MIX SUPPORTED THIRD QUARTER PROFITABILITY, BUT COVID-19 CONTINUES TO IMPACT CUSTOMER DECISION-MAKING
<table>
<thead>
<tr>
<th></th>
<th>MEUR 7-9/2020</th>
<th>CHANGE</th>
<th>MEUR 1-9/2020</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>981</td>
<td>+0%</td>
<td>3,240</td>
<td>-14%</td>
</tr>
<tr>
<td>of which services</td>
<td>521</td>
<td>-23%</td>
<td>1,641</td>
<td>-16%</td>
</tr>
<tr>
<td>Order book</td>
<td></td>
<td></td>
<td>5,265</td>
<td>-12%</td>
</tr>
<tr>
<td>Net sales</td>
<td>995</td>
<td>-11%</td>
<td>3,385</td>
<td>-3%</td>
</tr>
<tr>
<td>of which services</td>
<td>499</td>
<td>-14%</td>
<td>1,602</td>
<td>-9%</td>
</tr>
<tr>
<td>Book-to-bill</td>
<td>0.99</td>
<td>+0.11</td>
<td>0.96</td>
<td>-0.12</td>
</tr>
<tr>
<td>Comparable operating result</td>
<td>61</td>
<td>+55%</td>
<td>172</td>
<td>-32%</td>
</tr>
<tr>
<td>% of net sales</td>
<td>6.1</td>
<td>+2.6 pp</td>
<td>5.1</td>
<td>-2.2 pp</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.04</td>
<td>+0.05</td>
<td>0.13</td>
<td>-0.07</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>114</td>
<td>+174</td>
<td>407</td>
<td>+469</td>
</tr>
</tbody>
</table>
VESSEL ORDERS REMAIN DEPRESSED

Total vessel contracting

Source: Clarksons Research, contracting as per 5 October 2020
CGT= gross tonnage compensated with workload

Specialised tonnage

INTERIM REPORT JANUARY-SEPTEMBER 2020
ENERGY MARKETS SAW SOME DECLINE

The total market, including also power plants with prime movers above 500 MW, decreased by 15% to 39.3 GW during the twelve-month period ending in June 2020 (46.2 at the end of March). The market data includes all Wärtsilä power plants and other manufacturers’ gas and liquid fuelled gas turbine based power plants with prime movers below 500 MW, as well as the estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. The main gas turbine competitors are GE, Siemens, Mitsubishi, and Ansaldo. Other combustion engines are not included.
ORDER INTAKE

Order intake by business area

- Marine Power: 33% (27)
- Marine Systems: 42% (46)
- Voyage: 3% (5)
- Energy: 4% (7)
- Portfolio Business: 18% (15)

Order intake by business type

- Services: 53% (70)
- Equipment: 47% (30)

Third quarter development

- Q3: 0%

Order intake

MEUR, 12m rolling

Q418-Q319: 979
Q119-Q419: 2,000
Q219-Q120: 3,000
Q319-Q220: 4,000
Q419-Q320: 5,000

Third quarter 2020 and comparison 2019
ORDER BOOK

Order book by business area

Order book delivery schedule

*2018 figures not restated to accommodate the establishment of Portfolio Business entity
**As published in the Interim report January-March 2020, order book figures for 2019 have been restated due to stricter requirements for booking new orders.
NET SALES

Third quarter development

Net sales by business area
- Marine Power: 38% (38)
- Marine Systems: 35% (29)
- Voyage: 17% (22)
- Energy: 5% (5)
- Portfolio Business: 4% (5)

Net sales by business type
- Services: 50% (52)
- Equipment: 50% (48)

MEUR, 12m rolling

Q418-Q319 5,000
Q119-Q419 5,000
Q219-Q120 5,000
Q319-Q220 1,118
Q419-Q320 995

Q3 -11%

Third quarter 2020 and comparison 2019
**COMPARABLE OPERATING RESULT**

![Chart showing comparable operating result for Q418-Q319 to Q419-Q320.](chart.png)

**Review period development**

![Graph showing review period development for Q418-Q319 to Q419-Q320.](graph.png)
CASH FLOW FROM OPERATING ACTIVITIES

Review period development

MEUR

2015 2016 2017 2018 2019

MEUR

1-9/2019 1-9/2020
Order intake decreased by 9% to EUR 410 million (449), burdened by:
- Idling of cruise vessels
- Customers adjusting capital and operating expenditures to market conditions

Net sales decreased by 11% to EUR 382 million (430)

Comparable operating result amounted to EUR 32 million (49) or 8.3% of net sales (11.4), burdened by:
- COVID-19 related decline in services
- Weaker absorption of fixed costs
Wärtsilä to provide a 5-year maintenance agreement to the world’s largest NGO hospital ship

