

Gas and Power on track, SGRE impacted by onshore wind business

Q3 2021 Press Call

Berlin, August 4, 2021

Christian Bruch, President and CEO Siemens Energy AG

Maria Ferraro, CFO Siemens Energy AG



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Christian Bruch

President and CEO Siemens Energy AG



Siemens Energy: Third quarter of fiscal year 2021

Financial performance and outlook

- Solid performance of segment Gas and Power in Q3, as planned
 - Weak results at SGRE affect Siemens Energy
 - Orders substantially down due to performance at SGRE
 - Revenue on Group level clearly up
 - Revenue guidance for Siemens Energy maintained; margin guidance cut due to weak results at SGRE
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Highlights

- Remote working of up to 45% of annual work time possible in Germany
 - Further ESG ratings obtained (ISS ESG, MSCI)
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Market environment

- Early signs of market recovery in some businesses
- Rising raw material prices
- Negative currency translation effects
- Market environment still impacted by pandemic; impact, however, less pronounced

Siemens Gamesa Renewable Energy

Facts

- SGRE adjusted profit margin from 3%-5% to (1)%-0%
 - Headwinds from sharp increase in raw material prices and project costs
 - Turnaround in onshore business takes more time than expected
-

Measures

- New management must consistently implement the measures initiated to turn around the onshore business
 - Internal processes must be realigned and strengthened
-

Assessment

- Renewable energies play a key role in the energy transition and thus also in our strategy
- Offshore and service business developing as planned; positive long-term development expected

Measures to improve competitiveness

Executing our strategy

Germany:

- Negotiations with employer representatives on implementation of measures communicated in February were ended in the previous form
 - Arbitration board will resolve open topics
 - Preceding voluntary leaver program will end soon
-

Worldwide:

- Measures to improve competitiveness are being implemented; reduction targets for fiscal 2021 will be achieved

Recent project orders



Low or zero-emission power generation



Leipheim: Remote-controlled gas-fired power plant to safeguard electricity supply in Germany

Transport of electricity and storage



SuedOstLink will transport environmentally friendly electricity from Northern to Southern Germany

Reducing CO₂ footprint and energy consumption in industrial processes



Electrification of biorefinery in Leuna – production of biochemicals without the use of fossil-based raw materials

Sustainability program Siemens Energy



Siemens Energy and IRENA sign partnership agreement

- Advancing the energy transition based on renewable energy
- Supporting sustainable development goals and climate action by
 - Advancing decarbonization in heat generation and process industry
 - Developing business models for green hydrogen



Prime Rating from ISS ESG

- Siemens Energy received an ESG Performance Rating and was rated B-Prime
- Siemens Energy's ESG Performance Rating places it top 20th percentile in the Electrical Equipment industry



