

# WÄRTSILÄ CORPORATION

## Baird 2017 Global Industrial Conference

9 November 2017

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# This is Wärtsilä

## Net sales by business 1-9/2017



**ENERGY SOLUTIONS, 28%**

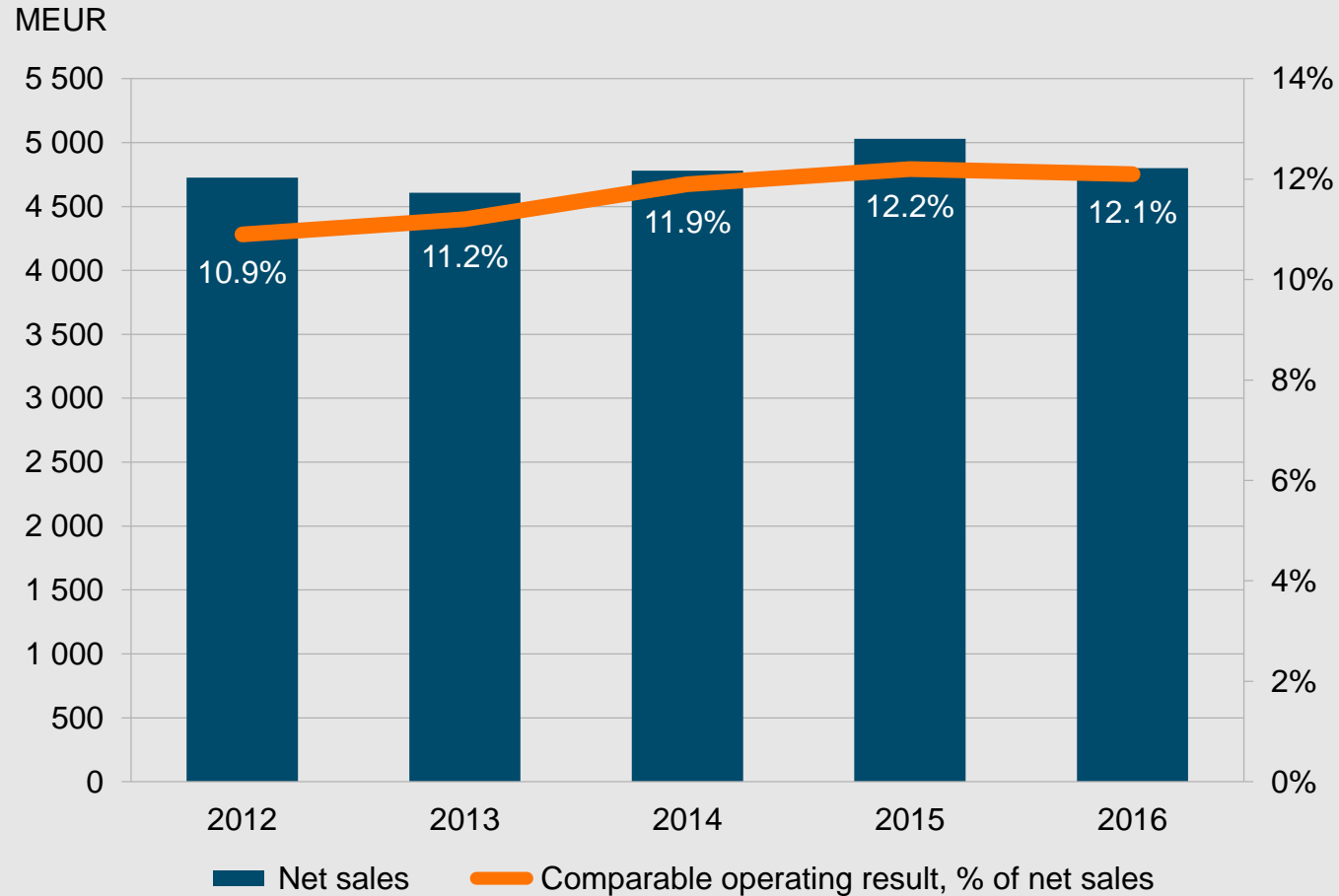


