

# Strong start to the year – capitalizing on favorable market trends

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Analyst presentation Q1 FY25

Berlin, February 12, 2025

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# CEO section

Christian Bruch

# Strong start to the year – capitalizing on favorable market trends



## Q1 FY25 Highlights

### Performance

- Strong revenue growth
- 270bps margin improvement
- Very strong cashflow

### Market

- Datacenter demand materializing
- Nuclear renaissance driving service
- Successful offshore wind auctions in South Korea and Japan

### Business

- S&P outlook upgrade to stable
- Factory extension in progress
- Pricing trends remain favorable

## Q1 FY25 Financials

Revenue <b>€8.9bn</b> (+18.4% yoy <sup>1</sup> )	<b>8 – 10%</b> <sup>1</sup>	
Profit margin before SI <b>5.4%</b> (+270bps yoy)	<b>3 – 5%</b>	
Net income <b>€252m</b> (neg. €1.3bn <sup>2</sup> yoy)	<b>~ break-even<sup>3</sup></b>	
Free Cash Flow pre tax <b>€1.5bn</b> (+€1.8bn yoy)	<b>under review</b> <i>(prev. up to €1bn)</i>	

Orders<sup>4</sup>

**€13.7bn**

Order backlog<sup>5</sup>

**€131bn**

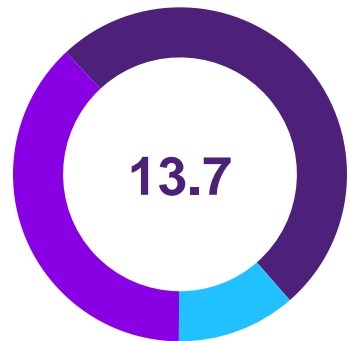
Book-to-bill<sup>4</sup>

**1.53**

<sup>1</sup> Comparable revenue growth: Excluding currency translation and portfolio effects | <sup>2</sup> Q1 FY24 includes a pre tax gain related to the sale of an 18 percent stake in Siemens Limited, India of €1,729m | <sup>3</sup> excluding assumed positive Special items subsequent to the demerger of the energy business from Siemens Limited, India | <sup>4</sup> in Q1 FY25 | <sup>5</sup> as of December 31, 2024

# Favorable demand trends become more broad-based

## Orders received in Q1 FY25 (in €bn)



### EMEA

**6.9** (down 32% yoy)

therein Germany 1.2 (down 77% yoy)

### Americas

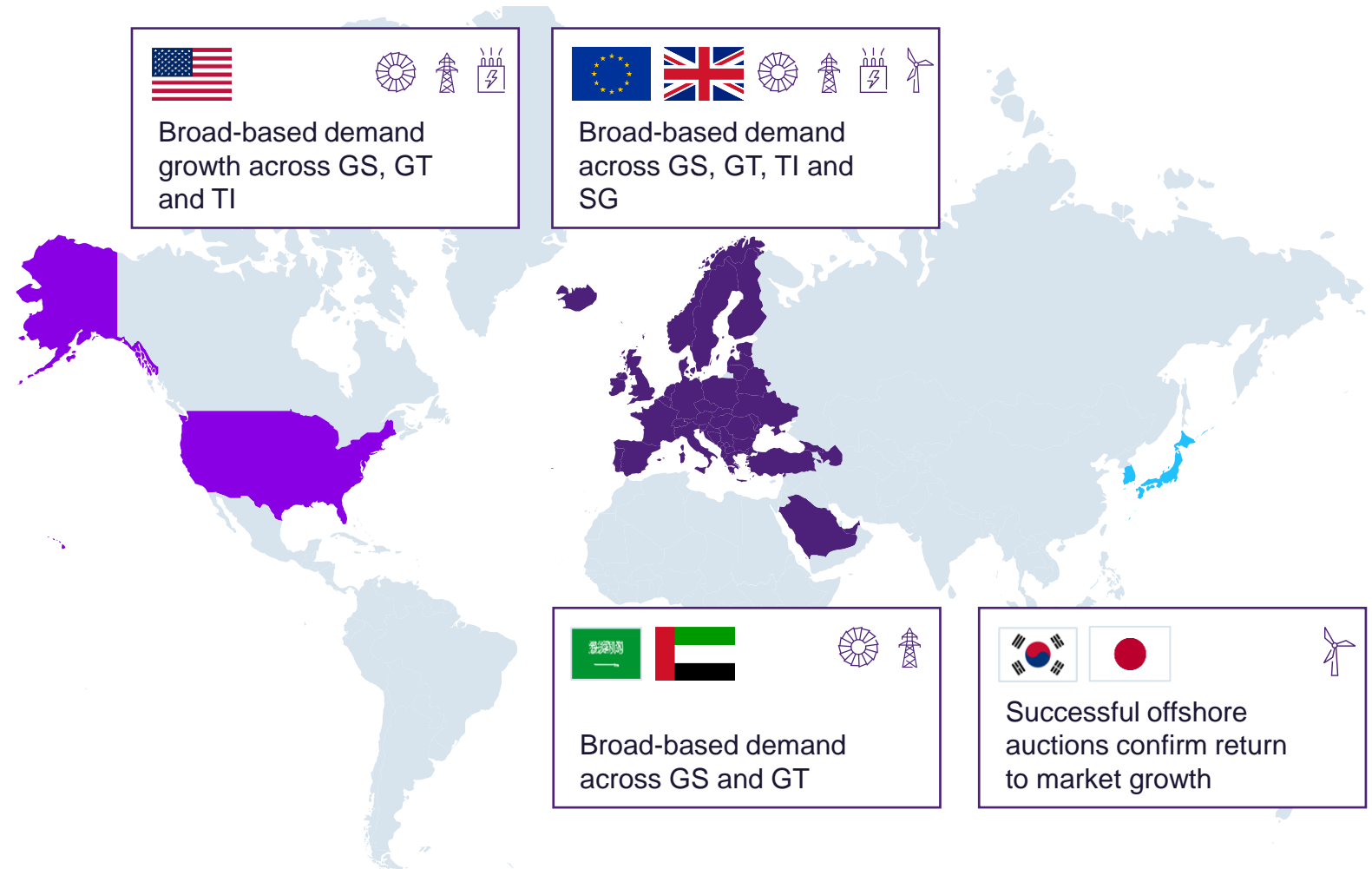
**5.2** (up 59% yoy)

therein U.S. 3.9 (up 62% yoy)

