

SIEMENS

Financial Results

Fourth Quarter and Fiscal 2015

siemens.com

Key figures

(in millions of €, except where otherwise stated)

Volume

	Q4		% Change		Fiscal Year		% Change	
	FY 2015	FY 2014	Actual	Comp. ¹	2015	2014	Actual	Comp. ¹
Orders	23,716	20,549	15%	6%	82,340	77,657	6%	(1)%
Revenue	21,328	20,438	4%	(4)%	75,636	71,227	6%	(1)%
Book-to-bill ratio	1.11				1.09			
Order backlog (Industrial Business, in billions of €)	110				110			

Profitability and Capital efficiency

	Q4		% Change		Fiscal Year		% Change	
	FY 2015	FY 2014			2015	2014		
Industrial Business								
Profit	2,455	2,255		9%	7,755	7,703		1%
Profit margin	11.3%	10.9%			10.1%	10.6%		
Continuing operations								
EBITDA	2,226	2,671		(17)%	9,825	9,576		3%
Income from continuing operations	1,001	1,468		(32)%	5,349	5,292		1%
Basic earnings per share (in €) ²	1.18	1.69		(30)%	6.38	6.12		4%
Continuing and discontinued operations								
Net income	1,000	1,498		(33)%	7,380	5,507		34%
Basic earnings per share (in €) ²	1.18	1.72		(32)%	8.84	6.37		39%
Return on capital employed (ROCE)	10.2%	18.4%			19.6%	17.2%		

Capital structure and Liquidity

	Sep 30, 2015	Sep 30, 2014
Total equity (Shareholders of Siemens AG)	34,474	30,954
Industrial net debt	6,107	1,390
Industrial net debt / EBITDA ³	0.6	0.1

	Q4 FY 2015	Q4 FY 2014	Fiscal Year 2015	Fiscal Year 2014
Free cash flow				
Continuing operations	4,391	3,361	4,984	5,278
Continuing and discontinued operations	4,375	3,450	4,674	5,201

Employees

	Sep 30, 2015		Sep 30, 2014	
	Continuing operations	Total ⁴	Continuing operations	Total ⁴
Employees (in thousands)	348	348	338	357
Germany	114	114	114	116
Outside Germany	234	234	224	240

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2015 and 2014 weighted average shares outstanding (basic) (in thousands) for the fourth quarter amounted to 812,959 and 838,791 and for the fiscal years to 823,408 and 843,449 shares, respectively.

³ For the interim calculation, EBITDA is annualized.

⁴ Continuing and discontinued operations.

Consolidated Statements of Income

(in millions of €, per share amounts in €)	Q4		Fiscal year	
	FY 2015	FY 2014	2015	2014
Revenue	21,328	20,438	75,636	71,227
Cost of sales	(15,348)	(14,824)	(53,789)	(50,869)
Gross profit	5,980	5,614	21,847	20,357
Research and development expenses	(1,264)	(1,138)	(4,483)	(4,020)
Selling and general administrative expenses	(3,098)	(2,822)	(11,409)	(10,190)
Other operating income	155	86	476	654
Other operating expenses	(144)	154	(389)	(194)
Income (loss) from investments accounted for using the equity method, net	(126)	157	1,235	582
Interest income	324	279	1,260	1,058
Interest expenses	(246)	(196)	(818)	(764)
Other financial income (expenses), net	(35)	(125)	(500)	(177)
Income from continuing operations before income taxes	1,545	2,008	7,218	7,306
Income tax expenses	(544)	(539)	(1,869)	(2,014)
Income from continuing operations	1,001	1,468	5,349	5,292
Income (loss) from discontinued operations, net of income taxes	(1)	30	2,031	215
Net income	1,000	1,498	7,380	5,507
Attributable to:				
Non-controlling interests	41	52	98	134
Shareholders of Siemens AG	959	1,446	7,282	5,373
Basic earnings per share				
Income from continuing operations	1.18	1.69	6.38	6.12
Income (loss) from discontinued operations	—	0.04	2.47	0.25
Net income	1.18	1.72	8.84	6.37
Diluted earnings per share				
Income from continuing operations	1.17	1.67	6.30	6.06
Income (loss) from discontinued operations	—	0.04	2.44	0.25
Net income	1.17	1.71	8.74	6.31

