

Q2 Journalist Call

Bernd Montag, CEO | Jochen Schmitz, CFO

May 2, 2019



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Imaging and Advanced Therapies show strong momentum

Siemens Healthineers on track for FY19 guidance

- **Strong organic revenue growth¹⁾ at 5.8% driven by Imaging and Advanced Therapies**
- Imaging posted 7% and Advanced Therapies 9% organic revenue growth¹⁾
- Continuous strong **equipment book-to-bill >1** supported by wins of larger projects
- **Adjusted profit²⁾ at 17.9%**, up +50bps y-o-y, FX headwinds of -70bps
- **Diagnostics profitability²⁾ improved q-o-q**; down vs. prior year due to Atellica Solution³⁾ ramp-up costs and FX headwinds
- **Basic Earnings per share up by 24%**
- **Full year guidance confirmed**

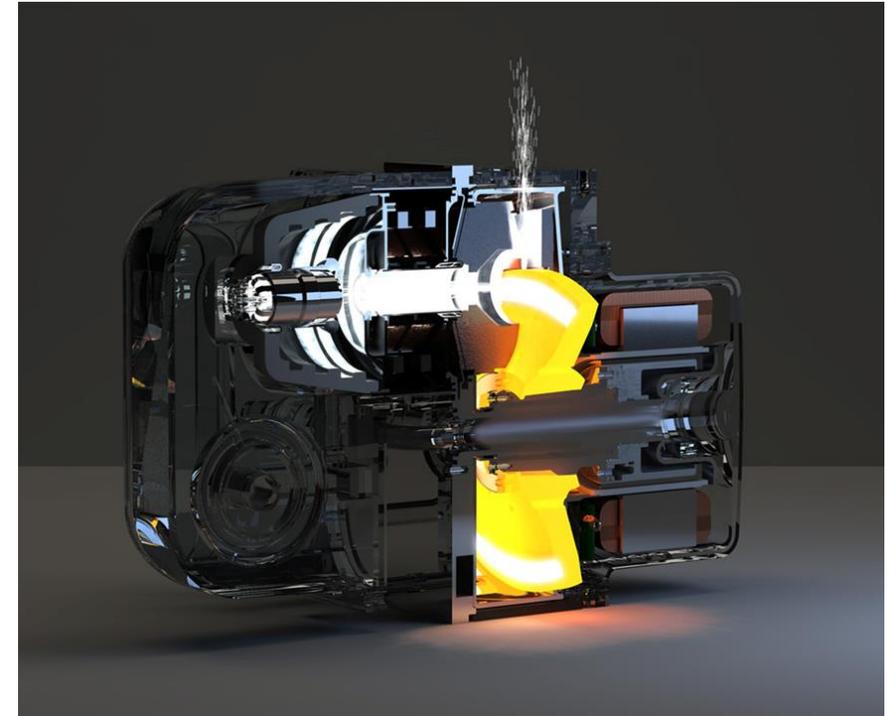
1) Y-o-y on a comparable basis; excluding translation and portfolio effects

2) Adjusted for severance charges, in fiscal year 2018 additionally for IPO costs

3) Product availability varies by country

Expanding leadership in imaging with unique technology center for high-energy photonics

- Continuing **strong demand for imaging equipment**
- **Research, development and manufacturing** of X-ray tubes and generators in proximity to the CT and X-ray businesses in Forchheim:
 - **expanding innovation lead**
 - **improving quality, cost position, and economies of scale**
 - **shortening time to market**
 - **optimizing logistics**
- **Extension to supply market demand** until 2030
- **Investment of €350 mio.** in the next five years; opening planned in 2023



State-of-the-art X-ray beam generation in a CT

Truly enabling One Stop Stroke treatment with ARTIS icono

ARTIS icono enables diagnosis and treatment in one step:

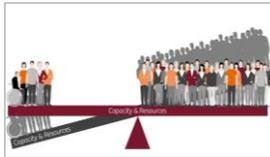
- **Stroke diagnosis in the interventional room**
CT-like images in the angio lab with homogeneous image quality over the entire brain
- **Immediate therapy guidance with perfusion data**
Collateral status information for the first time available in the angio lab eliminating the need of patient transfer to CT
- ▶ **Shorter time between patient arrival and clot retrieval in acute ischemic stroke**