MSCI ESG Rating Upgrade

- Siemens Energy received a rating upgrade to BBB



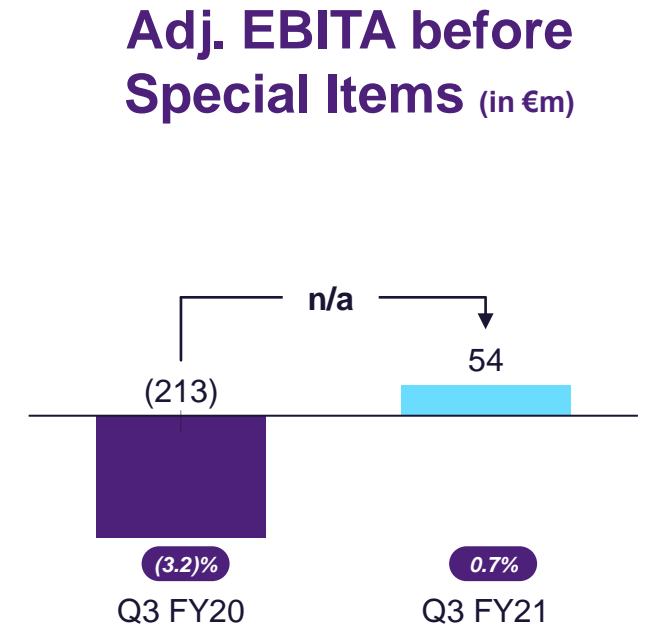
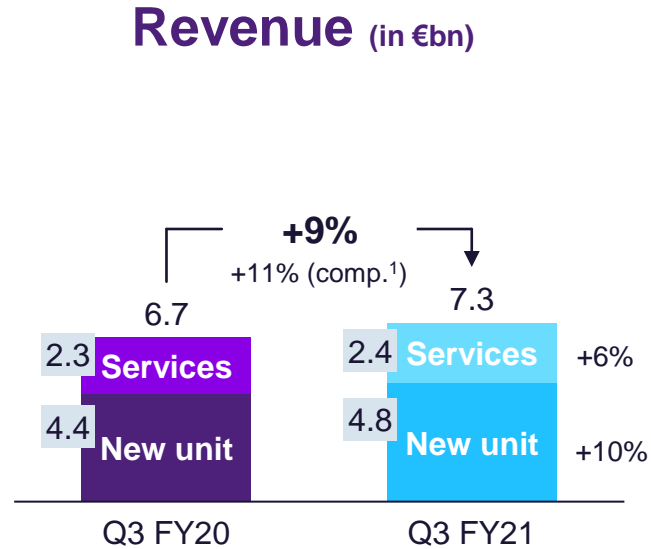
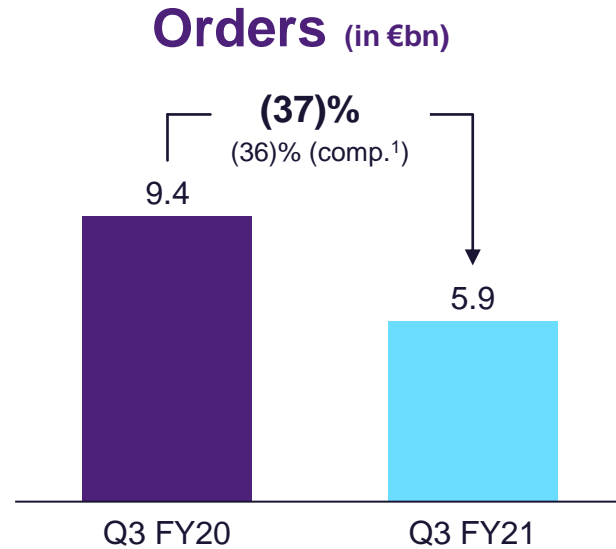
Maria Ferraro

