

Well placed to lead the energy transformation

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Key Messages in Q4 FY21

Market Environment

- Solid order environment in Transmission and Generation
- Industrial Applications benefits from increased propensity to invest
- Solid order trends in wind, short-term market dynamics challenging
- Headwinds from supply chain and logistics

Cost Programs

- GP**
 - Restructuring in Germany agreed with Works Council
 - Rapid implementation in non-co-determined countries
- SGRE**
 - LEAP delivering on productivity targets
 - 5X program in place to address ramp up challenges and cost inflation impact

Guidance FY22

- SE**
 - Revenue development of (1)% to 3% comparable¹
 - Adj. EBITA margin before SI of 3% to 5%
- GP**
 - Revenue growth of 1% to 5% comparable¹
 - Adj. EBITA margin before SI of 4.5% to 6.5%
- SGRE**
 - Revenue decline of 2% to 7% comparable¹
 - Adj. EBITA margin before SI of 1% to 4%

Q4 FY21 Financial Performance

- **Orders: +30.2%; order backlog at €84bn**
- **Revenue: +7.4%** at €8.2bn; **book-to-bill of 1.11**
- **Adj. EBITA before SI: - €46m** (down from €70m)
- **Adj. EBITA margin before SI: - 0.6%**
- **FCF pre tax: €985m** (up from €704m)

FY21 Financial Performance

- **Orders: -2.9% at €33.0bn**
- **Revenue: +3.7%** at €28.5bn; **book-to-bill of 1.16**
- **Adj. EBITA before SI: €661m** (up from - €17m)
- **Adj. EBITA margin before SI: 2.3%**
- **FCF pre tax: €1,358m** (up from €977m)
- **Dividend proposal: €0.10 per share**

