

Successful spin-off and solid fourth quarter

Annual Press Conference for fiscal 2020

Munich, November 10, 2020

Christian Bruch, President and CEO Siemens Energy AG

Maria Ferraro, CFO Siemens Energy AG



Information and forward-looking statements

This document contains statements related to our future business and financial performance, and future events or developments involving Siemens Energy that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project,” or words of similar meaning. We may also make forward-looking statements in other reports, prospectuses, in presentations, in material delivered to shareholders, and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of Siemens Energy’s management, of which many are beyond Siemens Energy’s control. These are subject to a number of risks, uncertainties, and other factors, including, but not limited to, those described in disclosures, in particular in the chapter “Report on expected developments and associated material opportunities and risks” in the Annual Report. Should one or more of these risks or uncertainties materialize, should acts of force majeure, such as pandemics, occur, or should underlying expectations including future events occur at a later date or not at all, or should assumptions prove incorrect, Siemens Energy’s actual results, performance, or achievements may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement.

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Christian Bruch

President and CEO Siemens Energy AG



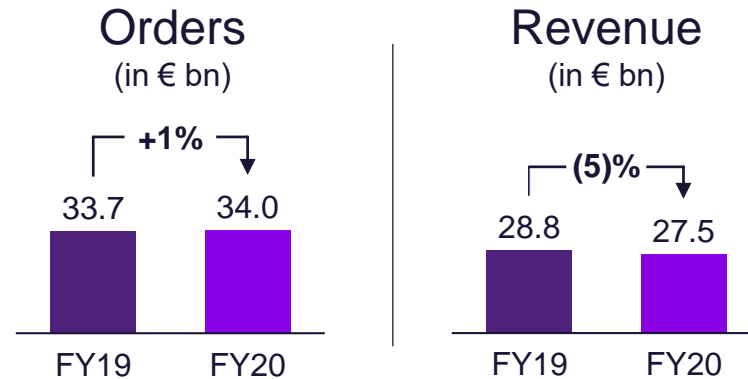
Resilient operating performance – guidance achieved

COVID-19

Spin-off triggers transformation

Operational excellence programs under execution

Fiscal year 2020



Adj. EBITA before SI
€(17) m

Free Cash Flow
pre tax
€977 m

Continuous customer support
Focus on employee safety

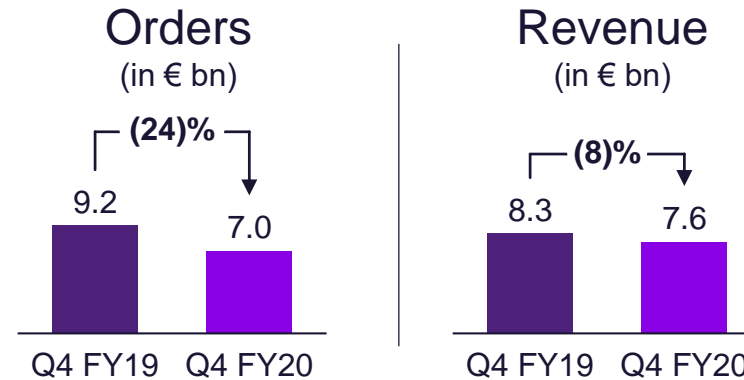
Spin-off and public listing
Successful start to transformation journey

Portfolio streamlining started
Acceleration of cost out measures initiated

Fourth quarter in FY2020



Key figures



Adj. EBITA before SI
€70 m

Free Cash Flow
pre tax
€704 m

Spin-off completed

Successful listing at Frankfurt Stock Exchange on September 28

Market environment

Markets stabilizing

FX headwinds

Accelerating Impact

Streamlining of production capacities at Le Havre (France) and closure at Drammen (Norway)

Energy of Tomorrow Executing our strategy

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 industries
- Act as data-driven company

We
energize
society

Spin-off

2023

2025

2030

Powered by our people and our values

Executing our strategy: Phase 1 Accelerating Impact



Focus and deliver on fundamentals

- Optimize cost structures in the organisation
 - Streamline portfolio
 - Project excellence; reduce non-conformance costs
 - Optimize supply chains
 - Focus on health and safety: zero accidents!
-

Co-create innovations with customers and partners

Examples:

- Cooperation with Linde to decarbonize the petrochemical sector
 - First MW green hydrogen production project in China together with SPIC
-

