

# Outlook raised after strong H1 results, especially in Q2 – focus on profitable growth

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Analyst presentation Q2 FY25

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# CEO section

Christian Bruch

# Outlook raised after strong H1 results, especially in Q2 – focus on profitable growth



## Q2 FY25 Highlights

### Performance

- Strong order and revenue growth
- Margin +700bps and very strong cashflow
- FY25 guidance raised across all KPIs

### Market

- Underlying demand trends remain strong
- Pricing trends remain favorable
- Tariffs lead to uncertainty

### Business

- GS: 29 GW backlog and 21 GW reservations
- Focus on business resilience
- Further balance sheet improvement

## Q2 FY25 Financials

Revenue <b>€10.0bn</b> (+20.7% yoy <sup>1</sup> )	<b>13 – 15%<sup>1</sup></b> <i>(prev. 8 – 10%<sup>1</sup>)</i>
Profit margin before SI <b>9.1%</b> (+700bps yoy)	<b>4 – 6%</b> <i>(prev. 3 – 5%)</i>
Net income <b>€501m</b> (+€0.4bn yoy)	<b>up to €1bn<sup>2</sup></b> <i>(prev. ~break-even<sup>2</sup>)</i>
Free Cash Flow pre tax <b>€1.4bn</b> (+€0.9bn yoy)	<b>around €4bn</b> <i>(prev. up to €1bn)</i>

Orders<sup>3</sup>

**€14.4bn**

Order backlog<sup>4</sup>

**€133bn**

Book-to-bill<sup>3</sup>

**1.45**

<sup>1</sup> Comparable revenue growth: Excluding currency translation and portfolio effects | <sup>2</sup> excluding assumed positive Special items subsequent to the demerger of the energy business from Siemens Limited, India | <sup>3</sup> in Q2 FY25 | <sup>4</sup> as of March 31, 2025

# Favorable demand trends across different regions

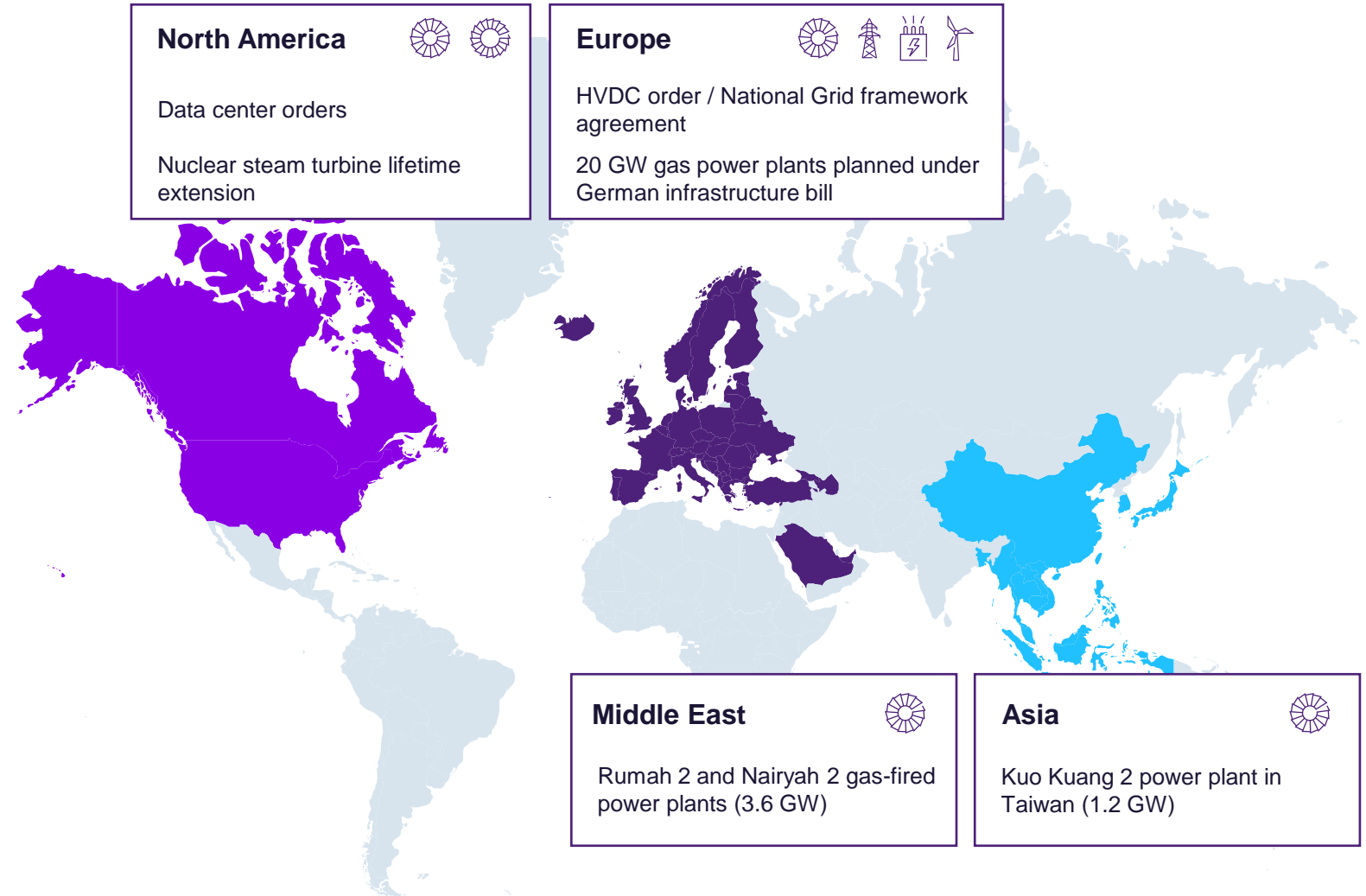
## Orders received in Q2 FY25 (in €bn)



**EMEA**  
**7.5** (up 54% yoy)  
therein Germany 0.6 (down 20% yoy)

**Americas**  
**5.4** (up 47% yoy)  
therein U.S. 3.8 (up 49% yoy)

**Asia & Australia**  
**1.6** (up 67% yoy)  
therein China 0.3 (down 1% yoy)



# Securing growth, driving profitability and enhancing portfolio



## Securing growth

### Capacity expansions

LGT capacity increase well on track, additional expansion of medium sized gas turbine capacity

