

Q3 Analyst Call

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Please find further explanations regarding 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 is also included in the Quarterly Statement. These documents can be found under the following internet link <https://www.corporate.siemens-healthineers.com/investor-relations/presentations-financial-publications> . As of beginning of fiscal year 2020, Siemens Healthineers applies the accounting standard IFRS 16, Leases. Comparative figures for the preceding fiscal year were not adjusted. Instead, the overall insignificant transition effects were recognized in equity as of October 1, 2019.

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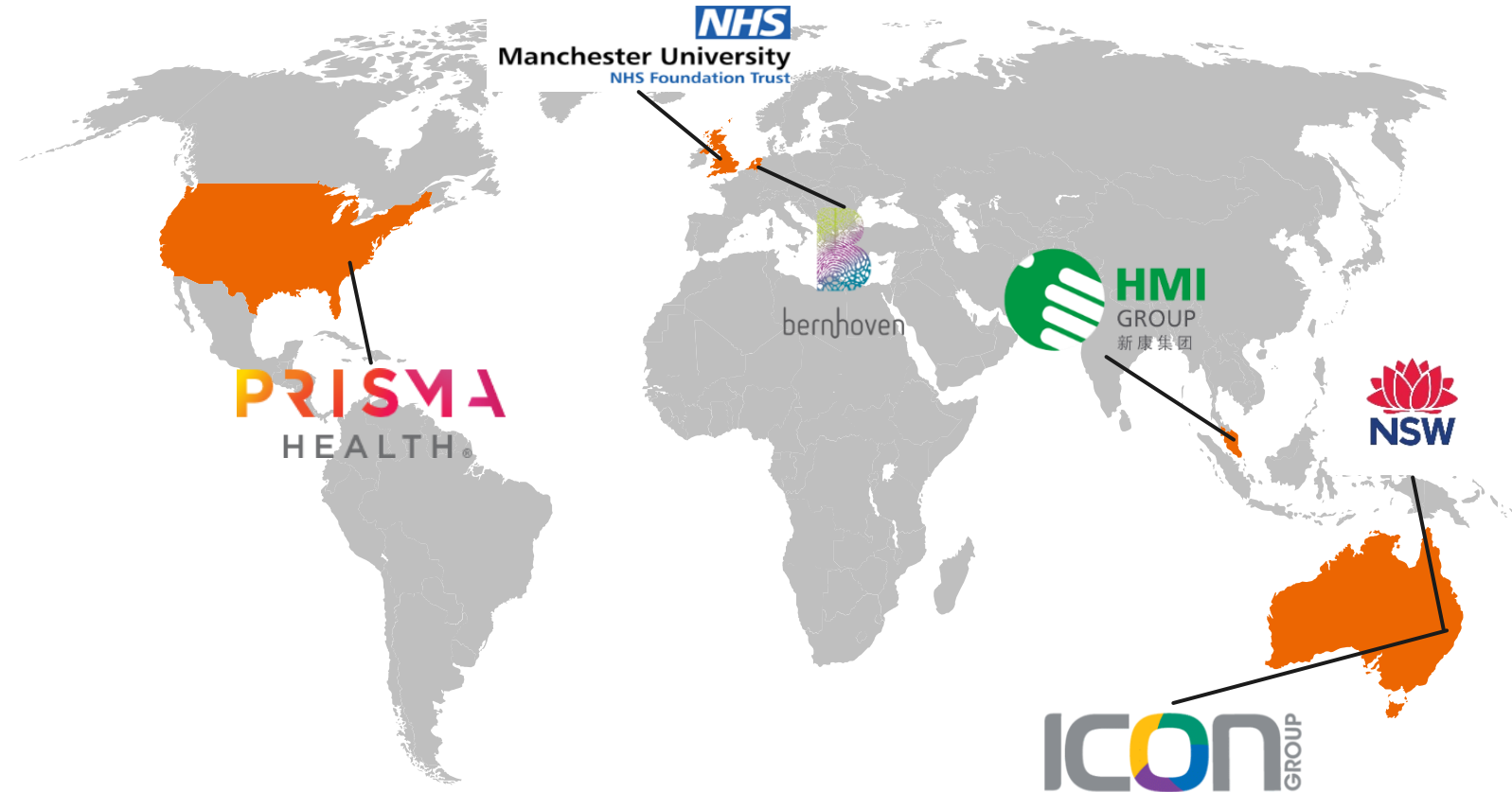
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Outstanding growth in orders and revenues across the board

- Further expanding order backlog with **>€5.5bn order intake** (equip. book-to-bill 1.18¹)
- **39% revenue growth²** with **peak in rapid antigen test revenue**, driving **Diagnostics growth²** to a stellar **103%**
- **Imaging and Advanced Therapies** achieve **excellent revenue growth²** with **17%** and **12%** respectively, **Varian** posts **solid adjusted revenues of €591m**
- **Adj. EBIT margin of 18.8%**; **Diagnostics** boosted by rapid antigen test sales, **Varian** with a strong start, **Imaging and Advanced Therapies** with quarterly volatility
- Adjusted basic **earnings per share of €0.56**, nearly doubled **y-o-y**
- **Free cash flow** more than **doubled vs. PYQ to €852m**
- **Outlook 2021 raised to 17-19% comparable revenue growth²** and **€1.95-2.05 adj. EPS**

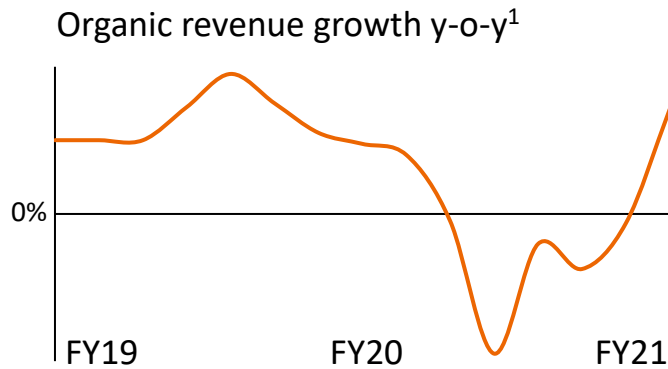
Value Partnerships and large deals: Further capitalizing on the scale of our unmatched portfolio and C-level access



