

Q2 Analyst Call

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Please find further explanations regarding our (supplemental) financial measures in chapter “A.2 Financial performance system” and in the Notes to consolidated financial statements, Note 29 “Segment information” of the Annual Report 2021 of Siemens Healthineers. Additional information is also included in the Quarterly Statement. These documents can be found under the following internet link <https://www.siemens-healthineers.com/investor-relations/presentations-financial-publications>.

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- **Remarkable momentum** in order and revenue growth **continued**: equipment book-to-bill at 1.22, comparable revenues up 16% despite unprecedented challenges
- **Diagnostics revenue with outstanding growth** of 37% incl. ~€680m of rapid antigen sales
- **Strong revenue growth in Imaging and Advanced Therapies** with 6% and 8% respectively
- **Varian** with €706m revenue contribution; strong equipment book-to-bill of 1.31
- **Adj. EBIT margin** of 17.9% holding up well despite FX headwinds and further increased procurement and logistics costs, on back of significant rapid antigen contribution
- **Adj. basic EPS** of €0.67 up +53% y-o-y
- **Outlook 2022 raised** to 5.5-7.5% revenue growth and €2.25-2.35 adj. basic EPS, **new rapid antigen revenue assumption** of ~€1,300m

Our unique capabilities

Patient Twinning

Personalization of diagnosis,
therapy selection and monitoring,
after care and managing health