### Proven track record

5,000<sup>th</sup> Offshore turbine installed

### Talent acquisition

Continuous talent growth with sophisticated training concepts

## Driving profitability

### Favorable pricing – strict cost control

Continuous progress of cost out measures, while pricing environment remains favorable across all BAs

### GT: Cost degression and project excellence

Revenue growth fosters cost degression effects which are accompanied by improved project execution performance

## Enhancing portfolio

### Strategic cooperation to broaden portfolio

Cooperation with Rolls-Royce for small modular reactors (SMR)

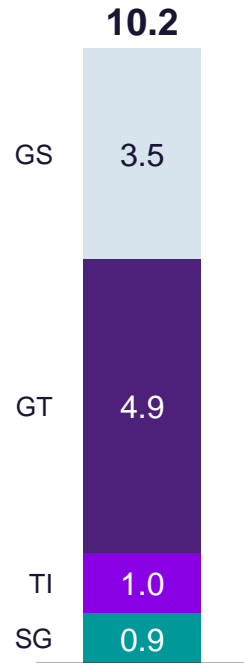
### Sale of the Indian wind business

Streamlining of Siemens Gamesa onshore portfolio to increase regional focus

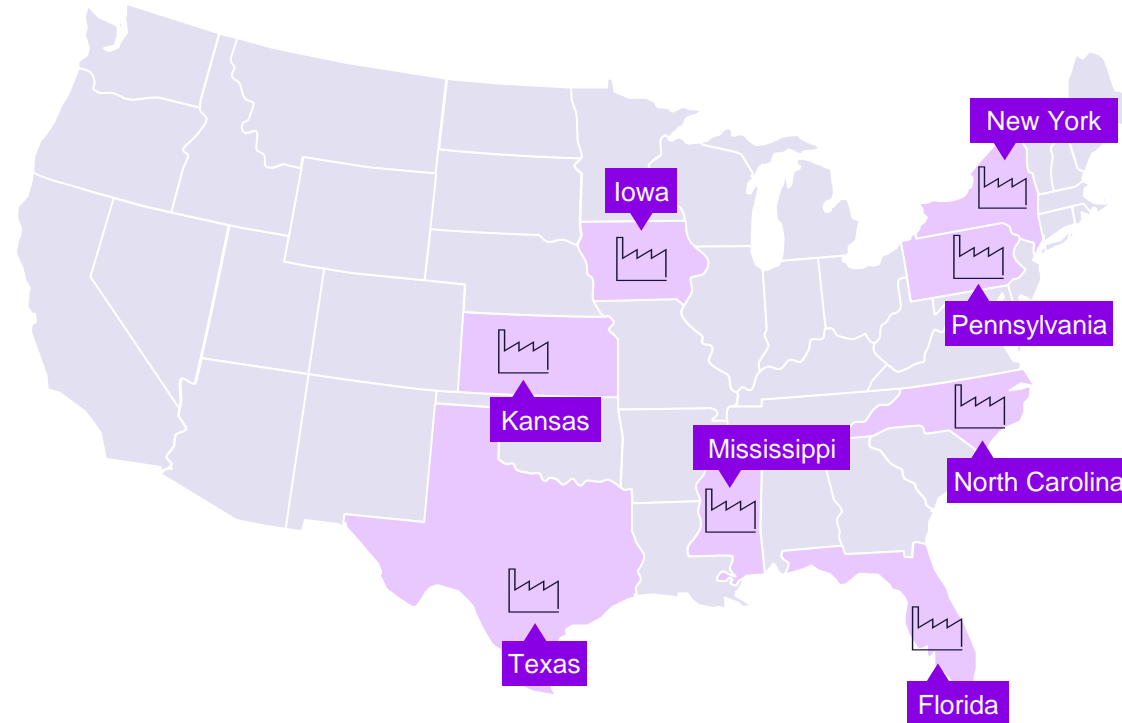
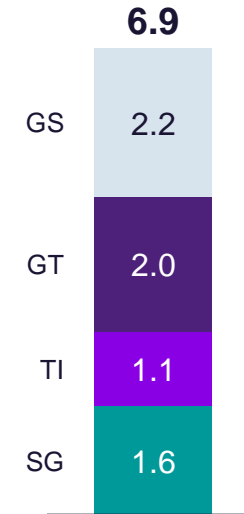
# Siemens Energy in the U.S. – well positioned for over a century



**Orders<sup>1</sup> in FY24 (in €bn)**



**Revenue<sup>1</sup> in FY24 (in €bn)**



**~12,000**  
employees

**>100 years**  
presence

**~€24bn**  
order backlog<sup>1</sup>

**~€500m**  
Capex FY23-25

<sup>1</sup> numbers relate to 3<sup>rd</sup> party country of customer

# Considerations on U.S. tariffs – mitigation measures in progress

## Existing protections

- **Strong U.S. footprint**
- **Contractual terms** for equipment backlog limit tariff risk
- Service contracts with **strong local cost base**

## Further mitigation measures

- Supply chain: **Increase local content** and **identify alternative suppliers** for imported parts
- **Increase utilization of U.S. footprint** for production, processing and repair of key components
- **Price adjustments** for all new orders

**Estimated bottom line net impact of tariffs in H2 FY25<sup>1</sup>**

**up to high double-digit €m**

Continued monitoring of trade policy effects on GDP, energy and electricity demand and customer behavior

<sup>1</sup> Estimated impact of tariffs as currently outlined after mitigation measures.