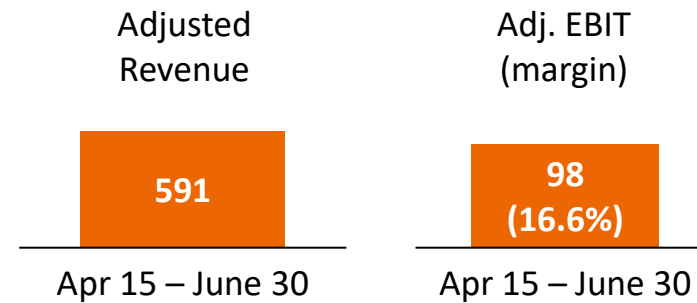
- **Significant increase in Value Partnerships and large deals across regions in FY21**
- **Strong funnel for the remaining year, with initial successes by including Varian**
- **Combination with Varian further strengthens our unique position as holistic partner**
- **AI, digitalization and consulting increasingly important elements of these partnerships**
- **High visibility of revenues over multiple years by long-term contracts**

Varian with a strong start; Integration well on track

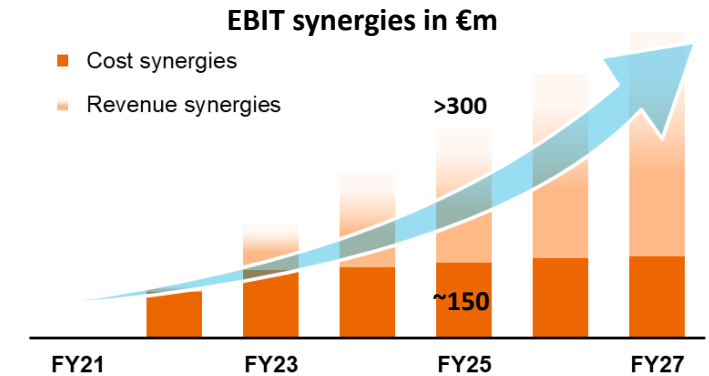
Recovery in full swing



Strong financial performance (€m)



On track to deliver synergy targets



- ✓ **Strong order intake momentum, rebound** across all geographies
- ✓ **Solid revenue performance** with increases in all geographies as global recovery continues
- ✓ **Strong underlying profitability**, benefitting from good product mix and first integration cost synergy effects
- ✓ **Integration**: First joint customer projects across modalities and regions
- ✓ On track to deliver our synergies – delisting and procurement as early drivers

Note: indicative graph only, not to scale

¹ Organic growth rates Q1'19 – Q2'21 under former Varian US GAAP definition; from Q3'21 under Siemens Healthineers accounting standard

Q3 FY2021

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A compelling investment case

1

Attractive structural and innovation driven growth

- **Leading positions** in attractive, **structurally growing** end-markets
- **Consistent roll-out** of **innovative technologies** and products to strengthen our **market leading positions**
- **Benefitting** from growing importance of **holistic partnerships** and increasing shift to **c-level decision taking**

2

Sector leading margins with further upside

- Scope for **further expansion of our sector** leading margins in **Imaging** and **Advanced Therapies**
- On track to drive **higher growth** and **better margins** in our **Diagnostics business**

3

Expanding portfolio into adjacent growth markets

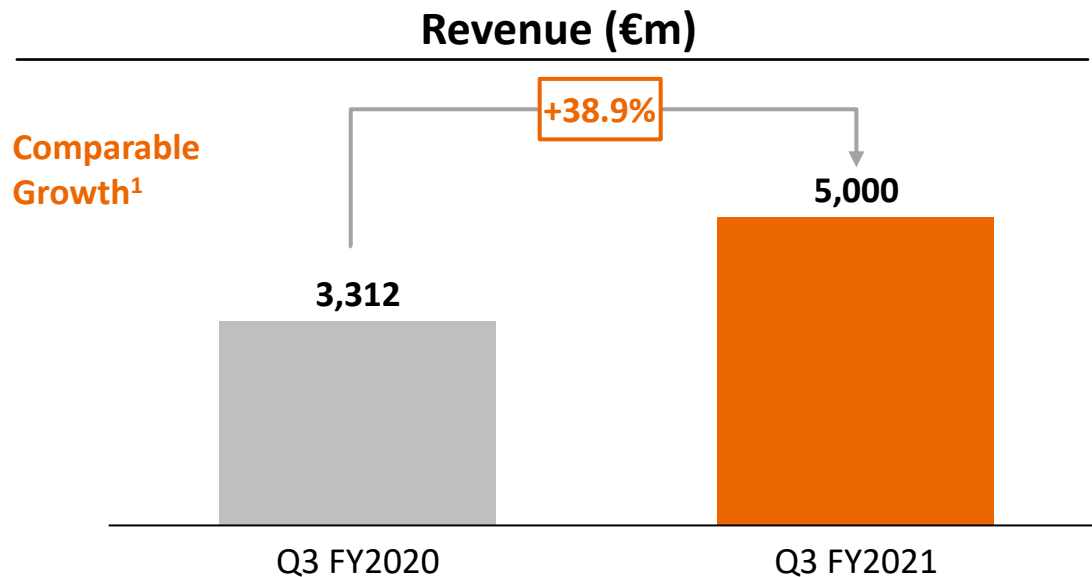
- **Varian: New level** of profitable growth; become even more **holistic partner** for the **entire customer spectrum**
- **Corindus: Continued market creation** in a tough environment **reinforcing our value proposition**