### Asia & Australia

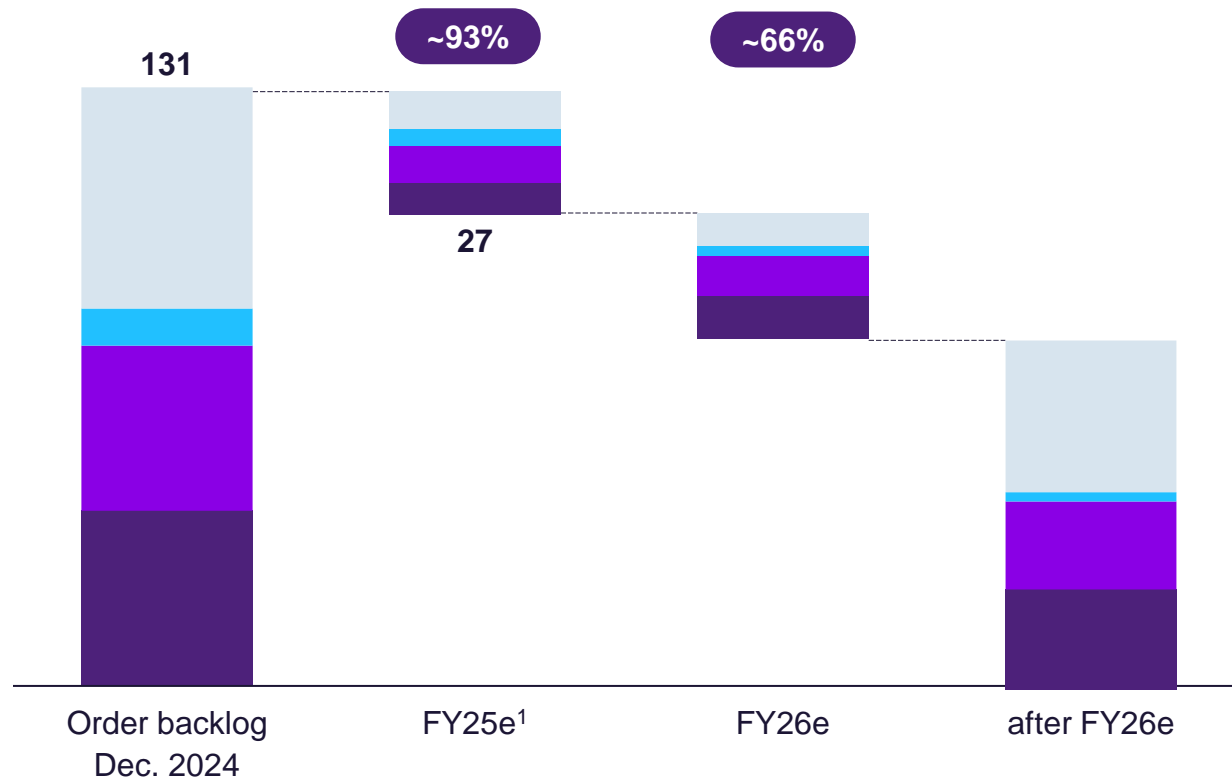
**1.6** (down 14% yoy)

therein China 0.3 (down 40% yoy)



# Record order backlog with high service share provides strong visibility

Expected revenue generation from order backlog (in €bn)



Resilient service share<sup>2</sup>

48%

x% of respective year revenues    GS    TI    GT    SG

<sup>1</sup> expected backlog conversion Q2 to Q4 FY25 | <sup>2</sup> Service share in total backlog as per Q1 FY25

# Securing growth, driving profitability and enhancing portfolio

## Securing growth

### North America

Expansion of blade and vane factory in Tampa supporting gas turbine capacity increase in Berlin and Charlotte

### Middle East

Expansion of Dammam, KSA factory completed adding GIS and HL-gas turbine capacity

### Europe

Rapid ramp of offshore turbine production

## Driving profitability

### Siemens Energy

Pricing environment remains favorable across all BAs  
Cost out initiatives on track

### Siemens Gamesa

Agreement reached with works councils in Spain and Germany  
Integration on track for targeted function cost savings

## Enhancing portfolio

### Gas Services

Partnership with SSE to develop 100% H2 HL-gas turbine by 2030

### Grid Technologies

Anybotics robot was installed for autonomous inspection and troubleshooting

### Transformation of Industry

Woodfibre LNG (CA) trains tested and shipped to site

# Key initiatives taken to stay on track and to meet sustainability targets



## Climate-neutral

in own operations by 2030

FY 2024

**55%** reduction<sup>1</sup>



## 100% green electricity

in own operations by 2023

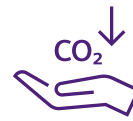
**100%**



## Downstream emissions

28% reduction of GHG from the use of sold products by 2030

**11%** reduction<sup>1</sup>



## Upstream emissions

reduction of emissions by purchased goods & services by 30% per procurement volume by 2030

**20%** reduction<sup>2</sup>



## Gender equality

25% women in top leadership positions by 2025 and 30% by 2030

**24%**



## Zero harm

Total Recordable Injury Rate for employees and contractors (TRIR)<sup>3</sup>

**2.35**

Transparency is honored by ESG ratings:

[Our Sustainability Report 2024](#)