# CFO section

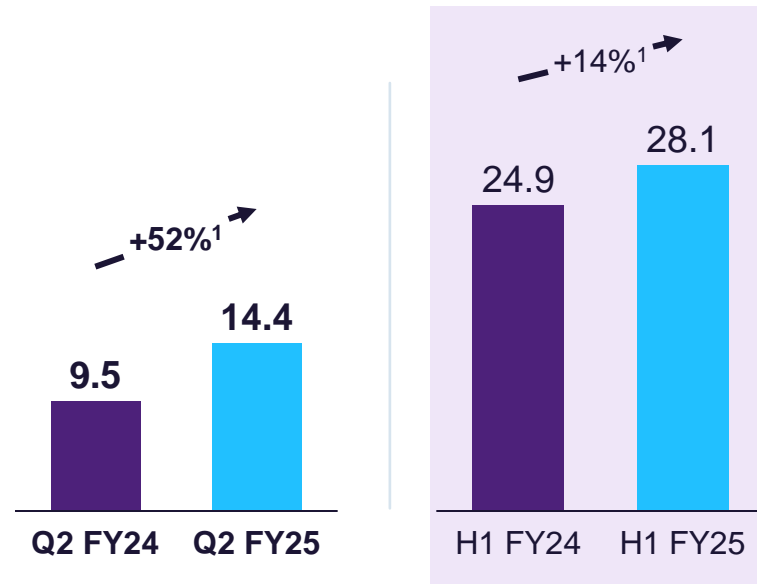
Maria Ferraro

# Siemens Energy Group

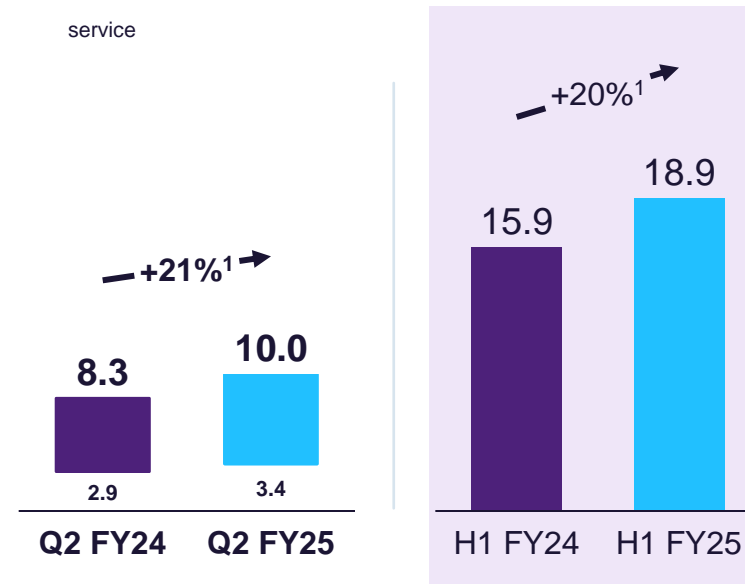
Strong revenue growth and significant margin expansion – Q2 FY25



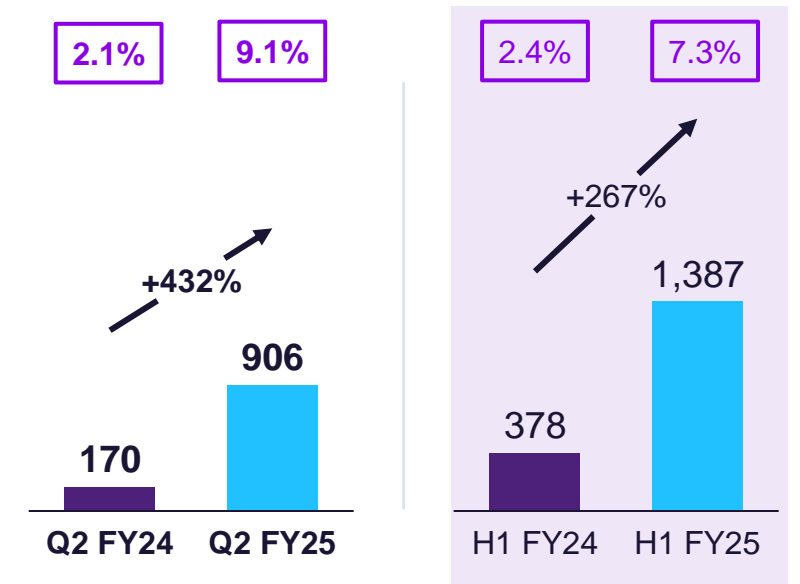
## Orders in €bn



## Revenue in €bn



## Profit before SI in €m



### Order backlog<sup>2</sup>

Q2 FY24: €119bn

**€133bn**

### Book-to-bill

Q2 FY24: 1.14

**1.45**

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

Q2 FY24: €483m

**€1.4bn**

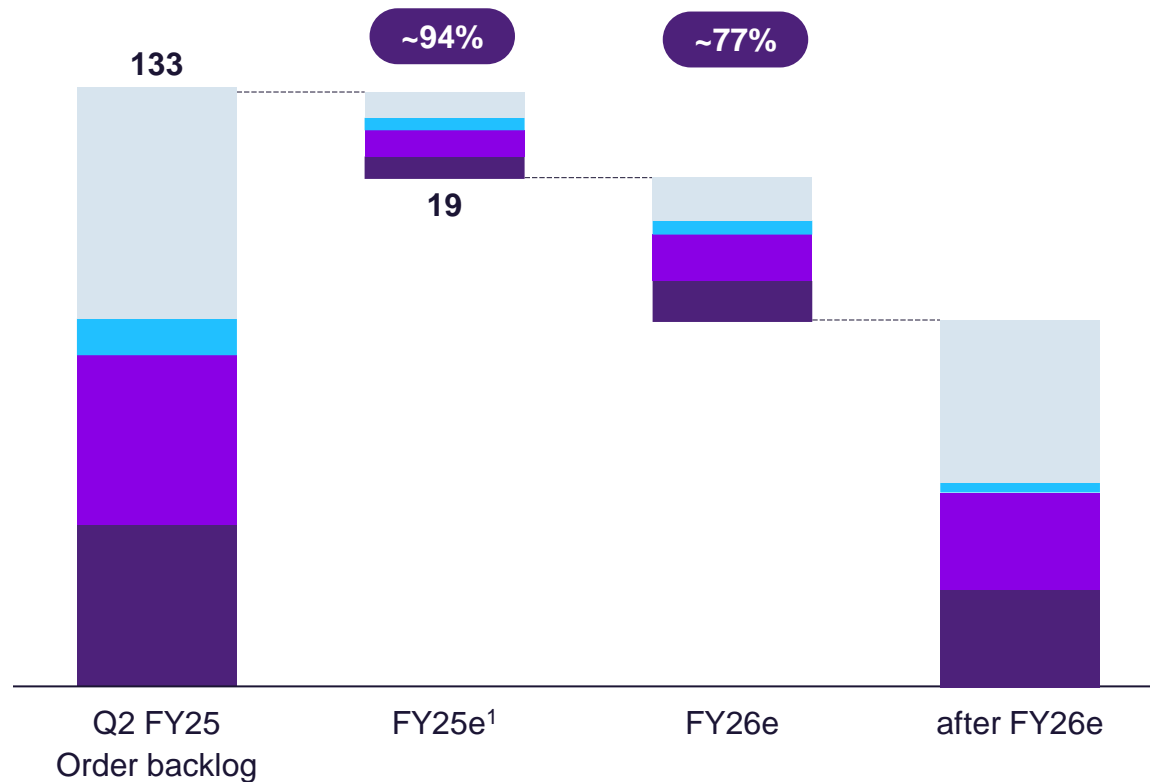
<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of March 31, 2025 | <sup>3</sup> Free cash flow pre tax

