

Press release

Munich / Berlin, January 19, 2023

Ad hoc: Siemens Energy AG announces preliminary Q1 results. Strong underlying performance notwithstanding charges at Siemens Gamesa. Siemens Energy outlook adjusted for fiscal year 2023.

Siemens Energy today announces preliminary first quarter results of fiscal year 2023.

- Order intake: €12.727m (consensus €9.453m)
- Revenue: €7.064m (consensus: €6.644m)
- Profit: neg. €384m (consensus: neg. €32m), reflecting a margin of neg. 5.4% (consensus: neg. 0.5%)
- Profit before Special Items: neg. €282m (consensus: €53m), reflecting a margin of neg. 4.0% (consensus: 0.8%)
- Free cash flow pre tax: neg. €58m.

During the first quarter of fiscal year 2023 Siemens Energy delivered strong order and revenue growth and better than expected cash flow. However, a strong underlying operational profit improvement at Gas Services, Grid Technologies, and Transformation of Industry was more than offset by charges at Siemens Gamesa Renewable Energy, S.A. These charges were triggered by an evaluation of the failure rate of the installed fleet, during which Siemens Gamesa detected a negative development of failure rates in specific components resulting in higher warranty and service maintenance costs than previously estimated.

Fiscal year 2023 assumptions for Gas Services, Grid Technologies and Transformation of Industry in respect to revenue growth and profit margins before special items remain unchanged.

- Gas Services: comparable revenue growth of 0% to 4%; profit margin before special items of 9% to 11%

- Grid Technologies: comparable revenue growth of 5% to 9%; profit margin before special items of 6% to 8%
- Transformation of Industry: comparable revenue growth of 5% to 9%; profit margin before special items of 3% to 5%.

Siemens Energy management continues to expect for Siemens Energy comparable revenue growth (excluding currency translation and portfolio effects) in fiscal year 2023 in a range of 3% to 7% (unchanged).

Siemens Gamesa management no longer expects Siemens Gamesa's profitability to be in line with its business plan for fiscal year 2023, due to the charges mentioned above. Therefore, Siemens Energy management now expects Siemens Energy's profit margin before special items in a range of 1% to 3% (before 2% to 4%).

Because of the reasons mentioned above Siemens Energy management expects a Net loss on prior year's reported level (compared to a sharp reduction before).

Siemens Energy management now expects free cash flow pre tax to be positive. This compares with a previous expectation of free cash flow pre tax to be in a negative range of low- to mid-triple-digit million.

The outlook for Siemens Energy assumes no major negative financial impacts from COVID-19 or other pandemic related events, no further deterioration in the supply chain and raw material cost environment, and excludes charges related to legal and regulatory matters.

Siemens Gamesa Renewable Energy, S.A. announced today i.a. the following:

Siemens Gamesa's preliminary first quarter results of fiscal year 2023 are as follows:

- Order intake of c. €1.6 billion with the order backlog amounting to c. €33.7 billion at the end of the quarter. Onshore order intake ASP of c. €0.95 million per MW in the quarter
- Revenue of c. €2 billion.
- EBIT pre PPA and I&R costs of c. -€760 million.
- Net debt of c. €1.9 billion.

The full announcement including additional information is available on Siemens Gamesa's homepage.

For the first quarter of fiscal year 2023 the preliminary figures for Siemens Energy's Business Areas are:

Business Areas (successor segments of Gas and Power):

Gas Services

- Order intake: €3.762m (consensus €2.858m)
- Revenue: €2.560m (consensus: €2.299m)
- Profit: €318m (consensus: €223m), reflecting a margin of 12.4% (consensus: 9.7%)
- Profit before Special Items: €318m (consensus: €228m), reflecting a margin of 12.4% (consensus: 9.9%)
- Free cash flow pre tax: €359m.

Grid Technologies

- Order intake: €6.309m (consensus €2.796m)
- Revenue: €1.593m (consensus: €1.466m)
- Profit: €98m (consensus: €62m), reflecting a margin of 6.2% (consensus: 4.2%)
- Profit before Special Items: €110m (consensus: €74m), reflecting a margin of 6.9% (consensus: 5.0%)
- Free cash flow pre tax: €361m.

Transformation of Industry

- Order intake: €1.205m (consensus €1.335m)
- Revenue: €997m (consensus: €945m)
- Profit: €52m (consensus: neg. €8m), reflecting a margin of 5.2% (consensus: neg. 0.9%)
- Profit before Special Items: €57m (consensus: €16m), reflecting a margin of 5.7% (consensus: 1.7%)
- Free cash flow pre tax: neg. €59m.

Note: With beginning of fiscal year 2023, Adjusted EBITA was replaced by Profit which definition now excludes the financial result from operations.

Siemens Energy AG will publish its full earnings release for the first quarter of fiscal year 2023 on February 7, 2023.

Explanations of financial measures used can be found in the Annual Report 2022 of Siemens Energy AG (available at www.siemens-energy.com/annual-report-2022), in particular in Section 2.2.

Contacts for journalists

Tim Proll-Gerwe

Phone: +49 (0) 152 2283-5652

E-mail: tim.proll-gerwe@siemens-energy.com

Oliver Sachgau

Phone: +49 (0) 173 272 9231

E-mail: oliver.sachgau@siemens-energy.com

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Siemens Energy is one of the world's leading energy technology companies. The company works with its customers and partners on energy systems for the future, thus supporting the transition to a more sustainable world. With its portfolio of products, solutions and services, Siemens Energy covers almost the entire energy value chain – from power generation and transmission to storage. The portfolio includes conventional and renewable energy technology, such as gas and steam turbines, hybrid power plants operated with hydrogen, and power generators and transformers. More than 50 percent of the portfolio has already been decarbonized. A majority stake in the listed company Siemens Gamesa Renewable Energy (SGRE) makes Siemens Energy a global market leader for renewable energies. An estimated one-sixth of the electricity generated worldwide is based on technologies from Siemens Energy. Siemens Energy employs around 92,000 people worldwide in more than 90 countries and generated revenue of €29 billion in fiscal year 2022. www.siemens-energy.com.