

# FY 19 RESULTS

November 5, 2019

**SIEMENS Gamesa**  
RENEWABLE ENERGY



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### **Note on alternative performance measures (APMs)**

The definitions and reconciliation of the alternative performance measures that are included in this presentation are disclosed in the Activity Report associated to these and previous results. The glossary of terms is also included in the Activity Report associated to these results.

# SGRE is fully committed to a sustainable development and the stricter ESG<sup>1</sup> principles

- By 2020...**
- More than 250MtCO<sub>2</sub>eq. annual savings to customers
  - Acceptance of the Code of Conduct by our main suppliers (80% of the annual purchasing volume)
  - 100% of critical suppliers to be assessed and/or audited for compliance with the Code of Conduct

- By 2025...**
- Carbon neutrality
  - 10% increase in energy efficiency
  - 10% increase in waste efficiency
  - 10% reduction in waste to landfill
  - 10% reduction in hazardous waste

## Committed to respecting human rights and the environment ...



## ... and part of the main ESG indices



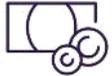
1) ESG: Environmental, Social and Governance.

# FY 19 Highlights



**SIEMENS Gamesa**  
RENEWABLE ENERGY

# FY 19 Highlights



**Guidance achieved** in a highly competitive market environment with geopolitical tensions

- Revenue: €10,227m, up 12.1% YoY
- EBIT margin pre PPA and I&R costs: 7.1%<sup>1</sup>
- Q4 19, the strongest quarter since the merger



**Long-term vision unchanged** with short-term headwinds lengthening the path to normalized margins

- **Strong potential of wind power confirmed. SGRE positioned to lead**



**Record commercial activity** within a strategy of profitable growth

- Order backlog: €25.5bn, up 11.9% YoY
- Order intake: €12.7bn in FY 19, up 7.4% YoY



**Sound balance sheet with a net cash position of €863m, up €248m YoY<sup>2</sup>**

- Investment grade rating by S&P, Moody's and Fitch
- Continuous optimization of debt structure: c. €1bn reduction in gross debt YoY

1) EBIT pre PPA and I&R costs excludes the impact of PPA on the amortization of intangibles: €266m, and the integration and restructuring costs: €206m in FY 19.  
 2) Change in net cash before Adwen related provision usage of €180m and dividend payments of €17m amounted to €445m.

## Today's successes secure our future growth

### ON: India



- **1.2 GW in orders during Q4 19**, taking the order entry in India to **1.8 GW**, up 21% YoY, in FY 19
- **Large orders with important players** in the country including Alfanar, Adani and SPRNG
- **Record WTG ON order intake in Q4 19** (3,147 MW) leading to total orders of 9,389 MW in FY 19

### OF: Hornsea 1



- 174 Siemens Gamesa Offshore turbines installed at Hornsea 1, UK, **the world's largest Offshore wind power plant**. With total capacity of **1,200 MW**, it can power over 1 million homes
- **All units installed safely and in record time**
- After peak activity levels in FY 19 SGRE retains leading position: **12 GW in firm backlog and pipeline** as of September 30

### SE: Senvion assets<sup>1</sup>



- Acquisition of selected assets from Senvion: (i) **European Onshore service business**, (ii) **blade manufacturing facility** in Portugal and (iii) all **IP portfolio**
- SGRE's **competitive position in Europe strengthened** while managing risk and complexity
- In line with the strategy to grow in the maintenance of oOEMs, communicated in our CMD

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

## Senvion deal: growth opportunity in Service, shaping the next step of consolidation<sup>1</sup>

### Attractive transaction scope

- Onshore Service business in Europe
- Vagos blade manufacturing facility
- Comprehensive IP portfolio

### Strong strategic rationale

- Expand highly profitable Service business
- Reduce dependence on Asian supply chain

### Prioritizing risk management

- Transaction relates to low risk assets
- Termination rights in case of business deterioration

### Attractive price

- Equity purchase price: €200m<sup>2</sup>. Very limited impact on leverage
- Attractive implied multiple for the assets

### Significant financial contribution

- 2020: limited impact in EBIT pre PPA and I&R
- 2022+: > €50m of EBIT pre PPA and I&R
- Green 3 year bullet loans of €240m secured

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

2) Equity purchase price excluding provisions, carve-out and integration & restructuring expenses of c. €150m. Cash-out mainly expected during year 1 and 2.

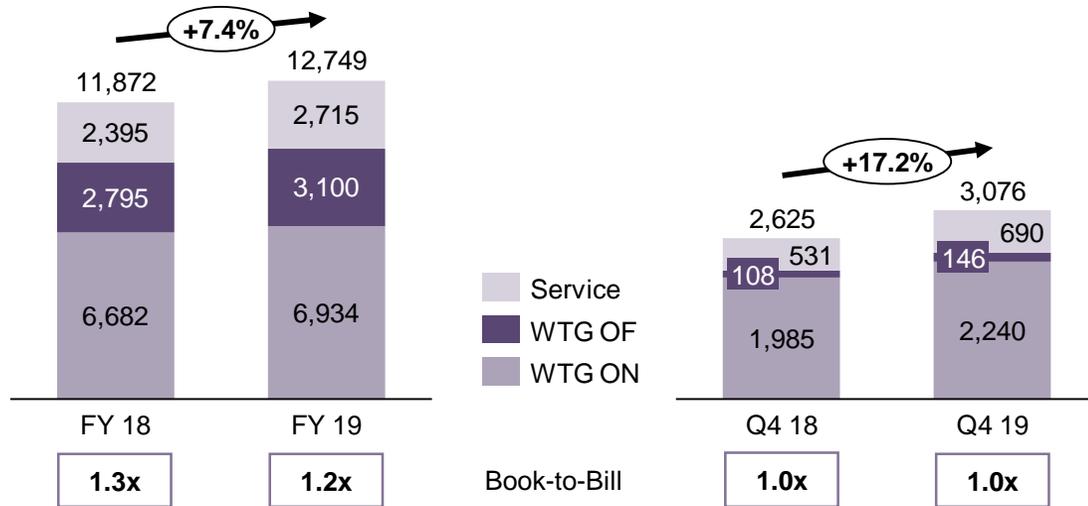
# Commercial activity



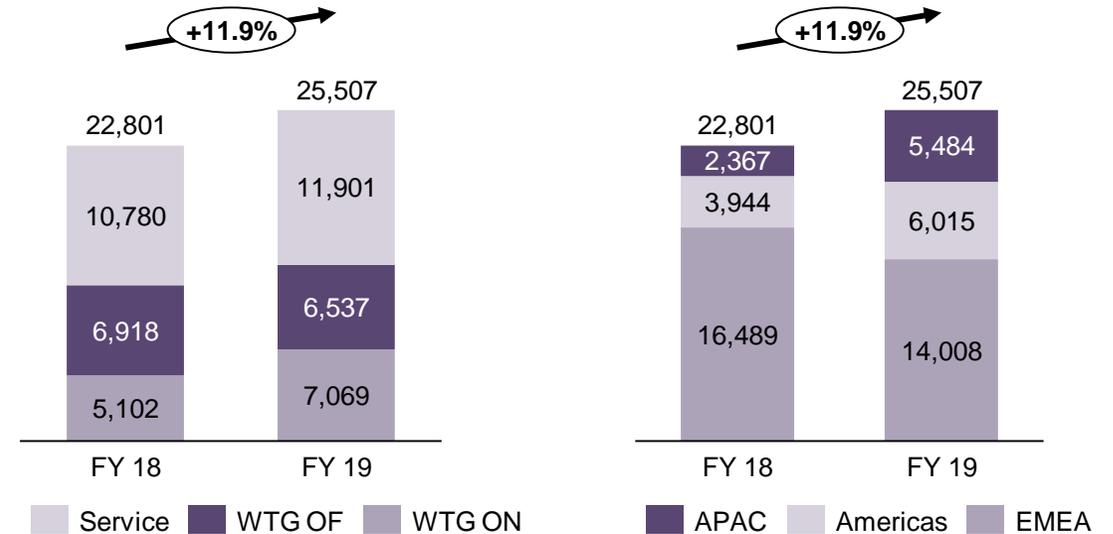
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Record order backlog: €25.5bn, up 11.9% YoY, driven by strong FY 19 order intake: €12.7bn, up 7.4% YoY

