

Munich, Germany, November 8, 2018

Earnings Release

Q4 FY 2018

July 1 to September 30, 2018

Guidance fully achieved again – another strong year

»We again delivered what we promised and fully reached our guidance which we raised at mid-year. This shows the strength of our global team which competed convincingly in both growth markets and difficult environments, and achieved another strong performance. In fiscal 2019 we will give our businesses even greater entrepreneurial freedom, and lay the foundation for execution of Vision 2020+,« said Joe Kaeser, President and Chief Executive Officer of Siemens AG.

Fiscal 2018

- On a comparable basis, excluding currency translation and portfolio effects, orders rose 8% and revenue increased 2%, with the majority of the industrial businesses contributing to growth
- On a nominal basis, orders rose 6%, to €91.3 billion; revenue was up slightly at €83.0 billion; the book-to-bill ratio was 1.10
- Industrial Business profit came in lower, at €8.8 billion, as profit increases in most industrial businesses did not fully offset sharply lower profit at Power and Gas
- Industrial Business profit margin excluding severance charges of 11.3%, clearly in the guidance range of 11% to 12%; profit margin including severance charges of €0.8 billion was 10.4% with most industrial businesses within or above their target ranges
- Net income up slightly at €6.1 billion; basic earnings per share (EPS) of €7.12; excluding severance charges, basic EPS at €7.88, well within the guidance range of €7.70 to €8.00
- Free cash flow rose to €5.8 billion, up 22% year-over-year
- Siemens proposes to raise the dividend €0.10 per share, to €3.80 per share
- Successful completion of share buyback program initiated in November 2015 with a volume of €3.0 billion; new share buyback program announced with volume up to €3.0 billion until November 2021

Q4 Fiscal 2018

- In one of the best quarters for volume in Siemens' history, revenue reached €22.6 billion, up 2%, and orders of €23.7 billion slightly exceeded the high level of Q4 FY 2017, for a book-to-bill ratio of 1.05
- Revenue and order growth of 5% on a comparable basis
- Industrial Business profit up slightly at €2.1 billion despite a substantial negative swing at Power and Gas including €0.3 billion in severance charges
- Net income of €0.7 billion and basic EPS of €0.69, burdened by €0.5 billion in severance charges (pre-tax) and substantial income tax expenses related to carve-out activities at Mobility

Siemens

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	23,700	23,657	0%	5%
Revenue	22,606	22,216	2%	5%
Profit				
Industrial Business	2,145	2,137	0%	
<i>therein: severance</i>	(482)	(188)		
Profit margin				
Industrial Business	9.3%	9.5%		
<i>excl. severance</i>	11.3%	10.3%		
Income from continuing operations	659	1,220	(46%)	
<i>therein: severance</i>	(527)	(221)		
Net income	681	1,251	(46%)	
Basic earnings per share (in €)	0.69	1.52	(55%)	
Free cash flow (continuing and discontinued operations)	3,283	2,376	38%	
ROCE (continuing and discontinued operations)	6.0%	10.1%		

- Higher order intake on a comparable basis in nearly all industrial businesses led by substantial growth at Mobility and double-digit increases at Digital Factory and Siemens Healthineers; order decline at Energy Management from a high basis of comparison
- Significant revenue growth in Siemens Gamesa Renewable Energy (SGRE) and clear revenue growth in Digital Factory and Mobility; revenue decline in Power and Gas in contracting markets
- Order backlog remained on the record level reached in the last quarter, at €132 billion, despite negative effects from currency translation
- Negative currency translation effects took four percentage points from order and three percentage points from revenue growth; portfolio transactions had a minimal effect on volume development year-over-year
- Profit Industrial Business: profit rose in 6 out of 8 industrial businesses; largest increase in SGRE followed by Digital Factory; Siemens Healthineers and Digital Factory made the largest contributions to Industrial Business profit despite substantial negative currency effects, which to a lesser extent also impacted Process Industries and Drives and Energy Management; profit increases largely offset by a loss at Power and Gas, which took €301 million in severance charges related to previously announced measures to improve the Division's competitiveness; severance charges at Process Industries and Drives were €85 million
- Income from continuing operations and net income declined due mainly to sharply higher income tax expenses mainly from carve-out activities related to Mobility
- Increase in Free cash flow from Industrial Business, to €3.166 billion from €2.837 billion in Q4 FY 2017, due mainly to SGRE which recorded a substantial positive change in net operating working capital in Q4 FY 2018; Free cash flow outside Industrial Business also contributed to the increase year-over-year
- Siemens issued €2.75 billion in bonds with varied maturities up to 12 years; payments are not part of Free cash flow
- Slight increase in provisions for pensions and similar obligations, to €7.7 billion as of September 30, 2018 (June 30, 2018: €7.6 billion)
- ROCE decreased due to lower net income which more than offset the positive effect of a moderate decline in average capital employed

