Strong team performance in challenging times –
Strategy concept
Vision 2020+ gains traction

Joe Kaeser, Roland Busch and Ralf P. Thomas
Press call for Q3 of fiscal 2020
Munich, August 6, 2020
Notes and forward-looking statements

This document contains statements related to our future business and financial performance and future events or developments involving Siemens 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' management, of which many are beyond Siemens' control. These are subject to a number of risks, uncertainties and 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 of the Annual Report, and in the Half-year Financial Report, which should be read in conjunction with the Annual Report. Should one or more of these risks or uncertainties materialize, events of force majeure, such as pandemics, occur or should underlying expectations including future events occur at a later date or not at all or assumptions prove incorrect, actual results, performance or achievements of Siemens may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement.

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Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.
Joe Kaeser
President and CEO of Siemens AG
### Q3 fiscal 2020

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>(-7%^*)</td>
<td>(-5%^*)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Margin for Industrial Businesses</th>
<th>Earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.3%</td>
<td>€0.67</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Free cash flow (all in)</th>
<th>Capital structure: Industrial net debt / EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>€2.5 billion</td>
<td>1.7x</td>
</tr>
</tbody>
</table>

*On a comparable basis, excluding currency translation and portfolio effects*
While mastering COVID-19 challenges, Siemens is accelerating the company's digital transformation

- Stringent execution of precautions
- SI partnership with Salesforce
- Boosted employee satisfaction
- Accelerated savings
- Seamless product and service delivery
- Digital customer events
- Intense collaboration with suppliers
- Using AI to monitor/minimize supply risks
- ~70% lower travel expenses in Q3 y-o-y
- Short-time work, flexible working hours
- Bonds worth about €4 billion (€/£) issued
Vision 2020+ strategy concept gains traction

Siemens Energy spin-off

Siemens Healthineers plans to acquire Varian

Digital Industries Software

99.36% approval rate at Extraordinary Shareholders’ Meeting

Transformational milestone; financing secured

Partnership between two industry leaders
Roland Busch
Deputy CEO as well as CTO and CHRO of Siemens AG
Digital Industries

Revenue (in billions of €)

- **Q3 FY 2019**: 3.9
- **Q3 FY 2020**: 3.7

-5%**

Profit margin (adjusted EBITA margin)

- **Q3 FY 2019**: 14.8%
- **Q3 FY 2020**: 24.9%

17%–23%

- **Q3 FY 2019**: 14.3%
- **Q3 FY 2020**: 24.5%

+1020 bps*

-100 bps*
due to Bentley

+570 bps*
due to Bentley

**On a comparable basis, excluding currency translation and portfolio effects.**

*Basis points
Excluding severance charges

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Press call for Q3 / FY 2020
Smart Infrastructure

Revenue (in billions of €)

Q3 FY 2019: 3.6
Q3 FY 2020: 3.4

-6%**

Profit margin (adjusted EBITA margin)

Q3 FY 2019
-220 bps*
9.9%

Q3 FY 2020
7.8%
7.4%

10%-15%

* Basis points
** On a comparable basis, excluding currency translation and portfolio effects

Excluding severance charges
Siemens Mobility

Revenue (in billions of €)

<table>
<thead>
<tr>
<th></th>
<th>Q3 FY 2019</th>
<th>Q3 FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2.1</td>
<td>2.2</td>
</tr>
</tbody>
</table>

+2%**

Profit margin (adjusted EBITA margin)

<table>
<thead>
<tr>
<th></th>
<th>Q3 FY 2019</th>
<th>Q3 FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit margin</td>
<td>10.5%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Excluding severance charges</td>
<td>9%–12%</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

-330 bps*

* Basis points
** On a comparable basis, excluding currency translation and portfolio effects
### Competitiveness programs further accelerated

- **Cost optimization at Operating Companies**
  - Digital Industries: ~€320 million by FY 2023
  - Smart Infrastructure: ~€300 million by FY 2023
  - Digital Industries: ~€295 million by FY 2021
  - Smart Infrastructure: ~€180 million by FY 2021

