

Well placed to lead the energy transformation

Christian Bruch, Chief Executive Officer
J.P. Morgan European Capital Goods Conference
June 11th, 2021



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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**

Siemens Energy is well positioned to lead the energy transition

Siemens Energy AG

Revenue FY20: € 27.5bn

67% owned

Gas and Power ("GP")

~65%
of SE Revenue

Siemens Gamesa Renewable Energy ("SGRE")

~35%
of SE Revenue

Generation

#1 Distributed
#3 Central



~25%

Industrial Applications

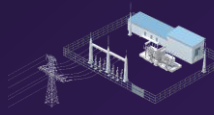
#2



~20%

Transmission

#1



~20%

New Energy



Onshore

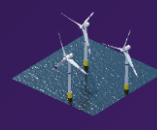
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~20%

Offshore

#1



~10%

Service

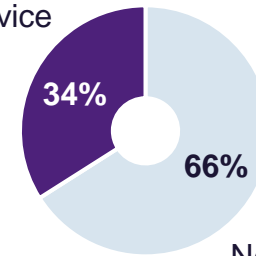
#1



~5%

Revenue by type

Service



Gas and Power

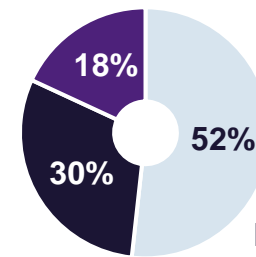
Service share: 42%

SGRE

Service share: 19%

Revenue by geography

Asia, Australia



Two core markets:

EMEA, Americas

Further upside
in Asia

Our company program Energy of Tomorrow (EoT)

Accelerating Impact

- Focus and deliver on the fundamentals
- Co-create innovations with customers and partners
- Starting the energy transformation

Leading the energy transformation

- Most valued energy technology company
- Electrifying countries and communities
- Act as data-driven company

We energize society

Now

2023

2025

2030

Powered by
our people and our values

Delivering on the fundamentals

Market Environment

- **FX headwinds and continuing Covid-19 impact**
- **Large scale investments triggered** by stimulus programs expected

Restructuring

- Rapid implementation in non-co-determined countries
- GER: negotiations ongoing, Voluntary Leaver Program initiated

Guidance 2021

- **Revenue growth**
3 - 8%
- **Adj. EBITA Margin before SI**
3% - 5%

H1 FY21 Financial Performance

- **Orders: +2.0%** (+6.6% comp.) at €18.0bn
- **Revenue: -1.0%** (+3.7% comp.) at €13.0bn; **book-to-bill ratio of 1.38**
- **Order backlog: at a record high of €84.2bn**
- **Adj. EBITA before SI: sharply increased to €654m** (up from €126m); **margin of 5.0%** (up from 1%)
- **Net income at €130m and basic EPS at €0.12**
- **FCF pre-tax: pos. €45m** (vs neg. €159m)

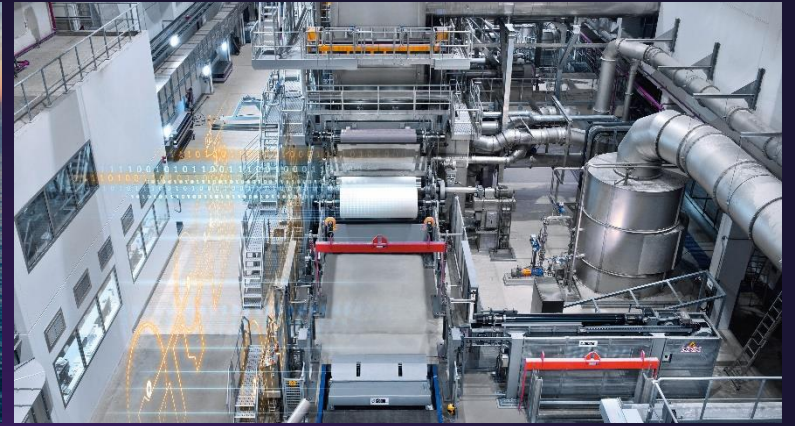
Three pillars underpinning our strategy



Low- or zero-emission
power generation



Transport of electricity
and storage



Reducing CO₂ footprint and energy
consumption in industrial processes



ESG Update – sustainability as integral part of the strategy, positive evaluation of performance

