SIEMENS

SPEECH FOR PRESS CALL
Q3 2026

"RECORD THIRD QUARTER – OUTLOOK RAISED"

Roland Busch
President and CEO

Veronika Bienert
CFO

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Check against delivery.

[Roland Busch]

Ladies and gentlemen,

Good morning, everyone, and thank you for joining us today to discuss our Q3 results.

Siemens delivered another record third quarter, performing strongly across all metrics despite the persistently volatile geopolitical environment.

We're making good progress with our ONE Tech Company program. That means, above all: we're accelerating innovation and increasing customer value.

Our technological leadership across all our businesses, our sharp focus on driving industrial AI and our strong positioning in attractive markets give us a solid foundation for our success and thus for sustained value creation.

Let's take a look now at the highlights of Q3:

Our book-to-bill ratio reached an outstanding 1.34, lifting our order backlog to a record €132 billion. Orders increased 14 percent compared to Q3 2025, surging to an all-time high of €27.9 billion.

Smart Infrastructure, or SI for short, topped the €8 billion order mark for the first time. SI's data center vertical, in particular, showed exceptional momentum – again delivering triple-digit order growth year-over-year and thus even exceeding yet again our already excellent Q2.

Demand remains strong, driven by the rapid build-out of cloud and AI infrastructures.

Up 9 percent, Digital Industries, or DI, remained on a healthy growth trajectory, with very strong support from the market environment in sectors such as electronics, semiconductors, aerospace and defense.

DI benefited also from the expansion of AI infrastructure. But we're seeing improvements in the manufacturing sector as well.

Mobility, or SMO, delivered one of its highest quarterly order volumes ever, close to the exceptional level of Q3 2025.

Looking ahead, several high-profile contracts are already on the books for Q4 – in Germany, for example.

Overall, revenue grew 8 percent, fueled by DI and SI. All Regions contributed to this growth. The Americas led the way with an 11 percent increase, driven primarily by momentum in the U.S. Europe, the Middle East and Africa, or EMEA, grew 6 percent. Asia / Australia was up 10 percent, led by India, where growth was a strong 13 percent.

Profit Industrial Business reached a record high of €3.5 billion, resulting in a profit margin of 17.3 percent on operational strength at DI and SI.

Profitability was also supported by tariff refunds in the U.S., particularly at Siemens Healthineers, or SHS.

Margin expansion translated into higher earnings per share before purchase price allocation accounting, or EPS pre PPA, of €3.14.

Free cash flow was a stand-out achievement, reaching €4.1 billion. Due to this strong performance, we're raising our outlook for fiscal 2026 at Group level. Veronika will provide you with more details in a moment.

To drive our future success, we're continuing to invest. We're expanding our switchgear capacity in Frankfurt, Germany. We're also focusing on bolt-on acquisitions to strengthen our portfolio – in both the real and the digital worlds.

And now a few words about Siemens Healthineers. We've made progress with our deconsolidation plan. Veronika will give you an update on the German tax authority's related decision and the further timeline in a moment.

In addition to all the contractual issues that we're currently discussing in a constructive dialogue with SHS, we've made a decision to reduce from three to one the number of positions held by Siemens' Managing Board members on SHS's supervisory board. This change will take effect as of SHS's next annual shareholders' meeting in February 2027. Veronika and I will resign from our current positions on the SHS supervisory board.

And another point: three companies have grown from Siemens' roots in recent years. All three are now market and technology leaders in their respective areas. For this reason, we understand Siemens Healthineers' and Siemens Energy's considerations regarding their more independent positioning in the future.

We’re pursuing a clear strategy in this regard to ensure an orderly process with both companies, in line with existing agreements and for the benefit of all stakeholders.

Siemens will further sharpen its profile as THE trusted technology partner for the AI age. Because we have the unique ability to combine the real and the digital worlds. And that’s how we’ll grow as ONE Tech Company.

Let’s take a look now at our four growth levers.

First – Grow Digital:

During the first nine months of fiscal 2026, we grew the revenue from our digital business 18 percent on a nominal basis – well above the ambition level of 15 percent that we set last November.

With Vectron X, we’ve added a new member to Siemens Xcelerator, our open digital business platform. Vectron X is a new, highly digitalized locomotive that builds on our best-selling Vectron platform. The locomotive features a smart driver’s cab, app functionalities with standardized interfaces and near real-time connectivity.

The result: enhanced driver experience, higher operational efficiency and optimized, data-driven maintenance.

