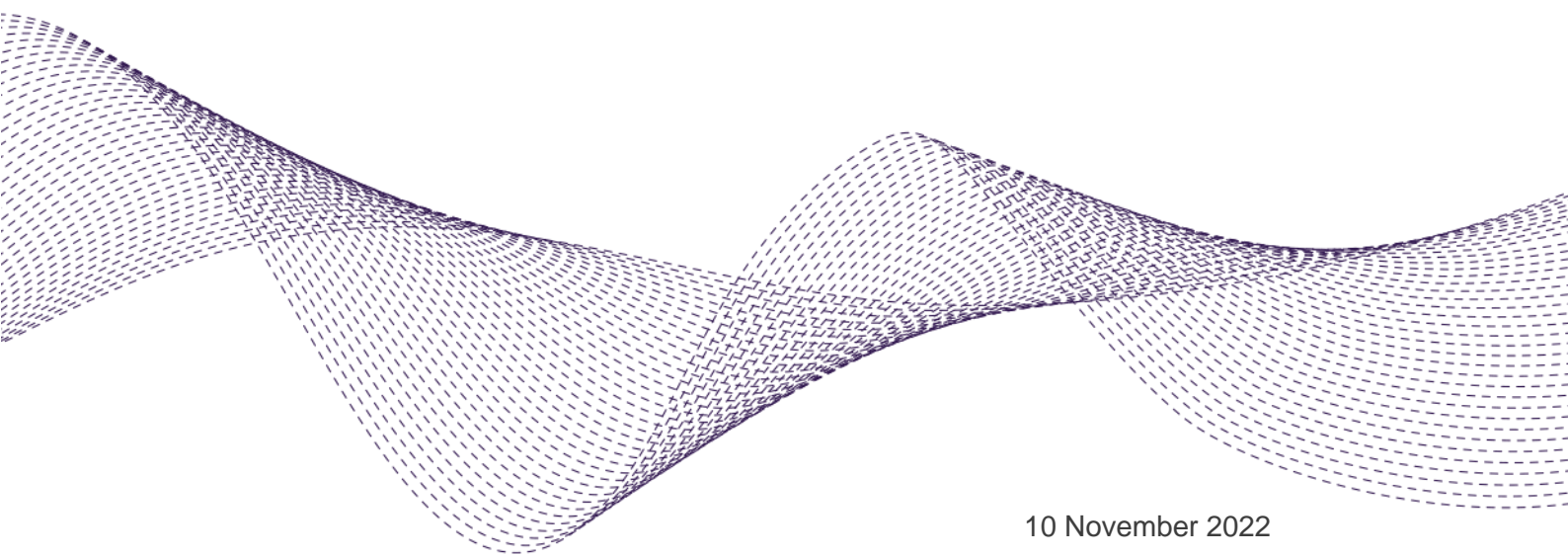


Activity Report

Fiscal Year 2022

October 2021-September 2022



10 November 2022

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Introduction

Fiscal year 2022, from October 2021 to September 2022, was particularly complex due to persisting supply chain disruptions, heightened by geopolitical tensions and additional waves of COVID-19, while upward pressure on the price of inputs and shipping was maintained. The industrialization of the Siemens Gamesa 5.X platform has progressed more slowly than initially planned, and there were additional costs related to higher failure and repair rates on established Onshore platform components. These events impacted financial performance not only by increasing the manufacturing, execution and delivery costs of projects in progress during FY22 but also through the impact on EBIT derived from reassessing the backlog for future years, based on new assumptions about market, production and project execution conditions.

In this context, Siemens Gamesa¹ attained €9,814m in Group revenue in FY22, a 4% decline on fiscal year 2021 (FY21), -7.5% on comparable basis, and it reported an EBIT margin pre PPA and before integration and restructuring costs of -5.9% (-€581m). The Group's results include the positive impact of the sale of the portfolio of wind development assets in southern Europe during the fourth quarter of 2022 (Q4 22), amounting to €613m in revenue and €565m in EBIT pre PPA and before integration and restructuring costs.

Including integration and restructuring costs (-€137m in FY22) and the impact of the PPA on amortization of intangibles (-€223m in FY22), reported EBIT in FY22 amounted to -€942m and net income attributable to SGRE equity-holders amounted to -€940m.

Revenue in Q4 22 amounted to €3,372m (+18% y/y) and EBIT pre PPA and before integration and restructuring costs to €375m, i.e. an EBIT margin of 11.1%; both figures include the impact of the sale of the portfolio of wind development assets in southern Europe in the fourth quarter. Reported EBIT in Q4 22 amounted to €280m, including the impact of integration and restructuring costs (-€40m) and of the PPA on amortization of intangibles (-€55m). Reported net income attributable to SGRE equity-holders amounted to €286m in Q4 22.

As of 30 September 2022, the Group's net debt totaled -€1,232m. Siemens Gamesa has €4,402m in authorized funding lines, against which it has drawn €1,615m, and total liquidity amounting to €4,029m, including cash on the balance sheet at the end of FY22 (€1,242m). Siemens Gamesa maintains an investment grade rating: BBB from S&P (negative outlook) and BBB- from Fitch (stable outlook).

The company achieved a record backlog in FY22: €35,051m, boosted by the Offshore business, and following the signature of orders worth €4,405m in the quarter and €11,598m in the last twelve months.

In view of the complex situation of the company, in the second quarter (Q2 22) the company's Board of Directors appointed Dr. Jochen Eickholt as CEO of Siemens Gamesa. Under his leadership, the Company launched the Mistral program aimed at guiding the company towards profitability and the Group's long-term vision. The Mistral program is structured in three phases: the first takes places in the immediate term and seeks to stabilize the business by mitigating the main impacts affecting the company's short-term performance, namely, the effects derived from the launch of the Siemens Gamesa 5.X platform and supply chain disruptions. The second is for the medium term and seeks to optimize the company's performance and expand margins by acting on the levers needed to achieve profitable growth, operational excellence within a lean structure, and efficient use of capital. The third — maximization — seeks to unlock the company's great potential and achieve the long-term vision through a strategic plan focused on the operating model, technology and the supply chain.

Siemens Gamesa continues to lead in the area of sustainability. During FY22, the Group received excellent ratings and ranked high in industry league tables from the principal ESG rating agencies: named #1 in the industry by ISS ESG and FTSE Russell; #2 in Moody's ESG Solutions (Vigeo Eiris); #3 in the S&P Global Corporate Sustainability Assessment, placed in the 99th percentile in the industry; and ranked in the 97th percentile in the industry for inclusion in the Sustainalytics Top Industry List. Additionally, MSCI upgraded its AA rating.

Siemens Gamesa is also a member of the main sustainability indexes, such as Dow Jones Sustainability (World and Europe), FTSE4Good, Bloomberg Gender-Equality, STOXX Europe Sustainability, Euronext Vigeo (World,

¹Siemens Gamesa Renewable Energy (Siemens Gamesa or SGRE) is the result of merging Siemens Wind Power, which was the wind power division of Siemens AG, with Gamesa Corporación Tecnológica (Gamesa). The Group engages in wind turbine development, manufacture and sale (Wind Turbine business) and provides operation and maintenance services (Service business).

Europe and Eurozone), Solactive Europe Corporate Social Responsibility, and MSCI indexes: Low Carbon Leaders, Low Carbon Target, ESG Universal, ESG Screened, Climate Change and Climate Paris Aligned.

Consolidated key figures FY22

- Revenue: €9,814m (-4% y/y)
- EBIT pre PPA and before integration and restructuring costs²: -€581m (N.A.)
- Net income: -€940m (N.A.)
- Net cash / (Net financial debt – NFD)³: -€1,232m
- Order book: €35,051m (+8% y/y)
- Firm order intake in Q4: €4,405m (+53% y/y)
- Firm order intake in the last twelve months: €11,598m (-5% y/y)
- Installed fleet: 127,476 MW
- Fleet under maintenance: 82,276 MW

²EBIT pre-PPA, integration and restructuring costs excludes integration and restructuring costs in the amount of -€137m and the impact of fair value amortization of intangible assets as a result of the PPA (purchase price allocation) in the amount of -€223m.

³Cash / (Net financial debt) is defined as cash and cash equivalents less long-term and short-term financial debt, including lease liabilities. The Siemens Gamesa Group adopted IFRS 16 effective 1 October 2019. As of 30 September 2022, lease liabilities amounted to €843m.

Markets and orders

In a complex macroeconomic and geopolitical context, investment in renewables continues to play a central role in 2022, following a clear increase in the commitments to combat climate change during 2021. Geopolitical tensions in Europe underscore the need for a secure energy supply, and investment in renewable energy is vital to achieve this. This is reflected in the European Union's *REPowerEU* plan, Germany's "Easter Package" and the UK's energy security strategy. Within the complex macroeconomic environment, the US passed the Inflation Reduction Act (IRA), which includes a c. \$369bn spending package on energy and climate change measures. This package includes an extension of the Production Tax Credit (PTC) for wind, providing a stable framework for investment in renewables in the long term.

The central role of investment in renewables to secure the commitments to combat climate change, achieve energy security and contribute to sustainable economic development supports the wind industry's long-term growth prospects, which will accelerate beyond 2025 driven by the Offshore market.

In this context, Siemens Gamesa signed orders worth €11,598m in the last twelve months, i.e. 1.2 times revenue in the period, and it ended the quarter with a record backlog: €35,051m (+8% y/y). Of the total order book, 51% (€17,752m) is in Service, which has higher returns and is growing by 6% year-on-year. The WTG order book is split into €11,360m Offshore (+19% y/y) and €5,939m Onshore (-4% y/y). Order intake during FY22 includes €613m from the agreement to sell the portfolio of wind development assets in southern Europe.

