

SIEMENS

Ingenuity for life

Munich, Germany, August 3, 2017

Earnings Release

Q3 FY 2017

April 1 to June 30, 2017

Fully on track for another strong year

»Our global team delivered a solid quarter with revenue up 8% and net income growing by 7%. Our digital enterprise business impressively underscored its leading position in the market. We are fully on track with Vision 2020 and for another strong year,« said Joe Kaeser, President and Chief Executive Officer of Siemens AG.

- Revenue rose 8% compared to Q3 FY 2016, to €21.4 billion, including a strong performance by short-cycle businesses
- Orders came in 6% lower, at €19.8 billion, due to sharply lower volume from large orders at Power and Gas and at Siemens Gamesa Renewable Energy, the business resulting from the merger of Siemens' wind power business with Gamesa Corporación Tecnológica S.A. (Gamesa) beginning with Q3 FY 2017; the book-to-bill ratio for Siemens overall was 0.93
- On a comparable basis, excluding currency translation and portfolio effects, revenue rose 3% and orders were 9% lower
- Profit Industrial Business rose 3% to €2.3 billion; as expected, negative merger and acquisition effects related to Gamesa and Mentor Graphics Corporation (Mentor Graphics) reduced Industrial Business profit margin to 10.4%
- Net income rose 7%, to €1.5 billion; basic earnings per share (EPS) of €1.74, up from €1.64 in Q3 FY 2016 despite negative merger and acquisition effects

Siemens

| (in millions of €) | Q3 | | % Change | |
|---|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 19,824 | 21,060 | (6)% | (9)% |
| Revenue | 21,413 | 19,804 | 8% | 3% |
| Profit | | | | |
| Industrial Business | 2,250 | 2,191 | 3% | |
| <i>therein: severance</i> | (94) | (69) | | |
| Profit margin | | | | |
| Industrial Business | 10.4% | 10.8% | | |
| <i>excl. severance</i> | 10.8% | 11.2% | | |
| Income from continuing operations | 1,479 | 1,337 | 11% | |
| <i>therein: severance</i> | (110) | (82) | | |
| Net income | 1,464 | 1,372 | 7% | |
| Basic earnings per share (in €) | 1.74 | 1.64 | 6% | |
| Free cash flow (continuing and discontinued operations) | 941 | 1,822 | (48)% | |
| ROCE (continuing and discontinued operations) | 12.1% | 13.7% | | |

- Orders down due to a sharply lower volume from large orders year-over-year, particularly in Power and Gas and Siemens Gamesa Renewable Energy; orders rose significantly excluding the change in large order volume
- Industrial Business order backlog remained at €117 billion, as an increase from portfolio transactions was partly offset by negative foreign currency translation effects
- Revenue increased in the majority of industrial businesses, including sharp growth at Siemens Gamesa Renewable Energy due to the merger, as well as double-digit growth in Mobility and Digital Factory; revenue was up in all three reporting regions; as expected, significant decline in Power and Gas in contracting markets
- Portfolio transactions added three percentage points to order development and six percentage points to revenue growth; foreign currency translation effects had a minimal negative effect on volume development year-over-year
- Profit Industrial Business rose on improvements in the majority of the industrial businesses; Healthineers and Digital Factory made the largest contributions to profit and profit improvement, the latter on an excellent performance in its short-cycle businesses; as expected, Industrial Business profit margin development was clearly impacted by negative effects related to the acquisition of Mentor Graphics in Digital Factory and the merger with Gamesa into Siemens Gamesa Renewable Energy, amounting to 0.6 percentage points; also as expected, profit in Power and Gas declined in a highly competitive market environment
- Income from continuing operations and Net income: outside Industrial Business, amortization of intangible assets acquired in business combinations climbed by €161 million to €339 million due mainly to the merger with Gamesa and the acquisition of Mentor Graphics; lower tax rate than in the prior-year period
- Industrial Business generated strong Free cash flow in the first nine months of fiscal 2017, totaling €4.6 billion, up significantly from €3.5 billion in the prior-year period; Free cash flow from Industrial Business for the current quarter decreased to €1.397 billion from €1.914 billion in Q3 FY 2016; decline in Free cash flow was due mainly to Siemens Gamesa Renewable Energy, driven by a build-up of operating net working capital
- ROCE declined due to a substantial increase in average capital employed, primarily resulting from the acquisition of Mentor Graphics and the merger with Gamesa
- Provisions for pensions and similar obligations as of June 30, 2017: €9.8 billion (March 31, 2017: €10.5 billion); decreased clearly due mainly to higher discount rate assumptions

Power and Gas

| (in millions of €) | Q3 | | % Change | |
|--|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 2,674 | 4,512 | (41)% | (41)% |
| Revenue | 3,819 | 4,321 | (12)% | (11)% |
| Profit | 369 | 480 | (23)% | |
| <i>therein: severance</i> | (26) | 9 | | |
| <i>therein: integration costs Dresser-Rand</i> | (14) | (14) | | |
| Profit margin | 9.7% | 11.1% | | |
| <i>excl. severance and integration costs</i> | 10.7% | 11.2% | | |

- Sharply lower volume from large orders, particularly in the Americas region which in Q3 FY 2016 included an order in the U.S. totaling €0.7 billion and an order in Bolivia totaling €0.5 billion; the current quarter included an order in the U.S. related to the Division's advanced-class gas turbine technologies in connection with a strategic partnership
- In contracting markets, revenue down in all reporting regions due mainly to weaker order intake in prior periods; declines particularly in the large gas turbine and compression businesses
- Profit down due to the revenue decline, lower capacity utilization, and higher severance; in addition, Q3 FY 2016 included positive effects from the measurement of inventories
- Global energy trends continue to reduce overall demand in markets for the Division's offerings, resulting in declining new-unit business and corresponding price pressure due to overcapacities

