

Siemens Healthineers in the third quarter 2018**Strong comparable revenue growth and accelerating Atellica shipments**

- **Comparable revenue up by five percent driven by very strong Imaging segment with eight percent growth**
- **Adjusted profit margin of 16.0 percent despite significant negative currency effects**
- **Atellica Solution¹ ramp-up on track with more than 560 analyzers shipped by end of June**
- **Full year guidance reaffirmed**
- **New head of the Diagnostic Imaging business area, first-time appointment of a Chief Technology Officer**

After its admission into TecDAX, Siemens Healthineers AG posted solid growth in revenue for the third quarter: Supported by the robust increase in the Imaging segment, revenue rose by five percent on a comparable basis over the third quarter last year; in absolute figures revenue was stable at EUR 3.3 billion. Adversely affected by significantly negative currency effects, the adjusted profit margin was 16.0 percent. Adjusted profit amounted to EUR 528 million, with adjusted net income reaching EUR 334 million. Earnings per share are at EUR 0.29. Atellica Solution deliveries are being accelerated and remain on schedule with more than 560 systems delivered up to the end of the third quarter.

“The pleasing development in revenue underlines our competitive strength. We are also satisfied with the positive development in the delivery of our new laboratory diagnostics system Atellica Solution. Despite increasingly negative currency effects and investments in the future of the laboratory diagnostics business, we confirm our guidance for the current fiscal year,” said Bernd Montag, CEO Siemens Healthineers. “The high level of participation in our first employee share program shows just how convinced our colleagues are of the positive future of our company.” The share program was very well received up to the

participation deadline of July 6, 2018; in Germany the acceptance volume was at approximately 70 percent of the maximum orderable volume.

Segments

Revenue for the **Imaging** segment was EUR 2.0 billion – on a comparable basis this represents a rise of a strong eight percent over last year's third quarter. The comparable revenue growth in all three regions was bolstered by substantial growth in the USA and Germany, along with a strong equipment as well as service business, in particular in Molecular Imaging, X-Ray Products and Magnetic Resonance Imaging. Adjusted profit was EUR 343 million, compared to EUR 350 million in the third quarter of last year, and impacted by negative currency effects the segment achieved an adjusted profit margin of 17.4 percent. In June, Siemens Healthineers introduced the new Acuson Sequoia, a general imaging ultrasound system that enables clinicians to confidently image up to 40 centimeters in depth, including patients with high body mass index.¹

The **Diagnostics** segment posted a slight growth in revenue on a comparable basis, supported by the regions Europe/Middle East/Africa and particularly by China in the Asia Pacific region. Revenue for the third quarter was EUR 1.0 billion. The adjusted profit margin was 10.9 percent. This corresponds to adjusted earnings of EUR 110 million, compared to EUR 142 million for an equivalent period last year. The decisive factors for the downturn in earnings were transition costs for Atellica Solution and a large, initially negative automation contract. Deliveries of Atellica Solution continue to be on schedule, with more than 560 systems supplied by the end of the quarter. In the meantime, a number of initial users of Atellica Solution have, in several different studies, attested to the enhanced efficiency of operating processes and the enhanced clinical performance capability of their respective laboratory. The results exceeded our customers' expectations for workflow optimization with regard to processing times, sample throughput and personnel deployment for maintenance and quality assurance, as well as to reagent features.

Revenue for the **Advanced Therapies** segment experienced slight growth on a comparable basis, in particular in the America and Asia Pacific regions, rising to EUR 353 million. In the face of strongly negative currency effects, the adjusted earnings for the third quarter amounted to EUR 60 million, against EUR 64 million for the same period in the previous year. The adjusted profit margin was 17.0 percent.

Change in leadership in the Advanced Therapies and Diagnostic Imaging business areas

Following the succession of Heinrich Kolem by Michel Therin at the helm of the Advanced Therapies segment on July 1, 2018, there will also be a change in leadership at the Diagnostic Imaging business area: Walter Maerzendorfer will be retiring as of September 30, 2018, and will be succeeded on October 1 by Christoph Zindel, who up to now has headed the Magnetic Resonance Imaging business line at Siemens Healthineers.

“Walter Maerzendorfer has shaped the culture and success of our company like very few others have. I associate Walter Maerzendorfer with straightforwardness, integrity, enthusiasm for medical technology and entrepreneurship in service to the customer. I cordially thank him very much for his many years of excellent dedication and his achievements for the success of our company and wish him all the very best for the future”, stated Bernd Montag, CEO of Siemens Healthineers. “Christoph Zindel, with his medical, technical and international expertise, is an excellent successor. Thanks to his close contact with leading customers and trend-setting scientific institutes, he will continue to drive forward technical innovations in the field of medical imaging and will continue writing our success story”, added Bernd Montag.

Siemens Healthineers is incorporating the function of Chief Technology Officer (CTO) into its business as of October 1, 2018, in order to further expand technological and innovative leadership throughout the entire company. This function will be exercised by Peter Schardt, who has headed X-Ray Products up to now. Peter Schardt was honored by Siemens AG as Inventor of the Year 2006, and as project head he has decisively influenced the development of Atellica Solution. “Innovation is a task for all segments of the company. Establishing the role of CTO will enable us to accomplish this task more coherently and more efficiently. In doing this we are setting a clear signal that our innovative strength will make a decisive contribution on equal footing both for the success of our business and for our customers”, stated Bernd Montag.

The company continues to expect a comparable revenue growth to be in the range of three to four percent for the fiscal year ending September 30, 2018 compared to the previous fiscal year, and an adjusted profit margin of between 17 and 18 percent.

¹ Product availability varies by country.

This press release is available at <http://siemens-healthineers.com/pr-q3>.

For further information, please see <http://siemens-healthineers.com/q3-results>.

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Siemens Healthineers enables healthcare providers worldwide to increase value by empowering them on their journey towards expanding precision medicine, transforming care delivery, improving patient experience and digitalizing healthcare. A leader in medical technology, Siemens Healthineers is constantly innovating its portfolio of products and services in its core areas of diagnostic and therapeutic imaging and in laboratory diagnostics and molecular medicine. Siemens Healthineers is also actively developing its digital health services and enterprise services.

In fiscal 2017, which ended on September 30, 2017, Siemens Healthineers generated revenue of €13.7 billion and adjusted profit of €2.5 billion and has about 48,000 employees worldwide. Further information is available at www.siemens-healthineers.com.

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