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Sub.: Information pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Dear Sir / Madam,

Pursuant to Regulation 30, 46 and other applicable regulations of the SEBI Listing Regulations, please find enclosed the transcript of the Company's Analysts / Institutional Investors call held on May 15, 2026.

The said transcript is also available on the website of the Company at: www.siemens-energy-india.com/analyst-meet.html

Kindly take the same on record.

Yours faithfully,
For **Siemens Energy India Limited**

Vishal Tembe
Company Secretary

Encl.: As above

Siemens Energy India Limited

Registered Office: Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030; Corporate Identity Number: L28110MH2024PLC418770; Tel.: +91 22 6251 7000; E-mail: contact@siemens-energy-india.com; Website: www.siemens-energy-india.com



Siemens Energy India Limited Q2 & H1 FY26 Earnings Call

May 15, 2026

Management:

- Guilherme Mendonca – Managing Director and Chief Executive Officer
- Harish Shekar – Executive Director and Chief Financial Officer
- Viral Raval – Head of Investor Relations

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Good afternoon, everyone. Thank you for joining us today. It gives me great pleasure to welcome all of you to our post-earnings conference call for the quarter, and half year ended 31 March 2026. Just to remind you, we follow October to September financial year.

I am Viral Raval. I have recently joined Siemens Energy India Limited as Head of Investor Relations. Accompanying me on this call are Mr. Guilherme Mendonca, our Chief Executive Officer and Mr. Harish Shekar, our Chief Financial Officer. The management team had the opportunity to interact with you during our first analyst meet last December, and we cherish the opportunity to connect with you again today.

In today's call, we'll begin with a 30-minute presentation by Guilherme and Harish to provide an overview of the company, discuss our strategy, highlight key developments, and review the business performance for the first half of FY26. This will be followed by a Q&A session. The total duration of the conference call will be one hour.

Please note that this is an audio only call. At the end of the presentation, you may use the raise hand option to ask your questions. We will unmute speakers one at a time. We request each participant to start by stating your name and your organization's name. Kindly limit yourself to one question at a time so that everyone has the opportunity to participate. I would also like to bring to your attention the safe harbor statement, which is available at the beginning of the earnings presentation, uploaded on our website.

Without further ado, I would now like to hand over to Guilherme to begin the presentation.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

So, good afternoon from my side. I appreciate the opportunity to meet you again after our meeting in December to update you on our company businesses. So, let's start with a recap from what we have discussed the last time, so that we put everybody on the same page. I would like to start putting in context Siemens Energy India Limited.

We are a pure play energy company acting across the entire value chain. And basically, we have our operations split between two main divisions, which are power generation and power transmission; and we not only cover the entire spectrum of customers from power utilities - transmission, generation, and distribution, but also the industrial verticals and data centers, and also infrastructure like railways.

When we go a little bit deeper, not being repetitive from our last meeting in December, I would like to bring you again to what we do in each of the segments. So, in power generation, Siemens Energy and SEIL in India, we are very much focused on the low carbon or zero emissions power generation. It means that fundamentally, the company focuses on the gas power generation and the related services to that. In India, beyond this, we do, of course, the steam turbines for the industrial area and all the services that are related to this fleet, beyond this, the modernization, upgrades, efficiency increase, everything that we can do for our customers to improve the performance of our machines.

When we go to the power transmission, we have a very broad portfolio. We basically cover the entire portfolio from high voltage substations, grid stabilization products, be it transformers, power transformers, switchgears, as also a very comprehensive portfolio in terms of services. And here, we are focusing the power utilities, being the power transmission and the power distribution.

I'm just going quick here because you have this information from the past. It's just the intention to put everybody on the same page. When we look at SEIL, Siemens Energy in India, we have a very large footprint in the country. We have eight factories covering the entire portfolio. Basically, we locally manufacture everything in the country, except the gas turbines, because we do not see, of course, the demand for gas turbines in the country. And we do not locally manufacture electrolyzer for the green hydrogen production, as we still expect this demand to pick up. Otherwise, we manufacture everything across these eight factories. And we recently announced it - back in February in the Q1 - a new greenfield factory for power transformers that we are still in the phase of defining where we will put this factory. We have around 4,500 people working fundamentally for the local business. But of course, we are also very active on the export piece, be it for the products, but we also support globally our operations with export services out of India. So, this is more or less to put everybody on the same page.

When we look forward now, how we have been doing so far and what is the situation, I would like to start this talking a little bit about India and the global geopolitical situation we are living in. I am sure that everybody is aware where we are with the Middle East crisis, especially the most recent one, and also all the geopolitical situation we face. We see India as a country that goes well through this crisis, weathering the situation with very good resilience. Although this resilience will depend very much on how this situation in the Middle East goes forward, and especially how long it's going to take. So far, the country has been doing well, but of course, the

longer it takes, the higher will be the challenges. Nevertheless, we see that the crisis also sometimes brings opportunities, and this we'll elaborate a little bit forward.

We see this thing on the energy security as an important element. Once the countries go through this crisis, there will be a clear intent to reduce the dependency from external supplies. In the case of India, the dependency on oil and gas is quite high. So, oil is 88% imported, natural gas is more than 50%, and we believe that the push for electrification and using of the local resources like solar, sun, and wind can help push the electrification forward.

When we talk about this situation in the electrification market, we go to the next slide, on slide 10, where we have here two pieces of important information.

