Activity Report

First quarter FY 2021

October-December 2020 Results

29 January 2021

Contents

Introduction

Siemens Gamesa[1] registered strong financial performance going into fiscal 2021 (FY21), supported particularly by Offshore and Service strength. Group revenue amounted to €2,295m with an EBIT margin pre PPA and before integration and restructuring costs of 5.3%, both figures within the guidance for the fiscal year released in November 2020, which remains unchanged.

Revenue growth in the quarter (+15% y/y) was affected by the depreciation of the currencies in which the Group operates, especially in the Onshore and Service markets. Excluding said impact, revenue would have amounted to €2,427m, 21% above the revenue of the first quarter of fiscal year 2020 (Q1 20). For its part, EBIT margin pre PPA and before integration and restructuring costs in the first quarter of FY21 (Q1 21) includes a positive impact associated with a comparatively high reduction of product failure rates and lower maintenance costs.

COVID-19 pandemic continued to affect Onshore project execution, particularly in US, but this effect is expected to tail off over the coming quarters as the vaccine is rolled out. This impact was clearly lower than in fiscal year 2020 (FY20), as there were no material disruptions to manufacturing or the supply chain.

Including integration and restructuring costs (€47m in Q1 21) and the impact of PPA on amortization of intangibles (€60m in Q1 21), reported EBIT amounted to €14m, with net income attributable to the equity-holders amounting to €11m, in Q1 21.

As for the balance sheet, Siemens Gamesa ended Q1 21 with -€476m in net debt, i.e. €427m more than at the end of the previous fiscal year. The increase in net debt in Q1 21 was mainly due to an increase in working capital, which ended the quarter at -€1,699m, equivalent to -17.4% of revenue in the last twelve months. The working capital position represents a normalization from the level at FY20 closing and reflects both the lower level of commercial activity in Q1 21 and the planning for annual activity, with a higher level of execution and deliveries in the second half of the fiscal year. The shift in activity towards the second half of the fiscal year has been accentuated by the persistence of the pandemic. At December 31, 2020, Siemens Gamesa had €4.4bn in authorized funding lines, against which it had drawn €1.3bn, and a total available liquidity that amounts to €4.6bn considering the cash position on the balance sheet as of the end of Q1 21.

As for commercial activity, the Group ended Q1 21 with a backlog of €30,104m, i.e. €2,015m more than at the end of December 2019, having signed orders worth €2,281m in Q1 21. Order volume in Q1 21 and its annual evolution reflects the volatile profile of the Offshore market, that affects the order intake for both Wind Turbine Generators and Service. It is important to highlight the high volume of auctions expected in the Offshore market during 2021 and for which the company maintains a high level of cooperation with its customers. The conditional Offshore pipeline amounted to 9.3 GW. In Onshore, it is important to note that the SG 5.X platform proved very successful, contributing 1.1 GW in orders for Q1 21, and that plays a role in the return to a normalized and sustainable level of profitability in the Wind Turbine business. At the date of this report the accumulated volume of orders for the SG 5.X amounted to 2.3 GW.

In the area of sustainability, Siemens Gamesa's membership was renewed for the Gender Equality Index, with a score increase compared to 2020 (from 69% to 75%), and for the Dow Jones Sustainability indexes (Dow Jones Sustainability World and Dow Jones Sustainability Europe), in which it ranked #4 out of 114 in the Machinery and Electrical Equipment sector. Also in Q1 21, ISS ESG[2] completed the ESG rating process and granted the company a B+ rating.

[1]Siemens 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).

[2]ISS ESG is a division of the ISS (Institutional Shareholder Services) group that, among other activities, rates the sustainability of listed companies on the basis of their environmental, social and governance performance.

Main consolidated figures Q1 21

- Revenue: €2,295m (+15% y/y)
- EBIT pre PPA and before integration and restructuring costs[3]: €121m (N.A.)
- Net income: €11m (N.A.)
- Net cash/(Net financial debt – NFD)[4]: -€476m
- MWe sold: 2,478 MWe (+28% y/y)
- Order book: €30,104m (+7% y/y)
- Firm order intake in Q1: €2,281m (-51% y/y)
- Firm order intake in the last twelve months: €12,389m (-16% y/y)
- Firm WTG order intake in Q1: 2,360 MW (-39% y/y)
- Firm WTG order intake in the last twelve months: 10,778 MW (-17% y/y)
- Installed fleet: 110,026 MW
- Fleet under maintenance: 75,493 MW

Markets and orders

Renewable energies, including wind, have proved to be very resilient during the pandemic. Acceleration of decarbonization commitments and the role of renewable energy in economic recovery programs have had a positive impact on demand prospects in the short-, mid-, and long-term. In this context, Siemens Gamesa booked orders worth €12,389m in the last twelve months, ending December 2020 with an order book totaling €30,104m (+7% y/y), i.e. €2,015m more than at the end of December 2019. Order intake in the period amounted to 1.3 times LTM revenue.

At the end of Q1 21, 51% of the backlog (i.e. €15,272m) was in Service, which has higher returns and expanded by 17% year-on-year, after the acquisition of the European service business of Senvion. The WTG order book is split into €7,903m Offshore (+4% y/y) and €6,929m Onshore (-7% y/y).

Figure 1: Order book at 12.31.20 (€m)

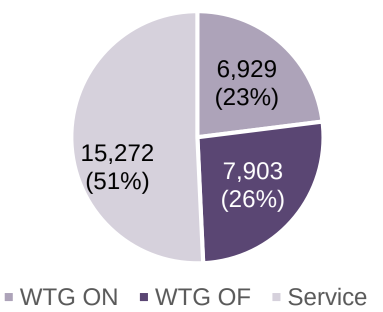
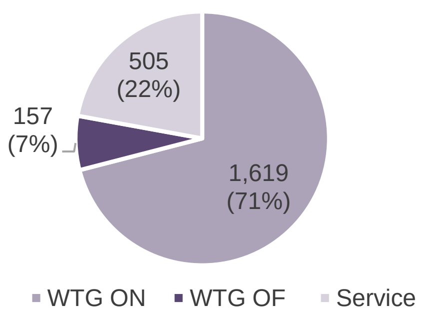


Figure 2: Order intake Q1 21 (€m)



The Group signed new orders worth €2,281m in Q1 21, compared with €4,628m signed in Q1 20. Performance year-on-year reflects mainly the standard volatility in the Offshore market, with a large volume of orders in both WTG and Service in Q1 20. During the coming quarters, commercial activity associated to this market will recover.

Onshore ended the quarter with €1,619m in new orders, stable y/y, and a volume of 2,360 MW, down 8% on the year-ago quarter. Order intake in the last twelve months amounted to 7,919 MW, worth €5,539m, i.e. a book-to-bill

[3]EBIT pre PPA and before integration and restructuring costs excludes integration and restructuring costs in the amount of €47m and the impact of fair value amortization of intangible assets as a result of the PPA (purchase price allocation) in the amount of €60m.

[4]Cash / (Net financial debt) is defined as cash and cash equivalents less financial debt (both short- and long-term, including lease liabilities). The Siemens Gamesa Group adopted IFRS 16 effective October 1, 2019. At December 31, 2020, lease liabilities amounted to €677m: €194m short-term and €483m long-term.

ratio of 1.1 times Onshore revenue in the period. The book-to-bill ratio in Q1 21 was 1.5 times the revenue in the period. The year-on-year change in Onshore commercial activity for Q1 21 reflects the lower contribution from China, the persisting weakness of the Indian market, and the company's new commercial strategy to prioritize returns over volume, in a market environment that is expected to reach a temporary peak of installations in 2021.

Figure 3: Onshore order intake (€m) LTM (%)

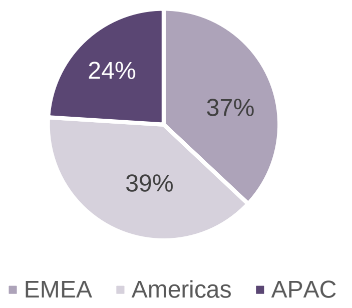
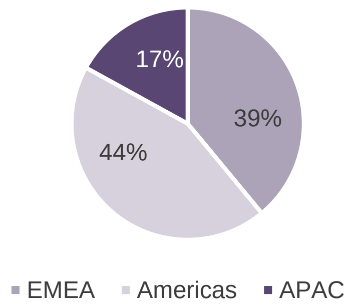


Figure 4: Onshore order intake (€m): Q1 21 (%)



Of the 45 countries that contributed new Onshore (in monetary terms) orders in the last twelve months, the most outstanding are US (21% of the total), Brazil (12%), Vietnam (10%) and Sweden (9%). They were followed by India (6%), Spain (6%) and Poland (5%). In Q1 21, the main sources of new orders were Sweden (21%), US and Brazil (20% each) and Vietnam (14%).

