FY20 RESULTS

November 5, 2020

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RENEWABLE ENERGY

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In the event of doubt, **the English language version of this document will prevail**."

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.

FY20 Key Points

FY20 Key Points

Revised guidance met with performance impacted by COVID-19[4], market developments in India and challenges in Northern Europe

- **FY20 revenue: €9,483m[1] and EBIT margin[5]: -2.5%**
- Q4 20 revenues: €2,868m[1] and EBIT margin[5]: 1.1%
- Strong performance of Service despite COVID-19

Business plan FY21 - FY23 and **new management team** in place

- LEAP to support Onshore turnaround and Offshore and Service ongoing profitable growth

Record order intake, €14.7bn, and backlog: €30.2bn[1] with **9.3 GW additional WTG OF pipeline[2]**

- **1.6x Book-to-Bill**
- **91% revenue coverage for FY21[3]**

Strong liquidity and focus on asset management:

- **€1,143m YoY improvement in working capital** to -€1,976m or -20.8% of sales
- **Net debt of €49m**
- **C. €4.2bn in financing lines** with €1.1bn used

Long-term vision reinforced with renewable energy as core to sustainable economic models and economic recovery

1) Currency impact on backlog of -€1,391m, on FY20 revenue of -€174m (FY20 revenue at constant currency amounted to €9,657m) and on Q4 20 revenue of -€144m
2) Pipeline made of preferred supply agreements and conditional orders that are not part of SGRE's WTG OF backlog
3) Revenue coverage calculated over average point of FY21 revenue guidance range of €10,200m and €11,200m
4) Direct impact of COVID-19 on EBIT pre PPA and I&R costs of €181m or 1.9% as percentage of FY20 revenue. COVID-19 impact in Q4 20 of €31m
5) EBIT margin pre PPA and I&R costs, excluding the impact of PPA on the amortization of intangibles: €262m in FY20 (€59m in Q4 20), and integration and restructuring costs: €462m in FY20 (€110m in Q4 20)

In the path to success

LEAP program launched to achieve our targets

LEAP

Innovation

Striving for **technology leadership** and **business model innovation**

Productivity & Asset Management

Continuous focus on **cost optimization** and stringent **cash management and control**

Operational Excellence

Strengthening **process and project execution discipline** and achieving **industry benchmark safety and quality** levels

Digitalization as enabler / differentiator across all business areas

Sustainability + People oriented company

'Go-to' company in renewable energy by setting the **industry benchmark in sustainability** & **employer attractiveness**

Commercial activity

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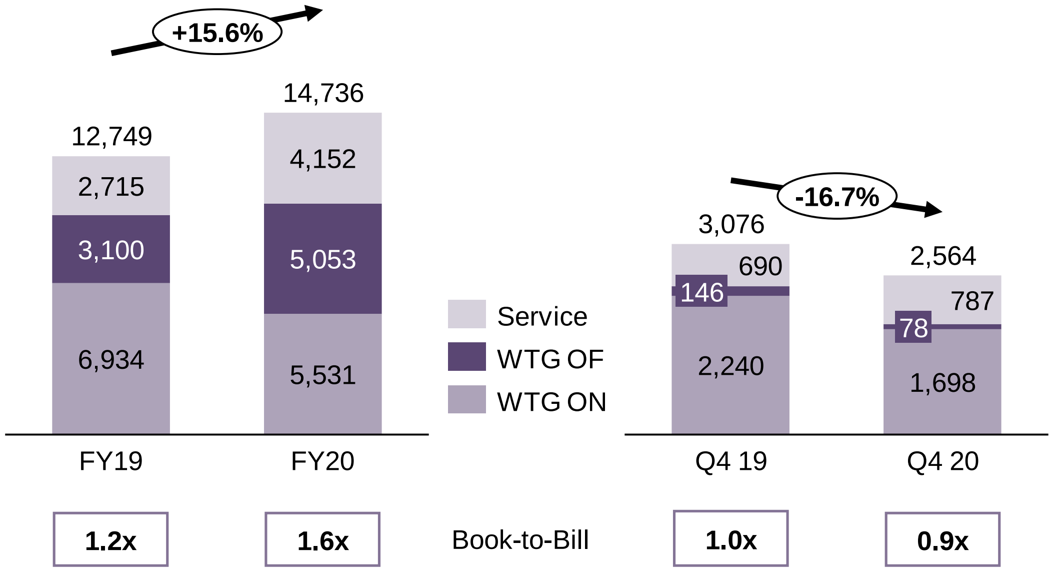
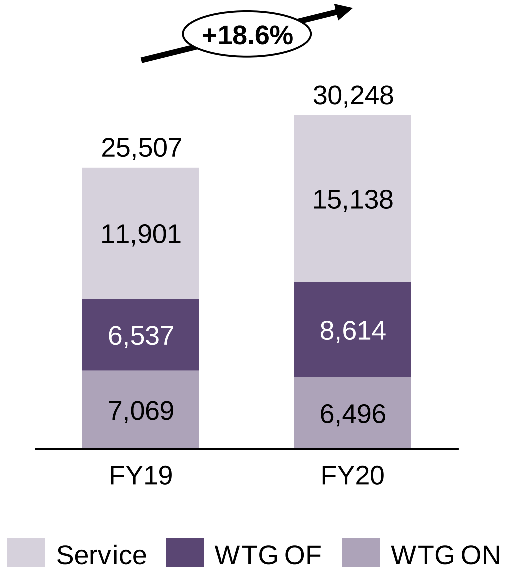
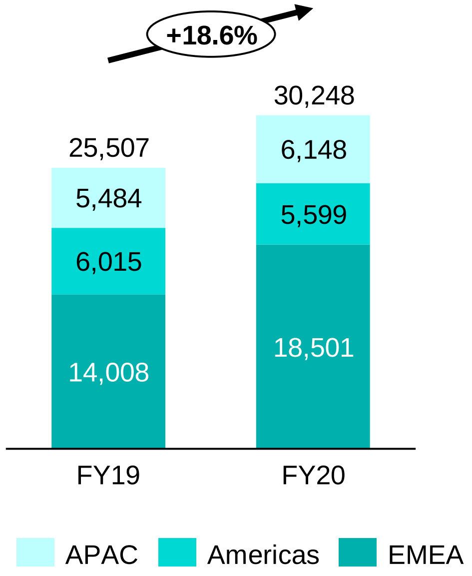
Record order intake, €14.7bn, and backlog, €30.2bn, driven by WTG OF and Service strength

