

December 15, 2025

Mobility to lead the way...

About the stock: Siemens Ltd (Siemens) is a leader in technology solutions for smart, intelligent, building technologies, mobility and digital industries.

- It operates mainly in three key segments including smart infrastructure (53%), digital industries (22%), mobility (19%)
- Well placed to gain from the automation and digitisation of industries in the new Viksit Bharat.

Q4FY25 Performance: Siemens reported decent print for Q4FY25 results, order inflows up 10% YoY at ₹4800 crore taking the order book to ₹42253 crore. The company registered revenue of ₹5171 crore, up 16% YoY. EBITDA grew 13% to ₹617 crore, EBITDA margins down 30 bps YoY to 11.9%. Consequently, PAT came in at ₹485 crore, down 7% YoY on lower other income. PAT margins at 9.2% down 197 bps YoY. From a segmental perspective, Smart Infrastructure (53% of revenue mix), Mobility (22%), Digital (21%) and Low Voltage (5%) segment revenues grew by 20%, 29%, 1% and 5% YoY respectively.

Investment Rationale:

- Positioned to capitalise on capex cycle:** Siemens India is one of the best players riding on India's ongoing capex cycle, supported by strong capex across railways, metros, power transmission and distribution, factories, data centres and process industries. Company's wide product range, proven execution capabilities and a strong brand recall continue to convert macro tailwinds into sustained order inflows. Mobility and Smart Infrastructure would be key legs of growth for the company, we estimate 13% and 15% Revenue and PAT CAGR respectively over FY25-27E. Digital Industries is underperforming on delayed private capex.
- Healthy orderbook 2.4x to drive business growth:** Siemens' portfolio is directly aligned with India's long-term capex cycle across manufacturing, infrastructure, energy, and rail transportation. The company reported FY25 new orders of ₹20040 crore (+20.5% YoY) with an order backlog of ₹42250 crore (+6.2% YoY), providing strong visibility for future execution. Key verticals such as Power T&D, Data Centers, Mobility are expected to grow at >10% market CAGR over FY25-30, with Digital Industries and Smart Infrastructure also benefitting from rising automation and electrification investments. Siemens' leadership of every 1 in 3 controllers installed, >75% utilities powered by Siemens switchgear, and >50% metro rail electrification, positions the company at the centre of India's industrial transformation.

Rating and Target Price

- With strong industry tailwinds in the mobility and smart infrastructure segment, Siemens is well poised to capture the opportunities wherein ordering visibility is robust and competitive intensity is less. The same will drive revenue and PAT CAGR of 13% and 16% over FY25-FY27E.
- We recommend HOLD on Siemens with a target price of ₹3500 per share (based on 55x FY27E EPS)

Key Financial Summary

(Rs. in crore)	FY25	FY26E	FY27E	2 Year CAGR (FY25-27E)
Net Sales	17,364.2	19,493.1	22,241.6	13.2%
EBITDA	2,007.0	2,241.7	2,669.0	15.3%
EBITDA margin (%)	11.6%	11.5%	12.0%	
Net Profit	1,688.8	1,909.9	2,268.7	15.9%
EPS (Rs)	47.4	53.6	63.7	
P/E (x)	53.4	58.9	49.6	
EV/EBITDA (x)	52.7	47.1	39.3	
RoCE (%)	17.4	17.7	18.6	
RoE (%)	12.8	13.0	13.7	

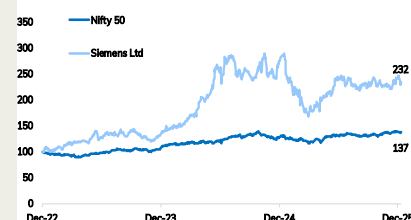
Source: Company, ICICI Direct Research, Siemens Ltd. follows 30th September as its year end. We have not disclosed FY24 numbers as they are not comparable

SIEMENS**Particulars**

Particular	Rs. (in crore)
Market Capitalisation	113959
Total Debt (FY25)	0
Cash and Inv (FY25)	6675
Enterprise Value	107284
52 week H/L (Rs.)	3567/2490
Equity capital	71.2
Face value (Rs.)	2