A major driver of strong Onshore commercial activity in Q1 21 was the SG 5.X strength; this turbine logged 1.1 GW of orders. In particular, a record order for this platform was signed in Brazil: 75 Siemens Gamesa 5.8-170 wind turbines equipped with OptimaFlex technology to operate at 6.2 MW, which are due to become operational in 2022. Thus, 82% of orders received in Q1 21 are for platforms with capacity of 4 MW or more (38 p.p. more than in Q1 20).

Table 1: Onshore order intake (MW)

Onshore order intake (MW):	**LTM**	**Q1 21**
Americas	3,139	1,099
US	1,798	504
Brazil	1,040	465
EMEA	2,619	782
Spain	408	-
Morocco	301	-
Poland	299	24
Sweden	744	511
APAC	2,161	479
India	473	-
China	169	-
Pakistan	378	-
Vietnam	888	470
Total (MW)	**7,919**	**2,360**

In Offshore, Siemens Gamesa continues to work very closely with customers to prepare for the sizable volume of auctions expected in 2021 and in subsequent years. Offshore is now the primary energy source for achieving the decarbonization goals. Only in 2021, auctions with a volume of c. 14 GW have been announced, while there are auctions for an estimated volume of 3.8 GW whose date, and final volume, has yet to be confirmed. In Q1 21, there were auctions for additional 7 GW.

Order intake in this market is normally very volatile, with firm orders and preferred supply agreements concentrating and shifting among quarters. Signature of contracts for FY20 was concentrated in the first and third quarters. In FY21, part of the conditional pipeline (9.3 GW) is expected to be converted into firm orders, in line with the Group's commitment to achieve a book-to-bill ratio of over 1 this fiscal year.

The Service division booked €505m in new orders in Q1 21, a book-to-bill ratio of 1.3 times the revenue in the period. The annual evolution of the order intake for Service also reflects the volatility of the Offshore market that played a very relevant role in the Service contracts in Q1 20. For Service commercial activity, it is worth mentioning a 10-year contract signed to maintain the largest wind farm with Senvion technology in Latin America. This contract, for 299 MW in Chile, brought total signed maintenance contracts for Senvion turbines since the acquisition of the Senvion European service business to 1.5 GW.

Table 2: Order intake (€m)

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
WTG	3,158	1,424	4,227	1,776	1,776
Onshore	1,611	1,350	872	1,698	1,619
Offshore	1,547	74	3,355	78	157
Service	1,470	779	1,115	787	505
Group	**4,628**	**2,203**	**5,342**	**2,564**	**2,281**

Prices in comparable terms in the Onshore market remain stable, in line with the trend of the last two years. The average selling price has been affected both by currency fluctuations (negative y/y) and by the geographic mix (positive, with a lower contribution from APAC in Q1 21). The larger contribution by turbines with higher rated capacity continues to have a dilutive effect.

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

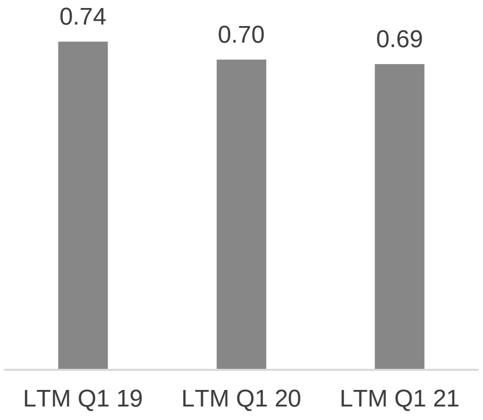
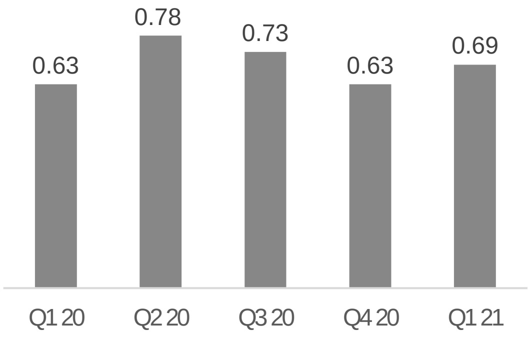


Figure 6: Average selling price - Onshore order intake (€m/MW)



Key financial performance metrics

The table below shows the main financial aggregates for the first quarter (October-December) of FY21 (Q1 21) and FY20 (Q1 20), as well as the change between the periods.

Table 3: Key figures

€m	Q1 20	Q1 21	Change y/y
Group revenue	2,001	2,295	+14.7%
WTG	1,634	1,899	+16.2%
Service	366	396	+7.9%
WTG volume (MWe)	1,932	2,478	+28.3%
Onshore	1,747	1,744	-0.1%
Offshore	185	734	+4.0x
EBIT pre PPA and before I&R costs	-136	121	N.A.
EBIT margin pre PPA and before I&R costs	-6.8%	5.3%	+12.1 p.p.
WTG EBIT margin pre PPA and before I&R costs	-13.7%	1.0%	+14.7 p.p.
Service EBIT margin pre PPA and before I&R costs	24.1%	25.9%	+1.8 p.p.
PPA amortisation[1]	66	60	-9.2%
Integration and restructuring costs	27	47	+72.0%
Reported EBIT	-229	14	N.A.
Net income attributable to SGRE shareholders	-174	11	N.A.
Net income per share attributable to SGRE shareholders[2]	-0.26	0.02	N.A.
Capex	92	140	+48
Capex/revenue (%)	4.6%	6.1%	+1.5 p.p.
Working capital (WC)	-939	-1,699	-760
Working capital/revenue LTM (%)	-9.4%	-17.4%	-8.0 p.p.
Net (debt)/cash[3]	175	-476	-650
Net (debt)/EBITDA LTM	N.A.	-3.45	N.A.

1. Impact of the Purchase Price Allocation (PPA) on amortization of intangibles.
2. Earnings per share calculated using the weighted average number of outstanding shares in the period. Q1 20: 679,514,202; Q1 21: 679,517,513.
3. Lease liabilities at December 31, 2019: €588m and at December 31, 2020: €677m.

The Group's financial performance in Q1 21 was in line with the guidance published for the year. Group revenue amounted to €2,295m, 15% more than in Q1 20. Revenue growth was driven by the strong performance of both Offshore revenue, which increased by 62% with respect to Q1 20, and Service revenue, which were up 8% year-on-year. Onshore revenue continues to be affected by some delays in project execution, especially in the American market, as a result of the pandemic; these delays will be recovered in the coming quarters as vaccination campaigns advance. Revenue for Q1 21, especially in Onshore and Service, have suffered an impact from the deterioration of the currencies in which the Group operates. Excluding this impact, revenue growth would have amounted to 21% y/y[5].

EBIT pre PPA and before integration and restructuring costs amounted to €121m in Q1 21, i.e. 5.3% margin on revenue, an improvement of 12.1 percentage points year-on-year.

[5]Revenue amounted to €2,427m at constant currency. The weighted average impact of year-on-year depreciation of the currencies in which the Group operates amounted to -€132m in Q1 21.

The trend in EBIT pre PPA and before integration and restructuring costs for the Group in Q1 21 reflects the impact of the following factors:

(-) The price cuts included in the order book (Onshore, Offshore and Service) at the beginning of the year.

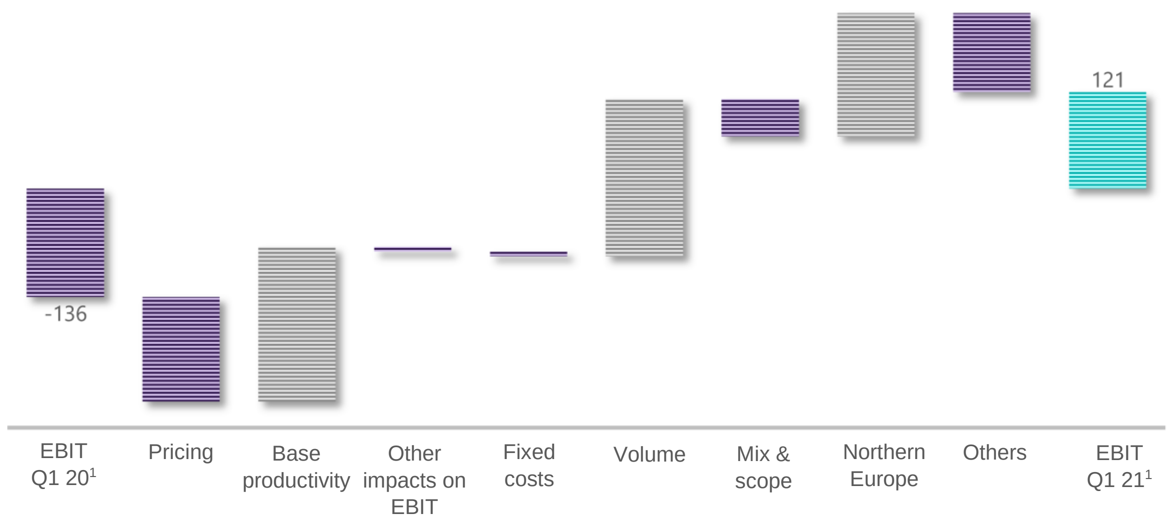
(+) Improvements in productivity which offset the price reduction.

