

Welcome to the press call

Joe Kaeser, President and CEO
Lisa Davis, Member of the Managing Board
Ralf P. Thomas, Chief Financial Officer
Munich, May 7, 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.

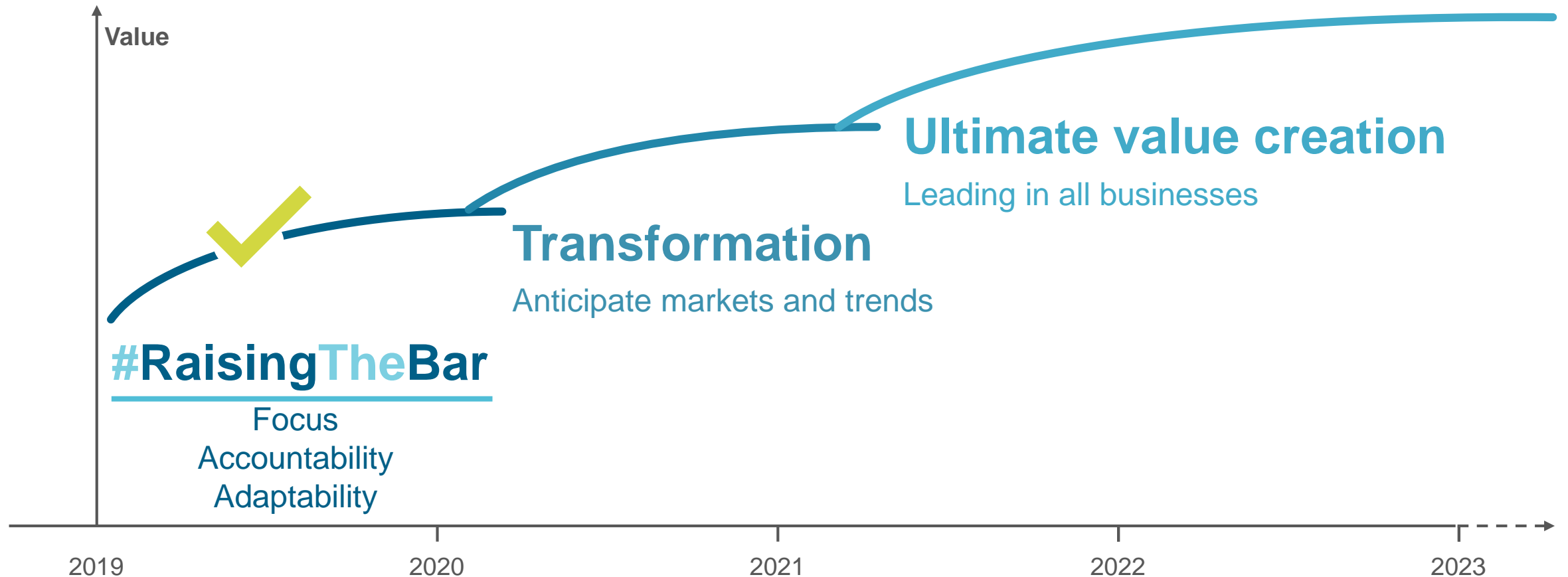
Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

All information is preliminary.



