

Vision 2020+

Execution and next steps

Joe Kaeser, President and CEO
EPG I Miami, May 20, 2019

Notes and forward-looking statements



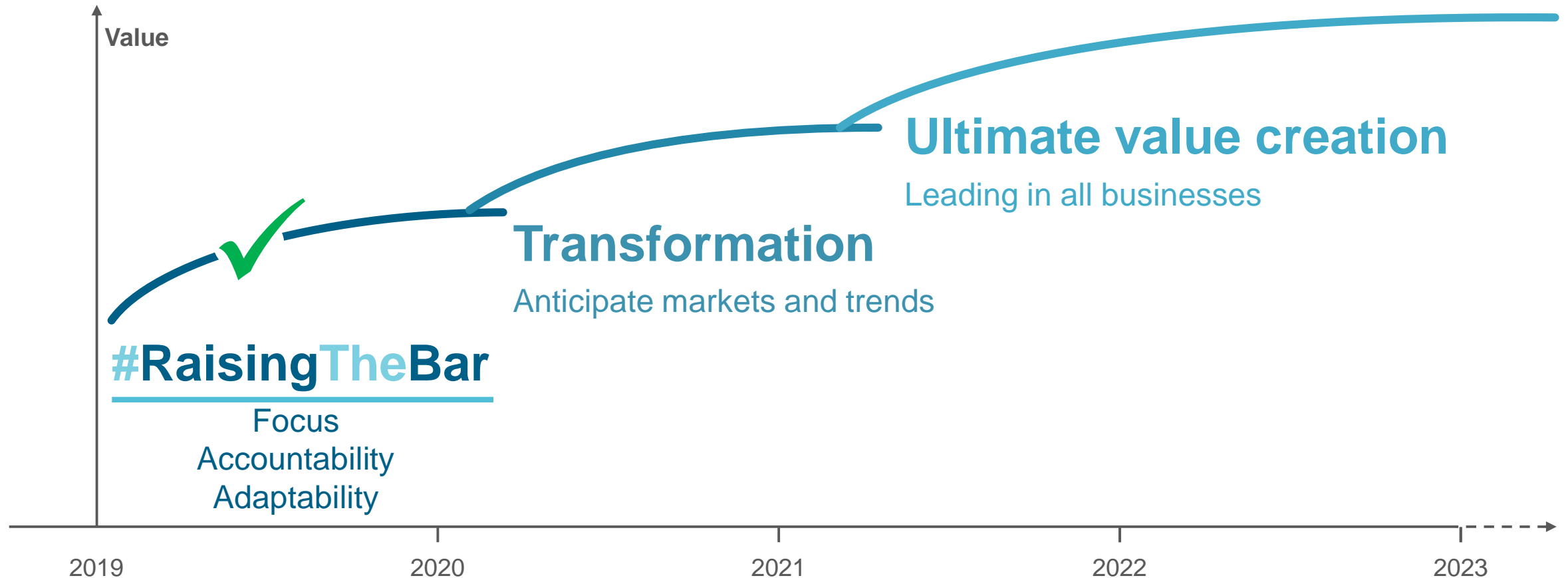
This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, 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 Risks in the Annual Report. Should one or more of these risks or uncertainties materialize, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, or should underlying expectations not occur 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. Siemens neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Siemens’ net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

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.

