

WÄRTSILÄ

CORPORATE PRESENTATION 2019









WÄRTSILÄ IN BRIEF

FOUNDED IN 1834

GLOBAL LEADER

in sustainable solutions for the marine and energy markets

2018

<p>Turnover 5 174 MEUR</p>		<p>Order intake 6 307 MEUR</p>		<p>Our personnel APPROX. 19 000</p>	
	<p>Comparable operating result 577 MEUR</p>		<p>Operations in 200 LOCATIONS</p>		<p>Nationalities 135</p>

ENABLING SUSTAINABLE SOCIETIES WITH SMART TECHNOLOGY

INNOVATING
SINCE 1834

TOGETHER

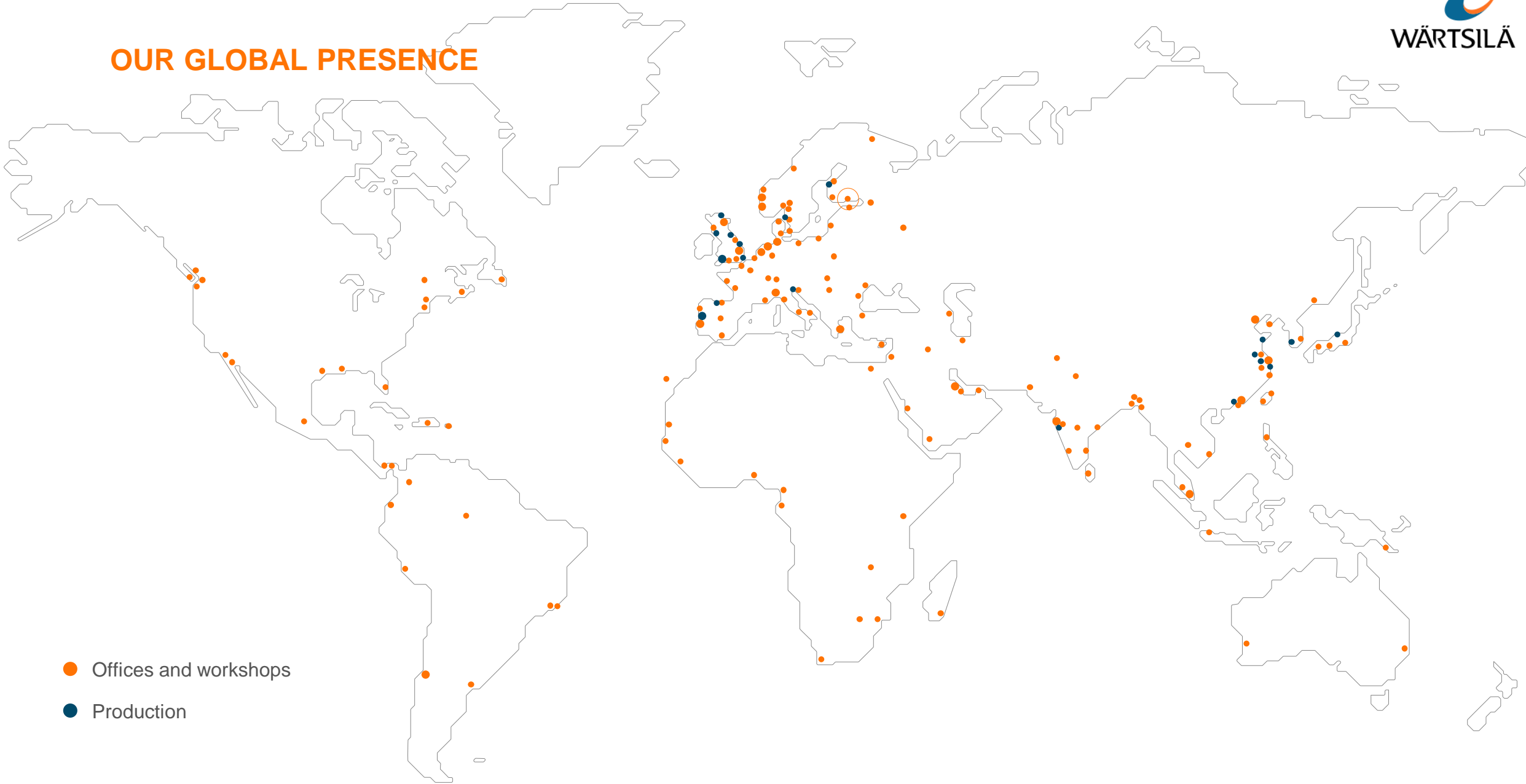
FOR A SUSTAINABLE
FUTURE

SMART TECHNOLOGY COMPANY

We aim at increasing efficiency while enabling a zero emission society.