Order intake[1] FY and Q4 (€m)



Order backlog[2] (€m)



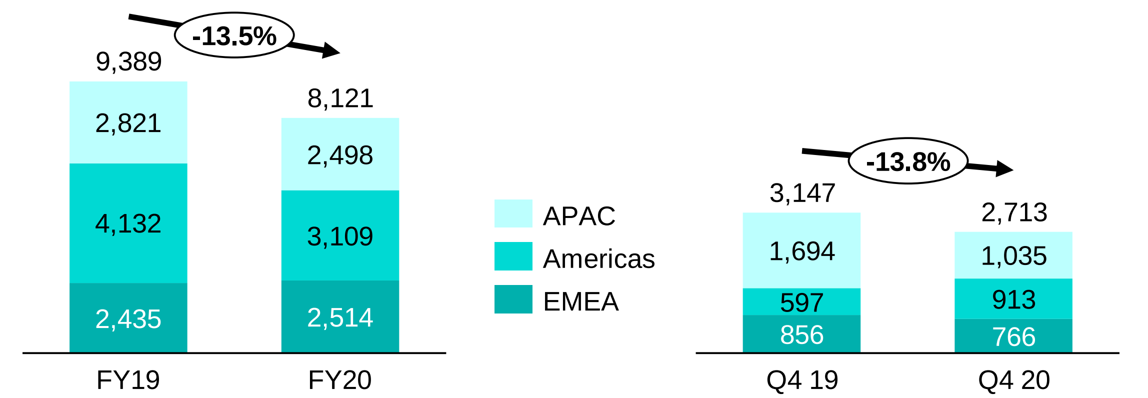


79% of the order backlog in Service and Offshore which have strong execution track record and performance, and longer duration

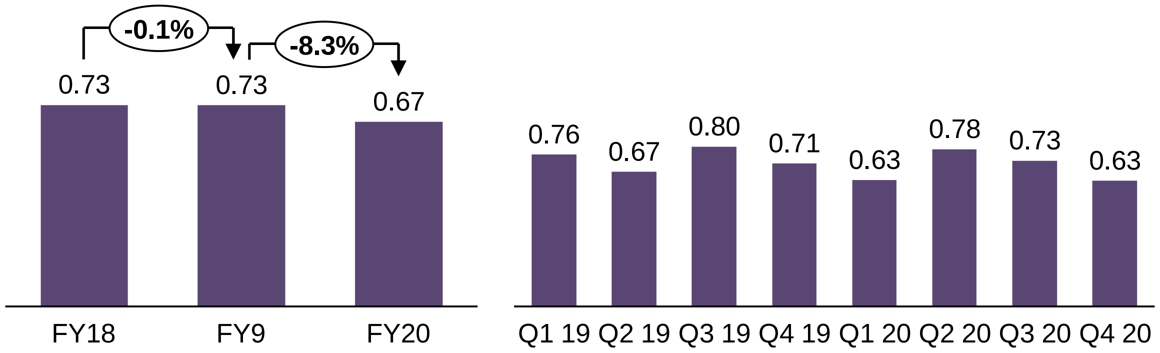
1) WTG ON order intake includes €61m in solar orders in Q2 20, €2m in Q4 19, €0.6m in Q3 19, €33m in Q2 19 and €6m in Q1 19. There are no solar orders in Q1 20, Q3 20 and Q4 20
2) Order backlog impacted by currency depreciation, -€1,391m, especially in Americas

WTG ON order intake: 8.1 GW, down 13% YoY, impacted by COVID-19 and slowdown in India

WTG ON order intake[1] LTM and Q4 (MW)



Average selling price of WTG ON order intake[1] (€m/MW)



Profit over volume strategy in place

Order intake in line with expected quarterly run rate despite COVID-19, India slowdown and uncertainty in Mexico

- US (18%), Brazil (10%), China and India (both 8%), and Spain (7%) are the main contributors to FY20 order intake (MW)
- US (34%), India (17%), Morocco (11%) and Pakistan (10%) are the largest contributors in Q4 20

4 MW+ platforms contributed 45% to FY20 order intake, c. 20 p.p. more than in FY19

- SG 5.X with 755 MW of order volume signed in FY20 and 1 GW to date[2]

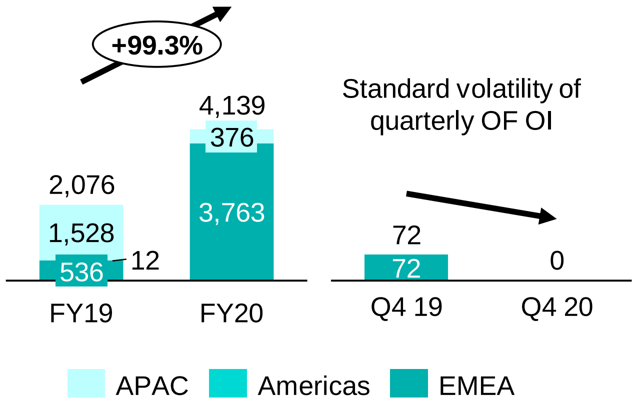
Stable pricing

- ASP[3] YoY decline driven by project scope and larger contribution from higher nominal power WTG
  - Q4 20 ASP impacted also by currency devaluation: c. -5%

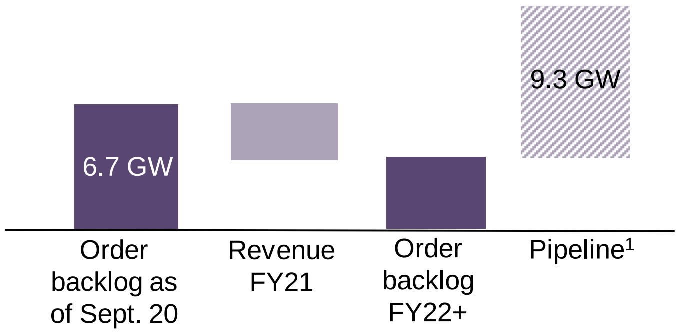
1) Order intake WTG ON (MW) and average selling price of WTG ON order intake includes only wind orders
2) Up to October 12, 2020
3) Average selling price (ASP) in individual quarters fluctuate driven by regional mix and scope of projects

Leading competitive positioning in WTG OF: 6.7 GW in order backlog, after record order entry: 4.1 GW, and a 9.3 GW pipeline