Climate protection seal from the Science Based Target Initiative-(SBTi)

- Reduction targets confirmed on a scientific base in line with Paris Agreement
- Siemens Energy aims to be climate neutral in its own operations by 2030
- Gas and Power: CO₂ emissions shall be reduced by 27.5% over the entire usage phase by 2030



Top ranking by ESG-agency Sustainalytics

- 7th place out of 177 companies worldwide (Industry Group „Electrical Equipment“)
- ESG Risk Rating „low“ (lowest risk rating)



Inclusion in S&P Global Clean Energy Index



We are #TeamPurple #WeEnergizeSociety



Questions & Answers



Financial Calendar



2021

June 11

June/July

Aug 4

Nov 10



J.P. Morgan
European Capital
Goods Conference

ESG conferences
and roadshows

Q3 FY21

Q4 FY21

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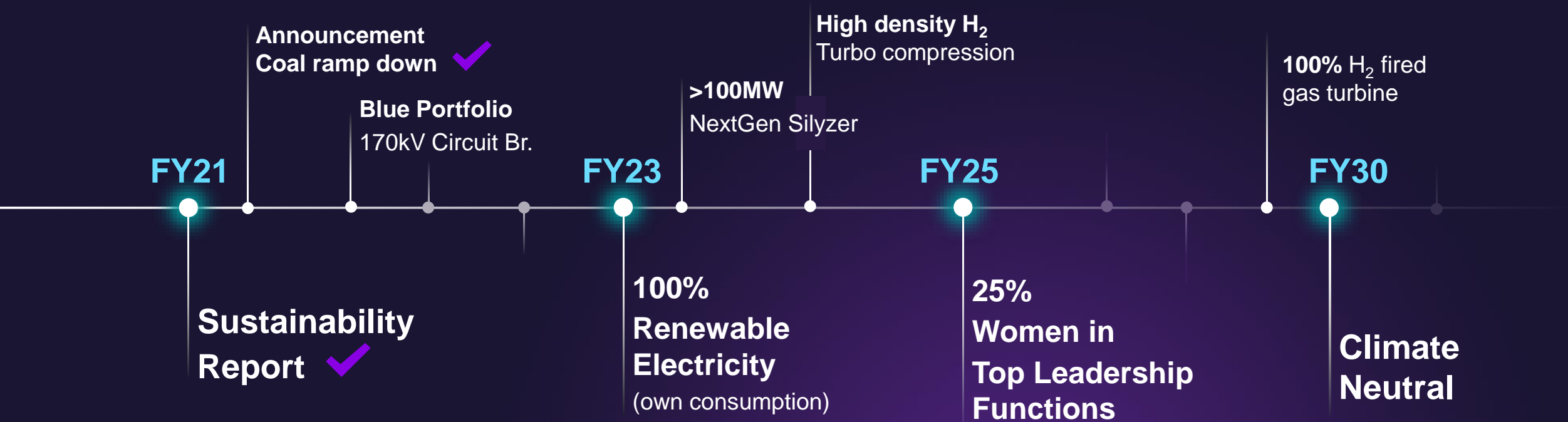
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Appendix

ESG Agenda and Initiatives



Initiatives:

SE Carbon Neutral Program

Re-focused R&D

New Safety Culture & Behaviours initiative

Catalysta - Female Leadership Development

On track to deliver on what we promised



Leader in energy industry

Leading market positions

1/6 of global electricity generation based on SE technology

Unique position as sole pureplay



Service Business as a core value driver

Installed base of >90,000 units of rotating equipment

Resilient and high profit margin business

R&D focus on serviceability



Reach operational performance (after Spin-off)

>€300m additional cost reduction announced

7,800 additional job reductions announced

Decisive footprint decisions (e.g., Le Havre, Oleans)