<sup>1</sup> From a 2019 base year | <sup>2</sup> From a 2018 base year, kg CO<sub>2</sub>e/€ PVO spent | <sup>3</sup> Total Recordable Injury Rate: Number of recordable injuries x 1,000,000/work hours performed

# Zero harm is our number one priority

TRIR<sup>1</sup>



**12%** reduction in FY24

**9%** reduction in Q1

## Actions

- Zero Harm engagements and regular eye on safety reviews
- Global stand downs based on lessons learned
- Continuous improvement cycle with systematic global workflows



<sup>1</sup> Total recordable injury rate; 12-month rolling

# CFO section

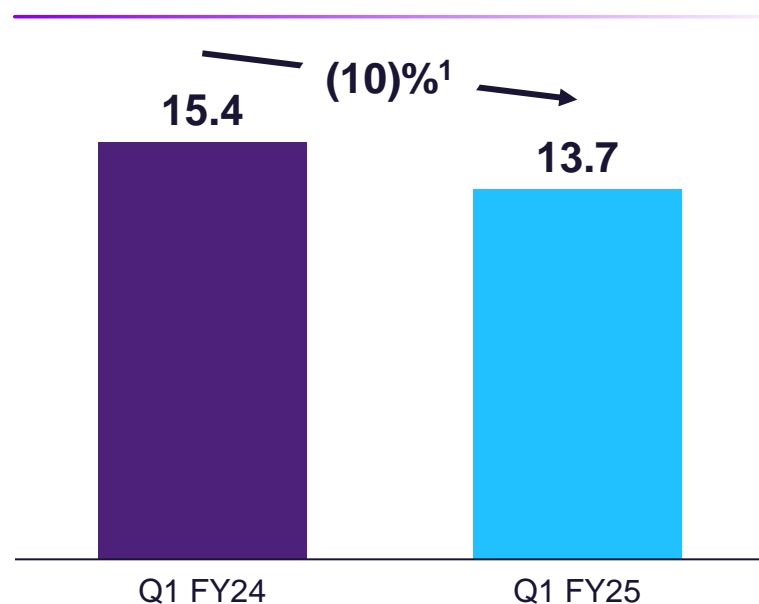
Maria Ferraro

# Siemens Energy Group

## Strong revenue growth and significant margin expansion – Q1 FY25



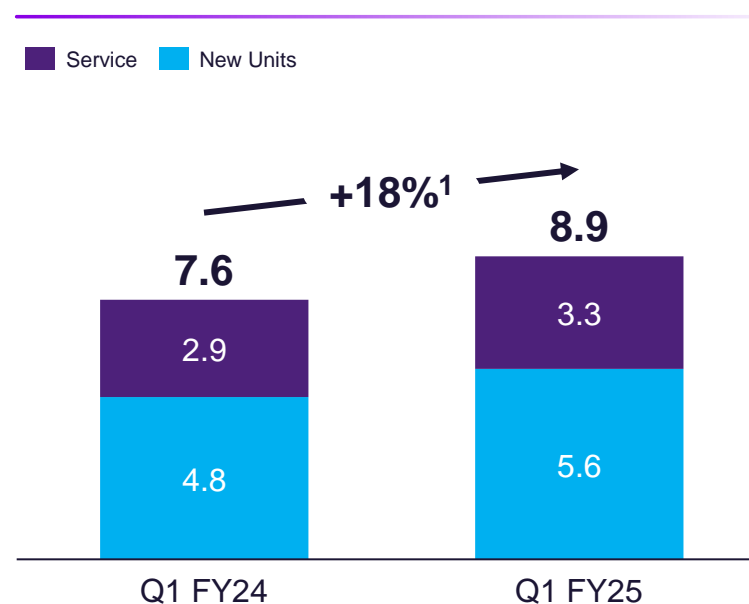