- When completed in 2021, Global Mercy will be powered by four Wärtsilä 32 engines
- The comprehensive agreement provides guaranteed operational reliability, covering spare parts, field service, asset monitoring, and full technical support to keep the hospital ship running at all times
Order intake increased by 16% to EUR 174 million (150)
  - Reduced fuel spreads lessening demand for scrubber investments
  - Good development in gas solutions
Net sales decreased by 31% to EUR 169 million (244) mainly due to fewer scrubber deliveries
Comparable operating result amounted to EUR 22 million (10) or 13.0% of net sales (4.2)
  - Result for comparison period weakened by cost overruns in certain gas solution projects
• Order intake decreased by 36% to EUR 44 million (69)
  • Pressurised by the COVID-19 impact on demand in the cruise segment
  • Growth in fleet optimisation orders
• Net sales decreased by 9% to EUR 54 million (60), mainly due to:
  • COVID-19 related project postponements
  • Lower transactional service business
• Comparable operating result amounted to EUR -6 million (-12) or -11.9% of net sales (-19.4), positively affected by COVID-19 related cost savings
A profit-sharing contract with Brittany Ferries results in a reduction of exhaust emissions

- Within six months following the installation of energy management and optimisation technology, the first ferry’s fuel consumption was 4% lower, equating to a reduction of ~2,600 tons of CO₂ emissions
- The initial contract covered three vessels, but Wärtsilä Voyage recently received orders for three more ships
Order intake increased by 23% to EUR 319 million (260), still affected by:
- Postponed decision making
- Site access constraints
Net sales increased by 6% to EUR 347 million (328)
Comparable operating result amounted to EUR 14 million (-8) or 3.9% of net sales (-2.4)
Result for comparison period weakened by cost overruns in certain equipment projects
Optimised maintenance solution enhancing availability and reliability of a 200 MW Cambodian power plant

- Wärtsilä signed a 5-year tailored optimised maintenance agreement with SchneiTec, covering a power plant close to Phnom Penh
- Wärtsilä will supply high quality spare parts to the twelve Wärtsilä 50DF dual-fuel engines, while also providing maintenance planning, remote asset diagnostics, guidance, and troubleshooting services

*Includes agreements covering both installed assets and assets to be installed in the future
Near-term demand is expected to improve from current levels. However, visibility remains limited, and the prevailing market conditions make the outlook uncertain.

Based on the current order book, net sales for 2020 is expected to decline by appr. 10% (EUR 5,170 million in 2019). Profitability is expected to continue to be burdened by the effects of COVID-19 and, while service demand is anticipated to improve, the seasonal pick-up is unlikely to be as strong as in previous years.
JANUARY–SEPTEMBER ORDER INTAKE BY CUSTOMER SEGMENT

Marine Businesses

<table>
<thead>
<tr>
<th></th>
<th>Services</th>
<th>Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Power</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>(15)</td>
<td>(18)</td>
</tr>
<tr>
<td>Equipment</td>
<td>(25)</td>
<td>(33)</td>
</tr>
<tr>
<td>Marine Systems</td>
<td>(14)</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td>Marine Systems</td>
<td>(30)</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>(22)</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>(22)</td>
<td></td>
</tr>
<tr>
<td>Marine Systems</td>
<td>(6)</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>(34)</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>(34)</td>
<td></td>
</tr>
<tr>
<td>Marine Systems</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>(30)</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>(2)</td>
<td></td>
</tr>
</tbody>
</table>

Energy

- Other: 12% (16) 20% (18)
- Industrials: 28% (28)
- Independent Power Producers: 26% (25)
- Utilities: 56% (27)

- Services: 34% (30) 24% (56)
- Equipment: 5% (43) 29% (4)

Gas carriers: 4%
Cruise & ferry: 17%
Offshore: 5%
Navy: 7%
Special vessels: 3%
Merchant: 55%
Other: 0%
ORDERS RECEIVED FOR ENERGY EQUIPMENT GLOBALLY

ORDER INTAKE 1-9/2020:
1,142 MW (1,189)

---

Americas
728 (325)

Europe
85 (24)

Asia
249 (525)

Africa and Middle East
80 (345)

Utilities
IPP's (Independent Power Producers)
Industrials
Others
NET SALES BRIDGE
WORKING CAPITAL

MEUR


-4,000 | -3,000 | -2,000 | -1,000 | 0

Other non-interest-bearing liabilities
Advances received
Trade payables
Other non-interest-bearing receivables
Trade receivables
Inventories
Working capital
Working capital / net sales, 12m rolling
GEARING

Review period development
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