Shareholder Letter Q1 FY2021

Siemens Energy Investor Relations

Dear shareholders,

I hope you and your family had a great start into the year 2021. Tuesday last week, our CEO Christian Bruch together with our CFO Maria Ferraro presented the first quarter results of fiscal year 2021.

"The first quarter proves that we are on the right path to reach our annual targets. The Siemens Energy team achieved a solid start into the new fiscal year even under difficult circumstances." said Christian Bruch.

Despite the effects of the **Covid-19** pandemic on our operational performance we have been able to close the first quarter with solid results. **Accordingly, management confirmed the outlook for fiscal year 2021.** The positive development has been reflected in a good share price performance. Since the publication of previous quarter's results in November 2020, the share price has risen by almost 48%.

Revenue increased by 3% to €6.5bn despite negative currency translation effects. On a comparable basis (excluding currency translation and portfolio effects) revenue rose by nearly 8%. **Orders of €7.4bn** were substantially below the high basis of comparison of the prior year, driven by a sharp decline at Siemens Gamesa Renewable Energy (SGRE). However, order intake was significantly higher than revenue. Consequently, despite negative currency effects, the **order backlog of €79bn** was nearly unchanged compared to past fiscal year-end.

Adjusted EBITA reached €243m. The recent quarter benefited from operational improvements and positive temporary effects. Special items came in at negative €123m. **Adjusted EBITA before Special Items (SI) increased to €366m reflecting a margin of 5.6%. Net income sharply improved to €99m** after a loss in the prior-year quarter. **Basic earnings per share (EPS) amounted to €0.09.**

At the event Christian Bruch provided additional information in respect to our sustainability strategy and presented our latest sustainability projects, which we further detail on pages 3 and 4.

The **Siemens Energy AGM 2021**, was held on February 10. 75.85% of the voting capital were represented and all agenda items were approved by our shareholders (page 2).

Dear shareholders, I want to thank you for your trust and interest in Siemens Energy.

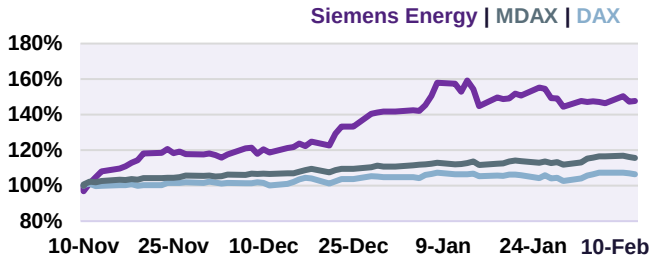
Best regards

Michael Hagmann | Head of Investor Relations



Share Performance

November 10, 2020 – February 10, 2021



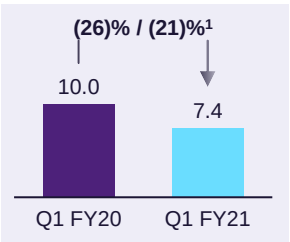
Siemens Energy +48% | **MDAX +16%** | **DAX +6%**

GE +31% | **Baker Hughes** +30% | **Hitachi** +38% | **MHI** +33%

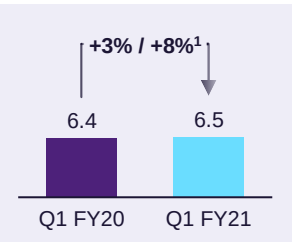
Key Financial Indicators

(in €bn, except where otherwise stated)

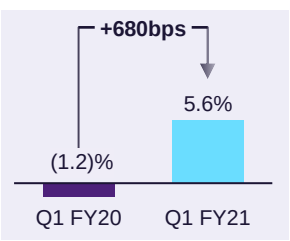
Orders



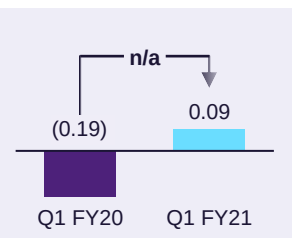
Revenue



Adj. EBITA Margin before SI



EPS in €



1 xx% / xx% = nominal / comparable (excluding currency translation and portfolio effects).

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Segment Performance in Q1 FY2021



Gas and Power

Revenue: €4.3bn

Adj. EBITA before SI: €267m

Adj. EBITA Margin before SI: +6.2%



SGRE

Revenue: €2.3bn

Adj. EBITA before SI: €118m

Adj. EBITA Margin before SI: +5.1%

Siemens Energy Annual Shareholders' Meeting 2021

The first ordinary Annual Shareholders' Meeting (AGM) of Siemens Energy AG was held on February 10, 2021 without the physical attendance of shareholders or their proxy representatives. Only proxy representatives nominated by the Company were present.