**Orders**  
in €bn



**Order backlog<sup>2</sup>**  
Q1 FY24: €112bn

**€131bn**

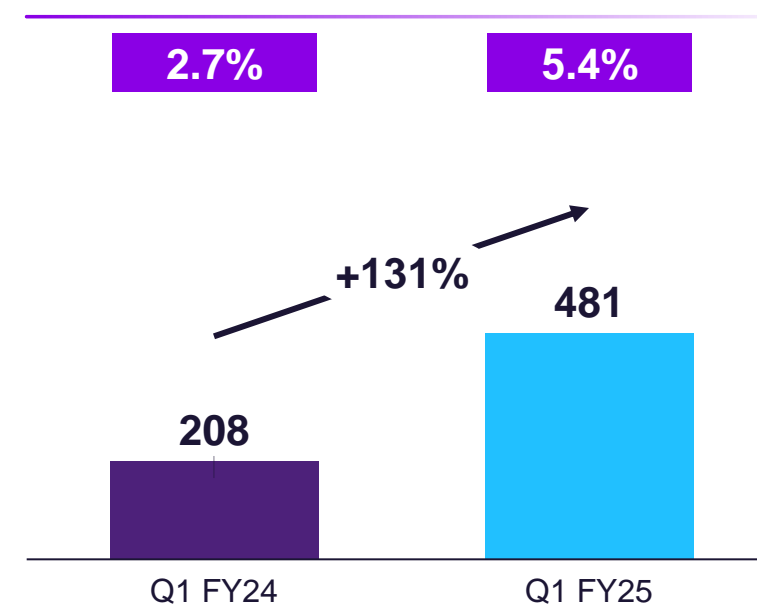
**Revenue**  
in €bn



**Book-to-bill**  
Q1 FY24: 2.01

**1.53**

**Profit before SI**  
in €m



**Free cash flow<sup>3</sup>**  
Q1 FY24: €(283)m

**€1.5bn**

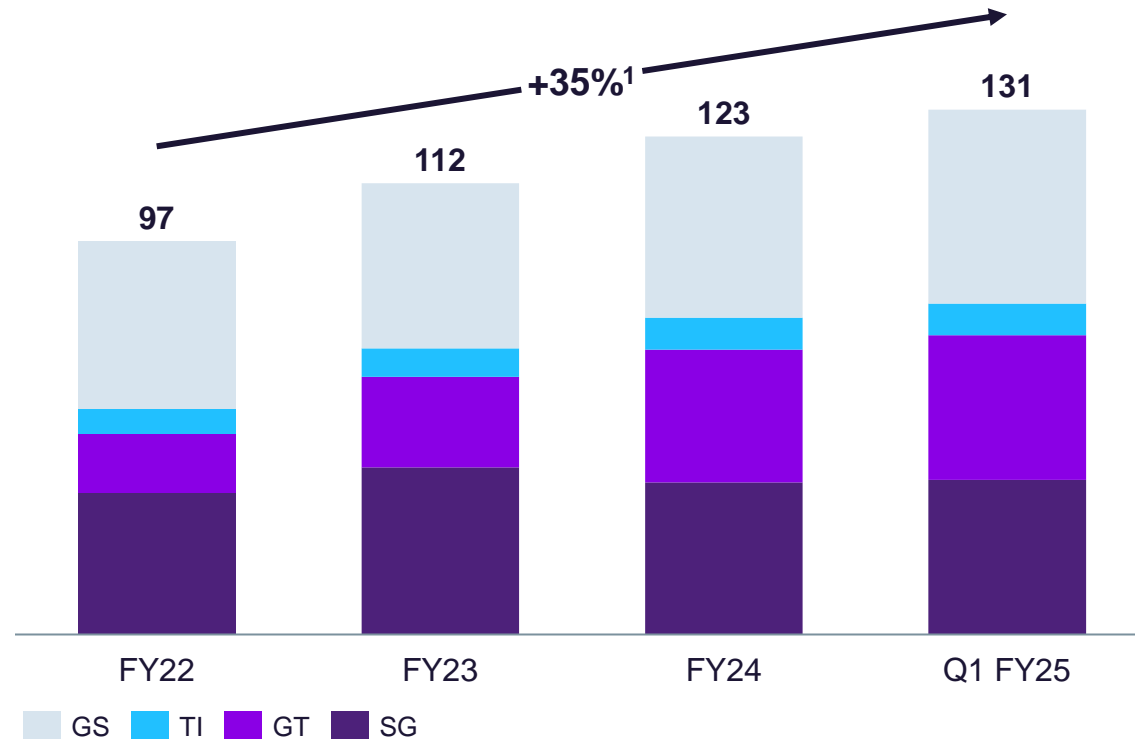
<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of December 31, 2024 | <sup>3</sup> Free cash flow pre tax

**x.x%** Profit margin before Special items

# FY25 outlook and FY28 targets are underpinned by a record order backlog

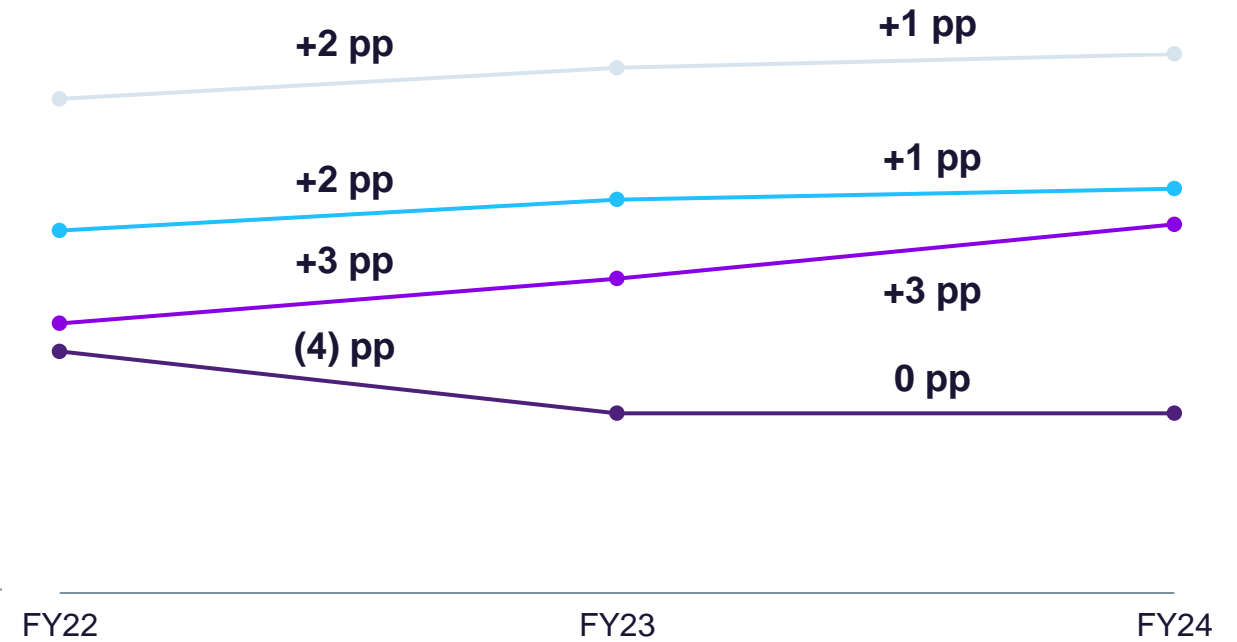


## Order Backlog in €bn



<sup>1</sup> Growth (FY22-Q1 FY24)