- **Global Business Services**
  - ~€90 million by FY 2021

- **Lean and effective governance**
  - Digital Industries: ~€500 million by FY 2023
  - Smart Infrastructure: ~€300 million by FY 2021

- **Digital Industries**
  - ~€320 million by FY 2021

- **Smart Infrastructure**
  - ~€190 million by FY 2021

- **Update: Q3 FY 2020**
  - Digital Industries: ~€340 million by FY 2023
  - Smart Infrastructure: ~€190 million by FY 2021

- **€50 million to be delivered by Siemens Energy**
Ralf P. Thomas
CFO of Siemens AG
Siemens Financial Services

Return on equity (after taxes)

- 17%–22%
- 14.5%
- 4.6%

Q3 FY 2019
Q3 FY 2020

-990 bps*

* Basis points

Press call for Q3 / FY 2020
Results outside the Industrial Businesses

in millions of €

<table>
<thead>
<tr>
<th>Adj. EBITA for Industrial Businesses</th>
<th>SFS</th>
<th>POC</th>
<th>Corporate items, pensions</th>
<th>Purchase price allocation</th>
<th>Eliminations, Corporate Treasury, other reconciling items</th>
<th>Taxes</th>
<th>Income from continuing operations</th>
<th>Loss from discontinued operations</th>
<th>Net income</th>
</tr>
</thead>
</table>
Significant free cash flow improvement despite coronavirus pandemic

Industrial Businesses

in billions of €

<table>
<thead>
<tr>
<th></th>
<th>Q1–Q3 FY 2019</th>
<th>Q1–Q3 FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1–Q3</td>
<td>3.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Q3</td>
<td>2.1</td>
<td>2.5</td>
</tr>
<tr>
<td>All in</td>
<td>2.6</td>
<td>2.5</td>
</tr>
</tbody>
</table>

+13% / +353%
Rigorous execution of Siemens Energy spin-off

- Spin-off Report published
- S&P Rating: BBB, stable outlook
- Extraordinary Shareholders’ Meeting approval > 99%
Siemens’ stake in Siemens Healthineers to decline to about 72% from 85% Siemens intends to remain Siemens Healthineers’ majority shareholder for the long term

### Convincing strategic fit
- Acquisition of Varian supports Siemens Healthineers’ equity story
- Creates global leader in healthcare with unique portfolio and capabilities
- Combining Siemens Healthineers’ unique competencies with those of Varian will redefine cancer treatment

### Financing
- Combination of equity and debt financing
- Intra-Group loan of up to US$9 billion to Siemens Healthineers
- Siemens to place bonds on the market before transaction closes
- Increase in capital stock at Siemens Healthineers; Siemens’ stake to decline to about 72% from 85%

### Impact on Siemens
- Strong commitment to maintaining current credit rating and to deleveraging
- Convincing strategic fit and strong financial profile to create long-term benefits
Outlook for fiscal 2020: Top-line guidance confirmed, guidance for basic earnings per share still suspended

Siemens Group
FY 2020

- Book-to-bill > 1
- Moderate decline in comparable revenue

€58.5 billion*

Assumptions

- Continued strong negative impact on our financial results in Q4 FY 2020
- Macroeconomic developments and their influence on Siemens still cannot be reliably assessed
- Expect moderate decline in comparable revenue for FY 2020 with book-to-bill > 1. Decline in demand most strongly affects Digital Industries and Smart Infrastructure
- Spin-off and public listing of Siemens Energy before end of FY 2020. Expect spin-off gains within discontinued operations; amount cannot yet be reliably forecast
- Material impacts on net income from spin-off costs and tax expenses related to carve-out and setup of Siemens Energy
- Currently refraining from giving guidance for basic earnings per share from net income

* Revenue on a comparable basis reflecting reclassification of Gas and Power and SGRE to discontinued operations

Revenue FY 2019

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