Power and Gas

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	3,724	3,570	4%	13%
Revenue	3,347	3,646	(8%)	(4%)
Profit	(139)	292	n/a	
<i>therein: severance</i>	<i>(301)</i>	<i>11</i>		
Profit margin	(4.1%)	8.0%		
<i>excl. severance</i>	<i>4.9%</i>	<i>7.7%</i>		

- Orders lifted by the service business, which included several large orders in Egypt; negative effects from currency translation; on a geographic basis, sharp growth in Asia, Australia was partially offset by a decline in the U.S.
- Broad-based revenue decline with decreases in all reporting regions following weak order intake in prior periods; revenue from the service business up slightly on a comparable basis
- Profit turned negative due to severance charges totaling €301 million, as well as ongoing revenue and price declines; continuing strong contribution from the service business; profit margin benefited from positive effects related to project execution
- Global energy trends continue to structurally reduce overall demand in markets for the Division's offerings, resulting in declining new-unit large turbine business and corresponding price pressure due to structural overcapacities and aggressive competitive behavior

Energy Management

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	3,254	4,049	(20%)	(17%)
Revenue	3,433	3,435	0%	3%
Profit	323	311	4%	
<i>therein: severance</i>	<i>(11)</i>	<i>(13)</i>		
Profit margin	9.4%	9.1%		
<i>excl. severance</i>	<i>9.7%</i>	<i>9.4%</i>		

- Lower order intake compared to the high basis of comparison in Q4 FY 2017, which included a large order in the transmission solutions business totaling €0.8 billion for an offshore grid connection project in Germany; all other businesses posted order growth on a comparable basis
- Revenue growth on a comparable basis led by the low voltage products and medium voltage and system businesses, partially offset by a decline in the transmission solutions business
- Strong profit performance despite negative currency effects, on earnings contributions from all the Division's businesses

Building Technologies

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	1,901	1,873	1%	2%
Revenue	1,838	1,759	4%	5%
Profit	253	213	18%	
<i>therein: severance</i>	<i>(3)</i>	<i>(8)</i>		
Profit margin	13.7%	12.1%		
<i>excl. severance</i>	<i>13.9%</i>	<i>12.6%</i>		

- Another strong year-end quarter with orders, revenue and profit up across the businesses
- Order growth came from the region comprising Europe, C.I.S., Africa, Middle East, including a number of multi-year service contracts in Germany, and from Asia, Australia; U.S. with major contract wins in both periods under review
- Revenue was up in all regions, mainly driven by the solutions and services business and including a particularly strong contribution from the U.S.
- Profit and profit margin rose significantly on higher revenue and operational excellence

Mobility

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	2,820	2,344	20%	22%
Revenue	2,348	2,232	5%	7%
Profit	236	192	23%	
<i>therein: severance</i>	(4)	(29)		
Profit margin	10.1%	8.6%		
<i>excl. severance</i>	10.2%	9.9%		

- Substantially higher volume from large orders, particularly including a €0.6 billion order for additional ICE 4 trainsets and power cars in Germany and the first order, worth €0.4 billion, from a larger framework agreement for passenger coaches in Austria
- Revenue growth in all businesses, most notably in the rail infrastructure and services businesses
- Profit rose on higher revenue, a strong contribution from the service business and continuing strong operational execution

Digital Factory

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	3,405	2,951	15%	17%
Revenue	3,398	3,129	9%	10%
Profit	616	480	28%	
<i>therein: severance</i>	(37)	(86)		
Profit margin	18.1%	15.4%		
<i>excl. severance</i>	19.2%	18.1%		

- Strong volume growth with increases in all businesses led by the software business, which included major orders for Mentor; demand for short-cycle businesses remained strong, while growth rates are moderating
- On a geographic basis, volume growth in all reporting regions, including double-digit growth in the U.S. and China
- Higher profit margin despite negative currency effects, with profit increases in all businesses led by the software business; ongoing expenses to accelerate adoption of digital offerings including Siemens' MindSphere platform
- At the beginning of fiscal 2019, the Division closed its acquisition of Mendix

Process Industries and Drives

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	2,312	2,346	(1%)	1%
Revenue	2,466	2,386	3%	6%
Profit	81	69	18%	
<i>therein: severance</i>	(85)	(23)		
Profit margin	3.3%	2.9%		
<i>excl. severance</i>	6.7%	3.8%		