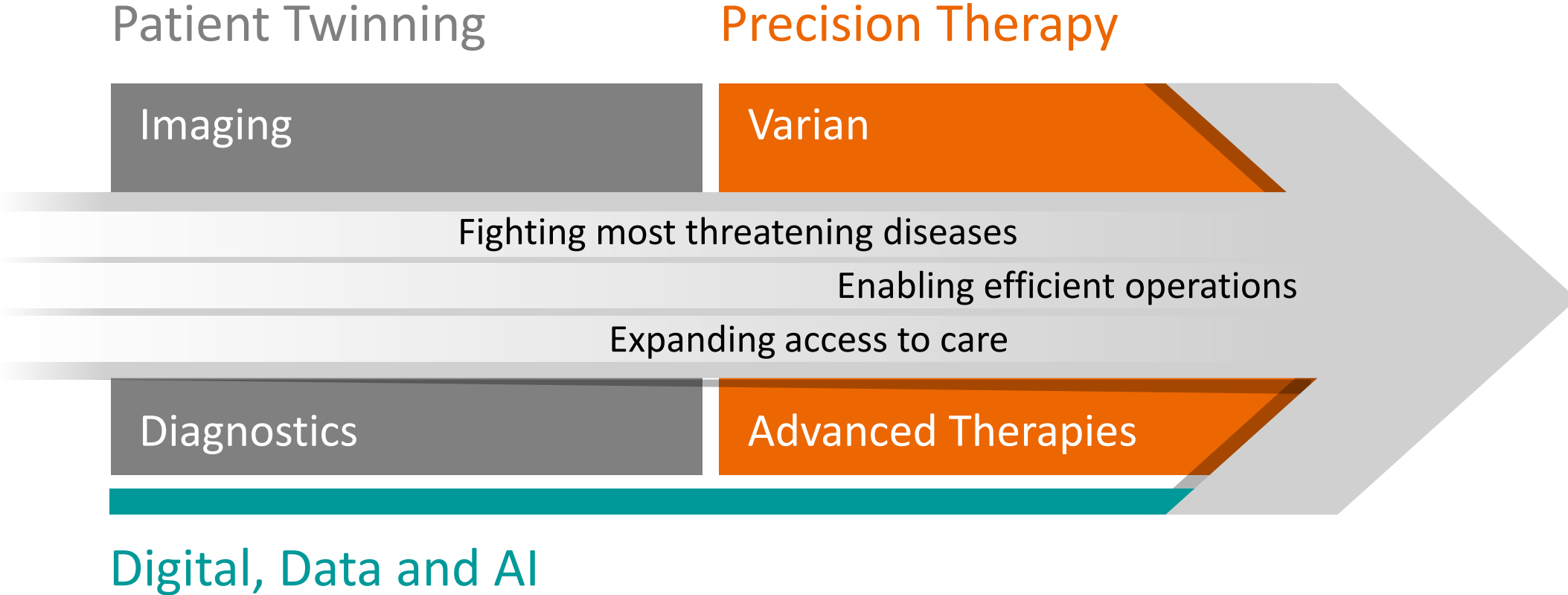
Precision Therapy

Intelligent and image guided
treatment for the most
threatening diseases

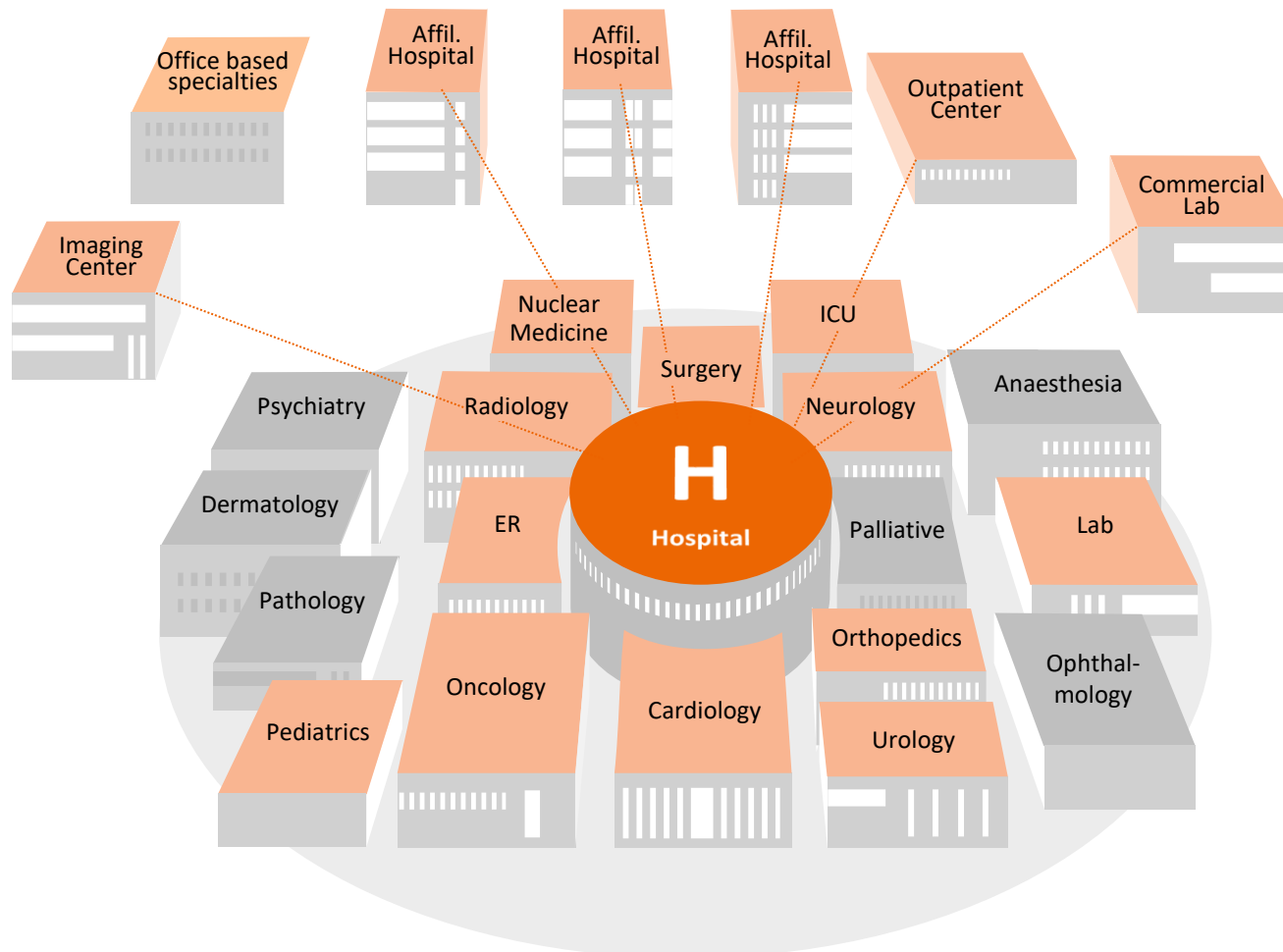
Digital, Data and AI

Leveraging digital, data and AI and advance
providers' operations with tech-enabled and
enterprise services

Our strategic growth vectors



Our unmatched relevance



Unique customer access

- Unmatched C-level relationships
- addressing all major departments
- addressing all major disease states

Unique suite of offerings

- Leading products
- Best-in-class service
- Renown consulting
- Value Partnerships

Unique track record

- Continuous share gains
- Leading Net Promoter Scores
- >€3bn backlog of long-term partnership agreements

