulatory proceedings as well as governmental investigations (legal proceedings) in various jurisdictions. These legal proceedings could result in particular in the Company being subject to payment of damages and punitive damages, equitable remedies or criminal or civil sanctions, fines or disgorgements of profit. In individual cases, this may also lead to formal or informal exclusion from tenders or the revocation or loss of business licenses or permits. In addition, further Legal Proceedings may be commenced or the scope of pending Legal Proceedings may be expanded. Some of these legal proceedings could result in adverse decisions for Siemens AG that may have material effects on its financial position, the results of its operations and/or its cash flows in the respective reporting period. In addition, Siemens is jointly and severally liable within consortia. As far as not recognized in the financial statements, Siemens AG did not expect any material negative effects on its financial position, the results of its operations and/or its cash flows at balance sheet date.

NOTE 26 Derivative financial instruments and valuation units

As a consequence of its global operating, investing and financing activities, Siemens AG is in particular exposed to risks resulting from changes in exchange rates and interest rates, managed in line with a proven risk management system in consideration of defined risk limits. As the parent company of the Siemens Group, Siemens AG has the central role within the group-wide management of financial market risks. To manage the risks resulting from changes in exchange rates and interest rates, Siemens AG uses primarily foreign currency forward contracts, interest rate swaps as well as combined interest and currency hedging contracts. Thereby the operating units of Siemens AG are not allowed to enter into derivative financial instruments for speculative purposes. The contract partners of the Company for derivative financial instruments are banks, brokers and affiliated companies. The credit rating for banks and brokers is constantly monitored.

The following table shows the notional volume and net fair values of existing derivative financial instruments that were not included in a valuation unit as of the balance sheet date:

		Sep 30, 2024
(in millions of €)	Notional amount	Fair values
Interest rate swaps	**5,936**	**(334)**
Combined interest and currency hedging contracts	**408**	**15**
Existing derivative financial instruments	**6,344**	**(318)**

The notional volume of the individual derivative financial instruments is presented on a gross basis (gross notional amounts), regardless of the nature of the concluded position taken (sale or purchase)

Fair values of these derivative financial instruments are calculated by discounting expected future cash flows over the remaining term of the instrument using current market interest rates and yield curves.

The following table shows the carrying amounts, if any, of derivative financial instruments that are not included in valuation units and the balance sheet items in which the carrying amounts are recognized:

		Sep 30, 2024
(in millions of €)	Other assets	Other provisions
Interest rate swaps	**–**	**(334)**
Combined interest and currency hedging contracts	**–**	**–**
Derivative financial instruments requiring recognition	**–**	**(334)**

In addition, as of September 30, 2024, there was a put option with a negative market value of €4 million (nominal volume: €750 million), which was granted to Siemens Energy in connection with the acquisition of shares in Siemens Limited, India. The put option grants Siemens Energy the right, under certain conditions, to tender additional shares in Siemens Limited, India, to Siemens. Provisions for impending losses were recognized for the negative market value of the put option in the same amount, which are reported under other provisions.

Provided the relevant conditions are met, derivative financial instruments are aggregated with the underlying hedged item into valuation units. Using the freezing method, the hedging transactions are not recognized in the balance sheet. The effectiveness of the valuation unit is ensured through risk management and demonstrated both prospectively and retrospectively based on appropriate methods used to demonstrate effectiveness. Valuation gains and losses from derivative financial instruments and hedged items are netted for each valuation unit. In the event of an excess loss of valuation gains and losses that do not offset each other, a provision for anticipated losses on onerous contracts is recognized for the respective valuation unit in the amount of an existing loss surplus. Profit surpluses are not recognized.

Valuation unit used to hedge the foreign currency risk

According to the Company policy, Siemens units are responsible for recording, assessing and monitoring their foreign currency transaction exposure. Foreign currency transaction exposure of the Siemens units from contracted business and cash balances in foreign currency is generally hedged approximately by 100% with Corporate Treasury. Foreign currency transaction exposure of the Siemens units from planned business above defined thresholds has to be hedged with Corporate Treasury within a band of 75% to 100% for a hedging period of at least three months.

The remaining foreign currency risk after offsetting cash flows in the same currency is hedged by the Corporate Treasury with external contract partners. The net foreign currency position (before hedging) is combined with the offsetting foreign currency exchange contracts to a macro valuation unit. Risk control and the assessment of the effectiveness of the macro valuation unit are based on the net foreign currency position before and after hedging. For this purpose, hedged items and hedging instruments are measured with the respective underlying discounted cash flows. For foreign currency derivative financial instruments, the determination is based on the changes in relevant forward exchange rates. The existing derivative currency hedging contracts are included in the valuation unit in their entirety and had maturity terms until the year 2041.

(in millions of €)	Sep 30, 2024
Foreign currency risk from balance sheet items	**1,294**
thereof assets	***13,385***
thereof liabilities	***(12,091)***
Foreign currency risk from firm commitments and forecast transactions	**655**
thereof expected cash inflows from firm commitments and forecasted transactions	***1,099***
thereof expected cash outflows from firm commitments and forecasted transactions	***(445)***
Net foreign currency position (before hedging)	**1,948**
Foreign currency exchange contracts (net face value)	**(2,046)**
thereof with external contract partners	***1,760***
thereof with affiliated companies	***(3,807)***
Net foreign currency position (after hedging)	**(98)**

Firm commitments relate to transactions for which a legally binding contract was concluded but not yet performed on by either contracting party, as well as contingent payment claims for already partially completed performance obligations in the project and product businesses.

Forecast transactions are transactions for which no legally binding contract has yet been concluded, but for which there is a sufficiently high probability of actual conclusion.

As of September 30, 2024, the fair value of derivative financial instruments from foreign currency hedging transactions was €(15) million, net. Positive fair values of €1,253 million were offset by negative fair values of €1,269 million. For derivative financial instruments with negative fair values, no provision for anticipated losses was recognized as part of the valuation unit.

Valuation unit used to hedge the interest rate risk

The interest rate hedging contracts used by Siemens AG serve to reduce interest rate risks within the framework of an integrated asset-liability management approach and to optimize the interest results.

Siemens AG has entered into interest rate swaps with external counterparties to hedge interest rate swaps with its affiliated companies against interest rate risk. As of September 30, 2024, the interest rate swaps with affiliated companies with a maximum maturity term until the year 2028 included in this macro-valuation unit had a notional amount of €2,095 million and fair values of €28 million. At balance sheet date, these underlying transactions were matched by external interest rate derivatives with negative fair values of €23 million, net, and a maximum maturity term until the year 2030.