CFO Siemens Energy AG



Siemens Energy Group at a glance

Q3 FY21



Order Backlog²

€83bn

Q2 FY21: €84bn

Book-to-Bill Ratio

0.8

Q3 FY20: 1.4

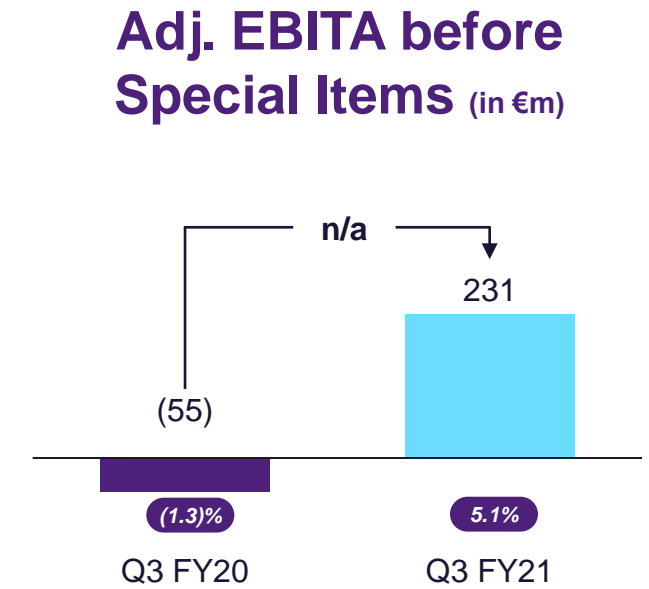
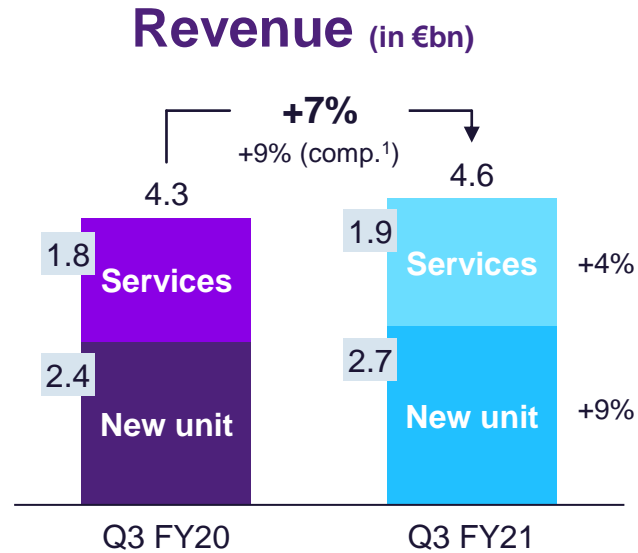
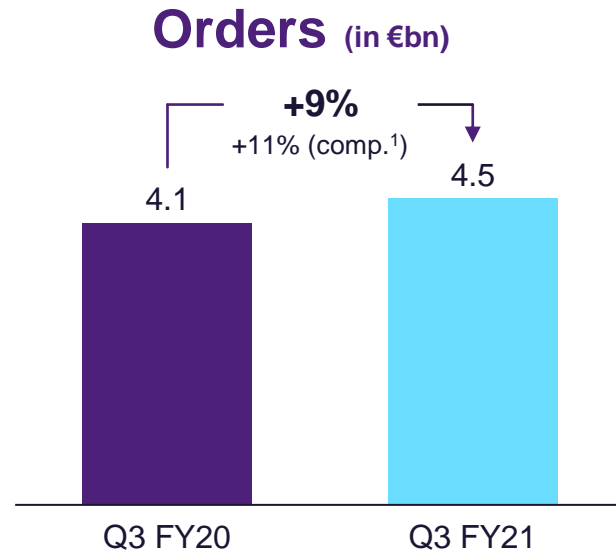
Free Cash Flow³

€328m

Q3 FY20: €432m

Gas and Power at a glance

Q3 FY21



Order Backlog²

€50bn

Q2 FY21: €51bn

Book-to-Bill Ratio

1.0

Q3 FY20: 1.0

Free Cash Flow³

€384m

Q3 FY20: €27m

Financial outlook and framework

		Actuals		Profit forecast		3-year guidance	Mid-term target	
		FY19	FY20	FY20	FY21	FY23		
Gas and Power	Revenue	€18.7bn	€18.1bn	(5)%-(3)%	2%-6%			
	% Growth y-o-y ²	(1.4)%	(3.1)%	✓				
	Adj. EBITA before Special Items	€836m	€254m					
	% Margin before Special Items	4.5%	1.4%	0%-2%	3.5%-5.5%	6%-8%		
	Restructuring costs ³	€247m	€133m	✓				
				Cumulative mid-to-high triple digit euro million amount in FY20-23				
Siemens Energy	Revenue	€28.8bn	€27.5bn	(5)%-(2)%	3%-8%		Flat to 3% ¹	
	% Growth y-o-y ²	2.8%	(4.7)%	✓				
	Adj. EBITA before Special Items	€1,517m	(€17)m					
	% Margin before Special Items	5.3%	(0.1)%	(1)%-1%	2% - <3% (prev. 3%-5%)	6.5%-8.5%	≥8%	Margin reported ⁴
	Tax rate					Medium-term tax rate 25%-30%		

¹ Rolling 3-year average total revenue growth, excluding portfolio and currency effects | ² FY19 growth compared to FY18; FY20 growth compared to FY19

| ³ Included in Special Items definition | ⁴ Adj. EBITA not adjusted for Special Items