Growth and resilience in a challenging environment

Unmatched global presence

balancing the impacts of
COVID-19 lockdowns

Innovative product portfolio

serving unchanged
underlying growth drivers



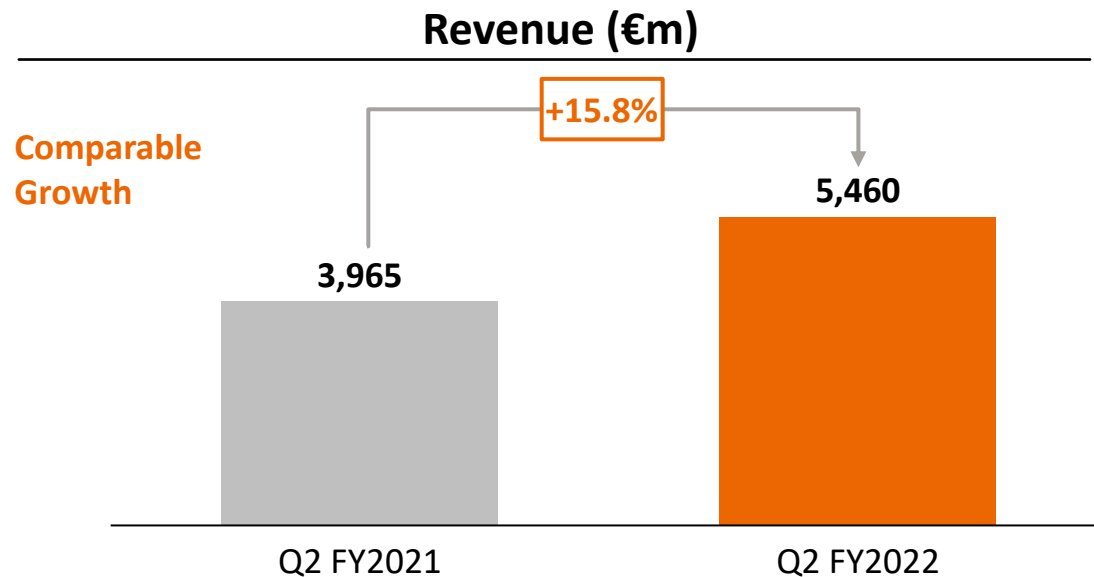
Pricing excellence

based on innovation leadership

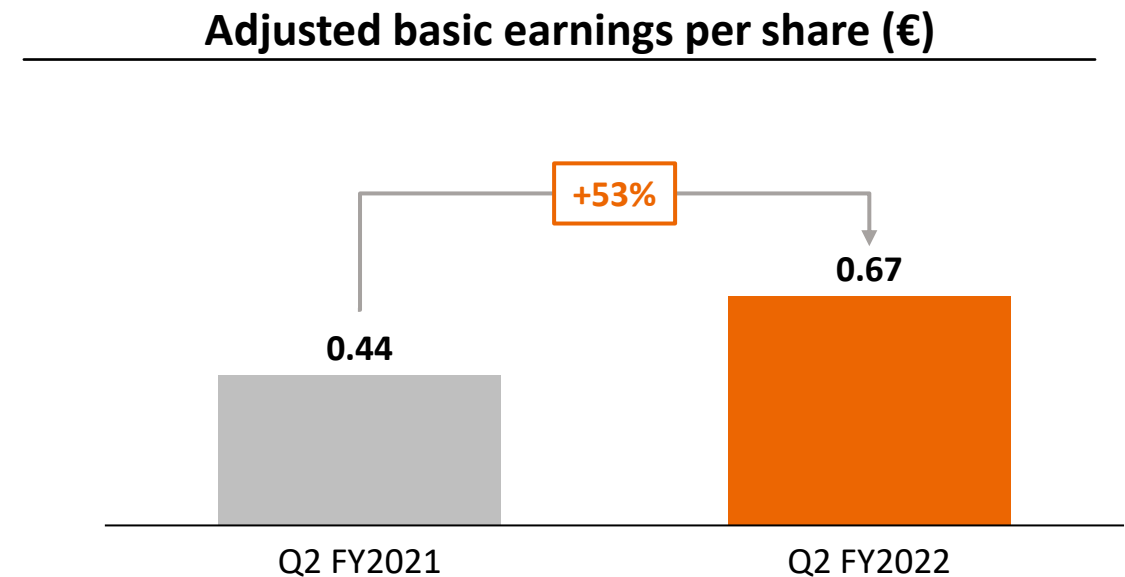
Robust set-up and **highly professional team** managing
global supply chain challenges

Agile organization capturing
COVID-19 pandemic opportunities
(e.g. rapid antigen business)

Growth and resilience in revenue and earnings per share in a challenging environment



- 15.8% revenue growth in Q2 with growth across the board
- Ex-antigen growth at 4.4% on tough comps (PYQ: ~8% ex-antigen)
- Americas with 33% growth driven by antigen contribution and continuing underlying momentum (~9% ex-antigen)
- EMEA with 12% growth driven by antigen contribution and continuing underlying momentum (~6% ex-antigen)
- Asia, Australia down y-o-y with -1% driven by China on tough comps and impact from lockdowns (China: Q2 22: -10% vs. Q2 21: +17%)



- Adj. basic EPS up +53% y-o-y on higher revenue
- Adj. EBIT margin at 17.9%, holding up well despite FX headwinds and further increased procurement and logistics costs, on back of significant rapid antigen contribution
- Financial income net in Q2 at -€7m
- Tax rate at 23% due to positive tax procedure (PYQ: 27%)

Strong growth in all segments; margins impacted by FX and further increased procurement and logistics costs

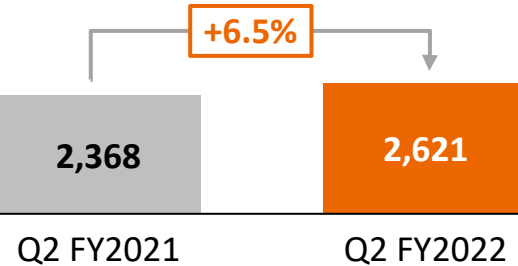
Imaging (€m)