4

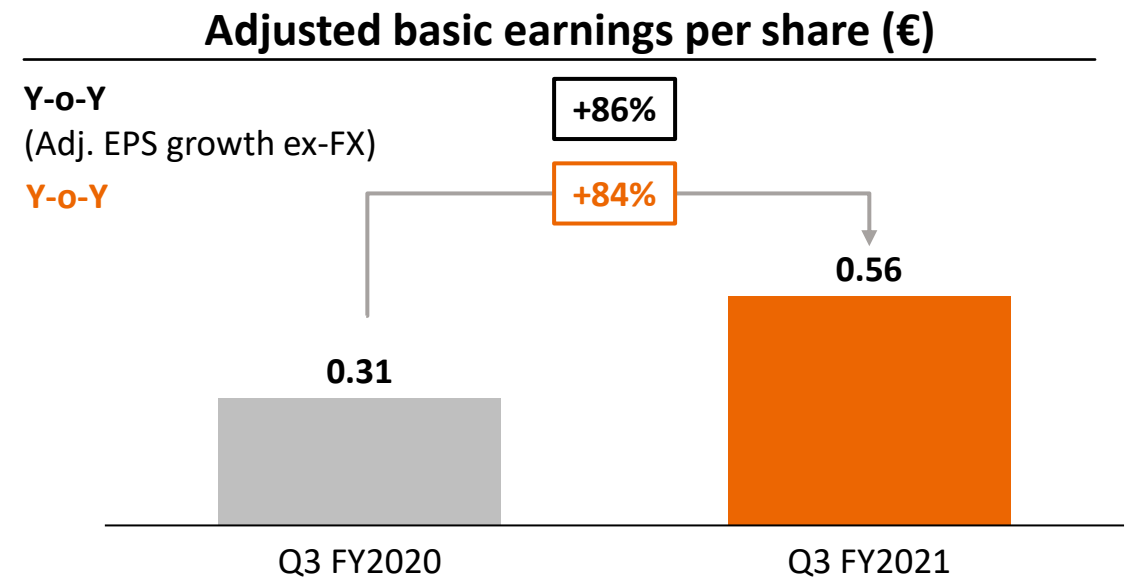
Resilient performance at all times

- **High share of recurring revenues** from reagents in Diagnostics and our service business in Imaging, Varian and Advanced Therapies
- **Regional diversification** and significantly **increasing order backlog** from **Value Partnerships** further increase resilience in our business

Adjusted EPS almost doubled on stellar revenue



- 39% revenue growth in Q3 with peak in rapid antigen test revenue and excellent growth across all businesses and regions
- Significant equipment revenue growth driven by pent-up demand on easy comps
- Americas picking up momentum as expected with 24% growth, continued strong momentum in EMEA (~20% growth ex-antigen) and in Asia, Australia (15% growth)



- Adj. basic EPS almost doubled on stellar revenue
- Varian immediately adjusted EPS-accretive
- Adj. EBIT margin at 18.8%; y-o-y +480 bps significantly up driven by Diagnostics, primarily due to antigen profit accretion
- Q3 21 with increasing y-o-y headwinds from lower incentive provision in PYQ, no y-o-y tailwind from discretionary spend
- Adj. financial income² net in Q3 at €2m, tax rate at 33% (PYQ: 33%)

¹ Year-over-year on a comparable basis, excluding currency translation and portfolio effects as well as effects in line with revaluation of contract liabilities from IFRS 3 PPA |

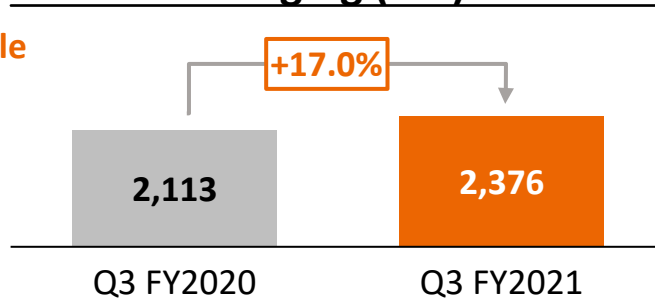
² Adjusted for transaction-related costs within financial income net

Continued excellent growth across all businesses, quarterly margin volatility in the segments

Imaging (€m)

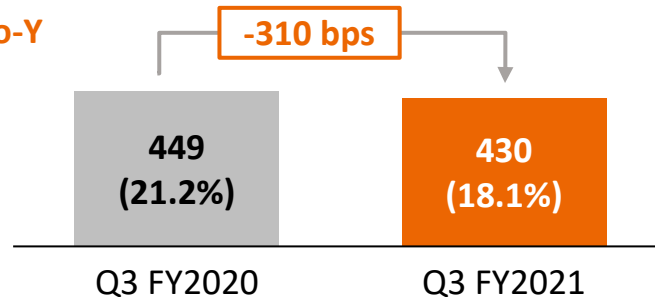
Comparable Growth¹

Adjusted revenue



Margin Y-o-Y

Adj. EBIT (margin)



- Continued excellent growth supported by pent-up demand and easy comps
- Margin down y-o-y on incentive provision headwinds, negative mix effects, and FX headwind

Diagnostics (€m)

+103.4%

869

1,720

Q3 FY2020

Q3 FY2021

+2,450 bps

-31 (-3.6%)

360 (21.0%)

Q3 FY2020

Q3 FY2021

- Revenue significantly up, driven by peak in rapid antigen test revenue, core business continues with solid growth
- Margin up y-o-y driven by antigen peak and FX tailwind, increasing headwinds from incentive provisions

Advanced Therapies (€m)

+11.8%

372

397

Q3 FY2020

Q3 FY2021

-790 bps

64 (17.1%)