Shareholding pattern

%	Dec-24	Mar-25	Jun-25	Sep-25
Promoter	75.0	75.0	75.0	75.0
FII	8.8	8.2	7.7	7.0
DII	7.3	8.1	7.2	8.0
Public	9.0	8.8	10.1	10.0

Price Chart**Key risks**

- (i) Slowdown in domestic & global capex
- (ii) increase in commodity prices

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Earnings Call Summary

- Company reported FY25 new orders of ₹20,040 crore, an increase of 20.5% YoY, and an order backlog of ₹42,250 crore, up 6.2% YoY. Revenue up 8% YoY with 114 bps contraction in margins due to digital industries.
- The smart infrastructure (SI) (53% revenue mix) business grew 14% YoY to ₹9200 crore with EBIT margins of 13.6% up 20 bps YoY. Revenue growth driven by strong order backlog and electrification and automation business. SI business secured healthy orders worth ₹10,300 crore during the year up 15% YoY. Order growth driven by Power Utilities, Semiconductors, Battery and EVs.
- Mobility (MO) is the emerging business forming ~20% revenue share now. Company delivered 9K HP and expects to begin deliveries of locomotives. MO grew 15% YoY in FY25 to ₹3300 crore, new orders up 50% YoY to ₹5000 crore and margins inched up 50bps to 7.7%.
- The digital industries (DI) business is driven by private capex which has been muted. DI saw 7% revenue decline on a YoY basis with margins at 7%. However, order inflow saw significant growth in Q4FY25 from chemical, pharma and metals. Siemens expects private capex to kick in and thus estimates the segment to grow at 5-8% CAGR over the longer term. The company has guided that the margins for the DI segment or the Digital Industries business, will range between 6% to 8%.
- The company is executing localization initiatives in MV GIS, Vacuum Interrupters, Components, and Building Automation, as listed under capacity expansion plans.
- Company has approved the sale of its Low Voltage Motors and Geared Motors business to Innomotics India Pvt. Ltd. for an enterprise value of ₹2,200 crore via slump sale on a cash-free, debt-free basis, subject to regulatory approvals including CCI, with completion expected by June 2026. The divested segment contributed ₹967 crore revenue (6% of Siemens' FY25 operations) and ₹35 crore operating profit (2%), and largely functioned as a sales organisation dependent on Innomotics/KPS for intellectual property and manufacturing.
- During the analyst call, the management highlighted that electronics, battery manufacturing, solar cells, Pharma, are some segments that are doing well while impact seen in sectors like food beverages, steel and fertilisers.

Financial Summary

Exhibit 1: Profit and loss statement				₹ crore
(Year-end March)	FY25	FY26E	FY27E	
Net Sales	17,364.2	19,493.1	22,241.6	
Other Operating Income	-	-	-	
Total Operating Income	17,364.2	19,493.1	22,241.6	
% Growth		12.3	14.1	
Other Income	570.3	682.3	778.5	
Total Revenue	17,934.5	20,175.3	23,020.1	
Cost of materials consumed	6,915.5	7,797.2	8,674.2	
Purchase of stock-in-trade	4,016.9	4,483.4	5,115.6	
Other Expenses	1,595.4	1,949.3	2,224.2	
Total expenditure	15,357.2	17,251.4	19,572.6	
EBITDA	2,007.0	2,241.7	2,669.0	
% Growth		11.7	19.1	
Interest	15.1	15.6	17.8	
Depreciation	280.3	327.4	363.9	
PBT	2,281.9	2,581.0	3,065.7	
Tax	593.1	671.0	797.1	
Adj. PAT	1,688.8	1,909.9	2,268.7	
% Growth		13.1	18.8	
Adjusted EPS	47.4	53.6	63.7	

Source: Company, ICICI Direct Research Siemens Ltd. follows 30th September as its year end. We have not disclosed FY24 as they are not comparable.

