

**SPEECH FOR PRESS CALL**  
**Q3 2025**

**“ROBUST RESULTS CONTINUE –  
OUTLOOK CONFIRMED”**

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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 and our outlook for the remainder of fiscal 2025.

We delivered a robust performance in Q3 despite the difficult macroeconomic conditions. Geopolitical tensions, high volatility in the tariff environment and sudden changes in trade restrictions seem to have become the new normal.

We welcome the EU and U.S. trade and investment agreement, which will restore greater planning predictability. Some details of the agreement are still in flux, but we're monitoring developments very closely.

And we're focusing on what we can shape ourselves: our future as ONE Tech Company.

We're driving our businesses with data-based innovations and artificial intelligence, or AI.

Through our current leadership in industrial AI, we're combining the real and digital worlds to provide our customers with concrete benefits. We're enabling them to improve their competitiveness, their resilience and their sustainability – and thus achieve real impact.

We're also engaged in close dialogue with governments around the globe to support public and private investment programs in industry, infrastructure and transportation.

Our goal is to drive innovation and contribute to high-quality and sustainable growth.

I'm particularly excited about the recently launched Made for Germany initiative. Sixty-one companies and investors have sent a strong signal: agreements to invest a total of €631 billion over the next three years. Since the initiative's launch at the German Federal Chancellery, we've seen a huge amount of interest. Many more companies – from small and medium-sized enterprises to large corporations – want to take part.

The priorities are clear:

- to foster economic growth
- strengthen Germany's competitiveness
- expand its technological leadership and
- bring its infrastructure into the digital age.

Let's take a look now at our Q3 results.

Our strong revenue and order intake underscore our customers' strong confidence in our offerings. Our book-to-bill ratio reached 1.28, driven primarily by our Mobility Business.

Our high-quality order backlog continues to stand at a healthy €117 billion, which also reflects the euro's recent strength. This backlog will enable us to achieve further high-value growth.

Group orders reached €24.7 billion, a 28 percent increase year-over-year. The key driver was Mobility, where we recorded major orders in Egypt and the U.S. as well as a series of further large contract wins. Smart Infrastructure, or SI, continued to deliver orders at a high level, with healthy growth in its base business.

As expected, orders at Digital Industries, or DI, were up compared to Q2 2025 but below their prior-year level due to the fact that we booked a series of large orders for licensed software in 2024. Driven by China and the U.S., automation orders at DI were up 19 percent, a significant increase from a low base.

However, orders recovered less strongly than anticipated due to the continuing high level of uncertainty regarding the future tariff environment and ongoing trade disputes.

This climate of volatility is weighing on business sentiment in several of our core industries – such as automotive and machine building, where sales cycles have been extended and investment decisions are taking longer.

Overall, revenue growth reached 5 percent, with strong contributions from Mobility, SI and Siemens Healthineers.

SI's electrification business was again a standout. The SI team is doing an outstanding job. In particular, it increased revenue 16 percent by rigorously executing on the backlog for data centers.

DI's automation business returned to year-over-year revenue growth for the first time since the end of fiscal 2023.

As expected, revenue from software was lower due, as already mentioned, to the series of large license deals we booked in 2024.

Growth in Group revenue was driven by a 10 percent increase in Europe, the Middle East and Africa, or EMEA, and by a 9 percent increase in the Americas, where it was again fueled by strong momentum in the U.S. Revenue in the Asia / Australia Region was down 10 percent year-over-year due to the high revenue level in China in Q3 2024 – a decline that was only partially offset by strong growth of 16 percent in India.

We converted this robust growth in revenue and orders into solid profitability and excellent free cash flow.

In line with market expectations, Profit Industrial Business was €2.8 billion, corresponding to a profit margin of 14.9 percent. SI, Mobility and Siemens Healthineers delivered margin expansion.

Earnings per share before purchase price allocation accounting, or EPS pre PPA, reached €2.93, excluding the Altair and Dotmatics effects, which together totaled a negative €0.15.

Strong cash conversion resulted in impressive free cash flow of €3 billion at the Industrial Business.

Despite the ongoing macroeconomic and geopolitical uncertainties, we confirm our outlook for fiscal 2025. Ralf will give you more details in a moment.

We're making good progress on the journey to our North Star, ONE Tech Company. Our aim, as you'll recall, is to achieve:

- stronger customer focus
- faster innovations and
- higher, profitable growth.