One is on the left side, the NITI Aayog report, where it was analyzed how India can achieve the net zero target that's very much serious in the country, driven by the government. And when this is put on the investments, how to achieve this, NITI Aayog has indicated an amount of investment between \$9 to \$14 trillion until 2070, depending on the scenarios for the current policies or the net zero scenario. Irrespective of what the scenario is, we see that there is a long way for the electrification in this country. Today India has a per capita consumption of electricity around 1,400 kilowatt hours, and the country wants to come to 13,000 terawatt hours in 2070. That's more or less a factor of 10. Just to give you a flavor on this 1,400-kilowatt hours per capita, this is 1/3rd of the global per capita consumption, which shows that there is a bit of way to go in terms of electrifying and increasing the per capita consumption.

When we look to the CEA table, where we see somebody can say this is too long prospects for the country, but also this boils down to mid-term targets, where CEA has recently upgraded the mid-term plan until 2030-2036. And out of this plan, we see that there is already an increase for the generation capacity from 1,000 gigawatts to more or less 1,200 gigawatts, more than 200 gigawatts of new power that will come until 2035-36. This is also important because when we look to the transmission, the transmission has another 800 GVA of transformation, that means substation, grid stabilization, HVDCs that will support the evacuation of this power. So, it means that the storyline of the electrification in India goes forward, be it in the long term, but also in the mid-term with the CEA plans.

When we see the market drivers more or less on the different verticals and market areas that we focus, we see this happening across the board, and be it in the generation where we see fossil opportunities coming up in the expansion of steam turbines, but also expansion on our service business. As you know, we are not in the coal business, but we offer services across our existing fleet, that's the largest one in the country, and here we do modernization, upgrades of the turbines, we support our customers increasing the efficiency so that we can get more power of the same infrastructure.

Transmission will offer important opportunities to us, because as we said, to increase the generation capacity, more transmission will be necessary to evacuate this power.

Green hydrogen is something that's still to pick up, as I have said, but given the geopolitics and the price of the natural gas, of course, the green hydrogen can become step by step an attractive alternative fuel, especially when we look to refineries and fertilizers.

Nuclear energy is something that India has definitely put on the radar. The country wants to grow from 8 gigawatts of existing nuclear power to go to 100 gigawatts until 2047. Siemens Energy is not in the reactor business, but we are definitely on the steam island, that's where the electricity is generated, also offering us opportunities over here.

Industries, as the country grows, there is an expansion of the base industry like cement, steel, oil and gas, and others, where we will be, of course, participating with our portfolio.

Another important element was looking at the market data centers. Today, India has around 1 to 2 gigawatts of data centers and the numbers for the future, they vary from 7 to 18 gigawatts. I don't know exactly the number that's going to be, but definitely data center is a major market that is growing up in India, especially with the AI push that the Government of India has put forward, and this is where Siemens Energy can support with full energy solutions.

And finally, on the maritime, where we support our customers with green electrification from transport, but also other applications in this particular sector.

If I look at how this is panning out in our numbers, of course, this reflects our growth. You have seen that we have grown our order backlog by 22%, first half 2026 against first half 2025. And this shows how this strength of the Indian market, but also from the exports are helping our company to grow. If I can call some important

examples out of our growth in the H1FY26, I can say, you know, in the power generation, one waste heat recovery solution for a cement company in the northeast of India. Waste heat recovery is a solution that we use the flue gases out of the process. So, these are very hot flue gases that normally are thrown in the atmosphere. We can capture these gases, bring back to a boiler, generate new steam, and out of this steam generate new electricity. And this, of course, is a very important solution for the decarbonization of this industry like cement and steel. And I think this project is worth to mention because it goes also in the direction of the net zero in the country.

When I look to power transmission, I can call out many orders in the transformer space. So, we have been supplying, we have been winning orders from utilities in the country, especially from the largest utility, where we got an order for 13 large transformers of 500 MVA, 765 kV. And this will come along, you know, the grid expansion in the country. But I also can talk about the transformer orders for U.S. where the U.S. market is booming with the expansion of data centers. And these are one order for a renewable company that's feeding a data center. But we also have orders coming directly from the data center expansions, meaning that SEIL is taking an active role in the U.S. market as well.

When I look to the projects that we have delivered, we have executed very important projects in the first half. And here maybe I can call out one project or two projects on the generation space, where we have refurbished a 210 MW turbine for a thermal power plant in Orissa. And this is an example how we are participating in the modernization of the thermal fleet in India. Despite being a coal area, as I have said, when it's about the service and increasing the power generated out of the same existing power plants, we do that and we help our customers to increase the efficiency.

The other project was a modernization of steam turbines for large steel manufacturer in the eastern part of India.

When I look at the power transmission, I think it's worth to talk about the supply of large power transformers for the grid expansion in India, and also for the grid stabilization when we supply transformers for the STATCOMS, where, you know, these are solutions that we use to stabilize the power, the intermittency from the renewable power. It's a very important solution that India needs as we go to 900 gigawatts of non-fossil fuel (capacity).

But I also comment on the offshore GIS export, where we export to the Middle East our products out of Sambhajinagar to support the expansion of oil and gas over there on an offshore application.

To cope with this tremendous growth in the market, of course, we have to expand our capacities. We needed to expand our capacity and here these are investments that we have already announced.

Two of them are brownfield expansions of ₹7.4 billion. One of it is in Kalwa, nearby Mumbai, where we are now, and here we are doubling the capacity from 15,000 to 30,000 MVA. The other expansion that we are doing in Sambhajinagar, where we are expanding our switchgear manufacturing capacity, and these are both investments and both expansions are in full swing. And the new one that's there, because I announced in Q1, I have mentioned is ₹20.6 billion, where we will implement a new greenfield transformer factory. The place for this is not yet defined, we are discussing with several states where is the best and most suitable place to put a new transformer factory. But this is also an investment that's approved, it's also in full swing to start construction.