## Backlog project margin



# Cash flow generation ahead of target



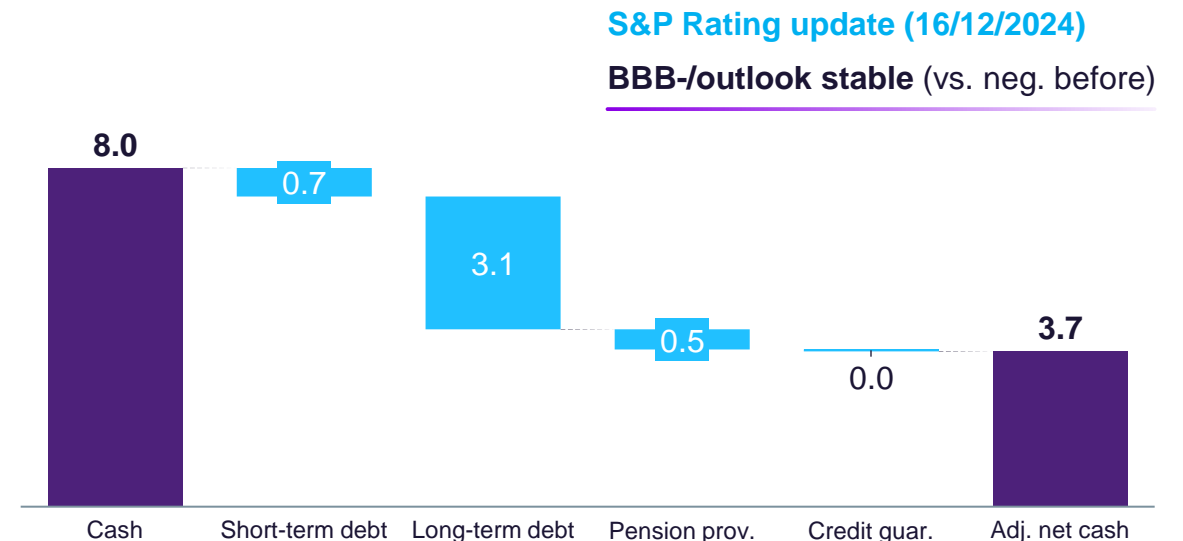
## Q1 cash flow development in €bn

In €m	Q1 FY24	Q1 FY25
<b>Net income</b>	<b>1,582</b>	<b>252</b>
Amortization, depreciation and impairments	361	370
Change in operating net working capital	(229)	1,372
Other items	(1,846)	(299)
<b>Cash flow from operating activities</b>	<b>(132)</b>	<b>1,694</b>
Capital expenditure <sup>1</sup>	(234)	(258)
<b>Free cash flow</b>	<b>(365)</b>	<b>1,436</b>
Income taxes paid	83	92
<b>Free cash flow pre tax</b>	<b>(283)</b>	<b>1,528</b>

- Change in NWC driven by advance payments and timing effects (contract liabilities expanded by €2.1bn)
- Quality cash outs at Siemens Gamesa: €88m
- Slow start in Capex but original consideration of ~€2bn unchanged

<sup>1</sup> Purchase of intangible assets and property, plant and equipment

## Net cash as of December 31, 2024 in €bn



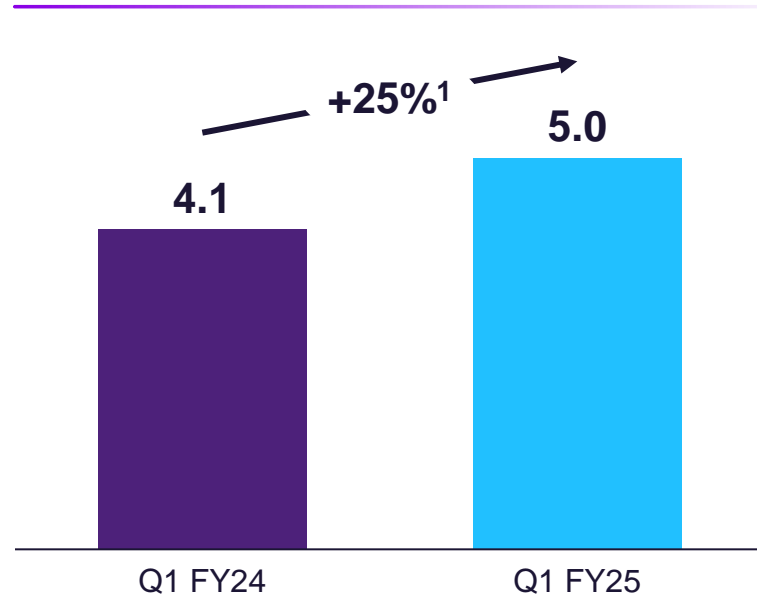
- €8bn cash and €12bn available liquidity incl. renewed RCF
- Short- and long-term debt incl. €1.8bn leasing obligation
- No short-term debt maturities requiring refinancing

# Gas Services

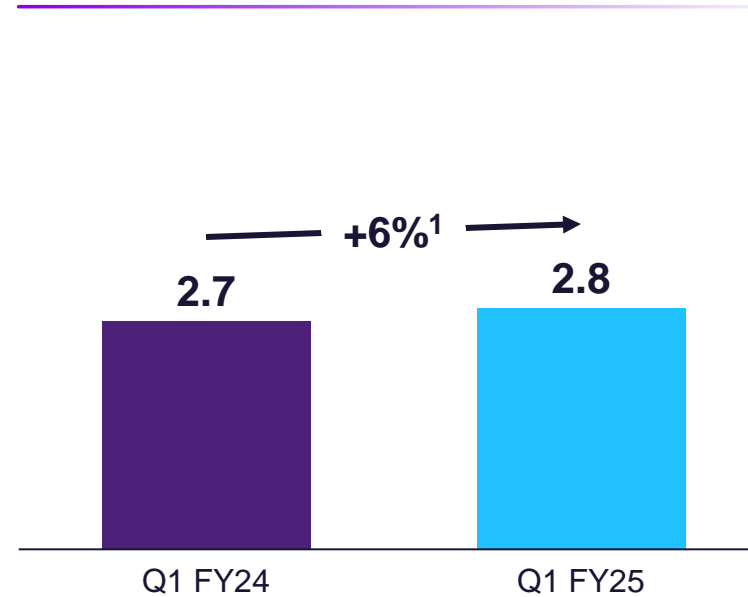
Strong order growth and strong service business – Q1 FY25