We've made major progress in executing the program's Investment track:

- We closed the Dotmatics acquisition in Q4, much earlier than expected. Dotmatics will enable us to expand our AI-powered software offering for the life sciences.
- We're strengthening our portfolio of intelligent hardware by integrating the industrial drives technology business acquired from ebm-papst. This move will allow us to tap into growth markets such as free-moving, battery powered, driverless transport systems.
- By successfully listing our energy business in India, we've paved the way, as promised, for streamlining our company structure. The listing will empower both companies to act independently and grow faster.

- And a particular highlight: we've expanded one of Europe's most advanced train factories and opened a new service center in the Munich suburb of Allach. The location proves how competitive manufacturing in Germany can be: highly skilled employees are using cutting-edge technologies, maximum automation, digitalization and AI to deliver superior products and digital services. That's how Made for Germany works.

Let's take a look now at our Productivity track. To mitigate tariff-related risks and strengthen our resilience, we're expanding our supplier network and continuing to localize our value chains.

We're making DI's automation business more competitive. For this reason, we've signed a comprehensive agreement with our employee representatives in Germany. Under this agreement, we're adjusting capacities, fostering the professional development of our people and strengthening our customer-centric sales approach.

Now for some examples of long-term partnerships, where we're combining Siemens Xcelerator with our domain knowhow.

For decades, Siemens has supported Northrop Grumman in creating an industry-leading digital ecosystem to deliver cutting-edge aerospace and defense systems.

This year, we received the company's supplier excellence award and extended our partnership agreement for another three years.

In the future, Northrop Grumman will expand the use of our Siemens Xcelerator portfolio for real-time collaboration, faster development and a digital-first approach even further.

For many years, we've partnered with the German government to modernize historic buildings of great cultural significance such as the landmark Berlin State Library.

By implementing digital technologies like Building X and new hardware, we're making these buildings smarter and more energy efficient. The investment costs will be fully offset by guaranteed energy savings.

Siemens is also a partner for startups like TURN2X. This German clean energy company wants to scale up the production of methane gas, which is synthesized from green hydrogen and carbon dioxide. Our agreement covers technologies such as automation, energy management, digital twins and cybersecurity for the remote control of plant operations.

And finally, an outstanding example from our Mobility Business:

After a great deal of hard work, the Mobility team has reached several key milestones. As a result, we can now book the order for the turnkey construction of the Blue and Red Lines in Egypt. Around €3.5 billion. By providing an advanced and sustainable rail system, this project marks a major step in the country's transformation.

Why? Because the new lines will have a huge sustainability impact: we'll cut carbon emissions by 70 percent compared to current car and bus transport.

And talking about sustainability: we made a commitment in June to achieve new sustainability ambitions in the areas of decarbonization and energy efficiency, resource efficiency and circularity, and people centricity and society. All these ambitions are based on our solid foundation of ethics and governance.

We want to enable our customers to avoid 1,000 megatons of emissions by 2030. This is an industry-leading ambition.

In addition to the Egypt project, we're making a major contribution to emission avoidance in India, where we're building 1,200 electric freight locomotives. Over their lifecycles, these locomotives, whose construction is now in full-production mode, will replace up to 800,000 trucks.

Our technology partnership with Cadolto and Legrand in the growing market for prefabricated modular data centers is another great example.

We take resource efficiency seriously. That's why we aim to design our relevant portfolio of hardware, software and services in full compliance with the robust eco-design principle by 2030.

This aim is also reflected in our Siemens EcoTech label, which we introduced in 2024. To date, more than 50,000 Siemens products have earned this independent certification – an impressive success story.

As always, I'd like to conclude with a brief look at our software-as-a-service (SaaS) transition. For the first time, our figures for annual recurring revenue, or ARR for short, also include Altair, whose software revenue is almost entirely recurring. As a result, ARR rose to €4.9 billion.

On a comparable basis, ARR growth again reached the very healthy level of 12 percent year-over-year

Excluding the Altair effects, the cloud portion stands at €2.1 billion or 47 percent of total ARR.

We're confident we'll achieve our target of 50 percent cloud ARR by the end of fiscal 2025.

With that, I'd like to hand over now to Ralf, who'll provide you with further details on our businesses and our outlook.

**[Ralf P. Thomas]**

Good morning, ladies and gentlemen.

A warm welcome to our press conference call from me as well. Let me jump right into the details of our robust performance in the third quarter of fiscal 2025.

We'll begin with Digital Industries, or DI. At €4.4 billion, orders were up compared to Q2 of fiscal 2025 but were moderately below Q3 of fiscal 2024. The book-to-bill ratio was very close to 1.

As expected and announced, DI's software business was well below the extraordinarily strong prior-year quarter. As discussed back then, the third quarter of fiscal 2024 had included seven large software-license deals.