To hedge interest rate risks arising from payables to affiliated companies, Siemens AG has entered into interest rate derivatives with external counterparties. As of September 30, 2024, the liabilities hedged in this micro-valuation unit had a nominal volume of €1,331 million and a maximum maturity term until the year 2025. As of September 30, 2024, the positive cumulative changes in the market value of these payables of €17 million were offset by external interest rate derivatives with identical maturities whose negative market value was €17 million.

The assessment of the effectiveness of these valuation units is carried out prospectively based on sensitivity analyses and retrospectively using the dollar-offset method. The amount of interest rate risks hedged with the valuation unit, which did not lead to a provision for anticipated losses, totaled €70 million.

NOTE 27 Proposal for the appropriation of net income

The Supervisory Board and the Managing Board propose the unappropriated net income of Siemens AG for the fiscal year ended September 30, 2024, amounting to €4,160 million to be appropriated as follows: Distribution of a dividend of €5.20 on each share of no par value entitled to the dividend, and carry-forward of the unappropriated net income for shares of no par value not entitled to the dividend.

NOTE 28 Remuneration of the members of the Managing Board and the Supervisory Board

Remuneration of the members of the Managing Board

Members of the Managing Board received short-term employee benefits of €16.6 million. The fair value of share-based compensation amounted to €13.1 million for 173,692 stock awards. The Company granted contributions under the BSAV to members of the Managing Board totaling €2.2 million.

Therefore, the compensation and benefits attributable to members of the Managing Board amounted to €31.9 million in total.

Total remuneration of former members of the Managing Board

Former members of the Managing Board and their surviving dependents received a total of €29.9 million according to Section 285 no. 9b of the German Commercial Code.

Siemens recognized pension provisions totaling €126.0 million for the pension entitlements to former members of the Managing Board and their surviving dependents.

Remuneration of the members of the Supervisory Board

Compensation attributable to members of the Supervisory Board comprises a base compensation and additional compensation for committee work and amounted to €5.3 million (including meeting fees).

NOTE 29 Declaration of Compliance with the German Corporate Governance Code

As of October 1, 2024, the mandatory statement pursuant to Section 161 of the German Stock Corporation Act (AktG) has been issued by the Managing Board and the Supervisory Board and is permanently accessible on siemens.com/gcg-code.

NOTE 30 Subsequent events

In fiscal 2024, Siemens signed an agreement to sell Innomotics, a provider of electric motors and large drives, to KPS Capital Partners, LP for cash. In October 2024, as part of the transaction, the sale of Innomotics GmbH was completed with an expected sales price of €2.2 billion.

NOTE 31 Members of the Managing Board and Supervisory Board

Members of the Managing Board and positions held by Managing Board members

In fiscal 2024, the Managing Board had the following members:

Name	Date of birth	First appointed	Term expires	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises	
				External positions (as of September 30, 2024)	Group company positions (as of September 30, 2024)
Roland Busch (Dr. rer. nat.) Member of the Managing Board and President and CEO of Siemens AG	November 22, 1964	April 1, 2011	March 31, 2030	**German positions:** - Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich[1]	**German positions:** - Siemens Healthineers AG, Munich[1] - Siemens Mobility GmbH, Munich (Chairman)
Cedrik Neike Member of the Managing Board of Siemens AG and CEO of Digital Industries	March 7, 1973	April 1, 2017	May 31, 2030	**German positions:** - Evonik Industries AG, Essen[1]	**Positions outside Germany:** - Siemens Aktiengesellschaft Österreich, Austria (Chairman) - Siemens France Holding SAS, France
Matthias Rebellius Member of the Managing Board of Siemens AG and CEO of Smart Infrastructure	January 2, 1965	October 1, 2020	September 30, 2025[2]	**German positions:** - Siemens Energy AG, Munich[1] - Siemens Energy Management GmbH, Munich	**Positions outside Germany:** - Arabia Electric Ltd. (Equipment), Saudi Arabia (Deputy Chairman) - Siemens Ltd., India[1] - Siemens Ltd., Saudi Arabia (Deputy Chairman) - Siemens Schweiz AG, Switzerland (Chairman) - Siemens W.L.L., Qatar
Ralf P. Thomas (Prof. Dr. rer. pol.) Member of the Managing Board and Chief Financial Officer of Siemens AG	March 7, 1961	September 18, 2013	December 14, 2026	**German positions:** - Allianz Versicherungs-AG, Munich	**German positions:** - Siemens Healthineers AG, Munich (Chairman)[1] **Positions outside Germany:** - Siemens Proprietary Ltd., South Africa (Chairman)
Judith Wiese Chief People and Sustainability Officer, member of the Managing Board of Siemens AG and Labor Director	January 30, 1971	October 1, 2020	September 30, 2028	**German positions:** - European School of Management and Technology GmbH, Berlin	

[1] Publicly listed.

[2] By a decision of the Supervisory Board on November 13, 2024, the appointment of Matthias Rebellius as a member of the Managing Board was extended from October 1, 2025, to the end of the day on September 30, 2026.

Veronika Bienert (born on March 19, 1973) and Dr. Peter Koerte (born on December 27, 1975) have been appointed members of the Managing Board of Siemens AG for terms of office to run from October 1, 2024, until September 30, 2027. Veronika Bienert is a member of the Managing Board of Siemens AG and CEO of Siemens Financial Services. She holds the following positions in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises: Chairwoman of the Supervisory Board of Siemens Aktiengesellschaft Österreich, Austria (Group company position), Chairwoman of the Supervisory Board of Siemens Bank GmbH, Munich (Group company position) and member of the Supervisory Board of the publicly listed company Siemens Healthineers AG, Munich (Group company position). Dr. Peter Koerte is a member of the Managing Board of Siemens AG and Chief Technology Officer as well as Chief Strategy Officer. He holds the following positions in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises: member of the Supervisory Board of the publicly listed company Siemens Healthineers AG, Munich (Group company position).