Joe Kaeser
President and CEO

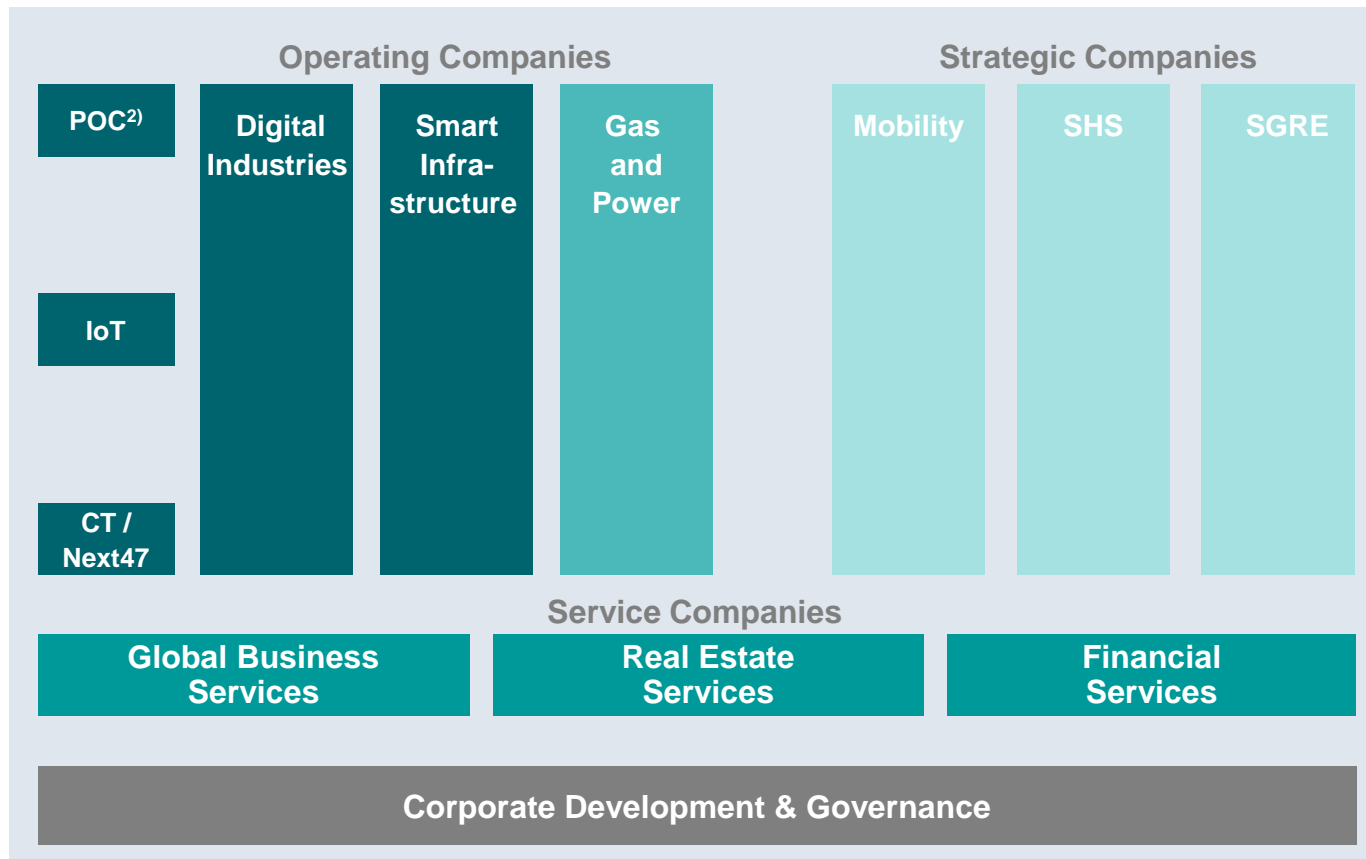
Vision 2020+ Raising the bar



Key: Foster Ownership Culture and strengthen entrepreneurial focus

New structure in place – Entrepreneurial freedom for businesses

Vision 2020+ – New structure



Medium-term targets

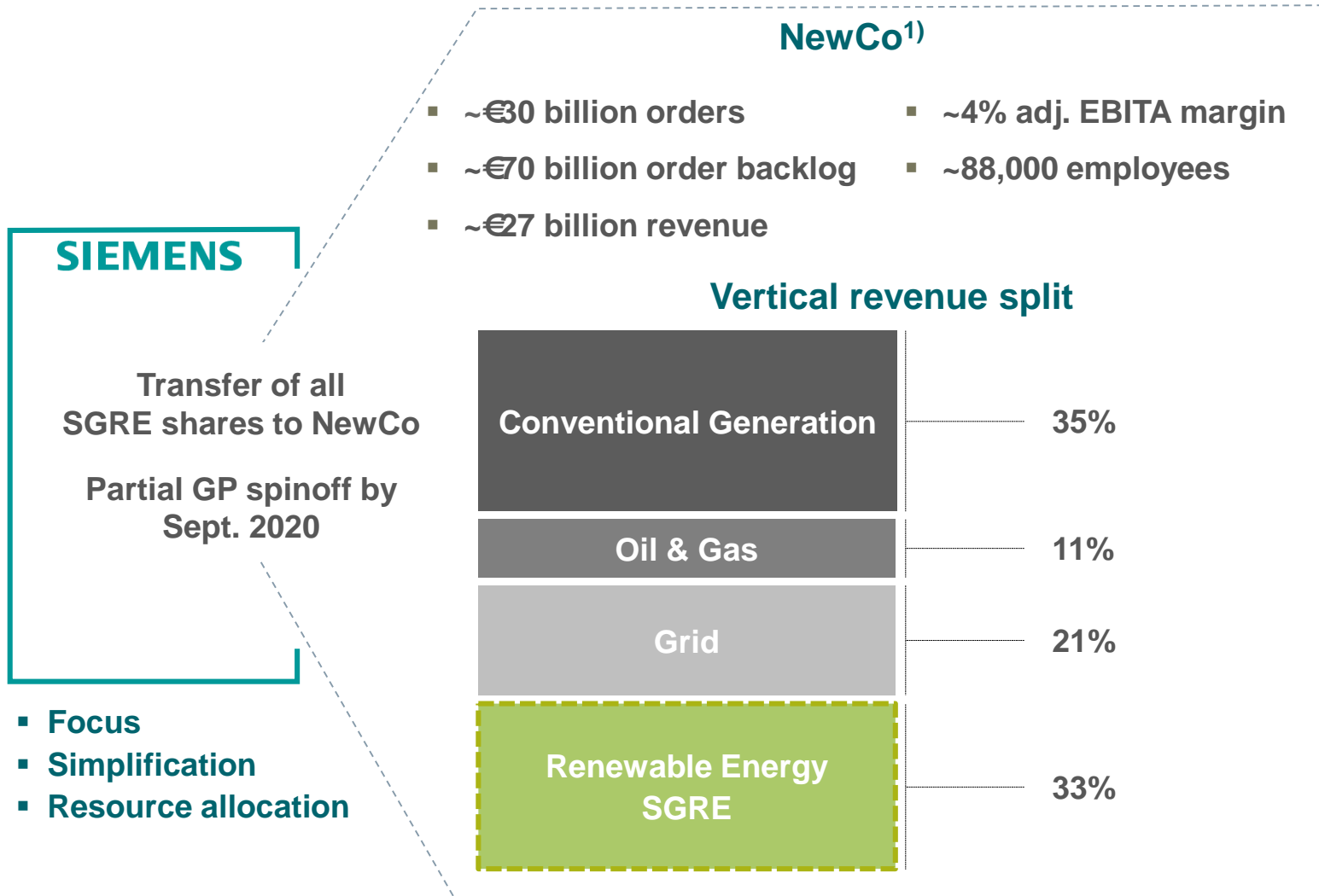
Accelerated comp. revenue growth + 2 ppts. CAGR