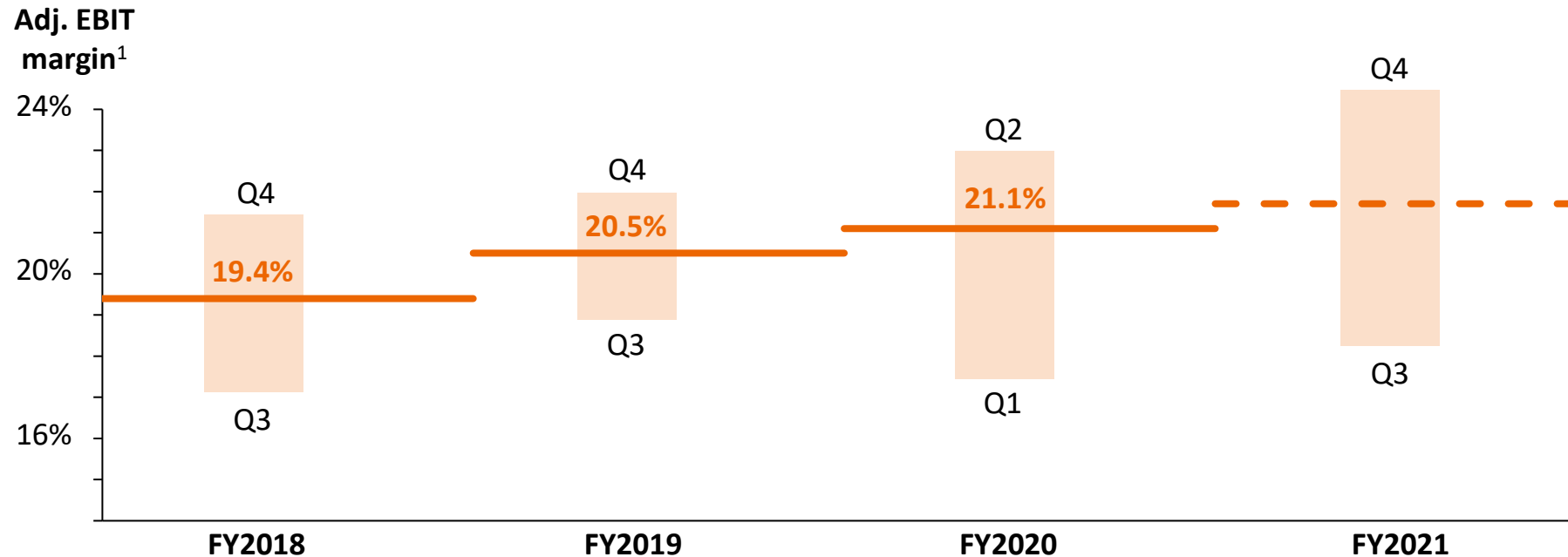
37 (9.3%)

Q3 FY2020

Q3 FY2021

- Continued excellent growth supported by pent-up demand and easy comps
- Margin down y-o-y on FX headwinds, incentive provision, negative mix effects
- Ongoing invest in Corindus

Imaging on track for continued margin expansion in FY2021, profitability with quarterly volatility

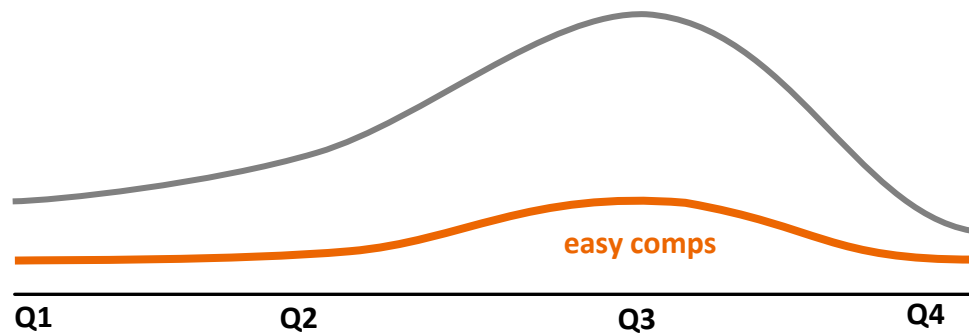


- Q3 FY21 down y-o-y on **incentive provision headwinds, negative mix effects, and FX headwind**
- Margins in **full fiscal years rock-solid and expanding y-o-y**
- Volatility in quarters is normal course of business, **historically deviations of more than +/- 200 bps in quarters**
- **Imaging on track to deliver margin expansion in FY2021** driven by excellent revenue growth and conversion

Diagnostics core business with solid growth and margins, Q3 with anticipated peak in antigen sales and profit accretion

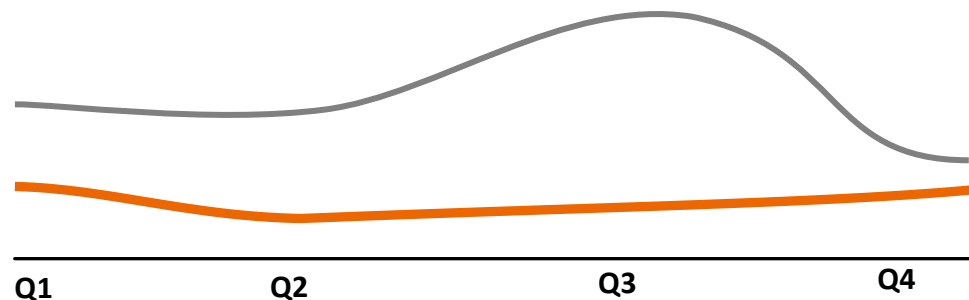
— DX incl. COVID-19 tests — DX excl. COVID-19 tests

Comparable revenue growth¹ in FY21



- Rapid antigen test revenue peak in Q3 with ~€600m
- Update of revenue assumption for FY21 to ~€1,000m, Q4 revenue expected to decline significantly
- DX excl. COVID-19 tests sustains solid growth in Q3 as in H1

Adjusted EBIT margin in FY21



- Antigen profit accretion boosts Q3 DX profitability as expected, accretion expected to decline significantly in Q4 FY21 from lower demand and price erosion
- DX excl. COVID-19 tests sustains profitability in Q3 as in H1