Members of the Supervisory Board and positions held by Supervisory Board members

In fiscal 2024, the Supervisory Board had the following members:

Name	Occupation	Date of birth	Member since	Term expires[1]	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2024)
Jim Hagemann Snabe Chairman	Chairman of the Supervisory Board of Siemens AG	October 27, 1965	October 1, 2013	2025	**Positions outside Germany:** - C3.ai, Inc., USA[3] - Urban Partners A/S, Denmark (Deputy Chairman)
Birgit Steinborn[2] First Deputy Chairwoman	Chairwoman of the Central Works Council of Siemens AG	March 26, 1960	January 24, 2008	2028	
Werner Brandt (Dr. rer. pol.) Second Deputy Chairman	Chairman of the Supervisory Board of RWE AG	January 3, 1954	January 31, 2018	2027	**German positions:** - RWE AG, Essen (Chairman)[3]
Tobias Bäumler[2]	Deputy Chairman of the Central Works Council of Siemens AG and (until October 24, 2024) Deputy Chairman of the Combine Works Council of Siemens AG	October 10, 1979	October 16, 2020	2028	
Regina E. Dugan (PhD)	President and CEO of Wellcome Leap Inc.	March 19, 1963	February 9, 2023	2027	**Positions outside Germany:** - Hewlett Packard Enterprise Company, USA[3]
Andrea Fehrmann[2] (Dr. phil.)	Trade Union Secretary, IG Metall Regional Office for Bavaria	June 21, 1970	January 31, 2018	2028	**German positions:** - Airbus Defence and Space GmbH, Taufkirchen - Siemens Energy AG, Munich[3] - Siemens Energy Management GmbH, Munich - Siemens Healthineers AG, Munich[3]
Bettina Haller[2]	Chairwoman of the Combine Works Council of Siemens AG	March 14, 1959	April 1, 2007	2028	**German positions:** - Siemens Mobility GmbH, Munich (Deputy Chairwoman)
Oliver Hartmann[2]	Head of the Regional Office Erlangen/Nuremberg, Germany, Chairman of the Committee of Spokespersons of the Siemens Group and Chairman of the Central Committee of Spokespersons of Siemens AG	April 25, 1968	September 14, 2023	2028	
Keryn Lee James	Chair of the Board of Directors of OPUS Talent Solutions Ltd.	December 12, 1968	February 9, 2023	2027	**Positions outside Germany:** - Lane Clark & Peacock LLP, UK (Chairwoman) - OPUS Talent Solutions Ltd., UK (Chairwoman)
Harald Kern[2] (until December 7, 2023)	Chairman of the Siemens Europe Committee	March 16, 1960	January 24, 2008	2028	
Jürgen Kerner[2]	Deputy Chairman of IG Metall	January 22, 1969	January 25, 2012	2028	**German positions:** - Airbus GmbH, Hamburg - MAN Truck & Bus SE, Munich (Deputy Chairman) - Siemens Energy AG, Munich[3] - Siemens Energy Management GmbH, Munich - thyssenkrupp AG, Essen (Deputy Chairman)[3] - Traton SE, Munich[3]
Martina Merz	Member of supervisory boards	March 1, 1963	February 9, 2023	2027	**Positions outside Germany:** - AB Volvo, Sweden[3] - Rio Tinto Group (Rio Tinto Limited, Australia, and Rio Tinto plc, UK)[3]
Christian Pfeiffer[2] (Dr.-Ing.)	Innovation manager at Siemens Mobility GmbH, member of the Combine Works Council of Siemens AG and of the Central Works Council of Siemens Mobility GmbH	June 2, 1969	February 9, 2023	2028	**German positions:** - Siemens Mobility GmbH, Munich
Benoît Potier	Chairman of the Board of Directors of L'Air Liquide S.A.	September 3, 1957	January 31, 2018	2027	**Positions outside Germany:** - L'Air Liquide S.A., France (Chairman)[3]
Hagen Reimer[2]	Trade Union Secretary of the Managing Board of IG Metall	April 26, 1967	January 30, 2019	2028	
Kasper Rørsted	Member of supervisory boards	February 24, 1962	February 3, 2021	2025	**Positions outside Germany:** - A. P. Møller-Mærsk A/S, Denmark[3] - Lenovo Group Limited, Hong Kong[3]
Nathalie von Siemens (Dr. phil.)	Member of supervisory boards	July 14, 1971	January 27, 2015	2027	**German positions:** - Messer SE & Co. KGaA, Bad Soden am Taunus - Siemens Healthineers AG, Munich[3] - TÜV Süd AG, Munich **Positions outside Germany:** - EssilorLuxottica SA, France[3]
Dorothea Simon[2]	Chairwoman of the Central Works Council of Siemens Healthineers AG	August 3, 1969	October 1, 2017	2028	**German positions:** - Siemens Healthineers AG, Munich (Deputy Chairwoman)[3]
Mimon Uhamou[2] (since December 12, 2023)	Chairman of the Siemens Europe Committee	May 3, 1977	December 12, 2023	2028	**German positions:** - Siemens-Betriebskrankenkasse, Heidenheim
Grazia Vittadini	Chief Technology Officer and member of the Executive Board of Deutsche Lufthansa AG[3]	September 23, 1969	February 3, 2021	2025	**German positions:** - The Exploration Company GmbH, Gilching - Lufthansa Technik AG, Hamburg (Chairwoman)[4]
Matthias Zachert	Chairman of the Board of Management of LANXESS AG[3]	November 8, 1967	January 31, 2018	2027	

[1] As a rule, the term of office ends at the conclusion of the (relevant) ordinary Annual Shareholders' Meeting.
[2] Employee representative.
[3] Publicly listed.
[4] Group company position.

NOTE 32 List of subsidiaries and associated companies pursuant to Section 285 no. 11, 11a and 11b of the German Commercial Code