Margin lift at Industrial Business + 2 ppts.

EPS growth¹⁾ > Revenue growth

1) On constant minority shareholdings
2) Portfolio Companies

Creating a unique energy and power company – Focused resource allocation offers attractive opportunities

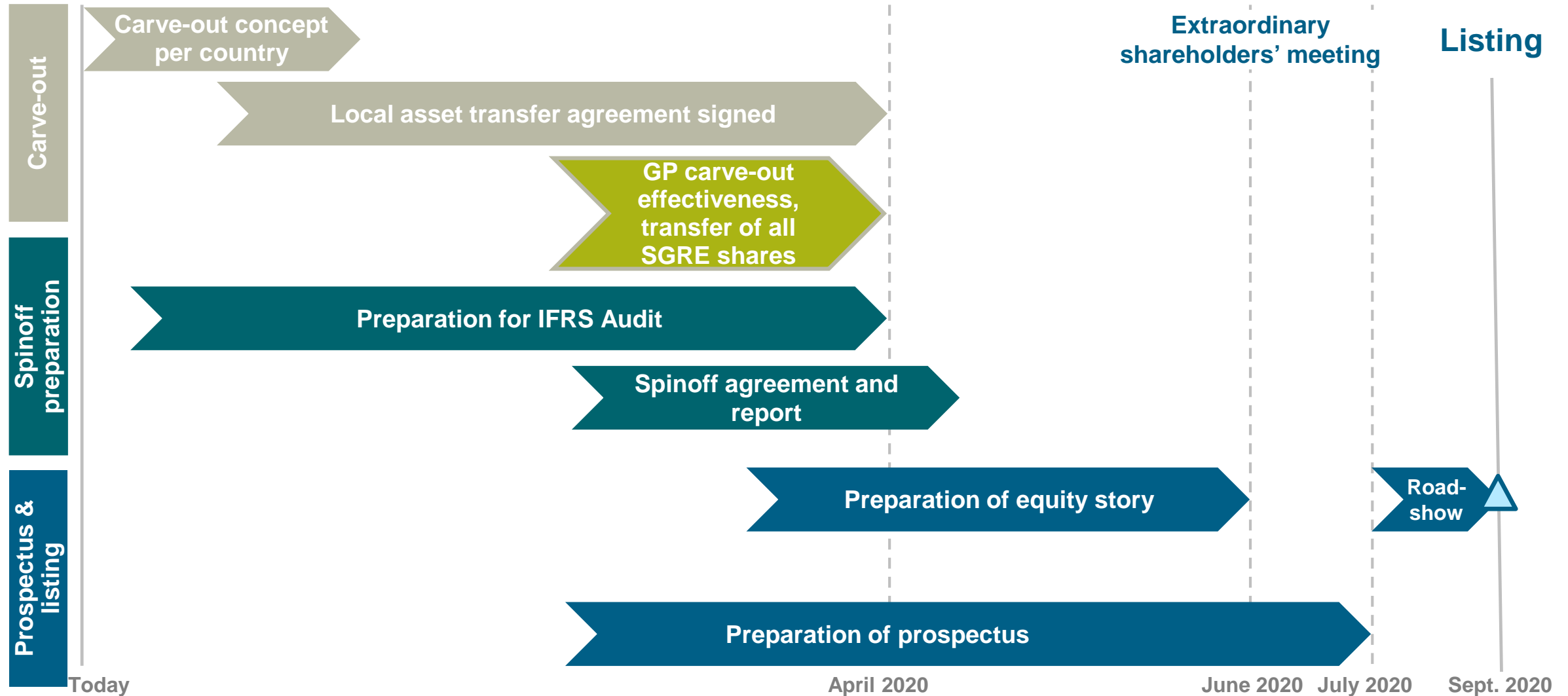


- 1. Focus:**
Optimize resource allocation
- 2. Accountability:**
Capital market and anchor investors with energy and power
- 3. Adaptability:**
Unique offering in both conventional and renewable energy
- 4. Transformation:**
Deconsolidation, >25% to <50% remaining and transfer of all SGRE shares
- 5. Value creation:**

