

Facts and figures

Fiscal 2023



SIEMENS



Dr. Roland Busch

President and Chief Executive Officer
of Siemens AG

Dear Shareholders,

Your Company delivered a historic, record-breaking performance in fiscal 2023. For this success, I'd like to cordially thank the global Siemens team – and you, too, for your trust in Siemens AG. Our strategy as a technology company is paying off: we combine the real and the digital worlds. That's how we enable our customers to accelerate their digital and sustainability transformation. I'm very confident that we'll continue to be successful in the future.

For us as a technology leader, 2023 offered major opportunities in a still difficult environment. As a team of 320,000 colleagues, we seized these opportunities by focusing successfully on our strategy and our customers.

Orders topped €92 billion, up 7 percent on an already very high level. Revenue grew a very healthy 11 percent and was at the upper end of our guidance. Our book-to-bill ratio of 1.19 and a record order backlog of €111 billion give us confidence for fiscal 2024. We set record highs in Profit Industrial Business and our profit margin. Our continuously stellar free cash flow confirms our outstanding operational performance – also compared to our competitors. For the first time ever, we exceeded the €10 billion threshold – an impressive 23 percent increase year-over-year.

Our operational strength is also reflected in earnings per share before purchase price allocation accounting, or EPS pre PPA for short. Excluding the effect from Siemens Energy, EPS pre PPA was €9.93, even slightly above the updated guidance range. Basic earnings per share more than doubled year-over-year and exceeded the €10 mark for the first time.

Through an attractive return, we want to enable you to participate in our operational success. For this reason, we're proposing to the Annual Shareholders' Meeting a dividend of €4.70, which corresponds to a dividend yield of 3.5 percent at the closing share price at the end of September 2023. This is in line with our progressive dividend policy: the increase amounts to €0.45. For fiscal 2024, we expect revenue to grow by 4 percent to 8 percent and EPS pre PPA to increase again to between €10.40 and €11.00. The Siemens share has further attractive opportunities for value growth.

With our €2 billion global investment strategy to boost growth, innovation and resilience, we're strengthening the bases for our further success. We're investing half of this amount in Germany because we're convinced of the country's competitiveness and power of innovation.

At the same time, we're expanding and deepening our collaboration with global partners. Together with Microsoft, we presented the Siemens Industrial Copilot a few weeks ago. Using artificial intelligence, the Copilot improves the interaction between man and machine and will significantly increase our customers' productivity. This example illustrates not only the great interest that other technology leaders have in collaborating with Siemens. It also shows how fast we get new technologies to our customers.

Speed and scale are the most important factors for our further growth trajectory. Increasing the scalability of our products means we implement standard solutions for our customers' recurring problems – by deploying cutting-edge technologies and collaborating with our fast-growing partner ecosystem. With Siemens Xcelerator, our open digital business platform, we're bringing these economies of scale to the market.

With this approach, we're enabling the digital transformation of the economy – and the transformation to more sustainability. The use of innovative technologies is the key to accelerating this transition as well. More than 90 percent of our business helps our customers achieve a positive sustainability impact.

For more than 176 years, it's been our purpose to create technologies that transform the everyday – for everyone. I'm proud of this goal, and I'm very pleased that you're helping Siemens AG make it a reality.

Thank you for your trust!

Roland R



Jim Hagemann Snabe

Chairman of the Supervisory Board
of Siemens AG

Dear Shareholders,

In fiscal 2023, Siemens AG once again reaffirmed its position as a leading technology company. Despite strained worldwide economic conditions, the Company delivered double-digit revenue growth – for the third year in a row. This success is a clear sign that we have the right strategy and that the demand for products and solutions that enable the transformation toward greater digitalization and sustainability is on the rise.

In today's world, customer proximity, agility and speed are indispensable to a company's success. That's why Siemens reorganized its operations in 2020 – and with outstanding results. Today, Siemens is better positioned than ever to play a decisive role in driving the transformation of the industries it's active in. As a technology company with clear strategic priorities, Siemens can bundle its strengths and focus all its energies on developing technologies that help customers transform the everyday for people all over the world.

The need for new solutions is immense considering the many challenges confronting the world today: climate change, inflation, rapidly rising energy and raw-material prices, supply chain disruptions, shortages of skilled labor and increasing geopolitical conflicts – these developments are calling old certainties into question and placing formidable demands on companies.

Furthermore, businesses and societies are witnessing unparalleled technological progress – which brings with it many new challenges. But if we apply these technologies with the clear purpose of shaping a better and more sustainable future, they'll also provide us with answers to many key questions of our time.

The combination of the real and the digital worlds and our rigorous orientation toward long-term growth areas are paying off strategically. Against this backdrop, the Managing Board and the Supervisory Board focused intensively in fiscal 2023 on continuing the rigorous execution of Siemens' growth strategy.