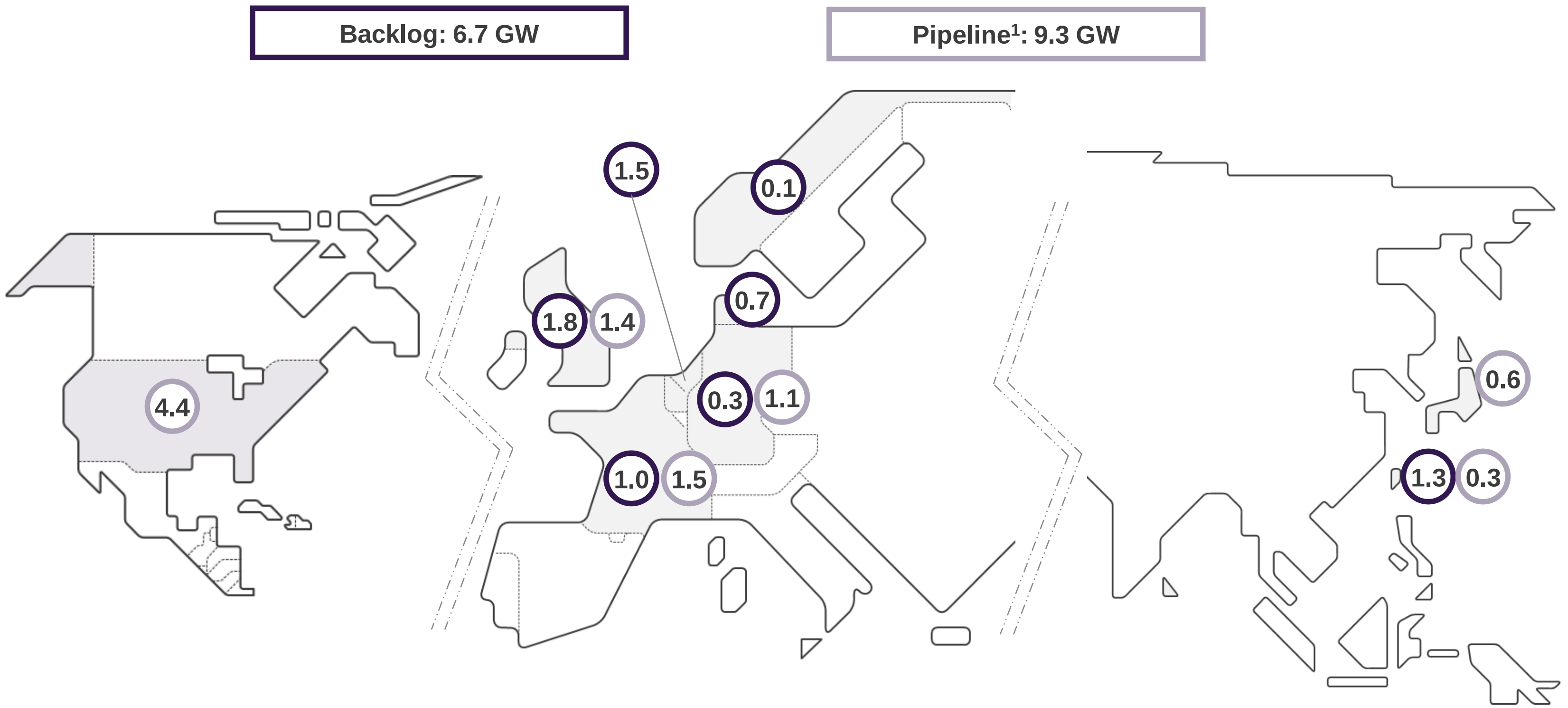
WTG OF order intake (MW)



WTG OF backlog and pipeline[1]



Backlog and Pipeline[1] (GW)

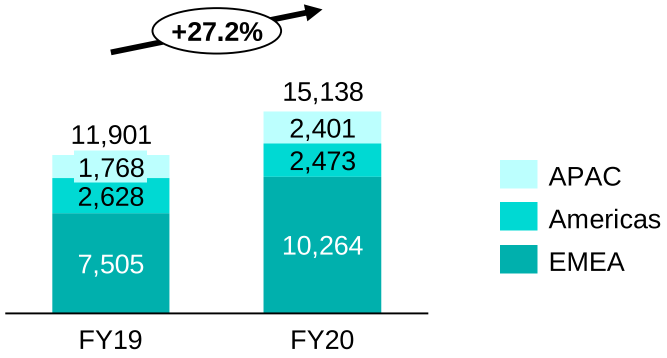


Total pipeline[1] for the SG 14-222 DD of 4.3 GW

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

50% of the Group backlog comes from Service which shows a strong order intake performance

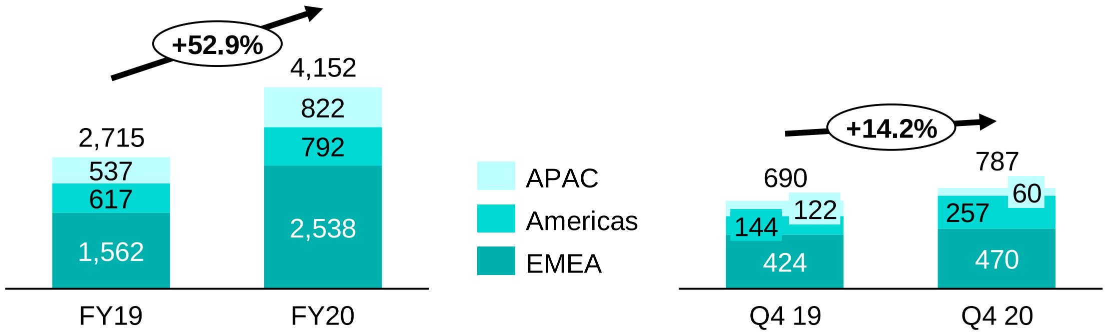
Service order backlog (€m)



€15,138m or 50% of order backlog in Service

- Retention rate c. 70%
- Average life of contract in backlog c. 8 years

Service order intake FY and Q4 (€m)

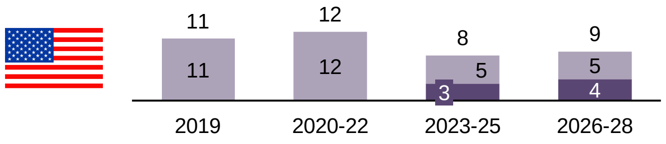


Strong commercial performance, linked to Offshore and to the acquisition of Senvion