All of DI's top- and bottom-line key performance indicators reflect this challenging basis of comparison.

Orders for DI's software business reached nearly €1.6 billion for a book-to-bill ratio modestly above 1.

It was good to see that DI's automation businesses showed 19 percent growth in orders over an easy basis of comparison in the prior year. Within this business, orders were up 21 percent in discrete automation and 13 percent in process automation.

However, orders in DI's automation business were flattish compared to the second quarter of fiscal 2025. So far, orders have not yet been delivering the previously anticipated demand acceleration into the second half year. Instead, the underlying market dynamics and manufacturing output displayed a rather "sideways" development.

Ongoing tariff uncertainties and trade tensions have dampened further recovery because of a rather cautious investment sentiment in important customer industries, such as automotive, machine building and machine tools.

Our order backlog for Digital Industries decreased moderately to €9 billion. Within this amount, the order backlog for DI's software business stood at €5.5 billion, adversely impacted by a weaker U.S. dollar. The order backlog for DI's automation business was slightly lower at a normalized level of €3.5 billion.

Let's turn now to Digital Industries' revenue, which declined 10 percent and was thus a notch below our expectations. Within this amount, revenue for DI's automation business was up 4 percent to €2.9 billion, showing year-over-year growth for the first time in almost two years.

Discrete automation was up 5 percent, mostly driven by our factory automation business. Process automation was flattish.

Revenue for DI's software business was down 30 percent compared to the very strong prior-year quarter.

Besides the well-flagged effect due to lower volume from large orders for software licenses, temporary trade restrictions on electronic design automation software, or EDA, with regard to China had a negative impact on revenue and profit in this business.

Effects related to the integration of Altair, as well as transaction costs in connection with the Dotmatics acquisition, weighed on the third-quarter profit margin with 120 basis points. Excluding Altair and Dotmatics, Digital Industries' profit margin reached 15.7 percent, which primarily mirrored the softer revenue performance in DI's software business.

Our team is rigorously implementing the integration as scheduled to also ensure substantial cost synergies as announced.

Currency translation effects burdened DI's profit margin by 40 basis points.

The robust profit margin for DI's automation business was supported by stringent cost management and some first benefits from capacity adjustments initiated earlier.

Severance charges burdened DI's profit margin by 160 basis points. Of this amount, around 100 basis points were related to the automation business.

As Roland mentioned, we finalized our consultations with employee representatives on executing the previously communicated capacity adjustments in Germany.



We continue to expect to recognize material severance charges north of €200 million at Digital Industries in the fourth quarter.

Adequate pricing discipline and productivity gains supported a net-positive “economic equation” for DI in Q3.

A clear highlight at Digital Industries was the strong cash conversion in both its automation and software businesses, which led to an excellent free cash flow of more than €1.1 billion.

Now, let me give you the regional perspective on DI’s business performance: As mentioned, orders in DI’s automation business continued to recover from the low prior-year level.

In China, DI’s orders increased substantially by 31 percent over the prior year, due to the very low basis of comparison from Q3 of fiscal 2024.

Muted economic conditions still weighed on order growth momentum in Germany, where DI’s orders were up 2 percent over the prior year. However, we recorded some improvements in orders compared to Q2 of fiscal 2025.

The U.S. sent positive signals with order growth of 28 percent. Overall, revenue growth has turned positive and is back to reflecting actual demand in the current market. Here, growth was again driven by China, which was up 19 percent year-over-year on strength in discrete automation.

Slow order momentum in Germany also translated into flat revenue development, while Italy saw further sequential recovery from trough levels.

Looking ahead, we confirm the fiscal 2025 guidance for Digital Industries with organic revenue growth in the range of -6 percent to +1 percent.

Nevertheless – as already reflected in market expectations – we expect Digital Industries to reach the lower half of this range for the full fiscal-2025 year.

For the fourth quarter, however, we anticipate a seasonal upswing.

Orders at Digital Industries will then be up substantially year-over year due to a low basis of comparison in DI’s automation business and to a strong pipeline of mostly mid-sized orders in its software business.

The successful software-as-a-service – or SaaS – transition in DI’s product-lifecycle-management business, or PLM for short, is supporting this development.

Therefore, we expect comparable revenue growth for Digital Industries in Q4 in the mid-to-high single-digit percentage range.

We closed the acquisition processes for both Altair and for Dotmatics considerably faster than originally planned. Following the usual effects from the acquisition-related deferred revenue haircut, these two acquisitions will add around €200 million to revenue in Q4.

Excluding Altair and Dotmatics, we confirm that Digital Industries' profit margin for fiscal 2025 will be in the range of 15 percent to 19 percent. Yet in this area, too, they are more likely to be in the lower half. The Altair- and Dotmatics-related effects will be around minus 120 basis points for the full fiscal year.