Order intake<sup>1</sup> LTM and Q4 (€m)



Order backlog (€m)



Strong order intake in all three businesses with double-digit annual growth in Offshore (10.9% YoY) and Service (13.4% YoY) in FY 19. **Group order intake of €12.7bn in FY 19**

- **FY 19 group Book-to-Bill: 1.2x**

**Growth story confirmed** with enhanced visibility

- **90% coverage<sup>2</sup>** of midpoint of FY 20 revenue guidance

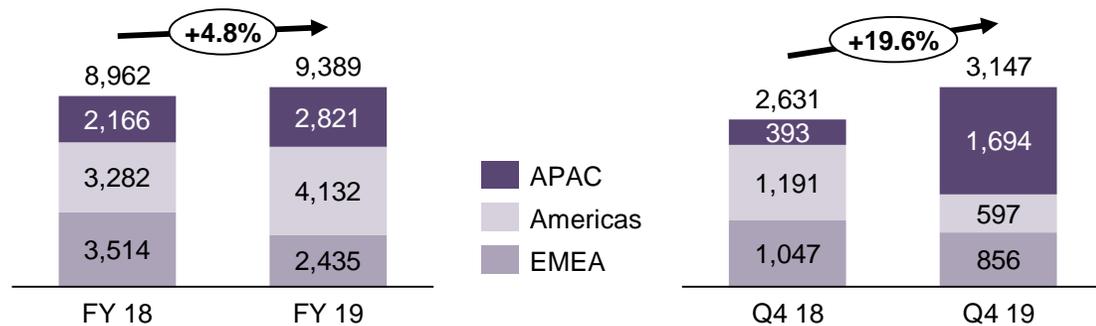
**Diversified regional and country exposure**

1) WTG ON order intake includes €2m in solar orders in Q4 19, €0.6m in Q3 19, €33m in Q2 19, €6m in Q1 19 and €9m in Q3 18.

2) Revenue coverage: order backlog (€) as of September 19 for FY 20 sales activity divided by the FY 20 revenue guidance range of €10.2bn to €10.6bn.

## Record WTG ON order intake in Q4 19: 3.1 GW, up 19.6% YoY

WTG ON order intake<sup>1</sup> LTM and Q4 (MW)



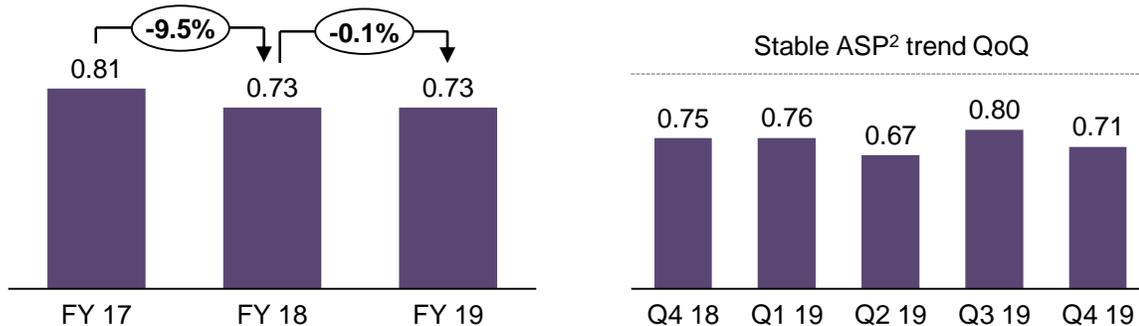
### FY 19 commercial activity driven by Americas and APAC

- US with 2.5 GW (27%) and India with 1.8 GW (20%) are the two largest contributors followed by Chile and China (both 7%)

### Record commercial activity in Q4 19 driven also by APAC

- 1.2 GW of firm order intake in India (38%), followed by Chile (12%), China (9%) and Sweden (8%)
- Continuous good traction with the SG 4.X: 369 MW in Chile, 189 MW in China and 162 MW in the US in Q4 19

Average selling price of WTG ON order intake<sup>1</sup> (€/MW)



### Ongoing market price stabilization

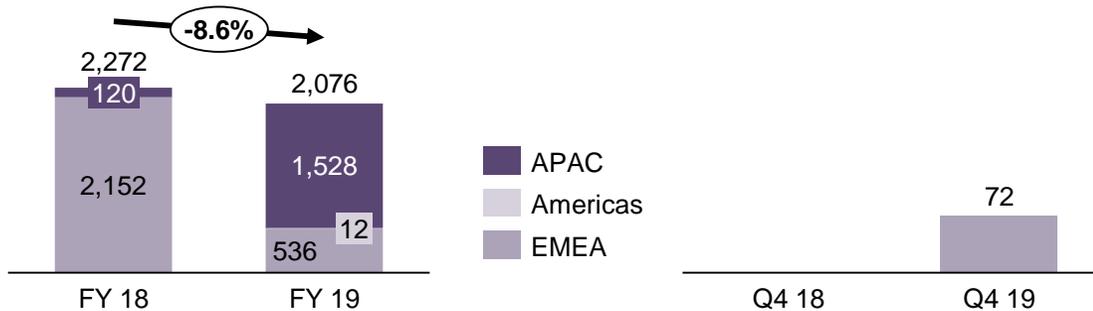
- Q4 19 ASP YoY decline driven by different regional mix with higher contribution from APAC (India and China)
  - Q4 19 ASP excluding China: €0.74m/MW

1) Order intake WTG ON (MW) and average selling price of WTG ON order intake includes only wind orders.

2) Average selling price (ASP) in individual quarters fluctuate driven by regional mix and scope of projects.

## WTG OF order intake driven by project awards in Taiwan

WTG OF order intake LTM and Q4 19 (MW)



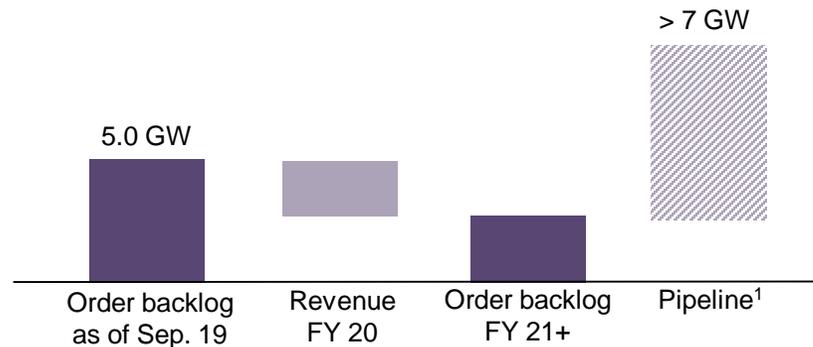
### Strong FY 19 performance in new Offshore markets

- 1.5 GW in firm orders signed in Taiwan (Yunlin and Greater Changhua 1 & 2)

### Q4 commercial activity (in FY 19 and FY 18)

- It reflects standard volatility of the Offshore market

WTG OF backlog and pipeline<sup>1</sup>



### Leading competitive positioning reflected in backlog and pipeline strength

- Total order backlog of €6.5bn (5 GW)**
- Total pipeline<sup>1</sup> of more than 7 GW**
  - France: 2.5 GW
  - Netherlands: 1.9 GW
  - US: 1.7 GW
  - Other: 1.2 GW

1) Pipeline made of preferred supply agreements and conditional orders that are not part of SGRE's Offshore backlog.