September 30, 2024	Net income in millions of €[1]	Equity in millions of €[1]	Equity interest in %
Germany (46 companies)			
Campus Erlangen Objekt 2 GmbH & Co. KG, Grünwald	2	222	40[7]
Erlapolis 22 GmbH, Munich	3	72	100[5]
evosoft GmbH, Nuremberg	1	10	100
HaCon Ingenieurgesellschaft mbH, Hanover	7	154	100
Innomotics GmbH, Munich	(116)	1,326	100
Innomotics Real Estate GmbH & Co. KG, Nuremberg	3	37	100
KACO new energy GmbH, Neckarsulm	(21)	50	100
Munipolis GmbH, Munich	5	278	100[5]
Next47 GmbH, Munich	67	88	100
Nordlicht Holding GmbH & Co. KG, Frankfurt	–	153	33[6]
OPTIO Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Tübingen KG, Grünwald	1	93	100
RISICOM Rückversicherung AG, Grünwald	13	340	100
Siemens Bank GmbH, Munich	53	1,491	100
Siemens Beteiligungen Europa GmbH, Munich	331	6,226	100
Siemens Beteiligungen Inland GmbH, Munich	(20)	27,345	100
Siemens Beteiligungen USA GmbH, Berlin	–	13,778	100
Siemens Beteiligungsverwaltung GmbH & Co. OHG, Kemnath	2,494	19,712	100[2]
Siemens Campus Erlangen Grundstücks-GmbH & Co. KG, Grünwald	(5)	3	100
Siemens Electronic Design Automation GmbH, Munich	(2)	69	100
Siemens Energy AG, Munich	48	14,450	17[5]
Siemens Finance & Leasing GmbH, Munich	2	142	100
Siemens Financial Services GmbH, Munich	4	2,035	100
Siemens Fonds Invest GmbH, Munich	2	15	100
Siemens Healthcare Diagnostics Products GmbH, Marburg	25	551	100
Siemens Healthcare GmbH, Munich	–	325	100
Siemens Healthineers AG, Munich	887	25,159	75
Siemens Healthineers Beteiligungen GmbH & Co. KG, Röttenbach	789	25,518	100
Siemens Healthineers Holding I GmbH, Munich	2	(4,729)	100
Siemens Healthineers Holding III GmbH, Munich	–	6,408	100
Siemens Healthineers Innovation GmbH & Co. KG, Röttenbach	593	609	100
Siemens Immobilien Besitz GmbH & Co. KG, Grünwald	24	107	100
Siemens Industry Software GmbH, Cologne	(13)	275	100
Siemens Mobility GmbH, Munich	(314)	2,338	100
Siemens Mobility Real Estate GmbH & Co. KG, Grünwald	9	120	100
Siemens Nixdorf Informationssysteme GmbH, Grünwald	1	30	100
Siemens Project Ventures GmbH, Erlangen	(66)	233	100
Siemens Real Estate GmbH & Co. KG, Kemnath	20	165	100
Siemens Trademark GmbH & Co. KG, Kemnath	1,136	3,638	100
Siemens Treasury GmbH, Munich	2	8	100
SIM 2. Grundstücks-GmbH & Co. KG, Grünwald	8	313	100[5]
SIMAR Ost Grundstücks-GmbH, Grünwald	2	(28)	100
SPT Beteiligungen GmbH & Co. KG, Grünwald	363	5,658	100[5]
Varian Medical Systems Particle Therapy GmbH & Co. KG, Troisdorf	(9)	99	100
VMS Deutschland Holdings GmbH, Darmstadt	(31)	409	100
Zeleni Holding GmbH, Kemnath	(2)	294	100
Zeleni Real Estate GmbH & Co. KG, Kemnath	14	273	100
Europe, Commonwealth of Independent States (C.I.S.), Africa, Middle East (without Germany) (99 companies)			
ETM professional control GmbH, Eisenstadt / Austria	18	25	100

Siemens Aktiengesellschaft Österreich, Vienna / Austria	**179**	**1,664**	**100**
Siemens Healthcare Diagnostics GmbH, Vienna / Austria	**25**	**123**	**100**
Siemens Konzernbeteiligungen GmbH, Vienna / Austria	**126**	**1,950**	**100**
Siemens Metals Technologies Vermögensverwaltungs GmbH, Vienna / Austria	**(2)**	**(8)**	**100**
Siemens Mobility Austria GmbH, Vienna / Austria	**12**	**58**	**100**
Siemens Healthcare NV, Groot-Bijgaarden / Belgium	**10**	**107**	**100**
Siemens Industry Software NV, Leuven / Belgium	**5**	**538**	**100**
Siemens S.A./N.V., Beersel / Belgium	**24**	**88**	**100**
Siemens d.d., Zagreb / Croatia	**5**	**10**	**100**
Innomotics, s.r.o., Brno / Czech Republic	**18**	**44**	**100**
OEZ s.r.o., Letohrad / Czech Republic	**51**	**84**	**100**
Siemens Mobility, s.r.o., Prague / Czech Republic	**17**	**35**	**100**
Siemens, s.r.o., Prague / Czech Republic	**36**	**64**	**100**
Siemens A/S, Ballerup / Denmark	**6**	**58**	**100**
Siemens Aarsleff Konsortium I/S, Ballerup / Denmark	**–**	**–**	**67**[2, 5]
Siemens Mobility A/S, Ballerup / Denmark	**12**	**32**	**100**
Siemens Mobility Egypt LLC, Cairo / Egypt	**29**	**40**	**100**
Siemens Osakeyhtiö, Espoo / Finland	**12**	**40**	**100**
Siemens France Holding SAS, Courbevoie / France	**89**	**202**	**100**
Siemens Healthcare SAS, Courbevoie / France	**25**	**227**	**100**
Siemens Industry Software SAS, Châtillon / France	**10**	**53**	**100**
Siemens Mobility SAS, Châtillon / France	**(5)**	**83**	**100**
Siemens SAS, Courbevoie / France	**71**	**220**	**100**
Siemens Electrotechnical Projects and Products Single Member Societe Anonyme, Athens / Greece	**6**	**91**	**100**
SIEMENS HEALTHINEERS HELLAS SINGLE MEMBER SOCIETE ANONYME, Marousi / Greece	**3**	**65**	**100**
Mentor Graphics (Holdings) Unlimited Company, Shannon, County Clare / Ireland	**100**	**1,996**	**100**
Siemens Industry Software Limited, Shannon, County Clare / Ireland	**206**	**1,807**	**100**
Siemens Concentrated Solar Power Ltd., Rosh Ha'ayin / Israel	**55**	**3,656**	**100**
Siemens Industry Software Ltd., Airport City / Israel	**36**	**149**	**100**
UGS Israeli Holdings (Israel) Ltd., Airport City / Israel	**–**	**1**	**100**
Siemens Healthcare S.r.l., Milan / Italy	**9**	**246**	**100**
Siemens S.p.A., Milan / Italy	**54**	**232**	**100**
FAST TRACK DIAGNOSTICS LUXEMBOURG S.à r.l., Esch-sur-Alzette / Luxembourg	**(15)**	**50**	**100**
SPT Holding SARL, Luxembourg / Luxembourg	**–**	**511**	**100**[6]
SPT Invest Management, SARL, Luxembourg / Luxembourg	**101**	**1,049**	**100**[6]
Varian Medical Systems Mauritius Ltd., Ebene / Mauritius	**8**	**78**	**100**
Buitengaats C.V., Amsterdam / Netherlands	**49**	**177**	**20**[6]
Heliox Automotive B.V., Veldhoven / Netherlands	**(17)**	**161**	**100**
KIC InnoEnergy S.E., Eindhoven / Netherlands	**(53)**	**401**	**6**[6]
Mendix Technology B.V., Rotterdam / Netherlands	**(61)**	**(81)**	**100**
Siemens Electronic Design Automation B.V., Eindhoven / Netherlands	**1**	**12**	**100**
Siemens eMobility Holding B.V., Veldhoven / Netherlands	**(7)**	**157**	**100**
Siemens Financieringsmaatschappij N.V., The Hague / Netherlands	**8**	**83**	**100**
Siemens Healthineers Holding I B.V., The Hague / Netherlands	**239**	**1,615**	**100**
Siemens Healthineers Holding III B.V., The Hague / Netherlands	**284**	**4,239**	**100**
Siemens Healthineers Holding IV B.V., The Hague / Netherlands	**–**	**13,895**	**100**
Siemens Healthineers Nederland B.V., The Hague / Netherlands	**7**	**235**	**100**
Siemens Industry Software Netherlands B.V., Eindhoven / Netherlands	**111**	**540**	**100**
Siemens International Holding B.V., The Hague / Netherlands	**864**	**10,476**	**100**
Siemens Mobility Holding B.V., The Hague / Netherlands	**164**	**1,617**	**100**
Siemens Nederland N.V., The Hague / Netherlands	**81**	**145**	**100**
Sqills Products B.V., Enschede / Netherlands	**5**	**564**	**100**
Ural Locomotives Holding Besloten Vennootschap, The Hague / Netherlands	**11**	**100**	**50**[3]
Varian Medical Systems Nederland B.V., Houten / Netherlands	**1**	**2,976**	**100**
ZeeEnergie C.V., Amsterdam / Netherlands	**49**	**177**	**20**[6]