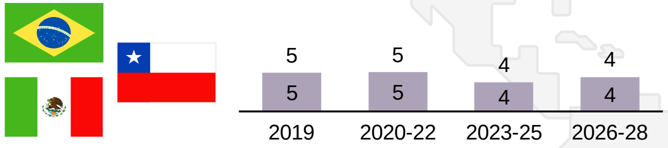
- Book-to-Bill: 2.3x in FY20 and 1.5x in Q4 20
- More than 1 GW signed outside of Senvion's acquisition perimeter in FY20, including three 10-year service agreements for a total of 431 MW in North America in Q4 20

Short-term COVID-19 market impact lower than expected; long-term growth improved[1]

Americas

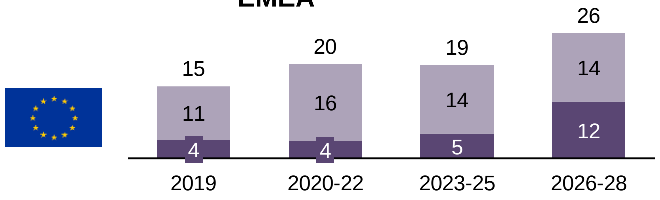


- Promising outlook strengthened[1] after PTC extension, and despite uncertainty in OF project development
- Democrats on the path to net zero in 2050
  - **1.8 GW ON backlog in US and 4.4 GW in OF pipeline**



- Latin America attractiveness remains: (i) free market replaces auctions in Brazil and (ii) improving demand prospects in Chile
  - **1.7 GW ON backlog in Latin America**

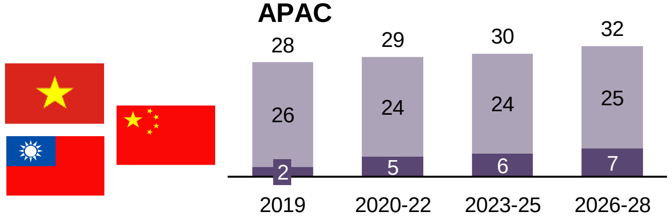
EMEA



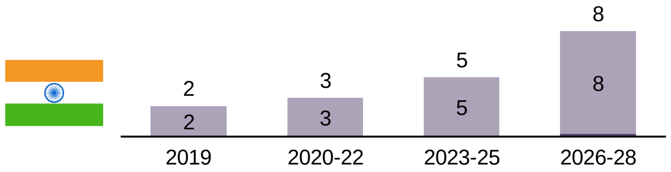
- Prospects enhanced[1] by strong role of wind energy in the €1.8bn recovery plan and green hydrogen strategy[2]
- Impressive boost in OF projections[1], led by UK
  - **61% of order backlog in EMEA** (in €m) and 7.3 GW (ON and OF) plus 4 GW in OF pipeline

Onshore Offshore
Average GW for the period

APAC



- China targets net zero emissions by 2060
- Taiwan plans new 5 GW OF auctions for 2026-2030 installations
- Projections for Vietnam increased[1] despite potential FIT termination in 2021
  - **2.9 GW backlog in APAC ex India**



- Market slowdown[1] accentuated by COVID-19
- Long-term projections[1] reflect a recovery with positive impact from repowering
  - **SGRE #1 player with 30% in 2019[3]**
  - **Restructuring ongoing**

1) Market charts present the average annual installations according to Wood Mackenzie Q3 2020 outlook. Comparisons made with Wood Mackenzie Q3 2019 outlook. Forecast increased for US ON (+9.9 GW), US OF (+4.2 GW), Europe ON (+2.6 GW), Europe OF (+13.7 GW), UK OF (+7.0), and Vietnam ON + OF (+2.3 GW) for the 2020-2028 period. Forecast reduced for India ON + OF (-8.5 GW) for the 2020-2025 period, and increased (+2.5 GW) for the 2026-2028 period
2) EU Hydrogen Strategy requires between 80 GW and 120 GW of additional renewables installations for 2030. Offshore expected to tap the biggest share
3) Market share in India according to BloombergNEF report (February 2020)

FY20 Results & KPIs

Consolidated Group – Key figures FY20 and Q4 20 (July-September)

P&L (€m)	FY19	FY20	Var. YoY	Q4 20	Var. YoY
Group revenue	10,227	9,483	-7.3%	2,868	-2.6%
EBIT pre PPA and I&R costs	725	-233	N.A.	31	-87.6%
EBIT margin pre PPA and I&R costs	7.1%	-2.5%	-9.5 p.p.	1.1%	-7.4 p.p.
PPA amortization[1]	266	262	-1.5%	59	-10.7%
Integration & restructuring costs	206	462	2.2x	110	-5.5%
Reported EBIT	253	-958	N.A.	-139	N.A.
Net interest expenses	-61	-59	-3.5%	-15	13.0%
Tax expense	-49	100	N.A.	40	N.A.
Reported net income to SGRE shareholders	140	-918	N.A.	-113	N.A.
CAPEX	498	601	104	249	68
CAPEX to revenue (%)	4.9%	6.3%	1.5 p.p.	8.7%	2.5 p.p.

	IFRS 16 impact[4]				
Balance Sheet (€m)	Sept. 30, 19	Oct. 1, 19[4]	Sept. 30, 20	Var. YoY[5]	Var. QoQ
Working capital	-833	-843	-1,976	-1,132	-477
Working capital to LTM revenue (%)[2]	-8.1%	-8.2%	-20.8%	-12.6 p.p.	-5.2 p.p.
Provisions[3]	2,177	2,177	2,165	-12	-33
Net (debt)/cash	863	280	-49	-328	42
Net (debt)/cash to LTM EBITDA[2]	0.96	0.31	N.A.	N.A.	N.A.