Decisive portfolio decisions (exit new coal power plant business, wind down of large AGTs)



More EBITA and more cash

5.0% Adj. EBITA margin before SI in H1 FY21 (vs. 1.0% in H1 FY20)

Positive FCF pre-tax in H1 FY21 (€45m vs. neg. €159m in H1 FY20)

Margin target for FY21 confirmed (3 – 5%)



Developing future portfolio with focus on sustainability and service

Sustainability integral part of our strategy

€1bn R&D investment focusing on 3 pillars

SBTi confirms SE CO₂ saving targets

Excellent sustainability ratings (e.g., Sustainalytics, ISS & MSCI)



Leading portfolio in the industry

Benefitting from global rising demand of clean energy (Biden plan, China “3060 targets”, EU Green Deal)

Active in future energy technologies (e.g. hydrogen, offshore wind, SF6-free products)

Decarbonization solutions for industry and power generation

Framework for value creation

Performance

✓ Covered in incentive framework

6.5-8.5% ✓

Adj. EBITA margin before
Special Items
Siemens Energy
FY23 target

≥8% ✓

Adj. EBITA margin
Siemens Energy
mid-term target¹

Flat to 3%

Rolling 3-year average
revenue growth
Siemens Energy
mid-term target²



Cash Conversion
Rate = 1-revenue
growth ✓

Rolling over 3 years⁵
FCF/Adj. EBITA
Siemens Energy
FY23 target

Portfolio

**Research and
Development**

~€1bn
annual spending

**Portfolio
optimization**

Resize
the portfolio

Financial policy

Capital structure

**Solid investment
grade rating**

Adj. (Net Cash)/Net Debt³
to EBITDA below 1.5x

Dividend policy

40-60%
pay-out ratio⁴

¹ Adj. EBITA not adjusted for Special Items | ² Excluding portfolio and currency effects | ³ Adj. (Net Cash)/Net Debt defined as short-term debt and current maturities of long-term debt + long-term debt + payables to Siemens Group from financing activities – cash and cash equivalents – receivables from Siemens Group from financing activities + provisions for pensions and similar obligations | ⁴ Pay-out based on the Group's net income attributable to shareholders of Siemens Energy AG. Net income may be adjusted for extraordinary non-cash effects. Siemens Energy will not make a dividend payment for FY20 except for a statutory minimum dividend of up to €29 m in case of sufficient distributable profits | ⁵ Based on the CAGR of revenue over the fiscal years 2021 to 2023, excluding portfolio effects and currency effects

Financial outlook and framework – Narrowing of revenue guidance range

		Actuals		Profit forecast		3-year guidance	Mid-term target
		FY19	FY20	FY20	FY21	FY23	
Gas and Power	Revenue	€18.7bn	€18.1bn	(5)%-(3)% ✓	2%-6% (prev. 2%-11%)		
	% Growth y-o-y ²	(1.4)%	(3.1)%				
	Adj. EBITA before Special Items	€836m	€254m	0%-2% ✓	3.5%-5.5%	6%-8%	
	% Margin before Special Items	4.5%	1.4%				
	Restructuring costs ³	€247m	€133m	Cumulative mid-to-high triple digit euro million amount in FY20-23			
Siemens Energy	Revenue	€28.8bn	€27.5bn	(5)%-(2)% ✓	3%-8% (prev. 2%-12%)		Flat to 3% ¹
	% Growth y-o-y ²	2.8%	(4.7)%				
	Adj. EBITA before Special Items	€1,517m	(€17)m	(1)%-1% ✓	3%-5%	6.5%-8.5%	≥8% Margin reported ⁴
	% Margin before Special Items	5.3%	(0.1)%				
	Tax rate			Medium-term tax rate 25%-30%			

¹ Rolling 3-year average total revenue growth, excluding portfolio and currency effects | ² FY19 growth compared to FY18; FY20 growth compared to FY19

| ³ Included in Special Items definition | ⁴ Adj. EBITA not adjusted for Special Items