X.X% Profit margin before Special items

# The average project margin in our backlog continues to trend upwards

## Expected revenue generation from order backlog (in €bn)

## Backlog project margin development



**x%** of respective year revenues    GS    TI    GT    SG

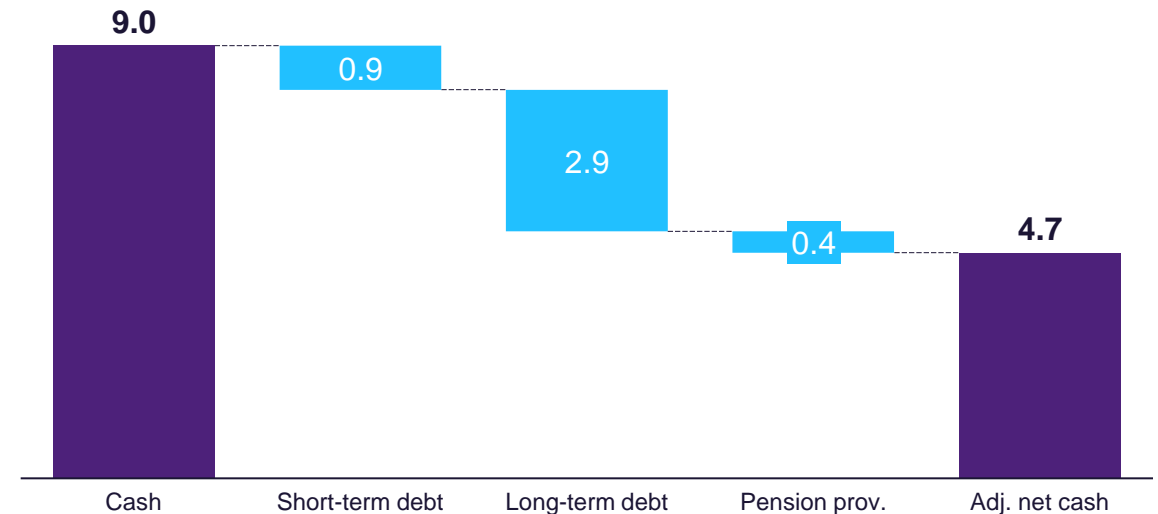
<sup>1</sup> expected backlog conversion Q3 to Q4 FY25

# Strong cash flow generation

## Q2 cash flow development in €bn

In €m	Q2 FY24	Q2 FY25
<b>Net income</b>	<b>108</b>	<b>501</b>
Amortization, depreciation and impairments	357	631
Change in operating net working capital	336	420
Other items	(188)	15
<b>Cash flow from operating activities</b>	<b>613</b>	<b>1,567</b>
Capital expenditure <sup>1</sup>	(316)	(330)
<b>Free cash flow</b>	<b>297</b>	<b>1,237</b>
Income taxes paid	186	152
<b>Free cash flow pre tax</b>	<b>483</b>	<b>1,390</b>

## Net cash as of March 31, 2025 in €bn



- Change in NWC driven by advance payments
- Quality cash outs at Siemens Gamesa: €84m
- Slow start in Capex but original consideration of ~€2bn unchanged

- €9bn cash and €13bn available liquidity incl. renewed RCF
- Short- and long-term debt incl. €1.8bn leasing obligation
- No short-term debt maturities requiring refinancing

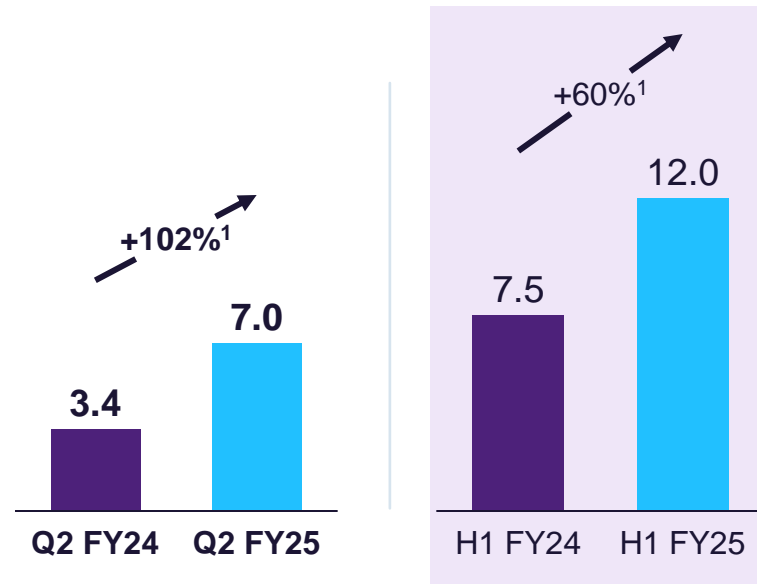
<sup>1</sup> Purchase of intangible assets and property, plant and equipment