(+) Higher activity (volume), especially in Offshore, enabling a better absorption of overheads.

In addition to these factors, which performed in line with expectations, profitability in Q1 21 reflects the positive impact on Service performance derived from a comparatively high reduction in product failure rate and a reduction in third party spending.

The year-on-year improvement in the margin reflects the negative impact on the Q1 20 margin of cost overruns on Onshore projects in Northern Europe which as a consequence, is a positive effect in the EBIT reconciliation in figure 7. It is also important to note that there were no additional charges linked to preventive actions and improvements on the SG 4.X gearbox.

Figure 7: EBIT pre PPA and before I&R costs (€m)



1. EBIT pre PPA and before integration and restructuring (I&R) costs.

The impact of the PPA on amortization of intangible assets was €60m in Q1 21, while integration and restructuring (I&R) costs amounted to €47m in the same period. Integration and restructuring costs will rise in the coming quarters as the necessary restructuring actions are undertaken to regain profitability in WTG. Integration and restructuring costs in Q1 21 include c. €4m corresponding to the integration of Senvion including Vagos.

Net financial expenses amounted to €12m in Q1 21 (€12m in Q1 20), with taxes amounting to a corporate tax income of €8m (corporate tax income of €68m in Q1 20).

As a result, including the impact of amortization of the PPA and integration and restructuring costs, both net of taxes, amounting to a total of €77m in Q1 21, the Group reported a net income of €11m (-€174m in Q1 20). The net income per share for equity-holders of Siemens Gamesa amounted to €0.02 (-€0.26 in Q1 20).

Group working capital stood at -€1,699m at the end of the first quarter, equivalent to -17.4% of revenue. The €277m increase from year end of FY20 is the result of following factors: annual planning of the activity including a larger volume of deliveries in the second half of the year, particularly in the fourth quarter, the impact of lower order intake because of volatility in the Offshore market, the need to maintain inventories of critical components to ensure business continuity given the persisting pandemic, and finally, the normalization of working capital level with respect to the figure attained at the end of FY20 (-€1,976m, equivalent to -20.8% of LTM revenue). The Group continues with its asset management policy to maintain an optimal level of working capital.

Table 4: Working capital (€m)

Working capital (€m)	Q1 20	Q2 20	Q3 20	Q4 20	Oct. 1, 20[2]	Q1 21	Change y/y
Accounts receivable	1,108	1,073	1,211	1,141	1,141	1,152	44
Inventories	2,071	2,115	2,064	1,820	1,820	1,718	-353
Contract assets	1,801	1,808	1,715	1,538	1,538	1,517	-284
Other current assets	578	466	584	398	398	467	-111
Accounts payable	-2,471	-2,544	-2,781	-2,964	-2,964	-2,393	78
Contract liabilities	-3,193	-3,101	-3,362	-3,148	-3,171	-3,393	-200
Other current liabilities	-833	-682	-929	-761	-744	-767	66
Working capital (WC)	**-939**	**-865**	**-1,498**	**-1,976**	**-1,981**	**-1,699**	**-760**
Change q/q	-106[1]	74	-633	-477		277[2]	
Working capital/revenue LTM	**-9.4%**	**-8.8%**	**-15.7%**	**-20.8%**	**-20.9%**	**-17.4%**	**-8.0 p.p.**

1. The application of IFRS 16 modified the beginning balance of the "Other current assets" account by €10m: from €461m at the end of FY19 to €451m at the beginning of FY20. Working capital at the beginning of FY20 amounted to -€843m, €10m less than at the end of FY19. Considering the impact of IFRS 16, working capital decreased by €95m in the first quarter of FY20.
2. Comparable for Opening Balance Sheet adjustments of acquired businesses (PPA of Senvion business combinations, according to IFRS 3). Considering this adjustment, working capital decreased by €283m in Q1 21.

Capital expenditure amounted to €140m in Q1 21, in line with the guidance for the year. Investment was concentrated in developing new Onshore and Offshore products, in tooling and equipment, and in the nacelles and blades facility in Le Havre. More than half of capital expenditure in the year was concentrated in Offshore in order to tap demand growth in the coming years.

The net debt position increased by €427m[6] to -€476m at the end of Q1 21, mainly as a result of the working capital evolution. The company maintains a sound financial position, with access to €4.4bn in committed credit lines, bringing liquidity position to €4.6bn considering cash on hand.

WTG

Table 5: WTG (€m)

€m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Change y/y
Revenue	1,634	1,808	1,947	2,325	1,899	16.2%
Onshore	1,116	1,149	1,143	1,499	1,061	-5.0%
Offshore	518	660	805	826	838	61.9%
Volume (MWe)	1,932	2,183	2,627	3,226	2,478	28.3%
Onshore	1,747	1,649	1,876	2,433	1,744	-0.1%
Offshore	185	534	751	793	734	4.0x
EBIT pre PPA and before I&R costs	-224	-54	-256	-99	18	N.A.
EBIT margin pre PPA and before I&R costs	-13.7%	-3.0%	-13.2%	-4.3%	1.0%	14.7 p.p.

WTG revenue in Q1 21 amounted to €1,899m, 16% more than in Q1 20, supported by Offshore revenue growth (+62% y/y).

The increase in Offshore revenue was due mainly to the increased manufacturing activity (MWe), needed for the deliveries programmed for FY21. During Q1 21, 734 MWe of Offshore turbines were produced mainly for Hornsea 2, Kriegers Flak, Yunlin and Fryslan wind farms. In addition, the delivery of Seamade wind farm in the North Sea (58

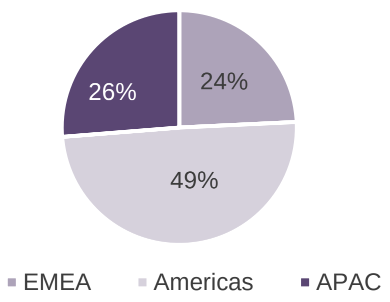
[6] Net financial debt as of December 31, 2020: -€476m, including €677m of lease liabilities.

SG 8.0-167 DD turbines) was completed in Q1 21. It is important to note that year-on-year comparison for manufacturing volume, multiplied by four in Q1 21, was favored by the ramp-up of the manufacturing of the 8 MW platform at Cuxhaven in Q1 20 which slowed the pace of manufacturing in that quarter, and should not be extrapolated to the remaining quarters in FY21.

Onshore revenue evolution in Q1 21 (-5% y/y) with stable manufacturing activity level (1,744 MWe in Q1 21 and 1,747 MWe in Q1 20) and stable installations (2,364 MW in Q1 21 and 2,321 MW in Q1 20) reflects the negative impact of the depreciation of currencies in which the Group operates. Additionally, the lack of growth during the quarter is a consequence of the sustained impact of the pandemic on project execution and delivery, particularly in the United States, where the PTC cut-off dates were extended. The pace of activity is expected to recover in the coming quarters, and specially in the second half of the fiscal year, as vaccination campaigns progress.

The main sources of Onshore sales (MWe) in Q1 21 were US (29% of the total), China and Chile (11% each), Greece (9%), Brazil (8%) and Vietnam (7%).

Figure 8: Onshore sales (MWe) Q1 21 (%)



EBIT pre PPA and before integration and restructuring costs amounted to €18m in Q1 21, equivalent to a margin on revenue of 1.0%, i.e. 14.7 percentage points above the EBIT margin pre PPA and before integration and restructuring costs in Q1 20.

The improved profitability in the WTG division reflects the larger contribution by Offshore revenue and the end of the costs associated with the execution challenges on Onshore projects in Northern Europe that had a considerable impact on profitability in Q1 20. The expected effect of lower prices continues to be offset by efficiencies tied now to the LEAP program. Apart from the productivity measures aimed at cutting costs, which include a year-on-year reduction of c. 5% in third party spending, and strict control of fixed costs, the company continues to advance with the measures aimed at restoring the WTG division to profitability:

- During the first quarter of FY21, a project management operational framework (PM@SGRE) was rolled out throughout the organization and will serve to share best practices; the Group has begun to relocate resources to the areas where they are most needed.
- In January 2021 (within the second quarter of FY21), the company announced new measures to adapt manufacturing capacity to demand in the Onshore market, with the closure of the Somozas and Cuenca plants. It also announced a new, simplified organization structure that will enable it to cut costs and accelerate processes.

