

2017 General Shareholders' Meeting

**Rosa María García, Chairwoman of the Board of Directors of Siemens
Gamesa Renewable Energy**

Zamudio (Vizcaya), 20 June 2017

---- Introduction: greeting ----

(Extend welcome to any institutions represented)

Mr. Deputy General of the Provincial Council of Biscay, ladies and gentlemen, good morning,
Egunon,

Today, 20 June 2017, is a very special day for the Board of Directors and for all of us here at Siemens Gamesa Renewable Energy. As I mentioned at the start of today's meeting, this is our new company's first General Meeting.

For me, as chairwoman of this recently-appointed Board, it is an honour to preside the meeting and form part of this journey which we embarked on together little more than two months ago, specifically on 3 April when the merger between Gamesa and Siemens Wind Power closed. A transaction you carried with over 99% of your votes at the Extraordinary General Meeting held on 25 October.

From this podium I would like to extend my thanks, on behalf of the Board, for your support throughout this time and urge you to stick with us as we strive to create the leading player in the renewable energy industry, to stay with us for the duration of this exciting and demanding business endeavour, replete with challenges and opportunities, which has only just begun.

During my speech I will focus on three key aspects:

1. Firstly, I will allude to the creation of Siemens Gamesa and the opportunities the merger generates.
2. Secondly, I would like to underscore our commitment to good corporate governance as the means to defending the interests of all of our shareholders.
3. And thirdly and lastly, I will outline our key objectives and aspirations.

---- 1. Siemens Gamesa ----

First and foremost, I would like to talk to you about the transformational merger between Gamesa and Siemens Wind Power, a deal which places us the forefront of our competitive environment.

Allow me at this juncture to briefly overview the socio-economic climate in which events are unfolding and the outlook for the renewable industry.

The economic weakness of recent years is giving way to a pattern of global growth. The latest estimates compiled by the International Monetary Fund call for growth of 3.5% and 3.6% this year and next.

This growth is nonetheless expected to prove highly uneven geographically. As you can see on the screen, while Europe should eke out growth of 2% over the next couple of years, in line with the rate forecast for the US, the outlook for the emerging economies and Asian markets is more promising. Latin America, meanwhile, is expected to trail somewhat. Spain, specifically, is expected to register growth of 2.6% in 2017, lining it up to be one of the fastest-growing advanced economies this year.

In parallel with the economic recovery, albeit multi-speed as already mentioned, we are navigating a new era, characterised by the uneven distribution of wealth and social polarisation, which is translating into a challenging of the *status quo* all around the world.

This new social paradigm is unfolding alongside disruptive technological changes and growing concern for the environment which is having a resounding impact in the energy arena, in which the commitment to shifting from the traditional fossil fuel model to one based on renewable energy is increasingly evident.

Today, 20% of the energy consumed worldwide comes from renewable sources, compared to 15% nearly three decades ago; and 24% of the world's electricity is generated from renewable sources.

Focusing on Spain, renewables fuelled almost 41% of the country's electricity in 2016, according to the TSO, Red Eléctrica Española. This trend is being echoed all around the world, albeit with varying intensity from one geography to the next.

It is worth noting that nations are increasingly committing to these energies as a mechanism for containing climate change. This support was manifest in the Paris Agreement, signed in December 2015 by 195 countries keen to commit to combating climate change, which came into effect in less than one year.

Subsequent and one-off developments mustn't allow us to lose sight of this global momentum; rather, we must stand back and value the milestones achieved since the first steps were taken to tackle climate change, essentially at the Kyoto Summit, over 20 years ago.

This virtually unanimous support, coupled with the combined effect of the steadily decreasing cost of clean energy technology and a growing installed renewable base, foreshadows steady growth in demand for renewable energy. By 2025, global installed capacity is expected to have surpassed 800 gigawatts.

I would like to add one more fact about the virtues of renewable energy. According to the International Energy Agency, the shift towards these sources is one of the many reasons why greenhouse gas emissions remained flat for the third year in a row in 2016, notwithstanding growth in global power production of 3% that year.

Wind power has been a key force in this transition towards a renewable world. Today, the cumulative installed base stands at 487 gigawatts worldwide according to the latest data published by the Global Wind Energy Council, 3% of which correspond to the incipient offshore segment in which Siemens Gamesa is a global leader.

I would like to highlight Spain's contribution to the installed wind base - at over 23 gigawatts - particularly in the past. From here I would like to applaud the government's recent efforts to increase the country's installed base by calling new renewable energy tenders which will help Spain meet its commitments to the European Union for 2020.

In short, more than ever we face a VUCA world, a world of volatility, uncertainty, complexity and ambiguity. A changing environment in which the results of the past are no guarantee of future success. An environment in which, and I would like to stress this point, technological leadership and, related to this, company size and economies of scale will be key to maintaining a competitive edge and responding adequately to what society is demanding.

Siemens Gamesa Renewable Energy is bursting into this complex and extremely competitive landscape with the goal of turning all these challenges into opportunities in a sector that is critical not only to the energy industry of the future but also to society at large.

The combination of Gamesa and Siemens Wind Power is much more than the sum of their parts. The marriage of our strengths makes us a benchmark player with global reach; underpinned by our successful track records, we are guaranteed a leading role in shaping the energy landscape of the future.

Ladies and gentlemen, we are witnessing the creation of a leading company in the renewable energy industry. Siemens Gamesa constitutes a uniquely modern and innovative response to the imperative need to reshape the existing energy paradigm and help forge a cleaner and more sustainable world. It is worth recalling that over one billion people - 16% of the world's population - still have no access to electricity.