We worked to make Siemens even more digital, more sustainable and more competitive. This strategy included major investments to drive our innovative power and enhance our manufacturing capacities – while further strengthening our regional diversification. And we worked hard to implement the demanding targets of DEGREE, our sustainability framework.

Driving our own transformation is something we're doing with our customers in mind. And the growth of Siemens Xcelerator, our open digital business platform, is gaining more and more momentum. Already today, it's considered to be *the* platform for sustainable and intelligent infrastructures and solutions – an open digital business platform that offers hardware and software from both Siemens and its partners.

Today, we can also say that 90 percent of Siemens' business enables our customers to become more sustainable. With our products and solutions, we help them become more efficient and save resources. And the demand for these offerings is growing, proving not only that a good business should be sustainable, but that sustainability itself is good business. With its strategy, Siemens is on the right track.

After the extremely successful transformation of the last three years, we're ready for the next big step: expanding our Company. There's no doubt that – if we want to leverage our products to achieve something truly great in the world – we'll have to keep growing. Sustainability, artificial intelligence and, above all, the scalability of our products will be key levers for value creation in the future. And I'm convinced that Siemens will also be successful in these areas.

I'm very much looking forward to our upcoming Annual Shareholders' Meeting. After a record-breaking year, we can look to the future with pride and optimism. And we can truly say: our Company is making an important contribution to shaping a sustainable and intelligent future. A future full of opportunities that we would like to seize with you by our side.

For the Supervisory Board

A handwritten signature in blue ink, consisting of a large 'J' followed by a stylized 'H' and a horizontal line extending to the right.

Key figures fiscal 2023

Volume

		FY 2023	FY 2022	Actual	% Change Comp. ¹
Orders	in millions of €	92,305	89,010	4%	7%
Revenue	in millions of €	77,769	71,977	8%	11%
Book-to-bill ratio		1.19			
Order backlog	in billions of €	111			

Profitability and Capital efficiency

		FY 2023	FY 2022	% Change
Industrial Business				
Profit	in millions of €	11,430	10,277	11%
Profit margin	in %	15.4%	15.1%	
Continuing operations				
EBITDA	in millions of €	14,163	10,759	32%
Income from continuing operations	in millions of €	8,514	4,413	93%
Basic earnings per share ²	in €	10.02	4.67	115%
Discontinued operations				
Income (loss) from discontinued operations, net of income taxes	in millions of €	15	(21)	n/a
Basic earnings per share ²	in €	0.02	(0.03)	n/a
Continuing and discontinued operations				
Net income	in millions of €	8,529	4,392	94%
Basic earnings per share ²	in €	10.04	4.65	116%
Earnings per share before purchase price allocation accounting ²	in €	10.77	5.47	97%
Return on capital employed (ROCE)	in %	18.6%	10.0%	

Capital structure and Liquidity

		September 30, 2023	September 30, 2022
Total equity	in millions of €	53,060	54,805
Industrial net debt	in millions of €	7,924	10,896
Industrial net debt/EBITDA		0.6	1.0
Free cash flow			
Continuing operations	in millions of €	10,062	8,238
Discontinued operations	in millions of €	(41)	(81)
Continuing and discontinued operations	in millions of €	10,021	8,157
Cash conversion rate			
Continuing and discontinued operations		1.17	1.86

Employees

		September 30, 2023	September 30, 2022
Siemens Group			
	in thousands	320	311
Germany	in thousands	87	86
Outside Germany	in thousands	232	225

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2023 and 2022 weighted average shares outstanding (basic) (in thousands) amounted to 791,538 and 801,338 shares, respectively.

Fiscal 2023 – Financial summary

Overall, global economic development in fiscal 2023 was mixed and characterized by a number of headwinds. In this environment, Siemens delivered a very strong performance in all its businesses due to its strategic positioning relative to long-term trends such as automation, electrification and digitalization. With our offerings, we help increase resource efficiency and the decarbonization of industry, transport and building infrastructures and make manufacturing more resilient and flexible. We expect these trends to continue to drive our growth in the coming years.

During fiscal 2023, we made further progress in focusing our business portfolio by selling our Commercial Vehicles business. Furthermore, we began forming a new motors and large drives company under the name Innomatics by combining our existing business activities in the areas of low- to high-voltage motors, geared motors, medium-voltage converters and motor spindles. Also, we further reduced our stake in Siemens Energy AG to 25.1% and transferred shares to Siemens Pension-Trust e.V. To boost future growth and drive innovation, we announced a €2 billion investment strategy mainly for new manufacturing capacity as well as innovation labs and education centers. We also expanded our open digital business platform, Siemens Xcelerator, by introducing Industrial Operations X, which includes a broad range of interoperable offerings for more adaptive production, and by adding new cloud-based applications for Building X, our suite for smart and sustainable buildings.

