“Strong demand delivers record high for order backlog – focus on energy business”

Joe Kaeser, Roland Busch, Michael Sen and Ralf P. Thomas
Press conference for Q1 2020
Munich, February 5, 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.

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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.
Siemens increases stake in Siemens Gamesa Renewable Energy

8.1%

Siemens to acquire all shares of SGRE held by Iberdrola and thus increase its stake in SGRE to about 67%

~67%

All shares in SGRE held by Siemens to be contributed to the future Siemens Energy

- Shareholder agreement to be unwound
- Siemens, SGRE and Iberdrola have signed a cooperation agreement for energy transition projects
Siemens Energy – Milestones to public listing

- February 2020: Completion of carveout
- March / April 2020: Spinoff report
- May 2020: Extraordinary Shareholders’ Meeting
- July 2020: Capital Market Day
- September 2020: Prospectus
- Today: Roadshow

Listing
### Q1 2020

<table>
<thead>
<tr>
<th>Orders</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>-4%&lt;sup&gt;1&lt;/sup&gt;</td>
<td>-1%&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

- Margin for Industrial Businesses: 8.3%<sup>2</sup>
- Earnings per share: €1.33
- Free cash flow at Industrial Businesses: €0.9 bn
- Capital structure: Industrial net debt / EBITDA: 0.9x

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1 On a comparable basis, adjusted for currency translation and portfolio effects
2 Excluding severance charges
Roland Busch
Deputy CEO of Siemens AG, CTO and CHRO
Vision 2020+

Strategy concept for the industrial transformation

Foster Ownership Culture and strengthen entrepreneurial focus

#RaisingTheBar

- Focus
- Accountability
- Adaptability

Transformation

Anticipate markets and trends

Ultimate value creation

Leading in all businesses

Foster Ownership Culture and strengthen entrepreneurial focus
Cost optimization program on track

Cost optimization program accelerated

Cost savings as communicated at CMD

Status update

Cost savings

~€320m
by FY 2023 (50% by 2021)

Savings on track and plan confirmed

Global Business Services efficiency

~€300m
by FY 2023 (50% by 2021)

Savings on track and plan confirmed

Cost optimization Operating Companies

~€1,000m
by FY 2023 (70% by 2021)

Savings on track and plan confirmed

Lean and effective governance

~€90m
by FY 2021

Global Business Services efficiency

~€500m
by FY 2023 (60% by 2021)
Ralf P. Thomas
Chief Financial Officer of Siemens AG
Digital Industries

Profit margin\(^1\) (adjusted EBITA margin)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>20.6%</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

\(^1\) As reported

\(^2\) Basis points

-620 bps

Excluding severance charges
Smart Infrastructure

Profit margin\(^1\)
(adjusted EBITA margin)

Q1 2019: 6.4%
Q1 2020: 8.0%

\(\text{+160 basis points}^2\)

10%-15%

1 As reported
2 Basis points
Excluding severance charges
Gas and Power

Profit margin¹
(adjusted EBITA margin)

Q1 2019
3.8%
4.2%

Q1 2020
1.7%
1.4%

-240 bps²

1 As reported
2 Basis points
Excluding severance charges
Mobility

Profit margin\(^1\) (adjusted EBITA margin)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>As reported</td>
<td>11.0%</td>
<td>10.3%</td>
</tr>
<tr>
<td>9%–12%</td>
<td>10.9%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

\(^1\) As reported
\(^2\) Basis points
Excluding severance charges
Outlook for 2020

Siemens Group
- Book-to-bill > 1
- Moderate revenue growth\(^1\)

Siemens Operating and Strategic Companies (non-listed)

<table>
<thead>
<tr>
<th></th>
<th>Revenue growth(^1)</th>
<th>Adjusted EBITA margin (expected)(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Industries</td>
<td>Flat</td>
<td>17 – 18%</td>
</tr>
<tr>
<td>Smart Infrastructure</td>
<td>Moderate</td>
<td>10 – 11%</td>
</tr>
<tr>
<td>Mobility</td>
<td>Mid-single digit</td>
<td>10 – 11%</td>
</tr>
<tr>
<td>Gas and Power</td>
<td>Moderate</td>
<td>2 – 5%</td>
</tr>
</tbody>
</table>

\(^1\) On a comparable basis, adjusted for currency translation and portfolio effects  
\(^2\) As reported

+4%
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