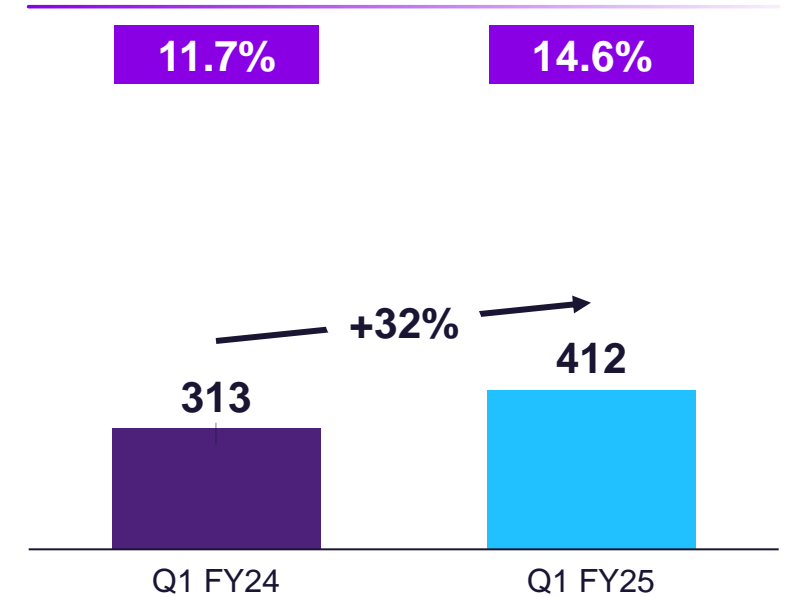
**Orders**  
in €bn



**Revenue**  
in €bn



**Profit before SI**  
in €m



**Order backlog<sup>2</sup>**  
Q1 FY24: €42bn

**€49bn**

**Book-to-bill**  
Q1 FY24: 1.53

**1.77**

**Free cash flow<sup>3</sup>**  
Q1 FY24: €236m

**€809m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of December 31, 2024 | <sup>3</sup> Free cash flow pre tax

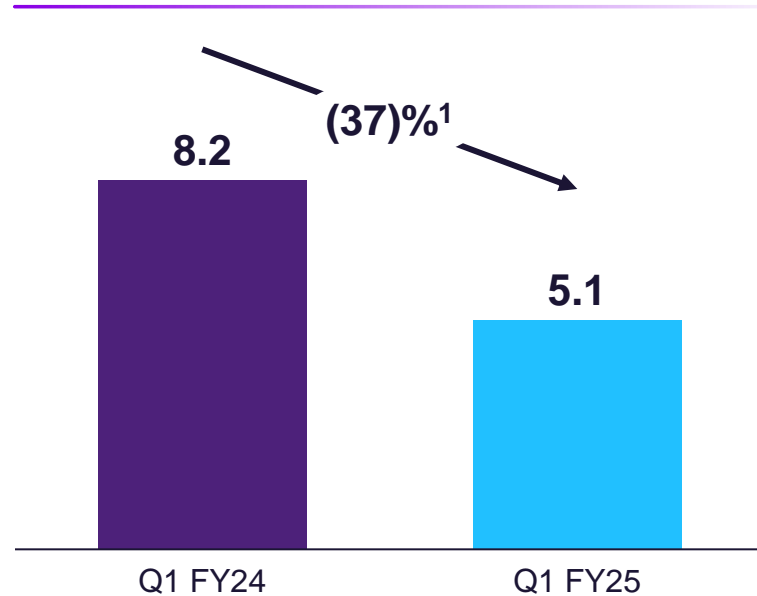
**x.x%** Profit margin before Special items

# Grid Technologies

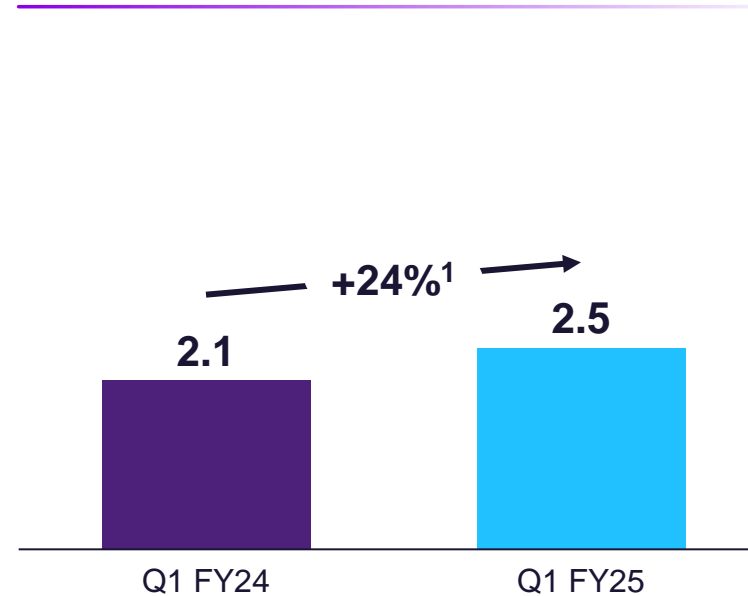
## Strong revenue growth and margin expansion – Q1 FY25