Fiscal 2023 was another very successful year for Siemens. We achieved excellent financial results in a volatile market environment, which on the one hand included destocking by customers and distributors following previously proactive purchasing, particularly in our short-cycle businesses, and on the other hand included improved supply chain conditions, which accelerated revenue conversion from our high order backlog. We raised our outlook during the fiscal year after the first and the second quarters. We then reached or exceeded all the targets set for our primary measures for fiscal 2023. We achieved revenue growth of 11% net of currency translation and portfolio effects and delivered basic earnings per share from net income before purchase price allocation accounting (EPS pre PPA) of €10.77. Excluding Siemens Energy Investment, EPS pre PPA was €9.93. ROCE increased to 18.6%, our capital structure ratio came in at 0.6, and the cash conversion rate was 1.17.

Orders rose 7% year-over-year to €92.3 billion, for a book-to-bill ratio of 1.19, thus fulfilling our expectation of a ratio above 1. Order growth was driven by sharply higher volume from large orders at Mobility, including an order worth €2.9 billion for locomotives and associated maintenance in India and a €2.5 billion order for the first line of a turnkey rail system in Egypt, and by clear growth in Smart Infrastructure led by the electrification business. Orders in Digital Industries came in lower as the destocking trend mentioned above had a significant effect on its automation businesses.

Revenue was higher in nearly all our industrial businesses and rose to €77.8 billion, up 8% year-over-year. Smart Infrastructure and Digital Industries contributed double-digit growth with all businesses posting increases. Revenue growth at Smart Infrastructure was led by the electrification and the electrical products businesses, while at Digital Industries the factory automation and the process automation businesses contributed the strongest growth. Revenue growth at Mobility was led by a significant increase in the rolling stock business. Revenue at Siemens Healthineers remained on the prior-year level as growth particularly in the imaging and Varian businesses was offset by a decline in the diagnostics business. Excluding currency translation and portfolio effects, revenue for Siemens rose 11%. We thus exceeded the forecast provided in our Combined Management Report for fiscal 2022, which was to achieve comparable revenue growth in the range of 6% to 9%, and reached the upper end of our subsequently raised outlook, which was to achieve 9% to 11% in comparable revenue growth.

Profit Industrial Business exceeded the record high of a year earlier and rose 11% to €11.4 billion. All industrial businesses except Siemens Healthineers increased their profit year-over-year. The strongest increase came from Smart Infrastructure on improvements in all its

businesses, led by the electrical products and the electrification businesses. Growth at Digital Industries was driven by the automation businesses, only partly offset by a decline in profit in the software business due mainly to higher expenses related to cloud-based activities. Profit at Mobility increased in nearly all businesses and included positive trailing effects related to the winding down of business activities in Russia a year earlier. Profit at Siemens Healthineers came in lower on declines in the diagnostics business, due primarily to sharply lower revenue from rapid coronavirus antigen tests as well as charges related to its transformation program and charges related to refocusing certain activities in the advanced therapies business.

The **profit margin** of our Industrial Business rose to 15.4%, up from 15.1% a year earlier, reaching its highest level ever. Digital Industries and Smart Infrastructure achieved the strongest increases and also contributed the highest margins: 22.6% and 15.4%, respectively. The profit margin for Mobility rose slightly to 8.4%, while the profit margin at Siemens Healthineers declined to 11.7%.

Earnings before taxes at Siemens Financial Services (SFS) increased significantly due mainly to higher earnings before taxes in the debt business, which in the prior fiscal year included a €0.2 billion impact in connection with the sale of the financing and leasing business in Russia. Return on equity after tax for SFS increased to 16.3%. Profit at Portfolio Companies included a €0.1 billion gain from the sale of the Commercial Vehicles business but came in sharply lower compared to the prior fiscal year which had included a €1.1 billion gain from the sale of the mail and parcel-handling business of Siemens Logistics and a €0.3 billion revaluation gain in connection with the sale of our stake in Valeo Siemens eAutomotive GmbH. Results within Reconciliation to Consolidated Financial Statements benefited from positive effects related to Siemens Energy Investment, including €1.6 billion from a partial reversal of the prior-year €2.7 billion impairment on Siemens' stake in Siemens Energy AG. These positive effects were partly offset by Siemens' share of Siemens Energy's after-tax loss.

Net income nearly doubled year-over-year to a historic high of €8.5 billion and corresponding basic EPS more than doubled to €10.04. EPS pre PPA increased to €10.77. Excluding a positive €0.84 per share related to Siemens Energy Investment, EPS pre PPA was €9.93. We thus exceeded the forecast provided in our Combined Management Report for fiscal 2022, which was to achieve EPS pre PPA in a range of €8.70 to €9.20, and exceeded our forecast made after the third quarter of fiscal 2023, which was for EPS pre PPA excluding Siemens Energy Investment in the range of €9.60 to €9.90.