Consolidated Statements of Comprehensive Income

(in millions of €)	Q4		Fiscal year	
	FY 2015	FY 2014	2015	2014
Net income	1,000	1,498	7,380	5,507
Remeasurements of defined benefit plans	(176)	1,169	(370)	288
<i>therein: Income tax effects</i>	(111)	(119)	(107)	249
Items that will not be reclassified to profit or loss	(176)	1,169	(370)	288
<i>therein: Income (loss) from investments accounted for using the equity method, net</i>	7	(25)	(42)	(37)
Currency translation differences	(774)	1,149	1,089	940
Available-for-sale financial assets	23	(154)	354	(56)
<i>therein: Income tax effects</i>	10	(8)	(7)	(13)
Derivative financial instruments	108	(179)	(43)	(316)
<i>therein: Income tax effects</i>	(59)	70	(7)	102
Items that may be reclassified subsequently to profit or loss	(643)	816	1,399	569
<i>therein: Income (loss) from investments accounted for using the equity method, net</i>	(40)	26	149	(85)
Other comprehensive income, net of income taxes	(819)	1,985	1,029	857
Total comprehensive income	182	3,483	8,408	6,364
Attributable to:				
Non-controlling interests	30	80	133	165
Shareholders of Siemens AG	152	3,404	8,275	6,199

Consolidated Statements of Financial Position

(in millions of €)	Sep 30, 2015	Sep 30, 2014
Assets		
Cash and cash equivalents	9,957	8,013
Available-for-sale financial assets	1,175	925
Trade and other receivables	15,982	14,526
Other current financial assets	5,157	3,710
Inventories	17,253	15,100
Current income tax assets	644	577
Other current assets	1,151	1,290
Assets classified as held for disposal	122	3,935
Total current assets	51,442	48,076
Goodwill	23,166	17,783
Other intangible assets	8,077	4,560
Property, plant and equipment	10,210	9,638
Investments accounted for using the equity method	2,947	2,127
Other financial assets	20,821	18,416
Deferred tax assets	2,591	3,334
Other assets	1,094	945
Total non-current assets	68,906	56,803
Total assets	120,348	104,879
Liabilities and equity		
Short-term debt and current maturities of long-term debt	2,979	1,620
Trade payables	7,774	7,594
Other current financial liabilities	2,085	1,717
Current provisions	4,489	4,354
Current income tax liabilities	1,828	1,762
Other current liabilities	20,368	17,954
Liabilities associated with assets classified as held for disposal	39	1,597
Total current liabilities	39,562	36,598
Long-term debt	26,682	19,326
Post-employment benefits	9,811	9,324
Deferred tax liabilities	609	552
Provisions	4,865	4,071
Other financial liabilities	1,466	1,620
Other liabilities	2,297	1,874
Total non-current liabilities	45,730	36,767
Total liabilities	85,292	73,365
Equity		
Issued capital	2,643	2,643
Capital reserve	5,733	5,525
Retained earnings	30,152	25,729
Other components of equity	2,163	803
Treasury shares, at cost	(6,218)	(3,747)
Total equity attributable to shareholders of Siemens AG	34,474	30,954
Non-controlling interests	581	560
Total equity	35,056	31,514
Total liabilities and equity	120,348	104,879

Consolidated Statements of Cash Flows

(in millions of €)	Q4	
	FY 2015	FY 2014
Cash flows from operating activities		
Net income	1,000	1,498
Adjustments to reconcile net income to cash flows from operating activities - continuing operations		
Income (loss) from discontinued operations, net of income taxes	1	(30)
Amortization, depreciation and impairments	724	621
Income tax expenses	544	539
Interest (income) expenses, net	(78)	(83)
(Income) loss related to investing activities	52	(308)
Other non-cash (income) expenses	339	(151)
Change in operating net working capital		
Inventories	1,112	1,343
Trade and other receivables	66	374
Trade payables	611	691
Billings in excess of costs and estimated earnings on uncompleted contracts and related advances	373	(977)
Additions to assets leased to others in operating leases	(150)	(99)
Change in other assets and liabilities	725	652
Income taxes paid	(604)	(385)
Dividends received	93	94
Interest received	292	263
Cash flows from operating activities - continuing operations	5,098	4,040
Cash flows from operating activities - discontinued operations	(17)	119
Cash flows from operating activities - continuing and discontinued operations	5,081	4,159
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	(707)	(679)
Acquisitions of businesses, net of cash acquired	(10)	(24)
Purchase of investments	(24)	(60)
Purchase of current available-for-sale financial assets	(333)	(223)
Change in receivables from financing activities	(354)	(819)
Disposal of investments, intangibles and property, plant and equipment	217	135
Disposal of businesses, net of cash disposed	(21)	17
Disposal of current available-for-sale financial assets	284	248
Cash flows from investing activities - continuing operations	(948)	(1,406)
Cash flows from investing activities - discontinued operations	(10)	(43)
Cash flows from investing activities - continuing and discontinued operations	(958)	(1,448)
Cash flows from financing activities		
Purchase of treasury shares	(852)	(646)
Other transactions with owners	(4)	(3)
Issuance of long-term debt	64	309
Repayment of long-term debt (including current maturities of long-term debt)	(5)	(420)
Change in short-term debt and other financing activities	(1,212)	(2,243)
Interest paid	(164)	(150)
Dividends attributable to non-controlling interests	(37)	(23)
Cash flows from financing activities - continuing operations	(2,210)	(3,176)
Cash flows from financing activities - discontinued operations	—	—
Cash flows from financing activities - continuing and discontinued operations	(2,210)	(3,176)
Effect of changes in exchange rates on cash and cash equivalents	(163)	269
Change in cash and cash equivalents	1,750	(197)
Cash and cash equivalents at beginning of period	8,207	8,231
Cash and cash equivalents at end of period	9,958	8,034
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	—	21
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	9,957	8,013