Starting the energy transformation

- Coal exit strategy – step by step towards a sustainable portfolio
- Stronger focus on service and sustainability in R&D
- Power-to-X: storage solutions for energy conversion

Important projects in FY2020



Growth in transmission



Order of our customer **TenneT** for the 7th **offshore wind farm** in the North Sea

Solutions for Industrial Applications



Siemens Energy will deliver equipment to its customer **Total** for the **largest LNG project** in Africa in Mozambique

Emission-free power generation



innogy selects **Siemens Gamesa** 14MW wind turbines for **1.4 GW offshore-wind park** Sofia in the UK

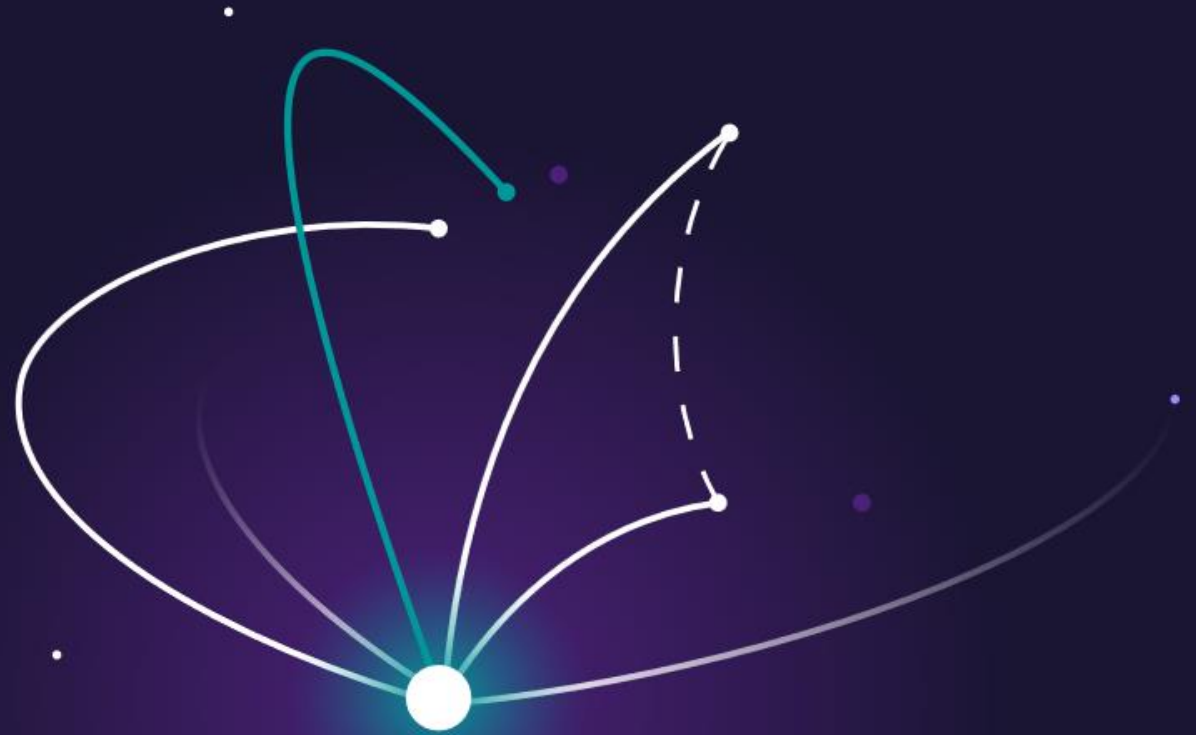
Highly efficient energy technologies



Siemens Energy and **Kineticor** increase energy efficiency in Alberta, Canada, with **combined cycle power plant** Cascade

Maria Ferraro

CFO Siemens Energy AG



Siemens Energy AG

Reportable segments

Gas and Power (GP)