**MARINE SOLUTIONS, 27%**

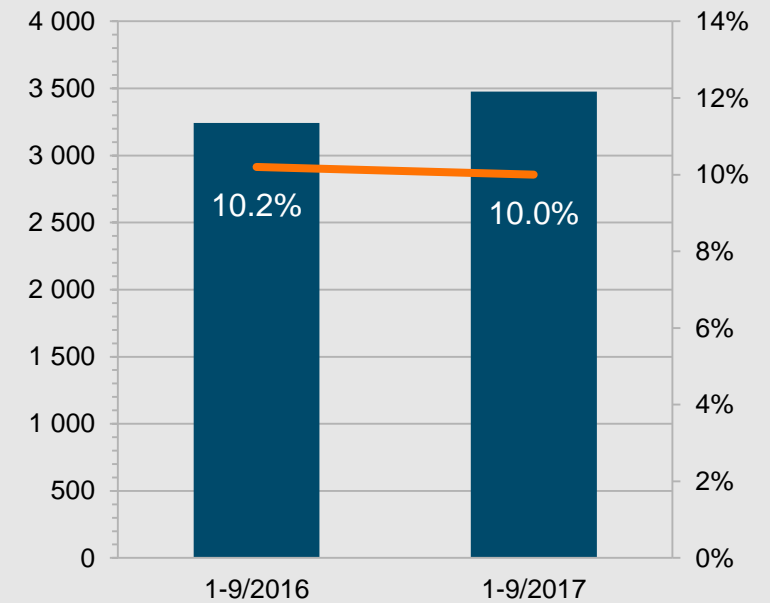
**SERVICES, 45%**



# Net sales and profitability



## Review period development



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

# ENERGY

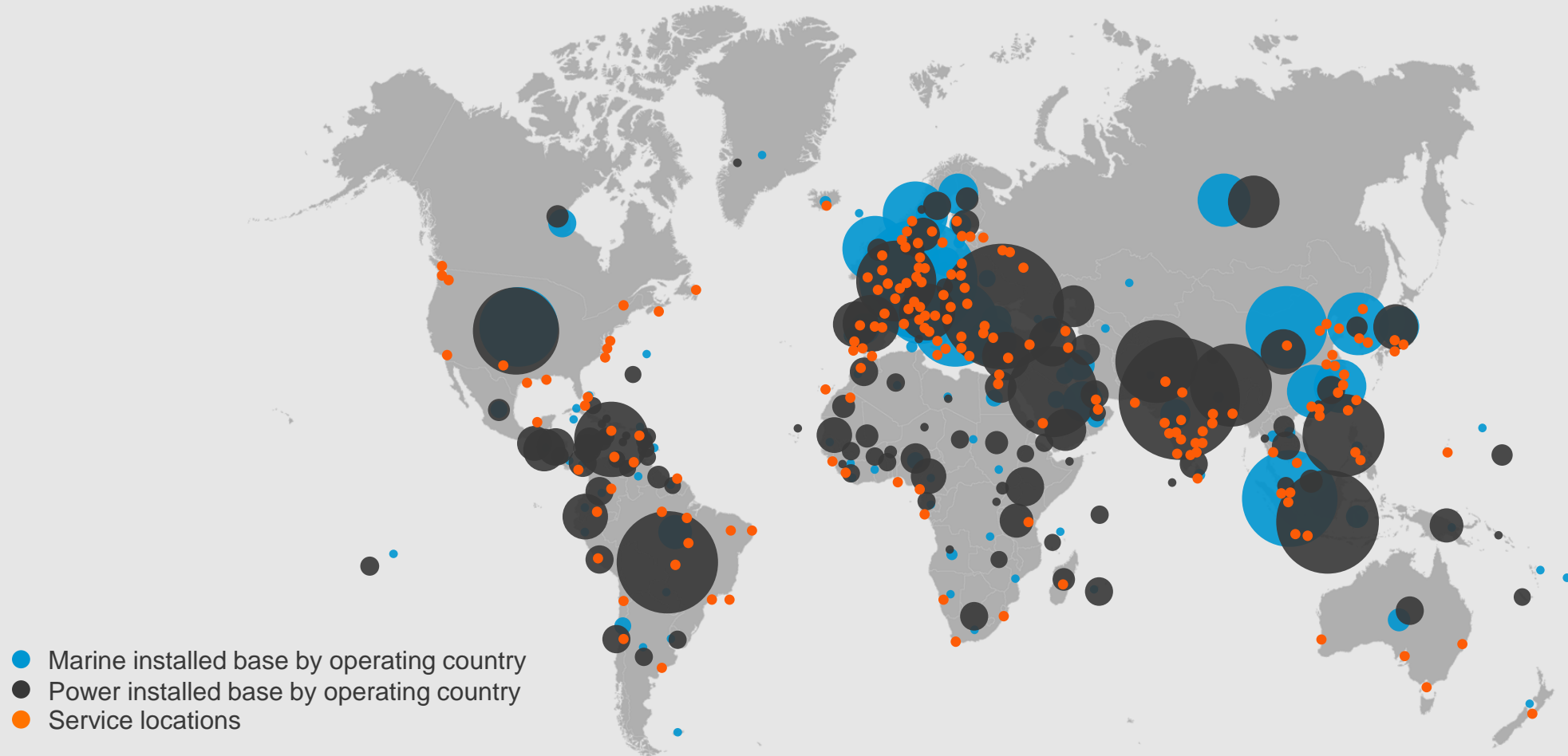
INCREASING DEMAND FOR CLEAN  
AND FLEXIBLE ENERGY