Comparable
Growth

Adjusted
revenue

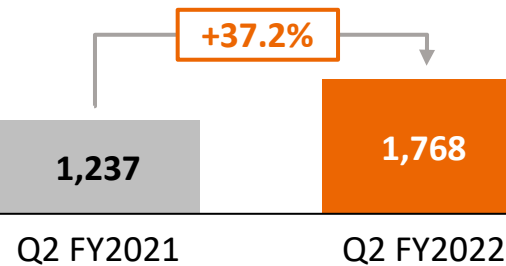
Margin Y-o-Y

Adj. EBIT
(margin)



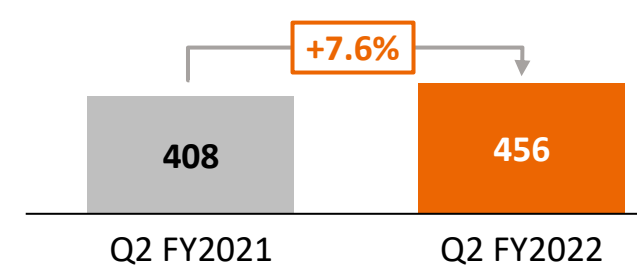
- Continued strong growth in Q2 with very strong growth in MR and CT¹
- Margin down y-o-y on FX headwinds and further increased procurement and logistics costs (Σ ~250 bps)

Diagnostics (€m)



- Revenue significantly up, driven by higher rapid antigen test revenues y-o-y, core revenues impacted by China lockdowns
- Margin up y-o-y driven by significant rapid antigen contribution, overcompensating headwinds from FX and further increased procurement and logistics costs (Σ ~400 bps²)

Advanced Therapies (€m)



- Strong growth in Q2
- Margin down y-o-y on headwinds from FX and further increased procurement and logistics costs (Σ ~200 bps)
- Ongoing invest in Corindus

Varian – solid quarter with further expanding order backlog

Equipment book-to-bill

1.31x

Adjusted revenue¹

€706m

Adj. EBIT margin

13.3%



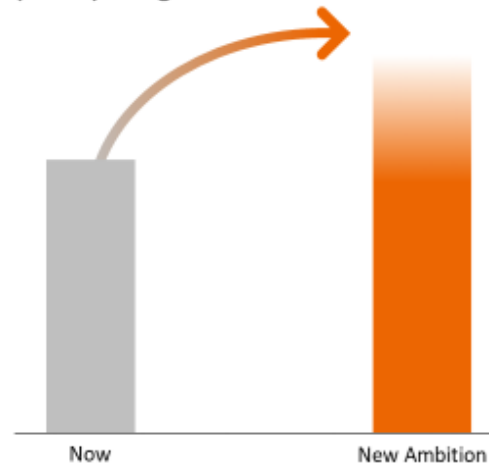
- **Strong order backlog continues to expand**, showing track record for positive equipment book-to-bill
- **Signed multi-year multidisciplinary oncology service agreement** with the Cancer Treatment Centers of America
- **Soft y-o-y revenue growth in Q2** impacted by push-outs to Q3 e.g. due to lockdowns in China
- **Profitability in-line** with seasonality, impacted by revenue push-outs and further increased procurement and logistics costs

¹ Adj. for effects in line with revaluation of contract liabilities from IFRS 3 PPA, see glossary

Imaging – margin expected to significantly pick up in H2

Proven track-record of industry-leading (gross) margins

(Gross) Margins



The Siemens Healthineers set-up for industry-leading (gross) margins

+	Pricing	Pricing discipline across the board and pricing strength from innovation leadership positions
+	Productivity	4 to 5% p.a. of total cost productivity from design-to-cost, purchasing and lean processes through digitalisation
+	Scale	Scaling purchasing power and cost degression on growing revenues
-	Price erosion	Pricing headwind historically between -1.5% to -2.5% p.a., decreasing in recent years - no material change expected

Inflation	Cost inflation offset by decreasing headwinds in price erosion
FX	More balanced exposure to €/\$/-rate with Varian value-add in \$; hedging on a rolling basis to reduce volatility

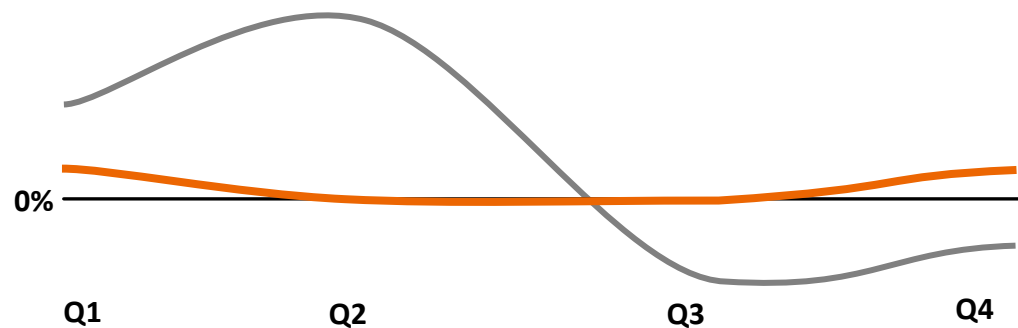
Imaging margin drivers H2 vs. H1

- + **Scale** drives cost degression in H2 (H2 revenues ~€0.5bn up vs. H1)
- + **FX headwinds** in H1 (> -100 bps) falling to ~0 in H2
- + **Pricing** measures impact H2
- **Increased procurement and logistics costs**