Figure 1: Order book at 30.09.22 (€m)

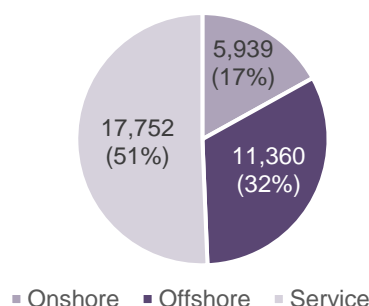
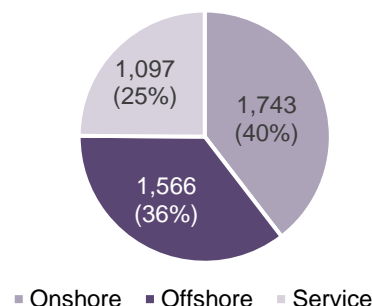


Figure 2: Order intake Q4 22 (€m)



The Group's order intake in Q4 22 amounted to €4,405m, i.e. a book-to-bill ratio of 1.3. This is split into €1,743m in Onshore (2x order intake in the fourth quarter of 2021 (Q4 21), impacted positively by the sale of the portfolio of wind development assets in southern Europe), €1,566m in Offshore (+76% y/y), and €1,097m in Service (-3% y/y). Apart from the positive impact of the sale of the portfolio of wind development asset, the 53% year-on-year increase in order intake in Q4 22 reflects strong commercial activity in the Offshore market, within its usual volatility, and in Service, which practically matched the previous year's high order intake.

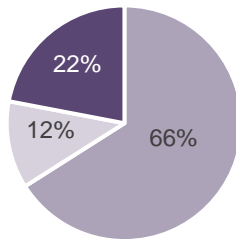
Table 1: Order intake (€m)

	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
WTG	1,776	4,258	986	1,755	1,777	529	3,162	3,308
Onshore	1,619	1,381	840	867	1,361	209	1,068	1,743
Offshore	157	2,877	146	888	416	321	2,094	1,566
Service	505	1,242	534	1,129	695	669	361	1,097
Group	2,281	5,500	1,520	2,884	2,472	1,198	3,523	4,405

Excluding the sale of development assets, completed in Q4 22, Onshore commercial activity amounted to €1,129m in the quarter (+30% y/y) and to €3,767m in the last twelve months (-20% y/y). Firm order intake totaled 1,360 MW in the quarter (-1% y/y) and 4,610 MW in the full year (-36% y/y). Onshore commercial activity reflects more protracted negotiations in an inflationary setting, a more selective commercial strategy that prioritizes risk control

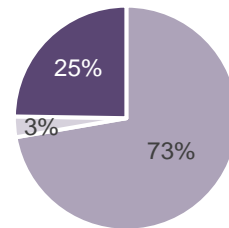
and profitability, and the fact that certain customers are postponing decisions. Excluding the impact of the sale of the development pipeline, the book-to-bill ratio was 0.9x in both FY22 and Q4 22.

Figure 3: Order intake (€m)
Onshore FY22 (%)



■ EMEA ■ Americas ■ APAC

Figure 4: Order intake (€m)
Onshore Q4 22 (%)



■ EMEA ■ Americas ■ APAC

The markets that accounted for the largest share of Onshore order intake (MW) in the last twelve months are as follows: India (21%), Sweden (16%), Finland (12%) and Canada (11%). In Q4 22, India (36%) was the largest single market, followed by Sweden (20%). Platforms with a capacity of 4 MW or higher accounted for 60% of orders (MW) in Q4 22 (74% in FY22), while the Siemens Gamesa 5.X platform, which has accumulated c. 4.6 GW in orders since its launch, accounted for 35% in Q4 22 (36% in FY22).

Offshore order intake amounted to €1,566m (*book-to-bill*: 2.0x), reflecting the normal volatility in commercial activity in this market, which registered firm orders for the Sunrise Wind (924 MW) and Ishikari (112 MW) wind farms, the latter being the first firm order in Japan for the Offshore division. Order intake in the last twelve months was €4,396m (*book-to-bill*: 1.6x). During FY22, Siemens Gamesa signed preferential supply agreements for 1.8 GW in Poland and for 0.9 GW in Germany. Considering that c. 3 GW of preferred supply agreements were converted into firm orders during FY22, the conditional backlog amounted to 7.5 GW as of 30 September 2022. Siemens Gamesa continues to work very closely with customers to prepare for the large volume of auctions expected in 2022 and subsequent years (100 GW through 2027).

Service order intake amounted to €1,097m in Q4 22 (*book-to-bill*: 1.5x) and to €2,822m in the last twelve months (*book-to-bill* of 1.3x).

The trend in average selling prices (ASP) in the Onshore segment was positive in FY22. ASP rose during the year because of an increase in like-for-like prices, project scopes, the currency effect, the product mix (taller towers and larger rotors amply offset the dilution caused by larger-capacity platforms) and the geographic mix, as EMEA increased its contribution. During the fourth quarter, the ASP trend also benefited from higher prices, project scope and currency effects, which offset a higher contribution from India (projects with lower scope) to order intake and a slight dilution due to larger WTG capacity. Excluding the impact from the Indian order intake, with lower scope, the ASP of Q4 22 amounted to €0.95m/MW.

Siemens Gamesa continues working with customers on a commercial proposition to reduce the risk associated with commodity and shipping price volatility and to offset cost inflation.

Figure 5: Average selling price (ASP) - Onshore order intake (€m/MW)⁴

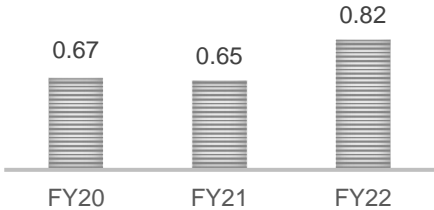
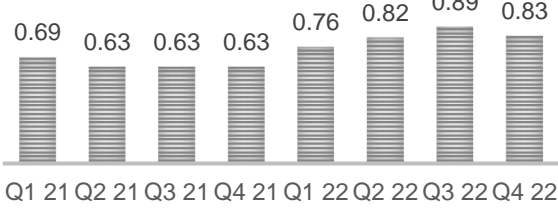


Figure 6: Average selling price (ASP) - Onshore order intake (€m/MW)⁵



⁴The ASP calculation does not include the impact of the sale of the portfolio of wind development assets in southern Europe (€613m) in FY22 (Q4 22).

⁵The ASP calculation does not include the impact of the sale of the portfolio of wind development assets in southern Europe (€613m) in Q4 22.

Key figures

The table below shows the main financial aggregates for FY22 and Q4 22 (July-September), and the changes with respect to FY21 and Q4 21, respectively.

Table 2: Key figures

€m	FY21	FY22	Change y/y	Q4 21	Q4 22	Change y/y
Group revenue	10,198	9,814	-3.8%	2,863	3,372	17.8%
WTG	8,272	7,618	-7.9%	2,292	2,651	15.7%
Service	1,926	2,196	14.0%	571	721	26.2%
WTG volume (MWe)	10,995	8,158	-25.8%	2,781	2,400	-13.7%
Onshore	8,298	6,021	-27.4%	2,223	1,794	-19.3%
Offshore	2,697	2,137	-20.8%	558	606	8.6%
EBIT pre PPA and before I&R costs	-96	-581	--	-177	375	--
EBIT margin pre PPA and before I&R costs	-0.9%	-5.9%	-5.0 p.p.	-6.2%	11.1%	17.3 p.p.
WTG EBIT margin pre PPA and before I&R costs	-6.2%	-12.7%	-6.4 p.p.	-13.0%	7.6%	20.6 p.p.
Service EBIT margin pre PPA and before I&R costs	21.8%	17.5%	-4.3 p.p.	21.2%	24.0%	2.8 p.p.
PPA amortization ¹	-230	-223	-2.9%	-55	-55	0.5%
Integration and restructuring costs	-197	-137	-30.3%	-48	-40	-14.9%
Reported EBIT	-522	-942	--	-279	280	--
Net income attributable to SGRE shareholders	-627	-940	--	-258	286	--
Net income per share attributable to SGRE shareholders ²	-0.92	-1.38	--	-0.38	0.42	--
Capex	677	783	106	225	280	55
Capex/revenue (%)	6.6%	8.0%	1.3 p.p.	7.9%	8.3%	0.4 p.p.
Working capital	-2,496	-2,818	-322	-2,496	-2,818	-322
Working capital/revenue LTM (%)	-24.5%	-28.7%	-4.2 p.p.	-24.5%	-28.7%	-4.2 p.p.
Net (debt)/cash ³	-207	-1,232	-1,025	-207	-1,232	-1,025
Net (debt)/EBITDA LTM	-0.88	--	--	-0.88	--	--

1. Impact of the Purchase Price Allocation (PPA) on amortization of intangibles.

2. Net income per share calculated using the weighted average number of outstanding shares in the period. Q4 21: 680,067,397; Q4 22: 680,822,780; FY21: 679,906,438; FY22: 680,727,581.

3. Lease liabilities as of 30 September 2021: €829m and as of 30 September 2022: €843m.

Group performance in FY22 continued to reflect the challenges of the Siemens Gamesa 5.X platform launch and the impact of supply chain conditions: cost inflation, bottlenecks in critical components and delivery delays, all mainly affecting the WTG business. Results were also impacted by increased costs arising from a higher number of failures and repairs in certain components on established Onshore platforms, which had a particular impact on the Service and Onshore businesses. In addition, the sale of the portfolio of wind development assets in southern Europe was completed in Q4 22, with a positive impact on both revenue (€613m) and EBIT (€565m) in the WTG division.