Our master plan

Data integration,
access, complexity

Patient Cohort



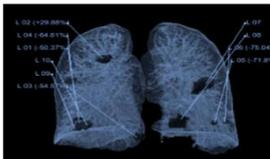
- Population health mgmt., process optimization
- Outcome analysis

Patient Centric



- Predict
- Plan, prescribe

Reading/Reporting/Guidance



- Measure/quantify
- Detect, diagnose and guide

Scanner/Instrument



- Workflow automation
- Reconstruction, predictive services

Examples of our portfolio

AI-Pathway Companion¹⁾

syngo Virtual Cockpit²⁾

AI-Rad Companion platform³⁾

FAST 3D Camera in CT

BioMatrix Technology in MR

>45 AI-based offerings

Our machine room



- Unique data lake of curated images, reports, and clinical data
- Sherlock 20 PetaFlop supercomputer (500 AI experiments per day)

1) Currently under development. CE mark pending

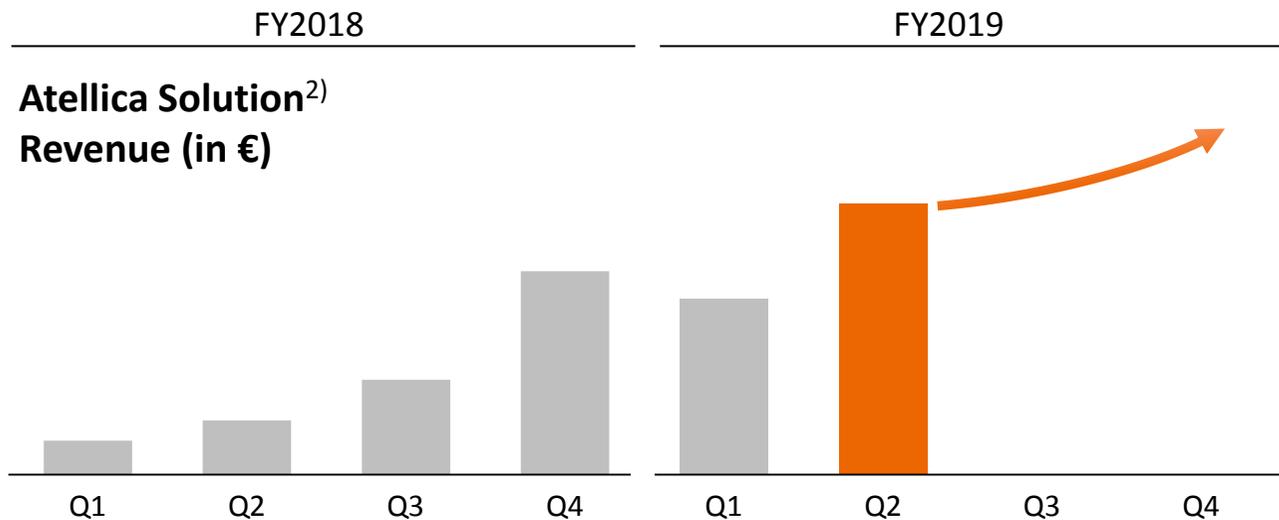
2) *syngo* Virtual Cockpit is not commercially available in all countries. For regulatory reasons, it's future availability can't be guaranteed. Precondition: Expert-i enabled modality from Siemens Healthineers

3) Refers to AI-Rad Companion (engine). This device is already cleared in the U.S.

Diagnostics in transition – improvements compared to Q1, further progress expected in H2

Very good customer perception:

- Competitive win-rate continues to be above 35%, win-rate in large settings considerably higher
- Continued menu expansion (EU: 203, U.S.: 187)
- 410+ analyzers shipped in Q2 (vs. 370+ in Q1)¹⁾
- Approval in China received



