

Siemens Healthineers completes acquisition of Varian, strengthening its position as a holistic partner in healthcare

- **Transformative combination accelerates the company's impact on global healthcare and establishes a strong partner for customers and patients along the entire cancer care continuum and for many of the most threatening diseases**
- **Varian becomes new business segment within Siemens Healthineers; important step in the implementation of its *Strategy 2025***
- **Synergies of at least EUR 300 million per annum expected to be achieved in fiscal year 2025**

Siemens Healthineers AG (Frankfurt: SHL) today announced that it has successfully completed the acquisition of Varian Medical Systems, Inc. ("Varian"). The acquisition was previously announced on August 2, 2020.

"With Varian, Siemens Healthineers has the most comprehensive portfolio in the MedTech sector, which offers the company considerable potential for value creation. With a highly integrated approach, Siemens Healthineers will take the global fight against cancer to a new level," said Prof. Dr. Ralf P. Thomas, Chairman of the Supervisory Board of Siemens Healthineers AG.

"With the completion of this transaction, we are now best-positioned to take two leaps together: a leap in cancer care and a leap in our impact on healthcare overall. Together, we are establishing a strong and trusted partner capable of supporting customers and patients along the entire cancer care continuum as well as through all major clinical pathways," said Dr. Bernd Montag, CEO of Siemens Healthineers AG.

"Through the transformative combination of Varian and Siemens Healthineers, our united company will address the growing need for personalized, data-driven diagnosis and

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precision cancer care that enables us to fight back against globally increasing cancer rates,” said Chris Toth, CEO of Varian, a Siemens Healthineers company. *“By bringing together our unique and highly complementary portfolios and capabilities, we will support oncology clinicians and patients in achieving better outcomes and move even closer to achieving our vision of a world without fear of cancer.”*

The combined company is creating a unique, highly integrated portfolio of imaging, laboratory diagnostics, artificial intelligence and treatment for the global fight against cancer with significant potential for increased value creation. The acquisition aligns perfectly with the “Upgrading” phase of Siemens Healthineers strategy. With today’s closing of the acquisition, Varian is expected to positively contribute to Siemens Healthineers adjusted basic earnings per share¹ within the first 12 months. Additionally, Siemens Healthineers aims for EBIT synergies of at least EUR 300 million per annum in fiscal year 2025.

Varian and Siemens Healthineers are building on the long-standing strategic partnership called “EnVision” to establish a comprehensive digital, diagnostic and therapeutic ecosystem that includes treatment management. With Varian, Siemens Healthineers will leverage AI-assisted analytics to advance the development and delivery of data-driven precision care and redefine cancer diagnosis, care delivery and post-treatment survivorship. Through early and accurate detection as well as more efficient diagnosis, increased treatment quality and access, Siemens Healthineers will support and accelerate Varian’s mission to reduce uncertainty for cancer patients and increase the level of cancer survivorship.

Siemens Healthineers completed the first phase of its Strategy 2025 at the end of fiscal year 2019, during which the company successfully implemented its IPO and launched important product innovations such as the AI-Rad Companions. With the start of fiscal year 2020, Siemens Healthineers has entered the second phase of its “Siemens Healthineers Strategy 2025.” This “Upgrading” phase will take Siemens Healthineers to the next level of profitable growth. With the acquisitions of Corindus and ECG Management Consultants, the company

¹ Before purchase price allocation effects, transaction, integration, retention and restructuring costs as well as gains and losses from divestments.

has already strengthened its offerings in adjacent growth areas. And, with Varian, Siemens Healthineers is well-positioned to grow in existing markets, enter adjacent fields and make new markets.

Varian's common stock ceased trading on the New York Stock Exchange prior to the opening of trading today.

This press release is available at <https://www.corporate.siemens-healthineers.com/press/releases/varian-closing>, further information at <https://www.corporate.siemens-healthineers.com/press/features/varian>.

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Siemens Healthineers AG (listed in Frankfurt, Germany: SHL) is shaping the future of healthcare. As a leading medical technology company headquartered in Erlangen, Germany, Siemens Healthineers enables healthcare providers worldwide through its regional companies to increase value by empowering them on their journey towards expanding precision medicine, transforming care delivery, improving the patient experience, and digitalizing healthcare. Siemens Healthineers is continuously developing its product and service portfolio, with AI-supported applications and digital offerings that play an increasingly important role in the next generation of medical technology. These new applications will enhance the company's foundation in in-vitro diagnostics, image-guided therapy, in-vivo diagnostics, and innovative cancer care. Siemens Healthineers also provides a range of services and solutions to enhance healthcare providers' ability to provide high-quality, efficient care to patients. In fiscal 2020, which ended on September 30, 2020, Siemens Healthineers generated revenue of €14.5 billion and adjusted EBIT of €2.2 billion. Following the acquisition of Varian Medical Systems, Inc. the company has approximately 65,000 employees worldwide. Further information is available at www.siemens-healthineers.com.

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This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures (financial key performance indicators) that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures may have limitations as analytical tools and should not be viewed in isolation or as alternatives to measures of Siemens Healthineers' net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its half-year consolidated financial statements and consolidated financial statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently, which may therefore not be comparable.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures to which they refer.

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The information contained in this document is provided as of the date of its publication and is subject to change without notice.

Please find further explanations to our financial key performance indicators in chapter „A.2 Financial performance system“ and in the notes to the consolidated financial statements note 29 „Segment information“ in the Annual Report 2020 of Siemens Healthineers. Additional information on reconciliations is also included in the Analyst Presentation. These documents

are available under the following internet link <https://www.corporate.siemens-healthineers.com/investor-relations/presentations-financial-publications>.