Operation and Maintenance Service

Table 6: Operation and maintenance (€m)

€m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Change y/y
Revenue	366	395	464	543	396	7.9%
EBIT pre PPA and before I&R costs	88	87	96	130	102	16.0%
EBIT margin pre PPA and before I&R costs	24.1%	21.9%	20.6%	24,0%	25.9%	1.8 p.p.
Fleet under maintenance (MW)	63,544	71,476	72,099	74,240	75,493	18.8%

Revenue in the Service business increased by 8% compared with Q1 20 to €396m. This performance was driven positively by the integration of the acquired European service business of Senvion in January 2020, and negatively by the depreciation of currencies in which the Group operates.

The fleet under maintenance stands at 75.5 GW, 19% more than in Q1 20. The Offshore fleet under maintenance, 11.8 GW, decreased by 4% y/y (2% from the end of FY20), while the Onshore fleet expanded by 24% y/y to 63.7 GW, mainly as a result of integrating the fleet acquired from Senvion. The fleet of third-party technologies under maintenance totaled 11 GW[7] as of December 31, 2020.

The contract renewal rate was 87% in Q1 21, above the rate achieved in FY20 (70%).

EBIT pre PPA and before integration and restructuring costs amounted to €102m in Q1 21, equivalent to a margin of 25.9% on revenue, 2 percentage points above the year-ago quarter (24.1% in Q1 20). The margin improvement in Q1 21 reflects the positive impact of the comparatively high reduction in product failure rates and a reduction in third party spending.

[7]The fleet of third-party technology under maintenance has been redefined to exclude the technology of companies acquired before the merger between Siemens Wind Power and Gamesa Corporación Tecnológica (MADE, Bonus and Adwen).

Sustainability

The table below shows the main sustainability figures for the first quarter Q1 20 and Q1 21, and the variation year-on-year.

Table 7: Main sustainability figures

	Q1 20[1]	Q1 21[1]	Change y/y
Workplace Health & safety			
Lost Time Injury Frequency Rate (LTIFR)[2]	1.32	1.18	-11%
Total Recordable Incident Rate (TRIR)[3]	2.87	2.98	4%
Environment			
Primary (direct) energy used (TJ)	117[4]	174	49%
Secondary (indirect) energy use (TJ)	176	172	-2%
of which, Electricity (TJ)	151	153	1%
from renewable sources (TJ)	99	153	55%
from standard combustion sources (TJ)	52	0	N.A.
renewable electricity (%)	66	100	52%
Fresh water consumption (thousand m3)	108	120	11%
Waste production (kt)	17	19	12%
of which, hazardous (kt)	3	2	-33%
of which, non-hazardous (kt)	14	17	21%
Waste recycled (kt)	12	14	17%
Employees			
Number of employees (as of the end of the period)[5]	24,327	25,918	7%
employees aged < 35 (%)	37.9	36.0	-5%
employees aged 35-44 (%)	36.5	37.9	4%
employees aged 45-54 (%)	18.4	19.1	4%
employees aged 55-60 (%)	4.5	4.8	7%
employees > 60 (%)	2.1	2.3	10%
employees other not classified (%)	0.5	-	-
Women in workforce (%)	18.9	19.0	1%
Women in management positions (%)	10.5	12.6	20%
Supply chain			
No. of Tier 1 suppliers	11,543	10,793	-6%
Purchase volume (€m)	1,836	1,552	-15%

1. Non-audited figures.
2. LTIFR index is calculated for 1,000,000 hours worked and includes all accidents with at least one work day 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. Q1 20 primary energy data is adjusted and modified to make it comparable with the methodology applied for the Q1 21 measurement.
5. Headcount totals in Q1 FY21 include the recent acquisition of Senvion.

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

Outlook

Economic situation

The end of 2020 and prospects for short-term economic growth continue to be marked by the COVID-19 pandemic.

The latest World Bank report (WB)[8] estimates that the world economy shrank by 4.3% in 2020, which was less severe than had originally been projected thanks to a stronger recovery in China, which ended the year in positive territory (2.0%), and to a smaller-than-expected decline in the advanced economies (-5.4%). In contrast, emerging markets and developing countries (-5.0%) experienced a sharper decline than initially expected, particularly India (-9.6%) and Mexico (-9.0%), which experienced lengthy periods of lockdown.

The recovery that was projected in October[9], supported by partial easing of the lockdowns, was tarnished by a surge in infection numbers, but it is expected to gain strength in 2021 and 2022 as the population is gradually vaccinated, coupled with improvements in capital and consumer spending and in global trade. The World Bank expects 4.0% growth in 2021 and 3.8% in 2022, meaning that global GDP in 2022 will be 4.4% lower than estimated before the pandemic. The advanced economies will achieve growth of 3.3% in 2021 and 3.5% in 2022 while the emerging economies (excluding China) will expand by 3.4% in 2021 and 3.6% in 2022. China is expected to achieve growth of 7.9% in 2021 and 5.2% in 2022.

However, the short-term outlook according to the WB remains highly uncertain and different growth outcomes are still possible. The WB presents an adverse scenario in which case numbers continue to rise and the roll-out of a vaccine and a global vaccination plan is delayed. This scenario would limit global growth to 1.6% in 2021. Meanwhile, an optimistic scenario involving successful control of the pandemic and a faster vaccination process would accelerate global growth to almost 5%.

Looking beyond the next two years, overcoming the impact of the pandemic and laying the foundations for solid long-term growth will require the development of policies and the implementation of comprehensive reforms leading to equitable and sustainable economic development. Actions to mitigate climate change, including investment in "green" infrastructure, will play a central role in achieving such development.

Long-term worldwide prospects for wind

As noted in the previous section, measures aimed at mitigating climate change, including investment in "green" infrastructure, play a central role not only in the economic recovery over the short-term but also in laying the foundations for solid, sustainable growth in the long-term. The recognition of this role has prompted governments and supranational organizations to announce plans to step up their emission reduction targets, consequently improving the long-term prospects for wind power. In this context, the European Council has increased the 2030 emission reduction target to 55% (from 40%), China has announced a goal of zero emissions by 2060, with the peak coming in 2030, and the new president of US, Joe Biden, made the commitment to combat climate change, including decarbonization of the energy industry by 2035, a central plank of his election program.

To make this a reality, these commitments need concrete action policies, material investments and funding mechanisms that go well beyond those currently in place. In contrast with previous periods, the pandemic has accelerated the drafting and, in some cases, adoption of such policies, the approval of investments and the implementation of the necessary funding mechanisms, which has increased the visibility of the International Energy Agency's (IEA) Sustainable Development Scenario. According to the IEA's latest report (WEO 2020)[10], this scenario will lead to a total of 3,000 GW of wind capacity worldwide by 2040, i.e. slightly over 1,000 GW more than in the Stated Policies Scenario (1,914 GW accumulated by 2040), and to 145 GW to be installed per year by 2030 and to 160 GW by 2040, compared with a sustained pace of 60 GW of new installations per year under the Stated Policies Scenario. Additionally, under this Sustainable Development Scenario, Offshore wind will be the largest single power source by 2050, accounting for 25% of electricity supply, followed by Onshore wind, nuclear and solar photovoltaic.

---

[8]World Bank. Global Economic Prospects. January 2021.

[9]International Monetary Fund. World Economic Outlook. October 2020. Activity Report FY20.

[10]IEA. World Energy Outlook 2020 (WEO 2020). October 2020.

The costs of generating electricity from wind will also continue to decline due to technological improvements and low funding costs, reaching approximately USD 50 per MWh in the next 5 years.

However, even in the IEA's Sustainable Development Scenario, the goal of zero net emissions will not be attained until 2070, far later than the commitments announced by the EU, the UK and the new president of US, Joe Biden, to achieve zero emissions by 2050. In order to achieve the goal of zero net emissions globally by 2050, more ambitious and far-reaching measures are needed, and they must be implemented this decade (2020-2030). These measures, set out in the Net Zero Emissions by 2050 case (NZE2050) in the IEA's WEO 2020, would boost average annual wind power installations from 60 GW in 2019 to 160 GW in 2025 and 280 GW in 2030.

BloombergNEF[11] draws similar conclusions in its latest report, NEO 2020. Just considering the economic foundations of the energy transition, ignoring the climate objectives, wind installations would average 147 GW per year through 2050. Adding the facilities required to reduce global warming below 2°C would bring annual installations to an average of 375 GW per year.