Exhibit 2: Cash Flow Statement				₹ crore
(Year-end March)	FY25	FY26E	FY27E	
Profit after Tax	2,105.9	1,909.9	2,268.7	
Depreciation	280.3	327.4	363.9	
Interest	15.1	15.6	17.8	
Other income	(570.3)	(682.3)	(778.5)	
Prov for Taxation	593.1	671.0	797.1	
Cash Flow before WC changes	2,424.1	2,241.7	2,669.0	
Change in Working Capital	929.2	(592.6)	(817.9)	
Taxes Paid	(593.1)	(671.0)	(797.1)	
Cashflow from Operating Activities	2,760.2	978.1	1,054.0	
(Purchase)/Sale of Fixed Assets	364.4	1,829.1	(523.9)	
(Purchase)/Sale of Investments	1.7	62.2	77.2	
Other Income	-	-	-	
Cashflow from Investing Activities	366.1	1,891.3	(446.7)	
Issue/(Repayment of Debt)	-	-	-	
Changes in Minority Interest	1.1	(10.5)	(10.5)	
Changes in Networth	(4,941.5)	(3,347.2)	(515.1)	
Interest	(15.1)	(15.6)	(17.8)	
Others	-	-	-	
Cashflow from Financing Activities	(4,955.5)	(3,373.3)	(543.4)	
Changes in Cash	(1,258.9)	178.3	842.3	
Opening Cash/Cash Equivalent	7,933.6	6,674.7	6,853.0	
Closing Cash/ Cash Equivalent	6,674.7	6,853.0	7,695.4	

Source: Company, ICICI Direct Research We have not disclosed FY24 as they are not comparable.

Exhibit 3: Balance Sheet				₹ crore
(Year-end March)	FY25	FY26E	FY27E	
Share Capital	71.2	71.2	71.2	
Reserves & Surplus	13,156.4	14,639.0	16,480.3	
Networth	13,227.6	14,710.2	16,551.5	
Total Debt	-	-	-	
Deferred tax liability (net)	-	-	-	
Total Liabilities	13,957.0	15,500.4	17,451.6	
Gross Block	2,909.1	3,274.1	3,639.1	
Acc: Depreciation	1,826.9	2,154.3	2,518.2	
Net Block	693.1	758.1	808.1	
Capital WIP	205.8	150.0	100.0	
Investments	-	-	-	
Inventory	1,996.4	2,349.8	2,681.2	
Sundry debtors	5,594.8	6,432.7	7,339.7	
Cash and bank balances	6,674.6	6,853.0	7,695.4	
Loans and advances	487.9	547.7	624.9	
Other Current Assets	279.8	292.4	333.6	
Total current Assets	15,344.7	16,670.6	18,897.3	
CL& Prov.	4,295.0	4,832.8	5,374.2	
Net Current Assets	9,312.5	10,083.5	11,743.7	
Total Assets	13,957.0	15,500.4	17,451.6	

Source: Company, ICICI Direct Research We have not disclosed FY24 as they are not comparable.

Exhibit 4: Key ratios				
(Year-end March)	FY25	FY26E	FY27E	
EPS	59.1	53.6	63.7	
Cash EPS	67.0	62.8	73.9	
BV	371.4	413.1	464.8	
DPS	-	12.0	12.0	
Cash Per Share	51.3	60.5	70.7	
EBITDA Margin	11.6	11.5	12.0	
PBT / Net Sales	9.9	9.8	10.4	
PAT Margin	12.1	9.8	10.2	
Inventory days	42.0	44.0	44.0	
Debtor days	117.6	120.5	120.5	
Creditor days	78.5	80.0	79.0	
RoE	15.9	13.0	13.7	
RoCE	17.4	17.7	18.6	
RoC	33.2	32.0	33.8	
P/E	53.4	58.9	49.6	
EV / EBITDA	52.7	47.1	39.3	
EV / Net Sales	6.1	5.4	4.7	
Market Cap / Sales	6.5	5.8	5.1	
Price to Book Value	-	-	-	
Debt/EBITDA	0.0	0.0	0.0	
Net Debt / Equity	-0.5	-0.5	-0.5	
Current Ratio	1.9	2.0	2.0	
Quick Ratio	1.5	1.5	1.5	

Source: Company, ICICI Direct Research We have not disclosed FY24 as they are not comparable.

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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