- Orders came in close to prior-year level despite higher volume from major orders in Q4 FY 2017 and negative currency translation effects
- Revenue increased in all businesses, particularly in large drives and process automation; on a geographic basis, revenue up in all regions, including a strong contribution from China
- Supported by an overall improved operating performance, profit and profitability rose despite negative currency effects and higher charges related to capacity adjustments

Siemens Healthineers

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	4,299	3,908	10%	13%
Revenue	3,703	3,650	1%	4%
Profit	634	671	(6%)	
<i>therein: severance</i>	(38)	(21)		
Profit margin	17.1%	18.4%		
<i>excl. severance</i>	18.1%	19.0%		

- Higher equipment and service orders lift overall order intake; on a regional basis, growth mainly in the U.S.
- Revenue growth despite negative currency translation effects; comparable revenue growth in all reporting regions and led by the imaging business
- Operational improvements and productivity gains were more than offset by substantial currency headwinds

Siemens Gamesa Renewable Energy

(in millions of €)	Q4		% Change	
	FY 2018	FY 2017	Actual	Comp.
Orders	2,626	2,791	(6%)	1%
Revenue	2,619	2,329	12%	15%
Profit	140	(92)	n/a	
<i>therein: severance</i>	(2)	(19)		
Profit margin	5.4%	(3.9%)		
<i>excl. severance</i>	5.4%	(3.1%)		

- Significant negative effects from currency translation on orders; on a comparable basis, substantial growth in the onshore and service businesses was partly offset by lower order intake in the offshore business; Q4 FY 2017 included a large order for an offshore wind-farm in the Netherlands
- Significant revenue growth on increases in all businesses and reporting regions
- Profit benefited from positive effects related to project execution and completion, and also rose on higher revenue and a higher contribution from the services business; loss in Q4 FY 2017 due to burdens of €134 million primarily from the write-down of inventories; both periods included charges for integration costs and capacity adjustments including severance, totaling €76 million in the current quarter and €67 million in Q4 FY 2017

Financial Services

Q4		
(in millions of €)	FY 2018	FY 2017
Income before income taxes	116	131
therein: severance	(1)	–
ROE (after taxes)	13.2%	16.1%

(in millions of €)	Sep 30, 2018	Sep 30, 2017
Total assets	28,281	26,474

- Following a strong earnings performance for the first nine months of fiscal 2018, reduced income before income taxes due to lower results from the equity business
- Increase in total assets since the end of fiscal 2017 mainly due to growth in the debt business

Reconciliation to Consolidated Financial Statements

Q4		
(in millions of €)	FY 2018	FY 2017
Centrally managed portfolio activities	(112)	(43)
Siemens Real Estate	49	90
Corporate items	(340)	(228)
Centrally carried pension expense	(112)	(105)
Amortization of intangible assets acquired in business combinations	(279)	(341)
Eliminations, Corporate Treasury and other reconciling items	(60)	(83)
Reconciliation to Consolidated Financial Statements	(854)	(709)

- Corporate items were influenced by a number of factors, including severance charges of €40 million (€29 million in Q4 FY 2017) for corporate reorganization of support functions
- Results of Centrally managed portfolio activities are expected to remain volatile in coming quarters

Outlook

We expect a continued favorable market environment, particularly for our short-cycle businesses, with limited risks related to geopolitical uncertainties. For fiscal 2019, we expect moderate growth in revenue, net of currency translation and portfolio effects. We further anticipate that orders will exceed revenue for a book-to-bill ratio above 1. We expect a profit margin of 11.0% to 12.0% for our Industrial Business based on our current organizational structure, excluding severance charges. Furthermore we expect basic EPS from net income in the range of €6.30 to €7.00 also excluding severance charges. Fiscal 2018 basic EPS from net income of €7.12 benefited from €1.87 per share in portfolio gains related to our stakes in Atos SE and OSRAM Licht AG and was burdened by €0.76 from severance charges, resulting in €6.01 excluding these factors.

This outlook excludes charges related to legal and regulatory matters and post-closing results from combining our mobility business with Alstom SA, which we expect to close in the first half of calendar 2019.

Notes and forward-looking statements

Starting today at 9:00 a.m. CET, the press conference at which Siemens Chief Executive Officer Joe Kaeser and Chief Financial Officer Dr. Ralf P. Thomas discuss the financial figures will be broadcast live at www.siemens.com/pressconference.

Starting today at 11:00 a.m. CET, Joe Kaeser and Dr. Ralf P. Thomas will hold a telephone conference in English for analysts and investors, which can be followed live at www.siemens.com/analystcall.

Recordings of the press conference 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.

All information is preliminary.