# FY 19 Results & KPIs



## Consolidated Group – Key figures FY 19 and Q4 19 (July-September)

€m	FY 18	FY 19	Var.	Q4 19	Var.
Group revenue	9,122	10,227	12.1%	2,944	12.4%
EBIT pre PPA and I&R costs	693	725	4.6%	250	16.2%
EBIT margin pre PPA and I&R costs	7.6%	7.1%	-0.5 p.p.	8.5%	0.3 p.p.
PPA amortization <sup>1</sup>	306	266	-12.9%	67	0.8%
Integration & restructuring costs	176	206	16.8%	116	52.9%
Reported EBIT	211	253	19.8%	67	-8.2%
Reported net income to SGRE shareholders	70	140	100.0%	52	104.1%
<hr/>					
CAPEX	415	498	83	181	25
CAPEX to revenue (%)	4.6%	4.9%	0.3 p.p.	6.2%	0.2 p.p.
Working capital	-542	-833	-291	-833	-291
Working capital to LTM revenue (%) <sup>2</sup>	-5.9%	-8.1%	-2.2 p.p.	-8.1%	-2.2 p.p.
Provisions <sup>3</sup>	2,445	2,177	-268	2,177	-268
Net (debt)/cash	615	863	248	863	248
Net (debt)/cash to LTM EBITDA <sup>2</sup>	0.72	0.96	0.24	0.96	0.24

- **Revenue** growth driven by strong performance in all businesses, with record activity in Offshore
- **Impact of lower pricing** in the order backlog (Onshore, Offshore and Service) **compensated by the transformation program**
- **I&R cost** increase driven by the acceleration of the product portfolio simplification
- **Reported net income** doubled YoY, on the back of higher EBIT and lower tax expense, partially compensated by higher financial costs<sup>4</sup>
- **CAPEX** of €498m, or 4.9% of sales, in line with target (< 5%)
- **Provisions** down €268m YoY on the back of Adwen related outflows (€180m) and ordinary releases, driven by product platform and Service improvements. Provisions down €35m QoQ of which €62m are Adwen related
- **Net cash:** €863m, driven mainly by gross operating cash flow and working capital improvement
  - **Gross debt** reduced by c. €1bn, optimizing the group balance sheet

1) Impact of PPA on the amortization of the fair value of intangibles.

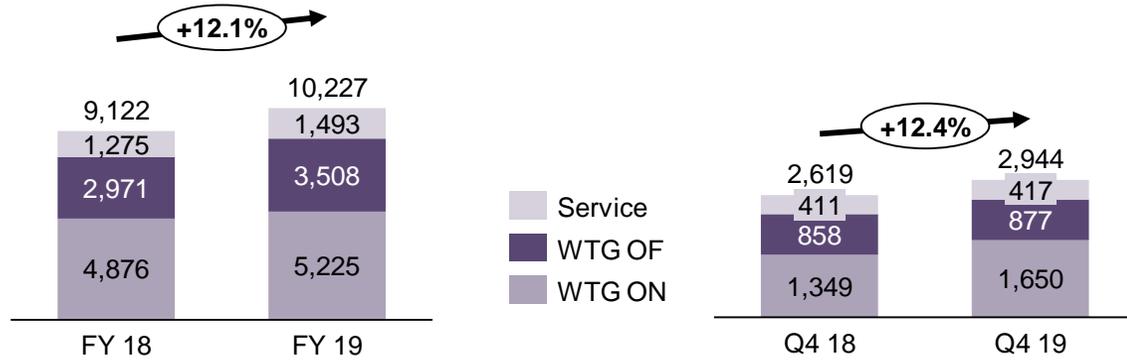
2) LTM revenues €10,227m; LTM EBITDA €899m.

3) Within group provisions, Adwen provisions stand at €696m.

4) Positive impact from tax legislation in India compensated by impact of Danish Krona and Euro interest rates on the net present value of provisions.

## Revenue growth driven by positive performance in all businesses

Group revenues FY and Q4 (€m)



**FY 19 WTG ON** revenue (+7% YoY) impacted by **higher sales volume, installation activity and regional mix**: higher contribution from EMEA. **Q4 19** (+22% YoY) impacted by **higher installations**

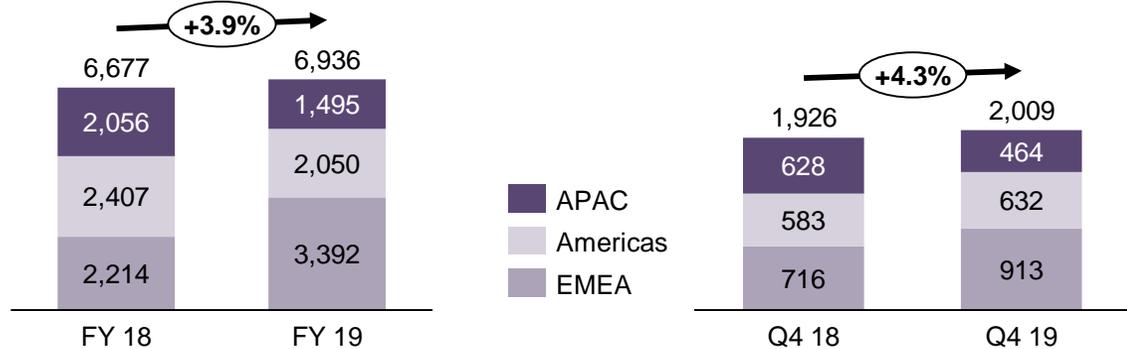


**FY 19 WTG OF** revenue (+18% YoY) driven by **record activity level** (2.6 GWe). Q4 19 (+2% YoY) driven by higher level of installations partially compensated by competitive pricing



**FY 19 Service** revenue (+17% YoY) driven by **maintenance contracts and value added solutions**. Q4 19 (+1% YoY) impacted by lower sales of spare parts and value added solutions

WTG ON sales volume by geography (MWe)

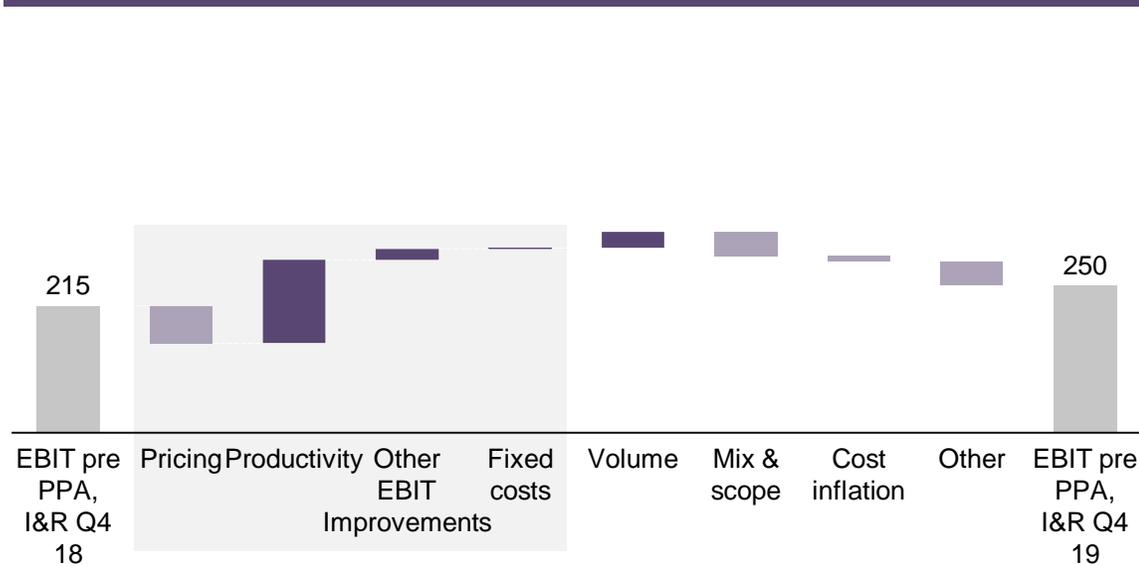


**FY 19 WTG ON sales volume (MWe) up 4% YoY** with strong growth in **EMEA** partially compensated by decline in **APAC and Americas** (Latin America). Largest contributors to sales volume:

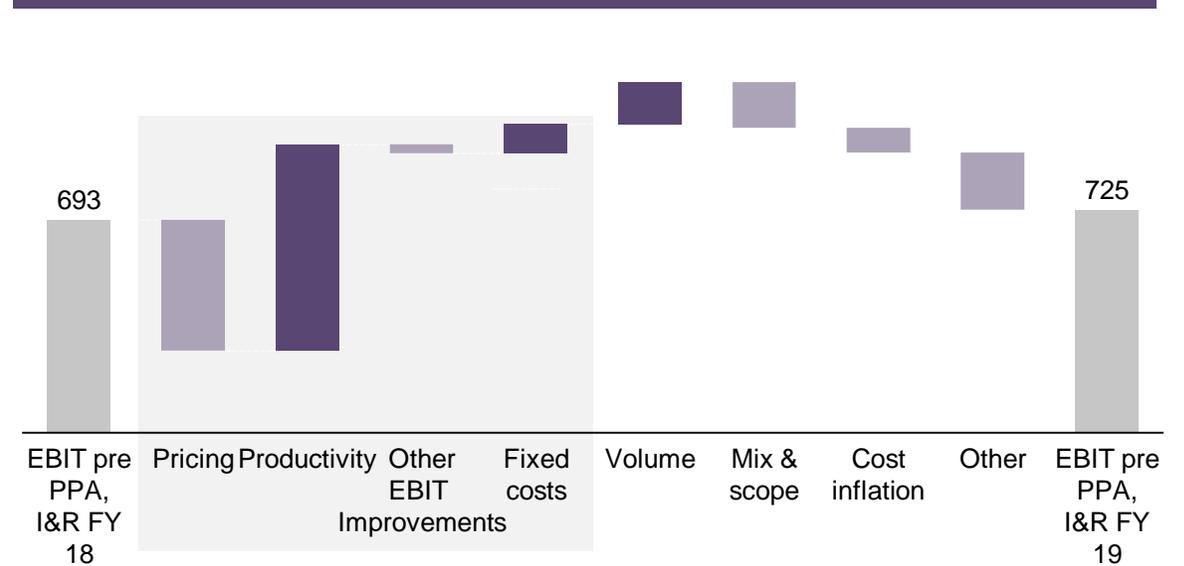
- FY 19: US (24%), Spain (17%), followed by India and Norway (13% each)
- Q4 19: US (22%), India (18%), Spain (12%) and Norway (10%)

## L3AD2020 transformation program compensates pricing impact

Group EBIT pre PPA and I&R costs (€m): Q4 19 vs. Q4 18



Group EBIT pre PPA and I&R costs (€m): FY 19 vs. FY 18

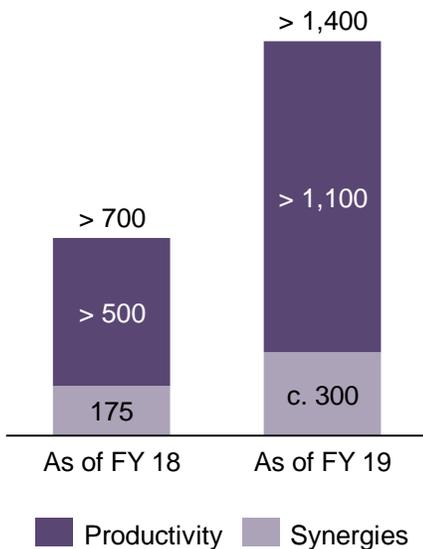


EBIT pre PPA and I&R mainly impacted by:

- (-) Price decline in Group order backlog
- (+) Productivity and synergies
- (+) Volume
- (-) Project mix and scope both in Q4 19 and FY 19

## L3AD2020: continued productivity improvements in FY 19 despite challenges in the suppliers market

Cumulative savings from transformation program (€m)



**FY 19 recurrent productivity of more than €700m**, in line with CMD targets

- Synergies above €120m or c. 1% of sales

**L3AD2020 transformation program on track with accumulated savings > €1.4bn in FY 18 - FY 19** with a total target of €2bn in the 3 year horizon (FY 18 - FY 20)

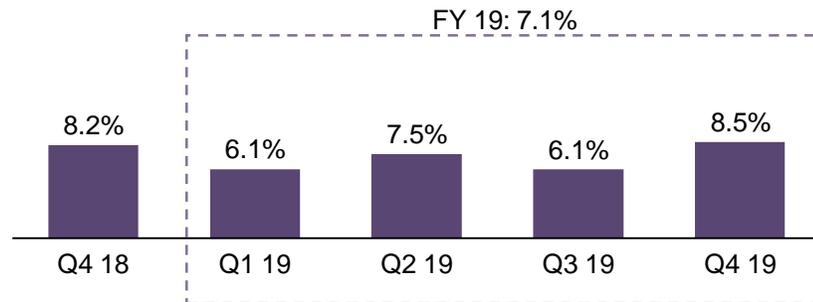
**External challenges impact product affordability and demand. Acceleration of the L3AD2020 transformation program initiated:**

- Trade wars impacting sourcing decisions, leading to less favorable supply options
- European safeguarding actions are posing challenges on material costs

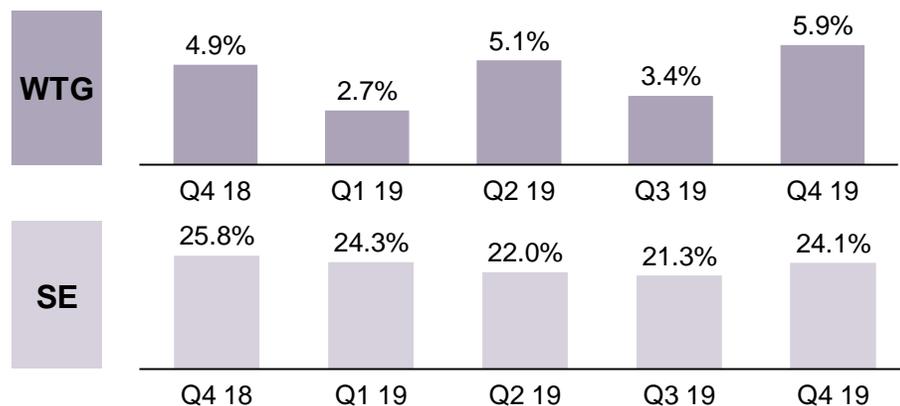
**Changes in the supply chain initiated**