Energy Management

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 3,030 | 3,102 | (2)% | (3)% |
| Revenue | 3,038 | 2,894 | 5% | 5% |
| Profit | 207 | 240 | (14)% | |
| <i>therein: severance</i> | (8) | (6) | | |
| Profit margin | 6.8% | 8.3% | | |
| <i>excl. severance</i> | 7.1% | 8.5% | | |

- Orders came in lower in the transformers business, which in Q3 FY 2016 won a large order in Asia, Australia; orders rose in the Division's other businesses and reporting regions
- Revenue up in nearly all businesses; on a regional basis, increases in Asia, Australia and the region comprising Europe, C.I.S., Africa, Middle East (Europe/CAME)
- Profit held back by a less favorable business mix

Building Technologies

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 1,715 | 1,658 | 3% | 3% |
| Revenue | 1,608 | 1,536 | 5% | 4% |
| Profit | 165 | 140 | 18% | |
| <i>therein: severance</i> | (3) | (3) | | |
| Profit margin | 10.3% | 9.1% | | |
| <i>excl. severance</i> | 10.5% | 9.3% | | |

- Orders grew across the Division's businesses, driven by strong demand in the U.S. and Germany
- Revenue growth was mainly driven by the product and service businesses; on a geographic basis, revenue increased in the Americas and Asia, Australia
- Profit momentum continues on the back of strong execution, with higher revenue and improved productivity

Mobility

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 2,328 | 1,112 | 109% | 111% |
| Revenue | 2,042 | 1,795 | 14% | 15% |
| Profit | 178 | 158 | 13% | |
| <i>therein: severance</i> | (7) | (4) | | |
| Profit margin | 8.7% | 8.8% | | |
| <i>excl. severance</i> | 9.1% | 9.1% | | |

- Orders up in all businesses and all reporting regions, driven by a number of large contract wins, including a large order for Mobility's new commuter rail platform Mireo in Germany
- Broad-based revenue growth led by the rolling stock business, including execution of large projects and locomotive orders
- Profit rose on higher revenue; Q3 FY 2016 benefited from positive effects from larger contracts

Digital Factory

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 3,027 | 2,563 | 18% | 11% |
| Revenue | 2,960 | 2,519 | 18% | 11% |
| Profit | 485 | 395 | 23% | |
| <i>therein: severance</i> | (30) | (13) | | |
| Profit margin | 16.4% | 15.7% | | |
| <i>excl. severance</i> | 17.4% | 16.2% | | |

- Strong volume growth across the businesses; excellent performance in the short cycle businesses, which continued to benefit from a favorable market environment particularly in the automotive and machine building industries; the product lifecycle management software business grew sharply due to strong demand combined with new volume from the acquisition of Mentor Graphics
- On a geographic basis, volume increases in all reporting regions, including sharp growth in China and substantial growth in the U.S.
- Profit rose significantly, driven by the high-margin short-cycle businesses; profitability for the Division overall was held back by deferred revenue adjustments, transaction costs and integration costs totaling €77 million related to the acquisition of Mentor Graphics (Q3 FY 2016: €39 million related to the acquisition of CD-adapco), as well as severance and ongoing expenses related to further advancing Siemens' MindSphere platform; expenses for MindSphere and profit margin impacts related to Mentor Graphics are expected to continue in coming quarters

Process Industries and Drives

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 2,257 | 2,117 | 7% | 7% |
| Revenue | 2,182 | 2,247 | (3)% | (3)% |
| Profit | 103 | 101 | 2% | |
| <i>therein: severance</i> | (8) | (39) | | |
| Profit margin | 4.7% | 4.5% | | |
| <i>excl. severance</i> | 5.1% | 6.2% | | |

- Orders rose due mainly to large orders in the solutions business; on a regional basis, order growth came primarily from Asia, Australia, particularly including China
- Slight revenue growth in the process automation business more than offset by declines in other businesses
- Profit and profitability continue to be held back by ongoing operational challenges, particularly in the large drives business

Healthineers

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 3,463 | 3,382 | 2% | 3% |
| Revenue | 3,361 | 3,230 | 4% | 4% |
| Profit | 579 | 534 | 9% | |
| <i>therein: severance</i> | (11) | (13) | | |
| Profit margin | 17.2% | 16.5% | | |
| <i>excl. severance</i> | 17.5% | 16.9% | | |

- Moderate order increase driven by the diagnostic imaging business; on a regional basis, growth in Europe/CAME and Asia, Australia
- Revenue up in nearly all businesses, particularly diagnostic imaging and advanced therapies; on a regional basis, largest increase in Asia, Australia driven by double-digit growth in China
- Continued strong earnings performance by the diagnostic imaging business

Siemens Gamesa Renewable Energy

| (in millions of €) | Q3 | | % Change | |
|---------------------------|---------|---------|----------|-------|
| | FY 2017 | FY 2016 | Actual | Comp. |
| Orders | 1,398 | 2,729 | (49)% | (64)% |
| Revenue | 2,693 | 1,722 | 56% | 3% |
| Profit | 164 | 143 | 14% | |
| <i>therein: severance</i> | (3) | 1 | | |
| Profit margin | 6.1% | 8.3% | | |
| <i>excl. severance</i> | 6.2% | 8.3% | | |

- Merger of Siemens' wind power business with Gamesa beginning with Q3 FY 2017
- Sharp decline in order intake; volatility in the offshore business which is characterized by tenders for large orders; order intake in the major onshore market India temporarily impacted by the introduction of an auction system for new wind-farm tenders
- Revenue supported by the offshore and service businesses; revenue in the onshore business impacted by the market conditions in India mentioned above
- Profitability held back by integration costs of €36 million