Figure 9: Wind installations (cumulative GW_e)

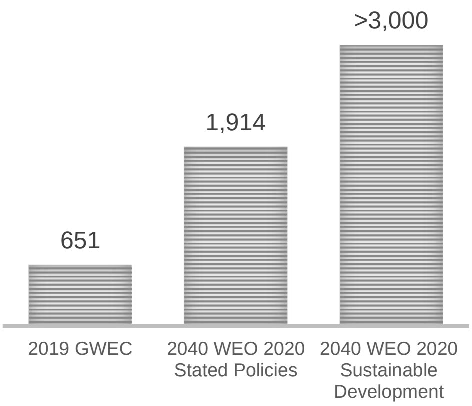
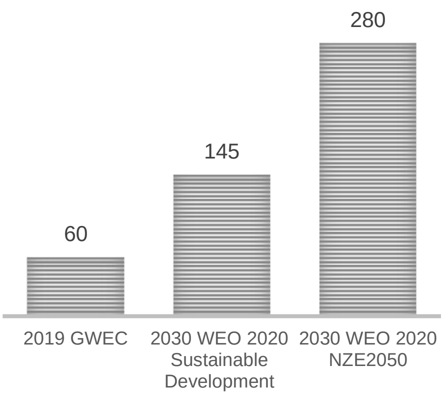


Figure 10: Annual installations 2019-30E ($GW/year_e$)



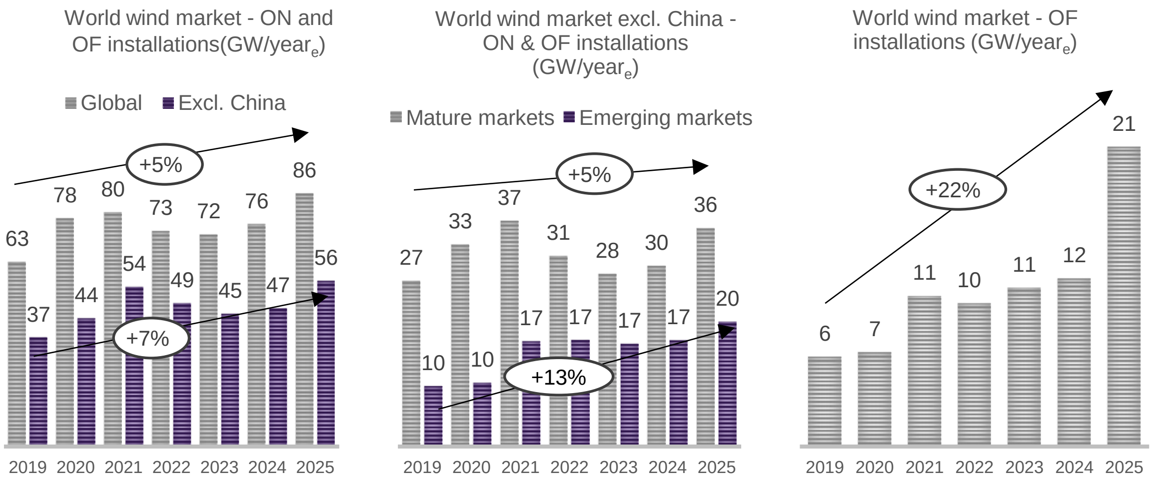
[11] BloombergNEF. New Energy Outlook 2020 (NEO 2020). October 2020.

Quarterly update of short- and medium-term demand

Renewable energy has proven to be much more resilient than any other energy source, more than expected in the previous quarter, and demand prospects for wind installations have improved not only in the long-term but also in the short- and mid-term, both for Onshore and for Offshore.

These improvements are evident in Figure 11 graphs showing medium-term installation projections (2020-2025). Compound annual growth in global installations expected from 2019[12] through 2025 (figures in bubbles), both including and excluding China, has increased by one percentage point in the last quarter alone: from 6% to 7% excluding China and from 4% to 5% including China. This increase is particularly noticeable in mature markets (excl. China), with an increase of 3 percentage points and installations amounting to 36 GW by 2025 (compared with 30 GW projected the previous quarter), and in the Offshore market, with an increase of 2 percentage points and installations amounting to 21 GW by 2025, compared with 19 GW previously.

Figure 11: World wind market (GW installed/year)[13]



Wood Mackenzie (WM) estimates that global installations will reach 77.5 GW in 2020, 79.6 GW in 2021, and 73.2 GW in 2022, with growth rebounding from 2023 onwards to an average of 77.3 GW per year in 2020-2025.

In this 2020-2025 period, projections have increased by total 31.0 GW with respect to those in the preceding quarter, the increase being concentrated in the Onshore market (27.7 GW). Geographically, and also in Onshore, the improvement in projections is concentrated in China (18.9 GW) based on the commitment to achieve climate neutrality in 2060, and US (7.4 GW) because of the expectation of a more favorable regulatory framework after the election of Joe Biden. Additionally, projections for Onshore capacity in Brazil have also increased (1.7 GW), boosted by demand in the deregulated market, contrasting with a reduction in Germany and France because of difficulties developing Onshore projects (1.0 GW in aggregate).

China (146 GW), US (59 GW), India (23 GW) and Germany (15 GW) are expected to retain their positions as the largest Onshore markets, accounting for 62% of total accumulated installations projected for 2020-2025. Brazil, France, Sweden, Spain and Australia, with cumulative installations of between 6 GW and 14 GW per country, will contribute 12% in the same period.

Although new markets are emerging, Offshore is still much more concentrated. China, with 24 GW of installations in 2020-2025, will account for 33% of total installations in the period. Europe, led by the United Kingdom (12 GW of installations in the same period), will install 27 GW, accounting for 38% of the total. They are followed by US (10 GW in 2020-2025) and Taiwan (5 GW in that period).

[12] According to the GWEC's Global Wind Report 2019, ON + OF installations worldwide in 2019 amounted to 60 GW overall and to 34 GW excluding China; there were 25 GW in mature markets and 9 GW in emerging markets; 6 GW in OF (similar to the Wood Mackenzie installation figures).

[13] Wood Mackenzie. Global Wind Power Market Outlook Update: Q4 2020. December 2020. The projections dated fiscal Q1 21 and fiscal Q4 20 in this section are from the Wood Mackenzie quarterly Global Wind Power Market Outlook.

Aside from the pace of installations, price dynamics remain unchanged with respect to the preceding quarter, and continue to stabilize in the Onshore market. According to BloombergNEF[14], the average price for Onshore contracts signed in the second half of 2020 was €0.77m/MW including installation (€0.72m/MW excluding installation), in line with average prices in contracts signed in the first half of 2020. In terms of product, the >3 MW category practically dominates the market, while the average capacity in contracts for delivery in 2021 is now over 4 MW.

Summary of the main events relating to wind power in Q1 21[15]

During the first quarter of FY21, the following information was published and the following measures were adopted in connection with government commitments and actions aligned with the energy transition.

With regard to commitments to reduce emissions and to renewable power generation:

- **European Union:** the European Council approved to increase the goal of reducing emissions to 55% by 2030 with respect to 1990, meaning that renewables would need to account for 38%-40% of gross final energy consumption (the current goal for renewables is 32%). Renewable energy is estimated to have attained between 22.8% and 23.1% of energy consumption in 2020, i.e. exceeding the goal of 20%.
- **United Kingdom:** announced a goal of reducing greenhouse gas emissions by at least 68% by 2030 with respect to 1990 levels.
- **US:** following the election of Joe Biden to the Presidency, US is expected to rejoin the Paris Agreement, which it officially left in November.

  According to the results of the Georgia elections, the Democrats will also have a majority in the Senate, which will facilitate the approval of the necessary legislation to apply the Biden Plan for a clean energy revolution and environmental justice announced during the campaign. The plan seeks to ensure that US has a 100% clean energy economy and attains net zero emissions no later than 2050, for which it will invest USD 1.7 trillion at federal level over the next 10 years.
- **South Korea**: has announced the goal of eliminating greenhouse gas emissions by 2050 as part of its Green New Deal. The draft new energy policy proposes increasing renewable energy's share of the power generation mix to 41.9% by 2034, from 16.7% at present, by quadrupling renewable capacity to 78 GW.
- **Japan**: has announced the goal of eliminating greenhouse gas emissions by 2050. Achieving this will require it to install c. 130 GW of wind capacity between now and 2050, compared with the 4.2 GW currently in place.

Regarding objectives for Offshore installations:

- **European Union:** published a new strategy that plans to increase installed capacity to 60 GW by 2030 and 300 GW by 2050 (there were 12 GW installed in Europe at the end of 2019, not counting the UK's 10 GW[16]).
- **United Kingdom:** Scotland announced a goal of 11 GW by 2030 as part of the 40 GW goal set by the United Kingdom.
- **US:** for the first time a federal goal for Offshore installations was laid before the House of Representatives: 12.5 GW by 2025 and 25 GW by 2030.
  - **Massachusetts:** a new Offshore target has been proposed for 2035: 5.6 GW (previously 3.2 GW).
- **Japan:** confirmed the goal of 10 GW installed by 2030, with plans to achieve 30 GW - 45 GW by 2040.