Accordingly, we are pleased that almost 7,000 shareholders followed the AGM via livestream over the internet. The shareholder representatives on the Supervisory Board were elected (for an overview of all Supervisory Board members please click here). A vote was also held on the compensation system for the members of the Executive Board and the Supervisory Board (more information here).

Shareholders submitted questions in advance and all of them were answered by our chairman of the Supervisory Board Joe Kaeser, our CEO Christian Bruch and our CFO Maria Ferraro. Shareholders were concerned about the independence of the chairman of the audit committee, Ralf Thomas, who agreed to resign from the role as a chairman of the audit committee by the next AGM in February 2022.

75.85% of the voting capital was represented and shareholder approval for all resolutions was high (see table below). The next Shareholders Meeting take place in February 2022.

Voting results on the agenda items

Item 1	Consideration of adoption of financial and supervisory board reports	No resolution
Item 2	Ratification of the acts of the members of the Executive Board	99.79%
Item 3	Ratification of the acts of the members of the Supervisory Board	99.78%
Item 4	Appointment of independent auditors	99.62%
Item 5	Election of members to the Supervisory Board	
	a) Dr. Christine Bortenlänger	96.13%
	b) Mr. Sigmar Gabriel	99.14%
	c) Mr. Joe Kaeser	92.64%
	d) Dr. Hubert Lienhard	99.20%
	e) Ms. Hildegard Müller	99.31%
	f) Ms. Laurence Mulliez	95.17%
	g) Mr. Matthias Rebellius	98.17%
	h) Prof. Dr. Ralf P. Thomas	84.74%
	i) Ms. Geisha Jimenez Williams	99.33%
	j) Mr. Randy Zwirn	99.31%
Item 6	Approval of compensation system for the members of the Executive Board	96.70%
Item 7	Resolution on the compensation for the members of the Supervisory Board	98.92%

A detailed overview of the results can be found here.



Our Sustainability Report 2020 – “ Getting Started”

Climate change, growing populations and digitalization are changing the boundary conditions for us, for our customers and for the entire energy industry. How can the energy industry meet this growing energy demand while protecting the climate? **The aspiration of Siemens Energy is to energize society in a sustainable and efficient way, based on the right products, solutions and services.**

Our commitment to sustainability

The first independent Sustainability Report, published on Dec 7, 2020, shows that sustainability is an integral part of our “Energy of Tomorrow” transformation program that will enable us to make our vision reality: **We want to create the most valued energy technology company in the world and be the sustainability leader in our industry**. To underscore this commitment, Christian Bruch, President and CEO of Siemens Energy, have taken over responsibility as Chief Sustainability Officer.

ESG key performance indicators

Climate neutral by 2030

100% renewable electricity by 2023

Zero harm

25% Women in top leadership functions by 2025; 30% by 2030

Our sustainability strategy

Sustainability anchored in SE’s strategy **with focus on 5 high impact UN Sustainability Goals**:



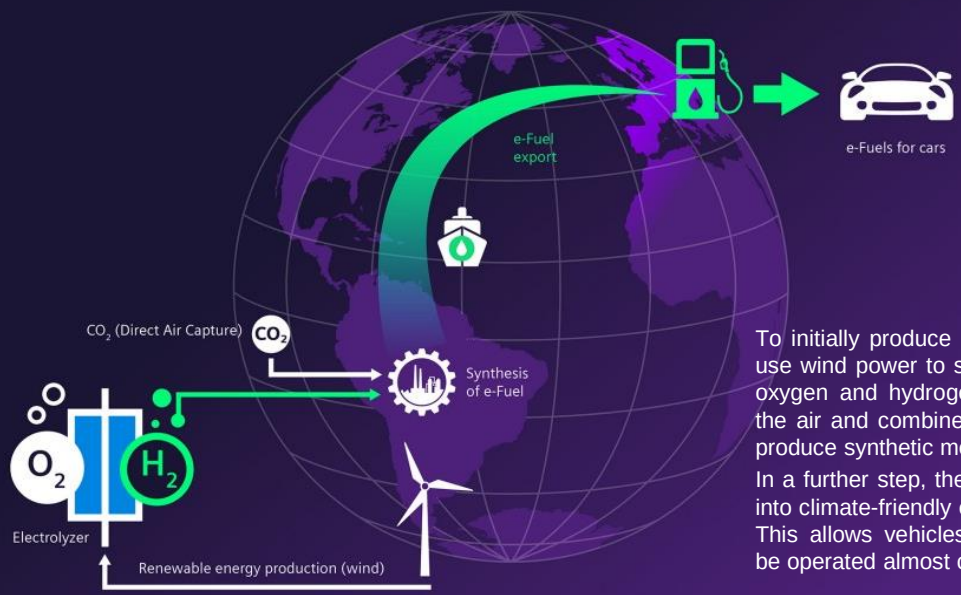
“Haru Oni” Hydrogen Project

World's first integrated plant for the production of climate-neutral fuels: Siemens Energy and Porsche, together with partners, are implementing a pilot project in Chile that is to result in the world's first integrated and commercial large-scale plant for the production of synthetic, climate-neutral fuels (e-fuels). The project takes advantage of the excellent climatic conditions for wind energy in the Magallanes Province. A part of Germany’s national hydrogen strategy, to support the project SE will get a grant of €8 million from the Federal Ministry for Economic Affairs and Energy.

~130,000
liters e-fuel per year by 2022

~550 million
liters e-fuel per year by 2026

Fuel from wind and water with the purpose to decarbonize the transport sector



To initially produce green hydrogen, electrolysers use wind power to split water into its components oxygen and hydrogen. CO2 is then filtered from the air and combined with the green hydrogen to produce synthetic methanol.

In a further step, the green methanol is converted into climate-friendly e-fuel for export and local use. This allows vehicles with combustion engines to be operated almost climate-neutrally.

SE & SGRE to unlock a new era of green hydrogen production

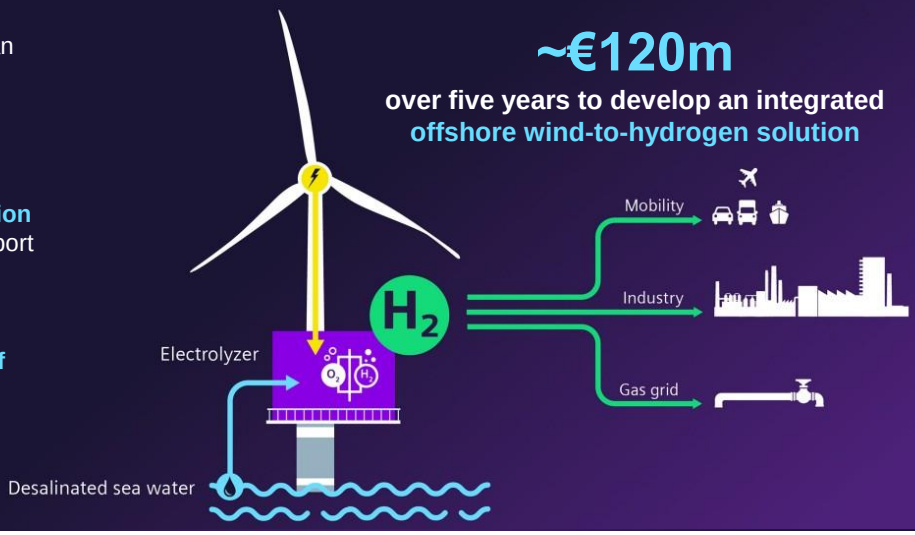
Projects are first major step to develop an **industrial-scale system capable of harvesting green hydrogen from offshore wind**

Developments will enable **decarbonization of hard-to-abate sectors** such as transport and heavy industry

Implementation **within the framework of the ideas competition "Hydrogen Republic of Germany“** of the Federal Ministry of Education and Research

~€120m

over five years to develop an integrated offshore wind-to-hydrogen solution



Our outlook for fiscal year 2021

We expect global macroeconomic development to remain subdued in fiscal year 2021, with risks particularly related to geopolitical and geo-economic uncertainties. Our markets tend to have a limited effect to economic cycles and our businesses, especially our service business, are characterized by a high level of resilience.

Nevertheless, we observe with concern the resurgence of the global COVID-19 pandemic and increasing local lockdown situations. In many countries our operations are deemed system critical and thus are exempted from the measures imposed by authorities.

This guidance assumes no further financial impact from COVID-19 during fiscal year 2021. We are hence monitoring the recent spike in new infections with concern and evaluate appropriate measures as it pertains to our guidance. This outlook excludes charges related to legal and regulatory matters.

	Siemens Energy	Gas and Power	SGRE
Revenue growth nominal	**2 - 12%**	2 - 11%	8 - 18%
Adjusted EBITA margin before SI	**3 - 5%**	3.5 - 5.5%	3 - 5%

Additionally, **a sharp increase in net income** and a **sharp decrease of free cash flow pre tax** is being expected for the SE group.

Financial Calendar

March 19, 2021	Hydrogen Day
May 5, 2021	Q2 FY2021
August 4, 2021	Q3 FY2021

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Information and Forward-Looking Statements
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