Financial Services

| (in millions of €) | Q3 | |
|----------------------------|---------|---------|
| | FY 2017 | FY 2016 |
| Income before income taxes | 161 | 139 |
| therein: severance | – | (2) |
| ROE (after taxes) | 19.4% | 17.4% |

| (in millions of €) | Jun 30, | Sep 30, |
|--------------------|---------|---------|
| | 2017 | 2016 |
| Total assets | 25,865 | 26,446 |

- Increased income before income taxes due primarily to a lower level of credit hits
- Despite growth in new business, total assets decreased since the end of fiscal 2016, due mainly to substantial early terminations of financings along with negative currency translation effects

Reconciliation to Consolidated Financial Statements

| (in millions of €) | Q3 | |
|---|--------------|--------------|
| | FY 2017 | FY 2016 |
| Centrally managed portfolio activities | 120 | (107) |
| Siemens Real Estate | 6 | 107 |
| Corporate items | (221) | (65) |
| Centrally carried pension expense | (104) | (104) |
| Amortization of intangible assets acquired in business combinations | (339) | (178) |
| Eliminations, Corporate Treasury and other reconciling items | (22) | (130) |
| Reconciliation to Consolidated Financial Statements | (560) | (478) |

- Centrally managed portfolio activities (CMPA): primarily income from reversals of provisions for post-closing guarantees related to a former divestment and for warranties; Q3 FY 2016 included a negative result related to a major asset retirement obligation
- Results of CMPA are expected to remain volatile in coming quarters
- Siemens Real Estate: decrease in profit due primarily to lower gains from disposals of real estate
- Amortization of intangible assets acquired in business combinations: increase of €161 million related mainly to the merger with Gamesa and the acquisition of Mentor Graphics
- Eliminations, Corporate Treasury and other reconciling items: mainly positive effects related to changes in the fair value of derivatives not qualifying for hedge accounting

Outlook

We confirm our expectations for fiscal 2017 presented with our results for Q2 FY 2017. We continue to expect modest growth in revenue, net of effects from currency translation and portfolio transactions, and anticipate that orders will exceed revenue for a book-to-bill ratio above 1. We expect the profit margin of our Industrial Business in the range of 11.0% to 12.0%, and basic EPS from net income in the range of €7.20 to €7.70.

This outlook includes portfolio changes already closed in the first nine months of fiscal 2017, particularly the acquisition of Mentor Graphics and the Gamesa merger, which burden Industrial Business profit margin and basic EPS from net income in fiscal 2017. The outlook continues to exclude charges related to legal and regulatory matters as well as potential burdens associated with pending portfolio matters.

Notes and forward-looking statements

Starting today at 8:00 a.m. CEST, the conference call for journalists at which Siemens CEO Joe Kaeser, CFO Dr. Ralf P. Thomas and Managing Board Member Michael Sen discuss the quarterly figures will be broadcast live at www.siemens.com/conferencecall.

Starting today at 10:00 a.m. CEST, the conference call for analysts and investors with Dr. Ralf P. Thomas and Michael Sen can be followed live at www.siemens.com/analystcall.

Recordings of the conference call for journalists and the conference call for analysts and investors will subsequently be made available as well.

Financial publications are available for download at: www.siemens.com/ir.

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 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 Risks in the Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur 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.

This document is a Quarterly Statement according to § 50 of the Exchange Rules for the Frankfurter Wertpapierbörse.

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Financial Results

Third Quarter and First Nine Months of Fiscal 2017

Key figures

(in millions of €, except where otherwise stated)

| Volume

| | Q3 | | % Change | | Q1 - Q3 | | % Change | |
|--|---------|---------|----------|--------------------|---------|---------|----------|--------------------|
| | FY 2017 | FY 2016 | Actual | Comp. ¹ | FY 2017 | FY 2016 | Actual | Comp. ¹ |
| Orders | 19,824 | 21,060 | (6)% | (9)% | 62,006 | 66,155 | (6)% | (7)% |
| Revenue | 21,413 | 19,804 | 8% | 3% | 60,750 | 57,691 | 5% | 4% |
| Book-to-bill ratio | 0.93 | | | | 1.02 | | | |
| Order backlog (sum of industrial businesses, in billions of €) | 117 | | | | 117 | | | |

| Profitability and Capital efficiency

| | Q3 | | % Change | | Q1 - Q3 | | % Change | |
|---|---------|---------|----------|-----|---------|---------|----------|-----|
| | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | | |
| Industrial Business | | | | | | | | |
| Profit | 2,250 | 2,191 | | 3% | 7,256 | 6,297 | | 15% |
| Profit margin | 10.4% | 10.8% | | | 11.8% | 10.7% | | |
| Continuing operations | | | | | | | | |
| EBITDA | 2,564 | 2,672 | (4)% | | 8,358 | 7,721 | | 8% |
| Income from continuing operations | 1,479 | 1,337 | | 11% | 4,864 | 4,215 | | 15% |
| Basic earnings per share (in €) ² | 1.76 | 1.60 | | 10% | 5.85 | 5.07 | | 15% |
| Continuing and discontinued operations | | | | | | | | |
| Net income | 1,464 | 1,372 | | 7% | 4,886 | 4,408 | | 11% |
| Basic earnings per share (in €) ² | 1.74 | 1.64 | | 6% | 5.88 | 5.31 | | 11% |
| Return on capital employed (ROCE) | 12.1% | 13.7% | | | 14.5% | 15.0% | | |

| Capital structure and Liquidity

| | Jun 30, 2017 | Sep 30, 2016 |
|---|--------------|--------------|
| Total equity | 43,521 | 34,816 |
| Industrial net debt | 12,565 | 10,505 |
| Industrial net debt / EBITDA ³ | 1.2 | 1.0 |

| | Q3 FY 2017 | Q3 FY 2016 | Q1 - Q3 FY 2017 | Q1 - Q3 FY 2016 |
|--|------------|------------|-----------------|-----------------|
| Free cash flow | | | | |
| Continuing operations | 942 | 1,839 | 2,422 | 1,954 |
| Continuing and discontinued operations | 941 | 1,822 | 2,393 | 1,906 |

| Employees

| | Jun 30, 2017 | Sep 30, 2016 |
|---|--------------|--------------|
| Number of employees (in thousands) | 370 | 351 |
| Germany | 114 | 113 |
| Outside Germany | 256 | 238 |