[14]BloombergNEF. 2H 2020 Wind Turbine Price Index. December 2020.

[15]This section is a non-exhaustive list of government commitments and actions aligned with the energy transition towards a sustainable model.

[16]Source: Global Wind Energy Council (GWEC) “Global Wind Report 2019”. March 2020.

Regarding objectives for Onshore installations:

- **Germany:** the new Renewable Energy Act (EEG) came into force, stepping up the Onshore target to 71 GW by 2030 (as advanced in the Activity Report for the third quarter of FY20) and there are plans for auctions in 2021-2028 to allocate a total of 31 GW of Onshore capacity.
- **Brazil:** an estimated calendar for resuming auctions was published. Four auctions are planned for 2021 and two per year in 2022 and 2023.

Additionally, the following information has been released and the following measures have been adopted:

- **US:** extensions to the PTC (production tax credits) and ITC (investment tax credits) were approved. Wind projects which commence construction before the end of 2021 can qualify for 60% PTC, while Offshore projects whose construction commenced between 2017 and the end of 2025 qualify for the 30% ITC. Safe harbor has also been extended for Offshore projects to 10 years (4 years until now).
- **India:** a number of measures have been announced with the goal of reviving the wind market and increasing participation in auctions. During the quarter, new guidance was published for hybrid projects (including hybrids of renewable energy and thermal energy), new procurement processes for wind power in Tamil Nadu, the elimination of the 3% levy on electricity transactions, new electricity forward and derivatives markets, and the definition of sites for a total of 54 GW, with plans to resolve the problems of land availability and grid connections.

Auction summary

Table 8: Summary of auction results published in Q1 21

Auction	Type	Technology	MW[1]	Average price €/MWh[2]	COD[3]
Germany – neutral VI	Neutral	ON	0	53	N.A.
Germany, VI – 2020	Specific	ON	659	61	2022
Germany, VII – 2020	Specific	ON	400	59	2022
Australia – Queensland	Neutral	ON	400	N.A.	2024
France – VI	Specific	ON	258	60	2023
India – SECI Hybrid III	Hybrid ON + solar	ON	1,200[4]	27	2022
US – New York 2	Specific	OF	2,490	N.A.	2027
Poland	Neutral	ON	900[5]	50[5]	2024

1. MW awarded to ON or OF.
2. Using the exchange rate on the date the results were announced.
3. Commercial operation date.
4. Final split between Onshore and solar not yet published. At least 33% must be in the project's non-core technology.
5. Unofficial. Estimated capacity, since the award is made in terms of energy. Average price of all the awarded bids (wind and solar).

Table 9: Auctions announced or amended in Q1 21 (includes previous auctions that have not been resolved)

Auctions in EMEA	Type	Technology	Target [GW]	Expected date[1]
Germany, central auction 1	Specific	OF	1.0	2021
Germany, central auction 2	Specific	OF	0.9	2022
Denmark – Thor	Specific	OF	1.0	Dec. 2020[2]
Spain	Specific	ON	1.0[3]	Jan. 2021[3]
Spain	Specific	ON	1.5[3]	2021[3]
France	Specific	ON	0.5	Nov. 2020
France	Specific	ON	1.9[4]	2021[4]
France – Manche	Specific	OF	1.0	2022
Greece	Neutral	ON and solar	0.4	March 2021[5]
Italy	Neutral	ON and solar	1.2	Oct. 2020
Netherlands – SDE++ Autumn 2020	Neutral	Renewables	€5,000m	Oct. 2020
Netherlands – Hollandse Kust West	Specific	OF	1.4	2021
Netherlands – North Frisian Islands	Specific	OF	0.7	2022
Netherlands – Ijmuiden I+II	Specific	OF	2.0	2023
United Kingdom – CfD round 4	By pots[6]	ON, OF, floating OF, solar[6]	12.0[6]	2021
South Africa	Specific	ON	1.6	2021
Turkey	Specific	ON	2.0	Deferred to March 2021

1. Deadline for proposals. In some cases, the outcome will be published later.
2. Deadline for proposals to prequalify.
3. Auction called in December 2020 with bids delivery on January 26, 2021. First auction volume will be of 3 GW renewables, with a minimum quota for wind ON of 1 GW. A calendar for auctions between 2021 and 2025 is also established, with a minimum annual volume for wind power of 1.5 GW. The auctions will be technologically neutral, establishing minimum reserves for wind.
4. Proposed calendar of 12 specific wind auctions, for 925 MW each, two per year between 2021 and 2026.
5. Auction called for March 2021. Proposed calendar for additional 6 auctions for 350 MW each through 2024.
6. Three pots have been defined: pot 1 will consists of mature technologies such as ON and solar; pot 2 will involve less mature technologies, such as floating OF; and plot 3 is reserved for OF. The 12 GW volume is not confirmed. The objectives for the specific pots have not been defined.

Auctions in the Americas	Type	Technology	Target [GW]	Expected date[1]
Canada – Saskatchewan	Specific	ON	0.3	Nov. 2020
Chile	Neutral	Renewable and thermal	2.3 TWh/year	Deferred to May 2021
US – Connecticut	Specific	OF	c. 1.0	2021
US – Maryland	Specific	OF	0.6	2021
US – Massachusetts	Specific	OF	0.8	2021
US – New Jersey 2	Specific	OF	1.2 – 2.4	Dec. 2020
US – New Jersey[2]	Specific	OF	1.2 – 1.4	2022 – 2028
US – Rhode Island	Specific	OF	0.6	2021

1. Deadline for proposals. In some cases, the outcome will be published later.
2. A calendar of four auctions has been published, allocating between 1.2 GW and 1.4 GW per auction, to achieve the target of 7.5 GW. The auctions are planned for Q3 2022, Q2 2024, Q2 2026 and Q1 2028 (calendar quarters).

Auctions in APAC	Type	Technology	Target [GW]	Expected date[1]
India – SECI X	Specific	ON	1.2	Feb. 2021
India – SECI RTC II[2]	Neutral	ON and/or solar + thermal	2.5	Deferred to Feb. 2021
Japan	Specific	OF	1.5	May 2021

1. Deadline for proposals. In some cases, the outcome will be published later.
2. Round the clock. 2.5 GW (previously 5 GW) including renewables (ON and/or solar with 51% minimum), and non-renewables, to guarantee a minimum annual availability of 80%.

FY21 Guidance

	Q1 21	FY21
Revenue (€m)	2,295	10,200-11,200
EBIT margin pre PPA and before integration and restructuring costs (%)	5.3%	3%-5%

This guidance does not include charges for litigation or regulatory matters, and figures are expressed at constant currencies. The guidance does not cover any extraordinary impact from severe disruptions of the supply chain or a potential lockdown of manufacturing activities as a result of COVID-19 development.

The Group had a solid start to FY21 that vouch for the guidance communicated for the fiscal year.

The year-on-year performance of Offshore sales was boosted by the low level of activity in Q1 20, which was due to the ramp-up of manufacturing of the nacelles for the 8 MW platform; this increase is not extrapolable to the rest of the year. Likewise, Onshore sales performance in Q1 21 still reflects the pandemic's impact on project execution, which is expected to tail off in subsequent quarters, and specifically in the second half of the fiscal year. The order book at December 31, 2020 provides a 93% revenue coverage on the mid-point of the sales guidance range for FY21, and 98% of the low end of the guidance, providing visibility of the fulfillment of the guidance for the fiscal year.

The EBIT margin pre PPA and before integration and restructuring costs in Q1 21 also supports FY21 guidance. Service margin for future quarters is expected to normalize, in line with an annual margin of c. 20%.

Integration and restructuring costs (€47m) will increase steadily in the coming quarters as actions to regain normalized sustainable long-term profitability in WTG are accelerated. The guidance for the year remains unchanged at c. €300m.

The estimated impact of the PPA on the amortization of intangibles is maintained at c. €250m for FY21 (€60m in Q1 21), and the impact on cash of using the Adwen provisions is €125m (€24m in Q1 21).

Beyond the financial performance, that vouch for the compliance of the guidelines communicated for the fiscal year, it is important to note that the measures presented to the market during the Capital Markets Day, in August 27, 2020, progress as expected and support the company's long-term vision.