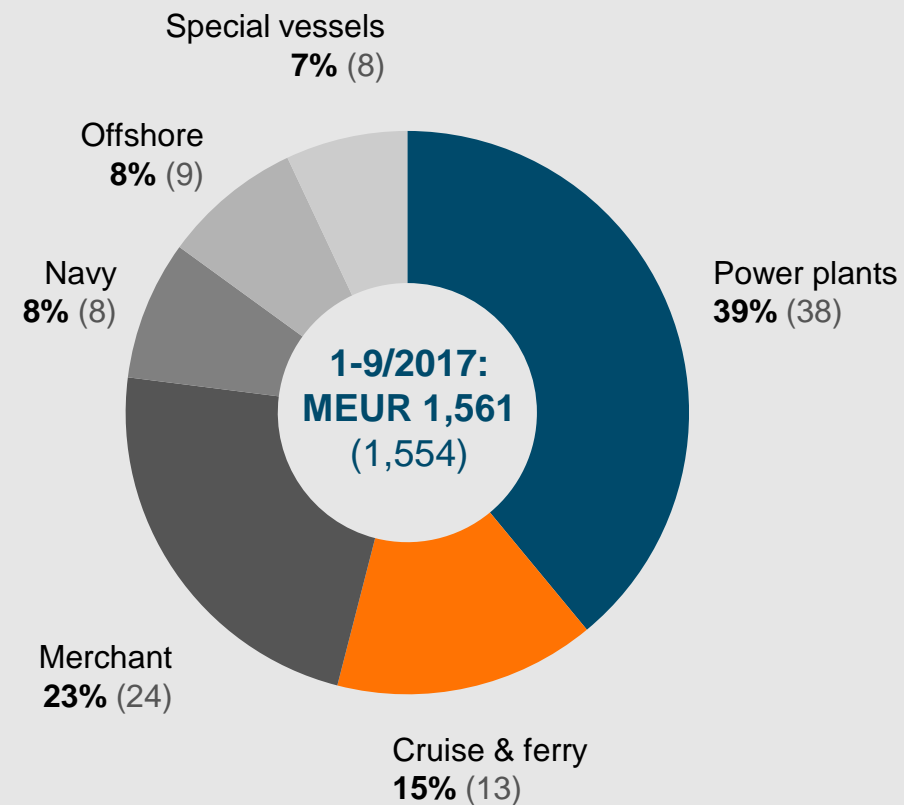
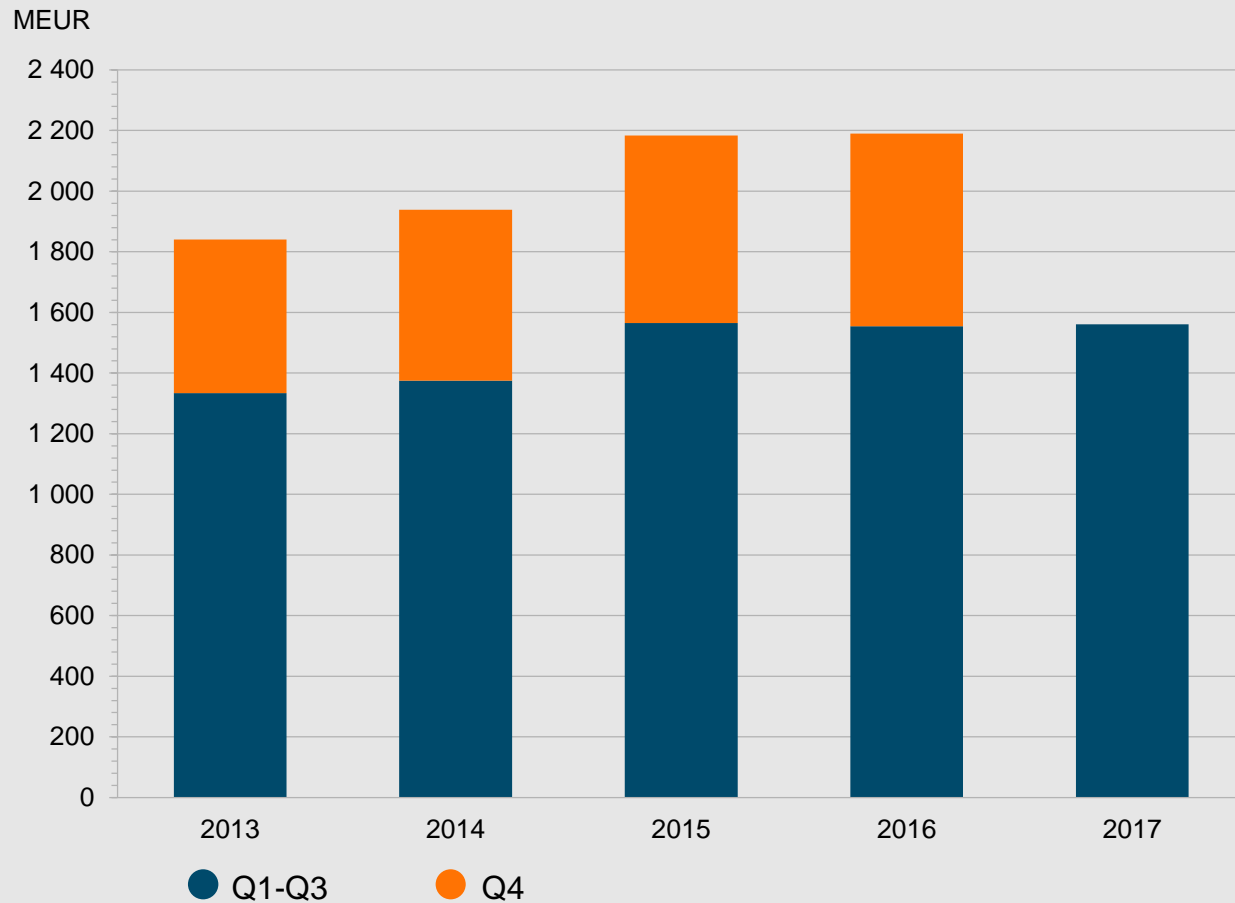
# MARINE