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2017 and 2016 weighted average shares outstanding (basic) (in thousands) for the third quarter amounted to 812,828 and 809,539 and for the first nine months to 810,673 and 808,722 shares, respectively.

³ Accumulative EBITDA of the previous four quarters until the reporting date.

Consolidated Statements of Income

| (in millions of €, per share amounts in €) | Q3 | | Q1 - Q3 | |
|---|--------------|--------------|--------------|--------------|
| | FY 2017 | FY 2016 | FY 2017 | FY 2016 |
| Revenue | 21,413 | 19,804 | 60,750 | 57,691 |
| Cost of sales | (15,246) | (13,813) | (42,058) | (40,095) |
| Gross profit | 6,166 | 5,991 | 18,692 | 17,597 |
| Research and development expenses | (1,347) | (1,200) | (3,688) | (3,410) |
| Selling and general administrative expenses | (3,173) | (2,911) | (8,945) | (8,640) |
| Other operating income | 122 | 126 | 517 | 222 |
| Other operating expenses | (91) | (35) | (354) | (240) |
| Income (loss) from investments accounted for using the equity method, net | 24 | 18 | (57) | 171 |
| Interest income | 390 | 322 | 1,122 | 978 |
| Interest expenses | (287) | (245) | (774) | (741) |
| Other financial income (expenses), net | 47 | (214) | 175 | (303) |
| Income from continuing operations before income taxes | 1,852 | 1,853 | 6,688 | 5,632 |
| Income tax expenses | (373) | (516) | (1,825) | (1,417) |
| Income from continuing operations | 1,479 | 1,337 | 4,864 | 4,215 |
| Income (loss) from discontinued operations, net of income taxes | (15) | 35 | 22 | 194 |
| Net income | 1,464 | 1,372 | 4,886 | 4,408 |
| Attributable to: | | | | |
| Non-controlling interests | 51 | 43 | 120 | 111 |
| Shareholders of Siemens AG | 1,413 | 1,329 | 4,766 | 4,298 |
| Basic earnings per share | | | | |
| Income from continuing operations | 1.76 | 1.60 | 5.85 | 5.07 |
| Income (loss) from discontinued operations | (0.02) | 0.04 | 0.03 | 0.24 |
| Net income | 1.74 | 1.64 | 5.88 | 5.31 |
| Diluted earnings per share | | | | |
| Income from continuing operations | 1.72 | 1.58 | 5.73 | 5.01 |
| Income (loss) from discontinued operations | (0.02) | 0.04 | 0.03 | 0.24 |
| Net income | 1.70 | 1.62 | 5.76 | 5.24 |

Consolidated Statements of Comprehensive Income

| (in millions of €) | Q3 | | Q1 - Q3 | |
|---|--------------|----------------|--------------|----------------|
| | FY 2017 | FY 2016 | FY 2017 | FY 2016 |
| Net income | 1,464 | 1,372 | 4,886 | 4,408 |
| Remeasurements of defined benefit plans | 374 | (1,257) | 2,635 | (2,578) |
| <i>therein: Income tax effects</i> | (215) | 528 | (1,076) | 1,024 |
| Income (loss) from investments accounted for using the equity method, net | — | (5) | (2) | — |
| Items that will not be reclassified to profit or loss | 374 | (1,262) | 2,633 | (2,578) |
| Currency translation differences | (1,161) | 68 | (717) | (502) |
| Available-for-sale financial assets | 280 | 49 | 639 | 64 |
| <i>therein: Income tax effects</i> | (4) | 3 | (9) | 13 |
| Derivative financial instruments | 124 | 14 | 161 | 191 |
| <i>therein: Income tax effects</i> | (50) | (1) | (70) | (65) |
| Income (loss) from investments accounted for using the equity method, net | (16) | (33) | 32 | (155) |
| Items that may be reclassified subsequently to profit or loss | (773) | 99 | 115 | (401) |
| Other comprehensive income, net of income taxes | (399) | (1,163) | 2,748 | (2,979) |
| Total comprehensive income | 1,065 | 208 | 7,634 | 1,430 |
| Attributable to: | | | | |
| Non-controlling interests | (3) | 44 | 87 | 107 |
| Shareholders of Siemens AG | 1,068 | 164 | 7,547 | 1,323 |