1) Fiscal year 2019 target: 2,200 to 2,500 analyzers

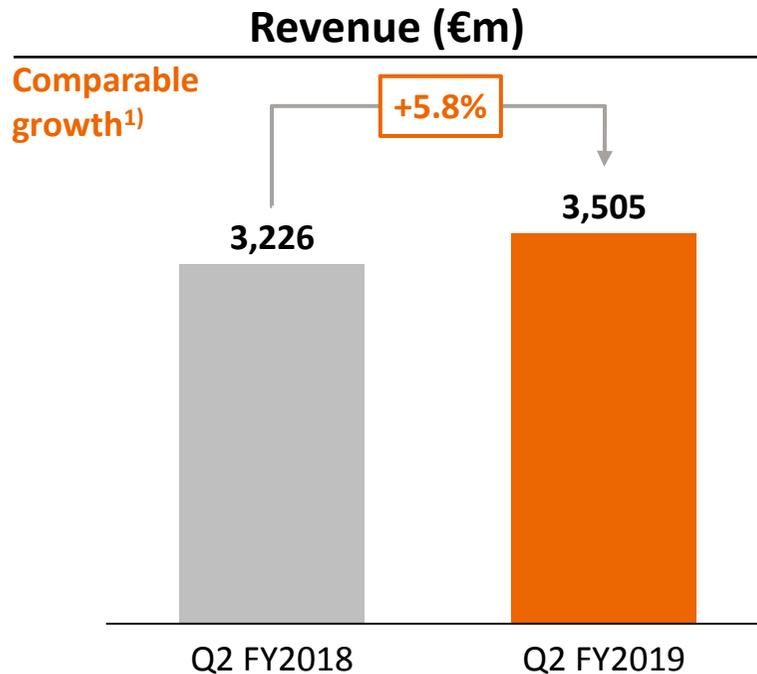
2) Product availability varies by country

Note: graph is indicative only

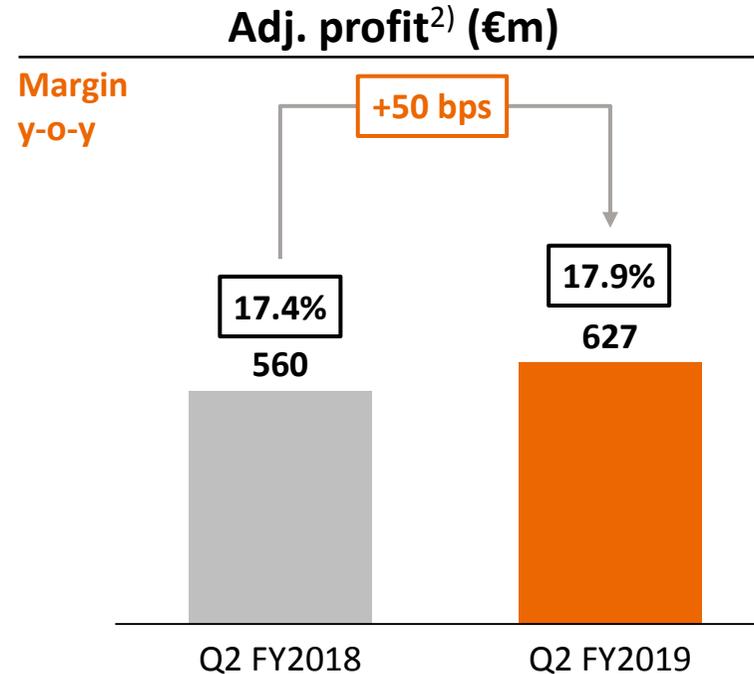
Progress in Atellica Solution²⁾ ramp-up:

- On track with initiated process improvements
- Number of analyzers going live picked up vs. Q1
- Increasing revenue of Atellica Solution²⁾ franchise with growing share of reagent revenues

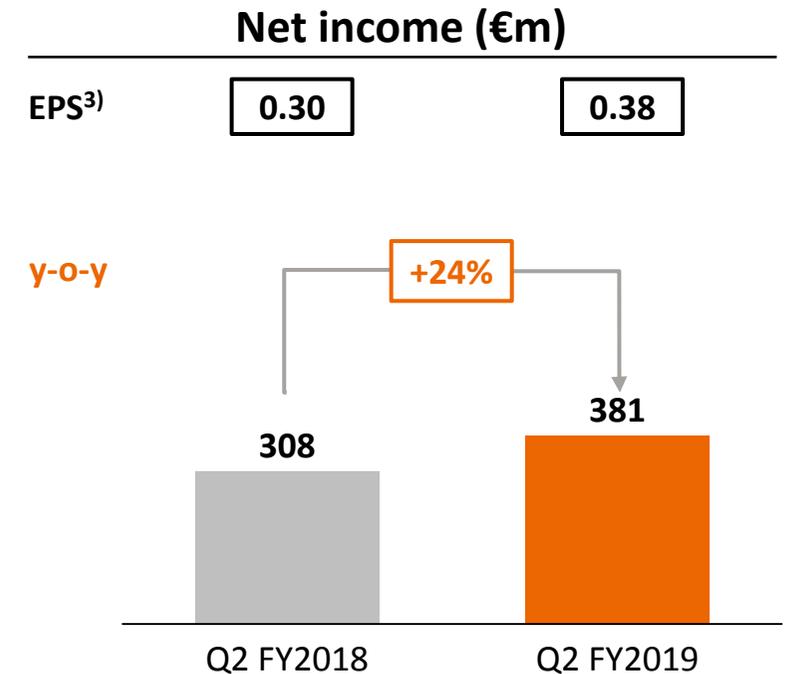
Strong organic growth and profitability improvement in Q2