DEMAND FOR SMART AND SAFE  
TRANSPORTATION

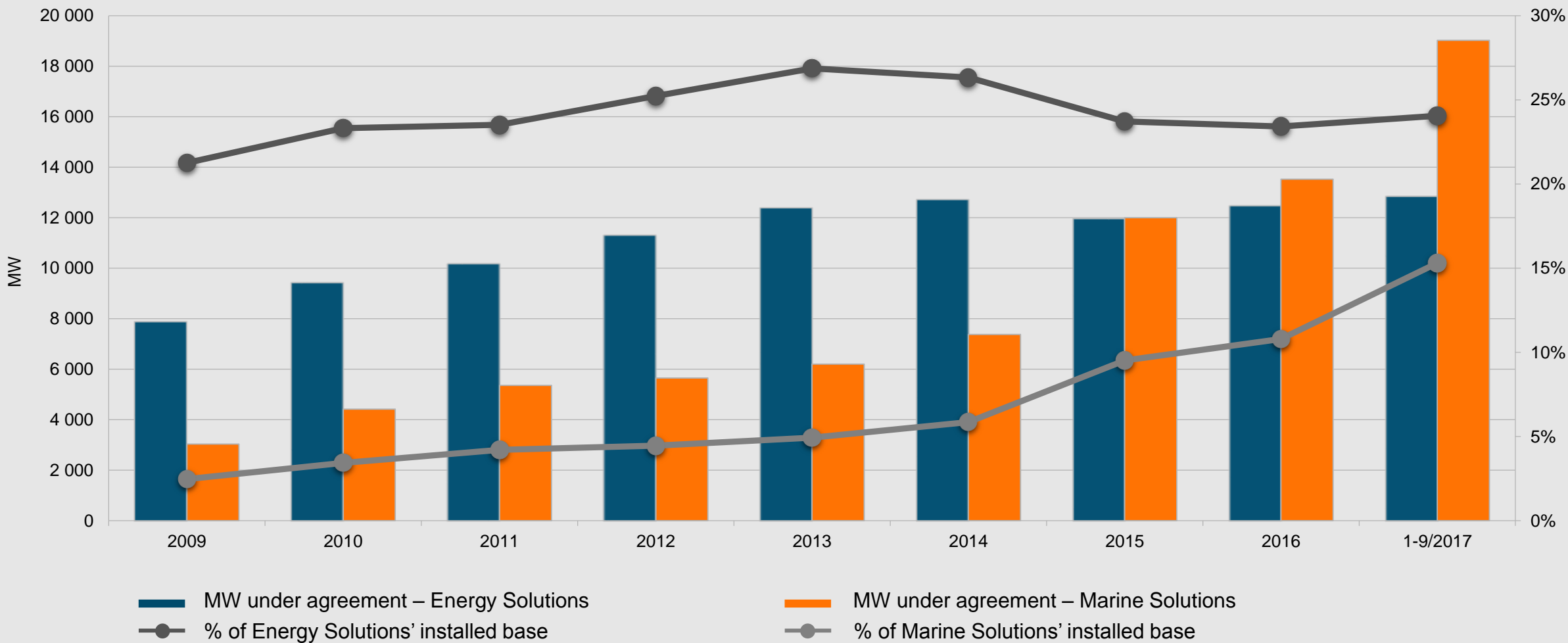
**We are where our customers need us to be**  
**11,000 service professionals in 70 countries, 160 locations...**



