Solid start into the new fiscal year 2021

Q1 2021 Press Call

Munich, February 2, 2021

Christian Bruch, President and CEO Siemens Energy AG

Maria Ferraro, CFO Siemens Energy AG



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Christian Bruch

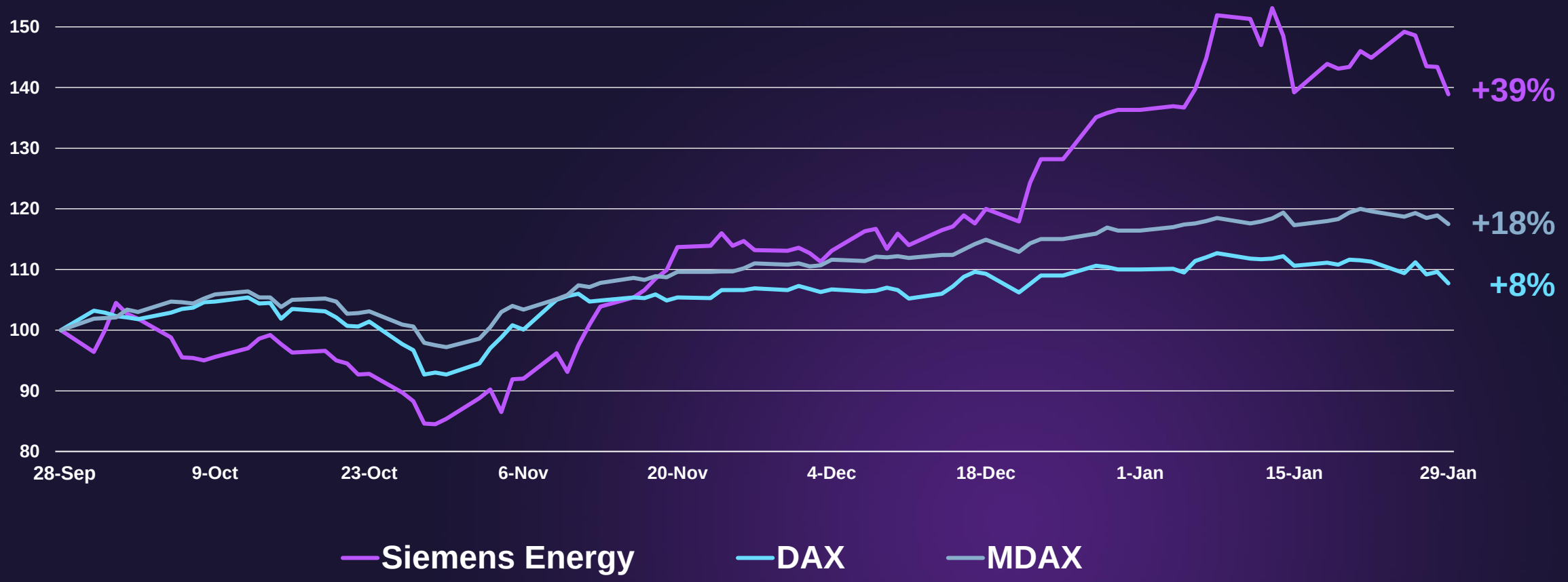
President and CEO Siemens Energy AG



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Share price development



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ESG Update

ESG is anchored in SE's strategy with focus on 5 high impact UN Sustainability Goals:

- Affordable and Clean Energy
- Climate Action
- Industry, Innovation and Infrastructure
- Gender Equality
- Decent Work and Economic growth



Concrete goals

- 100% green electricity consumption by 2023
- Climate neutral in own operations until 2030
- Women in top leadership functions at GP: 30% until 2030

ESG is anchored on Board Level

- Chief Sustainability Officer: Christian Bruch
- Chief Inclusion & Diversity Officer: Maria Ferraro