In this context, Group revenue amounted to €9,814m in FY22, 4% lower than in FY21, affected by the decline in WTG revenue: €7,618m (-8% y/y), partially offset by growth in Service revenue: +14% y/y to €2,196m. Revenue in Q4 22 totaled €3,372m, 18% more than in Q4 21, driven by the sale of the portfolio of wind development assets in southern Europe in the WTG division, whose revenue increased by 16% y/y to €2,651m, and by Service revenue, which rose 26% y/y to €721m.

EBIT pre PPA and before integration and restructuring costs in FY22 amounted to -€581m, equivalent to an EBIT margin of -5.9% (FY21: -0.9%). EBIT pre PPA and before integration and restructuring costs reflects:

- Costs arising from supply chain disruptions and challenges encountered in the launch of the Siemens Gamesa 5X platform, with an impact on the WTG business not only through higher costs of executing ongoing projects but also through increases in the cost estimates for onerous projects in the backlog.
- Costs derived from an increase in failures and repairs on Onshore platform components.
- Lower sales volume, with impact through the under absorption of fixed costs, and project mix.
- A positive impact from sale of the portfolio of wind development assets in southern Europe.

EBIT before PPA and integration and restructuring costs amounted to €375 in Q4 22, i.e. a margin of 11.1% over period revenue (-6.2% in Q4 21), supported by the sale of the portfolio of wind development assets in southern Europe and by the recovery in the Service division's profitability. Excluding the positive impact from the sale of the portfolio of wind development assets in southern Europe, Q4 22 EBIT continues to reflect the impact of the challenges experienced in the launch of the Siemens Gamesa 5.X platform, as well as costs arising from supply chain disruptions and cost inflation, and the lower business volume in WTG.

The impact of the PPA on amortization of intangible assets was -€223m in FY22 (-€55m in Q4 22), while integration and restructuring (I&R) costs amounted to -€137m in the same period (-€40m in Q4 22). Reported EBIT, including the impact of the PPA on amortization of intangible assets and integration and restructuring costs, amounted to -€942m in FY22 (-€522m in FY21), and to €280m in Q4 22 (-€279m in Q4 21).

Investments carried by the equity method contributed income in the amount of €12m in FY22 (€10m in FY21) and €3m in Q4 22 (€5m in Q4 21). Net financial income amounted to €15m in FY22 (expense of -€41m in FY21), while there was a net financial expense of -€0.2m in Q4 22 (-€9m in Q4 21). In FY22, net financial income included a positive €67m effect of higher interest rates on updating the value of provisions (€20m in Q4 22). The tax expense amounted to -€25m in FY22 (-€72m in FY21) while there was a tax income of €3m in Q4 22 (tax income of €26m in Q4 21). The tax expense in FY22 is the result of the geographic distribution of profit and loss, the sale of the portfolio of wind development assets in southern Europe, and the adjournment of capitalization of the deferred tax assets.

As a result, the Group reported a net loss of -€940m in FY22 (-€627m in FY21), including the impact of amortization of the PPA and integration and restructuring costs, both net of taxes, amounting to a total of -€257m⁶ in FY22 (-€305m in FY21). The net loss per share for Siemens Gamesa equity-holders was -€1.38 in FY22 (-€0.92 in FY21). In Q4 22, net income amounted to €286m (-€258m in Q4 21) and net income per share for equity-holders of Siemens Gamesa amounted to €0.42 (-€0.38 in Q4 21). Net income in Q4 22 includes the impact of amortization of the PPA and integration and restructuring costs, both net of taxes, totaling -€69m⁷ (-€73m in Q4 21).

The Group's working capital stood at -€2,818m in FY22, equivalent to -29% of LTM revenue. In comparison to FY21 the Company has a higher negative net working capital (€ 322m) which is primarily the result of higher net contract assets, supported by the strength of commercial activity, and accounts payable, partially offset by higher inventories. The increase in inventories is a consequence of both the impact of supply chain disruptions on manufacturing and of steps taken to mitigate this impact (safety stock). While maintaining financial discipline, the Group will continue to prioritize current business needs.

⁶The PPA amounts to -€55m (-€55m in Q4 21), -€39m net of tax (-€39m in Q4 21), and integration and restructuring costs amount to -€40m (-€48m in Q4 21), -€30m net of tax (-€34m in Q4 21).

⁷The PPA amounts to -€223m (-€230m in FY21), -€158m net of tax (-€164m in FY21), and integration and restructuring costs amount to -€137m (-€197m in FY21), -€100m net of tax (-€142m in FY21).

Table 3: Working capital (€m)

Working capital (€m)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Change y/y ²
Accounts receivable	1,152	1,058	1,162	906	890	1,253	1,008	1,106	200
Inventories	1,718	1,886	1,901	1,627	2,007	2,300	2,369	2,313	686
Contract assets	1,517	1,464	1,657	1,468	1,406	1,356	1,545	1,419	-49
Other current assets ¹	467	449	553	520	524	552	612	691	171
Accounts payable	-2,393	-2,531	-2,904	-2,921	-2,713	-2,928	-3,074	-3,452	-531
Contract liabilities	-3,393	-3,237	-3,209	-3,386	-3,421	-3,686	-3,585	-4,148	-761
Other current liabilities	-767	-728	-780	-709	-671	-623	-620	-747	-38
Working capital	-1,699	-1,639	-1,621	-2,496	-1,978	-1,777	-1,745	-2,818	-322
Change q/q	+277 ¹	+59	+19	-876	+518	+201	+32	-1,073	
Working capital/revenue LTM	-17.4%	-16.5%	-15.9%	-24.5%	-20.3%	-18.6%	-18.8%	-28.7%	-4.2 p.p.

1. For the purposes of comparison, after adjusting the beginning balance of acquired businesses (Purchase Price Allocation, PPA, of the business combinations with Servion in accordance with IFRS 3). Including that adjustment, working capital declined by €273m in Q1 21.
2. Change in closing balances between Q4 21 and Q4 22.

Capex amounted to €783m in FY22 (€677m in FY21), including €188m of capitalized R&D (€188m in FY21). Offshore accounted for over half of capital spending in FY22. Capex amounted to €280m in Q4 22 (€225m in Q4 21), including €60m of capitalized R&D (€54m in Q4 21).

The net debt position increased by €1,025m⁸ year-on-year, to -€1,232m at the end of FY22, due to operating performance and the capital expenditure required to undertake future growth, offset by ongoing improvements in working capital and by the sale of portfolio of the wind development assets in southern Europe in Q4 22. The company maintains a solid funding position, with access to €4,402m in authorized funding lines, against which it had drawn €1,615m, and total liquidity amounting to €4,029m, including cash on the balance sheet at the end of FY22 (€1,242m). During FY22, SGRE extended the maturity of €675m of short-term funding from December 2022/January 2023 to December 2023/January 2024, and it has c. €2,000m credit lines expiring in FY27, of which €1,800m are available.

WTG

Table 4: WTG (€m)

€m	Q1 21	Q2 21	Q3 21	Q4 21	FY21	Q1 22	Q2 22	Q3 22	Q4 22	FY22	Change y/y
Revenue	1,899	1,902	2,179	2,292	8,272	1,400	1,662	1,904	2,651	7,618	-7.9%
Onshore	1,061	1,154	1,328	1,463	5,005	941	931	1,096	1,875	4,842	-3.3%
Offshore	838	748	851	829	3,266	460	732	808	777	2,776	-15.0%
Volume (MWe)	2,478	2,657	3,079	2,781	10,995	1,445	2,008	2,304	2,400	8,158	-25.8%
Onshore	1,744	1,927	2,404	2,223	8,298	1,195	1,502	1,529	1,794	6,021	-27.4%
Offshore	734	730	675	558	2,697	250	506	775	606	2,137	-20.8%
EBIT pre PPA and before I&R costs	18	25	-261	-298	-516	-410	-412	-346	202	-966	--
EBIT margin pre PPA and before I&R costs	1.0%	1.3%	-12.0%	-13.0%	-6.2%	-29.3%	-24.8%	-18.2%	7.6%	-12.7%	-6.4 p.p.

During FY22, the WTG segment was severely affected by supply chain imbalances and by the launch of the Siemens Gamesa 5X platform.

The supply chain imbalances resulted in cost inflation in both components and logistics, shortages of materials and delays in component deliveries, all of which slowed manufacturing, project execution and delivery and resulted in

⁸Net financial debt as of 30 September 2021: -€207m, including €829m in lease liabilities. Net financial debt as of 30 September 2022: -€1,232m, including €843m in lease liabilities.

higher costs (ranging from capacity underutilization to penalties imposed by customers for late delivery). These factors impacted the company's activity in both the Onshore and Offshore markets, and they were higher than expected in the latter. In Onshore, the ramp-up of the Siemens Gamesa 5.x blade manufacturing volume fell short of the targets set for the fiscal year, leading to projects mainly in Northern Europe and Brazil to be executed more slowly than expected. In Offshore, the ramp up for the Siemens Gamesa 11 MW turbine faced challenges due to the still ongoing stabilization of value chain while project execution in APAC was impacted by shifts in customers' project planning.

The impact of delays in launching the Siemens Gamesa 5.X platform was particularly notable in the first half of the year. During FY22, technical validation has developed further and continuous progress was made in industrialization, which nonetheless continued to be affected by the supply challenges mentioned in the previous paragraph.