If I move to my last slide, I can talk about all these investments, but of course I cannot talk about these investments without putting our ESG commitment first and this we take very seriously and that we have the aspiration to become a sustainability leader in our industry. And here I'm bringing up four elements that we are doing right now.

We are making our efforts in reducing our CO₂ footprint, becoming climate neutral in 2030 in our own operations.

We are working very hard to create an inclusive and diverse environment where our gender diversity has doubled to 15.3%. And we are focusing this very much forward with our SHE in Energy SHinE program.

Zero harm, we always say that's our license to operate, and we have a very strong safe and secure operation where we had fortunately, and thanks to the awareness of our team and our contractors, we could run the operations without any lost time injury. So, it's a real zero harm operation that we have.

And finally, in our social responsibility, we have launched our Energy4Good program, and one of the key elements over there is about our student scholarship program that just started operating with 75 underprivileged students that we are supporting in their education, so that they can get into the labor market and support the growth of India.

So, thank you so much for your attention, and I hand over to Harish so that we go through the financial performance.

Harish Shekar - ED & CFO, Siemens Energy India Limited:

So, thank you, Guilherme, and good afternoon, everyone. And thanks a lot for joining us today on a Friday afternoon. I will now talk you through the Siemens Energy India Limited's performance for the first half of Fiscal '26. As Viral had mentioned in the beginning, kindly bear in mind it is for the period from 1st of October '25 to 31st March '26, because we follow a fiscal year which is from October to September.

Highlighting the key financial drivers, movements in business mix, and segmental level trends is what I will be focusing in the next few minutes. Before getting into the numbers, let me first set the broad context. H1FY26 has been a strong period for us, supported by robust order pipeline and disciplined execution. Importantly, this has translated into improved operational performance and sustained profitability. With that, let me take you through the financials. The first slide, please.

So, there are basically three bar graphs which you will see on this slide. Starting from left to right, you will have the order backlog, the revenue, and the profit from operations. If you look at our order backlog, it has increased from ₹150 billion to ₹184 billion. I am just rounding off the numbers for ease of use, which translates into a growth of 22.2%. This is an important indicator as it provides strong visibility on the future revenues and reflects both robust market demand and our ability to convert opportunities into orders.

Moving to revenue, which is in the middle of this graph, we recorded ₹43 billion in H1FY26 compared to ₹34 billion, which translates to approximately 27% growth year-on-year. In essence, this demonstrates that we are not only building a healthy backlog, but we are also executing efficiently and diligently and converting our order backlog into revenue.

As regards profitability, our profit from operations as a percentage of revenue improved from 19.1% in H1FY25 to 20.7% in H1FY26, an improvement of 160 basis points. This margin improvement is driven by two key factors.

- One is bettering our operating leverage, which means higher volumes have enabled us to benefit from economies of scale, resulting in improved absorption of fixed costs.
- The second being higher export contribution, a favorable business mix, particularly increased export share has supported overall growth in margin through better price realizations.

Let me also provide some insights on the one-offs, just for the sake of clarity. So, when we look at the profit, it's important that in H1 there were one-time impacts of about 1.9% owing to accrual releases and stamp duty charges associated with demerger, which were disclosed back then. In H1FY26, we benefited from the foreign currency exchange and also commodity gains to the extent of 1.1 billion, translating into 260 basis points obtained for us. Adjusting for these factors, our underlying operational profit margin improved from 17.2% to 18.9% respectively, reflecting an improvement of approximately 170 basis points, which you see in the green boxes at the top of the chart. This highlights a robust and sustainable improvement in our core operating performance.

When I move to the next slide, which again has three bar graphs. Left to right, we have the segment mix, the geographic mix, and the business mix. Let me talk you through each one of them.

- Now that I've covered the financial performance, revenue mix, as this helps also explain the resilience in our results. It basically diversifies across segments, geographies, and business portfolio. The segment perspective, power transmission continues to contribute a slightly higher share, which is in line with the strong demand in the environment. This also is reflected in the segment performance, and I shall be covering that in detail in the next slide.
- As regards the geographic mix, we see a positive shift towards exports with an increase of around 500 basis points year on year.
- Additionally, in our business mix, there is a marginal increase in our solutions business, with a corresponding increase in our product portfolio.

In sum, the improvements in the mix have contributed to a sustaining and strengthening of our margins.

We move on to the next slide, which is on the segments. Basically, we have two primary segments at Siemens Energy India Limited, power transmission and power generation.

- Power transmission continues to drive strong growth, supported by robust long-term market outlook.
- Power generation remains steady, growth story backed by a large installed base and consistent industry demand.

When we focus on power transmission, which is on the left of your screen, let me start.

- The power order backlog, transmission backlog increased from ₹98 billion to ₹125 billion, reflecting a strong growth of 27.5% year on year. Meanwhile, revenue grew from ₹18.5 billion to ₹24 billion, representing 30%, approximately 30% growth year on year. So, PT is not only seeing strong order inflows, but it's also executing efficiently and converting those orders into revenue. When it comes to profitability from operations, the margin remains stable year on year at 20.3%. This performance reflects strong execution, discipline and operating leverage, while also benefiting from the favorable business mix that I had mentioned in the previous slide. Overall, PT is delivering robust growth, supported by a strong order pipeline and also improving demand outlook and consistent execution.
- When we talk about power generation, the order backlog increased from ₹52.6 billion to ₹59.2 billion, representing a year-on-year growth of 12.4%. Revenue, in the meantime, grew from ₹15.4 billion to ₹19 billion, translating to 23% increase year on year. This indicates PG continues to be a steady performer with healthy revenue growth. Margin quality-wise, the profit from operations improved significantly from 17.7% to 21.3%. Our growth remains steady, backed by strong, consistent demand across utilities, industry sectors. As volume scalars, we are benefiting from the improved operating leverage, supporting margin improvement.