**Siemens Gamesa
Renewable Energy (SGRE)**

Divisions

Generation

Transmission

**Industrial
Applications**

Business Units

Onshore

Offshore

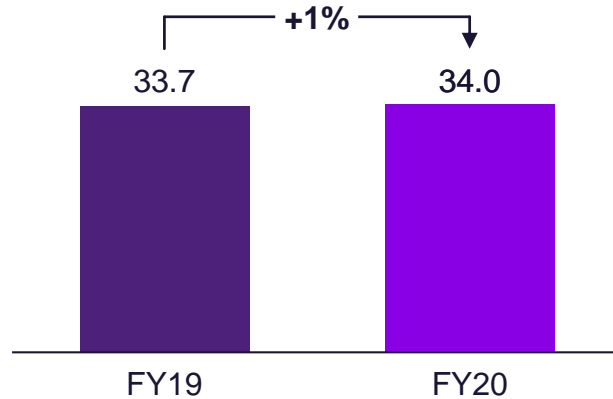
Service

Siemens Energy Group at a glance

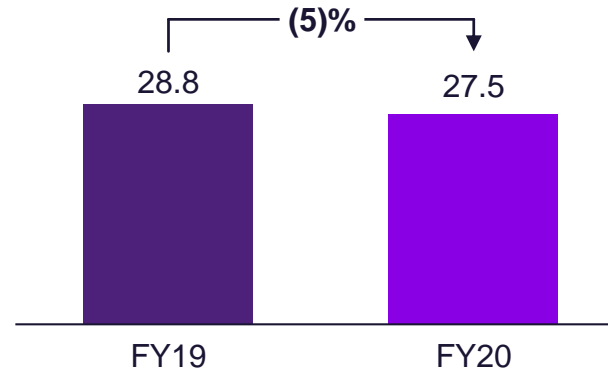
Fiscal Year 2020



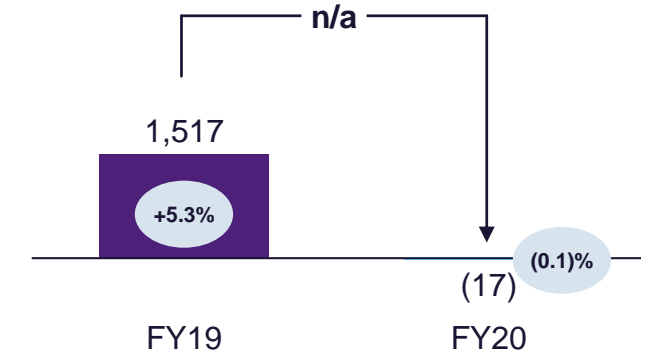
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)



Order Backlog¹

€79 bn

FY19: €77 bn

Book-to-Bill Ratio

1.24

FY19: 1.17

Free Cash Flow²

€977 m

FY19: €1,164 m

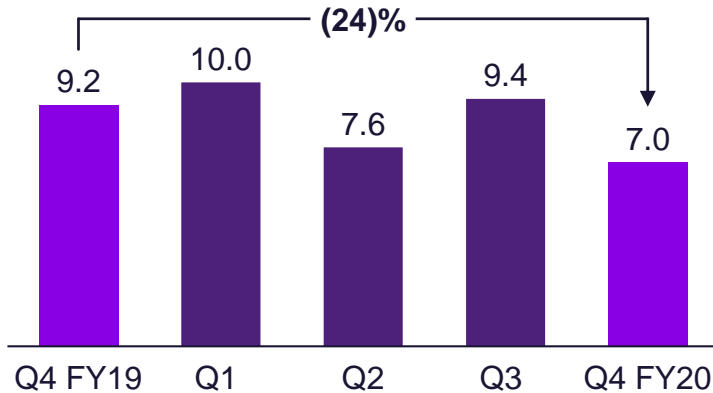
¹ As of September 30, 2020 | ² Free Cash Flow pre tax
2020-11-10 Adj. EBITA margin before Special Items

