Shareholder Letter Q2 FY2021

Siemens Energy Investor Relations

Dear shareholders,

Last Wednesday, CEO Christian Bruch and CFO Maria Ferraro presented our second quarter results for fiscal year 2021.

"I am pleased with our solid second quarter results and that we are on track to reach our targets for the fiscal year despite a challenging environment. Our strong order intake proves our competitiveness especially of our sustainable portfolio elements." said Christian Bruch.

Management confirmed the profitability outlook for fiscal year 2021. Management narrowed **the range of expected revenue growth for Siemens Energy** (SE) to a range of 3% to 8%, from previously 2% to 12%. You can find the detailed outlook on page 4.

During the second quarter **orders rose 39% to €10.5bn** driven by Siemens Gamesa Renewable Energy (SGRE) and we **generated a revenue of €6.5bn.** Our revenue declined by 4.4%, but it was, on a comparable basis, at prior-year's level. Our book-to-bill ratio was healthy at 1.62, lifting the **order backlog to a record high of €84.2bn**.

We continue to progress when it comes to profitability. **Adjusted EBITA before Special Items (SI) increased sharply from €200m to €288m reflecting a rise in our margin from 2.9% to 4.4%.** We recorded net income of €31m, which compares to a loss in the prior-year quarter. Basic earnings per share (EPS) amounted to €0.03.

A particular highlight during this quarter was the **DAX inclusion on March 22**, less than six months after we listed on the Frankfurt Stock Exchange.

To become a leader in the energy transformation is our mission and we showcased our hydrogen capabilities at our **"Hydrogen Day" on March 19**. More than 500 participants followed the event online. You can find further information about this event on the next pages.

Furthermore, Sustainalytics, a leading ESG (Environmental, Social, Governance) rating agency ranked us #7 out of 177 peers in their sustainability ranking awarding us a low risk rating.

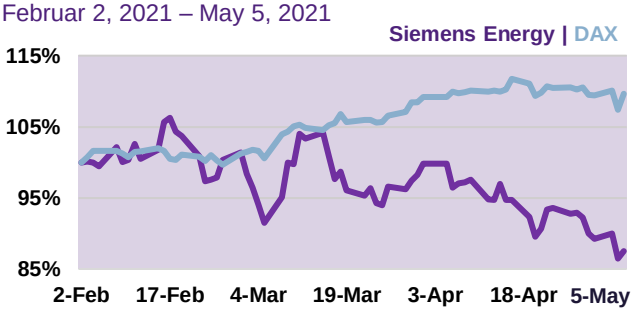
Dear shareholders, once again I thank you for your trust and interest in Siemens Energy.

Best regards

Michael Hagmann | Head of Investor Relations

Share Performance

Februar 2, 2021 – May 5, 2021



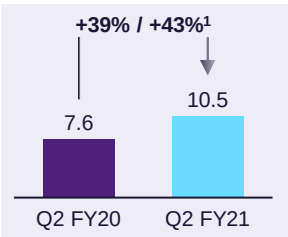
Siemens Energy (12)% | DAX +10%

GE +18% | **Baker Hughes** +11% | **Hitachi** +20% | **MHI** +6%

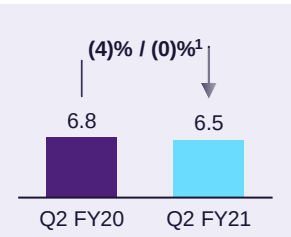
Key Financial Indicators

(in €bn, except where otherwise stated)