So, overall, both segments, PT and PG, are contributing quite well to the company's growth, and PT driving strong growth momentum, and PG delivering steady and improving performance.

With that, I'll now hand it back to Guilherme.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Thank you, Harish, for the overview on the financials. And here, to finalize our presentation, I would like to reiterate the priorities of our company. That's number one, to create value for you, for our shareholders. And then, to create this value, we underpin our operations in four main pillars.

- One is zero harm. So, this is number one, where safety is not negotiable, and safety is our license to operate.
- We have a focus on profitable growth. So, we value volume. We put value before volume. So, we are very much selective, and they're choosing the projects and business that really bring value to our shareholders.
- We do our business based on a very strong Team Purple in India, and the connectivity for global operations, where we focus not only the hiring, but the development of talent in our organization.
- And finally, and not less important, we have customers in the center of our operations, where we are always trying to exceed expectations of our customers, and bring us ahead of the competition.

So, I thank you very much for your time and attention, and Viral, I send back to you for the Q&A session.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you, Harish and Guilherme, for the comprehensive presentation. Now, we will unmute the speakers one after the other, in the order of their hands being raised. So, first of all, I see Harshit Patel from Equirus. Why don't you go ahead and unmute yourself?

Harshit Patel - Equirus:

Hi. Thank you very much for the opportunity. My first question is, we have seen an intense ordering of the combined cycle power plants globally, both for the utility demand as well as the data center demand. Even our parent company has received a substantial share of this global orders. Do we have an opportunity to supply the steam turbine part of that from India, from our Vadodara facility, or this demand will be catered by our global facilities only?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

I can take this up. So, thank you for the question, and that's absolutely right. So, the global demand for gas turbine is really going strongly high. And fortunately, Siemens Energy is a global leader in the gas turbines. In Vadodara, our steam turbines are more focused on the industrial steam turbines. And normally, when we talk about the combined cycles for utilities or for data centers, this is in a higher range, so what we call large steam

turbines. And large steam turbines, we do not manufacture in India, because they are normally connected to the gas turbine, right? As we do not have large gas turbines in the country, it makes less sense to have them localized. So, we are not exporting, to your question, steam turbines out of India for these global gas turbines in combined cycles.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you.

Harshit Patel - Equirus:

Understood.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Now we move to the next participant, Umesh Raut.

Umesh Raut – Nomura:

Yeah. Hi, team. Good afternoon. Thank you for this opportunity. Maybe extending the question of earlier participant in the export side, I mean, given the probability of EU FTA signing, given your mentioning of rupee depreciation and providing competitive edge and export markets, I want to understand your scope of growth in terms of exports for both businesses, transmission and generation. First, on the transmission line, if you can provide opportunities which are available for India business, whether you can cater to outsourcing packages from parent side, especially on the lines of HVDC?

The second, whether you can cater demand coming in towards power transformer from data center market, whether it is from North America or other Asian markets?

Third, in terms of power generation business, whether you have ability to cater to services business of turbines globally and if yes, and in what particular range?

So, I just want to have color on these parameters on the export side. Thank you.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Now, if I can start here, Harish on the export side. Thank you for the question, first of all. I start from the transmission. So, our export business is, yeah, maybe I go one step before. We have to bear in mind that SEIL and Siemens Energy, they are still today different companies, right? So, Siemens Energy is a shareholder in our company and the SEIL has the sales rights and the responsibility to make business in the South Asia, as we call it. So, India plus Bhutan, Nepal, Sri Lanka and Maldives. So is where we have, you know, the ability to sell directly. Whenever we sell to other territories, these we do through Siemens Energy itself and we do under their request. So, it means that we do not access all the markets out of South Asia by our own will. We have to do this as long as Siemens Energy asks us to do so. Having said that, our exports are fundamentally based more on the power transmission. As I have showed, you know, we had and we have nice projects coming out of the US market on the data center and renewables. We also have projects coming out of Europe and Middle East and other regions, also for the switch gears. But this again depends how Siemens Energy wants to leverage our capacity for global markets. When I look to power generation, then we local manufacture steam turbines on an industrial basis. And here we have a less share of exports because Siemens Energy has not been requiring us for more exports. It's doing more out of its own factories. And whenever we have steam turbines out of Vadodara, of course, we can provide the service related to this fleet, but it's not a large one for the time being.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

We can move to the next participant, Parikshit Kandpal from HDFC Securities. Please go ahead.

