



Roland Busch



Ralf P. Thomas

Ladies and gentlemen, dear shareholders,

The last three months have seen significant geopolitical and macroeconomical developments, increasing fear and uncertainty around the world. While the Siemens share price has not been able to escape global sentiment, I am pleased to report that Siemens' operational performance during this time has not only been strong, but that management is confident enough in the continued good navigation of uncharted water to confirm the guidance for FY22.

Orders climbed +22% on a comparable basis to €21.0 bn, leading to a record backlog of €94.0 bn. Revenue rose to €17.0 bn (+7% comparable) led by substantial growth in Siemens Healthineers (+16%) as well as significant growth in Digital Industries and Smart Infrastructure.

The Industrial Businesses generated an operative profit margin of 14.6% excluding ~€0.6 bn related to mostly non-cash charges subsequent to sanctions imposed on Russia. CEO Roland Busch stated: "We condemn the war in Ukraine and have decided to carry out an orderly process to wind down our industrial business activities in Russia. This was not an easy decision, given our duty of care for our employees and long-standing customer relationships, in a market where we have been active for almost 170 years." (More details can be found on page 2). For information on our engagement towards Ukraine, please see the Info Corner on page 4.

Earnings per share before purchase price allocation (EPS pre PPA) came in at €2.21 - excluding a negative impact of €0.71 from effects related to Russia. Our reported EPS pre PPA is €1.50.

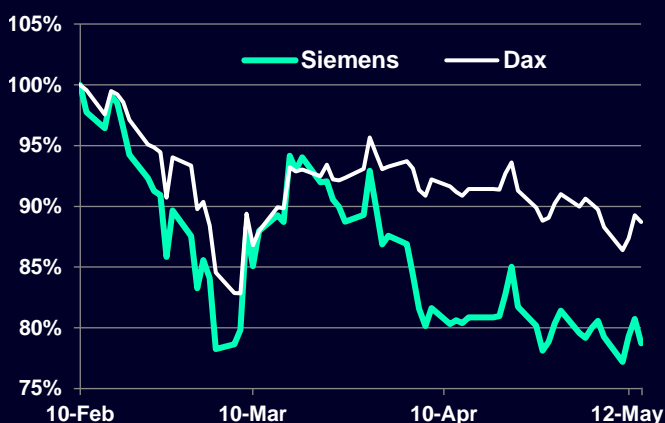
Furthermore, our efforts to sharpen our portfolio took a significant step forward. The closing of the sale of Parcel Logistics to the German Körber AG is now expected during the second half of fiscal 2022. Regarding the remaining quarters of the fiscal year, CFO Ralf P. Thomas added: "The now tangible results of our portfolio optimization and ongoing mitigation of supply chain challenges allow us to look confidently into the second half of our fiscal year. As a result, we confirm our outlook."

Dear shareholders, I want to sincerely thank you for your trust in Siemens. Let me assure you that Siemens' underlying growth trends of digitalization, automation and sustainability remain intact. Free cash flow generation is outstanding, and the strong balance sheet is crisis resilient.

Yours sincerely,

Eva Riesenhuber, Head of Investor Relations, Siemens AG

Share Performance Feb 10, 22 – May 12, 22



Siemens -21% | DAX -11%

Alstom -14% | ABB -14% | Schneider -15% | ROK -26%

[Link to the Siemens stock chart](#)

Selected Key Figures for Q2 FY22

Orders

€21.0bn
+22%¹

Revenue

€17.0bn
+7%¹

Free Cash Flow

€1.3bn
+9%

Profit margin
Ind. Businesses (IB)

11.0%
14.6%
excl. Russia
impact

Earnings per
share pre PPA²

€1.50
€2.21
excl. Russia
impact

¹ On a comparable basis, adjusted for currency translation and portfolio effects

² Purchase Price Allocation

Our Industrial Businesses in Q2 FY 2022

Digital Industries



Revenue: €4.6bn

Profit: €826m

Profit margin: 18.1%

[Press Releases](#)

[Company Overview](#)

Smart Infrastructure



Revenue: €4.0bn

Profit: €445m

Profit margin: 11.1%

[Press Releases](#)

[Company Overview](#)

Mobility



Revenue: €2.1bn

Profit: €-369m

Profit margin: -17.3% | 8.4% excl. Russia impact

[Press Releases](#)

[Company Overview](#)

SIEMENS
Healthineers

~75%*



Revenue: €5.5bn

Profit: €875m

Profit margin: 16.0%

[Press Releases](#)

[Company Overview](#)

* Siemens' share in Siemens Healthineers

Strength in Troubled Times

May 12, 2022

Global capital markets and economies currently see themselves faced by an **increasingly complex macroeconomic environment** - the **war in Ukraine and the resulting economic sanctions on Russia**, **lockdowns in China** and further effects associated with the **coronavirus pandemic (COVID-19)**, **supply chain risks** and **semiconductor shortages**.