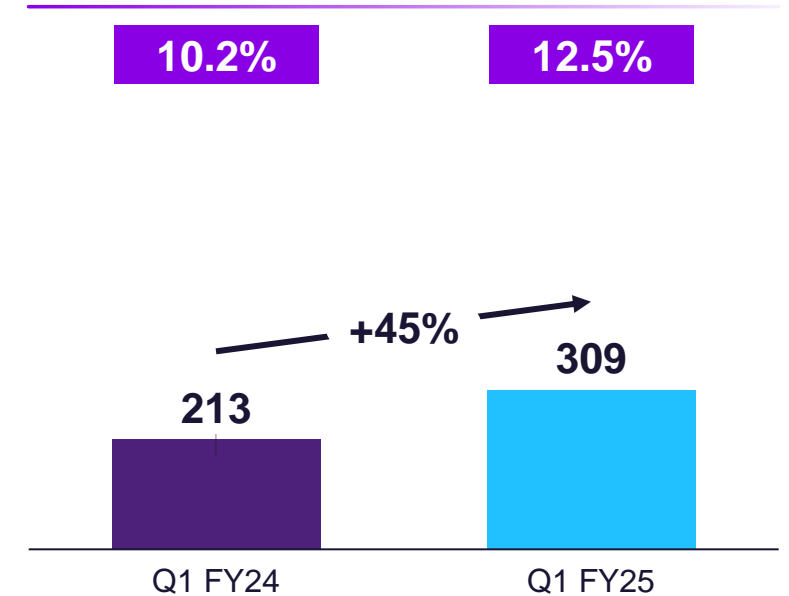
**Orders**  
in €bn



**Revenue**  
in €bn



**Profit before SI**  
in €m



**Order backlog<sup>2</sup>**  
Q1 FY24: €28bn

**€36bn**

**Book-to-bill**  
Q1 FY24: 3.96

**2.06**

**Free cash flow<sup>3</sup>**  
Q1 FY24: €767m

**€1,253m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of December 31, 2024 | <sup>3</sup> Free cash flow pre tax

**x.x%** Profit margin before Special items

# Transformation of Industry

## Strong revenue growth drives profitability – Q1 FY25



**Orders**  
in €bn

**Revenue**  
in €bn

**Profit before SI**  
in €m



**9.2%**

**11.8%**

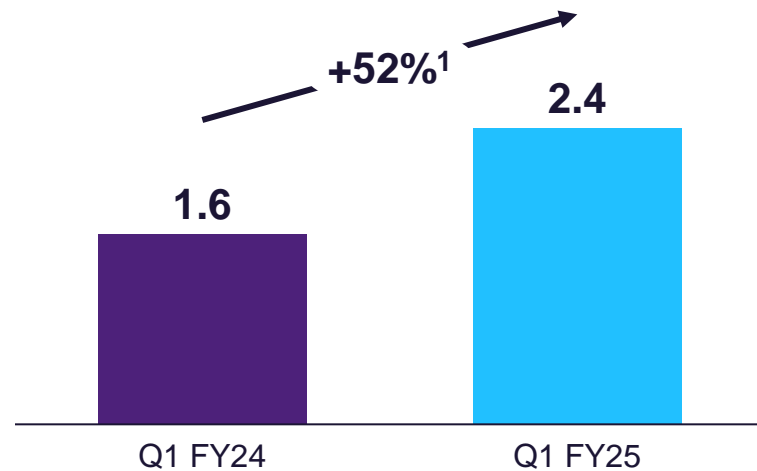
<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of December 31, 2024 | <sup>3</sup> Free cash flow pre tax

