Siemens AG (SIEGY)

Updated August 26th, 2026 by Jonathan Weber

Key Metrics

Current Price:	$168	**5 Year CAGR Estimate:**	0.1%	**Market Cap:**	$257B
Fair Value Price:	$113	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	02/14/27[1]
% Fair Value:	149%	**5 Year Valuation Multiple Estimate:**	-7.7%	**Dividend Payment Date:**	02/22/27[2]
Dividend Yield:	1.9%	**5 Year Price Target**	$151	**Years Of Dividend Growth:**	4
Dividend Risk Score:	D	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Siemens AG is a German industrial conglomerate that operates in the following business units: Energy, Healthcare, Industry, and Infrastructure & Cities. Siemens was founded in 1847 and today employs about 315,000 people worldwide. Siemens is headquartered in Munich, Germany. American investors can purchase Siemens stock through American Depository Receipts that trade over-the-counter under the ticker SIEGY. Siemens reports its results in euros, but all numbers in this report are in U.S. dollars unless noted otherwise.

During the fiscal third quarter of 2026, Siemens AG generated revenues of €20.8 billion, which is equal to around $24 billion at current exchange rates, and which was 7% more than the revenues during the previous year's quarter on an adjusted basis. Siemens' orders came in more than 30% ahead of revenues, at €27.9 billion, which was a very good order intake pace. The fact that Siemens was able to generate higher orders than revenues and to maintain a book-to-bill ratio north of 1.0 bodes well for future revenue growth.

Siemens' earnings-per-ADR totaled €1.57 during the third quarter, which is equal to $1.83, which was up 13% compared to the previous year's quarter and also up nicely on a sequential basis. While economic growth in Europe remains relatively subdued, the company still generated solid results during fiscal 2025, with earnings-per-ADR coming in at around $6.25, backing out one-time gains. Siemens expects revenue growth of 6% to 8% for the current year, while the company also forecasts that its earnings-per-share will total around €11.20 to €11.50 this year. This equates to around $6.62 in profit on a per-ADR basis, as one share is equal to two ADRs. Siemens thus currently predicts a solid earnings-per-share increase for the current year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.60	$4.27	$4.53	$3.81	$3.00	$4.78	$2.88	$5.92	$5.91	$6.25	***$6.62***	***$8.86***
DPS	$1.91	$2.17	$2.30	$2.17	$2.15	$2.11	$2.26	$2.29	$2.53	$2.72	***$3.17***	***$4.05***
Shares[3]	1620	1620	1620	1610	1610	1600	1580	1580	1580	1570	***1550***	***1500***

Between 2015 and 2025, Siemens recorded an earnings-per-share growth rate of around 6% annually in U.S. dollars. In local currencies or the euro, Siemens' growth was a bit better, but a strengthening U.S. dollar offset some of the growth Siemens experienced over the last decade. Results can be cyclical, as showcased by the pandemic, when earnings pulled back. The same held true for the Great Recession.

Siemens has spun off some businesses in recent years, such as Osram and also its healthcare business, which has hurt its reported profit growth to some degree. Siemens' strong order backlog and the fact that Siemens is holding a strong position in growth markets such as manufacturing 4.0 will allow Siemens to grow its profits considerably over the coming years, we believe. Between some organic business growth and some share repurchases, Siemens should be able to deliver a mid-single-digit earnings-per-share growth rate in the future.

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[1] Estimated date

[2] Estimated date

[3] In Millions

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	14.3	15.3	14.3	13.6	23.3	18.4	17.0	12.0	16.8	22.1	***25.4***	***17.0***
Avg. Yld.	3.7%	3.3%	3.6%	4.2%	3.1%	2.6%	4.6%	3.2%	2.6%	2.0%	***1.9%***	***2.7%***

Siemens' shares have been valued at a mid-to-high-teens price-to-earnings multiple throughout most of the last decade. Industrial businesses can be cyclical, and their stock prices and valuations tend to be cyclical as well, but when it comes to Siemens, its valuation did not experience overly violent swings. Shares trade substantially above our fair value estimate right now, based on current estimates for this year.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	53%	51%	51%	57%	72%	44%	78%	39%	43%	44%	***48%***	***46%***