Siemens Gamesa is coming on to the scene as a leading player in the wind industry, with a presence in more than 90 markets, industrial capacity in the leading wind markets and a combined installed base of 75 gigawatts. We are the leading player in India, Mexico, the UK, Canada and North Africa. We are starting from an entrenched position of strength in Brazil, the Netherlands, the US and Australia. And we are the benchmark international OEM in China. Believe me when I say that our goal is to maintain, consolidate and boost this solid positioning. The tenders and contracts awarded in the scant three months we have been operating as combined entity are proof of this. Although Markus will cover these developments in more detail in his presentation, I would like to applaud the efforts being made by our sales teams: they have secured new business in Germany, Spain, Australia and Russia and our début joint contract in the offshore segment.

Headquartered here in Zamudio, the company has started out life with combined revenue of 11 billion euros. Listed on the Spanish stock exchange, it is one of the largest industrial players in the blue chip Ibx-35 index and boasts benchmark shareholders: Siemens, the largest industrial company in Europe, and Iberdrola, Europe's largest private utility, a pioneer in the renewable energy field and a core shareholder of Gamesa's for several decades.

The highly complementary nature of our two companies, in terms of both geographical footprints and products and technology solutions, coupled with the commitment of our excellent management team and the 27,000 professionals comprising Siemens Gamesa, enables us to offer our customers a competitive proposition.

These same strengths allow us to maximise value creation for you, our shareholders, and for the communities in which we operate, making us a better company to work at, one which generates wealth and jobs.

The merger will allow us to go further in a shorter period of time, and without renouncing our roots or our core tenets. We will maintain our close ties to Spain, particularly the Basque region and Navarre. And we mustn't forget Germany and Denmark where Siemens Wind Power has its

roots, and the other regions in which we have a compelling business presence, such as the UK, US, India, Latin America, Asia-Pacific and North Africa.

It has been a long road to reach this juncture and there is still a long way to go. However, we boast solid foundations, talent and proven track records which we are going to leverage to make the most of the opportunities the future holds in store for us. For this, as I said at the beginning of my speech, we need your vote of confidence and support.

---- 2. CORPORATE GOVERNANCE ----

Next I would like to turn to our corporate governance. Since the day the merger closed, the Board of Directors of Siemens Gamesa has gone to lengths to continue to deploy best governance practices, even though we are building from a very solid base.

Going forward, our corporate governance models will be articulated around the separation of the positions of chairman and chief executive, a separation of powers which the leading proxy advisors and internal institutional investors are increasingly looking for. The chairman, in our case chairwoman, is tasked with ensuring that the company's governance bodies work as intended, while the CEO is responsible for the effective management of the company's businesses, framed by the strategies and policies dictated by the Board of Directors.

Now is a good time to pause to thank Markus Tacke for accepting the challenge of leading this project. Markus brings extensive experience in the wind industry which, coupled with his leadership skills and trajectory, will enable the company to tackle the looming challenges from a position of strength, continue to add value for our customers and steer Siemens Gamesa towards new horizons.

I would also like to stress the fact that the company not only complies with but surpasses Spain's good governance recommendations for listed companies. Specifically, we outperform the Board composition recommendations: we have five independent directors, with proprietary directors actually under-represented relative to their ownership interests, and we have six female directors, almost 50% of the total.

The motions we are asking you to approve at today's General Meeting, for example in relation to director remuneration, are designed to continue to reinforce our governance.

---- 3. Our objectives ----

Last but not least, I would like to allude to our high-level aspirations.

Our top priority is to continue to make progress on the integration process. Rest assured that it is proceeding at a rapid pace and in a coordinated fashion. We are designing the apparatus needed to lever the strengths of the various teams and work within a single corporate culture which combines the best of both companies. We don't only want to be the biggest. We want to be the best.

We have also taken important steps in this direction. Siemens Gamesa already has a well-defined business structure and model, providing the basis for initial work on the company's business plan for the next three years, which we hope to present to the market in the autumn.

Siemens Gamesa is strongly committed to you, our shareholders. Our efforts are targeted at creating value for those who have endorsed this project and are vested in it. To this end, we are going to continue to work on consolidating ourselves as a leading group and global benchmark, laying the foundations for sustainable value creation.

As a sign of this commitment, we will attempt to continually fine-tune our dividend to keep the payout as high as the company can afford, factoring in the prevailing economic context. This year, in addition to the special dividend of €3.60 per share, the Board of Directors is asking the company's shareholders to approve a motion for the distribution of an ordinary dividend against the Group's consolidated net profit of 25%, which translates into 75 million euros in total, in line with last year's commitment and enabled by the excellent 2016 results.

A word for our employees. Without them, none of this would be possible. The company is working to maximise the horizons this project will open up for them in the form of new career development prospects. It is our keen wish that we all feel a sense of belonging to this great company we are building.

---- Final words and farewell ----

To wrap up I would simply like to reiterate our firm commitment to you and our conviction that this merger, and the new Siemens Gamesa, which is so much more than the sum of its parts, will be a success. United we are a leading player in the wind industry. We are bigger and better. Our clear mission is to play an active role in developing a cleaner, safer and more affordable source of energy all over the world, while creating value for our shareholders, employees, customers, suppliers and communities.

We have the great fortune of belonging to a firm of the future operating in a promising sector. I can assure you that I and the rest of the Board and management team will do everything within our power to attain the success you deserve.

Muchas gracias a todos. Thank you very much. Eskerrik asko.