FY20 integration and restructuring costs of €462m include:

- Restructuring of Indian operations including impairment of PPA intangible assets, PPE and inventory incl. landbank, for a total amount of €219m
- Capacity closures and adjustments in Europe: €27m
- Integration of Senvion acquisition: €22m

FY20 reported net loss of €918m includes:

- PPA impact on intangible amortization of €184m[6] in line with annual expectations
- I&R cost of €335m[6]

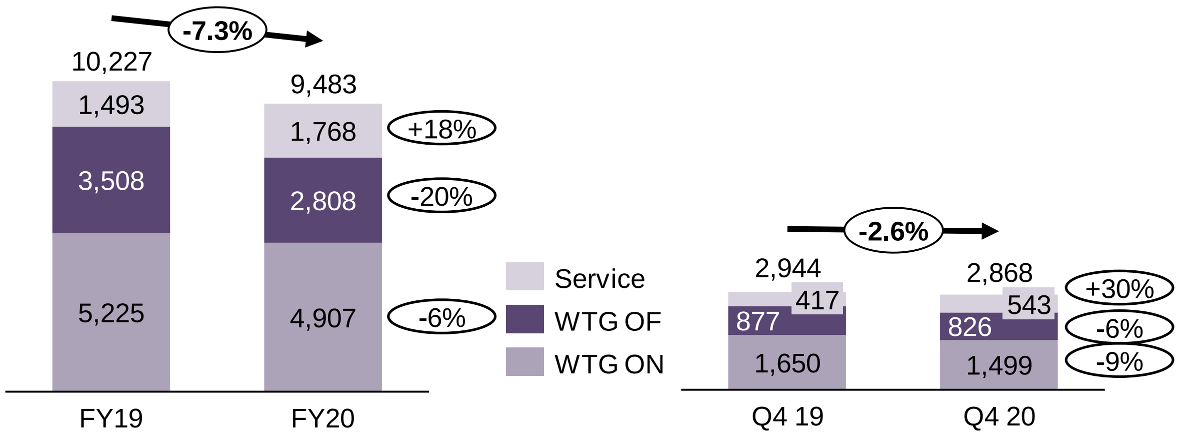
CAPEX of €601m reflects investment for future growth:

- Q4 20 CAPEX driven by investment in blade and nacelle facility in Le Havre

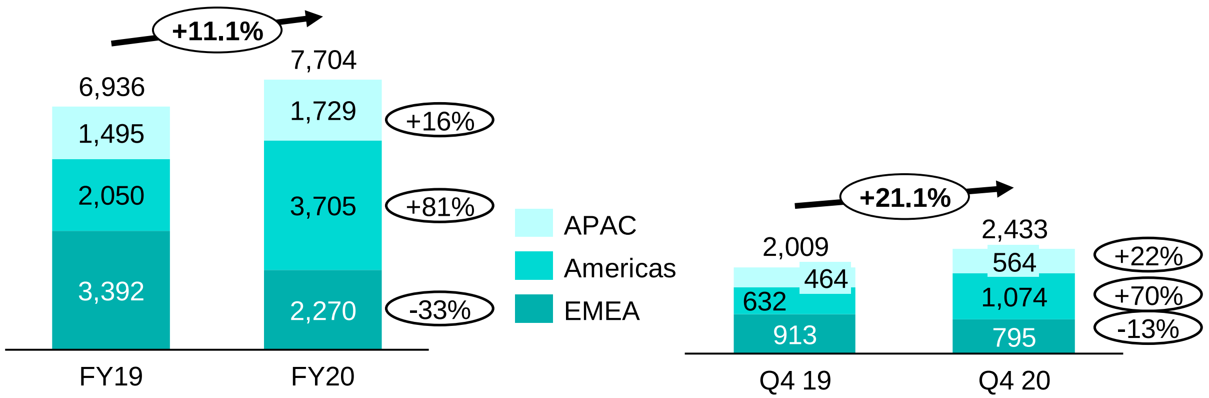
1) Impact of PPA on the amortization of the fair value of intangibles
2) LTM revenues as of September 20: €9,483m; LTM EBITDA as of September 20: -€113m
3) Within group provisions, Adwen provisions stand at €536m
4) Introduction of IFRS 16 from October 1, 2019 onwards reduces the net cash position of €863m as of September 30, 2019 to €280m as of October 1, 2019. It also changes working capital from -€833m as of September 30, 2019 to -€843m as of October 1, 2019. See note 2.D.3 in the Consolidated Financial Statements of FY19. Short- and long-term lease liabilities included in net debt amounted to €611m as of September 30, 2020
5) Variation YoY versus opening balance sheet FY20
6) Impact of PPA on amortization of intangibles, and I&R costs net of taxes

Revenue performance impacted by COVID-19 and planned WTG OF decline

Group revenues FY and Q4 (€m)



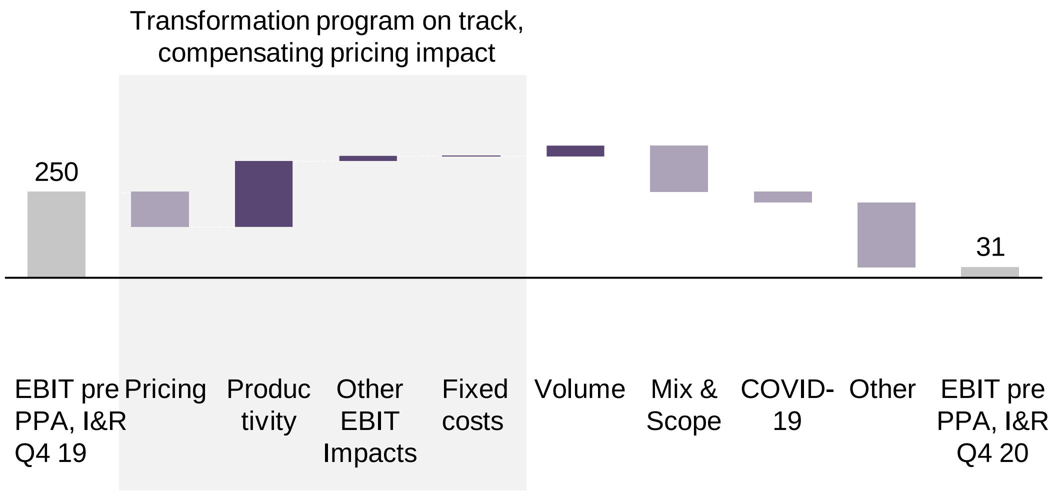
WTG ON sales volume by geography (MWe)