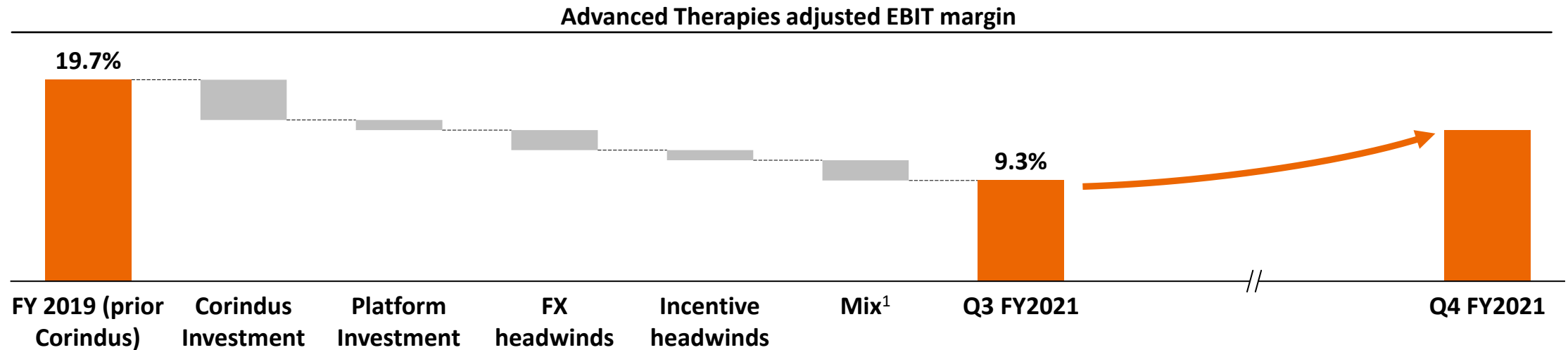
Note: indicative graph only, not to scale

¹ Year-over-year on a comparable basis, excluding currency translation and portfolio effects as well as effects in line with revaluation of contract liabilities from IFRS 3 PPA

Q3 FY2021

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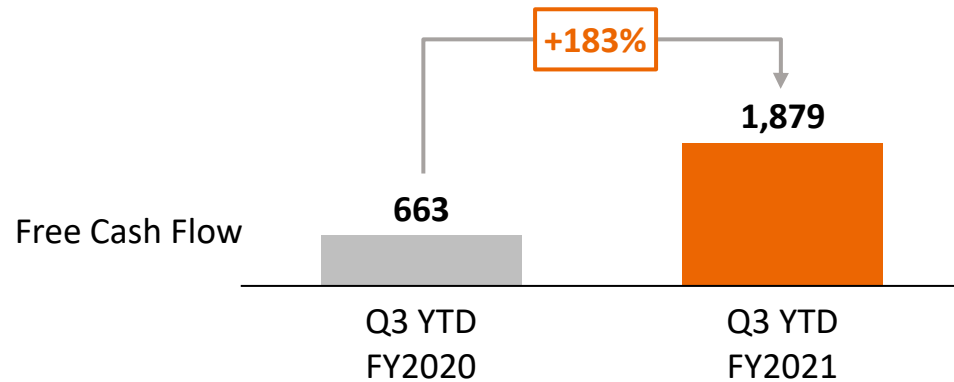
Advanced Therapies margin burdened by FX, Incentives and mix effects – ongoing investments



- **Headwinds from FX, incentives and mix** as well as continued investments burden margin in Q3
- **Continued investment for Corindus** for development of stroke/neuro application and market development activities ramping up
- **Additional invest to expand the successful Icono platform**, building a new generation of connected and digital interventional suites
- **Q4 expected to recover on higher conversion and improved mix**, while incentive provisions and FX will remain a headwind in Q4, as well as investments in Corindus and in expansion of Icono platform

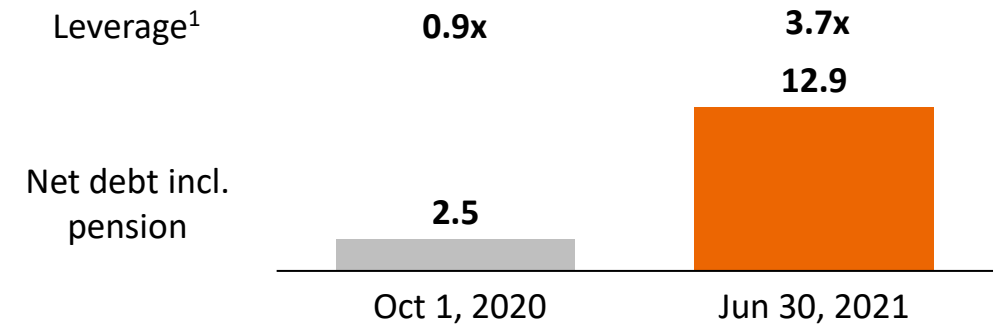
Excellent cash performance, healthy position to further delever

Cash performance (€m)



- Excellent cash performance in Q3 year-to-date due to diligent execution on cash collection
- Inventory levels normalizing
- Peaking cash contribution from rapid antigen business in Q3, benefitting from short order-to-cash cycle

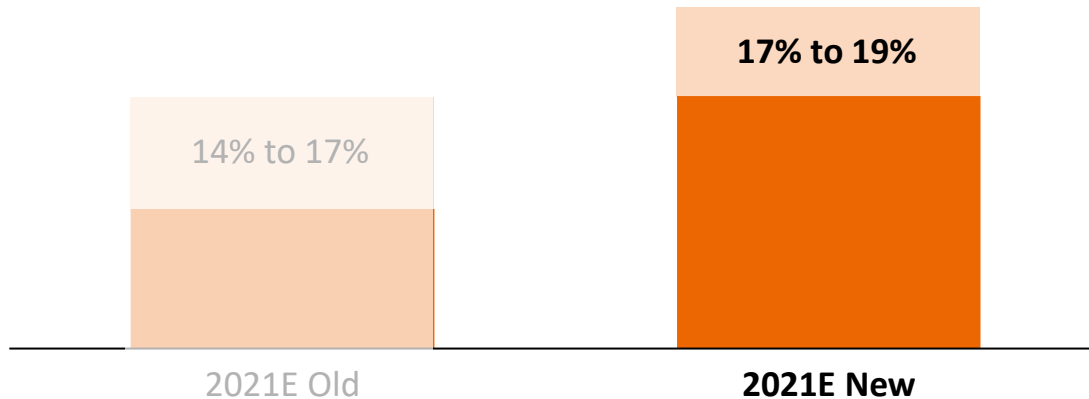
Leverage & net debt (€bn)