Vision 2020+ Raising the bar

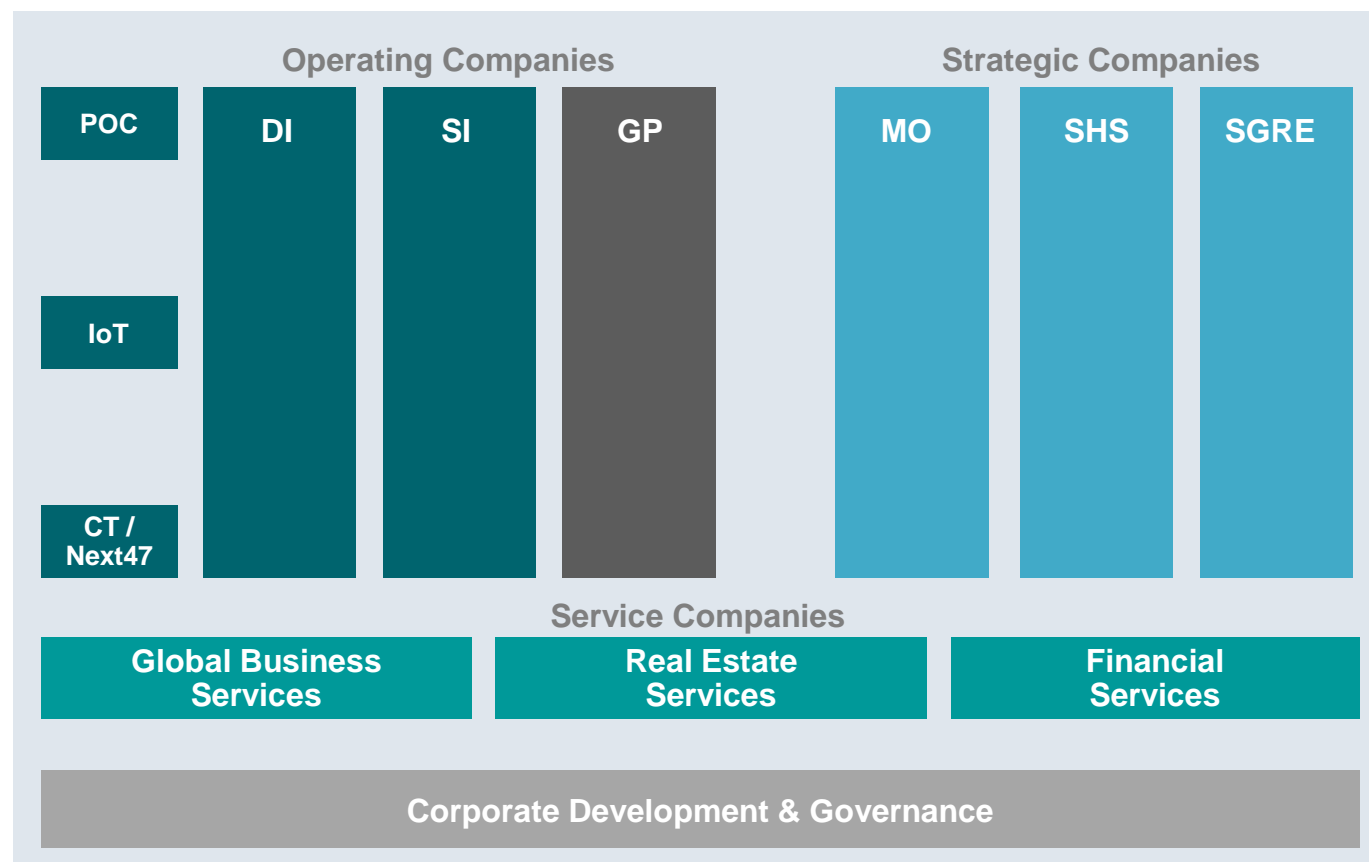
SIEMENS
Ingenuity for life



Key: Foster Ownership Culture and strengthen entrepreneurial focus

New structure in place – entrepreneurial freedom for businesses

Vision 2020+ new structure



Mid-term target

**Accelerated
comp. revenue
growth**

**+ 2 ppts.
CAGR**

**Margin lift at
Industrial Business**

+ 2 ppts.