## Strong execution in Q4 19

EBIT margin pre PPA and I&R costs



Breakdown by segment



### FY 19 EBIT margin pre PPA and I&R reflects:

- Impact of **price declines** in group order backlog **compensated by the L3AD2020 transformation program**
- **Positive** impact from **higher sales volume**
- **Negative** impact from **mix & scope**
- **Execution challenges** in WTG ON, specially in Northern Europe and India

### Q4 19 EBIT margin pre PPA and I&R reflects:

- **Strong execution:** highest group margin in the last 8 quarters
- **Ongoing compensation of price declines** by the transformation program
- **Negative** impact from **mix & scope**

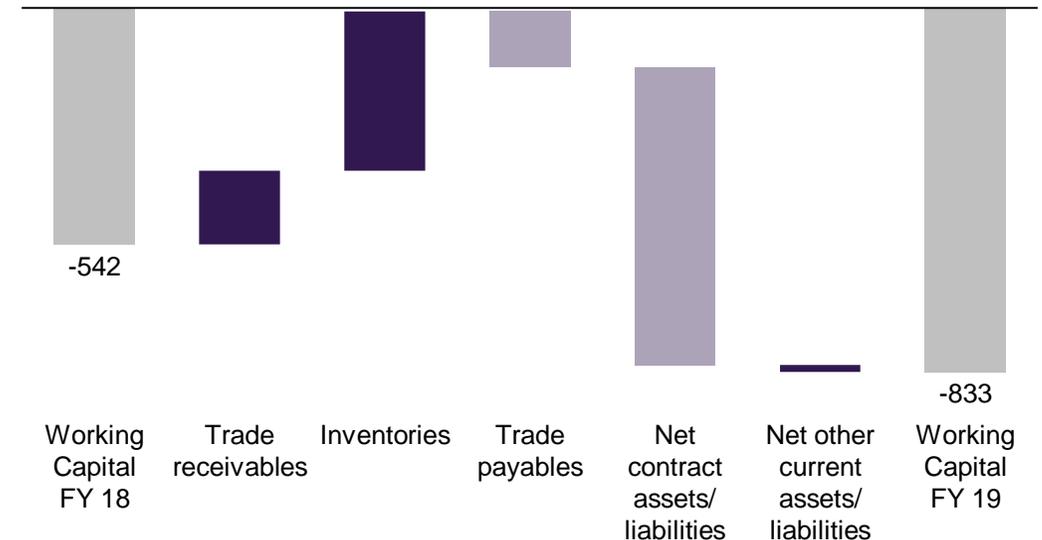
## Strong working capital performance driven by working capital program, order intake down payments and project execution milestones

Quarterly evolution of working capital (€m)

€m	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19
Trade receivables	1,139	1,135	1,171	1,460	1,308
Inventories	1,499	1,925	2,006	2,044	1,864
Net contract assets (liabilities)	-101	-307	-220	-315	-783
Net other assets (liabilities)	-321	-224	-242	-217	-336
Trade payables	-2,758	-2,557	-2,505	-2,733	-2,886
Working capital	-542	-27	211	238	-833
As % of revenue	-5.9%	-0.3%	2.2%	2.4%	-8.1%

Working capital to revenue < 2% target

YoY evolution of working capital (€m)

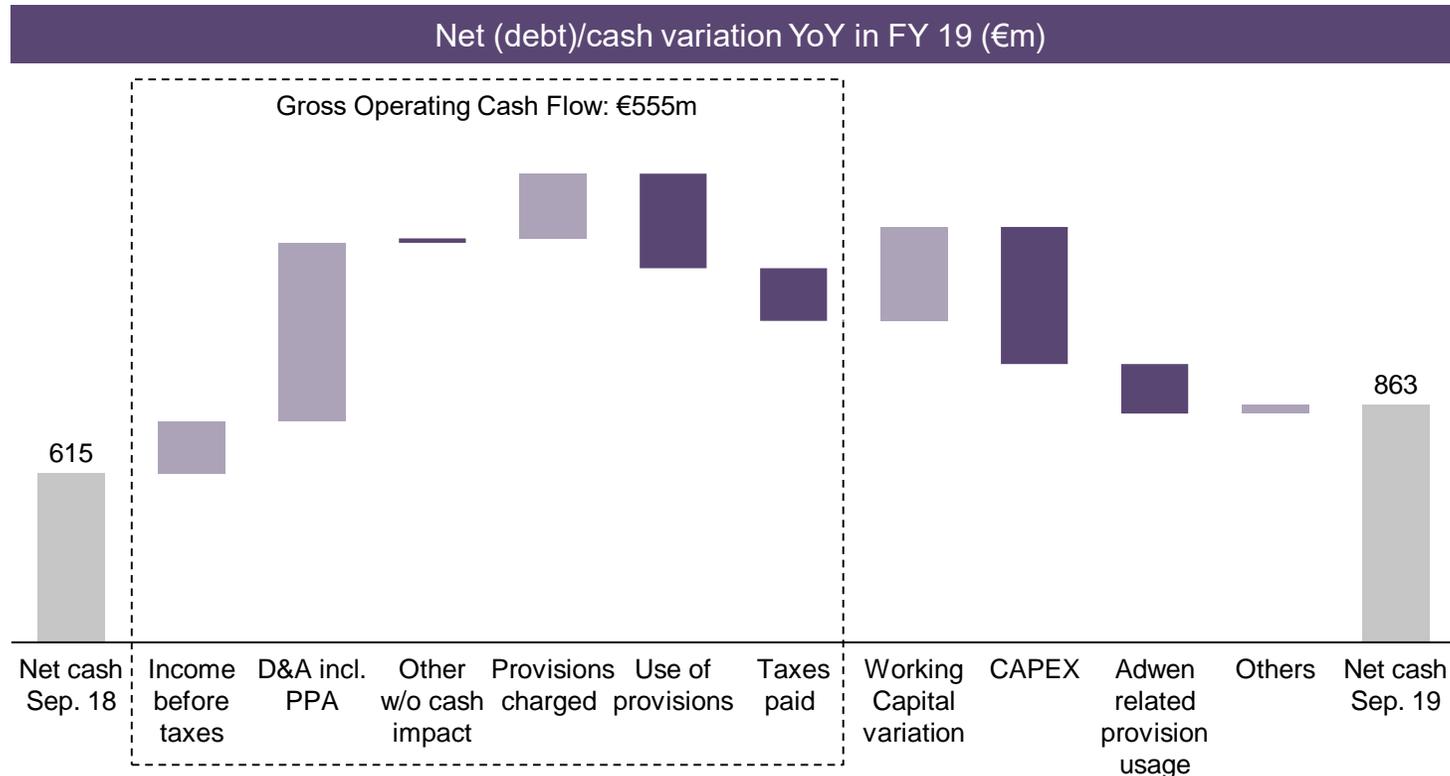


### Working capital variation:

- €1,071m QoQ improvement as back-end loaded activity is executed in Q4 19
- €291m YoY improvement driven by order intake down payments, renegotiation of payment conditions and project execution milestones

- **Strict working capital management ongoing** with focus on inventories and contract assets in FY 20

## Increase in net cash position in FY 19 driven by gross operating cash flow and working capital improvement



**Net cash of €863m, up €248m YoY**, driven by working capital improvement (+€341m YoY)<sup>1</sup> and gross operating cash flow generation (€555m)

- **Quarterly variation in net cash (+€1,054m)** driven by the execution of back-end loaded activity and the related unwinding of working capital

**CAPEX:** €498m in FY 19 and €181m in Q4 19, spent in tooling, blade molds and R&D

**Adwen related provision usage:** €180m in FY 19 with €62m in Q4 19

1) Working capital cash flow effective change.