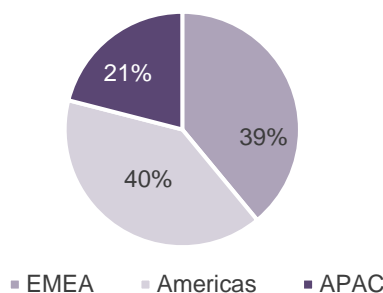
The sale of the portfolio of wind development assets in southern Europe was completed in Q4 22, with a positive impact on WTG revenue (€613m) and EBIT pre PPA and before integration and restructuring costs (€565m).

In this context, WTG revenue fell 8% y/y to €7,618m in FY22, affected by the 26% y/y reduction in manufacturing volume to 8,158 MWe, an effect that was partly offset by the positive impact of the sale of the portfolio of wind development assets in southern Europe in Q4 22. The decline in manufacturing activity occurred in both the Onshore (-27% y/y to 6,021 MWe) and Offshore (-21% y/y to 2,137 MWe) markets. Revenue grew 16% y/y in Q4 22 to €2,651m, including the sale of the portfolio of wind development assets in southern Europe.

The decline in Onshore revenue in FY22, -3% y/y to €4,842m, is due to the reduction in both manufacturing volume (-27% y/y) and installation volume, both partially offset by a positive impact of currency effects, project scope and regional mix and the sale of the portfolio of wind development assets in southern Europe. In Q4 22, Onshore revenues increased by 28% y/y to €1,875m thanks to the sale of the portfolio of wind development assets in southern Europe, the impact of currency effects, regional mix and project scope that more than compensated the reduction in manufacturing (-19% y/y) and installation (-30% y/y) volumes.

In FY22, Sweden was the largest single source of Onshore revenue (in MWe), accounting for 15%; it was followed by Canada and Brazil (14% each), and India (11%). In Q4 22, India was the largest single source of Onshore sales (in MWe), accounting for 18%, followed by Sweden (17%), Brazil (16%) and Spain and Canada (10% each).

Figure 7: WTG Onshore sales (MWe) FY22 (%)



Revenue in the Offshore market fell 15% y/y to €2,776m in FY22, affected by the lower manufacturing volume (- 21% y/y), partly offset by a faster pace of installation (+21% y/y). Offshore revenue fell 6% in Q4 22 to €777m.

EBIT before PPA and integration and restructuring costs amounted to -€966m in FY22 (€202m in Q4 22), i.e. an EBIT margin of -12.7% (+7.6% in Q4 22), as a result in both periods of:

- A positive impact of €565m from the sale of the portfolio of wind development assets in southern Europe.
- The impact on costs of the challenges experienced in the Siemens Gamesa 5.X platform launch, including manufacturing delays.
- Inflation of material and transportation costs and the impact of supply chain disruptions on manufacturing and on project execution and delivery, plus the associated costs.

- Costs associated with component failures in established Onshore platforms.
- Consideration of these higher costs plus the updated assumptions as to market and production conditions in valuing the profitability of the Onshore WTG backlog.
- Costs associated to the ramp-up of the new Offshore SG 11-200 DD.
- Lower revenue as a result of the foregoing factors, resulting in capacity underutilization costs and a lower absorption of overheads.

Operation and Maintenance Service

Table 5: Operation and maintenance (€m)

€m	Q1 21	Q2 21	Q3 21	Q4 21	FY21	Q1 22	Q2 22	Q3 22	Q4 22	FY22	Change y/y
Revenue	396	434	525	571	1,926	429	515	532	721	2,196	+14.0%
EBIT pre PPA and before I&R costs	102	86	110	121	420	101	108	3	173	385	-8.4%
EBIT margin pre PPA and before I&R costs	25.9%	19.9%	21.0%	21.2%	21.8%	23.5%	20.9%	0.6%	24.0%	17.5%	-4.3 p.p.
Fleet under maintenance (MW)	75,493	77,101	77,745	79,199	79,199	82,007	83,058	84,203	82,276	82,276	+3.9%

Service revenue increased by 14% y/y to €2,196m in FY22, and by 26% y/y to €721m in Q4 22. Revenue growth was supported by expansion of the average fleet under maintenance during the year (+7% y/y to 82.1 GW as of 30 September 2022, vs. 76.8 GW as of 30 September 2021) and by the sale of value-added services and spare parts; it also reflects the impact of cost inflation and the appreciation against the Euro of the currencies in which the company operates.

EBIT pre PPA and before integration and restructuring costs amounted to €385m in FY22, equivalent to an EBIT margin of 18%. That is 8% lower than the EBIT pre PPA and before integration and restructuring costs registered in FY21, reflecting higher costs mainly from failures and repairs of certain components in established Onshore platforms, particularly in the Americas in Q3 22. Performance was normalized in Q4 22, when part of the profitability lost in the previous quarter was recovered and EBIT pre PPA and before integration and restructuring costs amounted to €173m (+43% y/y), i.e. a margin of 24% on revenues.

With respect to the increase in failures of certain components in the company's legacy platforms, as part of the Mistral Plan Siemens Gamesa will continue to assess the quality and availability of wind turbine platforms in order to improve the value proposition to customers and the company's commercial positioning in the Onshore market.

The Offshore fleet under maintenance expanded by 3% y/y to 12.3 GW, while the Onshore fleet expanded by 4% y/y to 70 GW.

Sustainability

Table 6: Main sustainability figures

	09.30.21 ¹	09.30.22 ¹	Change y/y
Workplace Health & safety			
Lost Time Injury Frequency Rate (LTIFR) ²	1.43	1.61	+12%
Total Recordable Incident Rate (TRIR) ³	3.13	3.17	+1%
Environment			
CO ₂ direct (scope 1) emissions (kt) ⁴	26.8	20.6	-23%
CO ₂ indirect (scope 2) emissions (kt) ⁴	2.0	2.2	+10%
Primary (direct) energy used (TJ)	449	364	-19%
Secondary (indirect) energy use (TJ)	704	684	-3%
of which, Electricity (TJ)	618	598	-3%
from renewable sources (TJ)	618	598	-3%
from standard combustion sources (TJ)	0	0	n.a.
renewable electricity (%)	100	100	0%
Fresh water consumption (thousand m3)	470	446	-5%
Waste production (kt)	63	52	-17%
of which, hazardous (kt)	8	7	-13%
of which, non-hazardous (kt)	55	45	-18%
Waste recycled (kt)	50	40	-20%
Employees			
Number of employees (at year-end)	26,182	27,604	+5%
employees aged < 35 (%)	34.5	34.2	-0.3 p.p.
employees aged 35-44 (%)	38.3	38.1	-0.2 p.p.
employees aged 45-54 (%)	19.7	20.2	+0.5 p.p.
employees aged 55-60 (%)	5.1	5.0	-0.1 p.p.
employees > 60 (%)	2.4	2.5	+0.1 p.p.
Women in workforce (%)	19.1	19.6	+0.5 p.p.
Women in management positions (%)	12.9	14.1	+1.2 p.p.
Supply chain			
No. of Tier 1 suppliers	19,363	19,842	+2%
Purchasing volume covered by Supplier Code of Conduct (%)	89	89	0 p.p.

1. Non-audited figures.

2. LTIFR index is calculated for 1,000,000 hours worked and includes all accidents with at least one workday loss.

3. TRIR index is calculated for 1,000,000 hours worked and includes fatalities, lost time accidents, restricted work and medical treatment cases.

4. Emissions are reported annually, with fiscal year end closing.

Note: TJ=Terajoules; 1Terajoule= 277.77 MWh; kt=thousand tons

Outlook

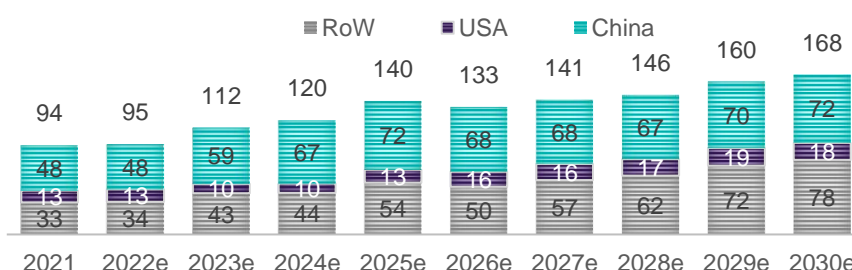
Short-, medium- and long-term prospects for wind worldwide

Projections for wind demand worldwide became stronger in FY22: +280 GW⁹ in 2022-30e, supported by increased government commitments to decarbonization and the need to ensure energy security and independence in Europe. The net increase in projections outside China (+65 GW) was concentrated in Europe (+51 GW), North America (+11 GW) and Australia (+8 GW):

- In Europe, where projections were upgraded by 33 GW Onshore and 19 GW Offshore, the increase was concentrated in Germany (+28 GW), the United Kingdom (+7 GW), the Netherlands (+6 GW) and Spain (+4 GW), and is due to the need to ensure the energy supply in the face of geopolitical tensions.
- In North America, the increase in projections, which is concentrated in the Onshore market, is split between Canada (+5 GW) and the USA (+6 GW). The upgrade in Canada is linked to the province of Alberta in the first half of the decade, and to a new Hydro-Quebec auction for 2027-31e. In the USA, the passage of the *IRA*, which includes the extension of wind production tax credits and additional incentives linked to employment and local procurement, is helping to stimulate demand by creating a stable framework for long-term investment in renewables.
- The increase in projections for Australia (+8 GW) is associated with the Labor government's commitment to the energy transition and decarbonization.

The increase in projections for Europe, Australia and North America outweighed the decrease in planned installations in India (-7 GW, mainly Onshore), and in Japan (-4 GW) and South Korea (-2 GW), both linked to a slowdown in development of the Offshore market.

