

**SIEMENS GAMESA RENEWABLE ENERGY, S.A.
SIGNIFICANT EVENT**

As per section 17 of the Regulation (EU) No. 596/2014, on market abuse and section 226 of the restated text of the Securities Market Law and related provisions, the Company announces the following statement:

**Preliminary results for the first quarter of financial year 2020
Siemens Gamesa adjusts its EBIT pre PPA and I&R costs guidance**

As described below, Siemens Gamesa Renewable Energy, S.A. (hereinafter, “Siemens Gamesa” or the “Company”) announces that the preliminary results for the first quarter of financial year 2020¹ are:

- Revenue: €2,001m (-12% YoY) (Q1 FY 2019: €2,262m)
- EBIT pre PPA and I&R costs: -€136m (Q1 FY 2019: €138m)
- Reported net income: -€174m (Q1 FY 2019: €18m)
- Order intake: €4.628m (+82% YoY) (Q1 FY 2019: €2,541m)
- Order backlog as of December 31, 2019: €28,089m (+22% YoY) (Q1 FY 2019: €23,054m)
- Net cash position: €175m² (Q1 FY 2019: €165m)

All mentioned figures are preliminary and unaudited.

Quarterly performance has been impacted by material and unforeseen one-off charges amounting to c. €150m in a portfolio of five Onshore projects (1.1 GW) located in Northern Europe (mainly in Norway), driven by adverse road conditions and an early arrival of winter weather that have delayed project execution substantially and detrimentally impacted the installation window. The impact, only attributable to Onshore activities, has driven preliminary results for Siemens Gamesa of the first quarter of fiscal year 2020 below market expectations. Activities in Offshore and Service are performing according to Company expectations.

Commercial performance for the quarter remains very strong, with an order intake of €4.6bn, increasing the order backlog to €28.1bn. Balance sheet performance has also been strong. Excluding the accounting impact of the first-time introduction of IFRS 16, the net cash position of the Company has increased by c. €600m in the last twelve months, reaching a net cash position of €175m² at the end of the first quarter.

¹ The fiscal year of the Company starts on October 1 and therefore the 2020 first quarter covers the period from October 1 to December 31, 2019.

² The Siemens Gamesa Group has adopted IFRS 16 as of October 1, 2019 using the full retrospective approach without restating comparative period figures. As a result of the foregoing, the opening balance as of October 1, 2019 has been modified. The main impacts of the first application of IFRS 16 in the consolidated balance sheet as of October 1, 2019 are the increase in Property, plant and equipment corresponding to the asset for the right of use in the amount of 679 million euros, a decrease in advance payments recorded under the headings “Other non-current assets” and “Other current assets”, in an amount of 85 million euros and 10 million euros, respectively, and the corresponding increase in current and non-current liabilities (components of the Net Financial Debt) amounting to 583 million euros.

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Concerning the full fiscal year 2020 and driven largely by the aforementioned one-off additional costs, the Company has today reassessed the expectations of EBIT margin pre PPA and I&R costs for financial year 2020 and expects now to reach a group EBIT margin pre PPA and I&R costs during financial year 2020 between 4.5% and 6%, below the previous guidance (5.5%-7%) communicated to the market (Significant Events of November 5, 2019 numbers 283272 and 283273). With respect to the revenue guidance for financial year 2020 (i.e. €10,200 - €10,600 million revenue) the Company confirms a level of 98% coverage by order backlog of the mid-range, 8 percentage points more than at November 5, 2019³. Guidance for financial year 2020 reflects a transition year in terms of profitability but assured growth in revenue, with a back-end loaded profile.

The Company is putting in place remedy actions to turnaround the execution track record in the project pipeline in Northern Europe and does not expect to see further impact from such pipeline execution in coming quarters.

While first quarter financial performance at Onshore was lower than expected, the Company's long-term vision remains intact and Siemens Gamesa continues to demonstrate strong commercial performance in all three activities (Onshore, Offshore and Service) that shows the strength of the Company's competitive positioning.

The Company will provide full details of its results for the first quarter of financial year 2020 in the presentation scheduled for next February 4th, 2020 at 9:00 (CET) (Significant Event of January 21st, 2020, number 286045, with the connection details).

Zamudio (Vizcaya), on January 29th, 2020

Markus Tacke
Chief Executive Officer

³ Revenue coverage: total firm orders (€) received through December 31, 2019, for activity in FY 20 divided by the mid-point of the sales guidance published for FY 20 (€10.2bn to €10.6bn).

The guidance does not include charges for litigation or regulatory issues, and figures are expressed at constant exchange rates. The guidance excludes any impact from changes in the shareholder structure and from the agreement to acquire certain Servion assets.

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IMPORTANT INFORMATION

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of Siemens Gamesa Renewable Energy, S.A. may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.