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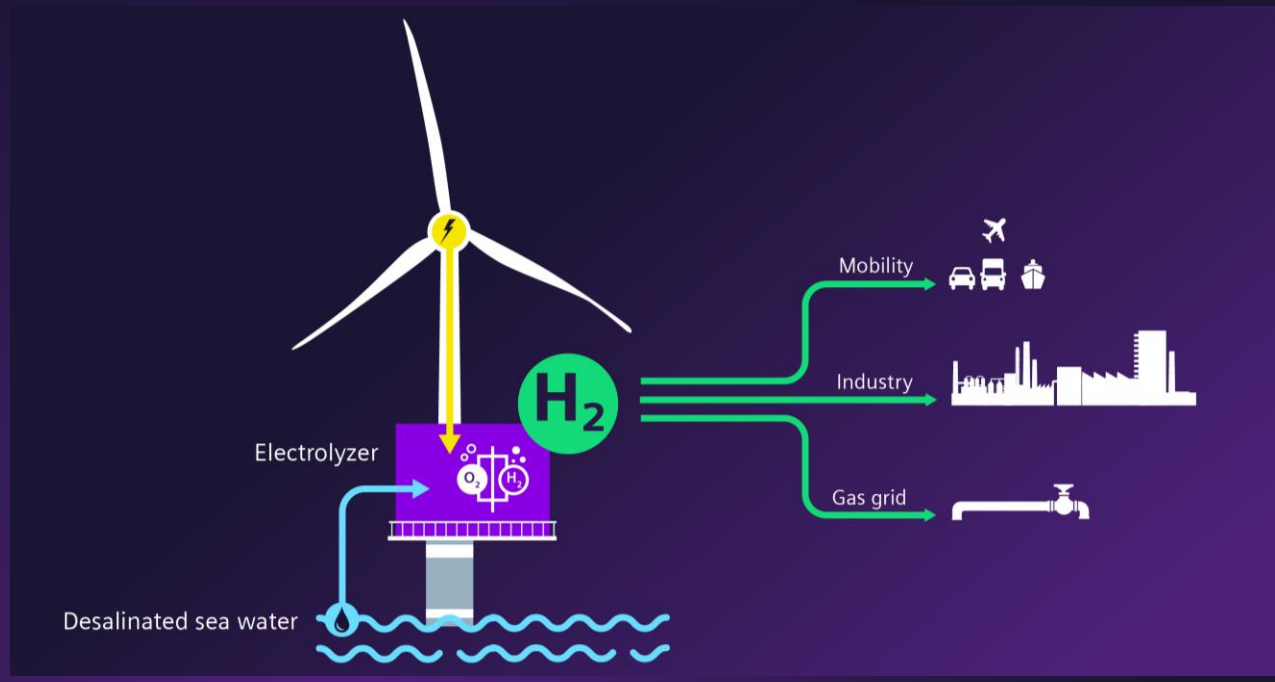
Recent orders and partnerships

Russia: Cooperation for efficient production of liquefied natural gas (LNG)



Siemens Energy and **Novatek** reduce emissions at plants producing **liquefied natural gas**

Germany: Research and development project offshore wind-to-hydrogen



Siemens Energy and **Siemens Gamesa** to launch development projects leading to an integrated offshore wind-to-hydrogen solution

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Recent orders and partnerships

United Kingdom: Transformers for Scotland‘s single largest source of renewable energy



Siemens Energy to supply 114 low-loss distribution transformers for Seagreen offshore wind farm, which will supply renewable energy to 1.3 million households

Latin America: Highly efficient operation of an offshore oil field



Siemens Energy equips oil and gas field in Latin America with **8 topside modules** for floating production and storage offloading vessels

Germany: Climate-neutral power supply for the city of Leipzig



Siemens Energy to provide gas turbines for the **Leipzig Süd district heating power plant** which can be operated with **hydrogen** step by step

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COVID-19 update

Employees	Focus on Health and Safety
Business continuity	All fabrication sites operating; 20% with slightly reduced capacity No major supply chain interruptions
Business impact	Deferrals of orders, projects and outages, limitations of site access Lower discretionary cost
Service business	Digital services support business continuity Accelerated roll-out of digital solutions