Financial Media:

Philipp Encz

Phone: +49 89 636-32934

E-mail: philipp.encz@siemens.com

Wolfram Trost

Phone: +49 89 636-34794

E-mail: wolfram.trost@siemens.com

Siemens AG,

80333 Munich, Germany

© 2018 by Siemens AG, Berlin and Munich

Financial Results

Fourth Quarter and Fiscal 2018

Key figures

(in millions of €, except where otherwise stated)

Volume

	Q4		% Change		Fiscal Year		% Change	
	FY 2018	FY 2017	Actual	Comp. ¹	2018	2017	Actual	Comp. ¹
Orders	23,700	23,657	0%	5%	91,296	85,784	6%	8%
Revenue	22,606	22,216	2%	5%	83,044	82,863	0%	2%
Book-to-bill ratio	1.05				1.10			
Order backlog (in billions of €)	132				132			

Profitability and Capital efficiency

	Q4		% Change		Fiscal Year		% Change	
	FY 2018	FY 2017			2018	2017		
Industrial Business								
Profit	2,145	2,137	0%		8,815	9,335		(6%)
Profit margin	9.3%	9.5%			10.4%	11.1%		
Continuing operations								
EBITDA	2,263	2,526	(10%)		9,602	10,825		(11%)
Income from continuing operations	659	1,220	(46%)		5,996	6,041		(1%)
Basic earnings per share (in €) ²	0.66	1.48	(55%)		6.97	7.27		(4%)
Continuing and discontinued operations								
Net income	681	1,251	(46%)		6,120	6,094		0%
Basic earnings per share (in €) ²	0.69	1.52	(55%)		7.12	7.34		(3%)
Return on capital employed (ROCE)	6.0%	10.1%			12.7%	13.3%		

Capital structure and Liquidity

	Sep 30, 2018	Sep 30, 2017
Total equity	48,046	44,619
Industrial net debt	3,382	9,876
Industrial net debt / EBITDA ³	0.4	0.9

	Q4 FY 2018	Q4 FY 2017	Fiscal Year 2018	Fiscal Year 2017
Free cash flow				
Continuing operations	3,292	2,397	5,814	4,819
Continuing and discontinued operations	3,283	2,376	5,824	4,769

Employees

(in thousands)	Sep 30, 2018	Sep 30, 2017
Total	379	377
Germany	117	118
Outside Germany	262	259

¹ Throughout excluding currency translation and portfolio effects.

² Basic earnings per share – attributable to shareholders of Siemens AG. For fiscal 2018 and 2017 weighted average shares outstanding (basic) (in thousands) for the fourth quarter amounted to 812,949 and 816,703 and for the fiscal year to 815,063 and 812,180 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 €)	Q4		Fiscal year	
	FY 2018	FY 2017	2018	2017
Revenue	22,606	22,216	83,044	82,863
Cost of sales	(16,092)	(15,908)	(58,181)	(57,820)
Gross profit	6,514	6,308	24,863	25,043
Research and development expenses	(1,567)	(1,477)	(5,558)	(5,164)
Selling and general administrative expenses	(3,497)	(3,312)	(12,941)	(12,360)
Other operating income	121	130	500	647
Other operating expenses	(208)	(241)	(678)	(595)
Income (loss) from investments accounted for using the equity method, net	(15)	100	(3)	43
Interest income	370	367	1,481	1,490
Interest expenses	(272)	(277)	(1,089)	(1,051)
Other financial income (expenses), net	(39)	(39)	1,475	135
Income from continuing operations before income taxes	1,408	1,558	8,050	8,189
Income tax expenses	(749)	(338)	(2,054)	(2,148)
Income from continuing operations	659	1,220	5,996	6,041
Income from discontinued operations, net of income taxes	22	31	124	53
Net income	681	1,251	6,120	6,094
Attributable to:				
Non-controlling interests	122	14	313	133
Shareholders of Siemens AG	559	1,237	5,807	5,961
Basic earnings per share				
Income from continuing operations	0.66	1.48	6.97	7.27
Income from discontinued operations	0.03	0.04	0.15	0.07
Net income	0.69	1.52	7.12	7.34
Diluted earnings per share				
Income from continuing operations	0.65	1.45	6.86	7.13
Income from discontinued operations	0.03	0.04	0.15	0.06
Net income	0.68	1.49	7.01	7.19