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

- 1 Unique** – Unparalleled value proposition spanning both energy worlds (conventional & renewable), O&G and power transmission
- 2 Leading** – Ideally positioned with leading product portfolio in a growing energy market with high entry barriers
- 3 Powerful** - A combined order backlog of €70 billion and a massive installed fleet globally (>100,000 units)
- 4 Customer-centric** – Focused, fast and flexible approach to market and technology changes
- 5 Performing** – Optimized resource allocation for value creation and profit margin upside through improved focus and impact-oriented management
- 6 Shareholder oriented** – Strengthened accountability as listed company with attractive equity incentive compensation
- 7 Empowered by Siemens** – Robust backing by anchor shareholder with powerful Siemens brand, access to professional financial services and large-scale shared services, continued easy access to digital platforms

Timeline Gas and Power spinoff by 2020

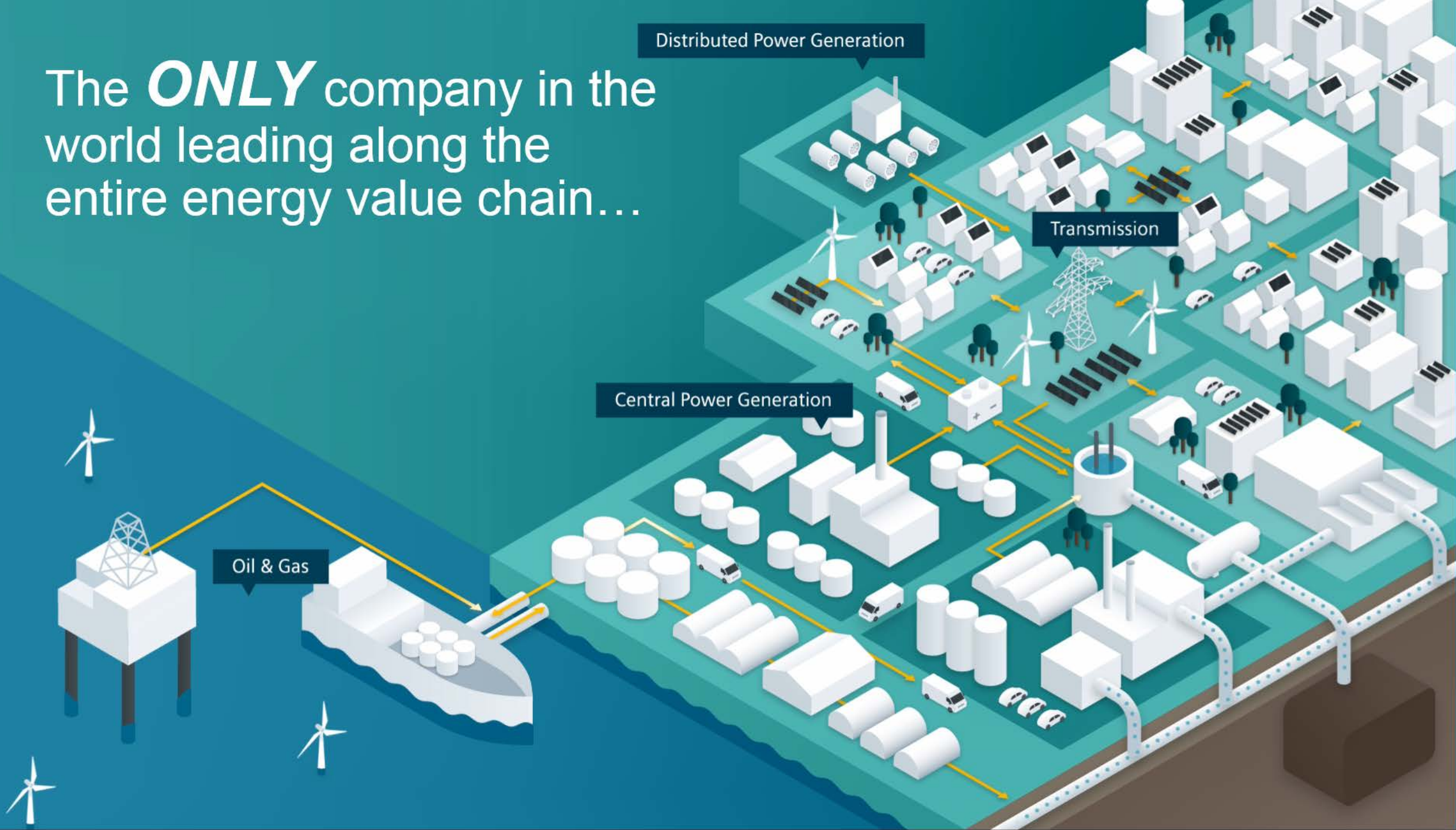