Siemens AS, Oslo / Norway	12	23	100
Siemens Sp. z o.o., Warsaw / Poland	13	73	100
SIEMENS HEALTHCARE, UNIPESSOAL, LDA, Amadora / Portugal	8	96	100
Siemens S.A., Amadora / Portugal	17	92	100
Siemens W.L.L., Doha / Qatar	20	35	55
Siemens S.R.L., Bucharest / Romania	11	20	100
Siemens Ltd., Riyadh / Saudi Arabia	42	72	51
Siemens Mobility d.o.o. Cerovac, Kragujevac / Serbia	(3)	33	100
HMH, s.r.o., Bratislava / Slovakia	2	53	100
Siemens s.r.o., Bratislava / Slovakia	7	30	100
Siemens Proprietary Limited, Midrand / South Africa	3	39	85
Fábrica Electrotécnica Josa, S.A.U., Tres Cantos / Spain	(1)	43	100
SIEMENS HEALTHCARE, S.L.U., Madrid / Spain	(1)	284	100
SIEMENS MOBILITY, S.L.U., Tres Cantos / Spain	7	75	100
Siemens Rail Automation S.A.U., Tres Cantos / Spain	22	684	100
Siemens S.A., Madrid / Spain	49	225	100
Varian Medical Systems Iberica SL, Madrid / Spain	2	135	100
Siemens AB, Solna / Sweden	11	107	100
Siemens Financial Services AB, Solna / Sweden	21	251	100
Siemens Healthineers International AG, Steinhausen / Switzerland	305	679	100
Siemens Industry Software GmbH, Zurich / Switzerland	19	214	100
Siemens Mobility AG, Wallisellen / Switzerland	27	85	100
Siemens Schweiz AG, Zurich / Switzerland	29	907	100
Varian Medical Systems Imaging Laboratory GmbH, Dättwil / Switzerland	22	34	100
Siemens AG - Siemens Sanayi Ve Ticaret AS Velaro Joint Venture, Kartal - Istanbul / Türkiye	–	–	100[2]
Siemens Healthcare Saglik Anonim Sirketi, Istanbul / Türkiye	(14)	34	100
Siemens Sanayi ve Ticaret Anonim Sirketi, Istanbul / Türkiye	21	188	100
Brightly Software Limited, Farnborough, Hampshire / United Kingdom	(1)	167	100
Electrium Sales Limited, Farnborough, Hampshire / United Kingdom	4	58	100
Galloper Wind Farm Holding Company Limited, Swindon, Wiltshire / United Kingdom	164	81	25[6]
Project Ventures Rail Investments I Limited, Farnborough, Hampshire / United Kingdom	13	(41)	100
SBS Pension Funding (Scotland) Limited Partnership, Edinburgh / United Kingdom	19	661	57
Siemens Financial Services Ltd., Stoke Poges, Buckinghamshire / United Kingdom	18	341	100
Siemens Healthcare Diagnostics Manufacturing Ltd, Camberley, Surrey / United Kingdom	7	187	100
Siemens Healthcare Diagnostics Products Ltd, Camberley, Surrey / United Kingdom	5	223	100
Siemens Healthcare Limited, Camberley, Surrey / United Kingdom	64	127	100
Siemens Holdings plc, Farnborough, Hampshire / United Kingdom	123	1,263	100
Siemens Industry Software Computational Dynamics Limited, Farnborough, Hampshire / United Kingdom	–	–	100
Siemens Industry Software Limited, Farnborough, Hampshire / United Kingdom	14	70	100
Siemens Mobility Limited, London / United Kingdom	136	932	100
Siemens Pension Funding Limited, Farnborough, Hampshire / United Kingdom	(4)	469	100
Siemens plc, Farnborough, Hampshire / United Kingdom	26	776	100
Siemens Process Systems Engineering Limited, Farnborough, Hampshire / United Kingdom	2	5	100
Americas (58 companies)			
Siemens S.A., Buenos Aires / Argentina	2	30	100
GNA 1 Geração de Energia S.A., São João da Barra / Brazil	(86)	127	22[6]
Siemens Healthcare Diagnósticos Ltda., São Paulo / Brazil	20	203	100
Siemens Infraestrutura e Indústria Ltda., São Paulo / Brazil	46	68	100
Siemens Participações Ltda., São Paulo / Brazil	(9)	24	100
Dade Behring Hong Kong Holdings Corporation, Tortola / British Virgin Islands	11	100	100
Brightly Software Canada, Inc., Oakville / Canada	(5)	64	100
EPOCAL INC., Toronto / Canada	5	118	100
Innomotics Inc., Oakville / Canada	3	11	100
Siemens Canada Limited, Oakville / Canada	60	194	100
Siemens Financial Ltd., Oakville / Canada	29	524	100