# Outlook & Conclusion

## FY 19 guidance achieved in spite of challenging market conditions

	FY 19E <sup>1</sup>	FY 19	
Revenue (in €m)	10,000 - 11,000	10,227	✓
EBIT margin pre PPA and I&R costs (in %)	7.0% - 8.5%	7.1%	✓


**FY 19 performance in line with guidance despite challenging market conditions:** macro slowdown and political uncertainty, emerging market volatility and global trade tensions

1) This outlook excludes charges related to legal and regulatory matters and it is given at constant FX rates.

## Market headwinds continue impacting FY 20 performance in a transition year but top line growth is secured

Guidance <sup>1</sup>	FY 19	FY 20E <sup>2</sup>
Revenue (in €m)	10,227	10,200 - 10,600
EBIT margin pre PPA and I&R costs (in %)	7.1%	5.5% - 7.0%

- **Strong top line visibility** with FY 20 revenue coverage of 90%<sup>3</sup>, 10 p.p. above FY 19 coverage as of September 30, 2018
- **Margin guidance** reflects ongoing industry transition, specific company developments and external headwinds
- Back-end loaded activity expected
- PPA impact of €260m and I&R costs of €200m

### Other targets

- **CAPEX to sales target:** c. 6% to accommodate strong growth in Offshore beyond 2020 (investments in France and Taiwan) and investments in new Onshore technology

1) Guidance excludes the impact of the acquisition of selected assets of Senvion and any impact from the change in the composition of SGRE shareholder base.

2) This outlook excludes charges related to legal and regulatory matters and it is given at constant FX rates.

3) Revenue coverage: order backlog (€) as of September 30, 2019 for FY 20 sales activity divided by the FY 20 revenue guidance range of €10.2bn to €10.6bn.

## FY 20 profitability guidance reflects ongoing industry transition and top line mix

### Business developments

- **SGRE revenue mix evolution** with lower revenue contribution from attractive WTG OF business
- **Regional mix in WTG ON** with higher sales volume contribution from more competitive Onshore regions: Americas (US) and APAC (India and China)
- **Investment in growth with higher R&D and CAPEX**
- **Transformation program on track and expected to continue compensating pricing trends** with €600m in productivity savings in FY 20

### Industry transition

- **ON price stabilization**
- **OF price competition** driven by execution of auction-driven projects within a rational industry structure
- **Service pricing trends unchanged**
- **SGRE shaping the next step of the consolidation**

### External headwinds

- **Cost inflation** driven by tightness in the supply chain and tensions in global trade including tariffs in the US
- **Short-term development of wind demand** impacted by political and regulatory uncertainty in mature markets (Spain and Germany) and emerging market volatility (India, Mexico and Brazil)
- **Brexit uncertainty**

**Resilient business model thanks to business mix, geographic diversification and balance sheet strength**

## Long-term vision supported by growth, SGRE's competitive position, cost out and technology

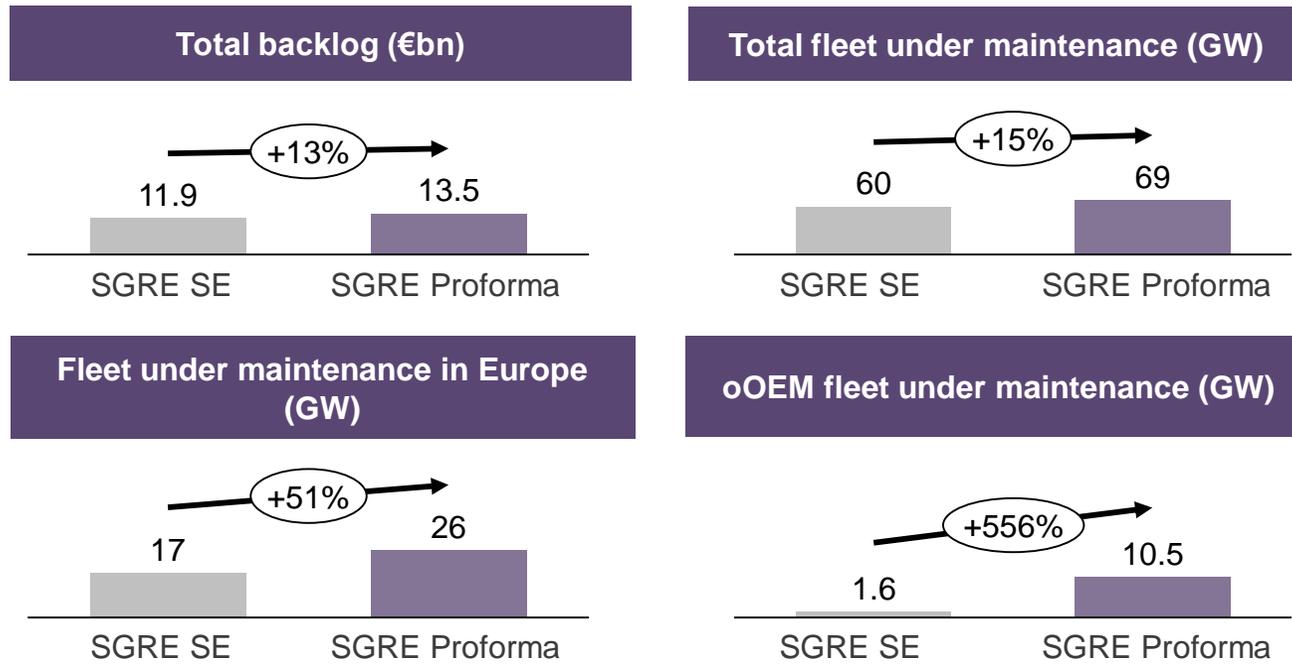
Market dynamics	SGRE
<p><b>Growth</b></p> <p>Cost competitiveness and renewable commitments support <b>strong growth in installations</b></p> <ul style="list-style-type: none"> <li>▪ <b>OF:</b> CAGR 18-25 of 21% p.a.<sup>1</sup></li> <li>▪ <b>Emerging ON:</b> CAGR 18-25 of 10% p.a.<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Leading position in high growth segments:</b> Offshore, emerging Onshore and Service, <b>with top line growth driven by attractive Offshore and Service</b></li> <li>▪ <b>Senvion deal strengthens</b> competitive positioning in high growth-high margin <b>Service business</b> and contributes to the <b>footprint &amp; supply chain strategy</b></li> </ul>
<p><b>Competition / Technology</b></p> <ul style="list-style-type: none"> <li>▪ <b>Towards a 4 global player market in ON</b></li> <li>▪ <b>Towards a 3 global player market in OF</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ New product platforms already commercialized: <ul style="list-style-type: none"> <li>▪ SG 10.0-193</li> <li>▪ SG 5.8-155/170</li> </ul> </li> <li>▪ <b>SGRE to benefit from industry consolidation</b></li> </ul>
<p><b>Pricing / Costing</b></p> <ul style="list-style-type: none"> <li>▪ <b>ON price stabilization</b></li> <li>▪ <b>OF price competition</b> driven by auctions</li> <li>▪ <b>Service pricing trends unchanged</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Footprint &amp; supply chain optimization</b> (Onshore) &amp; <b>extension</b> (Offshore growth)</li> <li>▪ <b>Focus on cost-out</b> incl. optimization of structural costs through headcount reductions of up to 600 in the next two years<sup>2</sup>. Continuation of transformation program to drive own cost competitiveness</li> </ul>
<p><b>FY 22+ targets: above industry growth and EBIT margin pre PPA and I&amp;R between 8% and 10%</b></p>	

1) Wood Mackenzie Q3 2019 Global Wind Outlook.