Siemens Energy Group at a glance

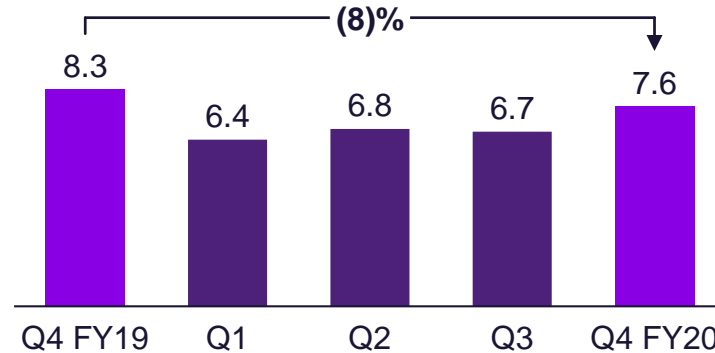
Q4 FY2020



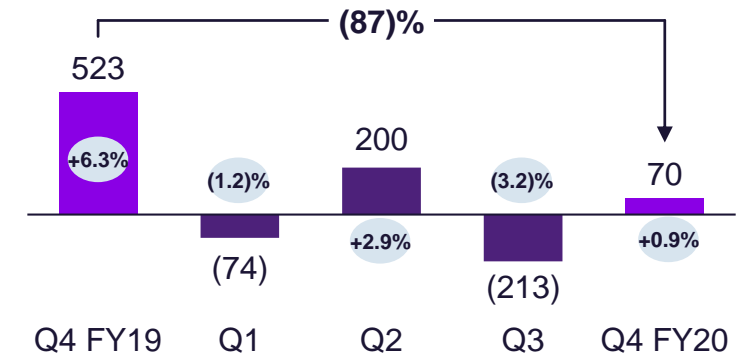
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)



- High base of comparison with 3 big orders at GP and record onshore orders at SGRE
- Focus on margin quality
- Some shifts because of COVID-19

- Strong Service but below prior- year
- Lower solutions business
- SGRE flat on a comparable basis

- Both segments positive
- Significant COVID-19 impact, but smaller than in Q3
- Incl. non-recurring standalone costs not treated as Special Items

Special Items

Reconciliation of Adj. EBITA before Special Items (€ m)

In € m	Q4 FY19	Q4 FY20	FY19	FY20
Gas and Power				
Adj. EBITA before Special Items	283	43	836	254
Restructuring and integration costs	(200)	(102)	(247)	(133)
Stand-alone costs	-	(102)	-	(121)
Strategic portfolio decisions	-	(34)	-	(735)
Special Items	(200)	(237)	(247)	(988)
Adj. EBITA	83	(194)	589	(734)
SGRE				
Adj. EBITA before Special Items	241	30	687	(249)
Special Items ¹	(116)	(110)	(206)	(462)
Adj. EBITA	125	(80)	481	(711)
Siemens Energy				
Adj. EBITA before Special Items	523	70	1,517	(17)
Special Items	(316)	(402)	(453)	(1,526)
Adj. EBITA	207	(332)	1,064	(1,543)

¹ equals integration and restructuring cost as reported by SGRE

2020-11-10

Gas and Power

- **Restructuring costs**
Takes into account the partial closure of the site in Le Havre and further progress on existing programs (PG2020 and GP2020+)
- **Stand-alone costs**
Reflects cost associated with the spin-off such as accelerated vesting and costs related to the local legal carve-outs
- **Strategic portfolio decisions**
Q4 reflects further inventory write-downs related to strategic portfolio decisions taken in Q3

Siemens Energy

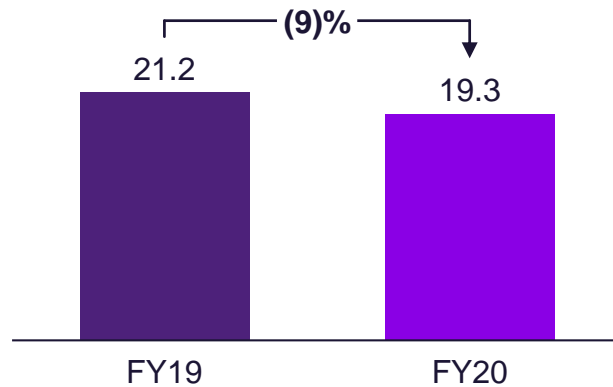
- SE includes non-recurring standalone costs booked in corporate