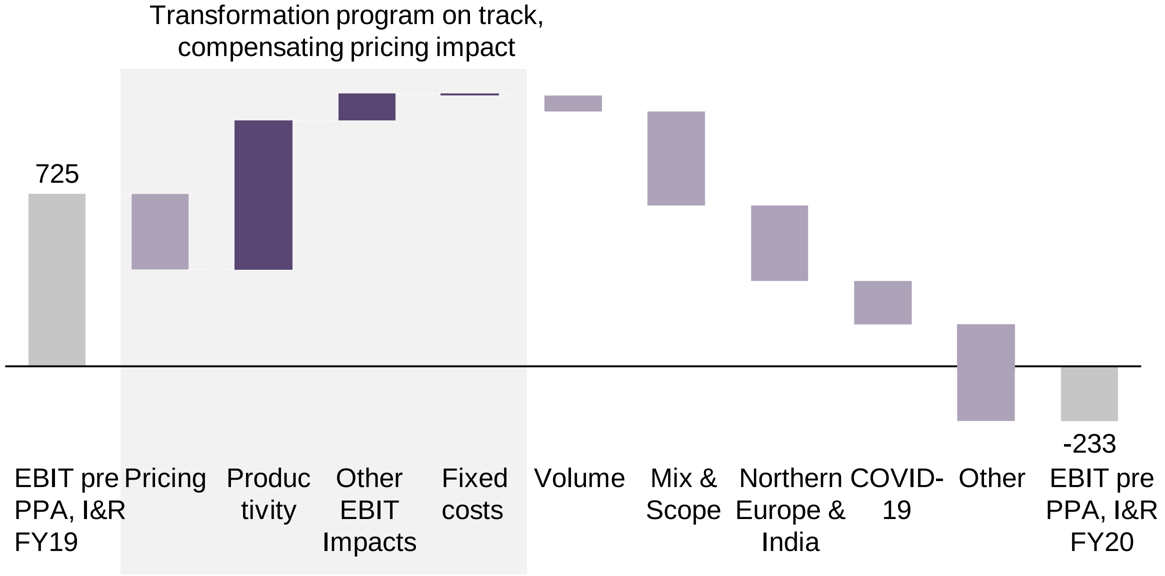
- **WTG ON revenue performance impacted by delays in project execution** as a result of COVID-19, **the Indian market slowdown and the geographic mix** with a larger contribution from Americas and Asia (both with lower scope and price)
- **Reduced revenue in WTG OF** is **in line** with FY20 project execution **planning**
- **Service revenue growth** positively impacted by **integration of Senvion Service** assets
- Q4 20 revenue negatively impacted by FX (-5%)

FY20 margin impacted by WTG ON operational weakness and by COVID-19 (-1.9 p.p. of FY20 revenue)

Group EBIT pre PPA and I&R costs (€m): Q4 20 vs. Q4 19



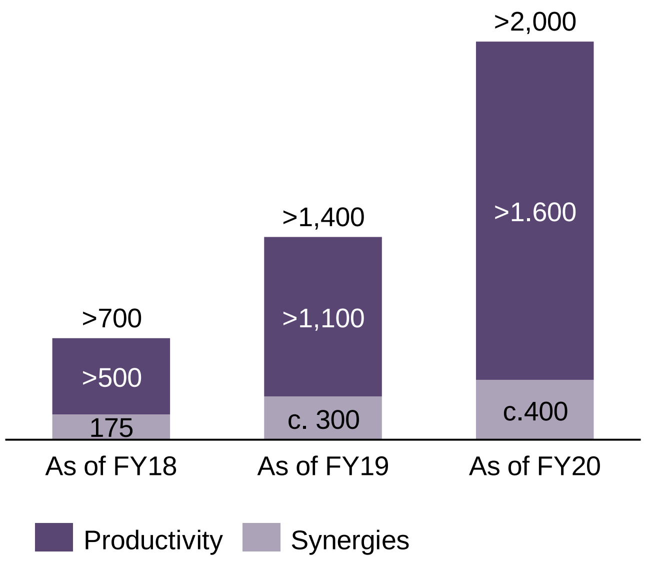
Group EBIT pre PPA and I&R costs (€m): FY20 vs. FY19



- Pricing, productivity, volume and mix & scope effects in line with expectations
- Costs associated to WTG ON India and Northern Europe in FY20: c. €319m, all incurred in 9M 20 with no impact in Q4 20
  - €69m negative impact on Q4 20 driven by preventive and improvement actions on the SG 4.X gearbox, partially included in the “Other” bar
- COVID-19 related impact: €181m in FY20, equivalent to 1.9% of revenue, and €31m in Q4 20, equivalent to 1.1% of revenue

L3AD2020 transformation program completed successfully; LEAP to continue delivering productivity gains in FY21 - FY23

Cumulative savings from transformation program (€m)



L3AD2020 transformation program successfully completed with accumulated savings > €2bn in FY18 - FY20 despite unforeseen external challenges:

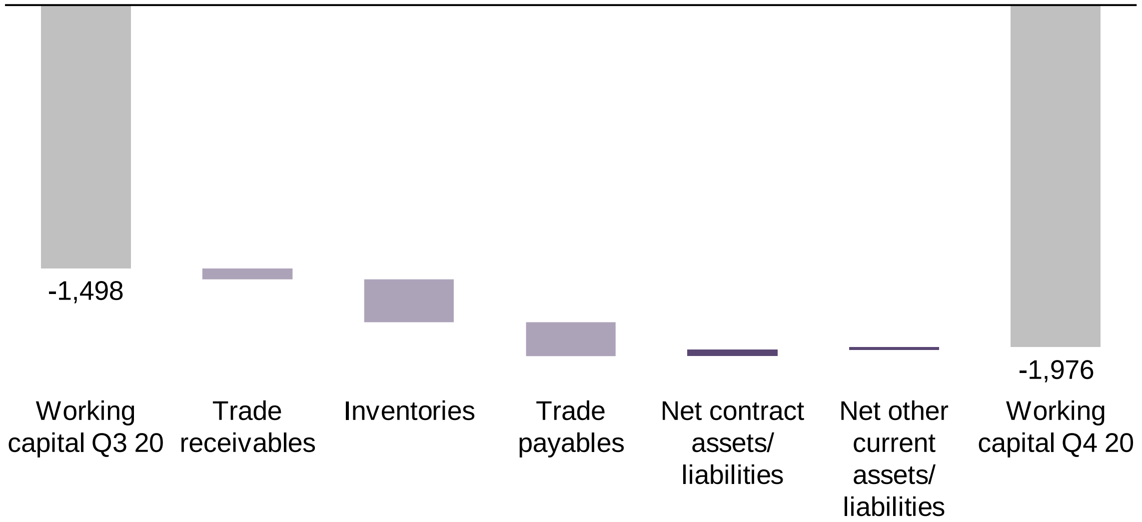
- Trade wars impacting sourcing decisions, leading to less favorable supply options. European safeguarding actions posing challenges on material costs
- Pandemic disruptions on supply chain, manufacturing activities and logistics