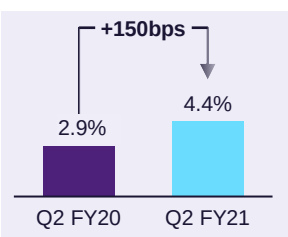
Orders



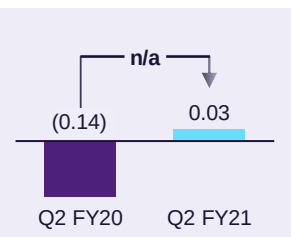
Revenue



Adj. EBITA Margin before SI



EPS in €



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

Siemens Energy Segments in Q2 FY2021

Gas and Power

Revenue: €4.2bn

Adj. EBITA before SI: €187m

Adj. EBITA Margin before SI: +4.5%

SGRE

Revenue: €2.3bn

Adj. EBITA before SI: €113m

Adj. EBITA Margin before SI: +4.8%

Siemens Energy Hydrogen Day

On March 19, we showcased our hydrogen competencies at our “Hydrogen Day”. We believe that hydrogen will play a key role in the energy transformation across power generation, industry and transport and that across Siemens Energy we have unique capabilities to help our customers in all of these three verticals. Feedback on the event was very positive and if you would like to see yourself what we had to say a recording of the Hydrogen Day is available **here**.

Agenda (incl. link to slides)