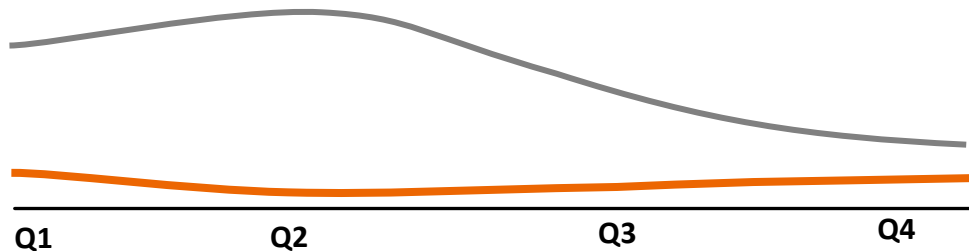
Diagnostics – rapid antigen business more than compensates headwinds from FX and procurement and logistics costs

— DX incl. rapid antigen tests — DX ex rapid antigen tests

Comparable revenue growth in FY22

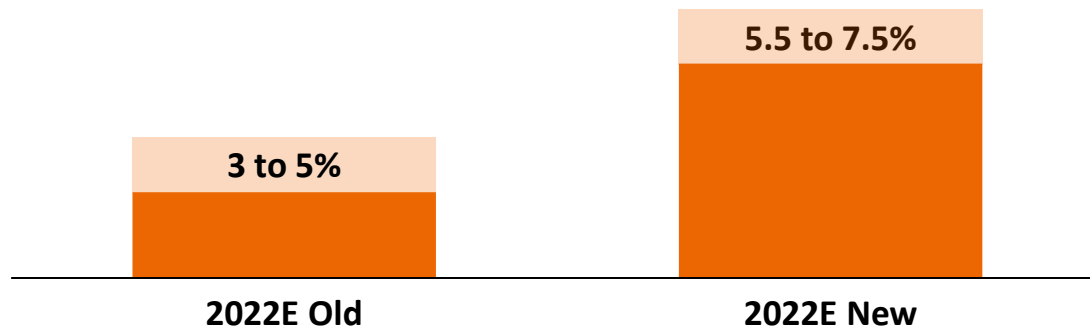


Adjusted EBIT margin in FY22



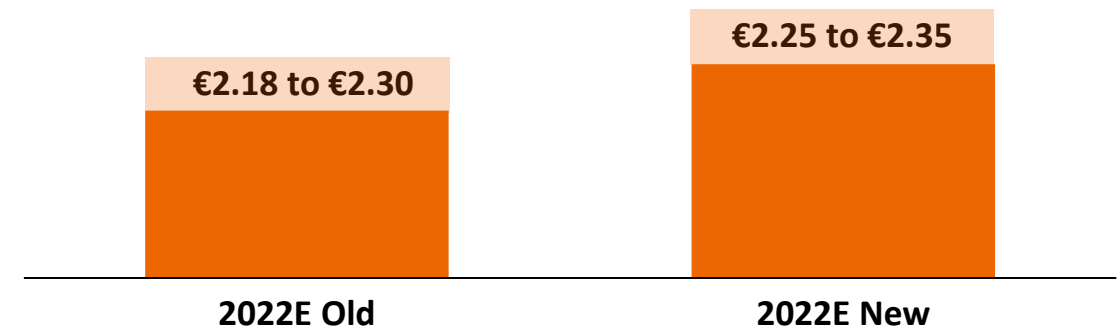
- **New rapid antigen assumption for FY22 of ~€1,300m** [before: €700m] due to demand in the U.S., sharp “cliff-like” demand drop assumed in H2; **~€1,000m revenue in H1**
- **FY22 rapid antigen revenue assumed to be 50/50 EMEA and U.S.**, H2 revenue mostly in the U.S.
- **Diagnostics ex rapid antigen** posts y-o-y flattish revenue in Q2, muted due to China lockdowns; solid growth in the U.S.
- **Q2 Diagnostics profitability with significant antigen contribution**
- Accretion expected to **decline significantly in H2** due to lower volumes
- **Diagnostics ex rapid antigen** soft due to valuation effects in Q2, underlying profitability in the mid-single digits

Comparable revenue growth



- **Imaging** growth at 6 to 8% (before: 5 to 8%)
- **Diagnostics** growth at mid-single digits (before low-single digit negative growth), rapid antigen revenue assumed at ~€1,300m in FY22 (before: ~€700m)
- **Varian revenue**¹ at €2.9 to €3.1bn in FY22, growth at low teens, contributing to comparable growth in H2 only
- **Advanced Therapies** growth at 5 to 8%