EPS growth¹⁾

**> revenue
growth**

Ambitious targets of Vision 2020+ reflected in updated Financial Framework



Update as of
May 2019

Siemens (targets over the cycle)

Growth Siemens

comparable revenue growth

4 – 5%

Capital efficiency

ROCE¹⁾

15 – 20%²⁾

Industrial Businesses margin³⁾

11 – 15%

Capital structure

Industrial net debt/EBITDA

up to 1.0x

Cash conversion (CCR)

FCF IB / Adj. EBITA IB

CCR = 1 – comp. growth rate

Dividend payout ratio

40 – 60%⁴⁾

Operating Companies

Adj. EBITA margin ranges³⁾

**Digital
Industries**
17 – 23%

**Smart
Infrastructure**
10 – 15%

**Gas and
Power**
8 – 12%

Strategic Companies

Adj. EBITA margin ranges³⁾

Mobility
9 – 12%

**Siemens
Healthineers**
17 – 21%

**Siemens
Gamesa R. E.**
7 – 11%

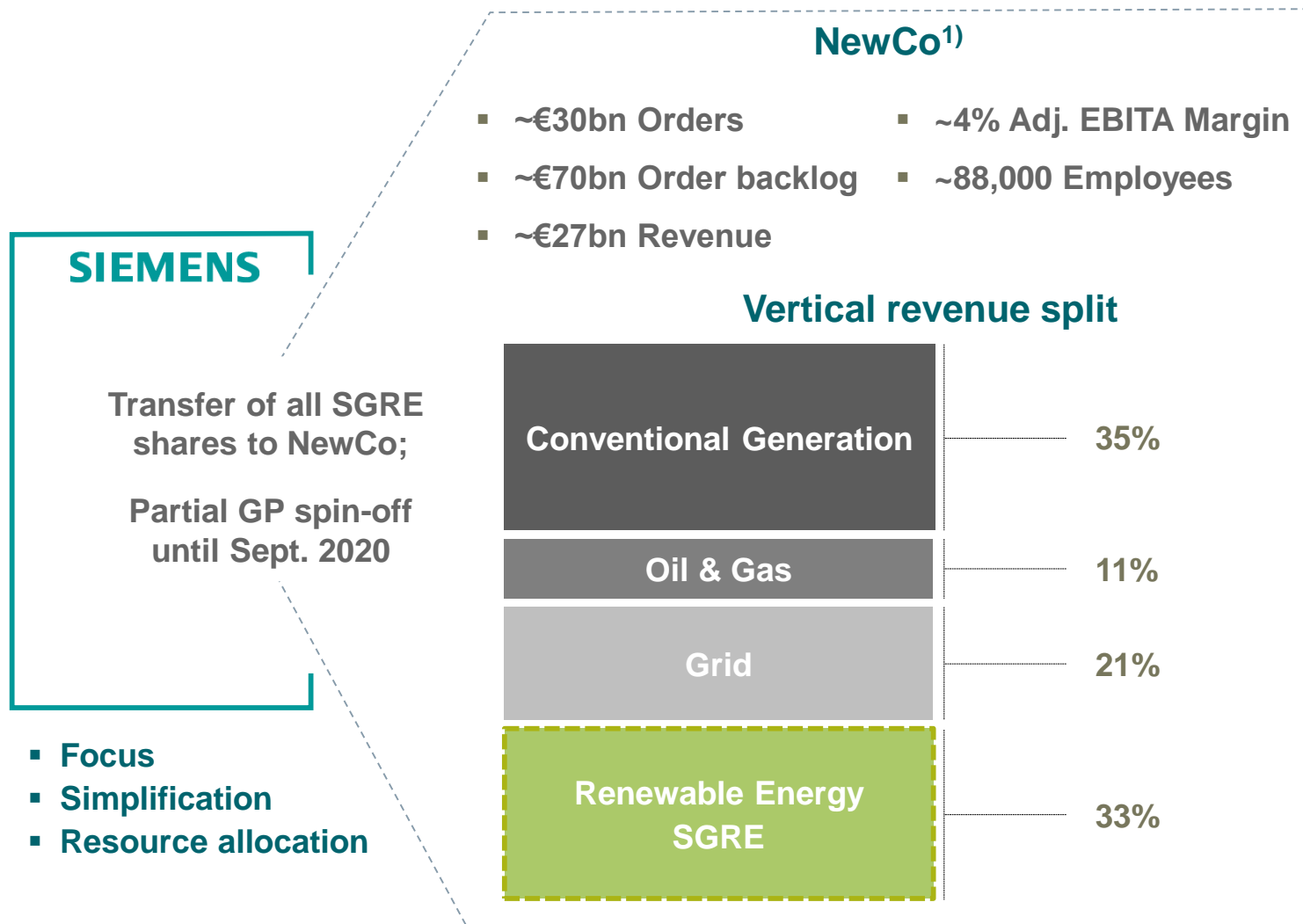
Service Company

RoE⁵⁾

**Financial
Services**
17 – 22%

1) Based on continuing and discontinued operations; 2) Long-term goal; currently ROCE burdened by significant M&A; 3) EBITA adjusted for operating financial income, net and amortization of intangible assets not acquired in business combinations; margin ranges for Siemens Healthineers and Siemens Gamesa R. E. reflect Siemens expectation; 4) Of net income attributable to Siemens shareholders excluding exceptional non-cash items; 5) Return on equity after tax

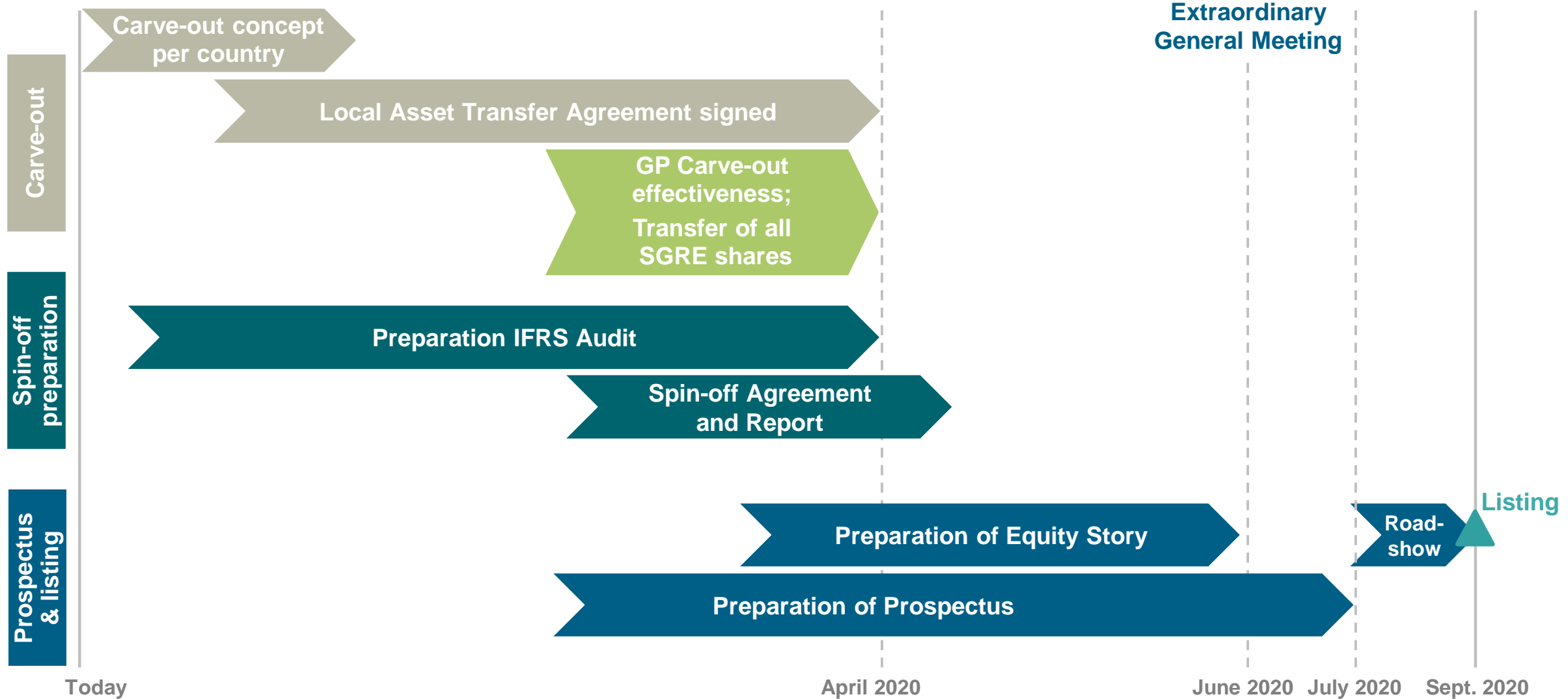
Creating a unique Energy and Power company – Focused resource allocation offers attractive opportunities