# Services' sales development



# Installed base covered by service agreements



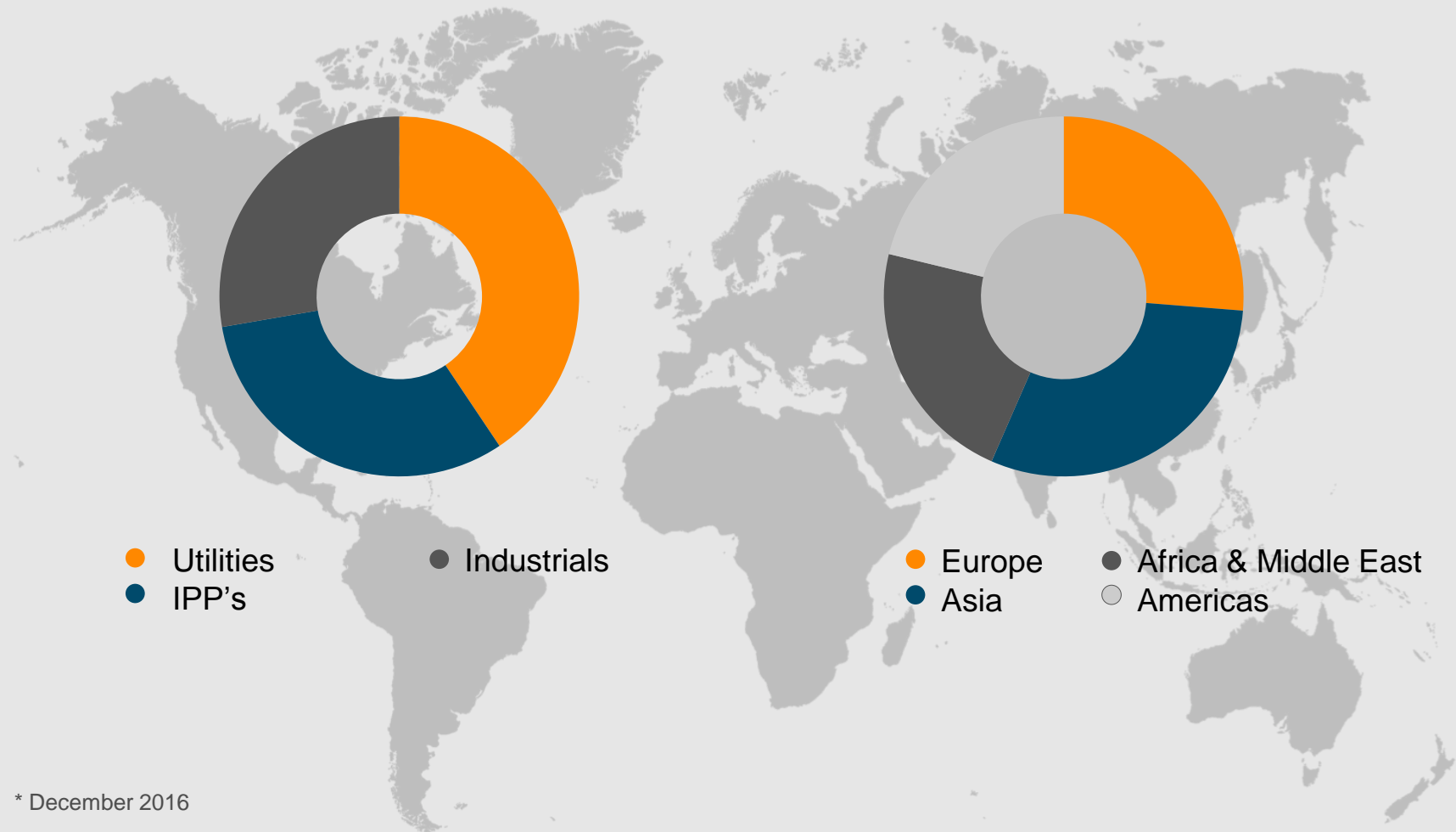
# 12-year strategic partnership with Carnival Corporation