Second – Grow Regions:

We’ve deepened our collaboration with HD Hyundai in South Korea. Together, we’re creating a blueprint for digital shipyards. The agreement with Hyundai has a volume in the low triple-digit million range and covers a broad array of industrial software and automation.

By connecting data, software and automation technologies across an entire shipyard, we’re building the AI-driven operating system for industry. This system will help shipbuilders accelerate production, improve quality and reduce rework.

We’re also supporting the development of a technology center in Washington D.C., which will foster collaboration between the government, industry and technology leaders to secure shipbuilding’s digital future while strengthening maritime competitiveness in the U.S. and allied markets.

Third – Grow Verticals

The semiconductor industry is also booming thanks to AI. This increased demand has generated attractive orders across our entire portfolio.

At the Computex trade fair, we expanded our partnership with Intel along the entire value chain, encompassing everything from chip design to manufacturing.

And finally our fourth growth lever – Grow AI

Our Eigen Engineering Agent is an excellent example of our ability to rapidly scale AI. As you'll recall: up to 50 percent greater efficiency and up to 80 percent higher quality in the production of industrial software.

Our agent doesn't just make proposals; it supports engineers from start to finish with engineering in the Totally Integrated Automation Portal, our leading platform for complex automation projects.

We've now expanded the product globally and introduced two new capabilities.

The Eigen Engineering Agent can now understand a system's electronic setup in a matter of minutes. Engineers previously needed days to enter this data manually.

The agent also masters our customers' regulatory systems: it structures a project's software within a few minutes, so that it precisely fulfills thousands of individual tasks.

Hundreds of customers in more than 30 countries and ranging from small system integrators to large original equipment manufacturers – or OEMs – have signed on.

At the World Artificial Intelligence Conference in Shanghai, we launched the agent on the Chinese market as well. For this step, we received the prestigious SAIL Star Award – the only global company to be so honored. SAIL in the award's name stands for super AI leader.

The PAC Innovation Radar has just named the Eigen Engineering Agent "best in class" for advanced industrial engineering in Europe for 2026.

And another example: at our Realize LIVE global customer conference, we recently launched Intelligence Center X – a powerful new offering, available as part of Siemens Xcelerator, to orchestrate Industrial AI.

Our customers run plenty of AI pilots, but they usually get stuck in the testing phase. Intelligence Center X breaks this pattern by enabling experts to orchestrate AI agents and bring industrial AI into live operations – and at scale.

The system features four core capabilities that work together seamlessly:

First: it pulls together customer data from across the entire lifecycle in a knowledge graph. Graph Studio puts individual data – data from design to engineering, manufacturing and maintenance but also from supply chains and customers, for example – into their overall context, live and in real time.

Second – and this is crucial: Intelligence Center X comes with pre-built industrial ontologies right out of the box. They map how assets, products and processes in industrial engineering and manufacturing relate to each other. The result is codified, industry-specific knowledge, ready-to-use. And the ontologies are linked to our Siemens Xcelerator portfolio – for example, to Teamcenter, our market-leading, most secure product lifecycle management software.

Third, AI comes into play: AI Studio delivers machine learning and AI models trained on real operational data. It continuously monitors model quality and establishes rules, giving AI agents and large language models access to advanced machine learning and data science to make more reliable predictions and decisions. This approach makes AI explainable, predictable and thus ready to move into production at industrial scale.

Fourth and finally: Mendix. Customers use this AI-augmented low-code platform to develop their own AI agents and then connect them to existing systems and external agents. They then govern their workflows based on clear rules – where humans continue to have oversight and make critical decisions. As a result, the power of automated AI delivers measurable outcomes in business processes.

In short: Intelligence Center X makes AI scalable for industry. Early customers are already seeing real successes – yet further proof that Siemens is using AI to deliver unique value to customers.

All these applications demonstrate that Industrial AI is becoming a reality and further driving growth in data center infrastructure and computing power.

The fundamental data for this market remains strong, and we’re a trusted partner across the entire spectrum – from hyperscalers and colocation suppliers to enterprise customers.

Nine of the top ten global data center providers rely on Siemens.

In the first nine months of fiscal 2026, our order volume reached nearly €6 billion, a triple-digit percentage increase over the prior year. Revenue soared more than 50 percent to an impressive €3.1 billion.

Our order backlog and existing agreements provide visibility well into 2027 and even beyond, and the pipeline looks healthy. There could be some volatility in order intake because several orders are very large.