OUR GLOBAL PRESENCE



- Offices and workshops
- Production

FOCUS ON RESEARCH AND DEVELOPMENT

Strong emphasis on **digitalisation and smart technologies**

New products and solutions in the areas of **efficiency improvement, fuel flexibility, total cost of ownership, and the reduction of environmental impact**

Long-term co-operation with research institutes and partners

165 MEUR

In 2018 R&D investments amounted to 165 MEUR, representing 3.2% of net sales.

2 900 patents and applications

Approximately 2 300 patents and 600 patent applications.

OUR PERSONNEL

19 000 professionals

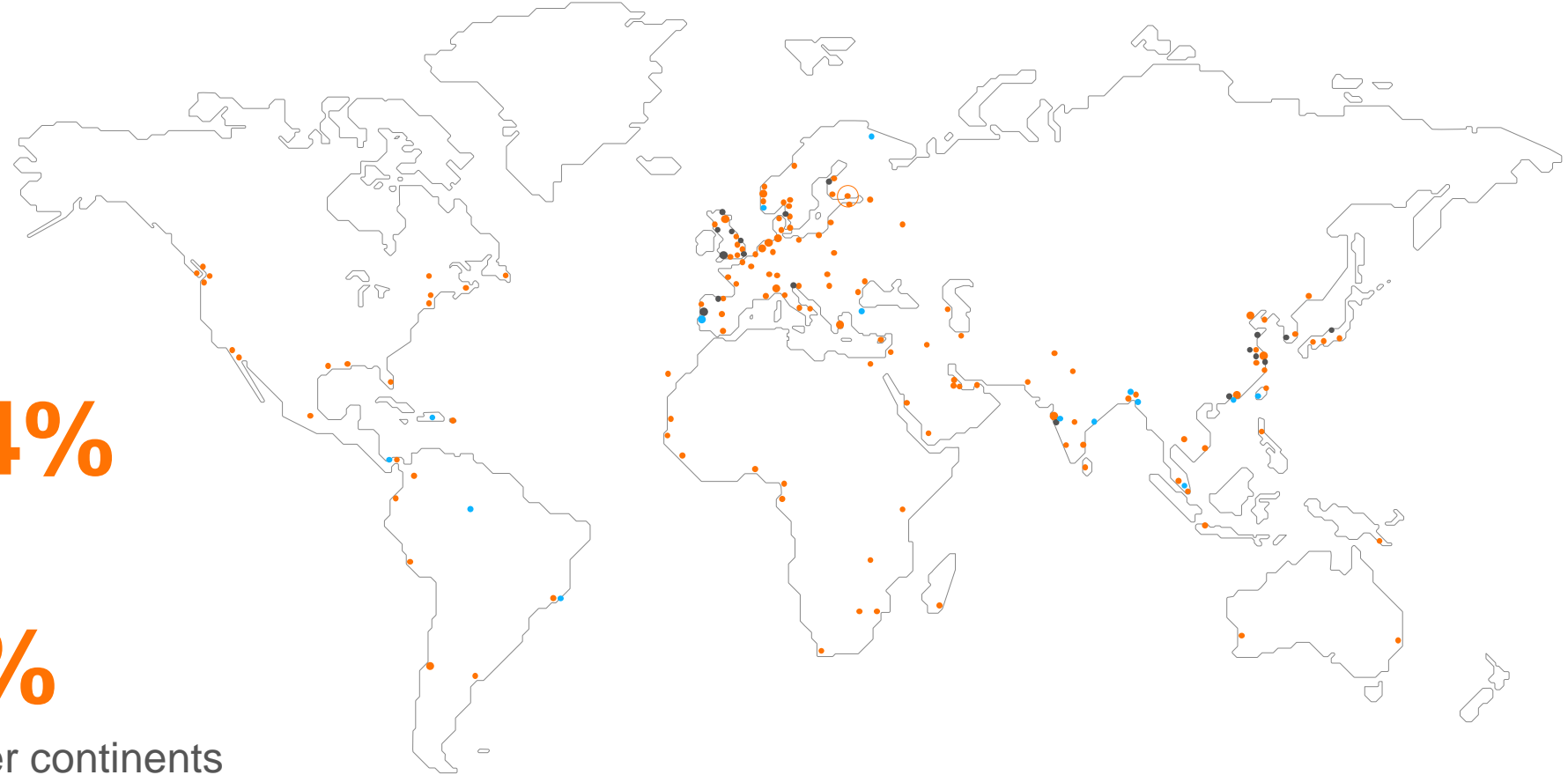
200 locations world-wide

In more than 80 countries

OUR 135 NATIONALITIES



OUR PEOPLE AROUND THE WORLD



60%

Europe

24%

Asia

11%

Americas

5%

Other continents

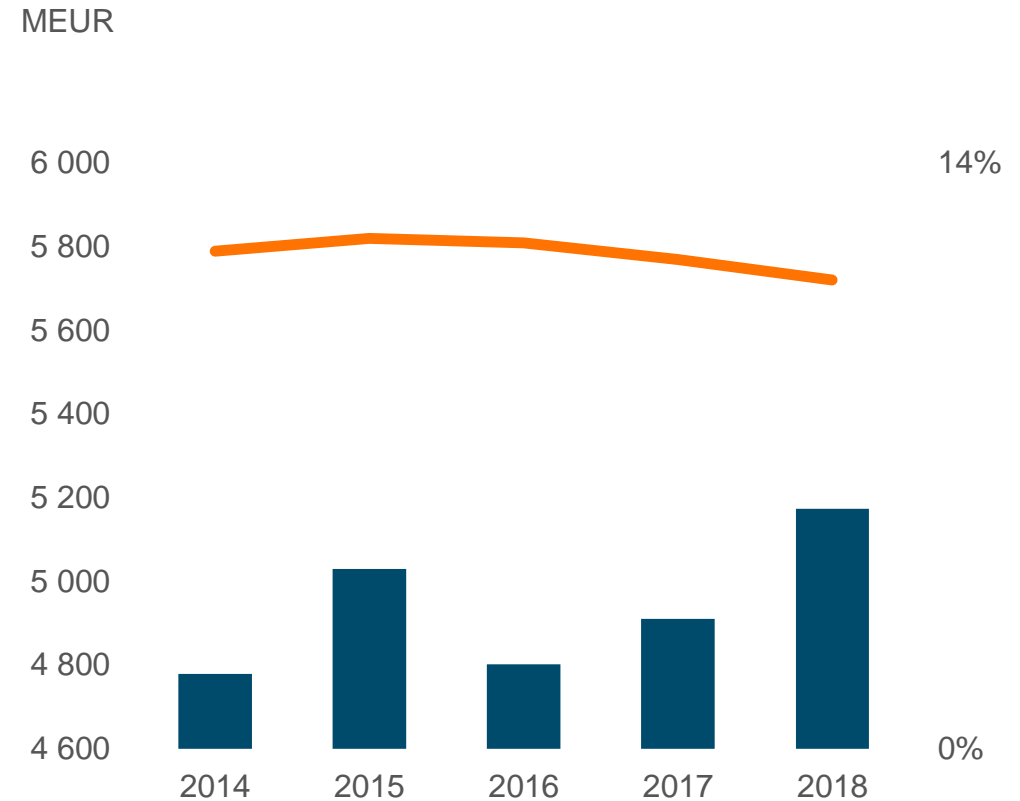
FINANCIAL OVERVIEW

SOLID PROFITABILITY

6 307 MEUR

Order intake in 2018

- Net sales
- Comparable operating result, % of net sales



Figures shown before items affecting comparability. Figures for 2017 have been restated due to the adoption of IFRS 15.

FINANCIAL HIGHLIGHTS

MEUR	2018	2017¹	2016	2015	2014
Order intake	6 307	5 644	4 927	4 932	5 084
Order book at the end of the period	6 166	5 100	4 696	4 882	4 530
Net sales	5 174	4 911	4 801	5 029	4 779
Comparable operating result	577	576	583	612	569
% of net sales	11.2	11.7	12.1	12.2	11.9
Earnings/share, EUR ²	0.65	0.63	0.60	0.75	0.59

1) Figures for 2017 have been restated due to the adoption of IFRS 15.

2) Earnings per share figures have been restated to reflect the increased number of shares.

OUR BUSINESS AREAS

ENERGY BUSINESS

ENERGY BUSINESS

Wärtsilä Energy Business is leading the transition towards a 100% renewable energy future. Our solutions and services provide the needed **flexibility to integrate renewables** and secure power system reliability. We support our customers over the lifecycle of their installations, enabling **increased efficiency** and **guaranteed performance**.

TOWARDS A 100% RENEWABLE ENERGY FUTURE

The energy landscape is in transition towards more flexible and sustainable energy systems. **We envision a 100% renewable energy future.**

The declining cost of renewables has begun to reduce new investments in inflexible baseload technologies. This transition will eventually enable renewables to become the new baseload. That will require flexibility and storage to ensure reliable generation.

