

Siemens nets record profits, but outlook cautious

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German industrial giant Siemens on Thursday gave a cautious sales forecast for 2024, after netting a record profit in the previous financial

year driven by its digital division.

The company, whose businesses range from making trains to automating [production processes](#), earned a [net profit](#) of 7.95 billion euros (\$8.62 billion) in 2022-2023.

That was nearly double the figure from the previous financial year. The company runs its [fiscal year](#) from October to September.

Sales, at 77.8 billion euros, increased 11 percent on the previous year. For 2024, however, the group expects revenue to grow in a range of between four and eight percent.

This cautious assessment is mainly due to the "Digital Industries" division, whose work includes supplying technologies for automation.

After growing strongly in the past financial year, Siemens expects sales growth of just zero to three percent in this unit in 2024.

The [company](#) said in a statement that it expected "destocking" in this area at the start of the financial year.

However, in the second half of the year, "global demand in the automation businesses, especially in China, will pick up again," it added.

Analysts were positive about the results, with Deutsche Bank saying in a note that Siemens "beat on all metrics" in its fourth quarter, and the 2024 outlook "confirms the group's resilience and strong strategic positioning".

Its shares rose more than six percent on the Frankfurt Stock Exchange.

The Smart Infrastructure division, which deals with areas like [data](#)

[centers](#) and battery makers, expects revenue growth in the coming year between seven and 10 percent, down on the previous year's figure.

The unit dealing with railways also expects sales growth to slide next year, and to come in between eight and 11 percent.

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