- Net debt as of June 30 at €12.9bn, including Varian consolidation; solid financing in place
- Leverage¹ at 3.7x, below pro-forma leverage due to excellent cash performance year-to-date
- Further delevering with strong cash generation within “solid investment grade”-like territory

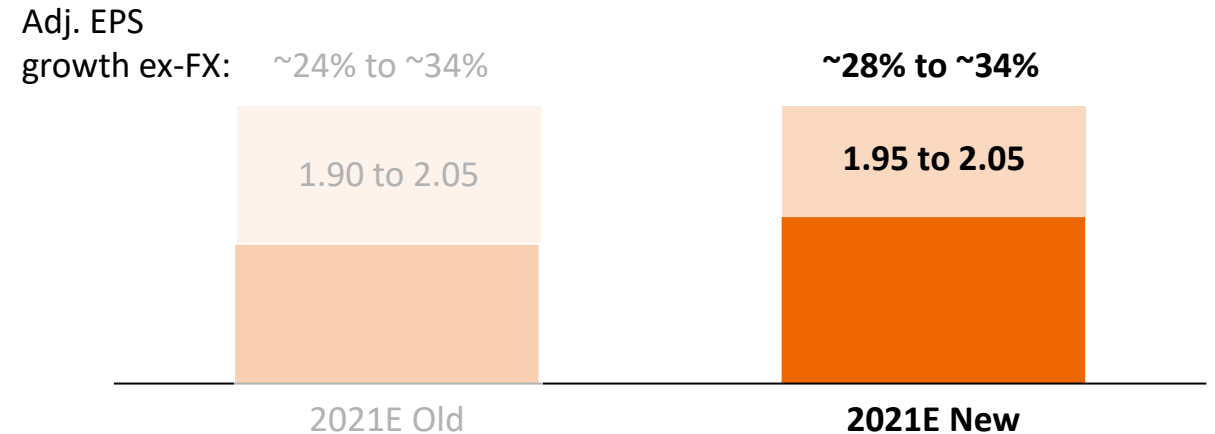
Outlook 2021 raised – increased rapid antigen assumption, stronger Imaging growth, higher Varian contribution

Comparable revenue growth^{1,3}



- **Higher growth** from updated revenue assumption for rapid antigen tests, and improved outlook for Imaging
 - **Imaging** to grow above 9% (before: >8%)
 - **Diagnostics** to grow above 35% (before: >25%), assumption for rapid antigen test sales updated to ~€1,000m (before: ~€750m)
 - **Advanced Therapies** to grow above 7% (unchanged)
- **Expected Varian revenue contribution in H2⁴ of €1.3bn to €1.4bn** (before: €1.2bn to €1.4bn)

Adj. basic EPS^{2,3} (€)



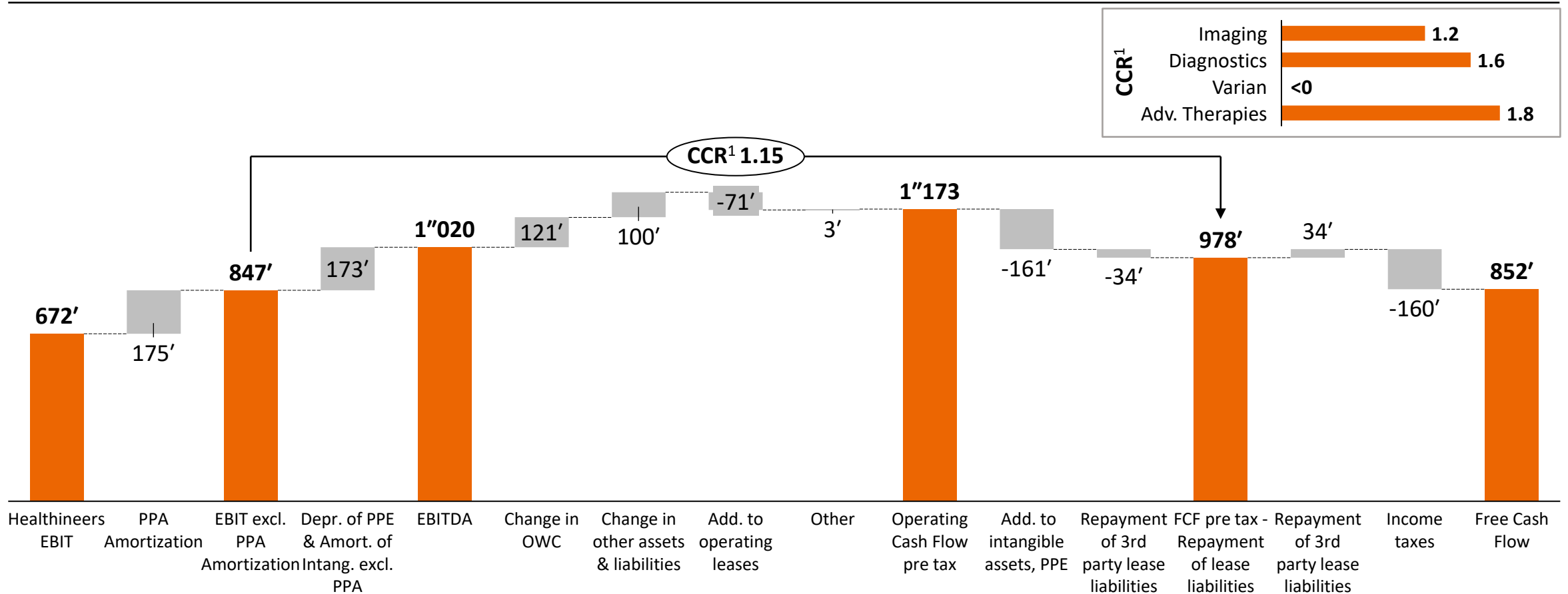
- **EPS-range narrowed by increasing lower band**
 - **Imaging** to improve adj. EBIT margin ~100 bps y-o-y (unchanged)
 - **Diagnostics** margin to exceed 10% (unchanged)
 - **Advanced Therapies** margin at mid-teens
- Expected **Varian adj. EBIT margin in H2** of 15% to 17% (before: 12% to 14%)
- **Adj. financial income net⁵** at -€30m to -€40m
- **Tax-rate** at 27% to 29% (unchanged)