Parikshit Kandpal – HDFC Securities:

Yeah. So, the question is, if I look at the export mix, which has gone up and largely with transmission side, despite that, we have seen weak ordering, I mean H1 to H1 if I compare there has been a drop or degrowth in the ordering. And also what we see on the EBIT margin side despite the mix of exports going up, we are seeing quite a meaningful drop in the EBIT margins, so if you can help us understand what's happening on the ordering side? Even the revenues look muted for H1 given the size of our order backlog, so looks like the execution is not really meaningfully picked up. So, if you can help us understand all these aspects? And are there any large, meaningful orders or the nature of the orders in the transmission book, which is basically resulted in weaker execution or kind of a noted execution?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Thank you. I'll start from the order piece and then Harish can complement on the order piece. You know, from the nature of our infrastructure based on the energy space, the order development is not a uniform development, right. So, it's different from other industries where we have a steady growth of orders as the

market grows. All orders come, you know, as projects are finalized or as exports are required, so it's not unusual that you have fluctuations of the orders across the quarters. That's why we look very much at our backlog development and we look more, you know, in a broader period of time that we see how our business is growing.

And if you look at the numbers, you know, we had a growth in our backlog of 22%. And also, we had a book to bill of 1.5. That means that's a very healthy growth of the orders in relation to the revenue. But forward and backwards, all the orders will be always developing as per the market and depending on the size of the tickets and how these orders are finalized. So, we should not expect that we have a steady growth but you have these fluctuations.

And when we look to a broader period of time and when we look at our backlog, then you see that there is a very healthy development and the growth that provides us visibility in terms of revenue and growth of the company.

Harish, maybe you want to complement that.

Harish Shekar - ED & CFO, Siemens Energy India Limited:

Yeah, just to add here, Parikshit, you asked about the exports, the exports have gone up by 500 basis points when you compare it year-on-year and that's coming on the back of transmission. It's more on the transmission side because that's where we have the transformer business and also where we have the switchgear business, which Guilherme had mentioned about and this actually brings in a healthy amount of profit when you look at price arbitrage between domestic versus exports. Though our focus is always on the domestic market because we are here as a domestic player in India and with the vast space which is available in terms of the market. So, this has also translated in terms of healthy margins and that's what I was alluding to when we talked about the 170 basis points plus year-on-year that's coming on the back of a blend from both PT as well as PG with the portfolio legs, with the exports also kicking in a nice manner and we will still see how this pans out.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. Next, we have Sameer Thakur from Ambit Capital. Please go ahead and unmute yourself. Sameer, can you hear us? Can you unmute yourself?

I believe Sameer is not able to hear us. We can go to the next participant, Amit Anwani from PL Capital. Please go ahead with your question.

Amit Anwani - PL Capital:

Yeah. So, thank you so much for the opportunity. So, first question again on the data center opportunity and you did highlighted that you're sensing very good opportunity. Wanted to understand what is our addressable market in the data center CapEx? And what is the current contribution in terms of either the orderbook or the revenue? Some color on that.

Second, on the services business, we have seen services business growing by 28%-29% for this year, what is the contribution from PT and PG? And what is the steady state growth we can expect in the service business?

And third, color on the order book. We have seen the order book for H1 to H1 has gone down from 72 billion to 65 billion, so what is the outlook in terms of order intake for the remaining half?

So, these are three parts of the question. Thank you.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Yeah, so maybe I start from here, thank you for the question. So, in the data center, as I have mentioned, India and all the world is going for a very large implementation of data centers on this AI race. And we are seeing this big time in US happening. In India, this started the journey, India has some 1-1.5 gigawatts of data centers. The numbers forward from what we hear in the market varies from reaching 5 or 8 gigawatts in the years to come. We have to see how this will shape up. Our participation in the data centers in India is more related to power transmission where we provide the high voltage substations, we provide grid stabilization, the power distribution. I mean, you know, the end-to-end solutions for power. In India, we do not see, as we see in the US, yet much of captive power generation. So, these turbines that we said, gas turbines being sold in the US, are very much on the captive power where data centers are finding a way to generate their own power as the grid cannot supply. In either, we see the grid capable of supplying. So, our participation there will depend very much how the market will develop forward and our participation will be, for this time, being limited to the power transmission, the grid connection stabilization.

So, this is on the data center. The second question was on the service growth, right. So, the service on our side, if I look to the service on the power generation, the services relate to our existing fleet, so we have fleets for power generation in two sides –

- We have in the utility scale where we have, you know, the steam turbines associated with the thermal power plants. And this depends very much how customers decide to modernize and upgrade their fleet to increase efficiency. So, the projects come depending on this investment decision. Although, we have a kind of base business over there but there is a steady growth and sometimes we will see peaks depending on the decision of customers.
- When we look at the industrial steam turbine, we have a very broad startup base for industrial steam turbines where we are investing, as we have publicly announced, new service workshops like in Raipur where we bring our service operations closer to the customers and there is an area that we want to grow. But, again, services are always related to the installed fleet and as the installed fleet grows from 5% to 10%, the service grows along as we provide this forward. So, this is on this.

Of course, on the transmission side, then service is also an area that we are investing, especially on the switch gears and transformers and the growth comes along with the expansion of our installed base; that's quite large.

Finally, to your last question in terms of all the forecast for the second half, as known, we do not disclose numbers, forward guidance, so then here we cannot comment. Thank you.

Harish, you want to compliment?

Harish Shekar - ED & CFO, Siemens Energy India Limited:

Absolutely. So, Amit, just to add, you would have seen that in the 43 billion which we reported for H1 this year, 27% is coming out of service which translates to about 12 billion of revenues. So, as Guilherme mentioned, that's coming basically from PG and also from PT, which is our transmission and generation, respectively. There is one thing to call out, in the PG space, apart from the steam turbine and also the installed base of the Gas service, we also have the E R&D piece, which is local for global. This gives also a good traction in terms of our service business.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. We move to the next participant, Mohit Kumar from ICICI Securities. Please unmute yourself and go ahead.