Consolidated Statements of Comprehensive Income

(in millions of €)	Q4		Fiscal year	
	FY 2018	FY 2017	2018	2017
Net income	681	1,251	6,120	6,094
Remeasurements of defined benefit plans	(36)	99	(360)	2,734
<i>therein: Income tax effects</i>	(37)	6	(305)	(1,070)
Income (loss) from investments accounted for using the equity method, net	-	3	-	-
Items that will not be reclassified to profit or loss	(36)	102	(360)	2,735
Currency translation differences	(290)	(404)	(287)	(1,125)
Available-for-sale financial assets	(7)	48	(1,819)	687
<i>therein: Income tax effects</i>	2	1	24	(7)
Derivative financial instruments	33	(26)	(63)	136
<i>therein: Income tax effects</i>	(11)	7	24	(63)
Income (loss) from investments accounted for using the equity method, net	18	(61)	(2)	(30)
Items that may be reclassified subsequently to profit or loss	(247)	(443)	(2,170)	(332)
Other comprehensive income, net of income taxes	(283)	(341)	(2,530)	2,403
Total comprehensive income	398	910	3,590	8,497
Attributable to:				
Non-controlling interests	103	(32)	259	55
Shareholders of Siemens AG	296	942	3,330	8,442

Consolidated Statements of Financial Position

(in millions of €)	Sep 30, 2018	Sep 30, 2017
Assets		
Cash and cash equivalents	11,066	8,375
Available-for-sale financial assets	1,286	1,242
Trade and other receivables	17,918	16,754
Other current financial assets	8,693	7,664
Contract assets	8,912	8,781
Inventories	13,885	13,885
Current income tax assets	1,010	1,098
Other current assets	1,707	1,466
Assets classified as held for disposal	94	1,484
Total current assets	64,570	60,750
Goodwill	28,344	27,906
Other intangible assets	10,131	10,926
Property, plant and equipment	11,381	10,977
Investments accounted for using the equity method	2,579	2,727
Other financial assets	17,759	19,044
Deferred tax assets	2,341	2,283
Other assets	1,810	1,498
Total non-current assets	74,345	75,361
Total assets	138,915	136,111
Liabilities and equity		
Short-term debt and current maturities of long-term debt	5,057	5,447
Trade payables	10,716	9,756
Other current financial liabilities	1,485	1,444
Contract liabilities	14,464	14,228
Current provisions	3,931	4,077
Current income tax liabilities	3,102	2,355
Other current liabilities	9,118	8,671
Liabilities associated with assets classified as held for disposal	1	99
Total current liabilities	47,874	46,077
Long-term debt	27,120	26,777
Provisions for pensions and similar obligations	7,684	9,582
Deferred tax liabilities	1,092	1,635
Provisions	4,216	4,366
Other financial liabilities	685	902
Other liabilities	2,198	2,153
Total non-current liabilities	42,995	45,415
Total liabilities	90,869	91,492
Equity		
Issued capital	2,550	2,550
Capital reserve	6,184	6,368
Retained earnings	41,014	35,794
Other components of equity	(352)	1,665
Treasury shares, at cost	(3,922)	(3,196)
Total equity attributable to shareholders of Siemens AG	45,474	43,181
Non-controlling interests	2,573	1,438
Total equity	48,046	44,619
Total liabilities and equity	138,915	136,111

Consolidated Statements of Cash Flows

(in millions of €)	Q4	
	FY 2018	FY 2017
Cash flows from operating activities		
Net income	681	1,251
Adjustments to reconcile net income to cash flows from operating activities - continuing operations		
Income from discontinued operations, net of income taxes	(22)	(31)
Amortization, depreciation and impairments	915	1,019
Income tax expenses	749	338
Interest (income) expenses, net	(98)	(90)
(Income) loss related to investing activities	3	(85)
Other non-cash (income) expenses	187	173
Change in operating net working capital from		
Contract assets	(268)	(636)
Inventories	799	895
Trade and other receivables	(515)	674
Trade payables	1,234	354
Contract liabilities	(620)	(870)
Additions to assets leased to others in operating leases	(172)	(144)
Change in other assets and liabilities	1,352	461
Income taxes paid	(384)	(440)
Dividends received	65	58
Interest received	341	334
Cash flows from operating activities - continuing operations	4,248	3,261
Cash flows from operating activities - discontinued operations	(9)	(21)
Cash flows from operating activities - continuing and discontinued operations	4,239	3,240
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	(956)	(864)
Acquisitions of businesses, net of cash acquired	(118)	(63)
Purchase of investments	(247)	(101)
Purchase of current available-for-sale financial assets	(400)	(281)
Change in receivables from financing activities	(1,007)	(833)
Disposal of investments, intangibles and property, plant and equipment	193	186
Disposal of businesses, net of cash disposed	1	(40)
Disposal of current available-for-sale financial assets	310	312
Cash flows from investing activities - continuing operations	(2,223)	(1,684)
Cash flows from investing activities - discontinued operations	(1)	4
Cash flows from investing activities - continuing and discontinued operations	(2,223)	(1,680)
Cash flows from financing activities		
Purchase of treasury shares	(387)	(580)
Re-issuance of treasury shares and other transactions with owners	(63)	529
Issuance of long-term debt	2,734	-
Repayment of long-term debt (including current maturities of long-term debt)	(11)	(1,283)
Change in short-term debt and other financing activities	125	188
Interest paid	(288)	(342)
Dividends attributable to non-controlling interests	(26)	(52)
Cash flows from financing activities - continuing operations	2,084	(1,540)
Cash flows from financing activities - discontinued operations	-	-
Cash flows from financing activities - continuing and discontinued operations	2,084	(1,540)
Effect of changes in exchange rates on cash and cash equivalents	(123)	(116)
Change in cash and cash equivalents	3,976	(96)
Cash and cash equivalents at beginning of period	7,090	8,486
Cash and cash equivalents at end of period	11,066	8,389
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	-	15
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	11,066	8,375