Siemens Healthcare Limited, Oakville / Canada	17	85	100
Innomotics S.A., Santiago de Chile / Chile	15	32	100
Siemens S.A., Santiago de Chile / Chile	8	22	100
Siemens S.A.S., Tenjo / Colombia	4	42	100
Grupo Siemens S.A. de C.V., Mexico City / Mexico	75	86	100
Siemens Inmobiliaria S.A. de C.V., Mexico City / Mexico	–	15	100
Siemens, S.A. de C.V., Mexico City / Mexico	81	120	100
Associates in Medical Physics, LLC, Greenbelt, MD / United States	–	92	100
Block Imaging Parts & Service, LLC, Holt, MI / United States	(7)	143	100
Brightly Software, Inc., Wilmington, DE / United States	3	(106)	100
Building Robotics Inc., Wilmington, DE / United States	(31)	(94)	100
Corindus, Inc., Wilmington, DE / United States	(36)	131	100
ECG Acquisition, Inc., Wilmington, DE / United States	–	176	100
ECG TopCo Holdings, LLC, Wilmington, DE / United States	(36)	1	83
Electrify America, LLC, Wilmington, DE / United States	(64)	782	9[4]
Fluence Energy, Inc., Wilmington, DE / United States	(99)	525	29[5]
Healthcare Technology Management, LLC, Wilmington, DE / United States	(2)	142	78
Heliox Technology Inc., Dover, DE / United States	(8)	44	100
HistoSonics, Inc., Wilmington, DE / United States	n/a	n/a	7
Innomotics LLC, Wilmington, DE / United States	77	30	100
Mannesmann Corporation, New York, NY / United States	2	48	100
Medical Physics Holdings, LLC, Dover, DE / United States	(1)	93	100
Next47 Fund 2018, L.P., Palo Alto, CA / United States	–	39	100
Next47 Fund 2019, L.P., Palo Alto, CA / United States	–	70	100
Next47 Fund 2020, L.P., Palo Alto, CA / United States	–	110	100
Next47 Fund 2021, L.P., Palo Alto, CA / United States	(1)	130	100
Next47 Fund 2022, L.P., Palo Alto, CA / United States	(2)	108	100
Next47 Fund 2024, L.P., Palo Alto, CA / United States	(4)	104	100
PETNET Solutions, Inc., Knoxville, TN / United States	77	197	100
Siemens Capital Company LLC, Wilmington, DE / United States	28	1,736	100
Siemens Corporation, Wilmington, DE / United States	2,309	8,577	100
Siemens Financial Services, Inc., Wilmington, DE / United States	184	1,996	100
Siemens Government Technologies, Inc., Wilmington, DE / United States	23	80	100
Siemens Healthcare Diagnostics Inc., Los Angeles, CA / United States	(101)	6,868	100
Siemens Healthineers Holdings, LLC, Wilmington, DE / United States	–	13,895	100
Siemens Industry Software Inc., Wilmington, DE / United States	804	3,942	100
Siemens Industry, Inc., Wilmington, DE / United States	3,800	7,148	100
Siemens Logistics LLC, Wilmington, DE / United States	22	9	100
Siemens Medical Solutions USA, Inc., Wilmington, DE / United States	225	17,062	100
Siemens Mobility, Inc, Wilmington, DE / United States	(5)	938	100
Siemens Public, Inc., Iselin, NJ / United States	44	1,626	100
Siemens USA Holdings, Inc., Wilmington, DE / United States	–	10,417	100
SMI Holding LLC, Wilmington, DE / United States	(2)	7	100
Supplyframe, Inc., Glendale, CA / United States	(47)	(104)	100
Thoughtworks Holding Inc., Wilmington, DE / United States	(62)	700	7[6]
Varian Medical Systems International Holdings, Inc., Wilmington, DE / United States	–	6,410	100
Varian Medical Systems, Inc., Wilmington, DE / United States	19	7,551	100
Asia, Australia (50 companies)			
Brightly Software Australia Pty Ltd, Sydney / Australia	(2)	80	100
Brightly Software Holdings Pty. Ltd., Sydney / Australia	–	94	100
Innomotics Pty Ltd, Bayswater / Australia	9	10	100
Siemens Ltd., Bayswater / Australia	26	102	100
Siemens Mobility Pty Ltd, Melbourne / Australia	36	183	100
Beijing Siemens Cerberus Electronics Ltd., Beijing / China	29	34	100
Innomotics Electrical Large Drives (Shanghai) Ltd., Shanghai / China	40	43	100

Innomotics Large Drives (Shanghai) Co., Ltd., Shanghai Pilot Free Trade Zone / China	(2)	(1)	100
Innomotics Standard Motors Ltd., Yizheng / China	30	147	100
Siemens Circuit Protection Systems Ltd., Shanghai, Shanghai / China	20	29	75
Siemens Electrical Apparatus Ltd., Suzhou, Suzhou / China	84	122	100
Siemens Electrical Drives Ltd., Tianjin / China	62	124	85
Siemens Electronic Design Automation (Shanghai) Co., Ltd., Shanghai Pilot Free Trade Zone / China	3	66	100
Siemens Factory Automation Engineering Ltd., Beijing / China	14	24	100
Siemens Finance and Leasing Ltd., Beijing / China	2	124	100
Siemens Financial Services Ltd., Beijing / China	18	224	100
Siemens Healthcare Diagnostics Manufacturing Ltd., Shanghai, Shanghai / China	(24)	–	100
Siemens Healthineers Diagnostics (Shanghai) Co., Ltd., Shanghai / China	46	165	100
Siemens Healthineers Digital Technology (Shanghai) Co., Ltd., Shanghai / China	90	94	100
Siemens Healthineers Ltd., Shanghai / China	112	172	100
Siemens Industrial Automation Products Ltd., Chengdu, Chengdu / China	93	125	100
Siemens Industry Software (Shanghai) Co., Ltd., Shanghai / China	24	79	100
Siemens International Trading Ltd., Shanghai, Shanghai / China	11	37	100
Siemens Ltd., China, Beijing / China	758	2,192	100
Siemens Mechatronics Technology JiangSu Ltd., Yizheng / China	5	3	100
Siemens Medium Voltage Switching Technologies (Wuxi) Ltd., Wuxi / China	71	75	85
Siemens Mobility Equipment (China) Co., Ltd, Shanghai Pilot Free Trade Zone / China	4	84	100
Siemens Mobility Technologies (Beijing) Co., Ltd, Beijing / China	16	159	100
Siemens Numerical Control Ltd., Nanjing, Nanjing / China	75	105	80
Siemens Power Automation Ltd., Nanjing / China	14	19	100
Siemens Shenzhen Magnetic Resonance Ltd., Shenzhen / China	100	239	100
Siemens Switchgear Ltd., Shanghai, Shanghai / China	33	49	55
Zhenjiang Siemens Busbar Trunking Systems Co. Ltd., Yangzhong / China	56	68	50[6]
Siemens Limited, Hong Kong / Hong Kong	26	39	100
C&S Electric Limited, New Delhi / India	16	239	99
INNOMOTICS INDIA PRIVATE LIMITED, Mumbai / India	7	28	100
SIEMENS EDA (INDIA) PRIVATE LIMITED, New Delhi / India	18	84	100
Siemens Financial Services Private Limited, Mumbai / India	15	111	100
Siemens Healthcare Private Limited, Mumbai / India	10	633	100
Siemens Industry Software (India) Private Limited, New Delhi / India	25	86	100
Siemens Limited, Mumbai / India	281	1,899	69
P.T. Jawa Power, Jakarta / Indonesia	195	884	50[6]
P.T. Siemens Indonesia, Jakarta / Indonesia	(1)	47	100
Siemens Healthcare Diagnostics K.K., Tokyo / Japan	2	199	100
Siemens Healthcare K.K., Tokyo / Japan	27	218	100
Siemens K.K., Tokyo / Japan	9	143	100
Varian Medical Systems K.K., Tokyo / Japan	3	947	100
Siemens Healthineers Ltd., Seoul / Korea	24	115	100
Siemens Ltd. Seoul, Seoul / Korea	22	171	100
Siemens Limited, Taipei / Taiwan	19	55	100