- 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



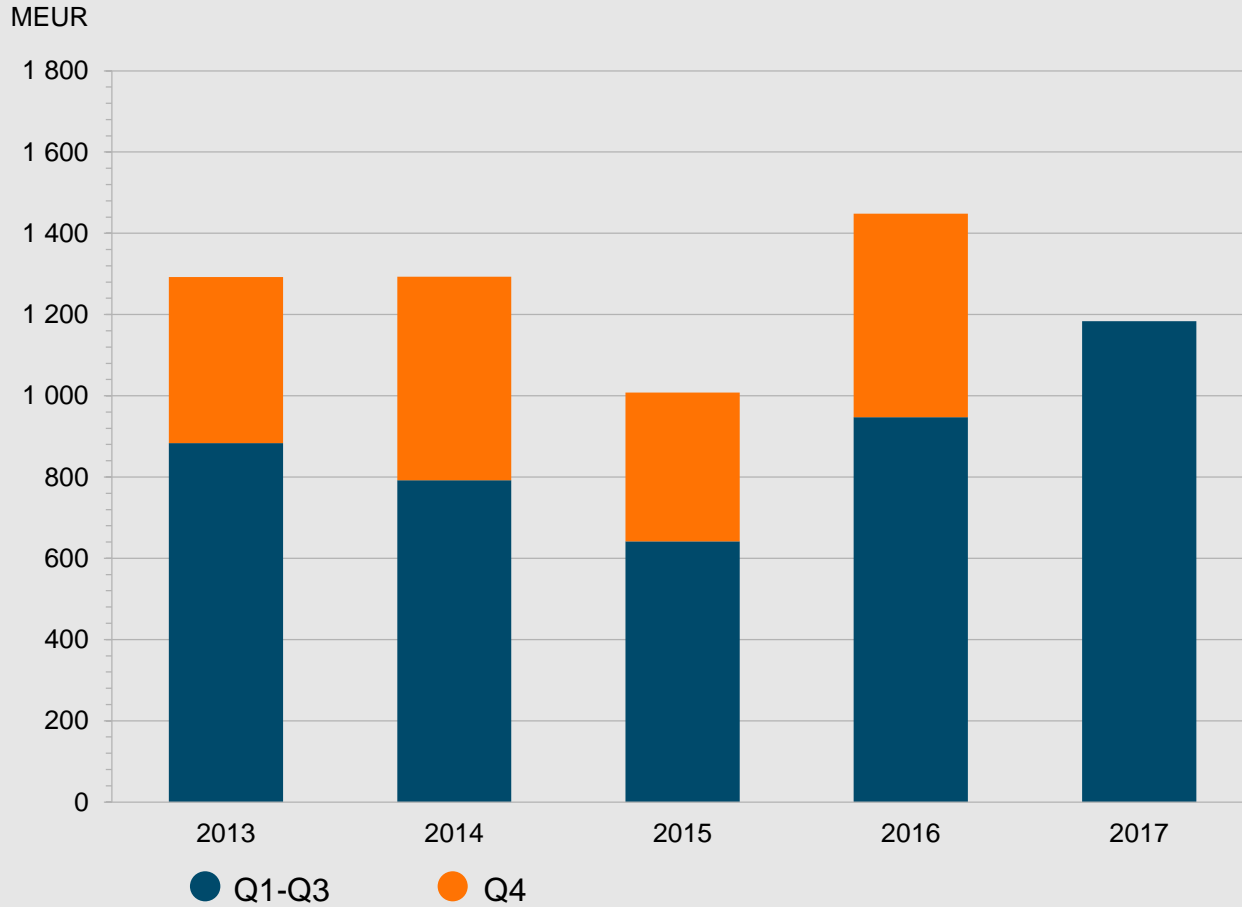


# >4,700 power plants in 176 countries



\* December 2016

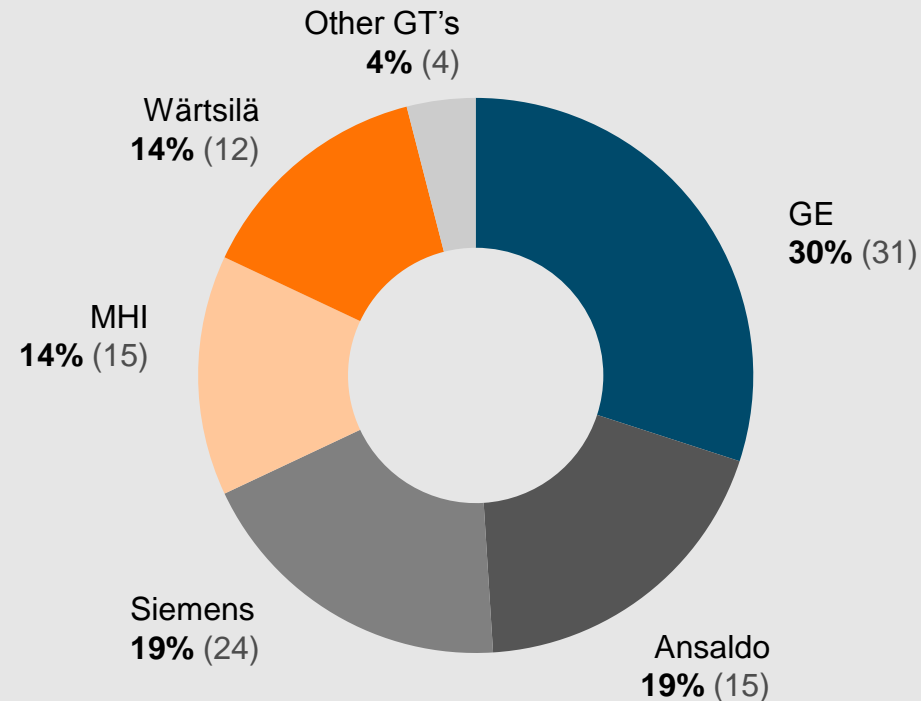
# Energy Solutions' order intake



Review period order intake by fuel in MW



## Market for gas and liquid fuel power plants, <500 MW



**<500 MW market volume last 12 months: 24.8 GW (28.4)**  
**Total market volume last 12 months: 54.6 GW (58.0)**

Market shares are calculated on a 12 months rolling basis, numbers in brackets are from the end of the previous period. Market data includes all Wärtsilä power plants and other manufacturers' gas and liquid fuelled gas turbine based power plants with prime movers above 5 MW, as well as estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. Other combustion engines not included. In engine technology Wärtsilä has a leading position.