ENERGY MARKET TRENDS & DRIVERS

**RAPIDLY INCREASING
RENEWABLES**

**DECENTRALIZED
ENERGY**

**INCREASING ROLE OF
FLEXIBLE GAS**

**EMERGING STORAGE
TECHNOLOGY**

**DATA &
DIGITALIZATION**

THE LEADING ENERGY SYSTEM INTEGRATOR



ENGINE POWER PLANTS

Ultra-flexible internal combustion engine based power plants



ENERGY STORAGE AND INTEGRATION

Utility-scale energy storage solutions and advanced software



RENEWABLES

Utility-scale solar power plants integrated with engine power plants and energy storage



GAS-TO-POWER

LNG solutions integrated with engine power plants in one single project



LIFECYCLE SERVICES AND ASSET MANAGEMENT

STRENGTHS

Wärtsilä is leading the transition as the Energy System Integrator – we understand, design, build and serve optimal power systems for future generations.

70 GW INSTALLED
POWER PLANT CAPACITY
IN **177 COUNTRIES**

OVER **70+** GLOBAL
ENERGY STORAGE
SYSTEMS INSTALLED

OUR EXPERTISE CENTERS
SUPPORT NEARLY **800**
INSTALLATIONS GLOBALLY

OUR CUSTOMER SEGMENTS

UTILITIES

Organisations providing electricity and/or heat to power markets or end users

IPPS

Financial organisations investing in power generation and storage assets to sell power to utilities

INDUSTRIAL CUSTOMERS

Industrial businesses with captive power plants

OUR BUSINESS AREAS

MARINE BUSINESS

MARINE BUSINESS

In the maritime and oil & gas industries, no other company has a broader offering of technologically advanced, environmentally sustainable, and economically sound solutions.

With an integrated product portfolio comprising full lifecycle solutions, **we are leading the industry's transformation** towards a highly connected Smart Marine Ecosystem.

LEADING THE WAY TOWARDS A SMART MARINE ECOSYSTEM

The marine industry is moving towards a future that is increasingly connected. By utilising real-time communication and digitalisation in all aspects of shipping and port operations we create long-term value for our customers and partners.

By applying smart technologies and performance optimisation services, we deliver higher safety, greater efficiencies and minimised climate impact.

MARKET TRENDS & DRIVERS

URBANISATION
AND INCREASE IN
POPULATION

AGING OF
POPULATION
AND GROWING
MIDDLE-CLASS

ADVANCED
TECHNOLOGY
DEVELOPMENTS

CLIMATE CHANGE

GEOPOLITICAL
FACTORS AND
SCARCE
RESOURCES

STRENGTHS

By radically transforming our industry to create value for our customers and wider society, we continuously develop and innovate new technologies and business models and conform to environmental legislation.

**BROADEST OFFERING
AND WIDEST WORLDWIDE
SERVICE NETWORK**

**A RELIABLE PARTNER
WITH STRONG EXPERIENCE,
PRESENCE AND KNOWLEDGE**

**DELIVERING OPERATIONAL
EFFICIENCIES THROUGH
INTEGRATION AND CONNECTIVITY**

STRENGTHS

- Broadest products and solutions portfolio together with a worldwide service and support network
- Continuously developing and innovating new technologies and business models to create value for our customers, conform to environmental legislation and improve and radically transform our industry
- A reliable partner with strong experience, presence and knowledge of the maritime industry
- Delivering cost, fuel, and operational efficiencies through integration and interconnectivity

SMART TECHNOLOGY OFFERING COVERS ALL MARKET SEGMENTS

MERCHANT VESSELS

GAS CARRIERS

CRUISE & FERRY

NAVY

SPECIAL VESSELS

OIL & GAS INDUSTRY

THE WORLD'S WIDEST PRODUCT AND SOLUTIONS PORTFOLIO AND THE MOST EXTENSIVE SERVICE NETWORK

- Power supply
- Power conversion
- Propulsion
- Exhaust treatment
- Parts solutions
- Maintenance and repair services
- Lifecycle solutions
- Automation, navigation & communication
- Simulation & training solutions
- Fleet operations solutions
- Ship traffic control solutions
- Special products
- Entertainment systems
- Water & waste
- Gas solutions for marine and land-based applications

APPENDIX: ABBREVIATIONS

EPC	engineering, procurement and construction
IFRS 15	international financial reporting standard 15
IPPs	independent power producers
LNG	liquefied natural gas
OEM	original equipment manufacturer
PV	photovoltaic
R&D	research & development

THANK YOU!



WÄRTSILÄ