Figure 8: Annual Onshore and Offshore installations 2021-2030E (GW/year_e)



Adjusting for sporadic peaks and troughs, the normalized pace of installations is expected to rise steadily throughout the decade, as is the pace of annual Offshore installations, whose contribution to the rising pace of installations will be stepped up from 2025 onwards.

Figure 9: Average installations per year (Onshore and Offshore) 2019-30E (GW)

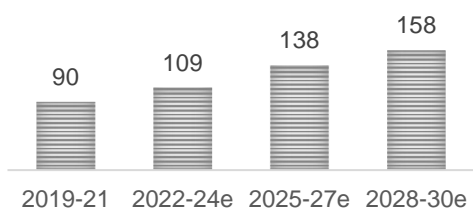
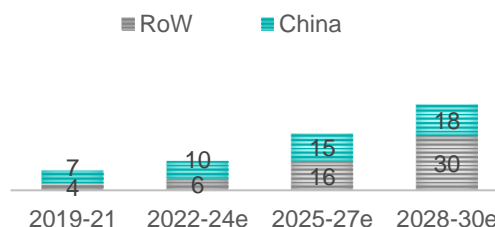


Figure 10: Average installations per year (Offshore) 2019-30E (GW)



China (460 GW), USA (101 GW), India (49 GW) and Germany (48 GW) continue to be the largest Onshore markets, accounting for 71% of total cumulative installations projected in 2022-2030e. Spain, Brazil, Australia, South Africa,

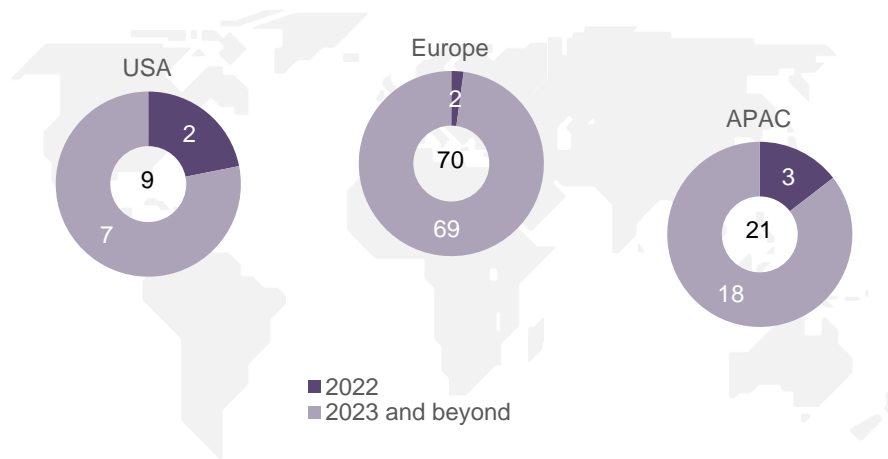
⁹Change in forecasts between Wood Mackenzie's Global Wind Power Market Outlook Update for September 2022 (Q3 2022) and September 2021 (Q3 2021). All increases in the paragraph refer to that comparison and to the 2022-30e period.

France, Canada and Turkey contribute 12%, with cumulative installations of between 10 GW and 20 GW each in the same period.

Although more countries are joining, the Offshore market is still much more concentrated. China, with 129 GW of installations in 2022-2030, will account for 45% of total installations in the period. Europe, with the United Kingdom in the lead (32 GW of installations in period), will install 102 GW, accounting for 35% of total cumulative installations in the period. It will be followed in Europe by Germany (20 GW) and The Netherlands (15 GW). Following Europe, in order of importance, are the USA (31 GW) and Taiwan (12 GW). The contribution by new markets such as the USA will be concentrated from 2025 onwards.

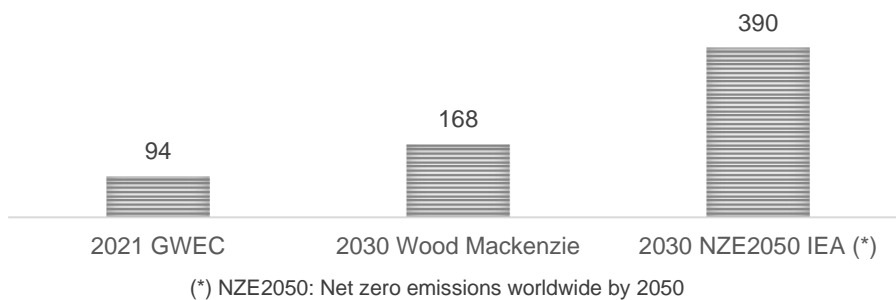
Institutional support for the development of the Offshore market is reflected in the 16 GW allocated by auction in 2021, the 8 GW allocated in Germany and the UK in 2022, and the 100 GW in auctions expected in the remainder of 2022 and in subsequent years through 2027.

Figure 11: Offshore auctions expected, excluding China (GW)¹⁰



Importantly, despite the steady improvement in long-term demand prospects, the commitments announced so far are still insufficient to achieve net zero emissions by 2050. To achieve decarbonization by 2050, the International Energy Agency¹¹ (IEA) estimates that wind power installations need to reach 390 GW per year by 2030, which is more than double the level of installations projected for that date by Wood Mackenzie.

Figure 12: Annual installations 2021 vs. 2030E (GW/year)¹²



The establishment of short- and medium-term sub-targets and of effective regulatory frameworks and appropriate incentive systems will influence the actual pace of wind installations.

¹⁰Figure 11 does not seek to provide an exhaustive list of all planned auctions.

¹¹International Energy Agency (IEA). *A roadmap for the Global Energy Sector (Net Zero by 2050)*. May 2021.

¹²Global Wind Energy Council (GWEC). *Global Wind Report 2022*. April 2022.

Mistral program and long-term vision

Following a year marked by challenges in the launch of the Siemens Gamesa 5.X platform, supply chain disruptions impacting Wind turbine activity, and component failures and repairs in established Onshore platforms, Siemens Gamesa begins fiscal year 2023 (FY23) in an equally complex macroeconomic and geopolitical environment. This environment is characterized by product costs severely affected by persistently high inflation, inflation that rather than decreasing, it is expanding beyond direct material costs, and with a supply chain that is not fully stabilized but continues to experience disruptions in both lead times and availability of critical materials.

After FY23, which is still expected to be a transition year marked by a complex macroeconomic, geopolitical and industrial environment, the company expects the market environment to normalize, enabling it to return to profitability and resume cash flow generation progressively and to achieve the long-term vision. This progression, first towards profitability and then towards the long-term vision, is supported by three key levers:

- Sales growth supported by a strengthened competitive positioning and capital expenditure, within an environment of global growth in demand, especially in the Offshore market.
- The results of the Mistral program launched during FY22, which will enable Siemens Gamesa to 1) Stabilize results in the short term (2022-2024); 2) Expand margins (2025), and 3) Maximize the company's potential (>2025).
- The establishment of long-term relationships with suppliers and customers to maximize value creation throughout the wind energy value chain, protecting wind turbine manufacturers and other participants' profitability against inflation and price volatility.

Finally, it should be noted that, in addition to those three levers, the development and implementation of an appropriate regulatory framework that allows Europe's decarbonization and energy independence objectives to be achieved could be a key mechanism for accelerating the achievement of the company's long-term objectives. Such a regulatory environment requires:

- Simplifying the permit process for wind power plants and facilitating grid upgrades.
- Strengthening the European wind industry's position and financial sustainability through an electricity auction design that not only avoids negative bids but also incorporates factors other than cost and favors the use of local content.
- Supporting innovation.

During FY22, Siemens Gamesa has undertaken several actions within the objective of stabilizing results in the short term, and laying the foundations to be profitable in the medium term. These actions include:

- The progressive stabilization of the Siemens Gamesa 5.X platform whose industrialization is planned to be completed within calendar 2022.
- Strengthening of the selective commercial strategy focused on higher prices and new contracts to better protect the risk of input cost volatility and inflation.
- New operating model focused on processes to improve the efficiency and effectiveness of the organization, maintaining a business-centric set-up while strengthening operations and technology teams to accelerate harmonization and standardization across the company.
- Work towards a simplified and lean organization aimed at business sustainability, with the launch of actions aimed at optimizing capacity, employment and management: announced reduction of more than 10% of the workforce.

Annex

Financial Statements October 2021 – September 2022

Profit and Loss Account

EUR in Millions	July - September 2021	July - September 2022	October 2020 - September 2021	October 2021 - September 2022
Revenue	2,863	3,372	10,198	9,814
Cost of sales	(2,970)	(2,871)	(9,933)	(9,980)
Gross Profit	(107)	500	265	(166)
Research and development expenses	(57)	(73)	(292)	(291)
Selling and general administrative expenses	(106)	(146)	(492)	(511)
Other operating income	9	11	19	32
Other operating expenses	(17)	(12)	(22)	(5)
Results of companies accounted for using the equity method	5	3	10	12
Interest income	5	4	12	11
Interest expense	(13)	(25)	(51)	(63)
Other financial income (expense), net	(1)	21	(2)	67
Income from continuing operations before income taxes	(284)	283	(553)	(914)
Income tax expenses	26	3	(72)	(25)
Income from continuing operations	(259)	286	(626)	(939)
Income from discontinued operations, net of income taxes	-	-	-	-
Non-controlling interests	(0)	(0)	(1)	(1)
Net income attributable to the shareholders of SGRE	(258)	286	(627)	(940)