Mohit Kumar - ICICI Securities:

Yeah, thanks for the opportunity. My question is, can you comment on our capability to produce synchronous condenser? And are you seeing any inquiry at this point of time? And can you also comment on this STATCOM opportunity and tending pipeline? A lot of STATCOM was approved but we haven't seen any STATCOM announcement from you in the last 12 months.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Okay, thank you for your question. So, number one, on the STATCOM... Sorry, synchronous condensers, we see this market shaping up right now, so we are about to have our first synchronous condensers coming up in this calendar year. And we do not have a localization of this portfolio in India because, of course, the generators that we use, they are related to the large generators that we use in gas turbines with a specific design, that is a different requirement that we do have. So, first projects will most likely use an imported machines and forward we'll have to see how the market will shape and what is the volume that may justify the localization. So, Siemens Energy is always keen to localize as soon as we see a critical mass that justifies the investments. That, of course, in fixed assets like those is not a small investment that we have to put to localize something and this has to be sustained by a strong and large market that is also sustainable forward.

When we talk about the STATCOMs, you are right and this is one of the reasons also where we saw in the first half of this fiscal year a more rather muted STATCOM market where we didn't have many projects being finalized. When we look to the fiscal year 25, so there we had a very strong STATCOM market where Siemens Energy was quite successful. For this year, we are still awaiting the projects to come and to be finalized. It does not mean that we do not need STATCOM in this country, everything on the contrary, as India goes even stronger on the renewable journey, more SynCons and STATCOMs will be required.

The question here comes back to what I have said at the beginning, the nature of our infrastructure business and the energy goes more on a volatile way where markets happen not in an even way or on a regular way. Tickets will come and projects will come as they need and that they have auctions on TBCB. But I'm sure that new STATCOMs will be coming up soon as their need in the country is unavoidable.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. Next, we have Subhadip Mitra from Nuvama. Please go ahead.

Subhadip Mitra - Nuvama:

Thank you for the opportunity. My question is more around the growth prospects over the next 2-3 years across both the segments. So, for example, if you're looking at the power generation piece, given that it is relatively lower on the manufacturing side and on exports, it is more dependent on servicing and efficiency improvement of the existing fleet. So, again, judging by what we are seeing in terms of the order inflow growth of the first half, it looks to be relatively slower versus the PTs. So, can there be something new that crops up there on the power generation side which adds to growth? That's first.

Secondly, on the power transmission side, clearly we are seeing much better growth in terms of backlog as well as larger export opportunities. But how large would the export piece be already sitting in your backlog? And is it that we are going to see higher growth coming primarily from exports or more from domestic India-based opportunities? I stress on this point largely because what we understand is the HVDC piece is probably the key growth angle, at least for the next couple of years, because what we understand from Power Grid is the overall CapEx is probably going to plateau out somewhere between 800 billion to 1 trillion INR on an annual basis. That's my question.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Thank you for the question. Let me try to go step by step. So, when we talk about the growth in the generation side, we have already said this, you know, in December, and just to recall, so Siemens Energy is not playing the coal market. So, exactly due to our sustainability targets. We play in the coal market in India and globally also but only on the service side. This means that we do not work in expansion of new coal plants. Our play is definitely on the gas side and as India is not developing more gas-fired power plants because the gas is not available, as we know. So, here we do not see a space for growth beyond the services, right.

What we see as a potential opportunity to us forward but still to be shaped up is on the nuclear side because India has the intention to go from 8 to 100 gigawatts by 2047. And although we do not have the reactors on the nuclear side, we do have the steam island with the power generation, the electricity generation. This is something that we are looking at but still to be seen how this market will really shape. We have the SHANTI Bill where, you know, ease of doing business were being brought up with the liabilities in participation of the private CapEx. Let's see how it goes but I think, you know, in terms of generation would be more on the nuclear whenever it comes.

When we talk about transmission, you are right, so India has a very large expansion on the transmission market - be grid expansion or be grid stability. And this is an area where Siemens Energy has a clear leadership and we will be participating accordingly with the growth of the market.

Export business, I also have mentioned, the export we do not control the growth. The growth in the export will depend very much how our global operations in Siemens Energy want to leverage our local factories and something that is more on discretion of Siemens Energy to use our capacity. So, although the market globally is, of course, growing in transmission, our participation is on a project basis and that will depend on how Siemens Energy wants to leverage us.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. Next, we have Amitoj Singh from 360 ONE. Please go ahead.

Amitoj Singh - 360 ONE:

Yeah, thank you so much for taking the question. My first question, again, would be on the geographic mix side. Our exports have increased 500 bps and exports are primarily PT equipment and yet on the PT side our margins have remained same, so how should we read into this? Does that mean that domestic margins have declined or is this the product mix, the effect of product mix was greater than the positive effect of export mix to neutralize this?

Second question would be on our ability to service gas turbines. Is there an export opportunity that the parent is evaluating where Indian engineers could be used for servicing gas turbines installed abroad?

And third would be on the STATCOM and SynCon ordering. I think initially 2 HVDCs were planned this year but Bikaner-Begunia has been converted back to EHVAC. So, just wanted to understand what would the pipeline be if more HVDC orders start converting to EHVAC? Would we require more STATCOM, SynCon? Just your comment on that. Thank you so much.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Yeah, maybe I start from the last piece. You know, the HVDC demanding more SynCons and STATCOMs will depend on what technology is used. And this is something that's now the reality is more LCC technology. This definitely will demand more SynCons and STATCOMs because the LCC being technology that was not developed for the renewable integration. We have to understand that LCC is HVDC technology more for transferring power blocks from point A to point B but not necessarily with the capability of managing the intermittency of renewables. So, this require more grid stability investment, while when you go to HVDC, VSC, that's the technology that we're with Siemens Energy focus on, these features come already embedded in the VSC solution. So, it depends very much on the mix of the projects. We still believe that, of course, STATCOMs and SynCons will be needed as we see how the grid architecture in India is developing forward. Although, we also believe that forward we will be migrating from LCC to VSC slowly because this is the most suitable technology for renewable integration.