Consolidated Statements of Financial Position

| (in millions of €) | Jun 30, 2017 | Sep 30, 2016 |
|--|-----------------|-----------------|
| Assets | | |
| Cash and cash equivalents | 8,485 | 10,604 |
| Available-for-sale financial assets | 1,271 | 1,293 |
| Trade and other receivables | 17,563 | 16,287 |
| Other current financial assets | 7,424 | 6,800 |
| Inventories | 20,802 | 18,160 |
| Current income tax assets | 941 | 790 |
| Other current assets | 1,600 | 1,204 |
| Assets classified as held for disposal | 242 | 190 |
| Total current assets | 58,328 | 55,329 |
| Goodwill | 28,633 | 24,159 |
| Other intangible assets | 11,008 | 7,742 |
| Property, plant and equipment | 10,922 | 10,157 |
| Investments accounted for using the equity method | 2,725 | 3,012 |
| Other financial assets | 20,243 | 20,610 |
| Deferred tax assets | 1,992 | 3,431 |
| Other assets | 1,375 | 1,279 |
| Total non-current assets | 76,898 | 70,388 |
| Total assets | 135,227 | 125,717 |
| Liabilities and equity | | |
| Short-term debt and current maturities of long-term debt | 6,863 | 6,206 |
| Trade payables | 9,599 | 8,048 |
| Other current financial liabilities | 1,546 | 1,933 |
| Current provisions | 4,076 | 4,166 |
| Current income tax liabilities | 2,431 | 2,085 |
| Other current liabilities | 20,387 | 20,437 |
| Liabilities associated with assets classified as held for disposal | 82 | 40 |
| Total current liabilities | 44,983 | 42,916 |
| Long-term debt | 27,520 | 24,761 |
| Provisions for pensions and similar obligations | 9,778 | 13,695 |
| Deferred tax liabilities | 1,205 | 829 |
| Provisions | 4,742 | 5,087 |
| Other financial liabilities | 1,024 | 1,142 |
| Other liabilities | 2,454 | 2,471 |
| Total non-current liabilities | 46,723 | 47,986 |
| Total liabilities | 91,706 | 90,901 |
| Equity | | |
| Issued capital | 2,550 | 2,550 |
| Capital reserve | 6,201 | 5,890 |
| Retained earnings | 34,287 | 27,454 |
| Other components of equity | 2,067 | 1,921 |
| Treasury shares, at cost | (3,158) | (3,605) |
| Total equity attributable to shareholders of Siemens AG | 41,947 | 34,211 |
| Non-controlling interests | 1,574 | 605 |
| Total equity | 43,521 | 34,816 |
| Total liabilities and equity | 135,227 | 125,717 |

Consolidated Statements of Cash Flows

| (in millions of €) | Q3 | |
|--|----------------|----------------|
| | FY 2017 | FY 2016 |
| Cash flows from operating activities | | |
| Net income | 1,464 | 1,372 |
| Adjustments to reconcile net income to cash flows from operating activities - continuing operations | | |
| (Income) loss from discontinued operations, net of income taxes | 15 | (35) |
| Amortization, depreciation and impairments | 863 | 682 |
| Income tax expenses | 373 | 516 |
| Interest (income) expenses, net | (103) | (77) |
| (Income) loss related to investing activities | (53) | (139) |
| Other non-cash (income) expenses | 206 | (7) |
| Change in operating net working capital | | |
| Inventories | (553) | (503) |
| Trade and other receivables | (218) | (311) |
| Trade payables | 156 | 309 |
| Billings in excess of costs and estimated earnings on uncompleted contracts and related advances | (630) | (135) |
| Additions to assets leased to others in operating leases | (106) | (111) |
| Change in other assets and liabilities | 213 | 877 |
| Income taxes paid | (536) | (493) |
| Dividends received | 139 | 93 |
| Interest received | 361 | 304 |
| Cash flows from operating activities - continuing operations | 1,589 | 2,342 |
| Cash flows from operating activities - discontinued operations | (1) | (16) |
| Cash flows from operating activities - continuing and discontinued operations | 1,588 | 2,326 |
| Cash flows from investing activities | | |
| Additions to intangible assets and property, plant and equipment | (647) | (504) |
| Acquisitions of businesses, net of cash acquired | (853) | (849) |
| Purchase of investments | (121) | (22) |
| Purchase of current available-for-sale financial assets | (209) | (276) |
| Change in receivables from financing activities | 121 | 368 |
| Disposal of investments, intangibles and property, plant and equipment | 16 | 131 |
| Disposal of businesses, net of cash disposed | (2) | — |
| Disposal of current available-for-sale financial assets | 209 | 249 |
| Cash flows from investing activities - continuing operations | (1,485) | (903) |
| Cash flows from investing activities - discontinued operations | (3) | (13) |
| Cash flows from investing activities - continuing and discontinued operations | (1,487) | (916) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (208) | (77) |
| Re-issuance of treasury shares and other transactions with owners | 568 | — |
| Repayment of long-term debt (including current maturities of long-term debt) | (4) | (8) |
| Change in short-term debt and other financing activities | (1,238) | (1,031) |
| Interest paid | (236) | (265) |
| Dividends attributable to non-controlling interests | (20) | (23) |
| Cash flows from financing activities - continuing operations | (1,138) | (1,404) |
| Cash flows from financing activities - discontinued operations | — | — |
| Cash flows from financing activities - continuing and discontinued operations | (1,138) | (1,404) |
| Effect of changes in exchange rates on cash and cash equivalents | (358) | 67 |
| Change in cash and cash equivalents | (1,396) | 73 |
| Cash and cash equivalents at beginning of period | 9,881 | 6,307 |
| Cash and cash equivalents at end of period | 8,486 | 6,381 |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | — | — |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position) | 8,485 | 6,380 |