Gas and Power at a glance

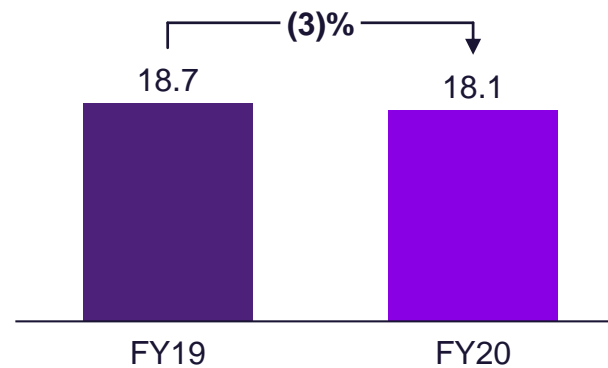
Fiscal Year 2020



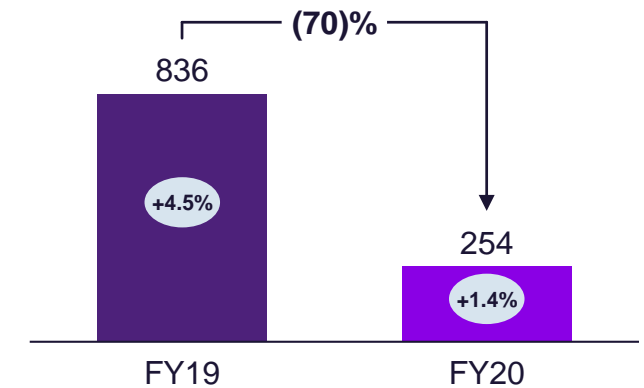
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)



Order Backlog¹

€48 bn

FY19: €52 bn

Book-to-Bill Ratio

1.07

FY19: 1.13

Free Cash Flow²

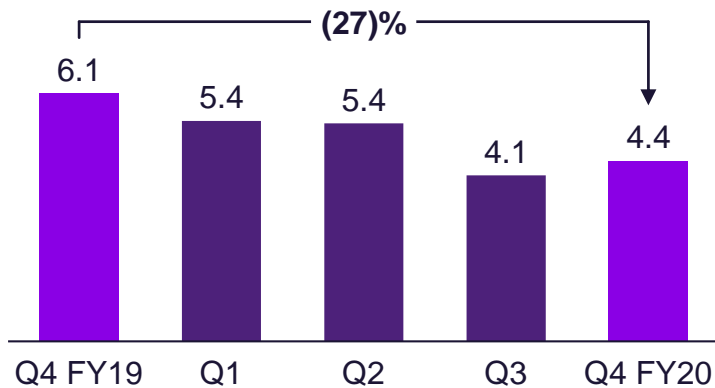
€536 m

FY19: €651 m

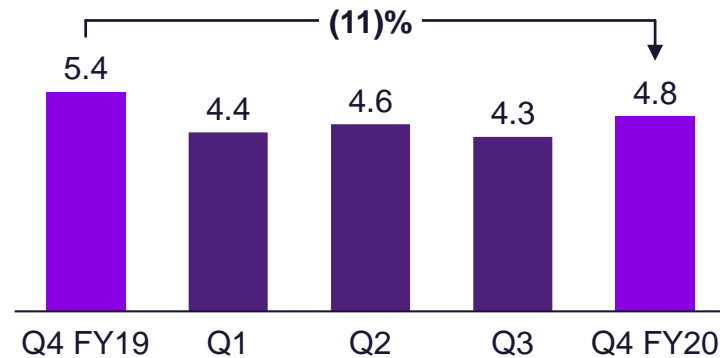
Gas and Power at a glance

Q4 FY2020

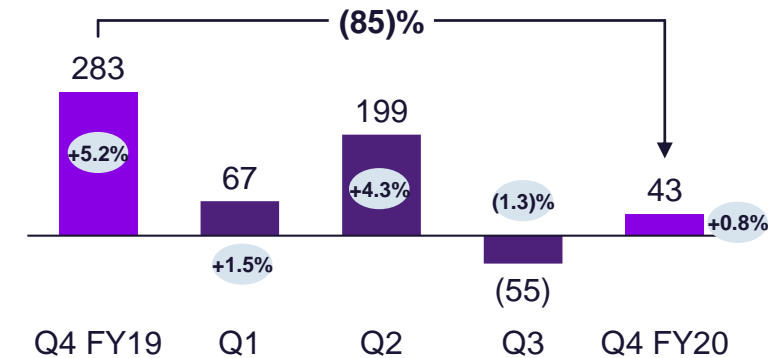
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)