Balance Sheet

EUR in Millions	09.30.2021	09.30.2022
Assets:		
Cash and cash equivalents	1,961	1,242
Trade and other receivables	901	1,100
Other current financial assets	239	402
Trade receivables from related companies	5	6
Contract Assets	1,468	1,419
Inventories	1,627	2,313
Current income tax assets	208	210
Other current assets	520	691
Total current assets	6,929	7,382
Goodwill	4,635	4,967
Other intangible assets	1,651	1,585
Property, plant and equipment	2,579	2,799
Investments accounting for using the equity method	78	93
Other financial assets	212	239
Deferred tax assets	539	576
Other assets	8	7
Total non-current assets	9,702	10,266
Total assets	16,630	17,648
Liabilities and equity:		
Short-term debt and current maturities of long-term debt	382	546
Trade payables	2,900	3,396
Other current financial liabilities	180	270
Trade payables to related companies	22	57
Contract Liabilities	3,386	4,148
Current provisions	949	1,020
Current income tax liabilities	201	212
Other current liabilities	709	747
Total current liabilities	8,729	10,396
Long-term debt	1,786	1,927
Provisions for pensions and similar obligations	21	11
Deferred tax liabilities	171	83
Non-current provisions	1,324	1,151
Other financial liabilities	113	166
Other liabilities	27	52
Total non-current liabilities	3,442	3,389
Issued capital	116	116
Capital reserve	5,932	5,932
Retained earnings and other components of equity	(1,590)	(2,186)
Non-controlling interest	1	1
Total Equity	4,458	3,863
Total Liabilities & Equity	16,630	17,648

Cash Flow Statement

EUR in Millions	July - September 2021	July - September 2022	October 2020 - September 2021	October 2021 - September 2022
Net Income before taxes	(284)	283	(553)	(914)
Amortization + PPA	203	208	757	840
Other P&L (*)	20	(24)	12	(50)
Working Capital cash flow effective change (***)	890	1,072	556	307
Charge of provisions (**)	153	(42)	540	284
Provision payments (**)	(89)	(117)	(341)	(418)
CAPEX	(225)	(280)	(677)	(783)
Investment in leased assets (****)	(11)	(20)	(295)	(152)
Adwen provision usage (**)	(34)	(9)	(93)	(60)
Tax payments	(25)	(24)	(134)	(112)
Acquisitions of businesses, net of cash acquired	-	-	-	-
Others	35	(1)	70	33
Cash flow for the period	632	1,043	(158)	(1,025)
Beginning cash / (net financial debt)	(838)	(2,275)	(49)	(207)
Ending cash / (net financial debt)	(207)	(1,232)	(207)	(1,232)
Variation in net financing cash flow	632	1,043	(158)	(1,025)

(*) Other non-cash (income) expenses, including results of companies accounted for using the equity method.

(**) The line items "Charge of provisions", "Provision payments" and "Adwen provision usage" are included within the caption "Change in other assets and liabilities" of the consolidated Statement of Cash Flow.

(***) The line item "Working Capital cash flow effective change contains" mainly the following line items of the consolidated Statement of Cash Flow: "Inventories", "Contract assets", "Trade and other receivables", "Trade payables", "Contract liabilities" and "Change in other assets and liabilities" (excluding the abovementioned effect of provisions).

(****) Additions to leased assets in accordance with IFRS 16; this concept was included within the line item "Working capital cash flow effective change" in previously reported financial information. Such line item has been modified in the comparative information for the separate disclosure of investments in leased assets.

Key Balance Sheet Positions

EUR in Millions	09.30.2021	09.30.2022
Property, plant and equipment	2,579	2,799
Goodwill & Intangibles	6,285	6,551
Working capital	(2,496)	(2,818)
Other, net (*)	619	797
Total	6,987	7,329
Net financial debt / (cash)	207	1,232
Provisions (**)	2,294	2,182
Equity	4,458	3,863
Other liabilities	27	52
Total	6,987	7,329

(*) The caption "Other, net" contains the following line items of the consolidated balance sheet: "Other current financial assets", "Investments accounting for using the equity method", "Other financial assets", "Other assets", "Other current financial liabilities", "Other financial liabilities", "Current income tax assets", "Current income tax liabilities", "Deferred tax assets" and "Deferred tax liabilities".

(**) The caption "Provisions" contains the following line items of the consolidated balance sheet: "Current and non-current provisions", and "Post-employment benefits".

Note: Summarized balance sheet showing net positions mainly on the asset side.

Annex

Alternative Performance Measures

Siemens Gamesa Renewable Energy (SGRE) financial information contains magnitudes and measurements prepared in accordance with the applicable accounting standards and others referred to as Alternative Performance Measures (APMs). The APMs are considered to be adjusted magnitudes with respect to those presented in accordance with EU-IFRS and, consequently, the reader should view them as supplementary to, but not replacements for, the latter.

The APMs are important for users of the financial information since they are the metrics used by SGRE's Management to assess financial performance, cash flows and the financial position for the purposes of the Group's financial, operational and strategic decisions.

The APMs contained in SGRE's financial disclosures that cannot be directly reconciled with the financial statements in accordance with EU-IFRS are as follows.

Net Financial Debt (NFD)

Net financial debt (NFD) is calculated as the sum of the company's bank borrowings (including any subsidized loans) less cash and cash equivalents.

Net financial debt is the main APM used by Siemens Gamesa Renewable Energy's management to measure the Group's indebtedness and leverage.

€m	09.30.2020	12.31.2020	03.31.2021	06.30.2021
Cash and cash equivalents	1,622	1,533	1,515	1,400
Short-term debt	(434)	(636)	(607)	(540)
Long-term debt	(1,236)	(1,372)	(1,680)	(1,698)
Cash / (Net Financial Debt)	(49)	(476)	(771)	(838)

€m	09.30.2021	12.31.2021	03.31.2022	06.30.2022	09.30.2022
Cash and cash equivalents	1,961	1,332	1,058	1,237	1,242
Short-term debt	(382)	(590)	(1,442)	(1,687)	(546)
Long-term debt	(1,786)	(1,840)	(1,347)	(1,825)	(1,927)
Cash / (Net Financial Debt)	(207)	(1,097)	(1,731)	(2,275)	(1,232)

Working capital (WC)

Working Capital (WC) is calculated as the difference between current assets and current liabilities. Current assets and liabilities exclude all items classified as Net Financial Debt, such as Cash and cash equivalents.

Working Capital reflects the part of Capital Employed that is invested in net operating assets. Siemens Gamesa Renewable Energy's management uses this metric in managing and making decisions with respect to the business's cash conversion cycle, particularly in managing inventory, trade accounts receivable and trade accounts payable. Effective management of working capital involves achieving an optimal amount of working capital without jeopardising the company's ability to honour its obligations in the short term.

€m	09.30.2020	10.01.2020	12.31.2020	03.31.2021	06.30.2021
	(*)				
Trade and other receivables	1,141	1,142	1,150	1,054	1,157
Trade receivables from related companies	1	1	1	5	4
Contract assets	1,538	1,538	1,517	1,464	1,657
Inventories	1,820	1,820	1,718	1,886	1,901
Other current assets	398	398	467	449	553
Trade payables	(2,956)	(2,956)	(2,346)	(2,493)	(2,880)
Trade payables to related companies	(8)	(8)	(47)	(38)	(25)
Contract liabilities	(3,148)	(3,171)	(3,393)	(3,237)	(3,209)
Other current liabilities	(761)	(735)	(767)	(728)	(780)
Working Capital	(1,976)	(1,971)	(1,699)	(1,639)	(1,621)

(*) Comparable for Opening Balance Sheet adjustments of acquired businesses (PPA of Servion business combinations, according to IFRS 3).

€m	09.30.2021	12.31.2021	03.31.2022	06.30.2022	09.30.2022
Trade and other receivables	901	885	1,247	1,001	1,100
Trade receivables from related companies	5	6	6	7	6
Contract assets	1,468	1,406	1,356	1,545	1,419
Inventories	1,627	2,007	2,300	2,369	2,313
Other current assets	520	524	552	612	691
Trade payables	(2,900)	(2,695)	(2,902)	(3,045)	(3,396)
Trade payables to related companies	(22)	(18)	(26)	(29)	(57)
Contract liabilities	(3,386)	(3,421)	(3,686)	(3,585)	(4,148)
Other current liabilities	(709)	(671)	(623)	(620)	(747)
Working Capital	(2,496)	(1,978)	(1,777)	(1,745)	(2,818)

The ratio of working capital to revenue is calculated as working capital at a given date divided by the revenue in the twelve months prior to that date.

Capital Expenditure (CAPEX)

Capital expenditure (CAPEX) refers to investments made in the period in property, plant and equipment and intangible assets to generate future profits (and maintain the current capacity to generate profits, in the case of maintenance CAPEX). This APM does not include the allocation of the purchase price (the PPA exercise) to property, plant and equipment and intangible assets that has been performed in context of a business combination (e.g. the merger of Siemens Wind Power and Gamesa). This APM does also not include additions to right of use assets (first time adoption of IFRS 16 starting October 1st, 2019).

€m	Q4 21	Q4 22	12M 21	12M 22
Acquisition of intangible assets	(54)	(60)	(188)	(188)
Acquisition of Property, Plant and Equipment	(171)	(220)	(489)	(595)
CAPEX	(225)	(280)	(677)	(783)

The calculation of this indicator and its comparable for the last twelve months (LTM) is as follows:

€m	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
Acquisition of intangible assets	(38)	(48)	(43)	(60)	(188)
Acquisition of Property, Plant and Equipment	(91)	(145)	(140)	(220)	(595)
CAPEX	(129)	(192)	(183)	(280)	(783)

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
Acquisition of intangible assets	(39)	(50)	(45)	(54)	(188)
Acquisition of Property, Plant and Equipment	(101)	(99)	(118)	(171)	(489)
CAPEX	(140)	(149)	(163)	(225)	(677)

Definitions of Cash Flow

Gross operating cash flow: amount of cash generated by the company's ordinary operations, excluding working capital and capital expenditure (CAPEX). SGRE includes the flow of net financial expenses under gross operating cash flow. Gross operating cash flow is obtained by adjusting the reported income for the period, for the ordinary non-cash items (mainly depreciation and amortization and provision charges).