[1] The values correspond to the annual financial statements after a possible profit transfer, for subsidiaries according to the IFRS closing.
[2] Siemens AG is a shareholder with unlimited liability of this company.
[3] Values from fiscal year January 01, 2021 – December 31, 2021
[4] Values from fiscal year January 01, 2022 – December 31, 2022
[5] Values from fiscal year October 01, 2022 – September 30, 2023
[6] Values from fiscal year January 01, 2023 – December 31, 2023
[7] Values from fiscal year October 01, 2023 – December 31, 2023
n/a = No financial data available.

Responsibility Statement

to the Annual Financial Statements and the Management Report
for fiscal 2024

SIEMENS

To the best of our knowledge, and in accordance with the applicable reporting principles, the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the Management Report for Siemens Aktiengesellschaft, which has been combined with the Group Management Report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Munich, December 2, 2024

Siemens Aktiengesellschaft

The Managing Board

Dr. Roland Busch

Veronika Bienert	Dr. Peter Körte	Cedrik Neike
Matthias Rebellius	Prof. Dr. Ralf P. Thomas	Judith Wiese

Independent Auditor's Report

to the Annual Financial Statements and the Management Report for fiscal 2024

SIEMENS

Independent Auditor’s Report

To Siemens Aktiengesellschaft, Berlin and Munich

Report on the audit of the annual financial statements and of the management report

Audit Opinions

We have audited the annual financial statements of Siemens Aktiengesellschaft, Berlin and Munich, which comprise the balance sheet as at September 30, 2024. and the income statement for the financial year from October 1, 2023 to September 30, 2024 and notes to the annual financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Siemens Aktiengesellschaft, which is combined with the group management report, for the financial year from October 1, 2023 to September 30, 2024. In accordance with the German legal requirements, we have not audited the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at September 30, 2024 and of its financial performance for the financial year from October 1, 2023 to September 30, 2024 in compliance with German Legally Required Accounting Principles and
- the accompanying management report as a whole provides an appropriate view of the Company’s position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the management report.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from October 1, 2023 to September 30, 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1. Recoverability of shares in affiliated companies and shares in investments

2. Pension provisions

Our presentation of these key audit matters has been structured in each case as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Hereinafter we present the key audit matters:

1. Recoverability of shares in affiliated companies and shares in investments

1. In the annual financial statements of the Company shares in affiliated companies and shares in investments of € 57.7 billion (58% of total assets) are reported at item "Financial assets" of the balance sheet.

Shares in affiliated companies and shares in investments are measured in accordance with German commercial law, at cost or, in the case of permanent impairment, at the lower fair value. The market price of the respective financial investment – if available – is used for the purpose of determining the fair value. In addition, fair values of the shares in affiliated companies and shares in investments are calculated using discounted cash flow models, based on an income approach or as present values of the expected future cash flows, according to the Company's internal planning projections. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. Discount rates used are individually determined cost of capital for the relevant financial investment. On the basis of the values determined and supplementary documentation, impairments amounting in total to € 334 million and reversals of impairments amounting to € 1,113 million, were recognised for the financial year.

The outcome of this valuation is dependent, to a large extent, on management estimates of the future cash flows, as well as respective discount rates and growth rates used. The valuation is therefore subject to material uncertainties. Given this context and due to the highly complex nature of the valuation and its significance for the Company's assets, liabilities and financial performance, this matter was of particular importance to our audit.

2. As part of our audit, we assessed, among others, the methodology used for the purpose of the valuation. In particular, we assessed whether fair values of the material financial investments, for which no market price is available, had been appropriately determined using the applied models, in compliance with the relevant measurement standards. In this context, we based our assessment, among others, on a comparison with general and sector-specific market expectations, as well as on the managements' detailed explanations regarding key value drivers underlying the expected cash flows or income. Knowing that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing intensively on the parameters used to determine the discount rate applied, and assessed the calculation model.

In our view, taking into consideration the information available, the valuation parameters and underlying valuation assumptions used by management are appropriate for the purpose of appropriately measuring the shares in affiliated companies and shares in investments.

3. The Company's disclosures relating to the financial assets are contained in section 3.3 (note 3) "Income (loss) from investments, net" and in section 3.4 (note 10) "Non-current assets" of the notes to annual financial statements.

2. Pension provisions

1. In the annual financial statements of the Company, pension provisions of € 13.2 billion (13% of total assets) are reported at item "Provisions for pensions and similar commitments" of the balance sheet. Pension provisions are calculated net of direct obligations arising from the Company's pension plans and fair value of plan assets pursuant to § 246 Abs. 2 Satz 2 HGB of € 0.7 billion.

Obligations from pension plans for direct pension commitments are measured either using the projected unit credit method or, in the case of components from securities-linked obligations, at the assets' fair value at the balance sheet date, to the extent they exceed a guaranteed minimum amount.

Measuring the obligations using the projected unit credit method requires assumptions, in particular about long-term growth rates in pensions and about average life expectancy. Plan assets are measured at fair value.