Consolidated Statements of Cash Flows

(in millions of €)	Fiscal year	
	2015	2014
Cash flows from operating activities		
Net income	7,380	5,507
Adjustments to reconcile net income to cash flows from operating activities - continuing operations		
Income from discontinued operations, net of income taxes	(2,031)	(215)
Amortization, depreciation and impairments	2,549	2,387
Income tax expenses	1,869	2,014
Interest (income) expenses, net	(442)	(294)
(Income) loss related to investing activities	(1,603)	(1,054)
Other non-cash (income) expenses	366	90
Change in operating net working capital		
Inventories	(793)	335
Trade and other receivables	(811)	201
Trade payables	(247)	204
Billings in excess of costs and estimated earnings on uncompleted contracts and related advances	914	(657)
Additions to assets leased to others in operating leases	(451)	(371)
Change in other assets and liabilities	852	(558)
Income taxes paid	(2,306)	(1,809)
Dividends received	495	333
Interest received	1,138	977
Cash flows from operating activities - continuing operations	6,881	7,090
Cash flows from operating activities - discontinued operations	(270)	9
Cash flows from operating activities - continuing and discontinued operations	6,612	7,100
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	(1,897)	(1,813)
Acquisitions of businesses, net of cash acquired	(8,254)	(23)
Purchase of investments	(568)	(335)
Purchase of current available-for-sale financial assets	(899)	(613)
Change in receivables from financing activities	(1,667)	(2,501)
Disposal of investments, intangibles and property, plant and equipment	3,474	517
Disposal of businesses, net of cash disposed	445	112
Disposal of current available-for-sale financial assets	651	317
Cash flows from investing activities - continuing operations	(8,716)	(4,340)
Cash flows from investing activities - discontinued operations	2,889	314
Cash flows from investing activities - continuing and discontinued operations	(5,827)	(4,026)
Cash flows from financing activities		
Purchase of treasury shares	(2,700)	(1,066)
Other transactions with owners	10	(20)
Issuance of long-term debt	7,213	527
Repayment of long-term debt (including current maturities of long-term debt)	(354)	(1,452)
Change in short-term debt and other financing activities	351	801
Interest paid	(596)	(617)
Dividends paid to shareholders of Siemens AG	(2,728)	(2,533)
Dividends attributable to non-controlling interests	(145)	(125)
Cash flows from financing activities - continuing operations	1,051	(4,485)
Cash flows from financing activities - discontinued operations	5	(2)
Cash flows from financing activities - continuing and discontinued operations	1,056	(4,487)
Effect of changes in exchange rates on cash and cash equivalents	83	214
Change in cash and cash equivalents	1,923	(1,199)
Cash and cash equivalents at beginning of period	8,034	9,234
Cash and cash equivalents at end of period	9,958	8,034
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	—	21
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	9,957	8,013