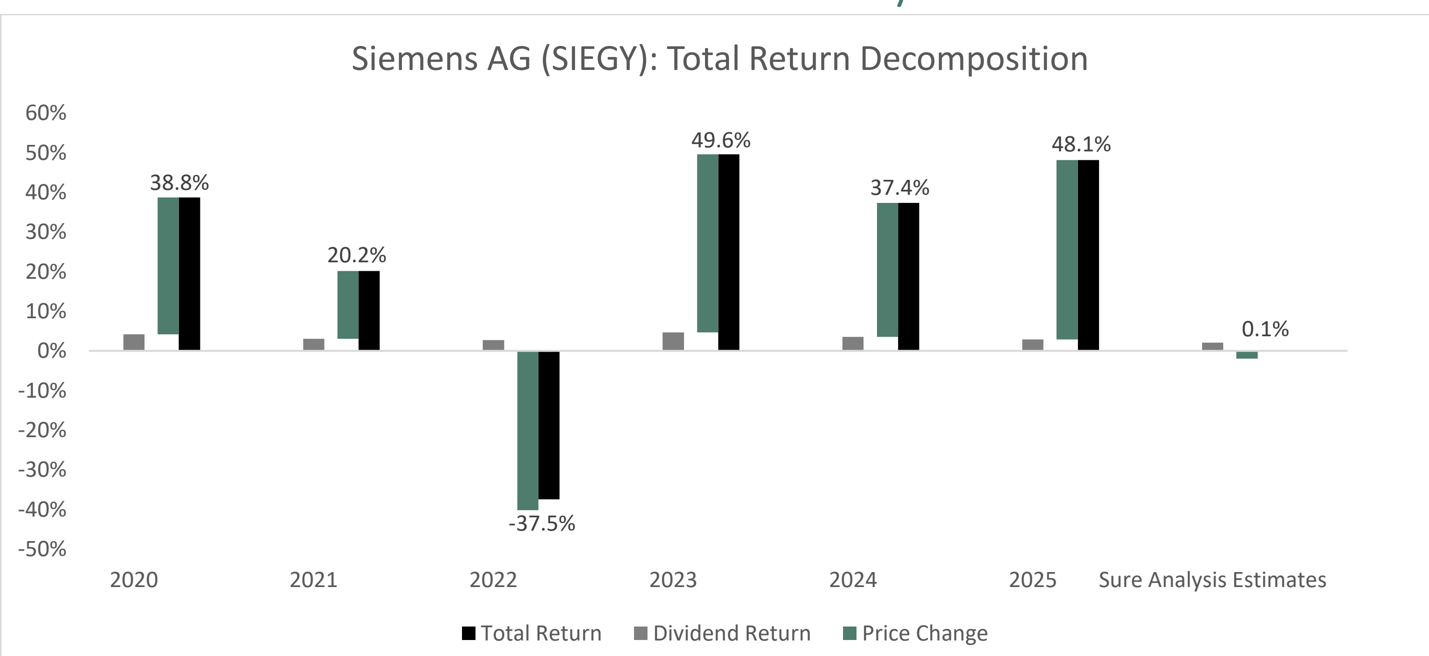
Siemens' dividend payout ratio has been around 50% throughout the majority of the last decade, although there were some ups and downs in the ratio. The company was not forced to cut its payout during the Great Recession but reduced its payout slightly during the pandemic. We believe that Siemens' dividend is reasonably safe going forward.

One of Siemens' most important competitive advantages is its huge backlog. The company typically books more business than it is capable of completing at any given time, which causes it to operate with a book-to-bill ratio (new contracts divided by total revenue) above 1.0. This has resulted in a large backlog of uncompleted business over time. This helps in times when order intake slows down.

Final Thoughts & Recommendation

Siemens is a large and diversified industrial company that has managed to generate appealing business growth in the past. The company is, due to its large backlog and solid order intake, relatively resilient in recessions. 2025 was a solid year for the company, and we will see earnings grow meaningfully this year as well. With shares trading above fair value and offering an unspectacular total return forecast, we rate Siemens a hold at current prices.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	88,444	91,446	98,768	65,956	61,848	74,405	77,817	79,871	82,305	87,121
Gross Profit	26,450	27,637	29,571	24,399	22,261	27,171	27,944	31,056	32,327	33,560
Gross Margin	29.9%	30.2%	29.9%	37.0%	36.0%	36.5%	35.9%	38.9%	39.3%	38.5%
SG&A Exp.	12,958	13,640	15,391	12,054	11,957	13,373	13,900	14,456	15,158	16,369
D&A Exp.	3,069	3,544	4,066	2,641	3,365	3,675	3,836	3,753	3,424	3,741
Operating Profit	8,237	8,298	7,569	7,080	5,301	7,992	7,999	10,080	10,366	9,950
Op. Margin	9.3%	9.1%	7.7%	10.7%	8.6%	10.7%	10.3%	12.6%	12.6%	11.4%
Net Profit	5,992	6,667	7,131	5,817	4,652	6,735	4,771	9,093	9,655	9,194
Net Margin	6.8%	7.3%	7.2%	8.8%	7.5%	9.1%	6.1%	11.4%	11.7%	10.6%
Free Cash Flow	5,183	4,160	5,734	6,329	7,310	9,036	7,928	9,477	8,796	10,023
Income Tax	2,230	2,370	2,443	2,002	1,507	2,224	2,963	2,774	2,515	2,761

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets ($B)	141.28	160.91	161.35	163.80	145.29	161.53	148.42	153.59	164.97	195.29
Cash & Equivalents	14,222	11,996	15,037	14,960	17,938	12,374	11,466	11,785	11,402	17,032
Acc. Receivable	16,048	27,919	28,986	29,694	20,657	23,077	21,773	24,388	25,602	29,104
Inventories	20,408	16,415	16,127	16,142	9,141	10,240	10,410	12,226	12,191	12,434
Goodwill & Int.	35,850	45,907	44,689	43,564	29,653	46,936	45,120	45,383	45,732	62,121
Total Liab. ($B)	102.15	108.16	105.54	108.22	98.59	104.75	94.73	97.43	102.21	114.95
Accounts Payable	9,044	11,534	12,447	12,438	9,232	10,236	10,107	10,725	9,869	10,790
Long-Term Debt	27,843	31,688	31,516	33,175	45,367	48,189	43,772	42,145	46,925	52,688
Total Equity	38,446	51,049	52,818	52,466	42,673	51,179	47,900	50,589	57,213	
LTD/E Ratio	0.91	0.75	0.71	0.76	1.22	1.10	1.04	0.98	0.93	0.90

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	4.3%	4.4%	4.4%	3.6%	3.0%	4.4%	3.1%	6.0%	6.1%	5.1%
Return on Equity	15.3%	14.5%	13.1%	10.4%	9.1%	13.0%	8.6%	16.6%	16.2%	12.9%
ROIC	8.2%	8.1%	7.8%	6.2%	4.8%	6.3%	4.4%	8.7%	8.7%	7.0%
Shares Out.	1620	1620	1620	1610	1610	1600	1580	1580	1580	1570
Revenue/Share	53.94	55.14	59.62	40.30	37.83	45.85	48.05	49.84	51.51	55.49
FCF/Share	3.16	2.51	3.46	3.87	4.47	5.57	4.90	5.91	5.51	6.38

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.