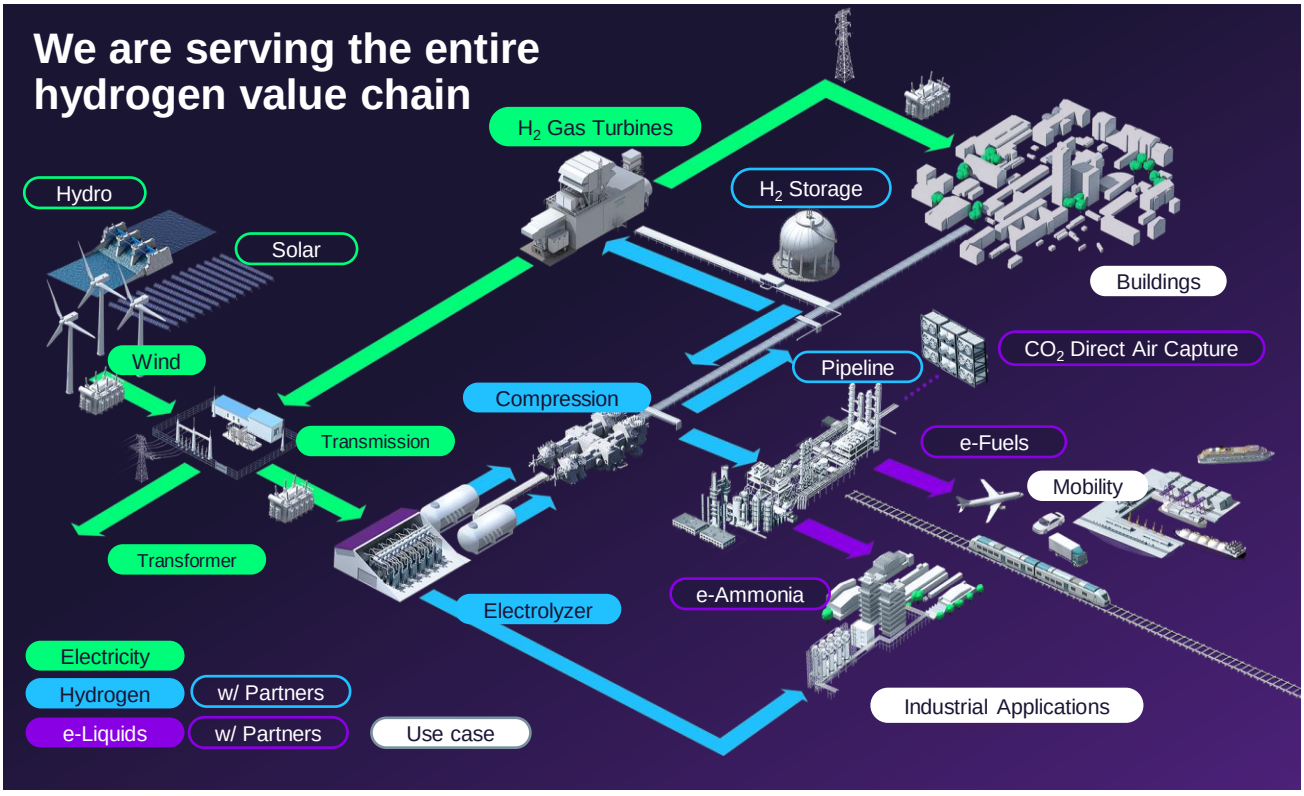
Market overview
Christian Bruch, CEO SE

PEM Electrolysis at Siemens Energy
Armin Schnettler, V.P. SE New Energy Business

Wind Industry in the green hydrogen revolution
Andreas Nauen, CEO SGRE

Hydrogen across Siemens Energy
Vinod Philip, V.P. Strategy & Technology and Innovation

The role of the UAE in the Hydrogen Economy
Musabbeh Al Kaabi, CEO UAE Investment Platform, Mubadala Investment Company

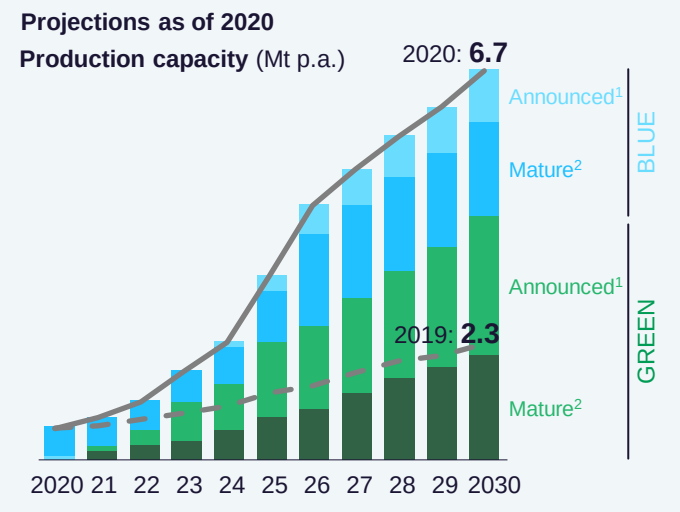


Strong growth in clean hydrogen production capacity through 2030

In order to combat global warming governments around the world have been stepping up programs to contain CO2 emissions. Beyond incentives to promote investments in renewables, hydrogen has become a focus area. Hence, we are seeing a rapid rise in hydrogen capacity. Just looking at the announced capacity additions **for clean (green and blue) hydrogen we are looking at a rise from 2.3 million tons in 2019 to 6.7 million tons in 2020** (see graphic).

The projection considers two different sources of hydrogen. **Blue hydrogen is generated using non-renewable energy sources** (e.g. natural gas), with carbon capture technologies that reduce CO_2 emissions. **Green hydrogen is produced using renewable energy sources** (e.g. solar, wind) with zero carbon emissions.

Given the rapid rise in capacity we expect a decrease in green hydrogen cost, which will be a key factor for hydrogen to proliferate into more sectors of the economy.



Source: Hydrogen Council, McKinsey "Hydrogen insights report 2021
1. Includes projects at preliminary studies or at press announcement stage;
2. Includes projects that are at the feasibility study or front-end engineering and design stage or where a final investment decision (FID) has been taken, under construction, commissioned or operational

PEM electrolyzers are used to produce green hydrogen. We are front runner in this technology based on our in-house expertise, industrial scale design and a broad set of patents

0.1 MW → 1 MW → 10 MW → 100 MW → 1,000 MW

2011
Silyzer 100
Lab scale demo
~20,000 Operating Hours
~30 t of H_2

2015
Silyzer 200
~130,000 Operating Hours
~1,700 t of H_2

World's largest Power-to-Gas plants with PEM electrolyzers in 2015 and 2017 built by Siemens