In the fourth quarter, we expect Digital Industries' operational profit margin to improve materially, despite higher severance charges. This improvement will be due to further recovery in revenue for the automation business, the unfolding impact of productivity measures and strong performance in software business.

For the fourth quarter, we expect DI's profit margin – excluding Altair and Dotmatics – to come in at around the midpoint of the annual guidance range.

Now let's turn to Smart Infrastructure's, or SI's, performance, which was again excellent in the third quarter, too. Under market conditions that remained supportive, Smart Infrastructure's team achieved strong revenue growth and kept the expansion trend going for the operational margin – for the 19th quarter in a row now year-over-year.

In total, Smart Infrastructure's orders were down 1 percent to €5.7 billion. This development was primarily due to some shifts in customer projects in the buildings business into Q4 and to a temporarily lower level of large orders.

At the same time, the base business of small-ticket and mid-sized orders showed very healthy growth in the high-single-digit percentage range.

Smart Infrastructure's sales funnel for the fourth quarter looks promising, which gives us great confidence with regard to the future development of order growth.

Now let's look at the individual businesses: Orders were up 2 percent in SI's electrification business, which benefited from many midsized orders.

On the other hand, orders at SI's buildings business decreased 3 percent. In SI's electrical products business, they were also down slightly by 2 percent due to fewer major orders for data centers in the U.S. compared to the prior year's third quarter.

Overall, business in SI's data center vertical remained sound, with a book-to-bill ratio clearly above 1. The book-to-bill ratio for Smart Infrastructure overall reached 1.0.

Including the impact from negative currency effects, Smart Infrastructure's order backlog now stands at an extremely healthy level of €18.7 billion.

SI's revenue growth in the third quarter was broad-based and reached 9 percent, which even slightly topped our expectations.

The largest contribution again came from its electrification business, which was up 16 percent on stringent backlog conversion, particularly benefiting from large contracts for data centers.

Up 6 percent, SI's electrical products business also continued its consistent growth path from a high level. SI's buildings business showed 5 percent growth on a broad basis across all business types.

In the first nine months of fiscal 2025, revenue in SI's data center business grew sharply to more than €2 billion. We now expect revenue growth for the full fiscal-2025 year to be around 30 percent.

Backlog execution, which was again outstanding, led to further expansion of the profit margin of 180 basis points year-over-year to a record operational level of 18.8 percent.

The excellent results at Smart Infrastructure continued to benefit from economies of scale due to higher revenue and high utilization of capacity. Smart Infrastructure's economic equation was once again clearly positive, supported by adequate pricing and sustainable productivity gains, which more than offset cost headwinds.

Through its consistently strong focus on cash, Smart Infrastructure again reached an excellent €1 billion of free cash flow in Q3, with a cash conversion rate of 0.94. This figure fully matched our own ambition!

Looking at the regional development in orders and revenue, SI continued to see robust demand.

From a regional perspective, order momentum was driven by different levels of large order awards, while the base business was strong across the board.

SI's orders in Germany were up 6 percent – above all in its electrification business, due to several large orders in the area of power utilities.

SI's orders in the U.S. were on the prior-year level. However, it had a very high basis of comparison due to the record level of orders in the data-center business in Q3 of fiscal 2024, as mentioned back then.

In China, SI showed further improvement in the top-line development of its electrification and electrical products businesses. Revenue growth in all regions was fueled by the nearly flawless backlog execution. In the U.S., SI again achieved outstanding 12 percent growth from an already high level.

The key growth engine was SI's electrification business, driven by successful execution of data center projects. SI's service business delivered 8 percent revenue growth, with clear gains across all key regions, led by the Americas.

In SI's key end markets, we continue to expect very consistent and resilient demand trends, with data center and power utilities customers still serving as growth engines. Therefore, we confirm our fiscal 2025 guidance of 6 percent to 9 percent comparable revenue growth at SI.

We also assume that Smart Infrastructure will have an operational profit margin toward the upper end of the range of 17 percent to 18 percent in fiscal 2025 – excluding the gain from the divestment of the wiring accessories business.

For the fourth quarter, we see Smart Infrastructure's comparable revenue growth rate being within the full-year guidance range of 6 percent to 9 percent with a tendency toward the lower half of the corridor. In particular, the high order backlog continues to give us excellent visibility in this regard.

For the fourth quarter, we also anticipate that Smart Infrastructure's profit margin will be within the target range of 17 percent to 18 percent, geared for another quarter of year-over-year margin expansion, which would then be the 20th quarter in a row.