Company-wide LEAP program to continue delivering productivity:

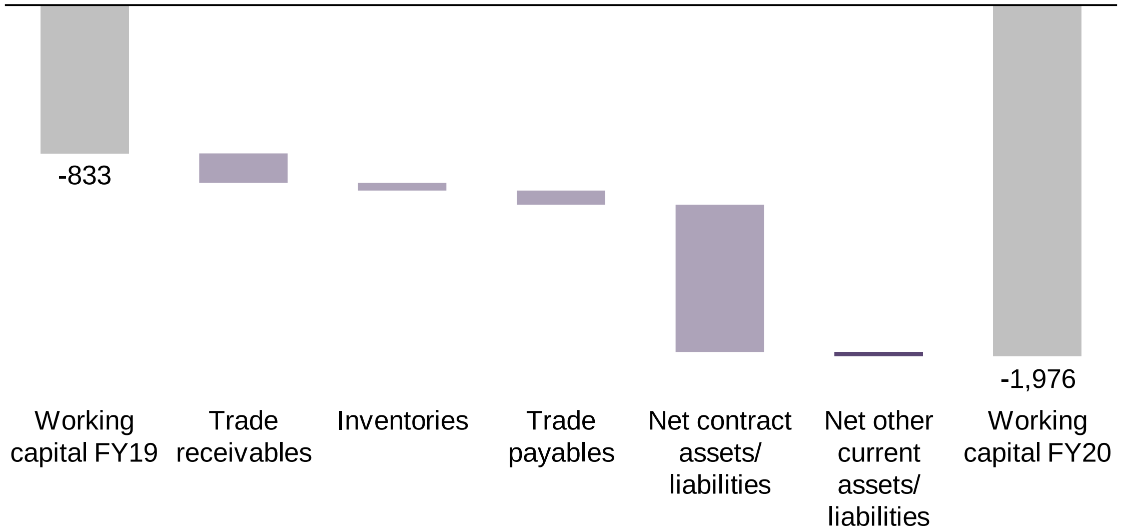
- Targeting >5% productivity in third party spending
- Strong fixed costs control
- Actions already launched on project management area, capacity consolidation, component design and manufacturing

€1.1bn in working capital improvement YoY

QoQ evolution of working capital[1] (€m)



YoY evolution of working capital[1] (€m)

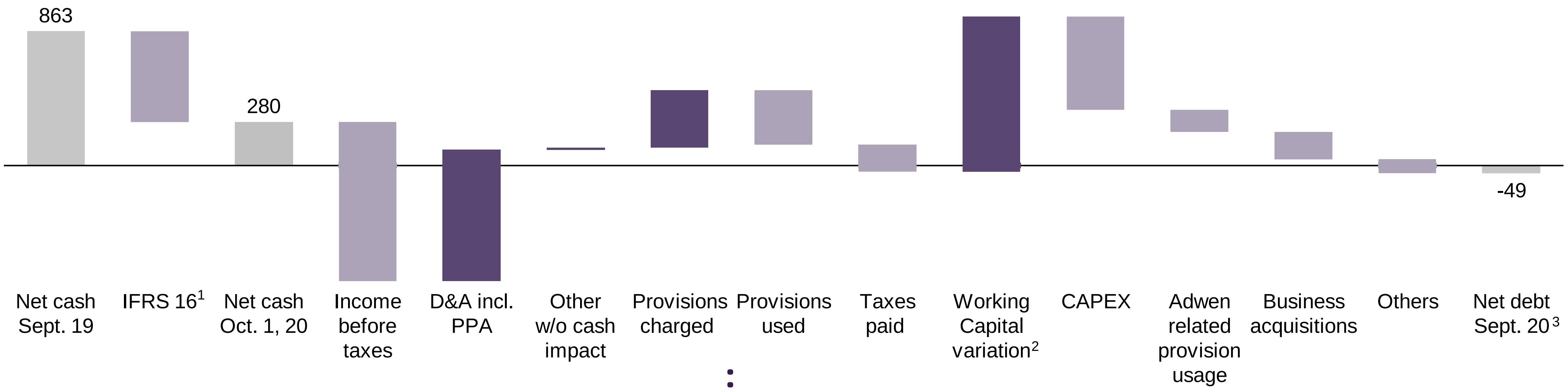


- **Strict control of all lines of working capital continue, with order intake and project planning as main drivers of annual improvement**

1) Full detail of working capital accounts can be found in the Activity Report

Net debt position as of September 2020 impacted by operating performance

Net (debt)/cash variation YoY in FY 20 (€m)



- **Net debt position of €49m impacted negatively by operating performance and positively by strong working capital development**
  - Excluding impact of IFRS 16 introduction, net debt increased €301m YoY on the back of payments related to Senvion acquisition (€177m) and Adwen related provision usage (€140m)
- **Strong liquidity position of €4.7bn** including cash to face COVID-19 impact on business
  - **C. €4.2bn in financing lines** of which €1.1bn used

1) Introduction of IFRS 16 from October 1, 2019 onwards reduces the net cash position of €863m as of September 30, 2019 to €280m as of October 1, 2019
2) Working capital cash flow effective change
3) Net debt position includes short- and long-term lease liabilities of €611m as of September 30, 2020