From our point of view, these matters were of particular significance to our audit, because recognition and measurement of this significant item is, to a large extent, subject to management estimates and assumptions.

2. As part of our audit, we evaluated the actuarial expert reports obtained and the professional qualifications of the external experts, among others. We also examined the specific features of the actuarial calculations. We used our internal pension valuation experts to assess the appropriateness of actuarial parameters and the underlying valuation methods applied. We also audited the completeness and accuracy of numerical data and the information. Based on that, among others, we verified the calculation of recorded pension provisions and corresponding presentation in balance sheet and notes to the financial statements. To audit the fair value of the plan assets, we obtained bank, fund and insurance confirmations.

Based on our audit procedures, we were able to satisfy ourselves that management estimates and assumptions are substantiated and sufficiently documented.

3. The Company's disclosures relating to pension provisions are contained in sections 3.3 (note 5) "Other financial income (expenses), net" and 3.4 (note 14) "Active difference resultigung from offsetting" as well as (note 16) "Provisions for pensions and similar commitments" of the notes to annual financial statements.

Other Information

The executive directors are responsible for other information. Other information comprises the sections "8.5.1 Internal control system (ICS) and ERM", "8.5.2 Compliance management system (CMS)" in chapter "8.5 Key features of the internal control and risk management system" and chapter "11. EU Taxonomy" of the management report.

In addition, other information comprises:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the compensation report pursuant to § 162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the publication "Siemens Report for fiscal 2024" – excluding cross-references to external information – with the exception of the audited annual financial statements, the audited management report and our auditor's report

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the “ESEF documents”) contained in the electronic file "SIEMENS_2024.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from October 1, 2023 to September 30, 2024 contained in the “Report on the Audit of the Annual Financial Statements and on the Management Report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the “Auditor’s Responsibilities for the Assurance Work on the ESEF Documents” section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF-documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the annual financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on February 8, 2024. We were engaged by the supervisory board on February 8, 2024. We have been the auditor of the Siemens Aktiengesellschaft, Berlin and Munich, without interruption since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company, or entities controlled by it, the following services that are not disclosed in the annual financial statements or in the management report:

We performed the audit of the Siemens' consolidated financial statements and audits of financial statements of subsidiaries, reviews of interim financial statements and interim financial information, project-accompanying IT as well as audits of the internal control system at service organizations.

Audit-related services performed by us include primarily audits of financial statements as well as other attestation services in connection with M&A activities, audits of employee benefit plans, attestation services related to the sustainability reporting, compensation reporting and disclosures in accordance with EU Taxonomy, comfort letters and other attestation services required under regulatory requirements, contractually agreed or requested on a voluntary basis.

Reference to an other matter – use of the Auditor´s Report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Ralph Welter.

Munich, December 2, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Petra Justenhoven	Ralph Welter
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Five-Year Summary

for the five years until fiscal 2024

(in millions of €, except where otherwise stated)

Revenue and profit	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Revenue[1]	**75,930**	74,882	69,519	62,265	55,254
Gross profit[1]	**29,823**	29,117	25,432	22,737	19,888
Income from continuing operations[1]	**8,907**	8,525	4,427	5,636	4,156
Net income	**8,992**	8,529	4,392	6,697	4,200

Assets, liabilities and equity[2]	Sep 30, 2024	Sep 30, 2023	Sep 30, 2022	Sep 30, 2021	Sep 30, 2020
Current assets	**61,353**	60,639	58,829	52,298	52,968
Current liabilities	**43,913**	44,913	42,686	40,000	34,117
Debt	**47,918**	46,596	50,636	48,700	44,567
Long-term debt	**41,321**	39,113	43,978	40,879	38,005
Net debt	**36,896**	34,843	37,212	37,010	28,492
Provisions for pensions and similar obligations	**912**	1,426	2,275	2,839	6,360
Equity (including non-controlling interests)	**56,231**	53,052	54,805	48,991	39,823
as a percentage of total assets	**38%**	37%	36%	35%	32%
Total assets	**147,812**	145,071	151,502	139,372	123,897

Cash flows	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Cash flows from operating activities – continuing operations[1]	**11,814**	12,293	10,325	10,109	7,851
Amortization, depreciation and impairments[1]	**3,158**	3,544	3,502	3,075	3,098
Cash flows from investing activities – continuing operations[1]	**(3,138)**	(3,387)	(2,407)	(17,192)	(4,050)
Additions to intangible assets and property, plant and equipment[1]	**(2,088)**	(2,146)	(2,021)	(1,730)	(1,498)
Cash flows from financing activities – continuing operations[1]	**(8,860)**	(8,734)	(7,509)	785	4,267
Change in cash and cash equivalents	**(717)**	(388)	927	(4,509)	1,663
Free cash flow – continuing and discontinued operations	**9,494**	10,021	8,157	8,237	6,404
Free cash flow – continuing operations[1]	**9,726**	10,146	8,304	8,379	6,352

Employees	Sep 30, 2024	Sep 30, 2023	Sep 30, 2022	Sep 30, 2021	Sep 30, 2020
Continuing operations (in thousands)[1]	312	305	296	303	285

Stock market information	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Basic earnings per share - continuing and discontinued operations	**€10.53**	€10.04	€4.65	€7.68	€5.00
Basic earnings per share - continuing operations[1]	**€10.42**	€10.04	€4.69	€6.36	€4.77
Diluted earnings per share - continuing and discontinued operations	**€10.38**	€9.91	€4.59	€7.59	€4.93
Diluted earnings per share - continuing operations[1]	**€10.27**	€9.91	€4.63	€6.28	€4.70
Dividend per share[3]	**€5.20**	€4.70	€4.25	€4.00	€3.50

[1] In FY 2024, Innomotics was classified as held for disposal and discontinued operations. Prior-period amounts beginning with FY 2022 are presented on a comparable basis.

[2] Beginning with September 30, 2023 under consideration of IFRS 17.

[3] For FY 2024 to be proposed to the Annual Shareholders' Meeting.

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). 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.

This document is an English language translation of the German document. In case of discrepancies, the German language document is the sole authoritative and universally valid version.

For technical reasons, there may be differences between the accounting records appearing in this document and those published pursuant to legal requirements.

Address Siemens AG
Werner-von-Siemens-Str. 1
80333 Munich
Germany
Internet www.siemens.com
Phone +49 (0) 89 7805-33443 (Media Relations)
+49 (0) 89 7805-32474 (Investor Relations)
Fax +49 (0) 89 7805-32475 (Investor Relations)
E-mail press@siemens.com
investorrelations@siemens.com