

Munich, February 4, 2020

Siemens to acquire Iberdrola's stake in Siemens Gamesa Renewable Energy

- **Purchase price of €20.00 per SGRE share**
- **All shares held by Siemens to be transferred to future Siemens Energy**
- **Cooperation agreement signed for future joint projects**
- **Intensified cooperation between Siemens and SGRE will create savings of up to €900 million (NPV) for SGRE**

Siemens AG will acquire all the shares of Siemens Gamesa Renewable Energy (SGRE) held by Iberdrola S.A. At its regular meeting today, the Supervisory Board of Siemens AG approved the purchase of Iberdrola's 8.1% stake in SGRE. The purchase price is €20.00 per share, which corresponds to a 32% premium on top of the average SGRE share price for the last 30 trading days. Siemens will pay the total amount of €1.1 billion from its own resources. All legal disputes between Iberdrola and Siemens will be settled.

In addition, Iberdrola, Siemens and SGRE have signed a cooperation agreement that covers certain projects for wind power generation and for improving the distribution grid. For these projects, Iberdrola, as a customer of SGRE and Siemens, will grant these companies exclusive negotiation rights for a limited period of time.

Furthermore, Siemens expects that additional annual savings of up to €100 million can be realized by unwinding the shareholder agreement and through intensified cooperation between Siemens and SGRE, resulting in a net present value of about €900 million.

As part of the spin-off and subsequent public listing of its Gas and Power business, Siemens will contribute all its shares in SGRE to the new Siemens Energy company.

This move will create a pure-play energy company with a unique value proposition in

Siemens AG
Communications
Head: Clarissa Haller

Werner-von-Siemens-Strasse 1
80333 Munich
Germany

the area of conventional and renewable energies. Siemens Energy, which will then hold about 67% of the voting rights at SGRE, will have a two-thirds majority at the company's annual general meeting. No mandatory takeover offer to SGRE's external shareholders is planned.

“Way before anyone else, Siemens and Iberdrola had taken the first step to a necessary consolidation in the sector. We have created a leading and robust supplier of renewable energy and believe, that SGRE still has considerable potential to grow and create significant value. SGRE is a vital cornerstone in the new Siemens Energy portfolio in order to shape the necessary energy transition from conventional to renewable energy. Time has come to take this mission to the next step,” said Joe Kaeser, President and CEO of Siemens AG.

“2020 is a pivotal year in which climate protection has reached the top of the global agenda. We are convinced that the energy transition offers many opportunities for Siemens Energy. With our diverse and constantly growing renewables portfolio we can deliver tailored solutions for low carbon leaders and energy seeking countries alike,” added Michael Sen, member of the Managing Board of Siemens AG and designated CEO of Siemens Energy.

This press release is available at www.sie.ag/2UoVeQA

Contacts for journalists

Robin Zimmermann

Tel.: +49 89 636 22804

E-mail: r.zimmermann@siemens.com

Richard Speich

Tel.: +49 89 636 30017

E-mail: richard.speich@siemens.com

Follow us on Twitter: www.twitter.com/siemens_press

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 170 years. The company is active around the globe, focusing on the areas of power generation and distribution, intelligent infrastructure for buildings and distributed energy systems, and automation and digitalization in the process and manufacturing industries. Through the separately managed company Siemens Mobility, a leading supplier of smart mobility solutions for rail and road transport, Siemens is shaping the world market for passenger and freight services. Due to its majority stakes in the publicly listed companies Siemens Healthineers AG and Siemens Gamesa Renewable Energy, Siemens is also a world-leading supplier of medical technology and digital healthcare services as well as environmentally friendly solutions for onshore and offshore wind power generation. In fiscal 2019, which ended on September 30, 2019, Siemens generated revenue of €86.8 billion and net income of €5.6 billion. At the end of September 2019, the company had around 385,000 employees worldwide. Further information is available on the Internet at www.siemens.com.