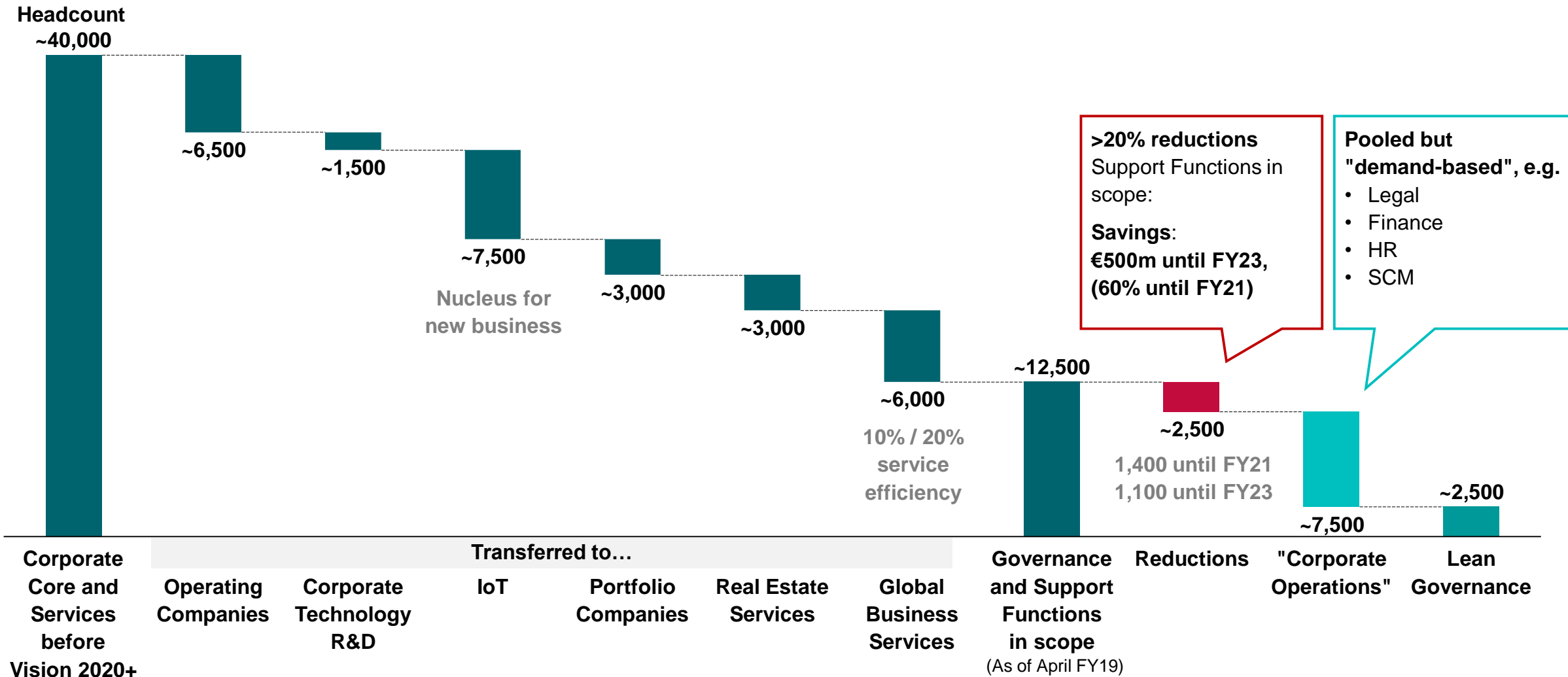
- Focus:**
Optimize resource allocation
- Accountability:**
Capital Market and anchor investors with Energy and Power
- Adaptability:**
Unique offering in both conventional and renewable energy
- Transformation:**
Deconsolidation, >25% to <50% remaining and transfer of all SGRE shares
- Value creation:**

