

Munich, May 7, 2021

Excellent results across all businesses – Guidance raised again

- **Strong and profitable growth companywide**
- **Adjusted EBITA margin rose to 15.1 percent (Q2 2020: 12.1 percent),
Adjusted EBITA Industrial Businesses soared 31 percent to €2.1 billion**
- **Revenue increased sharply to €14.7 billion (Q2 2020: €13.8 billion), with
orders strong at €15.9 billion (Q2 2020: €14.7 billion)**
- **Net income more than tripled to €2.4 billion (Q2 2020: €697 million)**
- **Successful portfolio management: one-time gain of about €0.9 billion on
sale of Flender GmbH**
- **Excellent free cash flow of €1.2 billion (Q2 2020: €134 million)**
- **Guidance for 2021 raised again – expected net income of €5.7 billion to
€6.2 billion, excluding effects in connection with the acquisition of Varian
Medical Systems Inc.**

With an excellent second quarter, Siemens AG followed on seamlessly from its successful start to the fiscal year. Despite a persistently challenging macroeconomic environment, influenced among other things by the COVID-19 pandemic, and negative currency translation effects, development across all company business areas continued to be positive. In line with these results, Siemens is again raising its guidance for fiscal 2021 and now expects companywide revenue growth of 9 percent to 11 percent on a comparable basis (previous forecast: mid- to high-single-digit growth) and net income of between €5.7 billion and €6.2 billion (previous forecast: €5.0 billion to €5.5 billion).

“As our order intake and revenue in the second quarter impressively demonstrate, our customers place great trust in us. We support our customers in their digital transformation, which enables them to become faster, more efficient and more sustainable,” said Roland Busch, President and Chief Executive Officer of Siemens

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AG. "I'm extremely pleased that we're delivering excellent results in all our businesses and that we're growing profitably – despite continuing uncertainties. My thanks go to all the people at Siemens worldwide for their dedication and for always embracing a growth mindset."

"The second quarter once again underscores Siemens' performance capabilities and reliability, especially under challenging conditions, which was reflected in all key financial figures. Growth momentum came, in particular, from the automotive industry, machine building, our software business and – from a geographic perspective – from China. Besides the gratifying margin developments at our Industrial Businesses, our successful portfolio management also paid off. In addition, Siemens has once again achieved excellent cash flow. On this basis, we are even more confident about the second half of our fiscal year and are raising our guidance significantly for both our Industrial Businesses and net income," said Ralf P. Thomas, Chief Financial Officer of Siemens AG.

Strong growth and high profitability companywide

In Q2 2021, Siemens sharply increased Group revenue by nine percent on a comparable basis to €14.7 billion due to growth in all four areas of its Industrial Businesses and strong momentum in China. At €15.9 billion on a comparable basis, orders climbed an impressive 11 percent year-over-year. Here, Siemens Healthineers and Smart Infrastructure, each of which achieved strong double-digit growth, were the biggest drivers. At 1.08, the book-to-bill ratio was very robust.

Adjusted EBITA Industrial Businesses rose substantially to €2.1 billion, an increase of 31 percent. Adjusted EBITA margin Industrial Businesses was 15.1 percent (Q2 2020: 12.1 percent).

At €2.4 billion, net income was more than three times the Q2 2020 figure of €697 million. Net income in Q2 2021 included a one-time gain of about €0.9 billion on the sale of Flender GmbH, which was completed in mid-March as part of the company's successful portfolio management.

In Q2 2021, Siemens again increased free cash flow significantly to €1.2 billion (Q2 2020: €134 million).

Excellent development at all Industrial Businesses

Revenue at Digital Industries rose 14 percent on a comparable basis to €4.0 billion, with the short-cycle businesses making the strongest contribution. This development was primarily due to the ongoing recovery in the automotive industry and machine building. Orders grew 8 percent on a comparable basis to €4.3 billion. In Q2 2021, Adjusted EBITA surged 39 percent to €811 million. This increase was primarily due to strong growth in the electronic design automation (EDA) software business and the short-cycle businesses. At 20.1 percent, Adjusted EBITA margin was considerably above the Q2 2020 figure of 15.9 percent.