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Maria Ferraro

CFO Siemens Energy AG

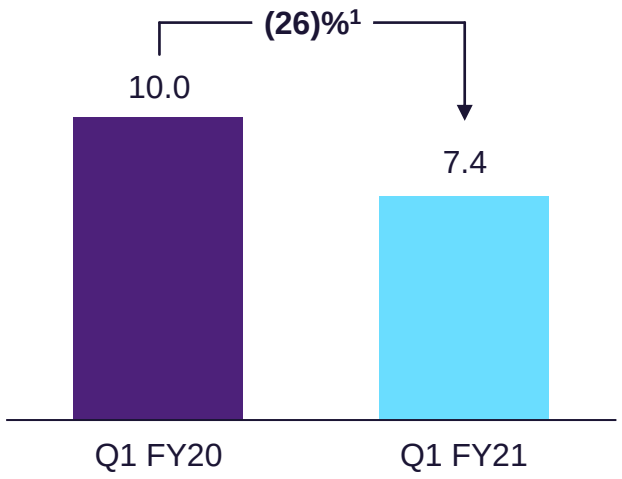


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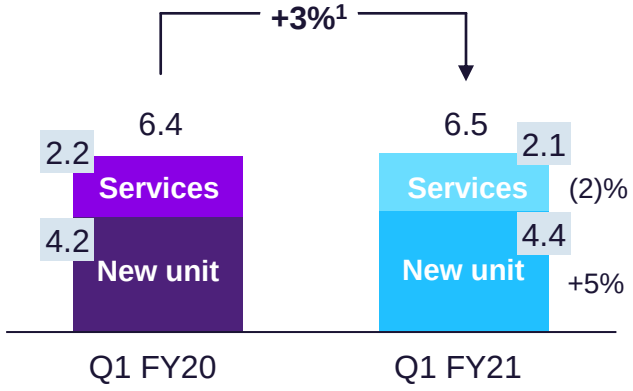
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Siemens Energy Group at a glance
Q1 FY21

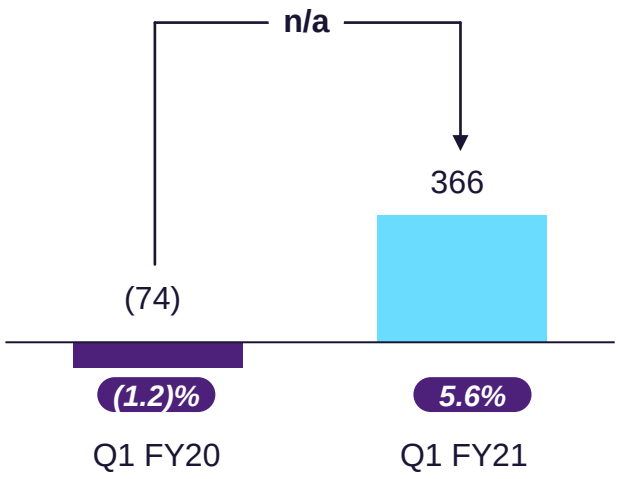
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)



Order Backlog[2]
€79 bn
Q4 FY20: €79 bn

Book-to-Bill Ratio
1.1
Q1 FY20: 1.6

Free Cash Flow[3]
€(388) m
Q1 FY20: €95 m

1 xx% nominal | **2** As of December 31, 2020 | **3** Free Cash Flow pre tax

x.x% Adj. EBITA margin before Special Items

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Cash Flow Statement

	Siemens Energy	
In €m	**Q1 FY20**	**Q1 FY21**
Net income	**(195)**	**99**
Amortization, depreciation and impairments	323	343
Change in operating net working capital		
Contract assets	300	(206)
Inventories	(540)	(64)
Trade receivables	(78)	(203)
Trade payables	(402)	(277)
Contract liabilities	1,007	729
Others	(320)	(668)
Cash flow from operating activities	**95**	**(248)**
Additions to intangible assets and property, plant and equipment	(144)	(188)
Free cash flow	**(50)**	**(436)**
Income taxes paid	144	48
Free Cash Flow pre tax	**95**	**(388)**
thereof Gas and Power	4	101
thereof SGRE	65	(360)

CAPEX

- Increase by €44m y-o-y driven by SGRE

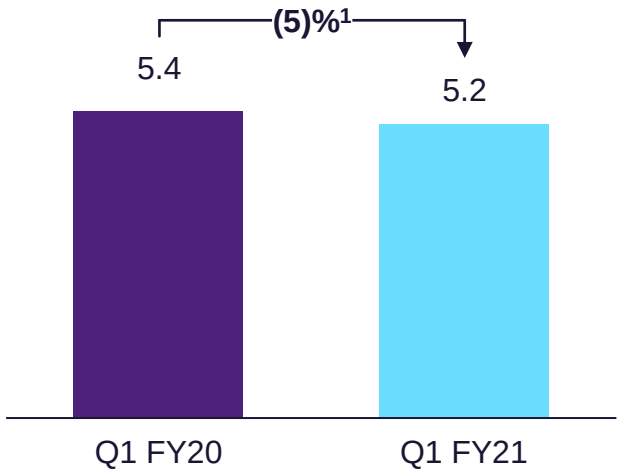
Free Cash Flow pre tax

- GP: Increase y-o-y supported by project related inflows and ongoing focus on asset management
- SGRE: Prior year quarter strongly benefited from customer advance payments due to high order intake