# Gas Services

## Record levels at each KPI – Q2 FY25



### Orders in €bn

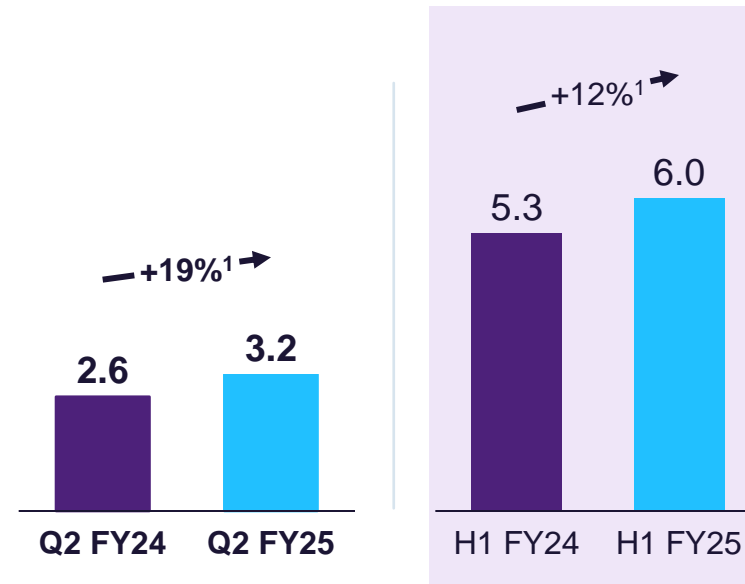


### Order backlog<sup>2</sup>

Q2 FY24: €43bn

**€52bn**

### Revenue in €bn

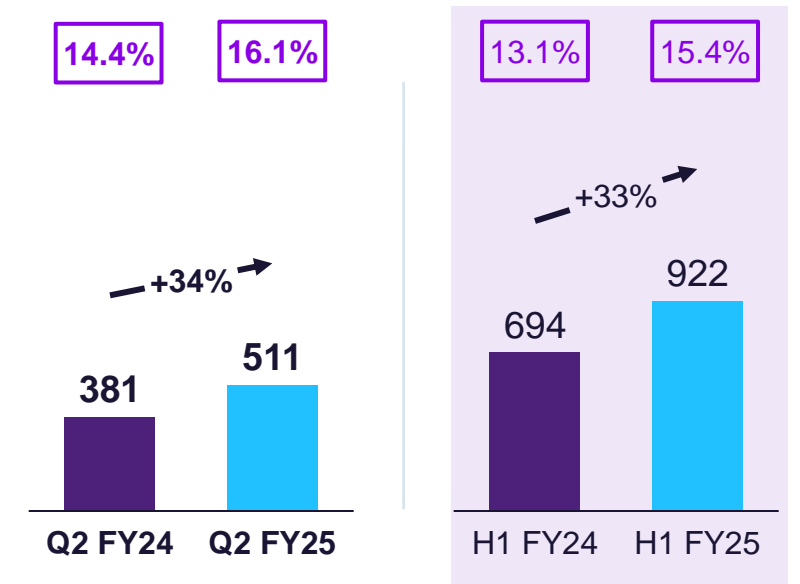


### Book-to-bill

Q2 FY24: 1.30

**2.22**

### Profit before SI in €m



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

Q2 FY24: €512m

**€1,004m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of March 31, 2025 | <sup>3</sup> Free cash flow pre tax

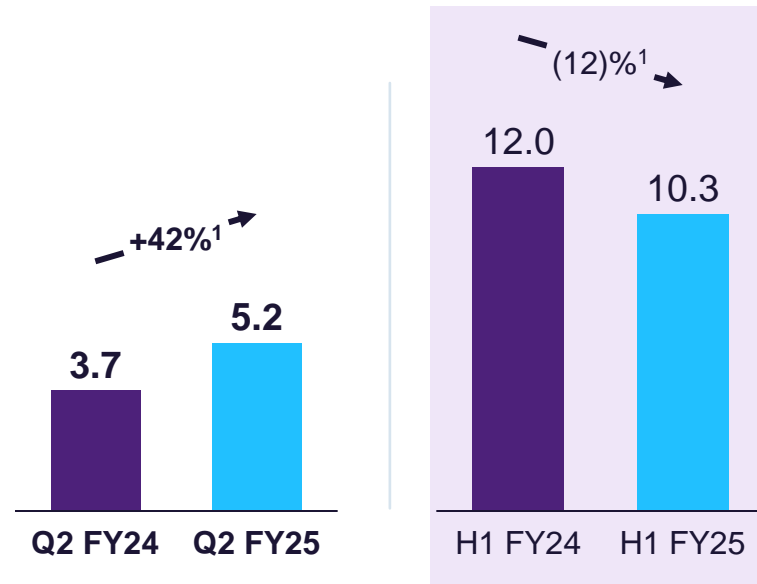
X.X% Profit margin before Special items

# Grid Technologies

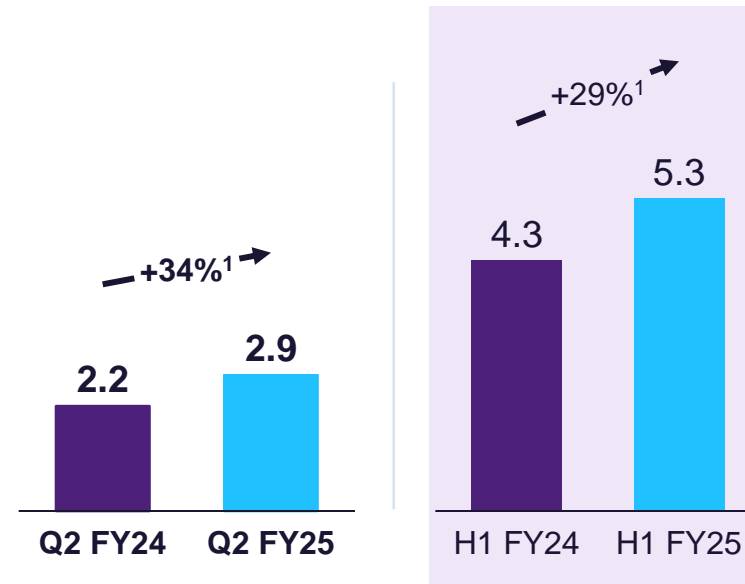
Strong underlying profitability further elevated by positive timing effects – Q2 FY25