The second question was, I believe, in terms of export of service for gas turbines, yeah. So, actually, we do some services for global generation. So, for instance, we do with, what Harish has mentioned, we do local to global services. Also in power generation, we do R&D, we do some nuclear services in the US. So, it's basically manhour that we sell to support our global operations but we do not take responsibility of a full package of services.

Yeah, these are the two questions, I guess, right.

Amitoj Singh - 360 ONE:

Yeah.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. We'll move to the next participant, Renu Baid from IIFL. Please unmute yourself, Renu.

Renu Baid - IIFL:

Yeah, hi, good afternoon and thanks for the opportunity. My couple of questions here would be, first, if you can mention, US typically has not been an export market for Siemens Energy power transmission products, so impressive to see that we winning our RE data center application from the US market. So, the question here is, how should one look at the TAM on the export side from these type of applications of these end markets for Siemens Energy in India?

And last time when we met, you also highlighted that the market outlook was on the consolidation front for PT inflows. First half inflows have suggested decline, so what is your outlook in terms of how should we look at the rest of the year PT market panning out? And do we expect inflow trajectory for our portfolio also improving?

And, lastly, if you can also help us understand, does Siemens Energy have MVDC technology? And how do you see the acceptance of customer in India in terms of exploring few projects on the MVDC side, on the grid equipment side of the business?

Thank you.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Okay, thank you. There are quite a couple of questions over here. So, again, the data center market in the US is growing strongly, as we know, and there is a high demand for equipment, gas turbines, power transformers. And out of India, we have been having the chance to export transformers to US for data center as per our capacity and by the project demands.

And I'm not sure if I understood correctly, but I think one question was in the STATCOM exports. Is that so? So, STATCOMs we do not export, STATCOMs we are focusing on the domestic market only unless when it's about exporting engineering services. Then, we do out of our local to global organization but participation on the global STATCOM market we do not do and we focus domestically only.

The other questions that you had was on the power transmission development for the second half. We do not disclose how this looks forward but definitely you can derivate your conclusions out of the market development. As we said, the Indian transmission market is shaping up very well. The country is implementing a lot of renewables and the power generation, which will demand the transmission to evacuate. The HVDC, the AC, and in all these markets, Siemens Energy is participating in the sense that as these markets grow, our orders have to grow along as we have a main share in this market.

The last question from your side was in the Medium Voltage Direct Current. So, this is a new market that we are looking at and this is something that's still shaping up. So, we have only discussions on a very more kind of strategy and this development approach but not in concrete projects right now.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. We'll move to the next question from Mahesh Patil from ICICI Securities. Go ahead, Mahesh.

Mahesh Patil - ICICI Securities:

Yeah, hi. Thanks for the opportunity. So, my first question is on the generation orderbook. Can you help us with the breakup of the generation orderbook between equipment and services? And also the duration of the services orderbook, if possible?

Harish Shekar - ED & CFO, Siemens Energy India Limited:

So, Mahesh, maybe I'll take that. In terms of, we don't go into granular details, we keep it at segment reporting. So, when we report, its transmission and generation. So, of course, in the generation we have, as Guilherme has mentioned, we have the steam turbine as well as the gas service piece as well and also the ER&D. So, beyond that, we don't disclose any further granular details.

But there is a good traction on this. You see already for the current development of the order backlog and also the new orders in H1, we have grown quite well. 21 billion was the number last year, we are at 23 billion now in terms of new orders. So, there is good traction there and it also brings a decent amount of profitability, which has gone up from 17.7% to 21.3% in this first half.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. The next question is from Shirom Kapur from Jefferies. Please go ahead, Shirom.

Shirom Kapur - Jefferies:

Hi, thanks for the opportunity. My first question was on, you know, the Siemens Energy parent buying the stake in the Indian entity from Siemens as part of the demerger process. So, just wondering what the status is on that and if there's any possibility of any of the, you know, stock coming up for sale in the Indian market?

My second question is on your power generation side. Up to what megawatts range steam turbines are manufactured by the Indian entity? And what is the export potential on that?

And my third question is on the margins in your generation as well as your T&D segments. So, T&D segment, we saw year-on-year a decline. So, what could be the reason behind that? And the generation saw a huge uptick in margins year-on-year, so could you give some color behind what drove that?

And, lastly, on the order flow, obviously you don't give guidance but qualitatively could you comment on how the power T&D market is shaping up? Are we seeing some delays where maybe orders could get pushed to next year? So, maybe from a 2-3 year horizon, are we seeing any weakening in the market or is it just maybe delays in project finalization?

Thank you.

Harish Shekar - ED & CFO, Siemens Energy India Limited:

On the stake pickup, we can't actually comment on that because this is something which is between the two parents or the promoters. So, we are more the object and there have been general statements which have been made by both the parents about how exactly this is going to pan out over a period of time. But beyond that, honestly spoken, we would not know much or we could shed light on that particular piece.

