Wärtsilä’s net sales by business 1-6/2017

- ENERGY SOLUTIONS, 28%
- MARINE SOLUTIONS, 27%
- SERVICES, 45%
Net sales and profitability

Figures for 2012-2013 include both discontinued and continuing operations.
Order book distribution

MEUR

30.6.2016
30.6.2017

Delivery current year
Delivery next year or later
Focus on long-term profitable growth
Stable development in Services’ net sales

Review period development
Total EUR 1,035 million (1,042)

- Power plants 38% (37)
- Merchant 23% (25)
- Cruise & ferry 16% (13)
- Navy 9% (8)
- Offshore 7% (9)
- Special vessels 7% (8)

- Merchant 23% (25)
Installed base covered by service agreements

- MW under agreement – Energy Solutions
- MW under agreement – Marine Solutions
- % of Energy Solutions’ installed base
- % of Marine Solutions’ installed base

Bar chart showing MW under agreement for Energy Solutions and Marine Solutions from 2009 to 1-6/2017.

Line chart showing percentage of Energy Solutions’ and Marine Solutions’ installed base from 2009 to 1-6/2017.
12-year strategic partnership with Carnival Corporation

- Ensuring safety and reliability of Carnival's fleet and reduced operational costs
- Scope includes all engine maintenance and monitoring for 79 vessels
- Emphasis on continuous planning together with Carnival and digitising fleet operations
- Performance-based revenue model
Strategic focus areas

**CUSTOMER FIRST**
Growth in existing business by improving customer loyalty

**GO DIGITAL**
Growth through optimising customer performance

**ASSET & LIFECYCLE MANAGEMENT**
Growth through value-adding lifecycle services & projects

**NEW CUSTOMER ACCESS**
Growth beyond the traditional Wärtsilä installed base
Renewables increasing globally, electricity demand growing in the emerging markets

**OECD Gross annual capacity additions**

<table>
<thead>
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<th>Year</th>
<th>Gas</th>
<th>Other flexible capacity</th>
<th>Batteries</th>
<th>Wind</th>
<th>Solar</th>
<th>Others</th>
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**Non-OECD Gross annual capacity additions**

<table>
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<th>Year</th>
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<th>Other flexible capacity</th>
<th>Batteries</th>
<th>Wind</th>
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</tbody>
</table>

Source: Bloomberg New Energy Finance
Note: Flexible capacity includes power storage, demand response and other potential resources. Others include: coal, oil, nuclear, hydro and other renewables than wind or solar
Market trends support Energy Solutions’ order intake

Review period development
Total EUR 766 million (616)

Utilities: 10%
Independent power producers: 26%
Industrials: 64%

Review period order intake by fuel in MW

Gas: 62%
Oil: 38%
Urgent need for additional electrical capacity in Bangladesh

• The Bangladeshi economy, industries and population are growing putting strain on power supply
• More reliable power generation need to be added to the national grid
• Orders received in Q3 include equipment for engines for a 220 MW plant in Chandpur and a 300 MW power plant in Gazipur
• Wärtsilä’s installed base in Bangladesh now amounts to 3500 MW
The acquisition of Greensmith will enable Wärtsilä to become a global systems integrator

- A US-based leader in intelligent energy storage technology and solutions
- Specialised in energy storage optimization and integration software
- Enables Wärtsilä's expansion to the energy storage market with solutions that combine and optimise different forms of power generation, energy storage and demand side management
The marine market environment remains challenging

Source: Clarkson Research Services, figures exclude late contracting
* CGT= gross tonnage compensated with workload
MARINE SOLUTIONS

Marine Solutions’ order intake supported by favourable vessel mix

Review period development
Total EUR 725 million (741)

- Gas carriers: 29%
- Cruise: 31%
- Traditional merchant: 18%
- Offshore: 2%
- Special vessels: 6%
- Navy: 9%
- Ferry: 3%
- Others: 3%
- Others: 3%

Q1-Q2 Q3-Q4
2013 1 500 1 400 1 300
2014 1 600 1 500 1 400
2015 1 700 1 600 1 500
2016 1 800 1 700 1 600
2017 1 900 1 800 1 700

MEUR
Good activity in FSRU market

• Cost efficiency, flexibility and mobility is creating demand for floating regasification units
• Höegh LNG’s two new FSRUs will feature Wärtsilä’s latest regasification technology and Wärtsilä’s dual-fuel main engines
• Wärtsilä will service the new vessels and eight of Höegh’s existing ships under a 5-year technical management agreement
Developing technologies that enable a Smart Marine future

• In August, Wärtsilä successfully tested the remote control of ship operations using satellite communication
• Gulfmark Offshore’s vessel in the North Sea was remotely navigated from Wärtsilä’s office in San Diego, California
• The vessel was driven through a sequence of maneuvers using a combination of dynamic positioning and manual joystick control over an almost 4 hour period
Wärtsilä’s overall development in 2017 is expected to be relatively unchanged from the previous year. Demand by business area is anticipated to develop as follows:

- Solid in Services with growth opportunities
- Good in Energy Solutions
- Solid in Marine Solutions (raised from soft)