Siemens Energy is well positioned to lead the energy transition

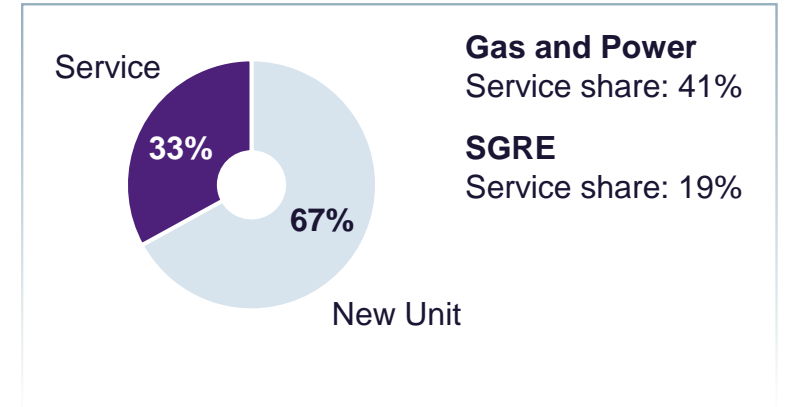
Siemens Energy AG

Revenue FY21: € 28.5 bn

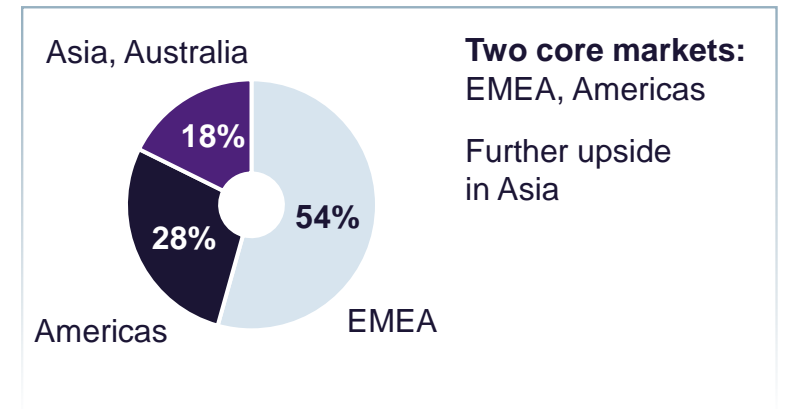
67% owned



Revenue by type



Revenue by geography



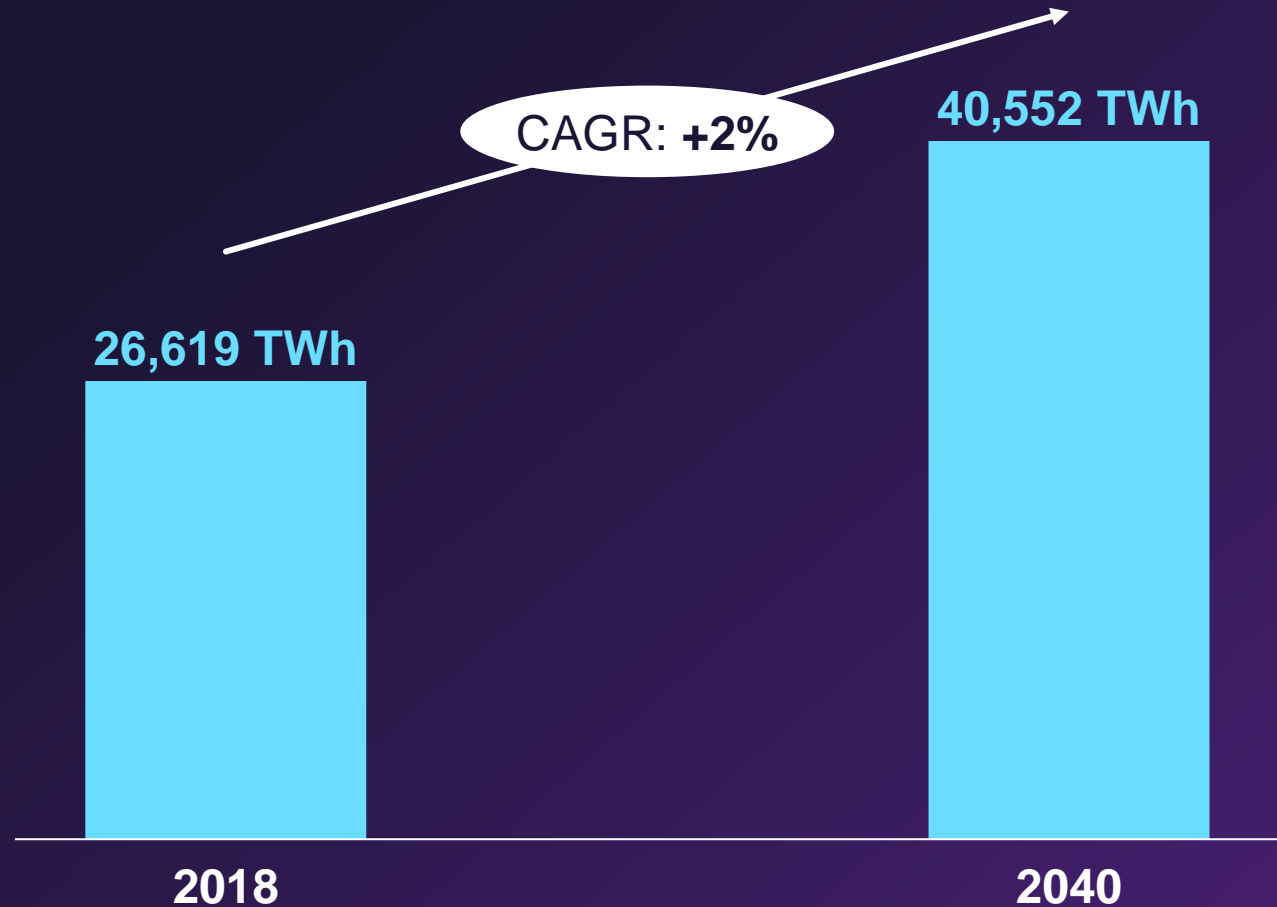
The world needs more electricity

Growing electricity market (in TWh)¹

- Increasing electrification of industries²
- Around 750 million people globally without access to electricity
- New electrical consumers (data centers, e-mobility)

¹ Source: IEA (2021) World Energy Outlook. All rights reserved

² Relates to electricity generation



The energy market is in the process of transformation

Shift of re- source base¹

2018-2040



Wind



Solar



Gas



Nuclear



Hydro



Coal



Oil

Implications

- Opportunities for SGRE
- Grid upgrades & stabilization
- Investment in energy transport & hydrogen
- Stable service business
- Highly efficient conventional generation
- Decarbonization of existing infrastructure
- Coal exit