Adj. basic earnings per share



- **Imaging** margin at 21 to 22% (before: 22 to 23%)
- **Diagnostics** margin at low to mid-teens (before: low teens)
- **Varian** margin at 15 to 17%
- **Advanced Therapies** margin at 14 to 17%
- **Financial income, net** at €-50m to €-70m
- **Tax rate** at 27% to 29%

Note: The outlook is based on current foreign exchange rate assumptions, on the current portfolio and on further assumptions, see Quarterly Statement Q2 FY2022

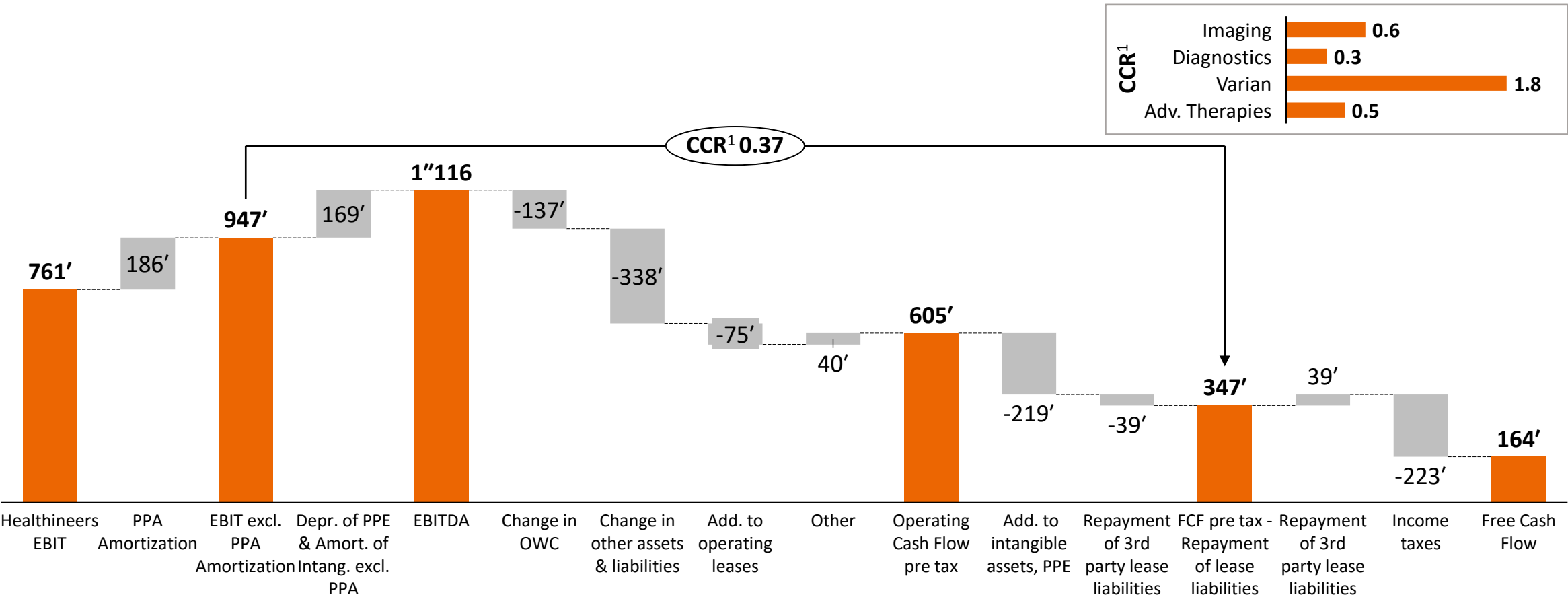
¹ Adj. for effects in line with revaluation of contract liabilities from IFRS 3 PPA, see glossary

Q2 FY2022

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Q2 FY22 cash conversion held back by inventory buildup and incentive payouts

Q2 FY22 Siemens Healthineers EBIT to Free Cash Flow (€m)