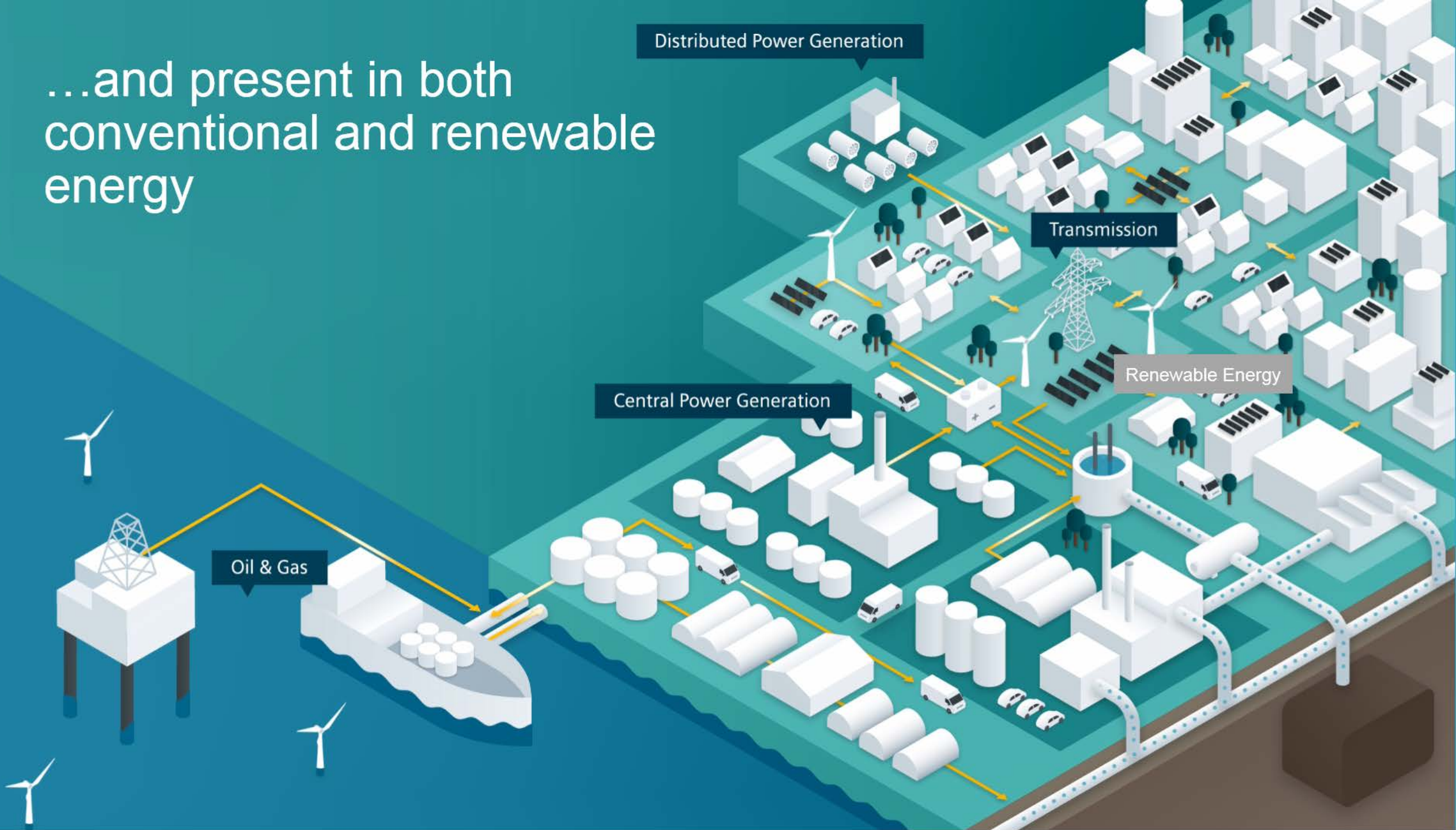
Lisa Davis

Member of the Managing Board

The **ONLY** company in the world leading along the entire energy value chain...



...and present in both conventional and renewable energy



Leading along the entire energy value chain



Key figures FY18

€18.5bn Orders	€18.1bn Revenue	4% Adj. EBITA Margin	~ 65,000 Employees
-------------------	--------------------	-------------------------	-----------------------

Position in relevant market

Oil and Gas	Central Power Generation ¹ > 100 MW	Distributed Power Generation < 100 MW	Transmission	Services and Digital
#2	#2	#1	#2	
Oil and Gas	Utilities / IPPs	Industry	TSOs	

Customer groups

Oil and Gas	Utilities / IPPs	Industry	TSOs	

¹ Including LGTs (Large Gas Turbines)

Note: Figures reflect GP OpCO setup as of April 1st, 2019

© Siemens 2019

Leading along the entire energy value chain

(GP + SGRE Shareholding)



Key figures FY18

~€30bn Orders	~€27bn Revenue	~4% Adj. EBITA Margin	~ 88,000 Employees
------------------	-------------------	-----------------------------	-----------------------