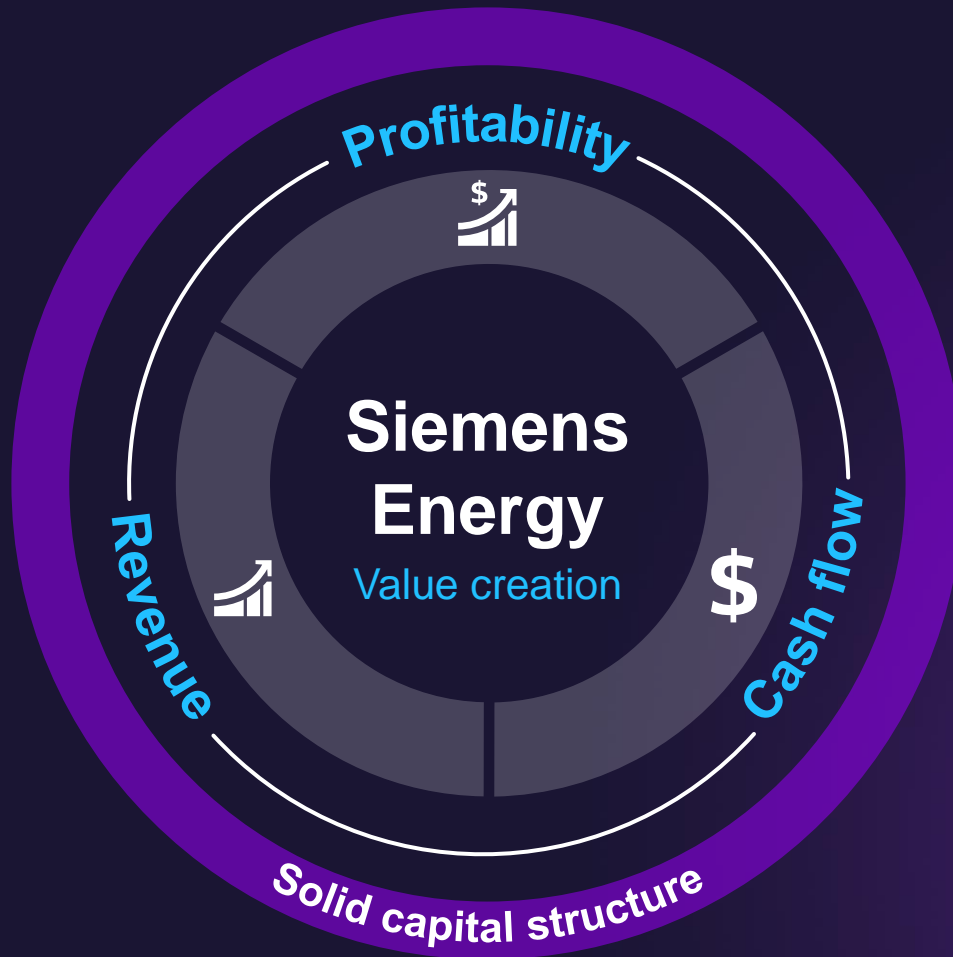


- High base of comparison
- Selectivity (focus on margin quality)
- COVID-19 and difficult market environment

- Strong service business
- Less solutions business

- Significant COVID-19 impact, but smaller than in Q3
- Bank and guarantee fees

Focused on Sustainable Shareholder Value Creation



1

Strong business foundation with large order backlog and resilient service business

2

Clear path to margin improvement with ongoing cost programs

3

Asset excellence – Cash upside from rigorous working capital management

Christian Bruch

President and CEO Siemens Energy AG



Sustainability is at the core of our actions

Climate neutral in own operations by 2030

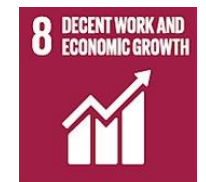
Green electricity 100% of own power consumption by 2023

Sustainability report published first time in December 2020

Clear coal strategy exiting new business; compliance with existing contractual obligations



We are committed to the UN's Sustainable Development Goals



Coal exit strategy – step towards a sustainable portfolio

- 1** Effective immediately, we will no longer participate in new tenders for pure coal-fired power plants
- 2** Existing commitments for coal-fired power plant projects will be honored
- 3** Service and solutions for existing plants will continue with a focus on CO₂ reduction of those plants
- 4** Existing technology partnerships will be addressed
- 5** Evaluation of impact on sites



€1 billion
annual investment
in Research and
Development



Focus on
sustainability
and **service**



Developing a green
hydrogen
economy

Outlook for FY2021 confirmed

Revenue¹

2 – 12%

Adj. EBITA margin before
Special Items¹

3 – 5%

¹ detailed outlook and Financial Framework:
<https://assets.siemens-energy.com/siemens/assets/api/uuid:f8a891b0-7f76-4e87-9e37-efff0baa0138/siemensenergy-prospectus.pdf>

Questions & answers

Christian Bruch and Maria Ferraro



Financial calendar

2020

November 10



Annual Press
Conference

2021

February 02



Q1
FY2021

February 10



Siemens Energy
AGM

May 05



Q2
FY2021

August 04



Q3
FY2021

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