August 4, 2021

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Christian Bruch

President and CEO Siemens Energy AG



Energy transition from the perspective of Siemens Energy

Prerequisites for achieving the climate targets

Solidarity for flood victims

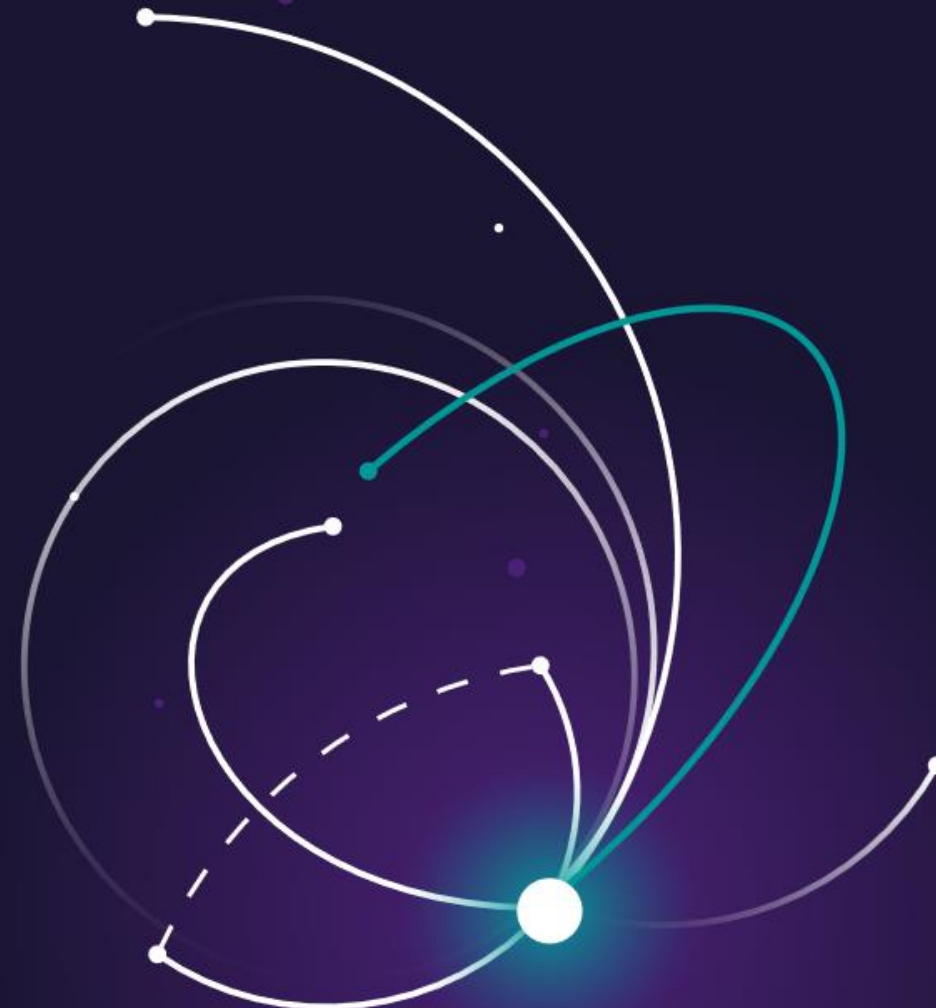
Five points to achieve the energy transition

1. Faster expansion of renewables and grids
2. Framework conditions must be suitable
3. No technological taboos
4. Adapting state aid law to requirements
5. And finally: more honesty in the debate

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- Siemens Energy launches fundraising campaign after flood disaster in Germany
 - Employees donate €275,000 within 72 hours
 - Siemens Energy doubles the amount and donates €550,000 to the German Red Cross

Questions & Answers

Christian Bruch and Maria Ferraro



Financial calendar



2021

4 August



Q3
FY 2021

10 November



Annual Press
Conference
Q4 FY 2021

2022

9 February



Q1
FY 2022

24 February



Annual General Meeting
2022

Press contacts

Tim Proll-Gerwe

Head of Media Relations

Mobile: +49 152 2283 5652

tim.proll-gerwe@siemens-energy.com

Annette von Leoprechting

Spokesperson Finance

Mobile: +49 174 330 3977

annette.von_leoprechting@siemens-energy.com

[siemens-energy.com](https://www.siemens-energy.com)