**x.x%** Profit margin before Special items

# Siemens Gamesa

## Progress in line with expectations – Q1 FY25

**Orders**  
in €bn

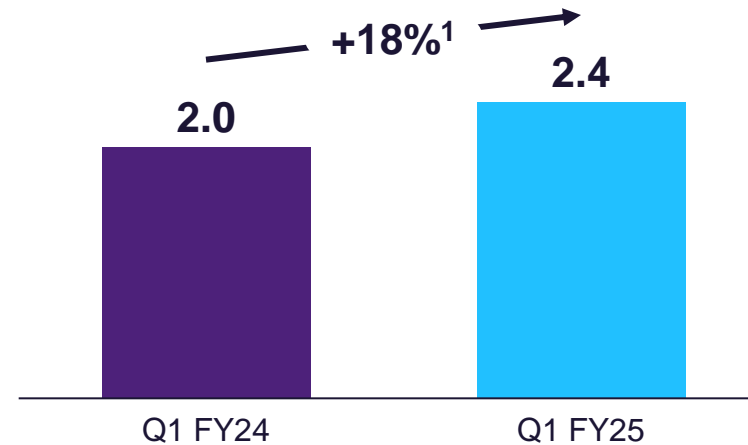


**Order backlog<sup>2</sup>**

Q1 FY24: €41bn

**€39bn**

**Revenue**  
in €bn

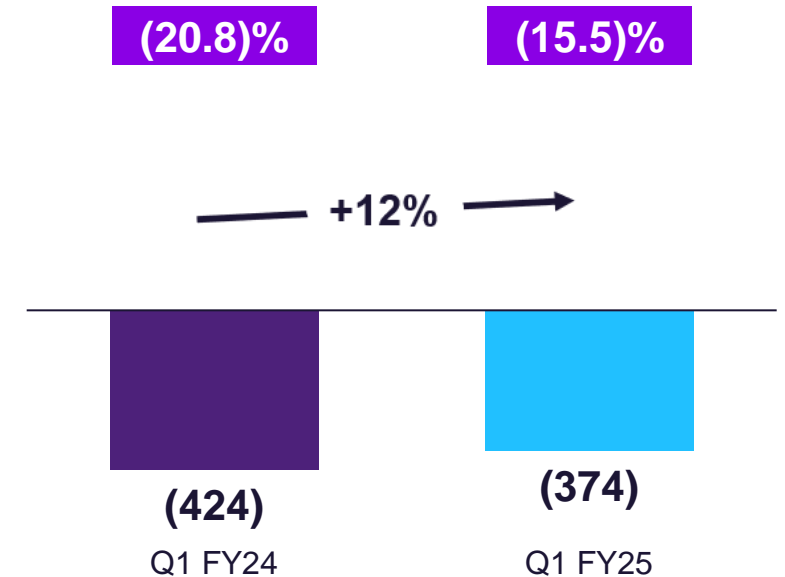


**Book-to-bill**

Q1 FY24: 0.77

**1.01**

**Profit before SI**  
in €m



**Free cash flow<sup>3</sup>**

Q1 FY24: €(1,150)m

**€(568)m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of December 31, 2024 | <sup>3</sup> Free cash flow pre tax

**x.x%** Profit margin before Special items

# Strong start to the year supports FY25 outlook



	Q1 FY25		FY25 Outlook		FY28 Targets	
	Revenue growth <sup>1</sup>	Profit margin before SI <sup>2</sup>	Revenue growth <sup>1</sup>	Profit margin before SI <sup>2</sup>	Revenue growth <sup>3</sup>	Profit margin
<b>Gas Services</b>	5.9%	14.6%	7 – 9%	10 – 12%	LSD/MSD	12 – 14%
<b>Grid Technologies</b>	24.0%	12.5%	23 – 25%	10 – 12%	LDD	13 – 15%
<b>Transformation of Industry</b>	17.9%	11.8%	11 – 13%	8 – 10%	HSD	10 – 12%
<b>Siemens Gamesa</b>	18.4%	neg. €374m	(9) – (5)%	around neg. €1.3bn	LSD/MSD	3 – 5%
<b>Siemens Energy</b>	<b>18.4%</b>	<b>5.4%</b>	<b>8 – 10%</b>	<b>3 – 5%</b>	<b>HSD/LDD</b>	<b>10 – 12%</b>
<b>Net Income</b>	€252m		around break-even <sup>4</sup>			
<b>Free cash flow pre tax<sup>5</sup></b>	€1.5bn		under review ( <i>prev. up to €1bn</i> )			

**This outlook excludes charges related to legal and regulatory matters.**

<sup>1</sup> Comparable revenue growth: Excluding currency translation and portfolio effects | <sup>2</sup> Profit margin in % of revenue with profit as earnings before financial result, income taxes, amortization expenses related to intangible assets acquired in business combinations, and goodwill impairments | <sup>3</sup> Compound annual revenue growth rate (FY24-based) | <sup>4</sup> excluding assumed positive Special items subsequent to the demerger of the energy business from Siemens Limited, India | <sup>5</sup> Free cash flow pre tax as operating cash flow less purchase of intangibles assets and property, plant and equipment and less Income taxes paid

# On track to deliver FY25 outlook and FY28 targets



Attractive markets



Strong demand for service and equipment drive orders, revenue, profits and cash flow

Resilient business model

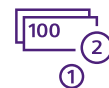


Record order backlog with rising margin quality; high service share

Strong positioning



Investment in capacity and innovation to maintain technological leadership



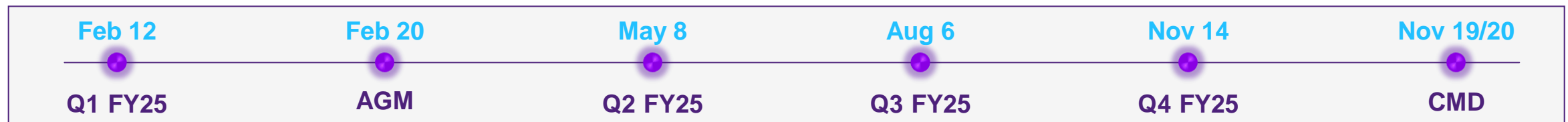
Solid balance sheet and S&P upgrade; attractive dividend policy in place

FY24 – FY28

**HSD/LDD**  
Revenue growth<sup>1</sup>

FY28

**10 – 12%**  
Profit margin



<sup>1</sup> Compound annual revenue growth rate



**We energize society**



# Q&A

# Appendix

# Net income transition



In €m	Q1 FY24	Q1 FY25
Gas Service	320	409
Grid Technologies	173	305
Transformation of Industry	92	153
Siemens Gamesa	(428)	(423)
<i>Reconciliation to Siemens Energy</i>	1,721	18
<b>Profit</b>	<b>1,878</b>	<b>463</b>
<i>Profit margin</i>	24.6%	5.2%
Amortization of intangible assets acquired in business combinations and goodwill impairments	(65)	(63)
Financial result	(112)	63
<b>Income before income taxes</b>	<b>1,701</b>	<b>462</b>
Income tax (expenses/gains)	(119)	(211)
<b>Net income</b>	<b>1,582</b>	<b>252</b>
Attributable to		
Non-controlling interests	32	53
Shareholders of Siemens Energy AG	1,550	198

**Note:** Prior-year figures are presented on a comparable basis

# Cash flow statement



In €m	Q1 FY24	Q1 FY25
<b>Net income</b>	<b>1,582</b>	<b>252</b>
Amortization, depreciation and impairments	361	370
Change in operating net working capital		
Contract assets	39	138
Inventories	(658)	(894)
Trade receivables	(198)	(473)
Trade payables	(558)	484
Contract liabilities	1,147	2,117
Others	(1,846)	(299)
<b>Cash flow from operating activities</b>	<b>(132)</b>	<b>1,694</b>
Additions to intangible assets and property, plant and equipment	(234)	(258)
<b>Free cash flow</b>	<b>(365)</b>	<b>1,436</b>
Income taxes paid	83	92
<b>Free cash flow pre tax</b>	<b>(283)</b>	<b>1,528</b>
thereof Gas Services	236	809
thereof Grid Technologies	767	1,253
thereof Transformation of Industry	95	313
thereof Siemens Gamesa	(1,150)	(568)

**Note:** Prior-year figures are presented on a comparable basis