2) The applied approach might vary by country. The discussions with the employee representatives will start immediately and in accordance with the respective legal frameworks.

## Strong strategic contributions from acquired Services business and manufacturing plant

Services<sup>1</sup>



Vagos blades plant

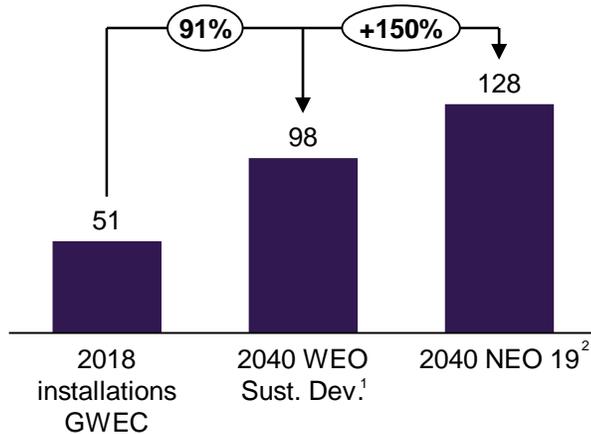
- Best-in-class processes with **benchmark cycle time and manufacturing costs**
- **Significant scale advantages:** +1,300 blades / year production capacity
- **Premium location and logistics** to source European markets

- **Strategic European perimeter**
  - **15% enhancement of SGRE Service fleet, c. 50% increase in Europe**
  - **Taking oOEM strategy and capabilities** to the next level in line with the L3AD2020 growth module
- **€1.3bn backlog** excluded from transaction perimeter (c. 7 GW fleet) due to contract profile. Volume as upside and to cover for potential backlog change until transaction closing. **SGRE ready to compete for these service contracts** subject to renegotiation
- **Supply chain risk mitigation**
  - Balance Make vs. Buy strategy in constrained blade supply market
  - Reduce supply from Asia within volatile trade dynamics environment
- **Significant cost optimization** in total landed costs for projects in Europe

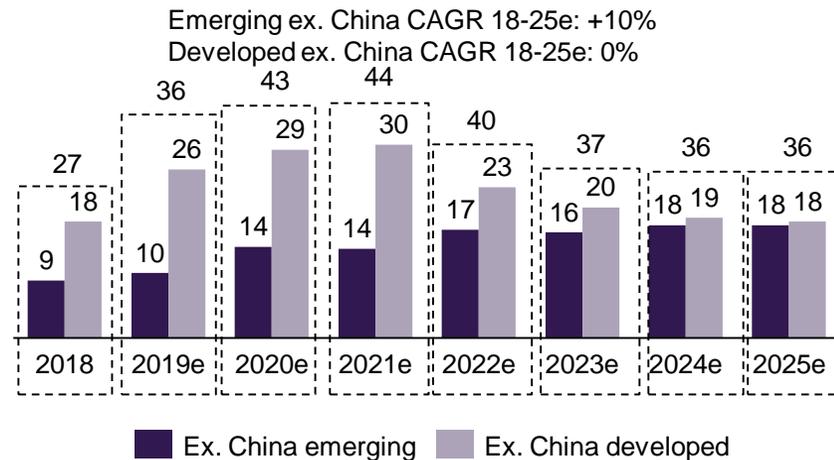
1) Servion contribution based on backlog position as of October 14, 2019.

## Strong potential of wind energy confirmed. SGRE placed to benefit from growth drivers

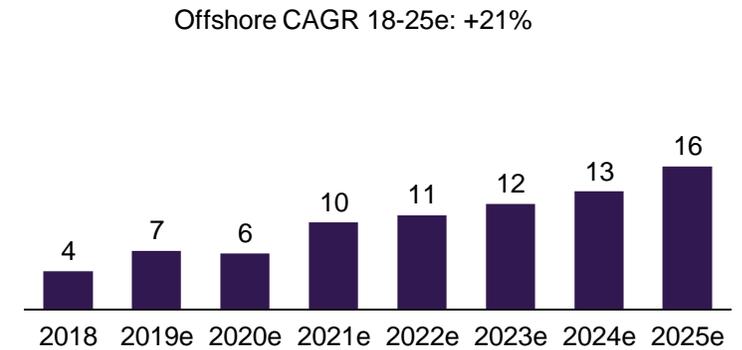
Average annual installations ON and OF 18-40e (GW)



Onshore ex. China (GW)<sup>3</sup>



Offshore (GW)<sup>3</sup>



Average annual wind installations need to double to reach a sustainable development

\$5.3 trillion of investment in Wind until 2050<sup>2</sup>

Offshore wind power to expand 15-fold to reach at least 340 GW by 2040<sup>1</sup>

- Offshore wind to become the largest source of generation in Europe by 2040, with a share of about 25% (vs. less than c.2% today), and a total installed base by 2050 of 1,000 GW (vs. c. 25 GW today)

**SGRE positioned to lead** as Offshore and emerging Onshore markets continue to drive growth in wind installations

1) International Energy Agency.  
 2) Bloomberg New Energy Finance.  
 3) Wood Mackenzie Q3 2019 Global Wind Outlook.