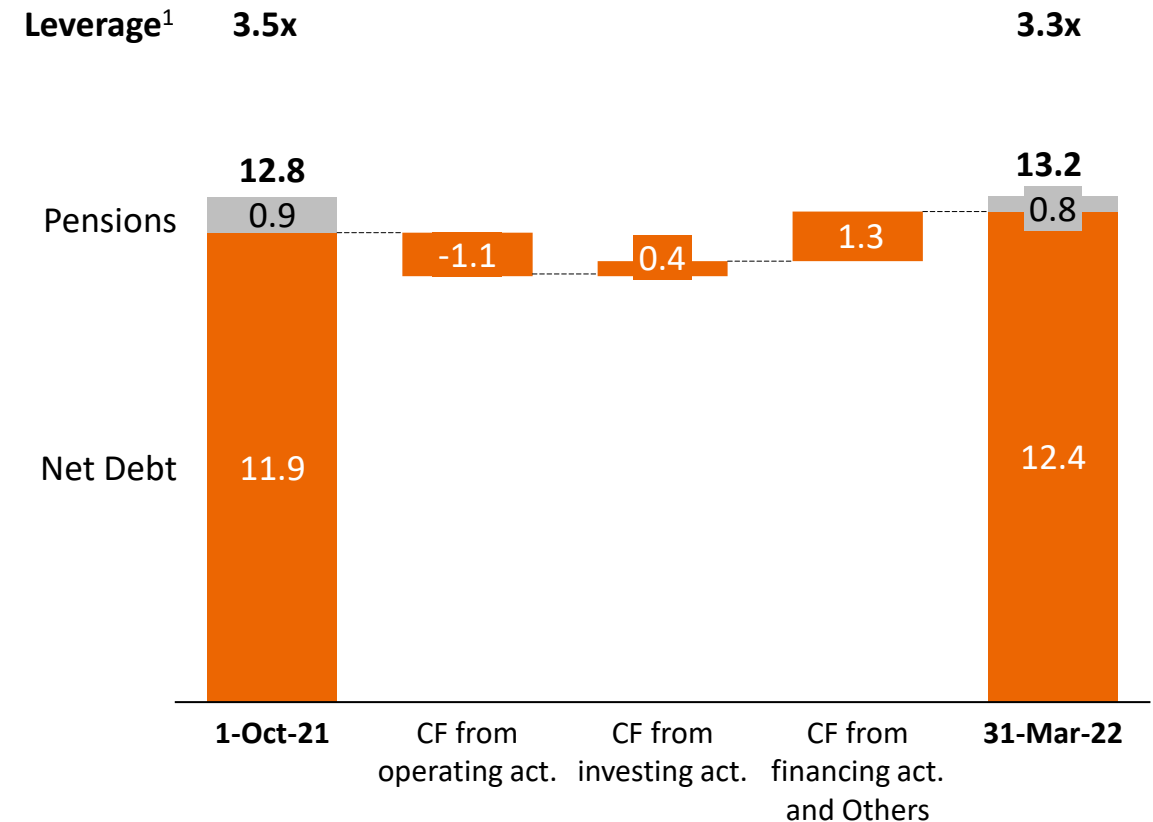
1 CCR=(Free Cash Flow pre tax - Repayment of 3rd party lease liabilities) / (Healthineers EBIT excl. PPA)

FY22 balance sheet and net debt bridge

Net debt overview

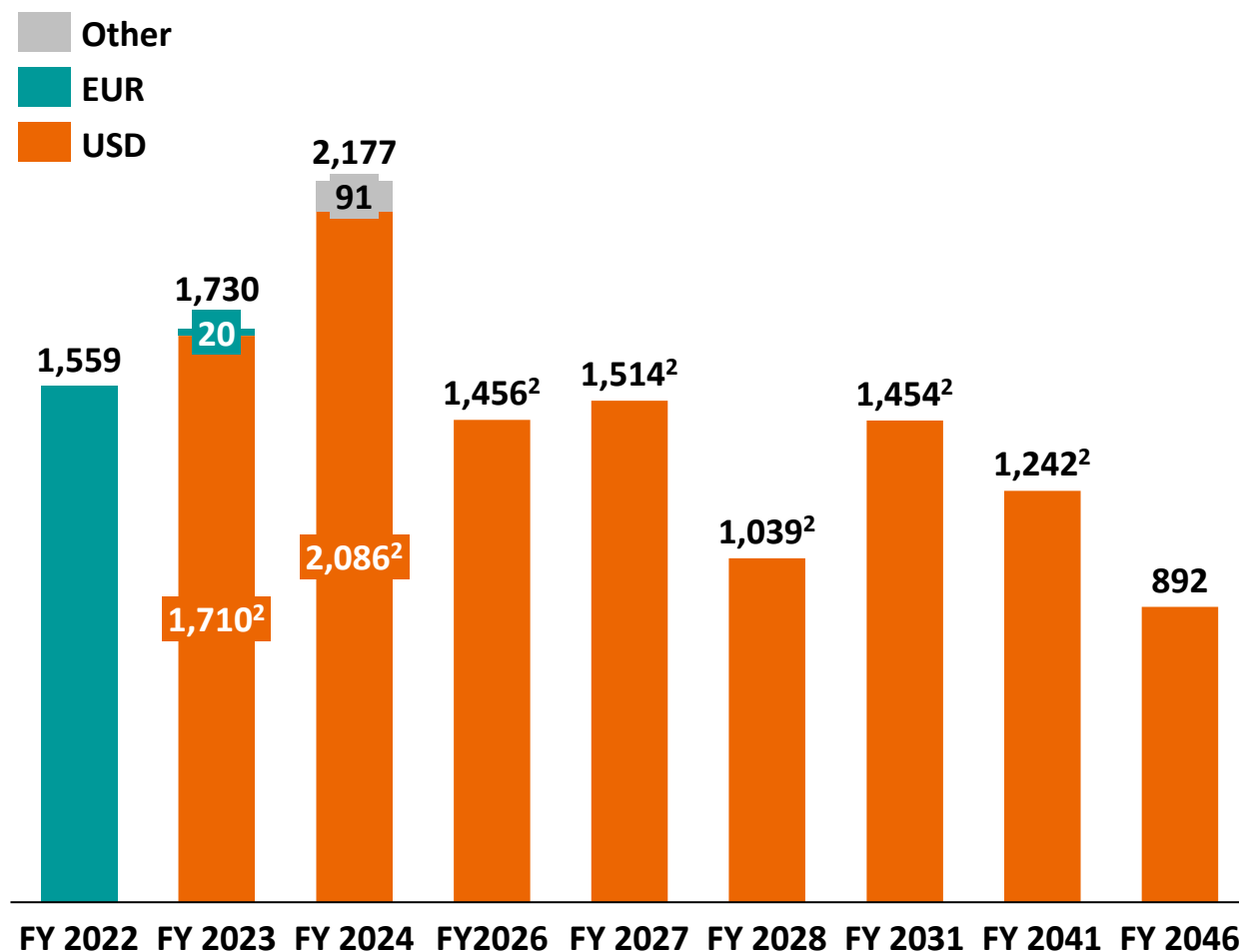
in €bn	Sep 30, 2021	Mar 31, 2022
Cash and cash equivalents	1.3	1.1
Current receivables and receivables from the Siemens Group from financing activities	0.6	0.9
Short-term and long-term financial debt	(0.7)	(0.7)
Current liabilities and liabilities to the Siemens Group from financing activities ²	(13.1)	(13.7)
Net debt	(11.9)	(12.4)
Provisions for pensions and similar obligations	(0.9)	(0.8)
Net debt (incl. pensions)	(12.8)	(13.2)