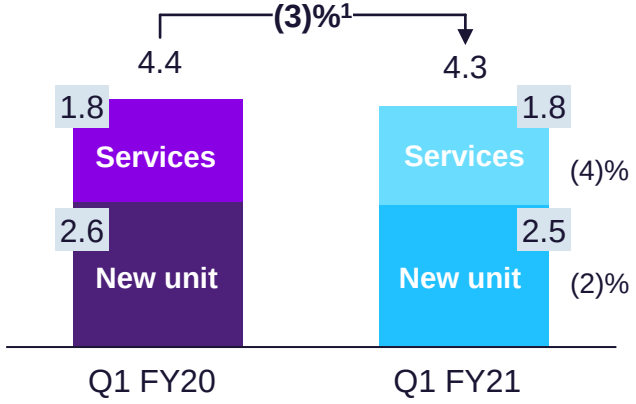
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Gas and Power at a glance
Q1 FY21

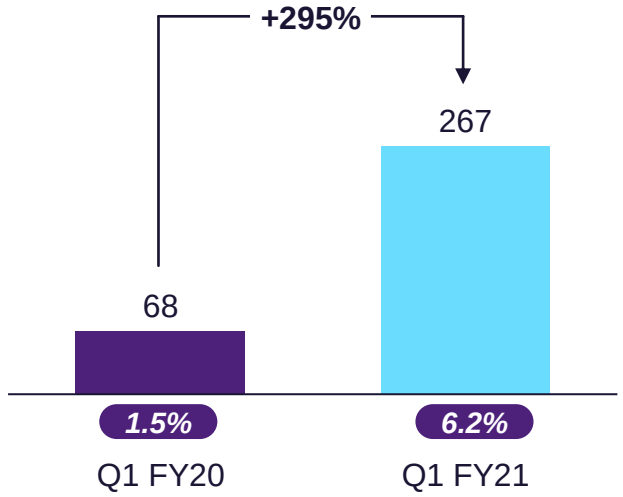
Orders (in € bn)



Revenue (in € bn)



Adj. EBITA before SI (in € m)



Order Backlog[2]
€49 bn
Q4 FY20: €48 bn

Book-to-Bill Ratio
1.2
Q1 FY20: 1.2

Free Cash Flow[3]
€101 m
Q1 FY20: €4 m

1 xx% nominal | **2** As of December 31, 2020 | **3** Free Cash Flow pre tax

x.x% Adj. EBITA margin before Special Items

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Financial outlook for FY 2021 confirmed

	Revenue growth nominal	**Adjusted EBITA margin** before Special Items
Siemens Energy	**2%-12%**	**3%-5%**
Gas and Power	**2%-11%**	**3.5%-5.5%**

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Christian Bruch

President and CEO Siemens Energy AG



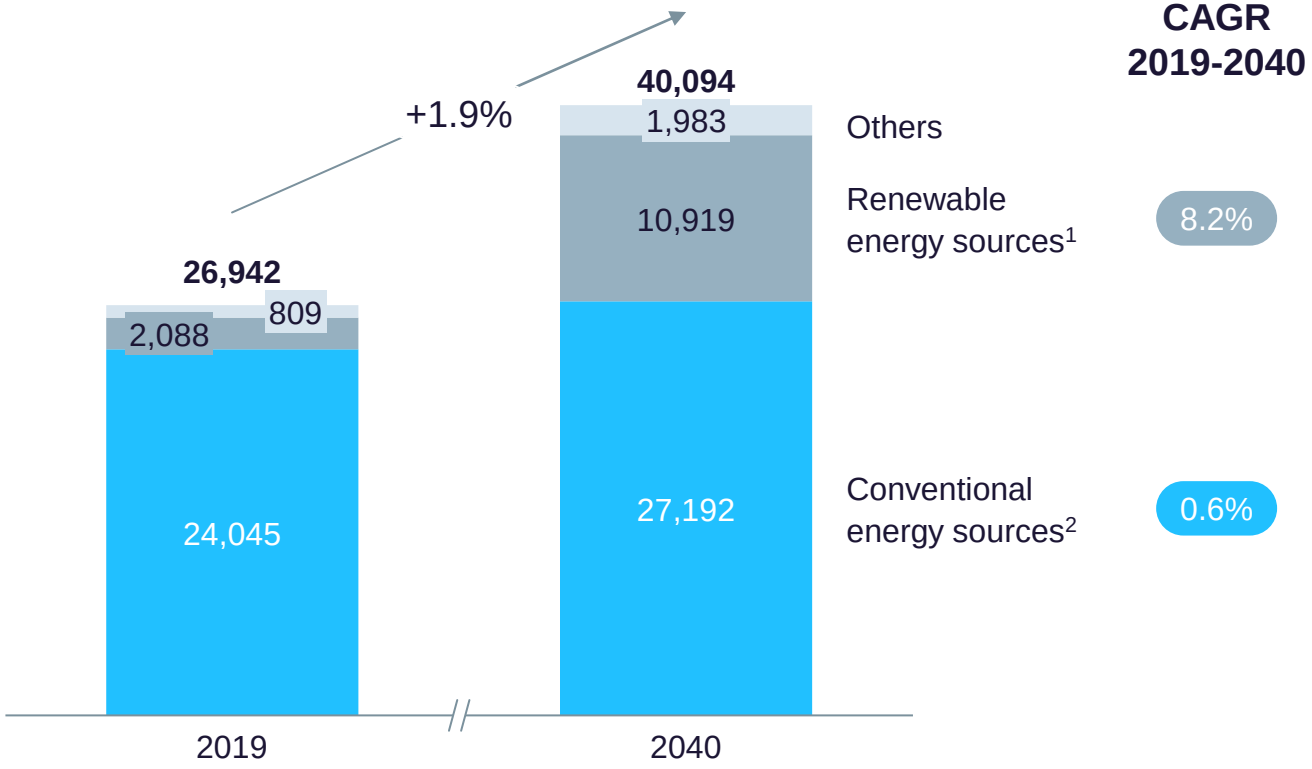
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Global electricity generation is growing – but outside the traditional portfolio of Gas and Power