- Strong Q2 led by strong Imaging and Advanced Therapies business
- EMEA and China posted significant growth this quarter, Americas with solid growth



- Profitability significantly up y-o-y in Imaging and Advanced Therapies
- Conversion held back by FX headwinds of -70 bps y-o-y



- Net income increased y-o-y on higher profit despite a higher tax-rate (30% vs. 21%)
- Q2 18 negatively impacted by IPO costs

1) Y-o-y on a comparable basis; excluding translation and portfolio effects

2) Adjusted for severance charges, in fiscal year 2018 additionally for IPO costs

3) Basic earnings per share are computed by dividing net income excl. non-controlling interests by the number of outstanding shares

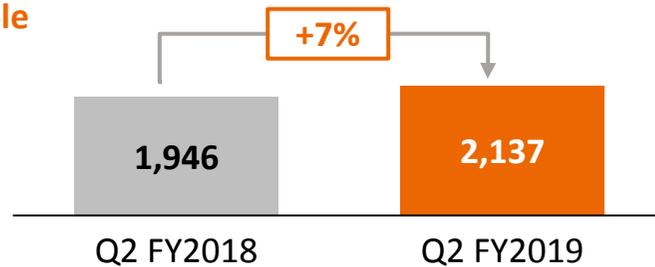
Imaging and Advanced Therapies with strong profitability

Diagnostics in transition

Imaging (€m)

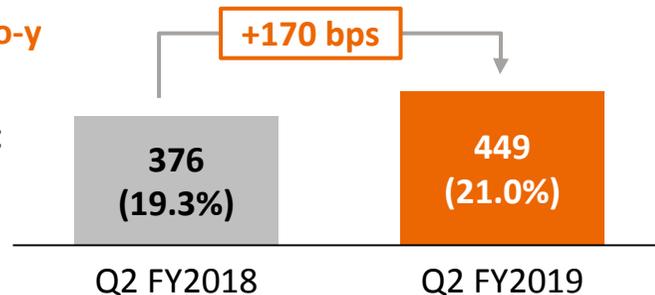
Comparable growth¹⁾

Revenue



Margin y-o-y

Adj. profit (margin)²⁾

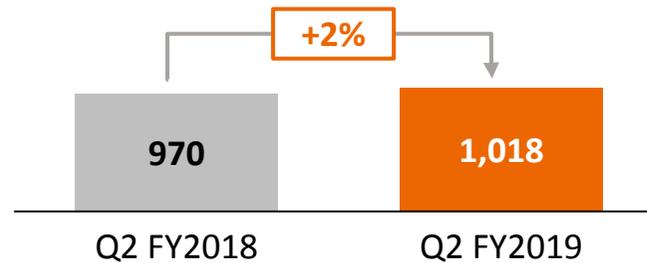


- Strong growth on materializing healthy order book, particularly strong in Molecular Imaging, Computed Tomography and X-Ray Products
- Margin up y-o-y mainly from conversion and cost savings program

Diagnostics (€m)

+2%

Revenue



Revenue

Q2 FY2018

Revenue

Q2 FY2019

-180 bps

Revenue

Q2 FY2018

Revenue

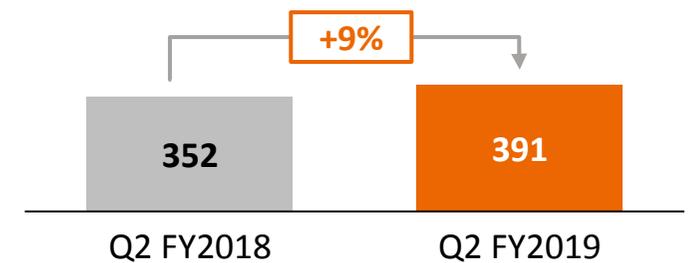
Q2 FY2019

- Revenue rises supported by growth in Asia, Australia and EMEA
- Margin down y-o-y due to continued Atellica ramp-up costs and FX headwind
- Positive effect on Q2 margin from the revaluation of an accrual