Overview of Segment figures

(in millions of €)	Orders				Revenue				Profit		Profit margin / SFS: ROE		Net capital employed / SFS: Total assets		Free cash flow	
	Q4		Actual	% Change Comp.	Q4		Actual	% Change Comp.	Q4		Q4		Sep 30, 2015	Sep 30, 2014	Q4	
	FY 2015	FY 2014			FY 2015	FY 2014			FY 2015	FY 2014	FY 2015	FY 2014			FY 2015	FY 2014
Power and Gas	5,275	3,735	41%	13%	4,050	3,661	11%	(17)%	420	543	10.4%	14.8%	8,873	(275)	1,143	716
Wind Power and Renewables	2,716	1,810	50%	45%	1,504	1,636	(8)%	(10)%	72	(60)	4.8%	(3.7)%	(346)	(146)	730	556
Energy Management	3,290	2,731	20%	16%	3,473	3,120	11%	7%	259	125	7.5%	4.0%	3,929	3,986	1,068	245
Building Technologies	1,662	1,564	6%	0%	1,679	1,544	9%	3%	222	190	13.2%	12.3%	1,337	1,250	248	215
Mobility	2,387	2,734	(13)%	(17)%	1,998	2,109	(5)%	(10)%	171	124	8.6%	5.9%	2,526	2,102	92	514
Digital Factory	2,520	2,311	9%	5%	2,654	2,526	5%	1%	483	482	18.2%	19.1%	4,840	4,652	590	559
Process Industries and Drives	2,321	2,223	4%	1%	2,728	2,716	0%	(4)%	131	233	4.8%	8.6%	2,211	2,169	233	334
Healthcare	3,823	3,589	7%	1%	3,622	3,400	7%	1%	696	618	19.2%	18.2%	11,153	10,822	859	715
Industrial Business	23,993	20,696	16%	7%	21,707	20,713	5%	(4)%	2,455	2,255	11.3%	10.9%	34,522	24,559	4,963	3,855
Financial Services (SFS)	260	231	—	—	260	231	—	—	144	121	19.3%	18.3%	24,970	21,970	174	109
Reconciliation to Consolidated Financial Statements	(537)	(378)	—	—	(639)	(507)	—	—	(1,053)	(368)	—	—	60,855	58,351	(746)	(603)
Siemens (continuing operations)	23,716	20,549	15%	6%	21,328	20,438	4%	(4)%	1,545	2,008	—	—	120,348	104,879	4,391	3,361

Overview of Segment figures

(in millions of €)	Orders				Revenue				Profit		Profit margin / SFS: ROE		Net capital employed / SFS: Total assets		Free cash flow	
	Fiscal year		Actual	% Change Comp.	Fiscal year		Actual	% Change Comp.	Fiscal year		Fiscal year		Sep 30, 2015	Sep 30, 2014	Fiscal year	
	2015	2014			2015	2014			2015	2014	2015	2014			2015	2014
Power and Gas	15,666	13,996	12%	(1)%	13,193	12,720	4%	(11)%	1,426	2,215	10.8%	17.4%	8,873	(275)	1,331	1,517
Wind Power and Renewables	6,136	7,759	(21)%	(26)%	5,660	5,567	2%	(3)%	160	6	2.8%	0.1%	(346)	(146)	389	552
Energy Management	12,956	11,210	16%	9%	11,922	10,708	11%	5%	570	(86)	4.8%	(0.8)%	3,929	3,986	691	(105)
Building Technologies	6,099	5,587	9%	2%	5,999	5,569	8%	1%	553	511	9.2%	9.2%	1,337	1,250	546	544
Mobility	10,262	9,280	11%	6%	7,508	7,249	4%	(1)%	588	532	7.8%	7.3%	2,526	2,102	118	353
Digital Factory	10,014	9,233	8%	3%	9,956	9,201	8%	3%	1,738	1,681	17.5%	18.3%	4,840	4,652	1,840	1,454
Process Industries and Drives	9,337	9,968	(6)%	(10)%	9,894	9,645	3%	(3)%	536	773	5.4%	8.0%	2,211	2,169	496	732
Healthcare	13,349	12,126	10%	3%	12,930	11,736	10%	3%	2,184	2,072	16.9%	17.7%	11,153	10,822	2,048	1,927
Industrial Business	83,819	79,158	6%	(1)%	77,062	72,396	6%	(1)%	7,755	7,703	10.1%	10.6%	34,522	24,559	7,460	6,975
Financial Services (SFS)	1,048	937	—	—	1,048	937	—	—	600	466	20.9%	18.1%	24,970	21,970	884	522
Reconciliation to Consolidated Financial Statements	(2,527)	(2,438)	—	—	(2,475)	(2,106)	—	—	(1,138)	(862)	—	—	60,855	58,351	(3,359)	(2,219)
Siemens (continuing operations)	82,340	77,657	6%	(1)%	75,636	71,227	6%	(1)%	7,218	7,306	—	—	120,348	104,879	4,984	5,278