Our strong position is based on a number of long-term success factors:

- We have a comprehensive portfolio with modular solutions.
- We execute reliably – globally and with a stable supply chain.
- We offer global expertise in several regional hubs.
- We have a strong partner ecosystem.

And yet another key point: we're shaping the roadmap toward an 800-volt direct-current, or DC, architecture for the data centers of the future, which will be required to deal efficiently and reliably with high rack densities in AI factories.

There won't be an abrupt, wholesale shift. The adoption of 800-volt DC is likely to progress in stages over the next four to five years, with hybrid architectures dominating the early phases.

As technologies mature and requirements and standards evolve, a centralized DC distribution architecture will become economically viable.

But we expect that alternating current – or AC – and DC will also coexist in brownfield retrofit and greenfield installations.

We're already helping major data center providers design, test and deploy safe and reliable DC power distribution to tackle the high-density challenge they're facing. We expect the first pilots in 2027.

At Siemens, we know how to handle a DC environment based on our extensive experience in other areas such as marine applications, battery storage and industrial campuses.

And we have a comprehensive offering: with our proven capabilities in digital twins, automation and electrification, we can design and simulate entire systems or improve individual components.

Let me highlight some recent innovations that illustrate our progress:

- Together with NVIDIA, nVent and Fluence, we've developed a reference architecture across computing, cooling, power and control systems for NVIDIA's latest DSX Vera Rubin platform. The goal: to maximize tokens per watt and ensure predictable, scalable operations.
- For this architecture, we've developed a modular and scalable automation framework with ready-to-use SIMATIC libraries.

Our controllers are already automating the critical operational infrastructure in several megawatt-scale data centers.

- In the electrification area, we're continuously optimizing our pre-assembled and tested systems and are working on new DC products.
- One excellent example is our collaboration with Infineon, in which we're integrating the company's silicon-carbide power modules into our latest circuit breakers – a critical enabler for the safe and reliable distribution of DC power.

All in all, we're excellently positioned to succeed in the area of traditional and hybrid data center architectures – and we have 800-volt DC for the future.

I'm very pleased with the momentum and performance at DI's software business.

At 11 percent above Q3 2025, organic annual recurring revenue, or ARR, growth remained at a very healthy level.

The integration of our Altair and Dotmatics acquisitions is progressing very well.

We're bringing our simulation products together and launching new products on the market.

Early revenue synergies are materializing as well.

We're complementing our Industrial AI offerings with strategic partnerships, such as those with IFS and Xometry, an online marketplace for relaying production orders.

Together with IFS, a global leader in industrial AI and enterprise software, we're offering, for example, a digital twin that connects design, production and system performance in order to increase manufacturers' productivity and adaptability.

The software business is moving fast – strategically and at the operational level.

And with that, I'll hand over to you, Veronika.

[Veronika Bienert]

Ladies and gentlemen,

Good morning, everyone. Thank you for joining our press call today. Allow me to jump right into the details of our record quarter and our expectations for the rest of fiscal 2026.

We'll begin with Digital Industries, or DI. Orders for Digital Industries, at €4.9 billion, were 9 percent above the prior-year quarter; the book-to-bill ratio was 0.98.

DI's automation business increased orders 11 percent and achieved a book-to-bill ratio of 1.01. In particular, short-cycle business drove this growth.

As Roland mentioned, overall market dynamics have been increasingly improving.

I'm also glad to say that DI saw an upswing in its core vertical of machinery, due mainly to China. Yet, we also observed improvements in other regions as well.

Despite this positive development, capacity utilization in some of our key industrial markets – particularly in Europe – is still at a relatively low level.

Digital Industries' software business delivered 5 percent growth over the prior-year quarter, with orders close to €1.7 billion. A key driver for this growth was DI's product lifecycle management, or PLM, business, including a major order with a large original equipment manufacturer from the automotive industry. This customer is modernizing its entire system landscape. As expected, the electronic design automation, or EDA, business was softer.

Our order backlog at Digital Industries was stable at around €10 billion.

Let's turn now to revenue for Digital Industries, which increased 10 percent.

Revenue for DI’s software business was up a strong 15 percent. The EDA business, which grew more than 30 percent, was the main driver.

Revenue in DI’s automation business rose 7 percent to €3.1 billion on broad-based growth in discrete automation and process automation.

With a strong contribution from its software business, Digital Industries’ profit margin improved sharply to 18.7 percent.

DI’s profit margin benefited from a high share of accretive EDA revenue and from the successful integration of Altair and Dotmatics.