Position in relevant market

Oil and Gas	Central Power ¹ > 100 MW	Distributed Power < 100 MW	Transmission	Services and Digital	Renewable Energy
#2	#2	#1	#2		#2
✓		✓	✓	✓	✓
	✓	✓	✓	✓	✓
	✓	✓		✓	✓
			✓	✓	

Customer groups

Oil and Gas			
Utilities / IPPs / Developers			
Industry			
TSOs			

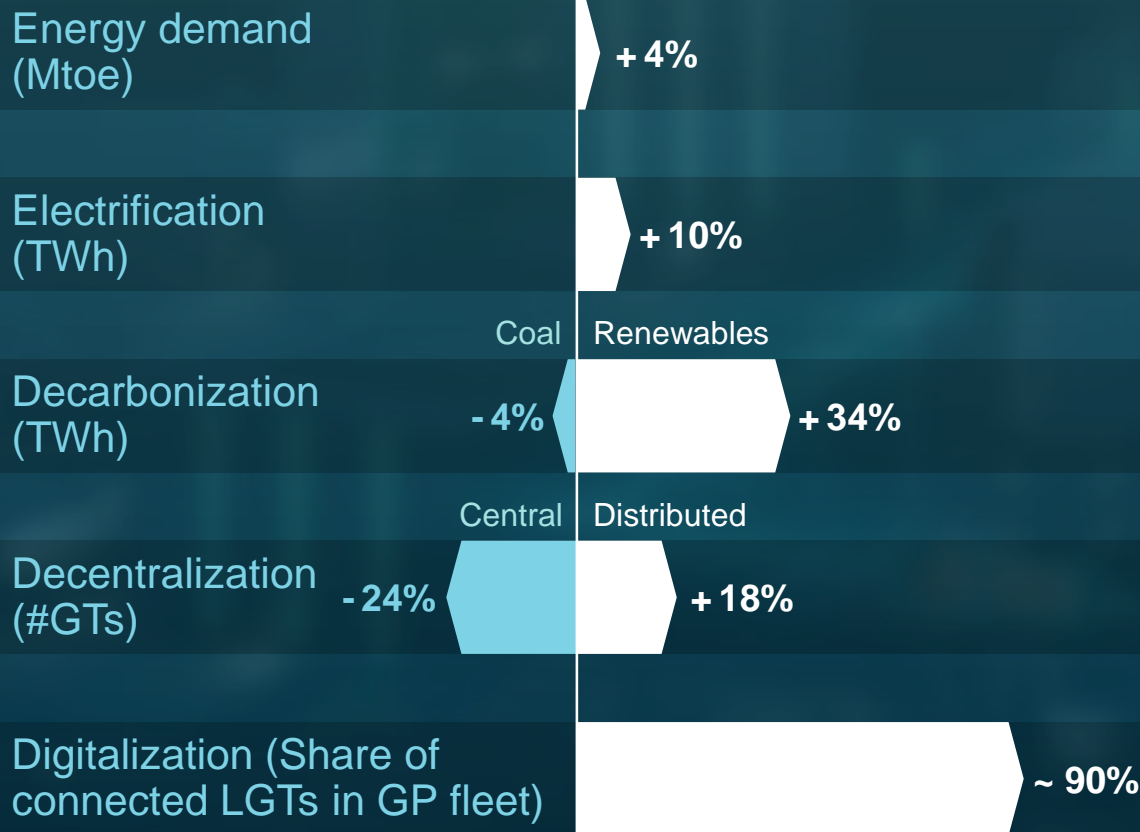
1 Including LGTs (Large Gas Turbines)