ROCE for fiscal 2023 rose to 18.6%, up from 10.0% in fiscal 2022. This increase was due to sharply higher income before interest after tax year-over-year. We thus exceeded the forecast for ROCE provided in our Combined Management Report 2022, which was to come close to or reach the lower end of our target range of 15% to 20%.

We evaluate our **capital structure** using the ratio of Industrial net debt to EBITDA. Due to a combination of a decrease in Industrial net debt and higher EBITDA year-over-year, this ratio declined to 0.6. We thus achieved the forecast provided in our Combined Management Report 2022, which was to achieve a ratio of up to 1.5.

Free cash flow from continuing and discontinued operations for fiscal 2023 was €10.0 billion, reaching a record high. The cash conversion rate for Siemens, defined as the ratio of Free cash flow from continuing and discontinued operations to Net income, was 1.17. 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 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 Supervisory Board, proposes a **dividend** of €4.70 per share, up from €4.25 per share a year earlier.

The Siemens Share/Investor Relations

Stock performance. During the first nine months of fiscal 2023, the Siemens share clearly outperformed the DAX, reaching a new all-time high of €167.00 on June 16. The share benefited, among other things, from the Company's strong business performance and the two increases in its guidance. In a generally more difficult market environment and against the backdrop of the accelerated normalization of order patterns in the short-cycle automation businesses, the share gave up some of its outperformance against the DAX in Q4 2023.

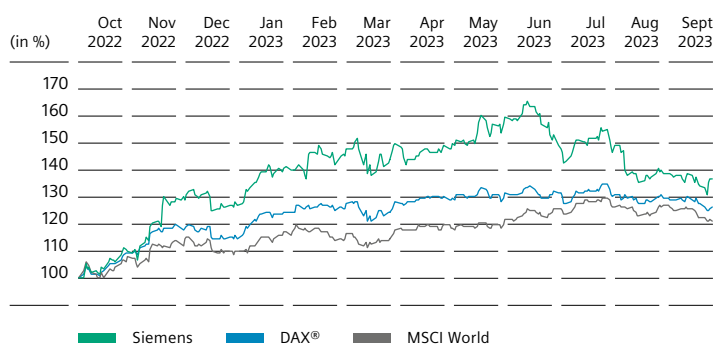
At the end of the fiscal year on September 30, the Siemens share closed at €135.66. Including the reinvestment of the dividend, this amount corresponds to a return of +38% (DAX: +27%). The shares of the Company's five main competitors achieved returns of between -1% and +37% (including dividend reinvestment) during this period.

A long-term comparison also shows the strength of the Siemens share: investors who bought Siemens shares for €1,000 at the beginning of fiscal 2014 and reinvested the dividends they received and the equivalent value of the Siemens Energy spin-off in Siemens shares, more than doubled their assets by the end of fiscal 2023. At +8.8% per year (on a comparable basis), the average return on the Siemens share during this period was nearly three percentage points above the level of Germany's leading DAX index (+6.0%).

Siemens on the capital market. An intensive dialogue with the capital market is of great importance to us. Cultivating close contacts with our investors and analysts, we keep the market up to date on all major developments at the Siemens Group. As part of our investor relations work, we provide information on our Company's development in earnings releases and half-year and annual reports. Members of the Managing Board – in particular, the President and CEO and the CFO – also support the ongoing dialogue with investors by participating in roadshows and conferences. The Chairman of the Supervisory Board discusses Supervisory-Board-specific topics with investors.

At Capital Market Days, Company management explains our business strategy and market environment to investors and analysts. Our investors have fast and direct online access to our financial calendar, half-year and annual reports, earnings releases, ad hoc announcements, analyst presentations, shareholder letters, equity story, and press releases at www.siemens.com/investor/en

Development of the Siemens share, DAX and MSCI World in fiscal 2023 (each including dividend reinvestment; indexed)



Stock market information

		FY 2023 ¹	FY 2022 ¹
Siemens stock price (Xetra closing price)			
High	in €	165.78	157.96
Low	in €	100.92	93.74
Fiscal year-end	in €	135.66	101.20
Number of shares issued (September 30)	in millions	800	850
Market capitalization ² (September 30)	in millions of €	107,161	80,206
Basic earnings per share ³	in €	10.04	4.65
Diluted earnings per share ³	in €	9.91	4.59
Dividend per share	in €	4.70⁴	4.25

- ¹ Fiscal year from October 1 to September 30.
- ² On the basis of outstanding shares.
- ³ Continuing and discontinued operations.
- ⁴ To be proposed to the Annual Shareholders' Meeting.

Further information

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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 www.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.