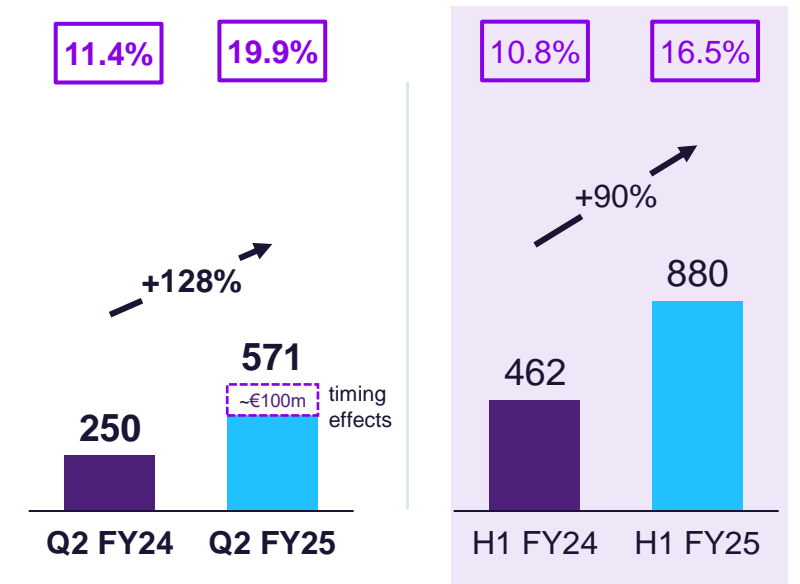
## Orders in €bn



## Revenue in €bn



## Profit before SI in €m



### Order backlog<sup>2</sup>

Q2 FY24: €30bn

**€38bn**

### Book-to-bill

Q2 FY24: 1.70

**1.82**

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

Q2 FY24: €479m

**€633m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of March 31, 2025 | <sup>3</sup> Free cash flow pre tax

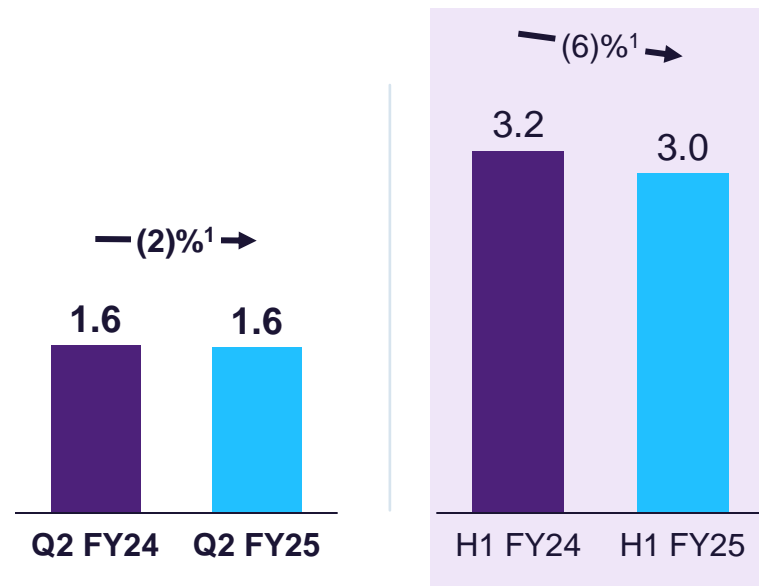
X.X% Profit margin before Special items

# Transformation of Industry

## Continuous margin expansion – Q2 FY25



### Orders in €bn

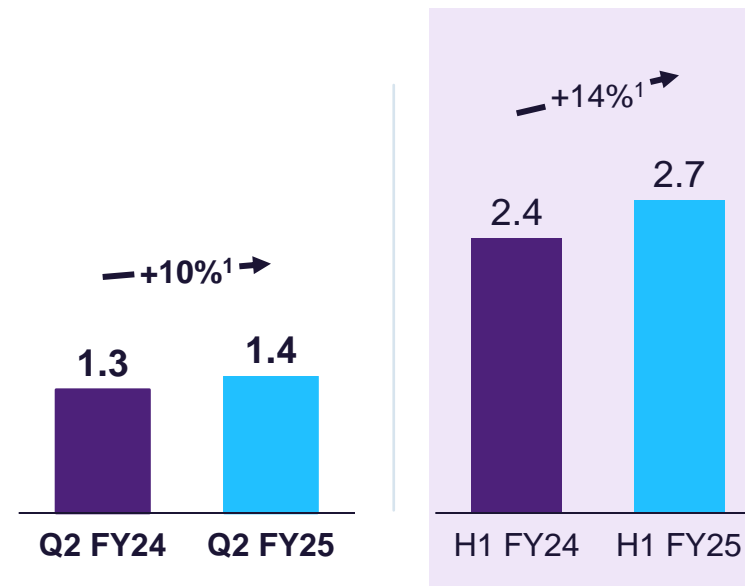


### Order backlog<sup>2</sup>

Q2 FY24: €8bn

**€8bn**

### Revenue in €bn

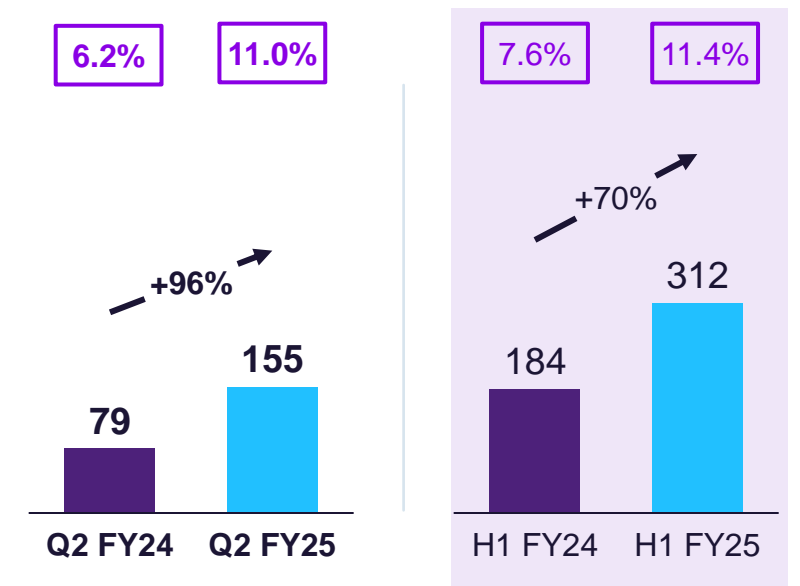


### Book-to-bill

Q2 FY24: 1.24

**1.11**

### Profit before SI in €m



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