Development of global electricity generation

(in terawatt hours)



Development by energy form

- Wind
- Solar
- Gas
- Nuclear
- Hydro
- Coal
- Oil

Note: CAGR = Compound Annual Growth Rate
1 Solar PV, wind | **2** e.g. coal, oil, gas

Source: IEA WEO 2020 Stated Policies Scenario

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Energy of Tomorrow
Executing our strategy

Accelerating Impact

- Focus and deliver on the fundamentals
- Co-create innovations with customers and partners
- Starting the energy transformation

Leading the Energy Transformation

- Most valued energy technology company
- Electrifying countries and industries
- Act as data-driven company

We energize society



Spin-off — 2023 — 2025 — 2030

Powered by our people and our values

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Executing our cost improvement program

Main measures[1]	Operational cost improvement Corporate cost optimization
Annual cost savings	Detailed measures identified to deliver additional savings by a minimum of 300 million euros by 2023[2]
Effects on workforce	Reduction of around 7,800 jobs worldwide by the end of FY25, mainly in administration, management and sales
Restructuring costs	Within our guidance which calls for a cumulative mid-to-high triple digit euro million amount in FY20-23 in GP

1 Measures are subject to consultation with employee representatives
2 Accelerating Impact Program as communicated at the CMD in September 2020

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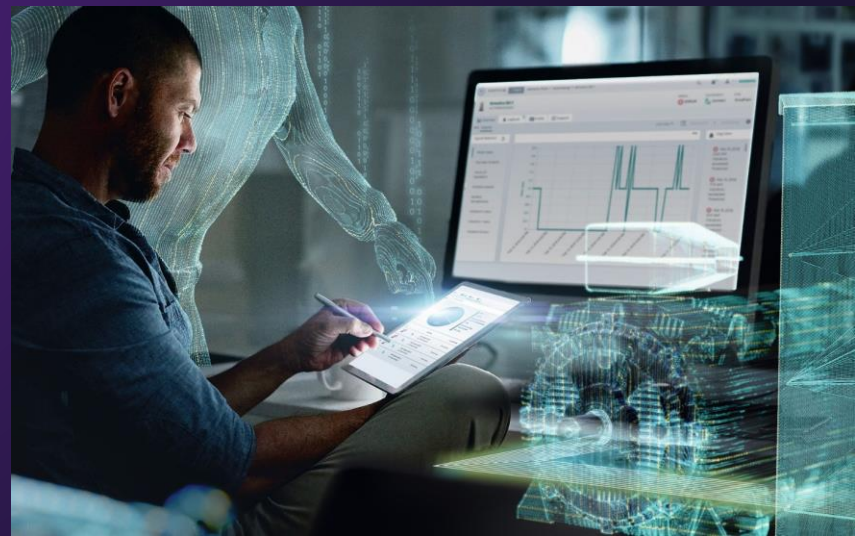
Low- or zero-emission power generation

Transport of electricity and storage

Reducing CO_2 footprint and energy consumption in industrial processes







Future Agreement 2030 Germany

If possible, job reductions through voluntary measures

Intention to maintain existing locations in Germany

Expand or establish future competencies at locations in Germany

Training quota of 4.5 percent aimed at across all training years

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Questions and answers

Christian Bruch and Maria Ferraro



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Financial calendar

2021

February 02	February 10	March 19	May 05	August 04
Q1 FY21	Siemens Energy Annual General Meeting	Hydrogen Day	Q2 FY21	Q3 FY21

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