Consolidated Statements of Cash Flows

(in millions of €)	Fiscal year	
	2018	2017
Cash flows from operating activities		
Net income	6,120	6,094
Adjustments to reconcile net income to cash flows from operating activities - continuing operations		
Income from discontinued operations, net of income taxes	(124)	(53)
Amortization, depreciation and impairments	3,419	3,211
Income tax expenses	2,054	2,148
Interest (income) expenses, net	(392)	(439)
(Income) loss related to investing activities	(1,792)	(329)
Other non-cash (income) expenses	943	552
Change in operating net working capital from		
Contract assets	(171)	(907)
Inventories	(81)	(812)
Trade and other receivables	(1,356)	768
Trade payables	1,033	303
Contract liabilities	140	(838)
Additions to assets leased to others in operating leases	(599)	(482)
Change in other assets and liabilities	(386)	(1,707)
Income taxes paid	(2,061)	(2,039)
Dividends received	270	381
Interest received	1,396	1,375
Cash flows from operating activities - continuing operations	8,415	7,225
Cash flows from operating activities - discontinued operations	10	(50)
Cash flows from operating activities - continuing and discontinued operations	8,425	7,176
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	(2,602)	(2,406)
Acquisitions of businesses, net of cash acquired	(525)	(4,385)
Purchase of investments	(1,031)	(500)
Purchase of current available-for-sale financial assets	(927)	(882)
Change in receivables from financing activities	(1,620)	(686)
Disposal of investments, intangibles and property, plant and equipment	1,725	542
Disposal of businesses, net of cash disposed	362	(69)
Disposal of current available-for-sale financial assets	875	931
Cash flows from investing activities - continuing operations	(3,741)	(7,456)
Cash flows from investing activities - discontinued operations	(33)	(1)
Cash flows from investing activities - continuing and discontinued operations	(3,774)	(7,457)
Cash flows from financing activities		
Purchase of treasury shares	(1,409)	(931)
Re-issuance of treasury shares and other transactions with owners	4,064	1,123
Issuance of long-term debt	2,734	6,958
Repayment of long-term debt (including current maturities of long-term debt)	(3,530)	(4,868)
Change in short-term debt and other financing activities	333	260
Interest paid	(1,002)	(1,000)
Dividends paid to shareholders of Siemens AG	(3,011)	(2,914)
Dividends attributable to non-controlling interests	(126)	(187)
Cash flows from financing activities - continuing operations	(1,946)	(1,560)
Cash flows from financing activities - discontinued operations	-	-
Cash flows from financing activities - continuing and discontinued operations	(1,946)	(1,560)
Effect of changes in exchange rates on cash and cash equivalents	(29)	(387)
Change in cash and cash equivalents	2,677	(2,228)
Cash and cash equivalents at beginning of period	8,389	10,618
Cash and cash equivalents at end of period	11,066	8,389
Less: Cash and cash equivalents of assets classified as held for disposal and discontinued operations at end of period	-	15
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	11,066	8,375