Q2 FY24: €146m

**€145m**

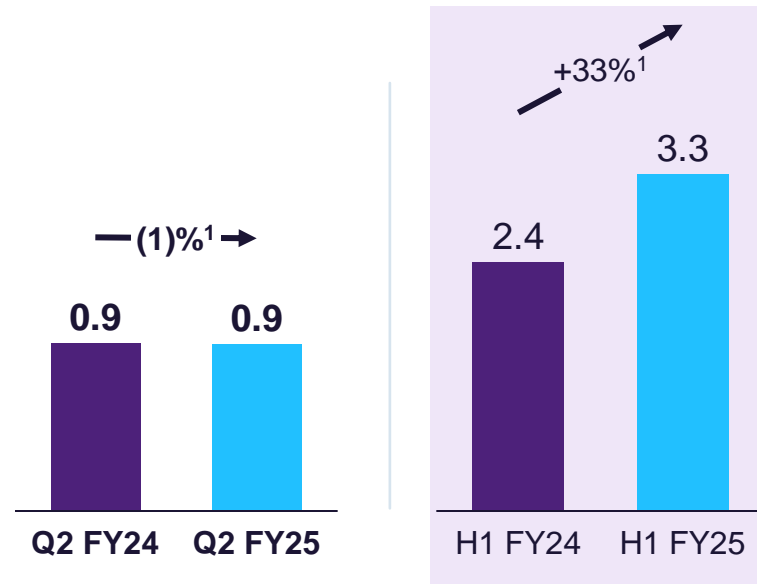
<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of March 31, 2025 | <sup>3</sup> Free cash flow pre tax

X.X% Profit margin before Special items

# Siemens Gamesa

## Progress in line with expectations – Q2 FY25

### Orders in €bn

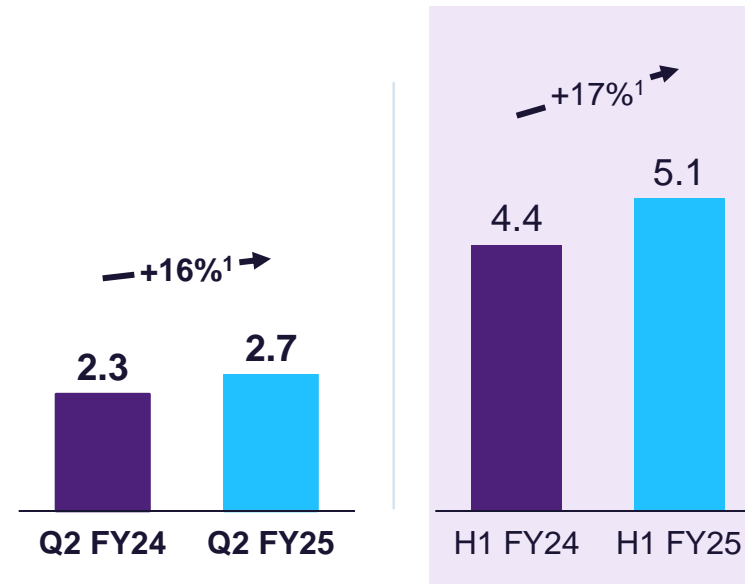


### Order backlog<sup>2</sup>

Q2 FY24: €39bn

**€36bn**

### Revenue in €bn

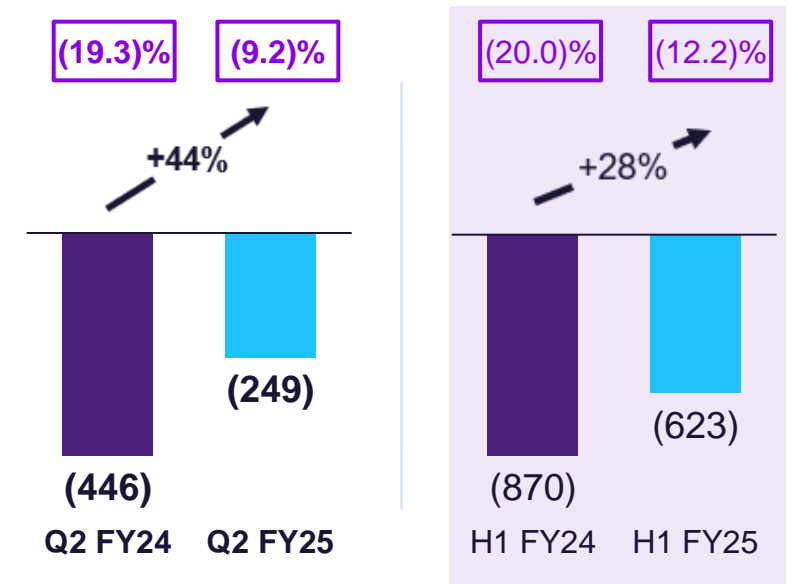


### Book-to-bill

Q2 FY24: 0.38

**0.32**

### Profit before SI in €m



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

Q2 FY24: €(553)m

**€(333)m**

<sup>1</sup> Comparable (excluding currency translation and portfolio effects) | <sup>2</sup> As of March 31, 2025 | <sup>3</sup> Free cash flow pre tax