Now let's turn to Mobility. Mobility delivered a strong third-quarter performance.

With €7.9 billion in orders and an impressive book-to-bill ratio of 2.58, Mobility recorded very strong top-line growth.

Roland already mentioned the two major bookings in Egypt and the U.S. But even beyond that, Mobility saw strong order momentum across all its businesses. In addition, Mobility's sales funnel continues to look very promising for the fourth quarter and thereafter.

Mobility's order backlog stands at €52 billion, with further improvement in profit-margin quality. By the way, this backlog includes more than €15 billion of highly attractive service business.

Driven by strong backlog execution, Mobility's revenue was up 19 percent in Q3, fueled by extraordinary growth in the rolling stock business due to the very low basis of comparison from Q3 of fiscal 2024 and to the stringent backlog execution. In addition, Mobility's customer services business again contributed strongly to growth in orders and revenue.

Higher revenue also translated into an improved profit margin of 9.3 percent, up 60 basis points on strength in the customer services business and on stringent project execution.

Mobility's free cash flow improved over the prior year but was softer than originally expected due to deferrals of some larger payments into the fourth quarter. Nevertheless, we are very confident that, in the fourth quarter, Mobility will collect these and other anticipated payments from customers. As a result, we expect a material catch-up in free cash flow.

Considering the very high basis of comparison, our assumption is that Mobility's revenue growth for Q4 will be rather flat. In addition, Mobility's fourth-quarter profit margin will again be within the full-year margin guidance of 8 percent to 10 percent.

Let me now turn briefly to our performance below our Industrial Businesses. There, we achieved a substantial gain of €154 million from closing the sale of our airport logistics business in Europe, Asia and the Middle East.

The closing for this business in the U.S. is expected in calendar year 2026. As always, the exact timing depends on the pending regulatory approvals, of course. In addition, we recorded a positive effect of €121 million from revised provisions for a legacy project, following final customer acceptance.

I'm particularly pleased with our performance in free cash flow. In the third quarter, it was again very strong. This result puts us well ahead of the prior year's level after nine months.

Strong contributions from nearly all businesses added up to €3 billion in our Industrial Business, with a cash conversion rate well above 1.

Outside our Industrial Business, we recorded substantially lower tax payments in the third quarter compared to the prior year. With that, we are well positioned to deliver again – for the sixth year in a row – double-digit cash return on revenue at a strong level that stands out amid the field of competitors. In addition, we continued our shareholder friendly capital allocation.

Our ongoing share buyback program is progressing very well and is even ahead of the original schedule. Since the program began 18 months ago, we have already repurchased a volume of nearly €3 billion so far. As a result, we have already reached the halfway mark for the intended overall volume of €6 billion for our 5-year program.

Our ability to consistently generate high amounts of cash continues to enable us to act from a position of financial strength. Our capital structure metric of Industrial Net Debt over EBITDA is at 1.0.

This key performance indicator for capital structure will continue to be well within the target corridor at the end of fiscal 2025 – even after the closing of the Dotmatics acquisition for an enterprise value of US\$5.1 billion early in July.

Our industry-leading “AA” investment-grade ratings by both S&P and Moody’s recently also enabled us to successfully refinance debt through a large dual bond issuance in U.S. dollars and in euros at very attractive interest rates for various durations of up to 40 years.

We will, of course, stick to our commitments for stringent capital allocation in the future, too, and we plan to continue to balance investments and attractive shareholder returns.

Let me conclude with our guidance for the Siemens Group, which we confirm. At the Group level, we continue to expect comparable revenue growth in the range of 3 percent to 7 percent and a book-to-bill ratio above 1.

For fiscal 2025, we also continue to expect basic earnings per share before purchase-price allocation accounting, our so-called “EPS pre PPA,” in a range of €10.40 to €11.00.

Effects related to Altair and Dotmatics – for which we completed the acquisitions successfully and ahead of schedule – as well as the gain from the sale of Innomotics, are not included in this outlook.

During the first nine months of fiscal 2025, these effects contributed, in total, a positive €2.44 per share to basic EPS pre PPA.

For all who are interested in modeling our data for themselves: For Altair and Dotmatics, it is possible to assume an all-in negative impact on EPS pre PPA in the range of €0.40 to €0.45 for fiscal 2025.

As always, this outlook excludes burdens from legal and regulatory matters.

As you can easily see, our direction remains unchanged and very clear: We will continue to create value by growing profitably, by reliably and continuously generating high levels of free cash flow and by prudently allocating the capital that we have been entrusted with.

Thank you for your attention and your interest in our company.

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