€m	12M 21	12M 22
Net Income before taxes	(553)	(914)
Amortization + PPA	757	840
Other P&L (*)	12	(50)
Charge of provisions	540	284
Provision usage (without Adwen usage)	(341)	(418)
Tax payments	(134)	(112)
Gross Operating Cash Flow	281	(370)

€m	Q4 21	Q4 22
Net Income before taxes	(284)	283
Amortization + PPA	203	208
Other P&L (*)	20	(24)
Charge of provisions	153	(42)
Provision usage (without Adwen usage)	(89)	(117)
Tax payments	(25)	(24)
Gross Operating Cash Flow	(23)	282

(*) Other non-cash (income) expenses, including results of companies accounted for using the equity method.

Cash flow is calculated as the variation in Net financial debt (NFD) between two closure dates.

Average Selling Price in Order Intake, Onshore (ASP - Order Intake)

Average monetary order intake collected by Onshore WTG division per unit booked (measured in MW). ASP is affected by several factors (project scope, geographical distribution, product, exchange rate, prices, etc.) and does not represent the level or trend of profitability.

The calculation of this indicator and its comparable for the last twelve months (LTM) is as follows:

	Q1 22 (*)	Q2 22 (*)	Q3 22 (*)	Q4 22 (*) (**)	LTM Sep 22
Order Intake Onshore Wind (€m)	1,361	209	1,068	1,129	3,767
Order Intake Onshore Wind (MW)	1,791	255	1,204	1,360	4,610
ASP Order Intake Wind Onshore	0.76	0.82	0.89	0.83	0.82

(*) Order intake WTG ON includes only wind orders. No solar orders are included.

(**) Order Intake WTG ON does not include the effect of the wind farm development asset sale €613m in Q4 22.

	Q1 21 (*)	Q2 21 (*)	Q3 21 (*)	Q4 21 (*)	LTM Sep 21
Order Intake Onshore Wind (€m)	1,619	1,330	856	867	4,672
Order Intake Onshore Wind (MW)	2,360	2,113	1,352	1,376	7,201
ASP Order Intake Wind Onshore	0.69	0.63	0.63	0.63	0.65

(*) Order intake WTG ON includes only wind orders. No solar orders are included. Solar orders amounted to €0m in Q1 21, €51m in Q2 21, €-16m in Q3 21 and €0m in Q4 21.

	Q1 20 (*)	Q2 20 (*)	Q3 20 (*)	Q4 20 (*)	LTM Sep 20
Order Intake Onshore Wind (€m)	1,611	1,289	872	1,698	5,470
Order Intake Onshore Wind (MW)	2,563	1,645	1,200	2,713	8,121
ASP Order Intake Wind Onshore	0.63	0.78	0.73	0.63	0.67

(*) Order intake WTG ON includes only wind orders. No solar orders are included. Solar orders amounted to €0m in Q1 20, €61m in Q2 20, €0m in Q3 20 and €0m in Q4 20.

Order Intake, Revenue and EBIT

Order Intake (in €) LTM (Last Twelve Months) is calculated by aggregation of the quarterly order intake (in EUR) for the last four quarters.

€m	Q1 22	Q2 22	Q3 22	Q4 22 (*)	LTM Sep 22
WTG	1,777	529	3,162	3,308	8,777
Of which WTG ON	1,361	209	1,068	1,743	4,380
Of which WTG OF	416	321	2,094	1,566	4,396
Service	695	669	361	1,097	2,822
TOTAL	2,472	1,198	3,523	4,405	11,598

(*) Order Intake WTG ON does include the effect of the wind farm development asset sale €613m in Q4 22.

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
WTG	1,776	4,258	986	1,755	8,776
Of which WTG ON	1,619	1,381	840	867	4,708
Of which WTG OF	157	2,877	146	888	4,068
Service	505	1,242	534	1,129	3,409
TOTAL	2,281	5,500	1,520	2,884	12,185

Order Intake (in MW) LTM (Last Twelve Months) is calculated by aggregation of the quarterly order intake (in MW) for the last four quarters.

MW	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
WTG ON	1,791	255	1,204	1,360	4,610
WTG OF	253	-	1,753	1,036	3,042
TOTAL	2,044	255	2,957	2,396	7,652

MW	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
WTG ON	2,360	2,113	1,352	1,376	7,201
WTG OF	-	2,607	24	847	3,478
TOTAL	2,360	4,720	1,376	2,223	10,679

Revenue LTM (Last Twelve Months) is calculated by aggregation of the quarterly revenues for the last four quarters.

€m	Q1 22	Q2 22	Q3 22	Q4 22 (*)	LTM Sep 22
WTG	1,400	1,662	1,904	2,651	7,618
Of which WTG ON	941	931	1,096	1,875	4,842
Of which WTG OF	460	732	808	777	2,776
Service	429	515	532	721	2,196
TOTAL	1,829	2,177	2,436	3,372	9,814

(*) Revenue WTG ON does include the effect of the wind farm development asset sale €613m in Q4 22.

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
WTG	1,899	1,902	2,179	2,292	8,272
Of which WTG ON	1,061	1,154	1,328	1,463	5,005
Of which WTG OF	838	748	851	829	3,266
Service	396	434	525	571	1,926
TOTAL	2,295	2,336	2,704	2,863	10,198

EBIT (Earnings Before Interest and Taxes): operating profit as per the consolidated income statement. It is calculated as Income (loss) from continuing operations before income taxes, before 'Income (loss) from investments accounted for using the equity method', interest income and expenses and 'Other financial income (expenses), net'.

EBIT (Earnings Before Interest and Taxes) pre PPA and integration & restructuring costs: EBIT excluding integration and restructuring costs and the impact on amortization of intangibles' fair value from the Purchase Price Allocation (PPA).

- Integration costs: are one-time-expenses (temporary nature – limited in time) that are related to the integration of the two legacy companies, or of other acquired companies, excluding any restructuring related costs.
- Restructuring costs: personnel and non personnel expenses which arise in connection with a restructuring (e.g. site closures), where restructuring refers to measures that materially modify either the scope of business undertaken or the manner in which this business is conducted.

€m	12M 21	12M 22
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(553)	(914)
(-) Income from investments acc. for using the equity method, net	(10)	(12)
(-) Interest income	(12)	(11)
(-) Interest expenses	51	63
(-) Other financial income (expenses), net	2	(67)
EBIT	(522)	(942)
(-) Integration costs	125	77
(-) Restructuring costs	72	60
(-) PPA impact	230	223
EBIT pre-PPA and integration & restructuring costs	(96)	(581)

€m	Q4 21	Q4 22
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(284)	283
(-) Income from investments acc. for using the equity method, net	(5)	(3)
(-) Interest income	(5)	(4)
(-) Interest expenses	13	25
(-) Other financial income (expenses), net	1	(21)
EBIT	(279)	280
(-) Integration costs	41	29
(-) Restructuring costs	7	11
(-) PPA impact	55	55
EBIT pre-PPA and integration & restructuring costs	(177)	375

EBIT margin: ratio of EBIT to Revenue in the period that is equal to the revenue figure in the consolidated Income Statement for the period.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): It is calculated as EBIT before amortization, depreciation and impairments of goodwill, intangible assets and property, plant and equipment.

€m	12M 21	12M 22
EBIT	(522)	(942)
Amortization, depreciation and impairment of intangible assets and PP&E	757	840
EBITDA	235	(102)

€m	Q4 21	Q4 22
EBIT	(279)	280
Amortization, depreciation and impairment of intangible assets and PP&E	203	208
EBITDA	(77)	488

EBITDA LTM (Last Twelve Months) is calculated by aggregation of the quarterly EBITDA for the last four quarters.

€m	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
EBIT	(377)	(385)	(459)	280	(942)
Amortization, depreciation and impairment of intangible assets and PP&E	176	198	258	208	840
EBITDA	(201)	(187)	(201)	488	(102)

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
EBIT	14	(19)	(238)	(279)	(522)
Amortization, depreciation and impairment of intangible assets and PP&E	180	182	192	203	757
EBITDA	194	163	(46)	(77)	235

Net income and Net income per share (EPS)

Net income: consolidated profit for the year attributable to the parent company.

Net income per share (EPS): the result of dividing net income by the average number of shares outstanding in the period (excluding treasury shares).

	Q4 21	12M 21	Q4 22	12M 22
Net Income (€m)	(258)	(627)	286	(940)
Number of shares (units)	680,067,397	679,906,438	680,822,780	680,727,581
Earnings Per Share (€/share)	(0.38)	(0.92)	0.42	(1.38)

Other indicators

Revenue coverage: the revenue coverage ratio expresses the degree of achieving the revenue volume targets set by the company for a given year. It is calculated as the revenue booked until one period (including the activity/revenue expected for the rest of the year) divided by the activity/revenue guidance for that year.

€m	09.30.2020	06.30.2021	09.30.2021	06.30.2022
Actual revenue in year N (1)	-	7,335	-	6,442
Order Backlog for delivery in FY (2)	9,728	2,885	8,874	2,681
Average revenue guidance for FY (3) (*)	10,700	10,200	9,739	9,280
Revenue Coverage ([1+2]/3)	91%	100%	91%	98%

(*) FY21 revenue guidance communicated in November 2020 narrowed in April 2021 to the range between €10.2bn and €10.5bn. FY22 midpoint of growth rate guidance from -7% to -2% communicated in November 2021 adjusted in January 2022 from -9% to -2%. Expectations for the SGRE group's performance in FY22 were being reassessed as of Q3 FY22 and, consequently, the previous market guidance for FY22 was no longer valid and was under review. Since then, Siemens Gamesa continued to work on achieving revenue growth of -9% with respect to fiscal year 2021 (FY21) and this figure includes the impact of the Sale of the windfarm development asset portfolio in south Europe.