X.X% Profit margin before Special items

# Financial outlook raised

## Fiscal Year 2025



	H1 FY25		FY25 Outlook	
	Revenue growth <sup>1</sup>	Profit margin before SI <sup>2</sup>	Revenue growth <sup>1</sup>	Profit margin before SI <sup>2</sup>
Gas Services	12.3%	15.4%	11 – 13% <i>(prev. 7 – 9%)</i>	11 – 13% <i>(prev. 10 – 12%)</i>
Grid Technologies	29.0%	16.5%	24 – 26% <i>(prev. 23 – 25%)</i>	14 – 16% <i>(prev. 10 – 12%)</i>
Transformation of Industry	14.0%	11.4%	13 – 15% <i>(prev. 11 – 13%)</i>	9 – 11% <i>(prev. 8 – 10%)</i>
Siemens Gamesa	17.2%	neg. €623m	0 – 2% <i>(prev. (9) – (5)%)</i>	around neg. €1.3bn <i>(unchanged)</i>
<b>Siemens Energy</b>	<b>19.6%</b>	<b>7.3%</b>	<b>13 – 15%</b> <i>(prev. 8 – 10%)</i>	<b>4 – 6%</b> <i>(prev. 3 – 5%)</i>
Net Income	€753m		up to €1bn <sup>3</sup> <i>(prev. around break-even<sup>3</sup>)</i>	
Free cash flow pre tax <sup>4</sup>	€2.9bn		around €4bn <i>(prev. up to €1bn)</i>	

**This outlook excludes charges related to any future 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> Excluding assumed positive Special items subsequent to the demerger of the energy business from Siemens Limited, India | <sup>4</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

# FY25 outlook raised – mid-term target update with Q4 / CMD



Attractive markets



Strong operational performance leads to upgrade of FY25 outlook across all KPIs

Resilient business model

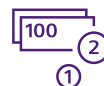


Demand for our products, solutions and services remains strong – focus on profitable growth

Strong positioning



Investment in capacity and innovation to maintain technological leadership – strengthen business resilience in uncertain environment



Further balance sheet improvement – 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

# Financial Calendar



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# Q&A

# Appendix

# Net income transition



In €m	Q2 FY24	Q2 FY25	H1 FY24	H1 FY25
Gas Service	377	508	697	917
Grid Technologies	510	568	683	873
Transformation of Industry	84	153	175	306
Siemens Gamesa	(360)	(510)	(788)	(932)
<i>Reconciliation to Siemens Energy</i>	<i>(109)</i>	<i>(105)</i>	<i>1,612</i>	<i>(86)</i>
<b>Profit</b>	<b>501</b>	<b>615</b>	<b>2,379</b>	<b>1,077</b>
<i>Profit margin</i>	<i>6.1%</i>	<i>6.2%</i>	<i>14.9%</i>	<i>5.7%</i>
Amortization of intangible assets acquired in business combinations and goodwill impairments	(65)	(58)	(130)	(121)
Financial result	(138)	48	(250)	111
<b>Income before income taxes</b>	<b>298</b>	<b>605</b>	<b>1,999</b>	<b>1,067</b>
Income tax (expenses/gains)	(189)	(104)	(308)	(314)
<b>Net income</b>	<b>108</b>	<b>501</b>	<b>1,690</b>	<b>753</b>
Attributable to				
Non-controlling interests	41	68	72	121
Shareholders of Siemens Energy AG	68	433	1,618	632

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

# Cash flow statement



In €m	Q2 FY24	Q2 FY25	H1 FY24	H1 FY25
<b>Net income</b>	<b>108</b>	<b>501</b>	<b>1,690</b>	<b>753</b>
Amortization, depreciation and impairments	357	631	718	1,001
Change in operating net working capital				
Contract assets	(178)	(202)	(139)	(64)
Inventories	(431)	(74)	(1,090)	(968)
Trade receivables	(115)	261	(313)	(212)
Trade payables	104	(265)	(454)	220
Contract liabilities	955	700	2,101	2,816
Others	(188)	15	(2,034)	(285)
<b>Cash flow from operating activities</b>	<b>613</b>	<b>1,567</b>	<b>482</b>	<b>3,261</b>
Additions to intangible assets and property, plant and equipment	(316)	(330)	(550)	(588)
<b>Free cash flow</b>	<b>297</b>	<b>1,237</b>	<b>(68)</b>	<b>2,673</b>
Income taxes paid	186	152	268	245
<b>Free cash flow pre tax</b>	<b>483</b>	<b>1,390</b>	<b>200</b>	<b>2,918</b>
thereof Gas Services	512	1,004	748	1,814
thereof Grid Technologies	479	633	1,246	1,886
thereof Transformation of Industry	146	145	241	458
thereof Siemens Gamesa	(553)	(333)	(1,703)	(900)

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

# FY25 financial considerations for Siemens Energy



	FY24	FY25	Commentary
Reconciliation line on Profit before SI	neg. €0.25bn	~ neg. €0.3bn ( <i>unchanged</i> )	
Financial result	neg. €0.3bn	~ 0bn ( <i>prev. ~ neg. €0.2bn</i> )	Excl. impacts related to the change in fair values of transaction related derivatives
R&D	€1.2bn	~ €1.2bn ( <i>unchanged</i> )	
Capital expenditures	€1.5bn	~ €2bn ( <i>unchanged</i> )	
Cash flow positions below FCF pre tax			
Tax paid	neg. €0.5bn	stable ( <i>unchanged</i> )	
Other cash flow from investing activities (Portfolio) <sup>1</sup>	€2.8bn	n/a excl. from guidance	
Interest / guarantee payments	neg. €0.3bn	slightly down ( <i>unchanged</i> )	Incl. payments for Bund backed guarantees
Minority dividend payments	neg. €0.1bn	Stable ( <i>unchanged</i> )	
Treasury shares	neg. €0.1bn	Stable ( <i>unchanged</i> )	Only for employee stock programs
Lease payments	neg. €0.4bn	Stable ( <i>unchanged</i> )	Lease payments reported in financing cash flow

<sup>1</sup> Cash flow from investing activities less additions to intangible assets and property plant and equipment (reported in FCF)