REVIEW BY
THE PRESIDENT & CEO
Jaakko Eskola
Growth in net sales, profitability burdened by group sales mix

Figures for the comparison period 2017 have been restated due to the adoption of IFRS 15.
Wärtsilä to **enhance competitiveness** by aligning operations globally
Energy Solutions’ order intake affected by slower customer decision-making
Energy markets transitioning to renewables and flexible capacity

Cumulative installed capacity globally (GW)

THE PATH TO A 100% RENEWABLE ENERGY FUTURE

REALITY
Renewables are getting cheap

TIPPING POINT
Existing thermal capacity replaced with flexible generation

RENEWABLE BASELOAD
Energy storage becomes affordable, enabling an increase in renewable energy

100% RENEWABLE ENERGY
Flexible thermal capacity provides seasonal backup, daily energy variations managed with storage
Gas will become increasingly carbon neutral
Gradual recovery in vessel contracting

Vessel contracting

Source: Clarksons Platou, Wärtsilä internal analysis
Marine Solutions’ order intake boosted by favourable vessel mix and scrubber demand

- Offshore: 7%
- Ferry: 4%
- Gas carriers: 14%
- Special vessels: 8%
- Navy: 8%
- Cruise: 25%
- Traditional merchant: 28%
- Others: 5%

Order intake (MEUR):
- 2014: 1,800
- 2015: 1,500
- 2016: 1,200
- 2017: 1,200
- 2018: 1,800
Environmental considerations
a key theme in the marine industry
Customer interest in long-term service agreements is increasing

<table>
<thead>
<tr>
<th>Year</th>
<th>Total installed base MW</th>
<th>Installed base under agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>10.7 %</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>13.9 %</td>
<td></td>
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<tr>
<td>2016</td>
<td>14.2 %</td>
<td></td>
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<tr>
<td>2017</td>
<td>16.8 %</td>
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<tr>
<td>2018</td>
<td>17.0 %</td>
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</tbody>
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Connecting **smart vessels** to smart ports
Strengthening our smart solutions offering
Automating vessel operations
Co-creating new solutions
Emphasising knowledge sharing and new ways of working
Investing into more agile and efficient testing, production, research and development
Redesigning organisation to enhance customer value
Wärtsilä’s prospects

The demand for Wärtsilä’s services and solutions in 2019 is expected to be in line with the previous year.

Demand by business area is anticipated to be as follows:

• Solid in Wärtsilä Energy Business
• Solid in Wärtsilä Marine Business