	2018	2023e
Revenue growth	-8% ²⁾	2-3% ³⁾
Adj. EBITA Margin	~4%	8-12%

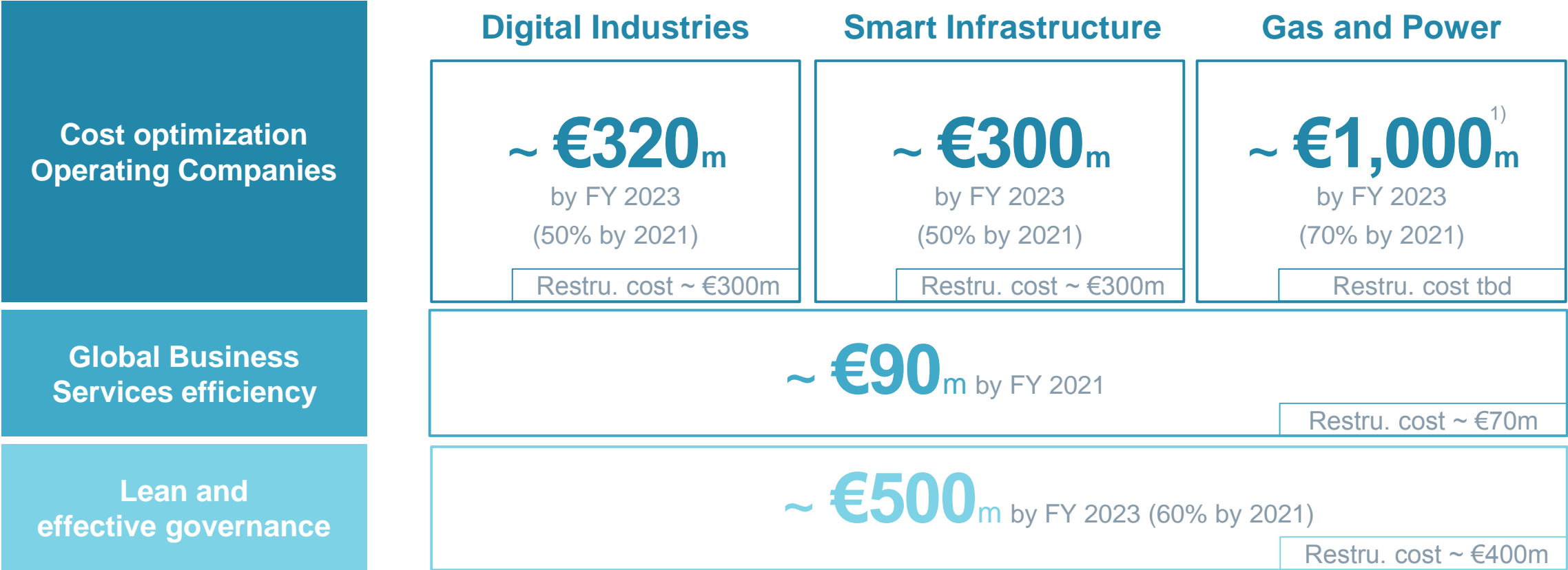
Gas & Power / SGRE: Timeline



Vision 2020+ improves transparency and creates accountability & efficiency

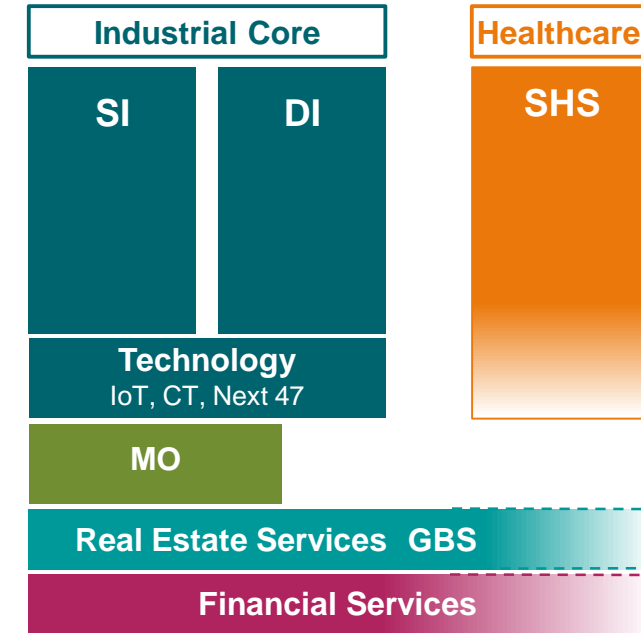
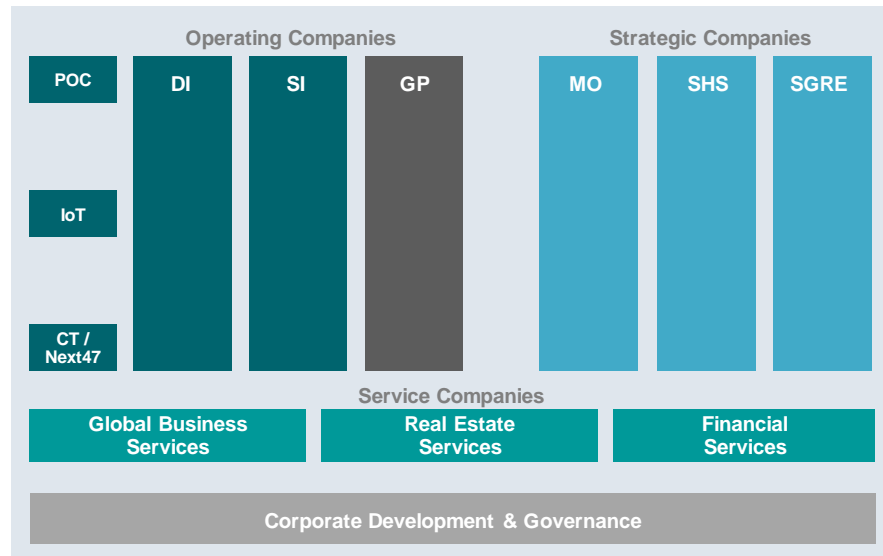


Significant cost measures as base for ambitious margin expansion



1) Includes ~ €500m savings from current program PG2020; ~ €370m severance charges booked in FY 2018

Further transformation on the path to ultimate value creation



	Performance	Mid-term target 2021	Long-term target
Comp. Revenue Growth	1.6% ¹⁾	4 - 5%	✓
Adj. IB EBITA Margin	10.6% ¹⁾	11 - 15%	14 - 18%
ROCE	13.3% ¹⁾²⁾	15 - 20%	✓
EPS	€6.30 - €7.00 Outlook FY19, ex. severance	ΔEPS > Growth	✓

Why to invest in Siemens:

Clear roadmap to ultimate value creation



- I Accountable** – New structure, entrepreneurial freedom, growth acceleration and margin expansion
- II Adaptable** – Optionality for Mobility; Healthineers well positioned to shape their markets
- III Stringent** – PE like operational improvement for Portfolio Companies
- IV Focused** – Carve-out and partial spin of GP, transfer of all SGRE shares:
Simplification of Siemens portfolio – strategic flexibility for GP
- V Innovative** – Continued invest to shape future technologies
- VI Lean** – Optimized governance and support functions
- VII Ambitious** – Transformation leads to higher performance level

Financial calendar

May

May 20, 2019
EPG Conference (Miami)

June

June 05, 2019
Swiss Roadshow (Zurich)
June 13, 2019
JPM Conference (London)

August

August 1, 2019
Q3 Earnings Release



Investor Relations contacts



Investor Relations

Internet:	www.siemens.com/investorrelations
E-Mail:	investorrelations@siemens.com
Telefon:	+49 89 636-32474
Fax:	+49 89 636-1332474