**LNG INFRASTRUCTURE**

**CAPTURING GROWTH  
THROUGH GLOBAL ENERGY  
SYSTEMS INTEGRATION**



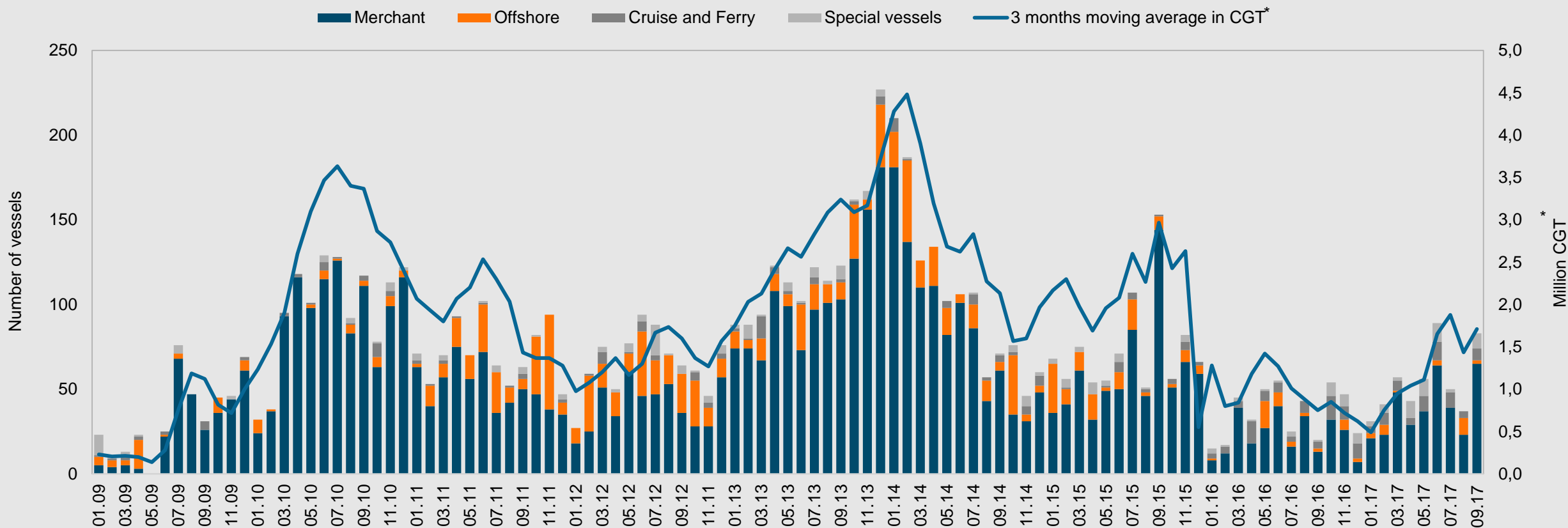
**ENGINE POWER PLANTS**



**ENERGY STORAGE INTEGRATION**

**SOLAR PV, STORAGE &  
HYBRID POWER PLANTS**

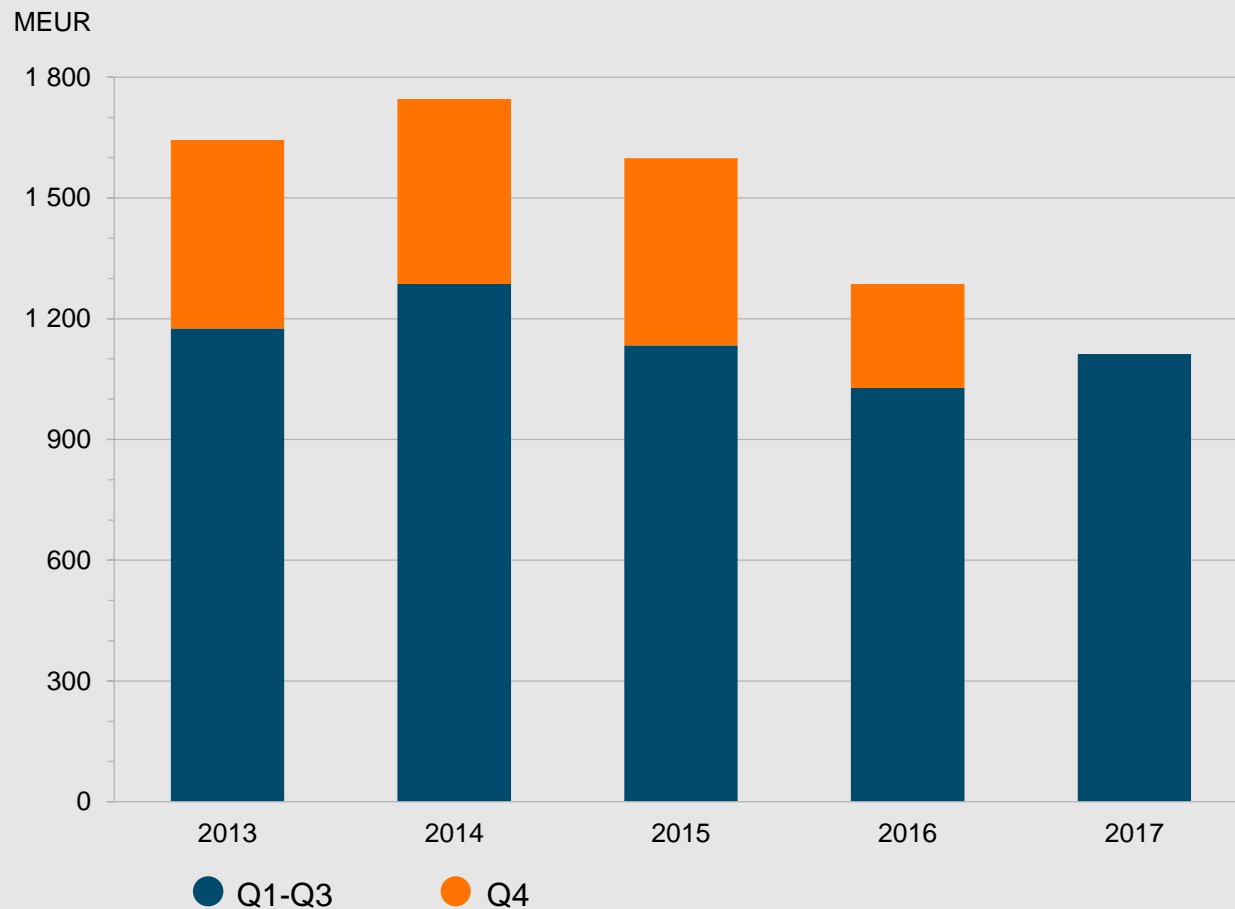
# Improving conditions in the marine markets



Source: Clarkson Research Services, figures exclude late contracting

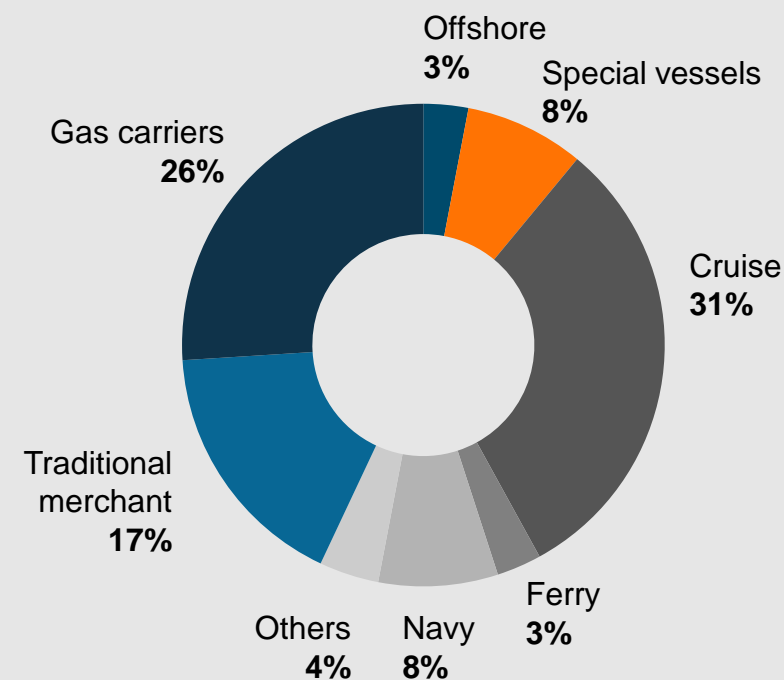
\* CGT= gross tonnage compensated with workload

# Marine Solutions' order intake supported by favourable contracting mix



## Review period development

Total EUR 1,112 million (1,028)



# Developing technologies that enable a Smart Marine future

- Efficient and reliable remote control and monitoring capabilities are central to the enablement of intelligent shipping
- Wärtsilä recently successfully tested the remote control of ship operations using standard bandwidth onboard satellite communication
- Wärtsilä's capabilities in intelligent vessel navigation will be enhanced by the acquisition of Guidance Marine



# Prospects for 2017 unchanged

The 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





## Grow faster than global GDP

Focus on strengthening our position in strategic growth markets

## Reach 14% profitability

Enhanced performance through continuous improvement

## Maintain gearing below 50%

Unleveraged balance sheet supports growth through acquisitions

## Dividend $\geq 50\%$ of EPS over the cycle

Committed to providing solid shareholder returns

# THANK YOU!

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