Overview of Segment figures

(in millions of €)	Orders				Revenue				Profit		Profit margin / SFS: ROE		Net capital employed / SFS: Total assets		Free cash flow	
	Q4		Actual	% Change Comp.	Q4		Actual	% Change Comp.	Q4		Q4		Sep 30, 2018	Sep 30, 2017	Q4	
	FY 2018	FY 2017			FY 2018	FY 2017			FY 2018	FY 2017	FY 2018	FY 2017			FY 2018	FY 2017
Power and Gas	3,724	3,570	4%	13%	3,347	3,646	(8%)	(4%)	(139)	292	(4.1%)	8.0%	10,087	9,964	191	(61)
Energy Management	3,254	4,049	(20%)	(17%)	3,433	3,435	0%	3%	323	311	9.4%	9.1%	4,535	4,177	487	496
Building Technologies	1,901	1,873	1%	2%	1,838	1,759	4%	5%	253	213	13.7%	12.1%	1,596	1,241	221	295
Mobility	2,820	2,344	20%	22%	2,348	2,232	5%	7%	236	192	10.1%	8.6%	2,795	2,727	148	613
Digital Factory	3,405	2,951	15%	17%	3,398	3,129	9%	10%	616	480	18.1%	15.4%	9,382	9,304	656	556
Process Industries and Drives	2,312	2,346	(1%)	1%	2,466	2,386	3%	6%	81	69	3.3%	2.9%	2,244	2,003	212	147
Siemens Healthineers	4,299	3,908	10%	13%	3,703	3,650	1%	4%	634	671	17.1%	18.4%	12,392	11,047	642	719
Siemens Gamesa Renewable Energy	2,626	2,791	(6%)	1%	2,619	2,329	12%	15%	140	(92)	5.4%	(3.9%)	3,823	4,663	608	73
Industrial Business	24,340	23,833	2%	6%	23,152	22,565	3%	5%	2,145	2,137	9.3%	9.5%	46,853	45,126	3,166	2,837
Financial Services (SFS)	204	216	–	–	204	216	–	–	116	131	13.2%	16.1%	28,281	26,474	95	114
Reconciliation to Consolidated Financial Statements	(844)	(392)	–	–	(750)	(565)	–	–	(854)	(709)	–	–	63,781	64,512	31	(554)
Siemens (continuing operations)	23,700	23,657	0%	5%	22,606	22,216	2%	5%	1,408	1,558	–	–	138,915	136,111	3,292	2,397

Overview of Segment figures

(in millions of €)	Orders				Revenue				Profit		Profit margin / SFS: ROE		Net capital employed / SFS: Total assets		Free cash flow	
	Fiscal year		Actual	% Change Comp.	Fiscal year		Actual	% Change Comp.	Fiscal year		Fiscal year		Sep 30,	Sep 30,	Fiscal year	
	2018	2017			2018	2017			2018	2017	2018	2017	2018	2017	2018	2017
Power and Gas	13,717	13,329	3%	12%	12,441	15,434	(19%)	(14%)	377	1,571	3.0%	10.2%	10,087	9,964	195	392
Energy Management	11,624	13,627	(15%)	(10%)	12,266	12,273	0%	5%	1,003	931	8.2%	7.6%	4,535	4,177	538	1,002
Building Technologies	7,077	7,080	0%	4%	6,613	6,523	1%	6%	755	784	11.4%	12.0%	1,596	1,241	546	820
Mobility	10,959	8,963	22%	25%	8,758	8,104	8%	11%	872	747	10.0%	9.2%	2,795	2,727	914	1,046
Digital Factory	13,615	11,523	18%	14%	12,932	11,344	14%	11%	2,586	2,102	20.0%	18.5%	9,382	9,304	2,378	1,963
Process Industries and Drives	9,305	9,032	3%	7%	8,840	8,873	0%	3%	518	440	5.9%	5.0%	2,244	2,003	466	373
Siemens Healthineers	14,506	14,272	2%	7%	13,425	13,671	(2%)	4%	2,221	2,423	16.5%	17.7%	12,392	11,047	1,673	2,153
Siemens Gamesa Renewable Energy	11,875	8,768	35%	8%	9,122	7,922	15%	(5%)	483	339	5.3%	4.3%	3,823	4,663	375	(279)
Industrial Business	92,678	86,592	7%	8%	84,396	84,144	0%	2%	8,815	9,335	10.4%	11.1%	46,853	45,126	7,086	7,471
Financial Services (SFS)	950	921	–	–	950	921	–	–	653	639	20.0%	19.9%	28,281	26,474	616	734
Reconciliation to Consolidated Financial Statements	(2,332)	(1,730)	–	–	(2,303)	(2,203)	–	–	(1,418)	(1,785)	–	–	63,781	64,512	(1,888)	(3,386)
Siemens (continuing operations)	91,296	85,784	6%	8%	83,044	82,863	0%	2%	8,050	8,189	–	–	138,915	136,111	5,814	4,819