In DI’s automation business, economies of scale and a clearly net-positive “economic equation” supported margin improvement.

This economic equation benefited from sustainable productivity gains that more than compensated for cost inflation and for increasing pressure from rising prices for selected electronic components.

Integration-related costs for Altair and Dotmatics reduced DI’s profit margin by 70 basis points in Q3, in line with expectations.

I’m very pleased with Digital Industries’ extraordinary free cash flow of almost €1.5 billion. That’s an all-time quarterly high.

Digital Industries’ cash conversion rate was excellent in both the software and the automation business.

Looking at the regional topline perspective, Digital Industries’ automation business saw strong growth in most regions:

China showed positive momentum: Orders rose 17 percent. Revenue grew 9 percent on healthy sequential revenue dynamics, fueled by the motion control business. Our local portfolio of products in China was accretive to revenue growth, up by a rate in the mid-twenties.

The picture in Europe remained somewhat mixed. Order recovery is on the way, with a book-to-bill ratio above 1 and healthy growth.

Revenue in Germany was still muted due to discrete automation, while the latter drove clear growth elsewhere in Europe.

The U.S. continued its growth path. There, positive effects from the AI-driven investment boom, “trickled down” into the core areas of manufacturing and benefited our discrete automation businesses.

Based on delivering a strong performance after nine months, we confirm our Digital Industries guidance for fiscal 2026 in all aspects.

On a comparable basis, we expect revenue growth in the range of 7 percent to 10 percent.

In addition, we continue to expect Digital Industries’ profit margin to reach 17 percent to 19 percent.

For the fourth quarter, we expect Digital Industries’ orders to come in at around the level of the very strong prior-year quarter, which had an exceptionally high volume of bookings in the EDA business.

Here, we expect DI’s automation business to see a clear increase, while its software business will be below the prior year’s record level.

Nevertheless, the sales funnel for DI’s software business is promising.

We anticipate that Digital Industries’ revenue growth will be in the range of 5 percent to 7 percent, supported by growth in its automation and software businesses.

In addition, we expect DI’s profit margin for the fourth quarter to remain at the level of the third quarter because of the business mix.

Now let’s turn to Smart Infrastructure, or SI. With an outstanding performance across all businesses and key metrics, the SI team stayed on its successful path again in the third quarter.

Overall, SI’s orders were up 42 percent, reaching a new record level of €8 billion. This increase was driven by very strong growth of 58 percent in SI’s electrical products business and 55 percent in its electrification business.

Both businesses benefited again from a high volume of large order wins from data center customers in the U.S. It also included wins in Europe, where we won, for example, a large project in the Nordics.

Even without considering the data center-related business, order growth was strong and reached the high teens.

SI's book-to-bill ratio came in at an outstanding level of 1.25.

Smart Infrastructure's record order backlog of €23.7 billion gives us a lot of confidence with regard to fiscal 2027.

SI's revenue growth was broad-based and reached 13 percent. The largest contributions to this growth again came from its electrification business, up 20 percent, and its electrical products business, up 18 percent.

Consistent backlog conversion led to further expansion of the operational profit margin.

SI's profit margin was up 120 basis points year-over-year to 20 percent.

An impairment related to the eMobility charging business partly offset positive effects from tariff refunds. The net effect amounted to 50 basis points, implying an operational margin of 19.5 percent.

Structurally, Smart Infrastructure's business continued to benefit from economies of scale, due to higher revenue combined with improved capacity utilization, and from sustained productivity improvements.

In Smart Infrastructure's product business, pricing measures compensated increasingly – but not yet fully – for higher commodity costs.

Smart Infrastructure's free cash flow was consistent at a cash conversion rate of 0.94. There was a seasonal increase in operating working capital, but the rise was below the top-line growth trajectory.

From a regional perspective, Smart Infrastructure saw double-digit growth in orders across the board. Stringent backlog execution drove revenue in all geographies.

The U.S. again showed exceptional growth momentum in orders, up 81 percent, led by demand for data centers and from customers in the semiconductor industry. The buildings business saw growth in the low double-digit percentage range.

Germany recorded substantial order growth in SI's buildings business. In SI's electrification and electrical products businesses, orders grew around 10 percent each.

Europe, together with the Middle East, also benefited from large data-center orders in Finland and Spain.

SI's orders and revenue in China recovered further. The very strong order growth in SI's buildings business was caused by orders placed before anticipated price increases. The increase in revenue, on the other hand, was driven by the electrical products business.