But the other topics maybe, Guilherme, you pick up on all the others.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Yeah, the other part of the question was about the steam turbine. So, we have a local manufacturing though there is a norm and there we manufacture steam turbines from small capacities on 1 megawatt up to 250 megawatts.

Shirom Kapur - Jefferies:

Export opportunity on steam turbines?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Say it again.

Shirom Kapur - Jefferies:

Is there an export opportunity on steam turbines?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Not as per today because we have our factory mainly focused on the India market.

Shirom Kapur - Jefferies:

And the question was about power T&D. Why is it down? And what's the market look like for the next 2-3 years?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Oh, so this is something that I think we have mentioned already. So, the market for T&D is a market that is structurally is very strong. What we see in India and this also happens in other countries that, again, the market is not a linear development. We see, you know, sometimes come an amount of projects and then you have a bit of gap, then comes another amount of project. But I think we should look at the overall development in a particular quarter or half a year but we have to see how the market is shaping up forward.

We mentioned in one of my slides that for 2036 CA has already put out the plan for the sector development and this, of course, gives a very good visibility how the market will be there. And the good news in India that I can put is that these plans that are being put out by the regulator are not just kind of wishful thinking. This market is really happening

down there, down the ground. We can look to the last fiscal year, India has implemented 55 gigawatts of renewables. That's quite a record. And we saw just recently an announcement that the country has implemented 15 gigawatts of solar in the first quarter showing that this realization of this market on the ground is really real. And, of course, this underpins for us a lot of opportunities forward.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. Next, we have Saif Gujjar. Please go ahead. Saif, can you hear us?

Saif Gujjar – Participant:

Yeah, thank you for the opportunity. My question is on the capacity on the power transmission side. When do you expect, say, the Kalwa transformer and the other switchgear expansion also to come online because you expected it during this year?

And also, is there a localization for STATCOMs or it's largely imported?

Harish Shekar - ED & CFO, Siemens Energy India Limited:

Yeah, so maybe I take this question. So, both, as Guilherme had mentioned, we have those two 7.4 billion of CapEx in Kalwa as well as in Aurangabad in our switchgear factory. So, this is expected to gain traction and come on track by, we would say, next year, mid-year. About half year of the calendar is when we could see more traction on those two topics.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you.

Saif Gujjar – Participant:

And on the STATCOMs?

Harish Shekar - ED & CFO, Siemens Energy India Limited:

Could you repeat your question on the STATCOM, please?

Saif Gujjar – Participant:

So, is there any localization of the same or it would be largely import dependent and we are dependent on the parent for the same?

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

No, actually, our STATCOMs are largely localized, right. So, we do this in Goa. We have a facility over there where we localize everything that's possible to localize in India. You know, there are some components that are not available in India, especially on the semiconductor side where we are waiting, you know, that the supply chain can be developed. Then, of course, as soon as this is available, we will be very much interested in doing that.'

But a part of the semiconductors and the IGBTs and other elements, everything else is localized in India. That's the reason why we have been able to capture a very interesting market share.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you. In the interest of time, we'll just take one last question now. We have a question from a phone line, please state your name and your organization's name and go ahead with the question. Can you hear us? We'll switch to another one maybe.

We see Jay Negandhi, please go ahead, from Ambit Capital. Jay, can you hear us?

Jay Negandhi - Ambit Capital:

Thank you for the opportunity. So, my question was on the power transmission and power generation margins. So, the margin decline in power transformers for the quarter, would it be due to a higher mix of projects or how should we think about that going forward?

And similarly for the power generation business, the margins were surprisingly high. So, how should we take that forward going ahead? Would the margin be sustainable or how should we think about it?

Harish Shekar - ED & CFO, Siemens Energy India Limited:

So, Jay, let me take that question. So, on the power transmission side, and you're specifically alluding to, I think, Q2, how exactly the profits have actually panned out.

It is in line, I mean, even if you look at H1, it is at 20.3% compared to the last year. But if we specifically call out in terms of Q2, we took a call in terms of certain amount of provisioning which was required in view of, let's say, our accounts receivable. This could also be a seasonal topic because we wish to be a bit conservative on that side and have provided for a certain amount of accounts receivable on the PT side. So, that's one of the reasons why you see a bit of a dip quarter-on-quarter.

Talking about PG, we had economies of scale kicking in because, A, we would see the revenues going up, there's also brought in synergies in terms of having the fixed costs synergy across. The question is whether this is sustainable. We see it as, at the point where we are, and the last quarters is also testimony to the fact. So, currently, if you look at H1, we were at 17.7% versus 21.3% in this year. So, the numbers are there in front of me.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you, this concludes the call for today. I will now hand over to Guilherme to give his concluding remarks.

Guilherme Mendonca - MD & CEO, Siemens Energy India Limited:

Well, thank you, Viral, for coordinating this important call with the analysts. So, I'd like to thank for the participation of everyone and for interesting questions that you have placed to us. We hope that we could have answered most of them in the way that you have expected. And, of course, we are at your disposal through our Investor Relations to keep in all the conversations so that you can have, you know, the right understanding of our company and our performance. Thank you so much and wish you all a nice weekend.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thank you, Guilherme and Harish.

Harish Shekar - ED & CFO, Siemens Energy India Limited:

Thank you. Thank you very much.

Viral Raval - Head of Investor Relations, Siemens Energy India Limited:

Thanks a lot for taking the investors and analysts through the presentation and being with us through all the questions. Thank you, all the analysts and investor participants, for joining us today. It was great to connect with you all and we look forward to connecting again. Thank you.

END OF TRANSCRIPT