Three pillars underpinning our strategy



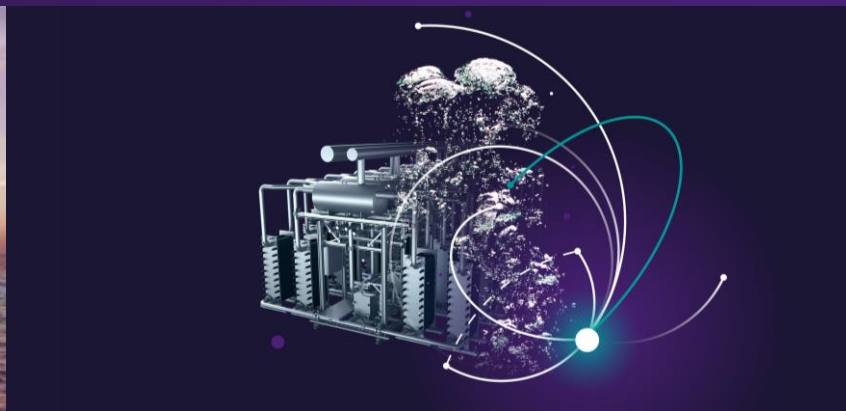
Low- or zero-emission power generation



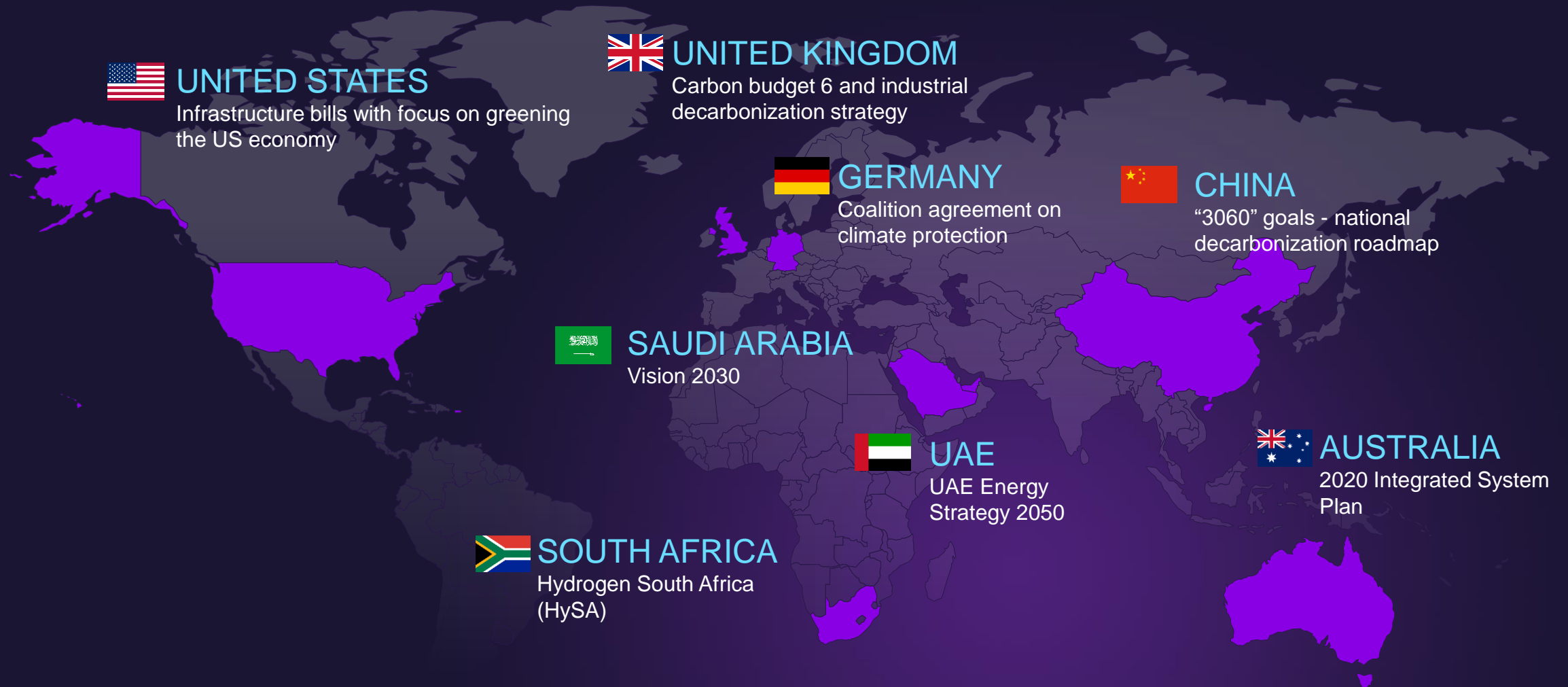
Transport and storage of energy



Reducing the CO₂ footprint & energy consumption in Industrials processes



More and more government initiatives accelerate the energy transition



We benefit because of our portfolio and the focus on the three pillars around the globe – e.g. in Europe



UNITED KINGDOM

- 68% CO₂ emission reduction until 2030
- Industrial decarbonization strategy to reduce emissions by 2/3 in 15 years
- 50% emission reduction by 2030 in the oil&gas industry