Annex

Financial Statements October 2020 – December 2020

Profit and Loss Account

EUR in Millions	October - December 2019	October - December 2020
Revenue	2,001	2,295
Cost of sales	(2,057)	(2,093)
Gross Profit	**(57)**	**202**
Research and development expenses	(50)	(67)
Selling and general administrative expenses	(123)	(121)
Other operating income	2	2
Other operating expenses	(1)	(2)
Results of companies accounted for using the equity method	-	2
Interest income	3	3
Interest expense	(14)	(16)
Other financial income (expense), net	(2)	1
Income from continuing operations before income taxes	**(242)**	**4**
Income tax expenses	68	8
Income from continuing operations	**(174)**	**12**
Income from discontinued operations, net of income taxes	-	-
Non-controlling interests	(1)	-
Net income attributable to the shareholders of SGRE	**(174)**	**11**

Balance Sheet

EUR in Millions	12.31.2019	09.30.2020	10.01.2020 (*)	12.31.2020
Assets:				
Cash and cash equivalents	1,661	1,622	1,622	1,533
Trade and other receivables	1,079	1,141	1,141	1,150
Other current financial assets	161	212	212	288
Trade receivables from related companies	29	1	1	1
Contract Assets	1,801	1,538	1,538	1,517
Inventories	2,071	1,820	1,820	1,718
Current income tax assets	214	198	198	188
Other current assets	578	398	398	467
Total current assets	**7,593**	**6,929**	**6,929**	**6,862**
Goodwill	4,662	4,550	4,573	4,499
Other intangible assets	1,864	1,780	1,780	1,729
Property, plant and equipment	2,086	2,239	2,238	2,322
Investments accounting for using the equity method	71	66	66	68
Other financial assets	124	235	235	213
Deferred tax assets	504	529	526	547
Other assets	4	4	4	5
Total non-current assets	**9,316**	**9,403**	**9,421**	**9,384**
Total assets	**16,909**	**16,332**	**16,350**	**16,246**
Liabilities and equity:				
Short-term debt and current maturities of long-term debt	513	434	434	636
Trade payables	2,282	2,956	2,956	2,346
Other current financial liabilities	71	127	127	135
Trade payables to related companies	188	8	8	47
Contract Liabilities	3,193	3,148	3,171	3,393
Current provisions	711	723	715	681
Current income tax liabilities	167	177	180	174
Other current liabilities	833	761	744	767
Total current liabilities	**7,959**	**8,335**	**8,335**	**8,179**
Long-term debt	974	1,236	1,236	1,372
Provisions for pensions and similar obligations	13	20	20	18
Deferred tax liabilities	309	229	225	231
Non-current provisions	1,473	1,422	1,443	1,415
Other financial liabilities	158	126	126	125
Other liabilities	30	29	29	31
Total non-current liabilities	**2,957**	**3,062**	**3,080**	**3,194**
Issued capital	116	116	116	116
Capital reserve	5,932	5,932	5,932	5,932
Retained earnings and other components of equity	(58)	(1,114)	(1,114)	(1,174)
Non-controlling interest	4	1	1	-
Total Equity	**5,993**	**4,935**	**4,935**	**4,874**
Total Liabilities & Equity	**16,909**	**16,332**	**16,350**	**16,246**

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

Cash Flow Statement

EUR in Millions	October - December 2019	October - December 2020
Net Income before taxes	(242)	4
Amortization + PPA	172	180
Other P&L (*)	-	7
Working Capital cash flow effective change (***)	113	(409)
Charge of provisions (**)	178	50
Provision payments (**)	(106)	(83)
CAPEX	(92)	(140)
Adwen provision usage (**)	(41)	(24)
Tax payments	(85)	(8)
Acquisitions of businesses, net of cash acquired	-	-
Others	(1)	(6)
Cash flow for the period	**(105)**	**(427)**
Beginning cash / (net financial debt)	280	(49)
Ending cash / (net financial debt)	175	(476)
Variation in net financing cash flow	**(105)**	**(427)**

(*) 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).

Key Balance Sheet Positions

EUR in Millions	12.31.2019	09.30.2020	10.01.2020 (*)	12.31.2020
Property, plant and equipment	2,086	2,239	2,238	2,322
Goodwill & Intangibles	6,526	6,330	6,352	6,229
Working capital	(939)	(1,976)	(1,981)	(1,699)
Other, net (**)	373	584	582	643
Total	**8,046**	**7,177**	**7,191**	**7,495**
Net financial debt / (cash)	(175)	49	49	476
Provisions (***)	2,198	2,165	2,178	2,115
Equity	5,993	4,935	4,935	4,874
Other liabilities	30	29	29	31
Total	**8,046**	**7,177**	**7,191**	**7,495**

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

(**) 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	12.31.2018	03.31.2019	06.30.2019	09.30.2019	10.01.2019 (*)
Cash and cash equivalents	2,125	1,353	954	1,727	1,727
Short-term debt	(705)	(345)	(471)	(352)	(418)
Long-term debt	(1,255)	(1,126)	(674)	(512)	(1,029)
Cash / (Net Financial Debt)	**165**	**(118)**	**(191)**	**863**	**280**

€m	12.31.2019	03.31.2020	06.30.2020	09.30.2020	12.31.2020
Cash and cash equivalents	1,661	1,421	1,695	1,622	1,533
Short-term debt	(513)	(487)	(546)	(434)	(636)
Long-term debt	(974)	(1,229)	(1,239)	(1,236)	(1,372)
Cash / (Net Financial Debt)	**175**	**(295)**	**(90)**	**(49)**	**(476)**

(*) 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.

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	12.31.2018	03.31.2019	06.30.2019	09.30.2019	10.01.2019 Comp. (*)
Trade and other receivables	1,093	1,137	1,421	1,287	1,287
Trade receivables from related companies	42	35	39	22	22
Contract assets	2,033	1,771	1,952	2,056	2,056
Inventories	1,925	2,006	2,044	1,864	1,864
Other current assets	417	464	651	461	451
Trade payables	(2,283)	(2,352)	(2,483)	(2,600)	(2,600)
Trade payables to related companies	(274)	(153)	(250)	(286)	(286)
Contract liabilities	(2,340)	(1,991)	(2,267)	(2,840)	(2,840)
Other current liabilities	(641)	(706)	(869)	(798)	(798)
Working Capital	**(27)**	**211**	**238**	**(833)**	**(843)**

(*) 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.

€m	12.31.2019	03.31.2020	06.30.2020	09.30.2020	10.01.2020 (*)	12.31.2020
Trade and other receivables	1,079	1,036	1,174	1,141	1,141	1,150
Trade receivables from related companies	29	37	37	1	1	1
Contract assets	1,801	1,808	1,715	1,538	1,538	1,517
Inventories	2,071	2,115	2,064	1,820	1,820	1,718
Other current assets	578	466	584	398	398	467
Trade payables	(2,282)	(2,332)	(2,544)	(2,956)	(2,956)	(2,346)
Trade payables to related companies	(188)	(212)	(237)	(8)	(8)	(47)
Contract liabilities	(3,193)	(3,101)	(3,362)	(3,148)	(3,171)	(3,393)
Other current liabilities	(833)	(682)	(929)	(761)	(744)	(767)
Working Capital	**(939)**	**(865)**	**(1,498)**	**(1,976)**	**(1,981)**	**(1,699)**

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

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	Q1 20	Q1 21
Acquisition of intangible assets	(42)	(39)
Acquisition of Property, Plant and Equipment	(50)	(101)
CAPEX	**(92)**	**(140)**

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

€m	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Acquisition of intangible assets	(42)	(54)	(44)	(39)	(179)
Acquisition of Property, Plant and Equipment	(67)	(97)	(205)	(101)	(470)
CAPEX	**(109)**	**(151)**	**(249)**	**(140)**	**(649)**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Acquisition of intangible assets	(44)	(46)	(38)	(42)	(171)
Acquisition of Property, Plant and Equipment	(64)	(81)	(143)	(50)	(338)
CAPEX	**(108)**	**(127)**	**(181)**	**(92)**	**(509)**

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	Q1 20	Q1 21
Net Income before taxes	(242)	4
Amortization + PPA	172	180
Other P&L (*)	-	7
Charge of provisions	178	50
Provision usage (without Adwen usage)	(106)	(83)
Tax payments	(85)	(8)
Gross Operating Cash Flow	**(83)**	**151**

(*) 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.

	Q1 20 (*)	Q2 20 (*)	Q3 20 (*)	Q4 20 (*)	Q1 21 (*)
Order Intake Onshore Wind (€m)	1,611	1,289	872	1,698	1,619
Order Intake Onshore Wind (MW)	2,563	1,645	1,200	2,713	2,360
ASP Order Intake Wind Onshore	**0.63**	**0.78**	**0.73**	**0.63**	**0.69**

(*) 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, €0m in Q4 20 and €0m in Q1 21.

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

	Q2 20 (*)	Q3 20 (*)	Q4 20 (*)	Q1 21 (*)	LTM Dec 20
Order Intake Onshore Wind (€m)	1,289	872	1,698	1,619	5,478
Order Intake Onshore Wind (MW)	1,645	1,200	2,713	2,360	7,919
ASP Order Intake Wind Onshore	**0.78**	**0.73**	**0.63**	**0.69**	**0.69**

(*) Order intake WTG ON includes only wind orders. No solar orders are included. Solar orders amounted to €61m in Q2 20, €0m in Q3 20, €0m in Q4 20 and €0m in Q1 21.