# Conclusions



**FY 19 financial performance in line with guidance** despite challenging market conditions

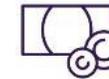


**Strong long-term market and company prospects unchanged with enhanced growth visibility**

Record and well balanced order backlog of €25.5bn



**Agreement to acquire selected assets of Senvion<sup>1</sup> supports profitable growth strategy in the mid term**



**FY 20 guidance with top line growth secured and profitability reflecting transition year**



**CMD in first half of 2020**

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

# Annex



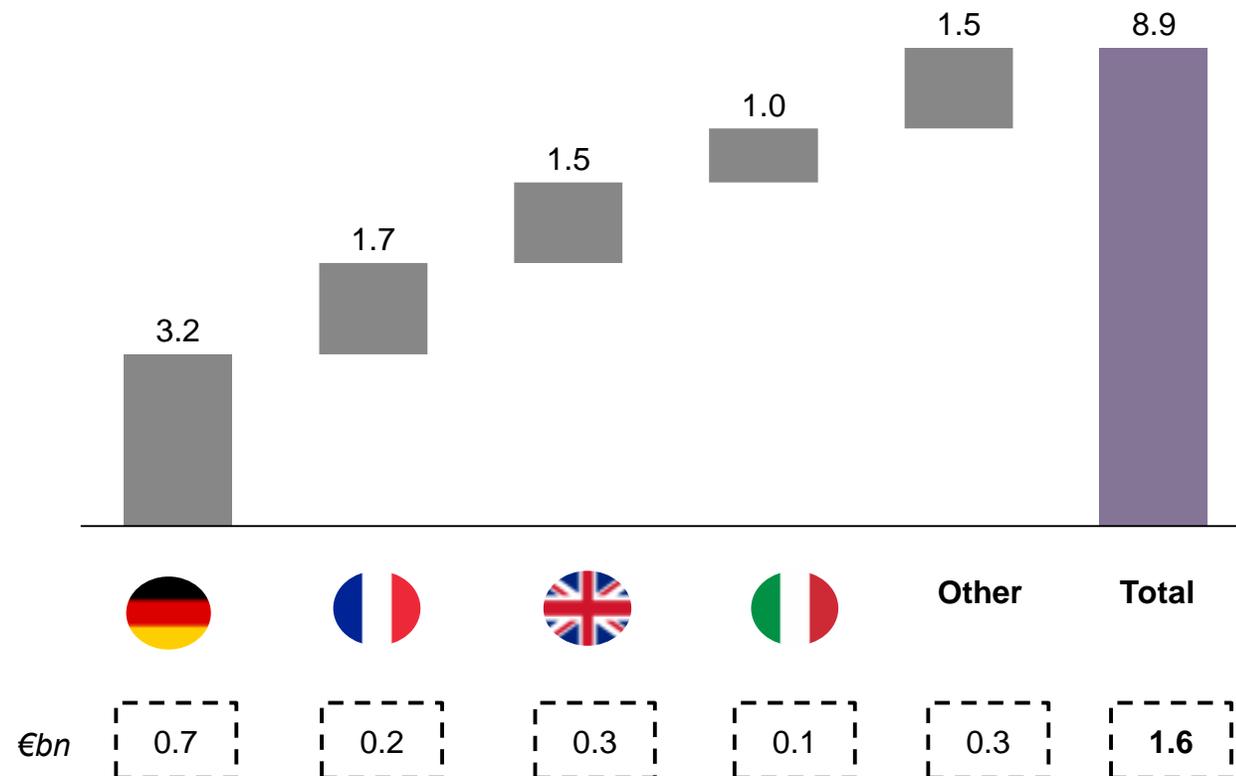
# Q1 20 calendar



- ..... ○ November 6-7: New York and Boston
- ..... ○ November 11: Frankfurt
- ..... ○ November 13 and 14: London
- ..... ○ November 15: Madrid
- ..... ○ November 28: Madrid (BME conference)
- ..... ○ December 4: Bilbao
- ..... ○ December 11: Paris
- ..... ○ December 12: Zurich and Geneva

## Attractive service business in Europe in target perimeter<sup>1</sup>

Target perimeter: Europe Onshore backlog (GW) as of October 14, 2019

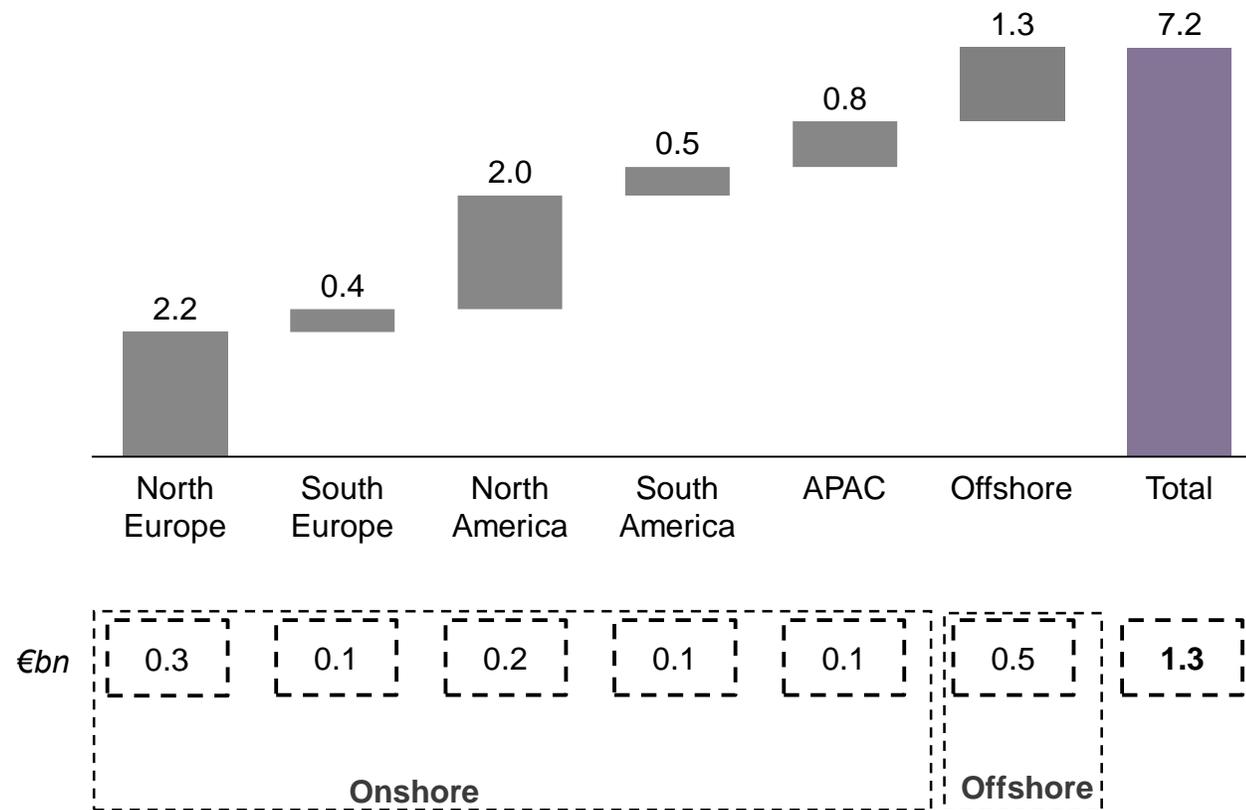


- **€1.6bn Service European onshore backlog targeted (c. 9 GW fleet)**
- **Attractive perimeter KPIs:**
  - **Strong gross margins**
  - **c. 10 years average contract tenure**
  - **+75% historical renewal rate**
- Price adjustment mechanism to cover for potential material deterioration of backlog until closing

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

## Volume upside from potential renegotiation of service contracts outside perimeter<sup>1</sup>

Senvion backlog outside transaction perimeter (GW) as of October 14, 2019



- **€1.3bn backlog excluded from transaction perimeter (c. 7 GW fleet)** due to risk profile or complexity of assets
- SGRE ready to compete for low risk service contracts outside of perimeter
- SGRE positioned to offer a strong long-term, value-added and sustainable proposition for customers

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

## Enhancement of IP portfolio<sup>1</sup>



- Servion IP portfolio covers major wind markets
- Key benefits for SGRE:
  - Leverage for future developments
  - Service fleet
- Examples of areas of interest in Onshore
  - De-icing systems
  - Carbon pultrusion

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

## Financial Impact Considerations<sup>1</sup>

<p><b>Purchase price</b></p>	<ul style="list-style-type: none"> <li>▪ Base purchase price: €200m</li> <li>▪ Purchase price adjustments based on closing accounts: +€15m / -€30m<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Service</b> <ul style="list-style-type: none"> <li>▪ <b>Strong operating gross margins</b></li> <li>▪ <b>Profit</b> penalized by <b>extraordinary corporate costs on Day 1</b> to have an operational carved-out business</li> <li>▪ <b>c. 3 years to reach target profitability</b></li> <li>▪ <b>Competition for out of scope volumes</b></li> </ul> </li> </ul>
<p><b>Financial impact</b></p>	<ul style="list-style-type: none"> <li>▪ c. €200m revenue in Service from perimeter from year 1</li> <li>▪ 2020: limited impact in EBIT pre PPA and I&amp;R</li> <li>▪ 2022+: &gt; €50m of EBIT pre PPA and I&amp;R</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Onshore</b> <ul style="list-style-type: none"> <li>▪ Standard <b>ramp-up requirements</b> in year 1 to manufacture SGRE products</li> <li>▪ Accretive since year 2, <b>manufacturing SGRE products</b></li> </ul> </li> </ul>
<p><b>Provisions and I&amp;R</b></p>	<ul style="list-style-type: none"> <li>▪ Total debt-like adjustments, carve-out and integration &amp; restructuring expenses of c. €150m</li> <li>▪ Cash-out mainly expected during year 1 and 2</li> </ul>	

1) Closing of transaction still subject to the fulfillment of certain conditions precedent, such as regulatory approvals.

2) Due to cash/debt like items (provisions and other), working capital, net loss of service backlog and deterioration of maintenance levels of service.

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