EBITDA Reconciliation

(in millions of €)	Profit		Amortization of intangible assets acquired in business combinations		Financial income (expenses), net		EBIT		Amortization, depreciation and impairments		EBITDA	
	Q4		Q4		Q4		Q4		Q4		Q4	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Power and Gas	(139)	292	(55)	(60)	1	11	(195)	220	122	124	(73)	344
Energy Management	323	311	(4)	(4)	(1)	5	320	302	54	56	375	357
Building Technologies	253	213	(4)	(3)	–	–	249	211	22	24	271	234
Mobility	236	192	(18)	(16)	3	1	216	175	44	35	260	211
Digital Factory	616	480	(95)	(108)	(2)	1	523	371	160	170	684	542
Process Industries and Drives	81	69	(2)	(2)	–	(1)	78	67	55	59	133	126
Siemens Healthineers	634	671	(33)	(34)	4	5	597	631	144	139	741	770
Siemens Gamesa Renewable Energy	140	(92)	(66)	(111)	(5)	(6)	79	(197)	185	238	264	41
Industrial Business	2,145	2,137	(278)	(340)	–	17	1,867	1,780	786	846	2,654	2,626
Financial Services (SFS)	116	131	–	–	162	155	(46)	(25)	53	50	7	25
Reconciliation to Consolidated Financial Statements	(854)	(709)	279	340	(102)	(121)	(473)	(248)	75	123	(397)	(125)
Siemens (continuing operations)	1,408	1,558	–	–	59	50	1,348	1,508	915	1,019	2,263	2,526

EBITDA Reconciliation

(in millions of €)	Profit		Amortization of intangible assets acquired in business combinations		Financial income (expenses), net		EBIT		Amortization, depreciation and impairments		EBITDA	
	Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Power and Gas	377	1,571	(225)	(251)	25	35	127	1,285	518	501	646	1,786
Energy Management	1,003	931	(18)	(19)	(5)	5	990	907	208	213	1,198	1,120
Building Technologies	755	784	(12)	(12)	3	(1)	740	773	78	89	818	862
Mobility	872	747	(77)	(60)	10	9	785	678	165	135	950	813
Digital Factory	2,586	2,102	(383)	(261)	4	2	2,199	1,839	606	450	2,806	2,289
Process Industries and Drives	518	440	(10)	(22)	2	–	507	417	200	213	707	630
Siemens Healthineers	2,221	2,423	(131)	(147)	12	22	2,079	2,254	519	538	2,598	2,791
Siemens Gamesa Renewable Energy	483	339	(306)	(240)	(33)	(4)	210	102	645	510	856	612
Industrial Business	8,815	9,335	(1,160)	(1,013)	18	69	7,638	8,254	2,940	2,649	10,577	10,903
Financial Services (SFS)	653	639	(1)	(1)	674	644	(23)	(7)	208	207	185	200
Reconciliation to Consolidated Financial Statements	(1,418)	(1,785)	1,161	1,014	1,175	(138)	(1,432)	(633)	271	354	(1,160)	(279)
Siemens (continuing operations)	8,050	8,189	–	–	1,867	575	6,183	7,614	3,419	3,211	9,602	10,825

Orders & Revenue by region

(in millions of €)	Q4			Orders	Q4			Revenue
	FY 2018	FY 2017	Actual	% Change Comp.	FY 2018	FY 2017	Actual	% Change Comp.
Europe, C.I.S., Africa, Middle East	11,185	12,301	(9%)	(7%)	11,828	11,731	1%	3%
<i>therein: Germany</i>	3,369	3,482	(3%)	(3%)	3,393	3,038	12%	12%
Americas	6,971	6,601	6%	16%	5,859	5,970	(2%)	4%
<i>therein: U.S.</i>	5,361	5,008	7%	7%	4,390	4,264	3%	3%
Asia, Australia	5,544	4,755	17%	19%	4,919	4,515	9%	12%
<i>therein: China</i>	2,343	2,218	6%	7%	2,209	2,127	4%	5%
Siemens (continuing operations)	23,700	23,657	0%	5%	22,606	22,216	2%	5%
<i>therein: Emerging markets</i>	8,222	7,263	13%	28%	7,770	7,775	0%	8%

(in millions of €)	Fiscal year		Actual	Orders	Fiscal year		Actual	Revenue
	2018	2017		% Change Comp.	2018	2017		% Change Comp.
Europe, C.I.S., Africa, Middle East	46,495	45,130	3%	3%	42,782	43,269	(1%)	0%
<i>therein: Germany</i>	11,254	14,015	(20%)	(20%)	11,729	11,125	5%	6%
Americas	25,060	22,923	9%	16%	22,115	23,463	(6%)	(2%)
<i>therein: U.S.</i>	18,106	16,914	7%	10%	16,012	16,932	(5%)	(1%)
Asia, Australia	19,742	17,731	11%	7%	18,147	16,131	12%	12%
<i>therein: China</i>	8,459	7,493	13%	15%	8,102	7,206	12%	14%
Siemens (continuing operations)	91,296	85,784	6%	8%	83,044	82,863	0%	2%
<i>therein: Emerging markets</i>	30,564	27,201	12%	15%	28,272	28,397	0%	1%