We as Siemens are not completely immune to these challenges. However, we look positively into the future:

- The second quarter showed **strong orders, a record order backlog** and successful management of supply chain shortages. We see **increased growth opportunities in many key markets**:
 - Customers continue to invest in their **digital transformation and improve resource and energy efficiency** in the wake of rapidly increasing energy and material prices.
 - Our **automation and software solutions** become even more relevant with tight labor markets and increasing complexity in manufacturing, grids, or infrastructure.
- **We confirm our EPS pre PPA guidance for the fiscal year**, as the above-mentioned headwinds are offset by our **strong operational performance** together with **portfolio-related gains**. These portfolio-related gains amount to ~€2.1-2.3 bn in fiscal 2022 and **exceed** – as a result of the closing of the Parcel Logistics sale that is now expected within this fiscal year – our **initial guidance** for fiscal 2022.
- Our strong Free Cash Flow of €1.3 bn together with the proceeds from divestments and portfolio optimization will **strengthen Siemens' balance sheet** further and **offer room for accelerating the current share buyback program** and deleveraging.

Wind down of Russian business

As a result of the Ukraine war, Siemens AG has started proceedings to wind down its industrial operations and all industrial business activities in Russia. To put this in perspective, Siemens' Russia business was about 1% of Siemens' annual revenues in FY21.

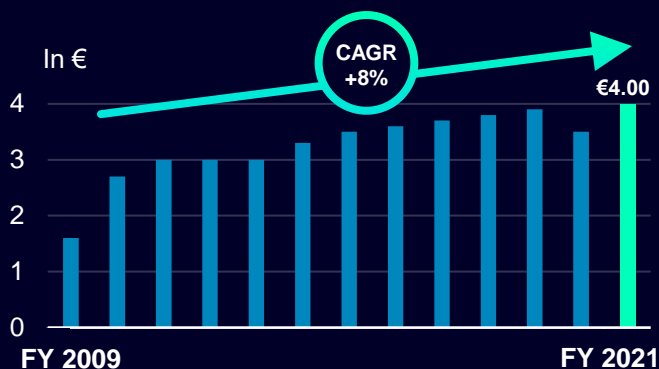
After the start of the war, Siemens put all new business in and international deliveries to Russia and Belarus on hold. The comprehensive international sanctions, as well as current and potential countermeasures, impact the company's business activities in Russia, particularly rail service and maintenance.

This resulted in a mostly non-cash impact of €0.6 bn in the second quarter for our industrial businesses. While we are working through the steps of implementing the decision and closing down legal entities, further mostly non-cash risks may materialize over time.

Siemens' strong focus on total shareholder return

Progressive dividend development

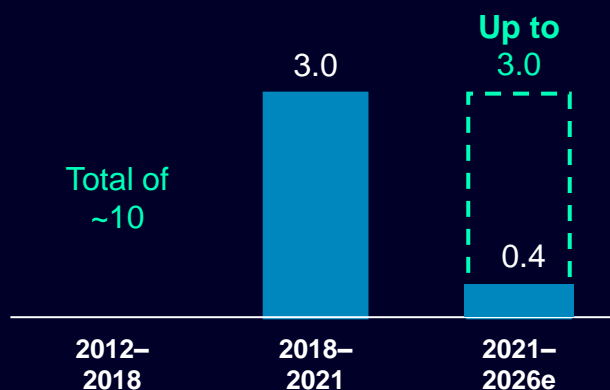
Dividend yield in FY 2021: 2.8%



Current €3bn share buyback program

In billion €

■ Volume already bought back



Total shareholder return



* Total shareholder return (TSR) = Return on share price development plus dividend reinvestment

What does Siemens expect for fiscal 2022?

Outlook (as published on May 12, 2022)

FY 2022 Siemens Group

Book-to-bill >1

Revenue growth (Comparable) 6 – 8%
[prior: Mid-single digit]

EPS pre PPA €8.70 – €9.10
[FY 2021: €8.32]

This outlook excludes burdens from legal and regulatory issues.

FY 2022 Framework Siemens Businesses

	Comparable revenue growth	Profit margin
Digital Industries	9 – 12% [prior: 5 – 8%]	19 – 21% ¹⁾
Smart Infrastructure	6 – 9% [prior: 5 – 8%]	12 – 13%
Mobility	Flat [prior: 5 – 8%]	10.0 – 10.5%

¹ therein impact from SaaS transition of up to 200 bps

Siemens' engagement towards Ukraine

- **Siemens strongly condemns the war in Ukraine** and together with the international community stands in **calling for peace** to stop this human tragedy.
- Siemens **supports its 180 employees and their families** in the Ukraine for their safety and wellbeing.
- Siemens kick-started **humanitarian aid with 2 million Euros** for Ukrainian refugees and people in the country through the Siemens Caring Hands organization.
- In addition to immediate disaster relief, **Siemens matched more than 4.5 million Euros of donations from employees** and provided contributions of **~3 million Euros** in kind for key **technical solutions as well as shelter** for refugees.
- Since the start of the war **Siemens' help amounts to more than 14 million Euros**.
- This is accompanied by many **private initiatives from our employees**, which we support as good as we can, also with programs to integrate Ukrainian refugees into the labor market.

Financial Calendar

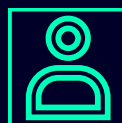


Aug 11, 2022 3rd quarter FY22 financial results

Nov 17, 2022 4th quarter FY22 financial results

For further information, please click [here](#)

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