Consolidated Statements of Cash Flows

| (in millions of €) | Q1 - Q3 | |
|--|----------------|----------------|
| | FY 2017 | FY 2016 |
| Cash flows from operating activities | | |
| Net income | 4,886 | 4,408 |
| Adjustments to reconcile net income to cash flows from operating activities - continuing operations | | |
| Income from discontinued operations, net of income taxes | (22) | (194) |
| Amortization, depreciation and impairments | 2,192 | 2,022 |
| Income tax expenses | 1,825 | 1,417 |
| Interest (income) expenses, net | (348) | (237) |
| (Income) loss related to investing activities | (244) | (359) |
| Other non-cash (income) expenses | 380 | 246 |
| Change in operating net working capital | | |
| Inventories | (1,830) | (1,987) |
| Trade and other receivables | 43 | (744) |
| Trade payables | (49) | (273) |
| Billings in excess of costs and estimated earnings on uncompleted contracts and related advances | (227) | 655 |
| Additions to assets leased to others in operating leases | (338) | (330) |
| Change in other assets and liabilities | (2,068) | (1,114) |
| Income taxes paid | (1,599) | (1,357) |
| Dividends received | 323 | 232 |
| Interest received | 1,042 | 884 |
| Cash flows from operating activities - continuing operations | 3,964 | 3,272 |
| Cash flows from operating activities - discontinued operations | (29) | (47) |
| Cash flows from operating activities - continuing and discontinued operations | 3,935 | 3,224 |
| Cash flows from investing activities | | |
| Additions to intangible assets and property, plant and equipment | (1,542) | (1,318) |
| Acquisitions of businesses, net of cash acquired | (4,322) | (912) |
| Purchase of investments | (399) | (127) |
| Purchase of current available-for-sale financial assets | (601) | (784) |
| Change in receivables from financing activities | 146 | (48) |
| Disposal of investments, intangibles and property, plant and equipment | 356 | 285 |
| Disposal of businesses, net of cash disposed | (29) | 10 |
| Disposal of current available-for-sale financial assets | 618 | 718 |
| Cash flows from investing activities - continuing operations | (5,772) | (2,176) |
| Cash flows from investing activities - discontinued operations | (5) | 264 |
| Cash flows from investing activities - continuing and discontinued operations | (5,777) | (1,912) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (352) | (362) |
| Re-issuance of treasury shares and other transactions with owners | 594 | (13) |
| Issuance of long-term debt | 6,958 | — |
| Repayment of long-term debt (including current maturities of long-term debt) | (3,585) | (474) |
| Change in short-term debt and other financing activities | 73 | (288) |
| Interest paid | (659) | (642) |
| Dividends paid to shareholders of Siemens AG | (2,914) | (2,827) |
| Dividends attributable to non-controlling interests | (135) | (185) |
| Cash flows from financing activities - continuing operations | (19) | (4,791) |
| Cash flows from financing activities - discontinued operations | — | — |
| Cash flows from financing activities - continuing and discontinued operations | (19) | (4,791) |
| Effect of changes in exchange rates on cash and cash equivalents | (271) | (98) |
| Change in cash and cash equivalents | (2,132) | (3,577) |
| Cash and cash equivalents at beginning of period | 10,618 | 9,958 |
| Cash and cash equivalents at end of period | 8,486 | 6,381 |
| Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period | — | — |
| Cash and cash equivalents at end of period (Consolidated Statements of Financial Position) | 8,485 | 6,380 |

Overview of Segment figures

| (in millions of €) | Orders | | | | Revenue | | | | Profit | | Profit margin / SFS: ROE | | Net capital employed / SFS: Total assets | | Free cash flow | |
|---|---------------|---------------|-------------|----------------|---------------|---------------|-----------|----------------|--------------|--------------|--------------------------|--------------|--|----------------|----------------|--------------|
| | Q3 | | Actual | % Change Comp. | Q3 | | Actual | % Change Comp. | Q3 | | Q3 | | Jun 30, 2017 | Sep 30, 2016 | Q3 | |
| | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 |
| Power and Gas | 2,674 | 4,512 | (41)% | (41)% | 3,819 | 4,321 | (12)% | (11)% | 369 | 480 | 9.7% | 11.1% | 9,895 | 9,066 | 219 | 395 |
| Energy Management | 3,030 | 3,102 | (2)% | (3)% | 3,038 | 2,894 | 5% | 5% | 207 | 240 | 6.8% | 8.3% | 4,430 | 4,335 | 303 | 198 |
| Building Technologies | 1,715 | 1,658 | 3% | 3% | 1,608 | 1,536 | 5% | 4% | 165 | 140 | 10.3% | 9.1% | 1,354 | 1,324 | 154 | 163 |
| Mobility | 2,328 | 1,112 | 109% | 111% | 2,042 | 1,795 | 14% | 15% | 178 | 158 | 8.7% | 8.8% | 3,200 | 2,868 | 121 | (109) |
| Digital Factory | 3,027 | 2,563 | 18% | 11% | 2,960 | 2,519 | 18% | 11% | 485 | 395 | 16.4% | 15.7% | 9,418 | 5,731 | 512 | 577 |
| Process Industries and Drives | 2,257 | 2,117 | 7% | 7% | 2,182 | 2,247 | (3)% | (3)% | 103 | 101 | 4.7% | 4.5% | 2,090 | 1,800 | 123 | 182 |
| Healthineers | 3,463 | 3,382 | 2% | 3% | 3,361 | 3,230 | 4% | 4% | 579 | 534 | 17.2% | 16.5% | 11,334 | 11,211 | 614 | 701 |
| Siemens Gamesa Renewable Energy | 1,398 | 2,729 | (49)% | (64)% | 2,693 | 1,722 | 56% | 3% | 164 | 143 | 6.1% | 8.3% | 4,906 | (190) | (650) | (192) |
| Industrial Business | 19,892 | 21,175 | (6)% | (9)% | 21,703 | 20,263 | 7% | 2% | 2,250 | 2,191 | 10.4% | 10.8% | 46,627 | 36,145 | 1,397 | 1,914 |
| Financial Services (SFS) | 234 | 238 | — | — | 234 | 238 | — | — | 161 | 139 | 19.4% | 17.4% | 25,865 | 26,446 | 161 | 163 |
| Reconciliation to Consolidated Financial Statements | (303) | (354) | — | — | (525) | (697) | — | — | (560) | (478) | — | — | 62,735 | 63,126 | (615) | (239) |
| Siemens (continuing operations) | 19,824 | 21,060 | (6)% | (9)% | 21,413 | 19,804 | 8% | 3% | 1,852 | 1,853 | — | — | 135,227 | 125,717 | 942 | 1,839 |