- 40GW offshore wind by 2030 (prior 30GW)



Opportunities for wind power and decarbonization of industries



GERMANY

- Coal phase-out intended until 2030 (prior 2038)
- 80% of electricity from renewable energies until 2030
- 30GW offshore wind capacity by 2030 (prior 20GW)
- Commitment to highly efficient and H₂-ready gas power plants as transition technology
- Acceleration of planning and permitting processes for grid development
- CO₂ pricing as important instrument



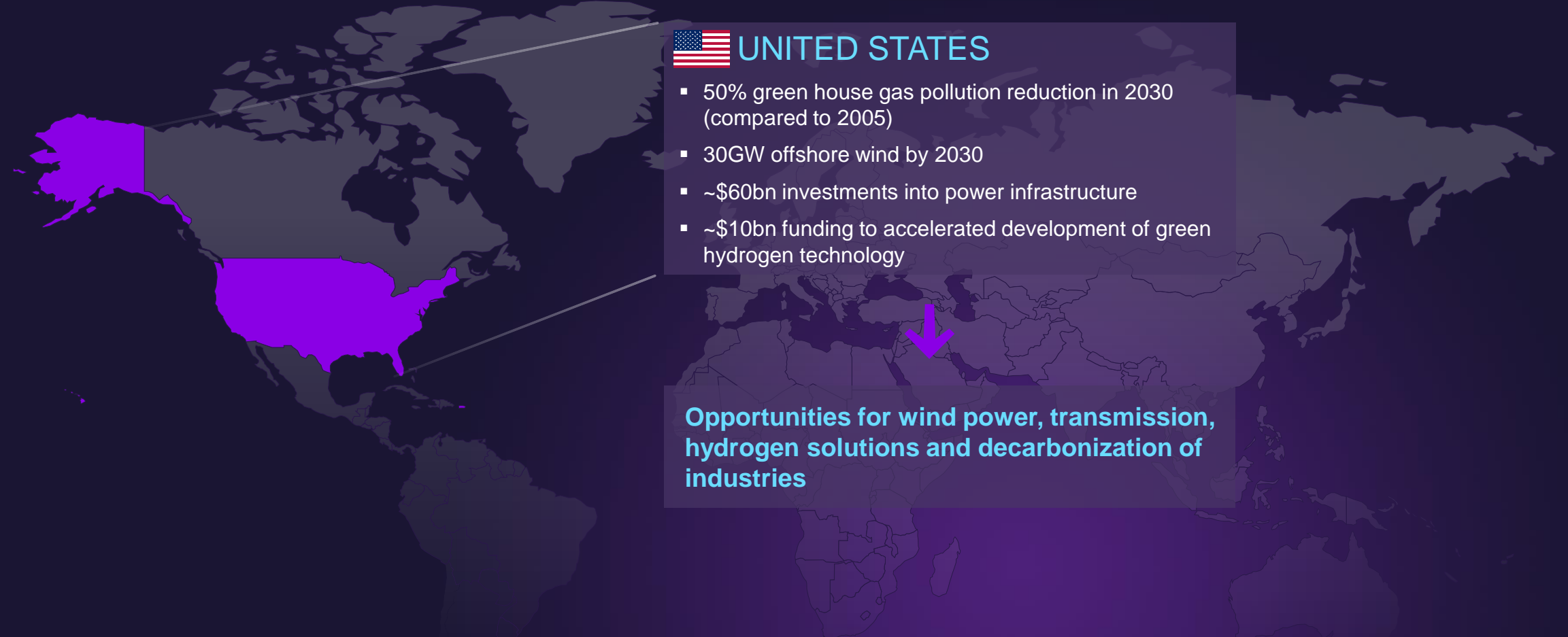
Significant opportunities for gas turbines, wind power and transmission