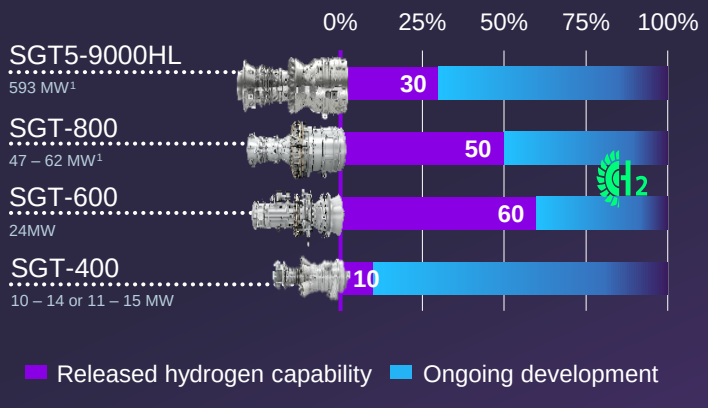
2018
Silyzer 300

2023+
Silyzer 300 plant

Pre-engineered and pre-fabricated electrolyzer systems enhanced with optimized operational concepts (digital twin)

2028+
Large scale, modular Design electrolyzer plants

The pathway to burn 100% hydrogen



Hydrogen in Power Generation

Already today all our gas turbines have hydrogen co-firing capabilities and we continuously upgrade our gas turbine portfolio to sustain a leadership position and to provide **key technology for our customers to transition their infrastructures to suite a decarbonized world**.

Over the next 2 years our medium sized gas turbines will be able to burn up to 100% hydrogen. The large gas turbines will be able to do so by 2030.

Sustained by **long years of experience and a strong business foundation**, we are optimally positioned to benefit from as well as to drive the hydrogen economy.

1 The performance may be reduced based on H_2 concentration, emissions requirement and power rating

ESG – an integral part of SE‘s strategy

Science Based Targets Initiative (SBTi) confirms SE’s CO_2 reduction targets

SBTi has verified on a scientific basis that Siemens Energy’s CO2 reduction targets comply with the Paris Agreement and thus contribute to limiting global warming to the extent stipulated in the agreement.

A key element of Siemens Energy's sustainability program, is its target to become climate-neutral by 2030 (scope 1 & 2). The company aims to achieve this by transitioning its own electricity consumption to 100% green energy by 2023 as well as investing in its own operations.

Moreover, by 2030, greenhouse gas emissions of products (scope 3) in the Gas and Power segment are to be cut by just under a third (27.5%) over lifetime compared to 2019. To achieve this, the company will continue to promote, among others, increased efficiency of its products.

Top ranking by ESG-agency Sustainalytics

- #7 place out of 177 companies worldwide within our industry group “Electrical Equipment”
- SE at low risk of facing material financial impacts from ESG factors, due to its medium exposure and strong management of ESG issues

Our outlook for fiscal year 2021

Against the background of the business development in the first half of the fiscal year coupled with greater visibility on the remainder of the fiscal year, we refine our outlook for the nominal revenue growth for Siemens Energy and both segments. Our original outlook included a wider range for the expected growth rate reflecting a high level of uncertainty at that time regarding factors, amongst others, the global COVID-19 pandemic.

We continue to expect global macroeconomic development to remain subdued for the remaining 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, is characterized by a high level of resilience.

This guidance continues to assume limited financial impact from COVID-19 during fiscal year 2021. Nevertheless, we observe with concern the resurgence of the global COVID-19 pandemic and measures imposed by authorities. We continue to monitor the pandemic situation and evaluate appropriate measures as it pertains to our guidance.

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

	Siemens Energy	Gas and Power	SGRE
Revenue growth nominal	**3 - 8%** **(before: 2-12%)**	2 - 6% (before: 2-11%)	8 - 11% (before: 8-18%)
Adjusted EBITA margin before SI	**3 - 5%**	3.5 - 5.5%	3 - 5%

Financial Calendar

June / July 2021	ESG conferences and roadshows
August 4, 2021	Q3 FY2021
November 10, 2021	Q4 FY2021

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