Note: Figures reflect GP OpCO setup as of April 1st, 2019 + SGRE

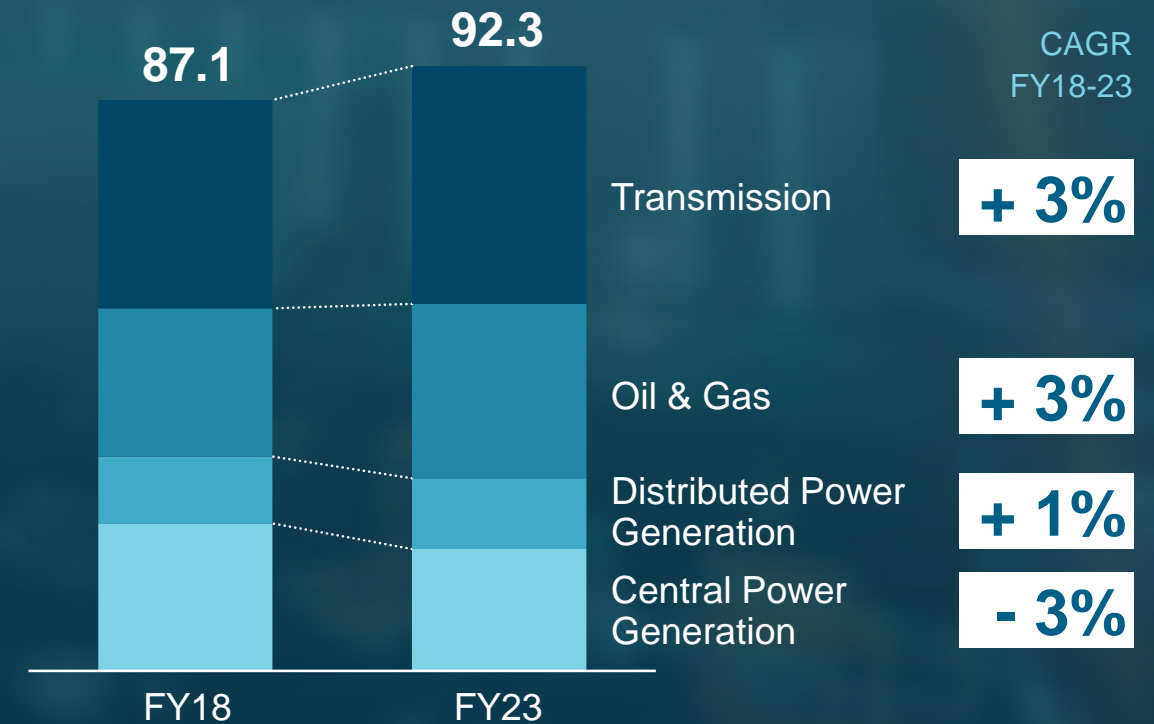
© Siemens 2019

Energy market challenges and opportunities

Key trends, 2018 – 2023 (Source: IHS Autonomy 2018)



GP market 1-2% in €bn and % p.a.



LGT: Large Gas Turbine

© Siemens 2019

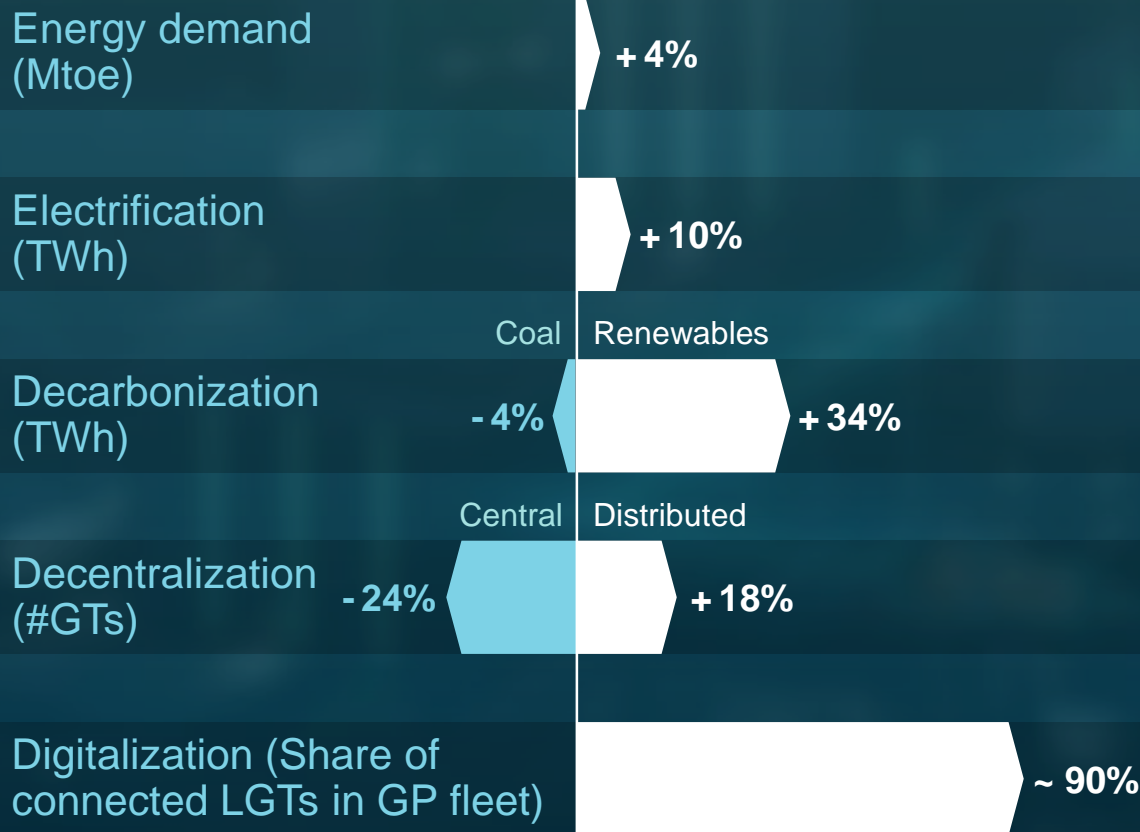
Energy market challenges and opportunities

(GP + SGRE Shareholding)