We benefit because of our portfolio and the focus on the three pillars around the globe – e.g. in the US



UNITED STATES

- 50% green house gas pollution reduction in 2030 (compared to 2005)
- 30GW offshore wind by 2030
- ~\$60bn investments into power infrastructure
- ~\$10bn funding to accelerated development of green hydrogen technology



Opportunities for wind power, transmission, hydrogen solutions and decarbonization of industries

Our six levers to deliver shareholder value



Leader in
energy industry



Service
Business as a
core value driver



Reach operational
performance
(after Spin-off)



More EBITA
and more Cash



Developing future
portfolio with focus
on sustainability
and service



Leading portfolio
in the industry

Management Priorities for FY22

1

Deliver on the fundamentals at GP and SGRE

2

Focus on supply chain, logistics and raw materials

3

Refine operating model and shape organization towards the three pillars

4

Focus the company on sustainable growth elements



We are #TeamPurple #WeEnergizeSociety



**Meet us at our CMD
May 23-24, 2022
in Berlin**



Questions & Answers



Financial Calendar



2021

2022

Dec 8

Jan 11

Jan 25

Feb 09

Feb 24

Berenberg
European
Conference

German
Investment
Seminar

Sustainability
report

Q1 FY22

AGM

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Appendix

Solid progress in FY21 to become the most valued energy technology company in the world



Leader in energy industry

- Leading market positions maintained in all Divisions despite selectivity on scope of projects



Service Business as a core value driver

- Return to comparable growth in service
- Resilient service margins



Reach operational performance (after Spin-off)

- GP
- Progress in restructuring, footprint consolidation & NCC reduction
 - Customer focus and collaboration
- SGRE
- Innovation, productivity and asset management & operational excellence



More EBITA and more cash

- €678m increase in Adjusted EBITA before SI driven by cost out and operational improvements
- €1.36bn free cash flow pre tax driven by better-than-expected net working capital management



Developing future portfolio with focus on sustainability and service

- R&D in service-related topics increased
- Investment in hydrogen business
- Blue portfolio, heat pumps and batteries
- Co-development with customers to decarbonize



Leading portfolio in the industry

- Focus on 3 pillars:
 - 1) Low- or zero-emission power generation
 - 2) Transport and storage of energy
 - 3) Reducing the CO₂ footprint & energy consumption in industrial processes

Financial outlook and framework

		Actuals		Profit forecast			Mid-term target
		FY20	FY21	FY21	FY22	FY23	
Gas and Power	Revenue	€18.1bn	€18.4bn				
	% Change y-o-y ²	(3.1)%	1.5%	2%-6%	1%-5%		
	Adj. EBITA before Special Items	€254m	€849m				
	% Margin before Special Items	1.4%	4.6%	3.5%-5.5%	4.5%-6.5%	6%-8%	
	Restructuring costs ³	€133m	€360m	Cumulative mid-to-high triple digit euro million amount in FY20-23			
Siemens Energy	Revenue	€27.5bn	€28.5bn				
	% Change y-o-y ²	(4.7)%	3.7%	3%-8%	(1)%-3%		Flat to 3% ¹
	Adj. EBITA before Special Items	(€17)m	€661m				
	% Margin before Special Items	(0.1)%	2.3%	2% - <3%	3%-5%	6.5%-8.5%	≥8% Margin reported ⁴
	Tax rate			Medium-term tax rate 25%-30%			

¹ Rolling 3-year average total revenue growth, excluding portfolio and currency effects | ² FY20 nominal change compared to FY19; FY21 nominal change compared to FY20; FY22 comparable change compared to FY21 | ³ Included in Special Items definition | ⁴ Adj. EBITA not adjusted for Special Items