Smart Infrastructure's service business delivered 7 percent order growth, clearly up in Asia and Europe.

Our SI team continues to expect very healthy end-market demand, with data centers and power utilities as key engines for growth.

After delivering 11 percent revenue growth in the first nine months of fiscal 2026, and given high visibility from the order backlog, we're raising Smart Infrastructure's revenue guidance for full-fiscal 2026.

For revenue growth on a comparable basis, we now expect a range of 10 percent to 11 percent.

Building on a very consistent margin-expansion trajectory, we're lifting Smart Infrastructure's profit-margin outlook by 50 basis points to a target range of 18.5 percent to 19.5 percent.

For the fourth quarter, we anticipate that Smart Infrastructure's revenue growth will approach the lower end of the full-year range and that the profit margin will be in line with our expectations for the full fiscal year.

Mobility recorded a solid set of results in the third quarter.

Orders, at €7.6 billion, included a high share of attractive service contracts and topped our expectations. The book-to-bill ratio reached an excellent level of 2.35.

Mobility's order backlog increased to €58 billion, with an attractive gross-margin profile.

As Roland noted, we see a very promising sales pipeline for the fourth quarter of fiscal 2026, including the booking of the majority of a 3-billion-euro contract with Italo Holding. This contract includes rolling stock as well as a 30-year service agreement for the German market.

Mobility's revenue in Q3 was up 6 percent over the prior year, fueled by low double-digit growth in the rail infrastructure business.

Mobility achieved a solid profit margin of 8.6 percent. A somewhat less favorable project mix, as well as slightly higher severance costs compared to the previous year, weighed on the margin.

As indicated, Mobility's free cash flow picked up materially, and its cash conversion rate improved due, in particular, to large payments from customers.

Looking at project payment profiles and the timing of order awards, we continue to expect further substantial catch-up in the fourth quarter.

After a consistent Q3 performance, we confirm Mobility's full-year outlook for revenue growth in the range of 5 percent to 7 percent for fiscal 2026.

We continue to anticipate that Mobility's full-year profit margin will come in within the target range of 8 percent to 10 percent, with the expected outcome to be toward the lower end.

For the fourth quarter, we expect Mobility's revenue growth to accelerate on strong backlog execution and achieve a level between 9 percent and 11 percent on a comparable basis.

We also expect Mobility's profit margin to be within its full-year guidance.

Page 17 in the appendix shows the results for our activities outside – or below – our Industrial Businesses.

These results included a strong contribution from Siemens Financial Services, fueled by a gain of €156 million from the sale of a stake in an equity investment in the UK.

Free cash flow came in at more than €4.1 billion in the third quarter and was thus up more than 40 percent over the prior year. This increase was driven by all our industrial businesses.

Free-cash-flow return on revenue stood at 11 percent after nine months. For full-fiscal 2026, we're firmly on track to achieve a double-digit free-cash-flow return.

We further deleveraged our capital structure metric to 0.6 for industrial net debt over EBITDA, which gives us the freedom to continue to act from a position of financial strength.

Our leadership team also remains fully committed to delivering stringent capital allocation and strong shareholder return.

As Roland mentioned, we’ve made good progress with our plan to deconsolidate Siemens Healthineers.

Meanwhile, and as expected, we have now received binding decisions from the tax authorities clarifying the relevant tax topics. As a result, we can proceed with the spin-off of Siemens Healthineers as planned.

We confirm the timeline for receiving the shareholders’ approval at the annual shareholders’ meetings of both companies in February 2027.

Currently, we’re working on the contractual details. In connection with our Earnings Release for Q4 of fiscal 2026, we’ll update you in November on the next steps and the related decisions.

At the beginning of July – following completion of the previous program – we launched our new share-buyback program for up to €6 billion over a period of up to five years.

Execution started swiftly with a buyback volume of €400 million in the first month.

Finally, we come to our outlook and expectations for the Siemens Group at a glance:

Following the strong first nine months of the current fiscal year, we raise our fiscal 2026 outlook for basic earnings per share before purchase price allocation accounting to a range of €11.20 to €11.50. This change corresponds to an increase of €0.45 at the midpoint of the range.

We continue to expect to reach the upper half of our full-year guidance range of 6 percent to 8 percent for comparable revenue growth for the Siemens Group.

In a time of highly volatile geopolitics, we’re leveraging market opportunities and delivering strong earnings performance with healthy growth and excellent free cash flow.

Thank you for your attention. We’re now looking forward to your questions.

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