Overview of Segment figures

| (in millions of €) | Orders | | | | Revenue | | | | Profit | | Profit margin / SFS: ROE | | Net capital employed / SFS: Total assets | | Free cash flow | |
|---|---------------|---------------|-------------|----------------|---------------|---------------|-----------|----------------|--------------|--------------|--------------------------|--------------|--|----------------|----------------|--------------|
| | Q1 - Q3 | | Actual | % Change Comp. | Q1 - Q3 | | Actual | % Change Comp. | Q1 - Q3 | | Q1 - Q3 | | Jun 30, 2017 | Sep 30, 2016 | Q1 - Q3 | |
| | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 |
| Power and Gas | 9,838 | 16,236 | (39)% | (40)% | 11,818 | 11,926 | (1)% | 0% | 1,288 | 1,364 | 10.9% | 11.4% | 9,895 | 9,066 | 453 | 372 |
| Energy Management | 9,578 | 9,588 | 0% | (1)% | 8,842 | 8,367 | 6% | 5% | 621 | 595 | 7.0% | 7.1% | 4,430 | 4,335 | 506 | (195) |
| Building Technologies | 5,062 | 4,665 | 9% | 8% | 4,764 | 4,458 | 7% | 6% | 570 | 382 | 12.0% | 8.6% | 1,354 | 1,324 | 525 | 337 |
| Mobility | 6,630 | 5,601 | 18% | 20% | 5,865 | 5,754 | 2% | 4% | 554 | 504 | 9.5% | 8.8% | 3,200 | 2,868 | 433 | (20) |
| Digital Factory | 8,583 | 7,632 | 12% | 9% | 8,228 | 7,385 | 11% | 9% | 1,634 | 1,175 | 19.9% | 15.9% | 9,418 | 5,731 | 1,408 | 1,217 |
| Process Industries and Drives | 6,688 | 6,726 | (1)% | 0% | 6,487 | 6,597 | (2)% | (1)% | 371 | 316 | 5.7% | 4.8% | 2,090 | 1,800 | 227 | 387 |
| Healthineers | 10,284 | 9,977 | 3% | 3% | 10,084 | 9,837 | 3% | 2% | 1,787 | 1,629 | 17.7% | 16.6% | 11,334 | 11,211 | 1,434 | 1,402 |
| Siemens Gamesa Renewable Energy | 5,976 | 6,768 | (12)% | (17)% | 5,593 | 4,380 | 28% | 7% | 430 | 331 | 7.7% | 7.6% | 4,906 | (190) | (352) | (40) |
| Industrial Business | 62,638 | 67,191 | (7)% | (8)% | 61,683 | 58,703 | 5% | 3% | 7,256 | 6,297 | 11.8% | 10.7% | 46,627 | 36,145 | 4,634 | 3,459 |
| Financial Services (SFS) | 705 | 754 | — | — | 705 | 754 | — | — | 508 | 533 | 21.3% | 23.8% | 25,865 | 26,446 | 620 | 534 |
| Reconciliation to Consolidated Financial Statements | (1,337) | (1,791) | — | — | (1,638) | (1,765) | — | — | (1,076) | (1,197) | — | — | 62,735 | 63,126 | (2,832) | (2,039) |
| Siemens (continuing operations) | 62,006 | 66,155 | (6)% | (7)% | 60,750 | 57,691 | 5% | 4% | 6,688 | 5,632 | — | — | 135,227 | 125,717 | 2,422 | 1,954 |

EBITDA Reconciliation

| (in millions of €) | Profit | | Amortization of intangible assets acquired in business combinations | | Financial income (expenses), net | | EBIT | | Amortization, depreciation and impairments | | EBITDA | |
|---|--------------|--------------|---|--------------|----------------------------------|--------------|--------------|--------------|--|------------|--------------|--------------|
| | Q3 | | Q3 | | Q3 | | Q3 | | Q3 | | Q3 | |
| | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 |
| Power and Gas | 369 | 480 | (61) | (67) | 21 | 4 | 287 | 409 | 121 | 121 | 408 | 530 |
| Energy Management | 207 | 240 | (5) | (5) | 1 | (1) | 201 | 236 | 53 | 52 | 254 | 288 |
| Building Technologies | 165 | 140 | (3) | (3) | — | — | 163 | 137 | 21 | 21 | 183 | 158 |
| Mobility | 178 | 158 | (15) | (15) | 2 | 4 | 162 | 139 | 36 | 33 | 198 | 171 |
| Digital Factory | 485 | 395 | (87) | (33) | 1 | — | 398 | 363 | 129 | 80 | 526 | 442 |
| Process Industries and Drives | 103 | 101 | (6) | (7) | — | — | 96 | 94 | 51 | 54 | 147 | 148 |
| Healthineers | 579 | 534 | (36) | (46) | 5 | 6 | 539 | 482 | 132 | 142 | 671 | 623 |
| Siemens Gamesa Renewable Energy | 164 | 143 | (126) | (2) | (7) | 4 | 45 | 137 | 190 | 34 | 235 | 171 |
| Industrial Business | 2,250 | 2,191 | (338) | (178) | 22 | 17 | 1,890 | 1,996 | 733 | 536 | 2,623 | 2,533 |
| Financial Services (SFS) | 161 | 139 | — | — | 174 | 165 | (14) | (25) | 52 | 50 | 38 | 25 |
| Reconciliation to Consolidated Financial Statements | (560) | (478) | 338 | 178 | (47) | (319) | (175) | 19 | 78 | 96 | (97) | 115 |
| Siemens (continuing operations) | 1,852 | 1,853 | — | — | 150 | (137) | 1,702 | 1,990 | 863 | 682 | 2,564 | 2,672 |