Book-to-Bill: ratio of order intake (in EUR) to activity/revenue (in EUR) in the same period. The Book-to-Bill ratio gives an indication of the future trend in revenue volume.

Book-to-Bill LTM (Last Twelve Months): this APM is calculated by aggregation of the quarterly revenues and order intakes for the last four quarters.

€m	Q1 22	Q2 22	Q3 22	Q4 22 (*)	LTM Sep 22
Order Intake	2,472	1,198	3,523	4,405	11,598
Revenue	1,829	2,177	2,436	3,372	9,814
Book-to-Bill	1.4	0.6	1.4	1.3	1.2

(*) Order intake & revenue does include the effect of the wind farm development asset sale €613m in Q4 22.

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
Order Intake	2,281	5,500	1,520	2,884	12,185
Revenue	2,295	2,336	2,704	2,863	10,198
Book-to-Bill	1.0	2.4	0.6	1.0	1.2

Reinvestment Rate: ratio of CAPEX divided by amortization, depreciation and impairments (excluding PPA amortization on intangibles' fair value). According to the definition of CAPEX, the amount of amortization, depreciation and impairments does not include the amortization, depreciation and impairments of right of use assets (first time adoption of IFRS 16 starting October 1st, 2019).

€m	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
CAPEX (1)	129	192	183	280	783
Amortization depreciation & impairments (a)	176	198	258	208	840
Amortization, depreciation & impairments of right of use assets (IFRS 16) (b)	34	37	38	38	147
PPA Amortization on Intangibles (c)	57	57	55	55	223
Depreciation & Amortization (excl. PPA) (2=a-b-c)	86	104	165	115	469
Reinvestment rate (1/2)	1.5	1.9	1.1	2.4	1.7

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
CAPEX (1)	140	149	163	225	677
Amortization depreciation & impairments (a)	180	182	192	203	757
Amortization, depreciation & impairments of right of use assets (IFRS 16) (b)	31	29	30	32	122
PPA Amortization on Intangibles (c)	60	59	56	55	230
Depreciation & Amortization (excl. PPA) (2=a-b-c)	90	94	105	115	405
Reinvestment rate (1/2)	1.6	1.6	1.5	1.9	1.7

Gross Profit: the difference between revenue and cost of sales, according to the consolidated statements of profit and loss.

Gross Profit (pre PPA, I&R costs): Gross Profit excluding integration and restructuring costs and the impact on amortization of intangibles' fair value from the PPA (purchase price allocation). The result of dividing this indicator by the sales of the period, which are equal to the revenue figure in the consolidated Income Statement for the period, is denominated Gross Margin pre PPA, I&R costs, and it is expressed as a percentage.

- Integration costs: are one-time-expenses (temporary nature – limited in time) that are related to the integration of the two legacy companies, or of other acquired companies, excluding any restructuring related costs.
- Restructuring costs: personnel and non personnel expenses which arise in connection with a restructuring (e.g. site closures), where restructuring refers to measures that materially modify either the scope of business undertaken or the manner in which this business is conducted.

€m	12M 21	12M 22
Gross Profit	265	(166)
PPA amortization on intangibles	170	161
Integration costs	84	47
Restructuring costs	57	57
Gross Profit (pre PPA, I&R costs)	576	98

€m	Q4 21	Q4 22
Gross Profit	(107)	500
PPA amortization on intangibles	40	39
Integration costs	24	20
Restructuring costs	3	10
Gross Profit (pre PPA, I&R costs)	(41)	570

The calculation of this indicator and its comparable for the last twelve months (LTM) is as follows:

€m	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
Gross Profit	(192)	(202)	(272)	500	(166)
PPA amortization on intangibles	41	41	39	39	161
Integration costs	5	12	10	20	47
Restructuring costs	2	3	41	10	57
Gross Profit (pre PPA, I&R costs)	(144)	(146)	(182)	570	98

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
Gross Profit	202	199	(29)	(107)	265
PPA amortization on intangibles	45	44	42	40	170
Integration costs	20	21	19	24	84
Restructuring costs	13	37	4	3	57
Gross Profit (pre PPA, I&R costs)	280	301	36	(41)	576

Integration and Restructuring costs: see Gross Profit (pre PPA, I&R costs) and EBIT (pre PPA, I&R costs).

€m	12M 21	12M 22
Gross Profit	140	103
Research & Development	8	1
Sales and Administration	41	33
Others	8	(0)
Integration and Restructuring costs	197	137

€m	Q4 21	Q4 22
Gross Profit	27	30
Research & Development	2	(10)
Sales and Administration	14	20
Others	5	0
Integration and Restructuring costs	48	40

€m	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
Gross Profit	6	15	52	30	103
Research & Development	2	5	4	(10)	1
Sales and Administration	3	4	6	20	33
Others	0	(0)	(0)	0	0
Integration and Restructuring costs	11	24	62	40	137

€m	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
Gross Profit	33	57	23	27	140
Research & Development	1	3	1	2	8
Sales and Administration	11	10	6	14	41
Others	1	1	1	5	8
Integration and Restructuring costs	47	71	31	48	197

MWe: an indicator of activity (a physical unit of sale) used to measure wind turbine generator manufacturing progress. The MWe indicator does not reflect post-manufacturing processes (civil engineering, installation, commissioning, etc.), which also generate monetary revenue.

MWe	Q1 22	Q2 22	Q3 22	Q4 22	LTM Sep 22
Onshore	1,195	1,502	1,529	1,794	6,021

MWe	Q1 21	Q2 21	Q3 21	Q4 21	LTM Sep 21
Onshore	1,744	1,927	2,404	2,223	8,298

Cost of energy (LCOE/COE): the cost of converting an energy source, e.g. wind, into electricity, measured in monetary units per MWh. It is calculated taking in account all costs incurred during asset's life cycle (including construction, financing, fuel, operation and maintenance, taxes and incentives) divided by the total output expected from the asset during its useful life.

Note that due to rounding, numbers presented in this document may not add up exactly to the totals shown and percentages may not exactly replicate the absolute figures presented.

Glossary & Definitions for Alternative Performance Measures

The definition and conciliation of the alternative performance measures (APMs) are included and disclosed in this Activity Report and also used in the presentation associated to these and previous results. This glossary contains a summary of terms and APMs used in this report but does not replace the aforementioned definitions and conciliations.

AEP: annual energy production.

ASP in Order Intake: average monetary order intake collected by WTG division per unit booked (measured in MW). It excludes the value and volume of solar orders from the calculation.

Book & Bill: amount of orders (in EUR) to be booked and fulfilled in a set period of time to generate revenue without material lead time ("in for out" orders in set period of time).

Book-to-Bill ratio: order intake (in EUR) to activity/sales (in EUR) in the same period. The Book-to-Bill ratio gives an indication of the future trend in sales volume.

Capital Expenditure (CAPEX): refers to investments made in the period in property, plant and equipment and intangible assets in order to generate future profits (and maintain the current capacity to generate profits, in the case of maintenance capex).

CAGR: Compound annual growth rate.

EBIT (Earnings Before Interest and Taxes): operating profit per the consolidated income statement. It is calculated as Income (loss) from continuing operations before income taxes, before 'Income (loss) from investments accounted for using the equity method', interest income and expenses and 'Other financial income (expenses), net'.

EBIT pre PPA integration & restructuring costs (I&R): EBIT excluding integration and restructuring costs and the impact on amortization of intangibles' fair value from of the Purchase Price Allocation (PPA).

- Integration costs: are one-time-expenses (temporary nature – limited in time) that are related to the integration of the two legacy companies, or of other acquired companies, excluding any restructuring related costs.

- Restructuring costs: personnel and non personnel expenses which arise in connection with a restructuring (e.g. site closures), where restructuring refers to measures that materially modify either the scope of business undertaken or the manner in which this business is conducted.

EBITDA: It is calculated as EBIT before amortization, depreciation and impairments of goodwill, intangible assets and property, plant and equipment.

Gross operating cash flow: amount of cash generated by the company's ordinary operations, excluding working capital, capital expenditure (CAPEX), payments related to Adwen provisions and others mainly FX conversion impacts. SGRE includes the flow of net financial expenses under gross operating cash flow. Gross operating cash flow is obtained by adding, to reported income for the period, the ordinary non-cash items (depreciation and amortization, and provision charges) and income from equity-accounted affiliates.

IP: Intellectual Property.

LTM: last twelve months.

MWe: an indicator of activity (a physical unit of sale) used to measure wind turbine generator manufacturing activity in terms of work in progress. The MWe indicator does not reflect post-manufacturing processes (civil engineering, installation, commissioning, etc.), which also generate monetary revenue.

Net Financial Debt (NFD): is defined as long-term and short-term financial debt less cash and cash equivalents.

Reinvestment rate: ratio of CAPEX divided by amortization, depreciation and impairments (excluding PPA amortization on intangibles' fair value).

Working Capital (WC): is calculated as the difference between current assets and current liabilities. Current assets and liabilities exclude all items classified as Net Financial Debt, such as Cash and cash equivalents.

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Note on alternative performance measures (APMs)

This document includes 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 Gamesa's net assets and financial position or results of operations as presented in its consolidated financial statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.