EBITDA Reconciliation

(in millions of €)	Profit		Amortization of intangible assets acquired in business combinations		Financial income (expenses), net		EBIT		Amortization, depreciation and impairments		EBITDA	
	Q4		Q4		Q4		Q4		Q4		Q4	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Power and Gas	420	543	(65)	(8)	24	(7)	331	541	134	64	465	605
Wind Power and Renewables	72	(60)	(2)	(2)	10	(2)	61	(60)	35	36	96	(23)
Energy Management	259	125	(6)	(5)	—	(4)	253	124	67	59	321	182
Building Technologies	222	190	(4)	(4)	—	(1)	218	187	22	22	240	209
Mobility	171	124	(15)	(15)	3	(3)	152	112	33	32	185	144
Digital Factory	483	482	(23)	(21)	(1)	(1)	462	463	74	59	535	522
Process Industries and Drives	131	233	(8)	(12)	—	(1)	123	222	68	70	191	293
Healthcare	696	618	(46)	(41)	3	1	648	575	141	133	789	709
Industrial Business	2,455	2,255	(167)	(108)	40	(18)	2,248	2,165	574	476	2,822	2,641
Financial Services (SFS)	144	121	—	—	144	141	(1)	(21)	55	48	55	27
Reconciliation to Consolidated Financial Statements	(1,053)	(368)	167	108	(141)	(166)	(745)	(94)	94	97	(651)	3
Siemens (continuing operations)	1,545	2,008	—	—	43	(42)	1,502	2,050	724	621	2,226	2,671

EBITDA Reconciliation

(in millions of €)	Profit		Amortization of intangible assets acquired in business combinations		Financial income (expenses), net		EBIT		Amortization, depreciation and impairments		EBITDA	
	Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Power and Gas	1,426	2,215	(120)	(33)	31	(22)	1,275	2,204	350	238	1,625	2,442
Wind Power and Renewables	160	6	(6)	(6)	19	(9)	135	8	132	140	267	149
Energy Management	570	(86)	(23)	(23)	(3)	(12)	550	(97)	230	212	780	116
Building Technologies	553	511	(15)	(14)	(2)	(2)	539	499	86	81	625	579
Mobility	588	532	(61)	(57)	4	(11)	524	485	126	119	650	604
Digital Factory	1,738	1,681	(92)	(149)	1	5	1,645	1,527	277	320	1,921	1,847
Process Industries and Drives	536	773	(43)	(47)	(1)	(3)	494	729	248	227	742	956
Healthcare	2,184	2,072	(180)	(166)	17	22	1,988	1,884	545	529	2,532	2,413
Industrial Business	7,755	7,703	(539)	(495)	66	(32)	7,150	7,240	1,993	1,866	9,143	9,106
Financial Services (SFS)	600	466	(2)	(1)	582	552	17	(87)	219	194	235	107
Reconciliation to Consolidated Financial Statements	(1,138)	(862)	541	497	(706)	(402)	109	36	338	326	447	363
Siemens (continuing operations)	7,218	7,306	—	—	(58)	117	7,276	7,189	2,549	2,387	9,825	9,576

Orders & Revenue by region

(in millions of €)	Q4		Actual	Orders % Change Comp.	Q4		Actual	Revenue % Change Comp.
	FY 2015	FY 2014			FY 2015	FY 2014		
Europe, C.I.S., Africa, Middle East	12,105	10,272	18%	13%	10,722	10,760	0%	(4)%
<i>therein: Germany</i>	3,517	2,823	25%	24%	3,152	3,163	0%	(1)%
Americas	7,454	5,918	26%	8%	6,345	5,340	19%	0%
<i>therein: U.S.</i>	5,388	4,431	22%	(1)%	4,624	3,596	29%	3%
Asia, Australia	4,157	4,359	(5)%	(12)%	4,261	4,338	(2)%	(10)%
<i>therein: China</i>	1,824	1,527	19%	7%	1,915	1,916	0%	(10)%
Siemens (continuing operations)	23,716	20,549	15%	6%	21,328	20,438	4%	(4)%
<i>therein: Emerging markets</i>	8,384	6,304	33%	23%	7,368	7,134	3%	(5)%

(in millions of €)	Fiscal year		Actual	Orders % Change Comp.	Fiscal year		Actual	Revenue % Change Comp.
	2015	2014			2015	2014		
Europe, C.I.S., Africa, Middle East	42,539	41,259	3%	1%	38,799	38,449	1%	(2)%
<i>therein: Germany</i>	11,991	10,910	10%	10%	11,244	10,781	4%	4%
Americas	24,769	20,619	20%	5%	21,702	18,494	17%	1%
<i>therein: U.S.</i>	17,357	14,613	19%	(1)%	15,263	12,647	21%	1%
Asia, Australia	15,033	15,779	(5)%	(14)%	15,135	14,283	6%	(4)%
<i>therein: China</i>	6,623	6,605	0%	(12)%	6,938	6,405	8%	(4)%
Siemens (continuing operations)	82,340	77,657	6%	(1)%	75,636	71,227	6%	(1)%
<i>therein: Emerging markets</i>	29,769	27,345	9%	2%	25,285	24,146	5%	(3)%