EBITDA Reconciliation

| (in millions of €) | Profit | | Amortization of intangible assets acquired in business combinations | | Financial income (expenses), net | | EBIT | | Amortization, depreciation and impairments | | EBITDA | |
|---|--------------|--------------|---|--------------|----------------------------------|-------------|--------------|--------------|--|--------------|--------------|--------------|
| | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | | Q1 - Q3 | |
| | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 | FY 2017 | FY 2016 |
| Power and Gas | 1,288 | 1,364 | (191) | (188) | 24 | 20 | 1,073 | 1,155 | 377 | 390 | 1,450 | 1,545 |
| Energy Management | 621 | 595 | (14) | (16) | — | 15 | 607 | 564 | 157 | 155 | 764 | 719 |
| Building Technologies | 570 | 382 | (9) | (10) | (1) | — | 562 | 371 | 65 | 63 | 628 | 435 |
| Mobility | 554 | 504 | (44) | (45) | 7 | 9 | 503 | 450 | 100 | 96 | 603 | 546 |
| Digital Factory | 1,634 | 1,175 | (153) | (80) | 1 | 12 | 1,481 | 1,083 | 280 | 218 | 1,761 | 1,301 |
| Process Industries and Drives | 371 | 316 | (19) | (20) | 1 | (2) | 350 | 297 | 153 | 162 | 504 | 460 |
| Healthineers | 1,787 | 1,629 | (113) | (138) | 17 | 14 | 1,658 | 1,477 | 399 | 424 | 2,056 | 1,901 |
| Siemens Gamesa Renewable Energy | 430 | 331 | (129) | (5) | 2 | 13 | 299 | 314 | 272 | 99 | 571 | 412 |
| Industrial Business | 7,256 | 6,297 | (673) | (503) | 51 | 82 | 6,533 | 5,712 | 1,804 | 1,608 | 8,337 | 7,320 |
| Financial Services (SFS) | 508 | 533 | (1) | 1 | 489 | 475 | 18 | 60 | 157 | 159 | 175 | 219 |
| Reconciliation to Consolidated Financial Statements | (1,076) | (1,197) | 674 | 502 | (17) | (622) | (385) | (73) | 231 | 255 | (154) | 182 |
| Siemens (continuing operations) | 6,688 | 5,632 | — | — | 523 | (66) | 6,166 | 5,698 | 2,192 | 2,022 | 8,358 | 7,721 |

Orders & Revenue by region

| (in millions of €) | Q3 | | Actual | Orders % Change Comp. | Q3 | | Actual | Revenue % Change Comp. |
|--|---------------|---------------|-------------|-----------------------------|---------------|---------------|-----------|------------------------------|
| | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | | |
| Europe, C.I.S., Africa, Middle East | 10,058 | 10,461 | (4)% | (5)% | 11,025 | 10,559 | 4% | 3% |
| <i>therein: Germany</i> | 3,274 | 2,667 | 23% | 23% | 2,947 | 2,459 | 20% | 15% |
| Americas | 5,407 | 6,613 | (18)% | (22)% | 6,261 | 5,684 | 10% | (3)% |
| <i>therein: U.S.</i> | 4,111 | 4,485 | (8)% | (11)% | 4,513 | 4,179 | 8% | (3)% |
| Asia, Australia | 4,358 | 3,987 | 9% | 5% | 4,126 | 3,562 | 16% | 11% |
| <i>therein: China</i> | 1,795 | 1,815 | (1)% | (1)% | 1,846 | 1,543 | 20% | 18% |
| Siemens (continuing operations) | 19,824 | 21,060 | (6)% | (9)% | 21,413 | 19,804 | 8% | 3% |
| <i>therein: Emerging markets</i> | 6,660 | 6,698 | (1)% | (5)% | 7,329 | 6,741 | 9% | 2% |

| (in millions of €) | Q1 - Q3 | | Actual | Orders % Change Comp. | Q1 - Q3 | | Actual | Revenue % Change Comp. |
|--|---------------|---------------|-------------|-----------------------------|---------------|---------------|-----------|------------------------------|
| | FY 2017 | FY 2016 | | | FY 2017 | FY 2016 | | |
| Europe, C.I.S., Africa, Middle East | 32,755 | 37,251 | (12)% | (12)% | 31,593 | 30,322 | 4% | 5% |
| <i>therein: Germany</i> | 10,463 | 8,106 | 29% | 29% | 8,092 | 7,657 | 6% | 4% |
| Americas | 16,301 | 17,543 | (7)% | (10)% | 17,508 | 16,553 | 6% | 0% |
| <i>therein: U.S.</i> | 11,886 | 12,805 | (7)% | (10)% | 12,679 | 12,269 | 3% | (2)% |
| Asia, Australia | 12,950 | 11,360 | 14% | 12% | 11,649 | 10,816 | 8% | 6% |
| <i>therein: China</i> | 5,266 | 5,088 | 4% | 6% | 5,100 | 4,645 | 10% | 11% |
| Siemens (continuing operations) | 62,006 | 66,155 | (6)% | (7)% | 60,750 | 57,691 | 5% | 4% |
| <i>therein: Emerging markets</i> | 19,958 | 23,764 | (16)% | (17)% | 20,691 | 19,343 | 7% | 5% |