Outlook & Conclusion

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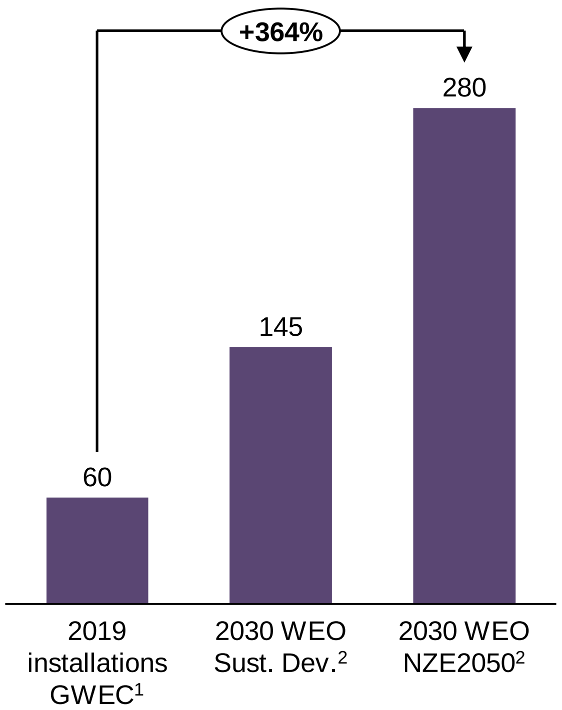
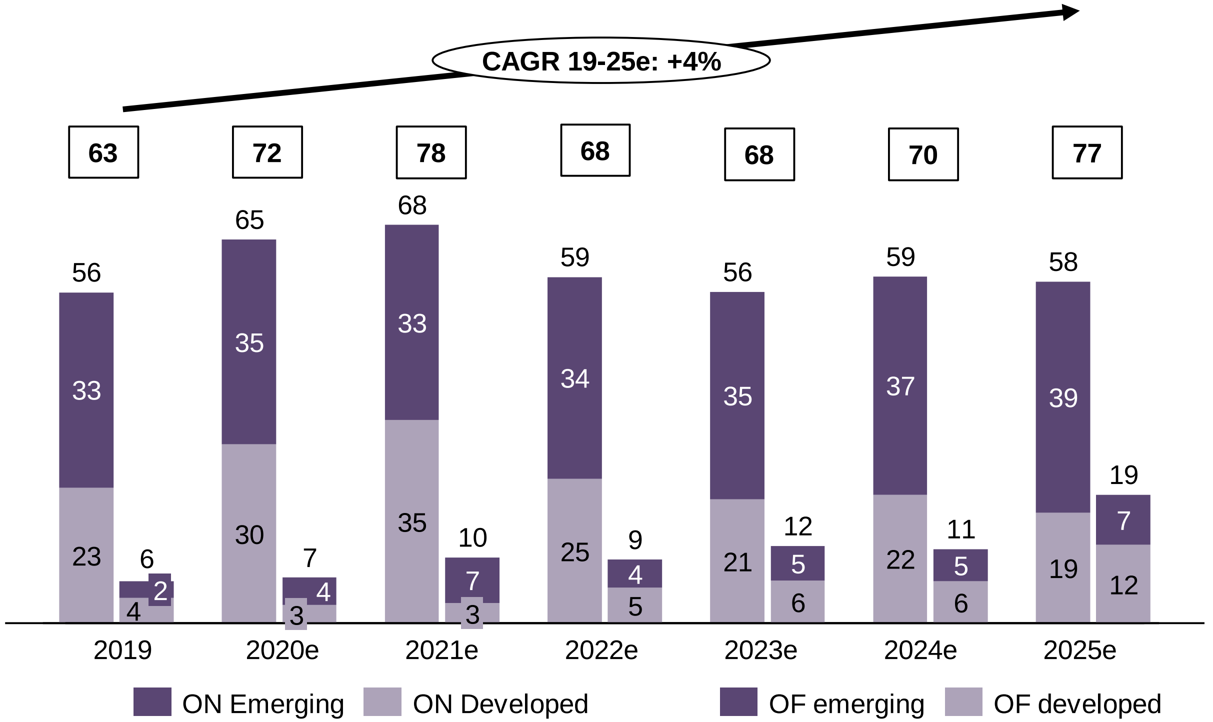
Strong potential of wind energy confirmed. SGRE placed to benefit from growth drivers

Average annual installations ON and OF (GW)



Onshore + Offshore projections (GW)[3]



Increased Offshore commitments throughout all markets with annual installations moving above 20 GW[3] before the end of the decade

1) GWEC: Global Wind Energy Council
2) International Energy Agency (World Energy Outlook)
3) Wood Mackenzie: Global Wind Power Market Outlook Update: Q3 2020

FY21 guidance in place

Guidance[1]	FY20	FY21E
Revenue (in €m)	9,483	10,200 - 11,200
EBIT margin pre PPA and I&R costs (in %)	-2.5%	3.0% to 5.0%

- Revenue coverage of 91%[2]
- I&R costs c. €300m
- PPA impact of c. €250m
- Expected payments related to Adwen of c. €125m

1) This outlook excludes charges related to legal and regulatory matters and it is given at constant FX rates. It does not include any impact from a potential lockdown of manufacturing activities or severe disruptions to the supply chain due to COVID-19 developments
2) 91% calculated over the average point of the revenue guidance range for FY 21 of €10,200m to €11,200m

Conclusions

Actions launched for SGRE to return to profitable growth:

- **Business plan FY21 - FY23** and **new management**
- **LEAP program** ready to turnaround WTG ON and support ongoing profitable growth in WTG OF and SE
- **Solid balance sheet and secured long-term financing** to support delivery

Fully committed to maintain ESG leadership

FY20 performance in line with revised guidance, but impacted by COVID-19, Indian market slowdown and execution challenges in Northern Europe

Industry long-term prospects enhanced and SGRE positioned to benefit

- Increasing commitment to Net Zero in 2050
- 79% of SGRE backlog of €30.2bn in Service and Offshore with strong execution track record and above average growth

ESG

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Strong ESG[1] delivery recognized

- **Early achievement of carbon neutrality**
- **SGRE powered by 100% renewable energy**
- **Introduction of sustainability criteria in the financing chain:** syndicated loan, guarantee lines and FX
- **AENOR certification of a Tax Compliance Management System**
- **Enhanced H&S measures** and **extensive social initiatives** to protect employees from COVID-19 and support local communities

ESG rating of A by MSCI, of 4.5/5 by FTSE Russell and of low risk ESG by Sustainalytics; ranked 1 of 25 in the Electric Components and Equipment sector by Vigeo Eiris and 3 out of 166 in the Electrical Equipment industry by Sustainalytics

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GRI Community Siemens Gamesa Renewable Energy 2020

2020 Bloomberg Gender-Equality Index

We've joined The Paris Pledge for Action

Caring for Climate

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

We Support WOMEN'S EMPOWERMENT PRINCIPLES
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UNITED NATIONS GLOBAL COMPACT
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… and part of the main ESG indices

MEMBER OF Dow Jones Sustainability Indices
In collaboration with SAM

FTSE4Good

Global Challenges Index

ECPI Sense in sustainability

STOXX
EURO STOXX® Sustainability

Corporate ESG Performance Prime
RATED BY ISS ESG

ETHIBEL SUSTAINABILITY INDEX EXCELLENCE Europe

1) ESG: Environmental, Social and Governance

Thank you!

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