At Smart Infrastructure, orders increased 10 percent on a comparable basis to €4.0 billion. This development was supported by all business areas, with the strongest growth coming from the systems and software business and the products business. At €3.6 billion, revenue was up 6 percent on a comparable basis. At €390 million, Adjusted EBITA was more than twice the Q2 2020 figure of €185 million. All areas contributed to this strong performance as did cost savings and higher capacity utilization. Adjusted EBITA margin climbed to 11.0 percent compared to 5.2 percent in Q2 2020.

At Mobility, revenue grew three percent on a comparable basis to €2.3 billion, while orders declined 8 percent to €2.1 billion. This decline was due, above all, to the postponement of orders to the second half-year. Nonetheless, Adjusted EBITA and Adjusted EBITA margin – at €208 million and 9.2 percent, respectively – remained close to the level of the strong prior-year quarter.

Varian acquisition successfully completed

Following the conclusion of the second quarter, Siemens Healthineers AG successfully completed the acquisition of Varian Medical Systems, Inc., a world-leading specialist in radiotherapy and multi-disciplinary cancer care. The acquisition will enable Siemens Healthineers to accelerate its impact on global healthcare and offer the company considerable potential for value creation. As a majority stakeholder, Siemens AG will also profit from this move. As planned and originally announced, Siemens did not participate in Siemens Healthineers' capital increase at the end of March 2021. As a result, Siemens AG's stake in Siemens Healthineers

further declined to somewhat more than 75 percent. Siemens remains a strong, long-term majority shareholder.

Guidance raised again

Although Siemens continues to anticipate a complex macroeconomic environment influenced by COVID-19, the company expects its businesses to continue to deliver a strong performance in the second half of fiscal 2021. Furthermore, Siemens realized substantial gains from portfolio transactions in the first half of the fiscal year. Therefore, the company is again raising its outlook for the fiscal year.

Siemens continues to anticipate that negative currency effects will strongly burden both nominal growth rates in volume and Adjusted EBITA for its Industrial Businesses in fiscal 2021.

Siemens is now raising its expectation for comparable revenue, net of currency translation and portfolio effects, to growth of 9 percent to 11 percent, above the range of mid- to high-single-digit growth given in the Earnings Release for Q1 FY 2021. The company continues to expect a book-to-bill ratio above 1.

Digital Industries now expects fiscal 2021 comparable revenue to grow in the range of 9 percent to 11 percent year-over-year. The expectation for Adjusted EBITA margin is now 20 percent to 21 percent, an increase of one percentage point.

Smart Infrastructure expects to achieve comparable revenue growth of 5 percent to 7 percent in fiscal 2021. The expectation for Adjusted EBITA margin is now 11 percent to 12 percent, an increase of half a percentage point.

Mobility continues to anticipate mid-single-digit comparable revenue growth and an Adjusted EBITA margin of 9.5 percent to 10.5 percent in fiscal 2021.

In line with the results already achieved during the first half of fiscal 2021 and the expectations described above, Siemens is raising its outlook for net income to the range of €5.7 billion to €6.2 billion, well above the previous expectation of net income in the range of €5.0 billion to €5.5 billion.

As previously, this outlook excludes burdens from legal and regulatory issues and effects in connection with Siemens Healthineers' acquisition of Varian Medical Systems, Inc.

This press release is available at <https://sie.ag/2QVXu2m>.

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In fiscal 2020, which ended on September 30, 2020, the Siemens Group generated revenue of €55.3 billion and net income of €4.2 billion. As of September 30, 2020, the company had around 293,000 employees worldwide. Further information is available on the Internet at www.siemens.com.

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 of the Annual Report, and in the Half-year Financial Report, which should be read in conjunction with the Annual Report. Should one or more of these risks or uncertainties materialize, events of force majeure, such as pandemics, 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.

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