Advanced Therapies (€m)

+9%

Revenue



Revenue

Q2 FY2018

Revenue

Q2 FY2019

+360 bps

Revenue

Q2 FY2018

Revenue

Q2 FY2019

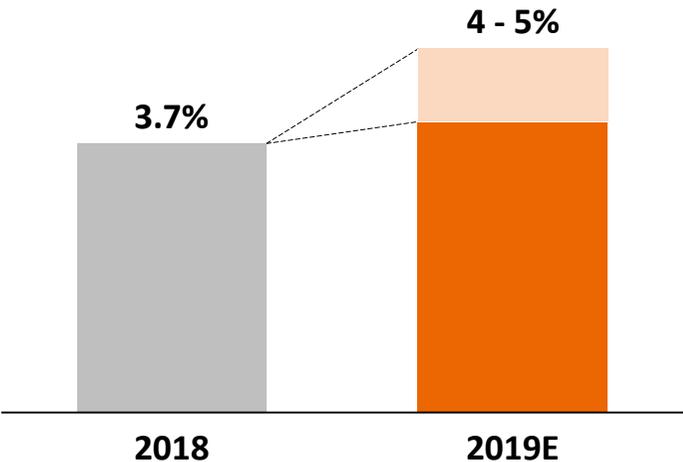
- Strong growth on materializing healthy order book
- Margin up y-o-y on conversion and cost savings program

1) Y-o-y on a comparable basis; excluding translation and portfolio effects

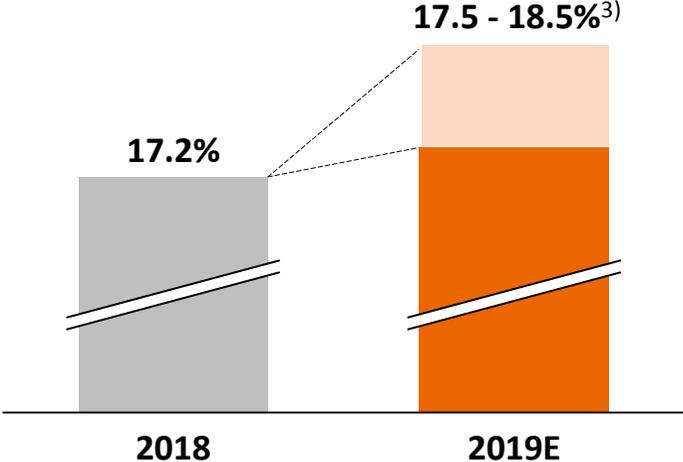
2) Adjusted for severance charges, in fiscal year 2018 additionally for IPO costs

Outlook – full year guidance confirmed

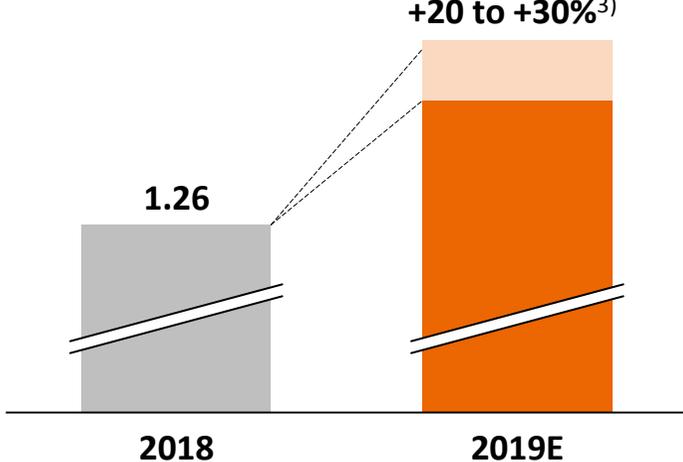
Comparable revenue growth¹⁾



Adj. profit margin²⁾



Earnings per share (in €)



1) Y-o-y on a comparable basis; excluding translation and portfolio effects

2) Adjusted for severance charges, in fiscal year 2018 additionally for IPO costs

3) The outlook assumes that current foreign exchange rates persist for all of the remaining fiscal year 2019

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