Capital structure development in FY22 (in €bn)



SHS loan maturity profile

SHS loans with Siemens Group as of Mar 31st, 2022¹ (in €m)



Comments

- Total loan volume ~€13bn equivalent
- Average interest rate ~0.5%³ p.a.

Top 10 loans ranked in € volume

Notional Currency	Volume in m	Volume in €m	Interest rate	Maturity
USD	\$1,689	€1,514 ²	0.26% ²	FY 2027
USD	\$1,742	€1,456 ²	0.08% ²	FY 2026
USD	\$1,740	€1,454 ²	0.59% ²	FY 2031
USD	\$1,497	€1,251 ²	-0.14% ²	FY 2024
USD	\$1,486	€1,242 ²	1.40% ²	FY 2041
USD	\$1,247	€1,043 ²	-0.26% ²	FY 2023
USD	\$1,243	€1,039 ²	0.31% ²	FY 2028
USD	\$990	€892	3.44%	FY 2046
EUR	€850	€850	0.30% ⁴	FY 2022
USD	\$998	€834 ²	-0.15% ^{2,4}	FY 2024

¹ Maturity profile based on Fiscal Year start October 1 - translation to EUR according to spot rate as of Mar 31st, 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 p.a. year-to-date after implementation of debt and capital restructuring | ⁴ Floating interest rate

Provisions for pensions decreased mainly due to increased discount rates

Q2 FY2022 Key financials – Pensions and similar obligations

in €bn ¹	FY2018	FY2019	FY2020	FY2021	Q1 FY2022	Q2 FY2022
Defined benefit obligation (DBO)	(3.4)	(3.8)	(3.8)	(4.1)	(4.1)	(3.8)
Fair value of plan assets	2.6	2.8	2.8	3.3	3.4	3.2
Provisions for pensions and similar obligations ²	(0.8)	(1.0)	(1.0)	(0.9)	(0.9)	(0.8)
Discount rate	2.9%	1.8%	1.5%	1.7%	1.6%	2.4%
Interest Income	0.1	0.1	0.0	0.0	0.0	0.0
Actual return on plan assets (after expenses)	0.1	0.3	0.1	0.2	0.1	(0.1)

¹ All figures are reported on a continuing basis | ² Provisions for pensions and similar obligations does not include net defined benefit assets (Q2 FY2022: €+0.1bn) presented in the line item other assets; *Defined Benefit Obligation (DBO) including other post-employment benefit plans (OPEB)* of ~€-0.1bn

Adjusted revenue

is defined as consolidated revenue reported in the company's consolidated statements of income adjusted for effects in line with revaluation of contract liabilities from IFRS 3 purchase price allocations.

Comparable revenue growth

is defined as the development of adjusted revenue, respectively, net of currency translation effects, which are beyond our control, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it.

EBITDA

is defined as income before income taxes, interest income and expenses, other financial income, net as well as amortization, depreciation & impairments.

Adjusted EBIT (adj. EBIT)

is defined as income before income taxes, interest income and expenses and other financial income, net, adjusted for expenses for portfolio-related measures, severance charges. In addition, centrally carried pension service and administration expenses are excluded from adjusted EBIT of the segments.

Adjusted EBIT margin (adj. EBIT margin)

is defined as the adjusted EBIT, divided by its adjusted total revenue.

Adjusted basic earnings per share (adj. basic EPS)

is defined as basic earnings per share, adjusted for portfolio-related measures and severance charges, net of tax.

Free cash flow (FCF)

comprises the cash flows from operating activities and additions to intangible assets and property, plant and equipment included in cash flows from investing activities.

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 2021 of Siemens Healthineers. Additional information is also included in the Quarterly Statement. These documents can be found under the following internet link <https://www.siemens-healthineers.com/investor-relations/presentations-financial-publications>.