	Q2 19 (*)	Q3 19 (*)	Q4 19 (*)	Q1 20 (*)	LTM Dec 19
Order Intake Onshore Wind (€m)	1,167	1,695	2,238	1,611	6,710
Order Intake Onshore Wind (MW)	1,742	2,130	3,147	2,563	9,581
ASP Order Intake Wind Onshore	**0.67**	**0.80**	**0.71**	**0.63**	**0.70**

(*) Order intake WTG ON includes only wind orders. No solar orders are included. Solar orders amounted to €33m in Q2 19, €1m in Q3 19, €2m in Q4 19 and €0m in Q1 20.

	Q2 18	Q3 18 (*)	Q4 18	Q1 19 (*)	LTM Dec 18
Order Intake Onshore Wind (€m)	1,834	1,166	1,985	1,793	6,779
Order Intake Onshore Wind (MW)	2,464	1,660	2,631	2,370	9,124
ASP Order Intake Wind Onshore	**0.74**	**0.70**	**0.75**	**0.76**	**0.74**

(*) Order intake WTG ON includes only wind orders. No solar orders are included. Solar orders amounted to €9m in Q3 18 and €6m in Q1 19.

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	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Group	2,203	5,342	2,564	2,281	12,389
Of which WTG ON	1,350	872	1,698	1,619	5,539

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Group	2,466	4,666	3,076	4,628	14,836
Of which WTG ON	1,200	1,695	2,240	1,611	6,746

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

Onshore:

MW	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Onshore	1,645	1,200	2,713	2,360	7,919

MW	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Onshore	1,742	2,130	3,147	2,563	9,581

Offshore:

MW	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Offshore	-	2,860	-	-	2,860

MW	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Offshore	464	1,528	72	1,279	3,343

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

€m	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
WTG	1,808	1,947	2,325	1,899	7,980
Service	395	464	543	396	1,797
TOTAL	**2,204**	**2,411**	**2,868**	**2,295**	**9,777**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
WTG	2,060	2,242	2,527	1,634	8,463
Service	330	390	417	366	1,502
TOTAL	**2,389**	**2,632**	**2,944**	**2,001**	**9,966**

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	Q1 20	Q1 21
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(242)	4
(-) Income from investments acc. for using the equity method, net	-	(2)
(-) Interest income	(3)	(3)
(-) Interest expenses	14	16
(-) Other financial income (expenses), net	2	(1)
EBIT	**(229)**	**14**
(-) Integration costs	21	27
(-) Restructuring costs	7	20
(-) PPA impact	66	60
EBIT pre-PPA and integration & restructuring costs	**(136)**	**121**

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	Q1 20	Q1 21
EBIT	(229)	14
Amortization, depreciation and impairment of intangible assets and PP&E	172	180
EBITDA	**(57)**	**194**

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

€m	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
EBIT	(118)	(472)	(139)	14	(714)
Amortization, depreciation and impairment of intangible assets and PP&E	182	290	200	180	852
EBITDA	**63**	**(181)**	**61**	**194**	**138**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
EBIT	90	56	67	(229)	(16)
Amortization, depreciation and impairment of intangible assets and PP&E	147	148	204	172	670
EBITDA	**237**	**204**	**271**	**(57)**	**655**

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).

	Q1 20	Q1 21
Net Income (€m)	(174)	11
Number of shares (units)	679,514,202	679,517,513
Earnings Per Share (€/share)	**(0.26)**	**0.02**

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	12.31.2020
Actual revenue in year N (1)	2,295
Order Backlog for delivery in FY21 (2)	7,670
Average revenue guidance for FY21 (3) (*)	10,700
Revenue Coverage ([1+2]/3)	**93%**

(*) Midpoint of range from €10.2bn to €11.2bn.

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	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Order Intake	2,203	5,342	2,564	2,281	12,389
Revenue	2,204	2,411	2,868	2,295	9,777
Book-to-Bill	**1.0**	**2.2**	**0.9**	**1.0**	**1.3**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Order Intake	2,466	4,666	3,076	4,628	14,836
Revenue	2,389	2,632	2,944	2,001	9,966
Book-to-Bill	**1.0**	**1.8**	**1.0**	**2.3**	**1.5**

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	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
CAPEX (1)	109	151	249	140	649
Amortization depreciation & impairments (a)	182	290	200	180	852
Amortization, depreciation & impairments of right of use assets (IFRS 16) (b)	27	33	28	31	119
PPA Amortization on Intangibles (c)	69	68	59	60	256
Depreciation & Amortization (excl. PPA) (2=a-b-c)	86	189	112	90	477
Reinvestment rate (1/2)	**1.3**	**0.8**	**2.2**	**1.6**	**1.4**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
CAPEX (1)	108	127	181	92	509
Amortization depreciation & impairments (a)	147	148	204	172	670
Amortization, depreciation & impairments of right of use assets (IFRS 16) (b)				25	25
PPA Amortization on Intangibles (c)	66	67	67	66	266
Depreciation & Amortization (excl. PPA) (2=a-b-c)	80	81	137	81	380
Reinvestment rate (1/2)	**1.4**	**1.6**	**1.3**	**1.1**	**1.3**

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	Q1 20	Q1 21
Gross Profit	(57)	202
PPA amortization on intangibles	42	45
Integration costs	15	20
Restructuring costs	6	13
Gross Profit (pre PPA, I&R costs)	**7**	**280**

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

€m	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Gross Profit	63	(196)	81	202	149
PPA amortization on intangibles	45	45	45	45	180
Integration costs	28	41	49	20	138
Restructuring costs	42	100	33	13	188
Gross Profit (pre PPA, I&R costs)	**177**	**(10)**	**207**	**280**	**654**

€m	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Gross Profit	237	220	291	(57)	691
PPA amortization on intangibles	44	44	43	42	173
Integration costs	8	30	62	15	115
Restructuring costs	1	2	5	6	13
Gross Profit (pre PPA, I&R costs)	**289**	**296**	**401**	**7**	**992**

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	Q2 20	Q3 20	Q4 20	Q1 21	LTM Dec 20
Onshore	1,649	1,876	2,433	1,744	7,702

MWe	Q2 19	Q3 19	Q4 19	Q1 20	LTM Dec 19
Onshore	1,707	1,699	2,009	1,747	7,163

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.

Disclaimer

“This material has been prepared by Siemens Gamesa Renewable Energy, and is disclosed solely for information purposes.

This document contains declarations which constitute forward-looking statements, and includes references to our current intentions, beliefs or expectations regarding future events and trends that may affect our financial condition, earnings and share price. These statements may be identified by words such as “expect,” “look forward to,” “anticipate” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project,” or words of similar meaning. We may also make forward-looking statements in other reports, prospectuses, in presentations, in material delivered to shareholders, and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. These forward-looking statements do not constitute a warranty as to future performance and imply risks and uncertainties. Therefore, actual results may differ materially from those expressed or implied by the forward-looking statements, due to different factors, risks and uncertainties, such as economical, competitive, regulatory or commercial factors. The value of any investment may rise or fall and, furthermore, it may not be recovered, partially or completely. Likewise, past performance is not indicative of future results.

The facts, opinions, and forecasts included in this material are furnished as of the date of this document, and are based on the company’s estimates and on sources believed to be reliable by Siemens Gamesa Renewable Energy, but the company does not warrant their completeness, timeliness or accuracy, and, accordingly, no reliance should be placed on them in this connection. Both the information and the conclusions contained in this document are subject to changes without notice. Siemens Gamesa Renewable Energy undertakes no obligation to update forward-looking statements to reflect events or circumstances that occur after the date the statements were made.

The results and evolution of the company may differ materially from those expressed in this document. None of the information contained in this document constitutes a solicitation or offer to buy or sell any securities or advice or recommendations with regard to any other transaction. This material does not provide any type of investment recommendation, or legal, tax or any other type of advice, and it should not be relied upon to make any investment or decision.

Any and all the decisions taken by any third party as a result of the information, materials or reports contained in this document are the sole and exclusive risk and responsibility of that third party, and Siemens Gamesa Renewable Energy shall not be responsible for any damages derived from the use of this document or its content.

This document has been furnished exclusively for information purposes, and it must not be disclosed, published or distributed, partially or totally, without the prior written consent of Siemens Gamesa Renewable Energy.

Siemens Gamesa Renewable Energy prepares and reports its Financial Information in thousands of euros (unless stated otherwise). Due to rounding, numbers presented may not add up precisely to totals provided.

In the event of doubt, the Spanish language version of this document will prevail.”

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.