¹ Year-over-year on a comparable basis, excluding currency translation and portfolio effects as well as effects in line with revaluation of contract liabilities from IFRS 3 PPA |

² Adjusted for expenses for portfolio-related measures, and severance charges, for EPS net of tax and calculated for FY2021 with 1,100m av. shares outstanding | ³ The outlook is based on certain assumptions, see Quarterly Statement Q3 FY2021 | ⁴ not included in comparable growth rate | ⁵ Adjusted for transaction-related costs within financial income net

Cash conversion rate significantly above 1

Q3 FY21 Siemens Healthineers EBIT to Free Cash Flow (€m)



¹ CCR=(Free Cash Flow pre tax - Repayment of 3rd party lease liabilities) / (Healthineers EBIT excl. PPA)

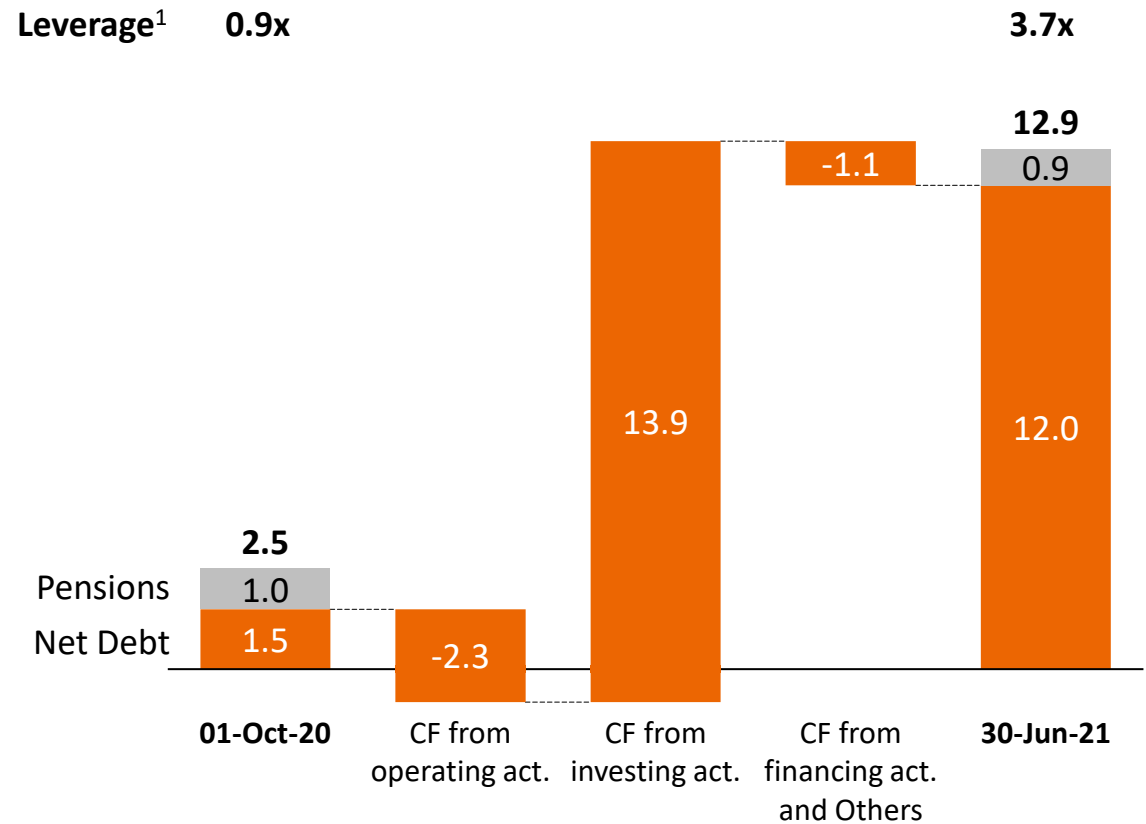
Q3 balance sheet and net debt bridge

Net debt overview

in €bn	Sep 30, 2020	June 30, 2021
Cash and cash equivalents	0.7	1.2
Current receivables from the Siemens Group from financing activities	3.3	1.4
Short-term and long-term financial debt	(0.5)	(0.6)
Current liabilities and liabilities to the Siemens Group from financing activities ²	(4.9)	(14.0)
Net debt	(1.5)	(12.0)
Provisions for pensions and similar obligations	(1.0)	(0.9)
Net debt (incl. pensions)	(2.5)	(12.9)

¹ Leverage is net debt incl. pension over EBITDA rolling four quarters | ² Includes market values from derivatives

Capital structure development in Q3 (in €bn)