SIEMENS

Ingenuity for life

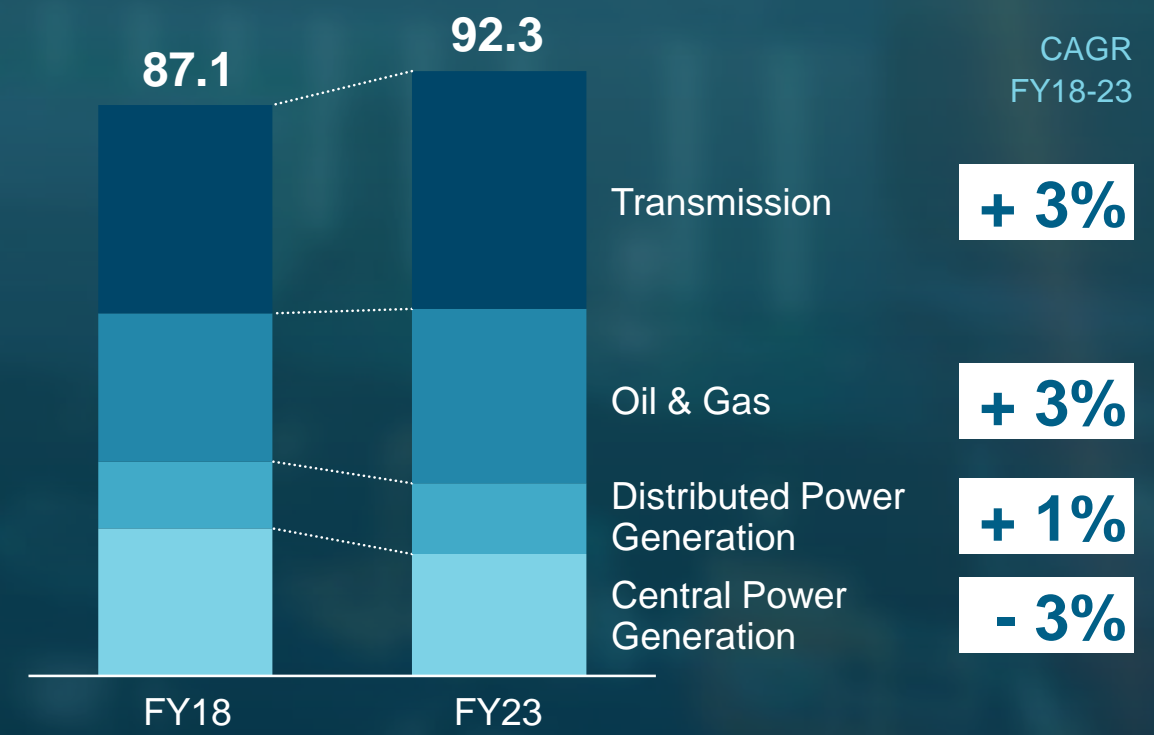
Key trends, 2018 – 2023 (Source: IHS Autonomy 2018)



GP market
in €bn and % p.a.

1-2%

2-3%
(incl. Renewable Energy)



LGT: Large Gas Turbine

© Siemens 2019



SIEMENS
Ingenuity for life

Gas and Power

Prepared for the future!

Leading
portfolio

Experienced
team

More control of
our business

Strong ownership
culture

Clear priorities
and targets

Committed
to delivering



Joe Kaeser
President and CEO

- 1 Our target is to grow 25% faster than the market.¹⁾

- 2 We commit to sustain an adjusted EBITA margin of 17% to 23% over the cycle.

- 3 We will deliver a cash conversion rate of 1 – growth rate over the cycle.

1) based on market growth of ~4.5% CAGR “over the cycle”

- 1 Our target is to grow 4% to 5% annually¹⁾
- 2 We commit to sustain adjusted EBITA margin of 11% to 13% by FY 2021 and 13% to 15% by FY2023.
- 3 We will deliver a cash conversion rate of 1 – growth rate in FY2019.

1) based on market growth of ~3% CAGR 2018-24

Strong businesses and lean Corporate Functions to generate efficiency increases of €2.2 billion



Personnel changes by 2023



Further transformation on the path to ultimate value creation



	Performance	Medium-term target 2021	Long-term target
Comparable revenue growth	1.6% ¹⁾	4%–5%	
Adjusted IB EBITA margin	10.6% ¹⁾	11%–15%	14%–18%
ROCE	13.3% ¹⁾²⁾	15%–20%	
EPS	€6.30–€7.00 Outlook FY19, excluding severance charges	ΔEPS > Growth	

1) Ø5 yr.

2) w/o gains FY15 Audiology, BSH; FY18 Osram, Atos

Questions & Answers

Joe Kaeser, President and CEO

Lisa Davis, Member of the Managing Board

Ralf P. Thomas, Chief Financial Officer

Siemens Press Office – Contacts



Financial and business media

Robin Zimmermann +49 89 636-22804

Philipp Encz +49 89 636-32934

Richard Speich +49 89 636-30017

Web: www.siemens.com/press

E-Mail: press@siemens.com

Phone: +49 89 636-33443



Thank you!