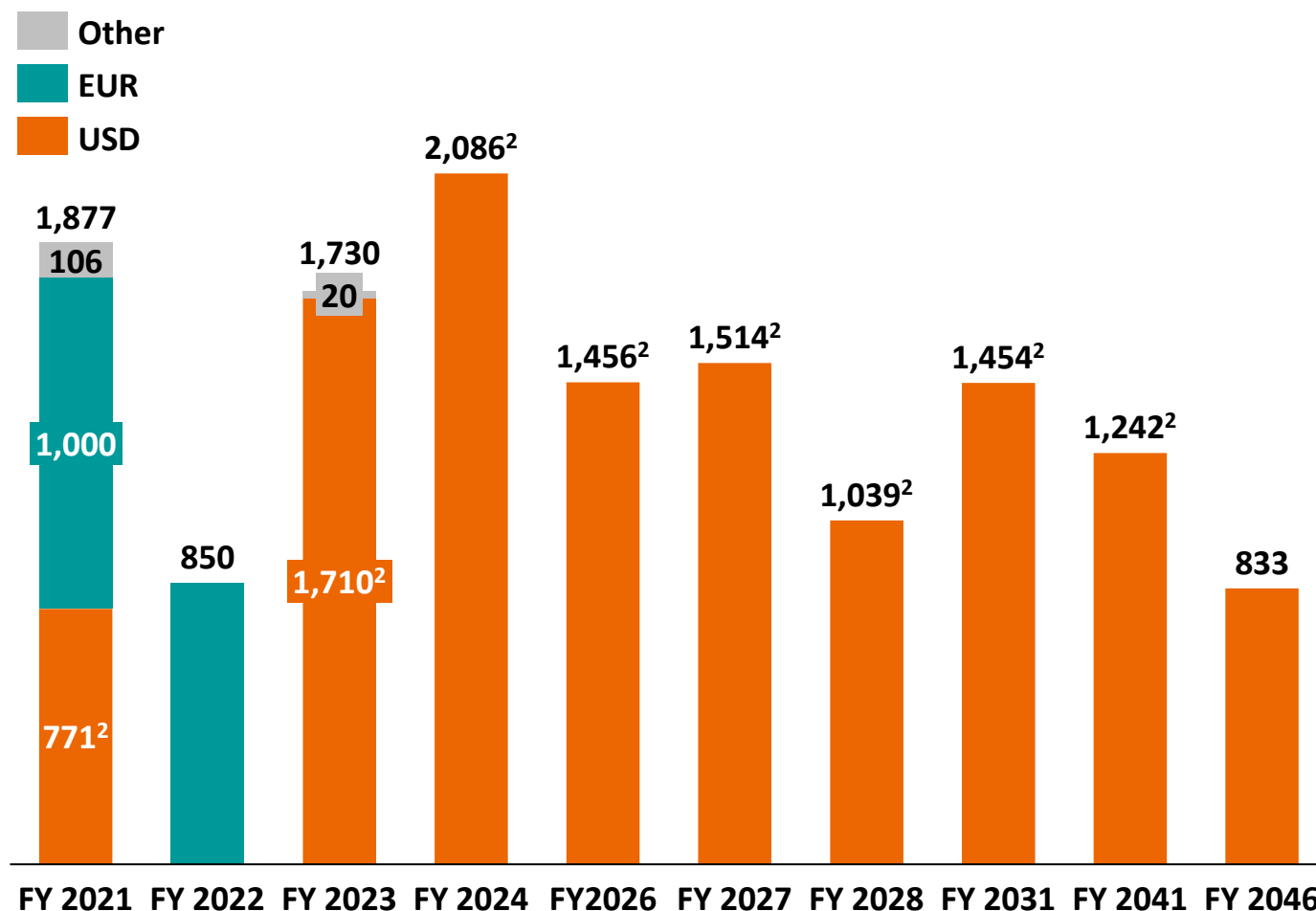


Q3 FY2021

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SHS loan maturity profile

SHS loans with Siemens Group as of Jun 30th 2021¹ (in €m)



Comments

- Total loan volume ~€14bn equivalent
- Average interest rate ~0.5%³

Top 10 loans

Currency	Volume in m	Volume in €m	Interest rate	Maturity
EUR	€1,000	€1,000	0.25% ⁴	FY 2021
EUR	€850	€850	0.30% ⁴	FY 2022
USD	\$1,247	€1,043 ²	-0.26% ²	FY 2023
USD	\$1,497	€1,251 ²	-0.14% ²	FY 2024
USD	\$998	€834 ²	-0.29% ^{2,4}	FY 2024
USD	\$1,742	€1,456 ²	0.08% ²	FY 2026
USD	\$1,689	€1,514 ²	0.26% ²	FY 2027
USD	\$1,243	€1,039 ²	0.31% ²	FY 2028
USD	\$1,740	€1,454 ²	0.59% ²	FY 2031
USD	\$1,486	€1,242 ²	1.40% ²	FY 2041

¹ Maturity profile based on Fiscal Year start October 1 - translation to EUR according to spot rate as of Jun 30th 2021 (applicable for unhedged loans) | ² USD loans addressed by SHS debt & capital restructuring resulting in synthetic EUR debt; EUR volume and interest rates are calculated with underlying hedge rates | ³ Average interest rate for FY2021 after implementation of debt and capital restructuring | ⁴ Floating interest rate

Funded status unchanged, including Varian pension commitments

Q3 FY2021 Key financials – Pensions and similar obligations

in €bn ¹	FY2018	FY2019	FY2020	Q1 FY2021	Q2 FY2021	Q3 FY2021
Defined benefit obligation (DBO)	(3.4)	(3.8)	(3.8)	(3.9)	(3.8)	(4.1)
Fair value of plan assets	2.6	2.8	2.8	2.9	2.9	3.2
Provisions for pensions and similar obligations²	(0.8)	(1.0)	(1.0)	(1.1)	(0.9)	(0.9)
Discount rate	2.9%	1.8%	1.5%	1.2%	1.7%	1.5%
Interest Income	0.1	0.1	0.0	0.0	0.0	0.0
Actual return on plan assets	0.1	0.3	0.1	0.1	0.1	0.2

¹ All figures are reported on a continuing basis | ² Provisions for pensions and similar obligations does not include net defined benefit assets (Q3 FY2021: €+0.1bn) presented in the line item other assets; *Defined Benefit Obligation (DBO) including other post-employment benefit plans (OPEB) of ~€-0.1bn*

