

WÄRTSILÄ CORPORATION

RESULT PRESENTATION 2017

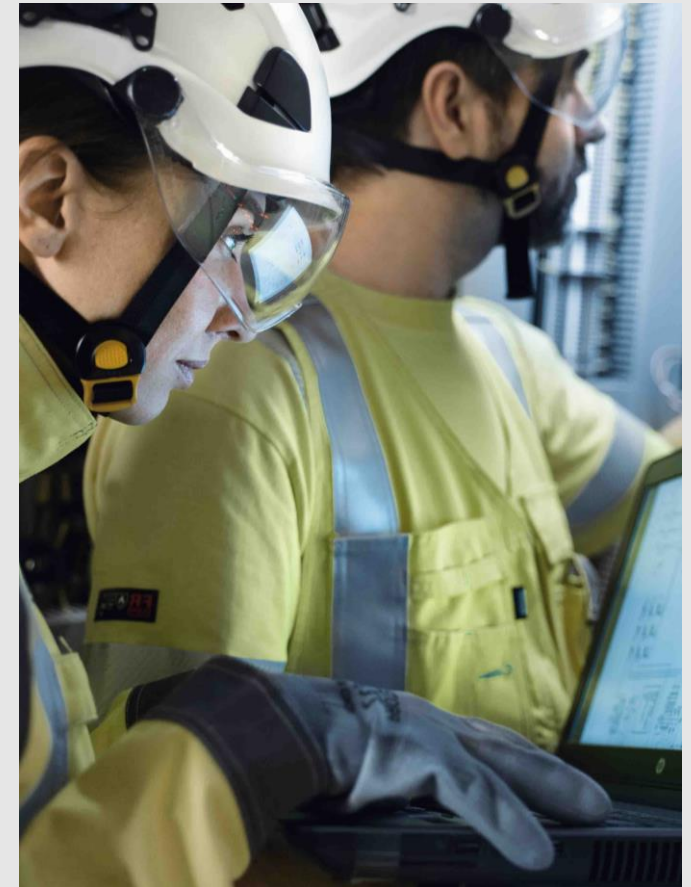
31 January 2018

Jaakko Eskola, President & CEO

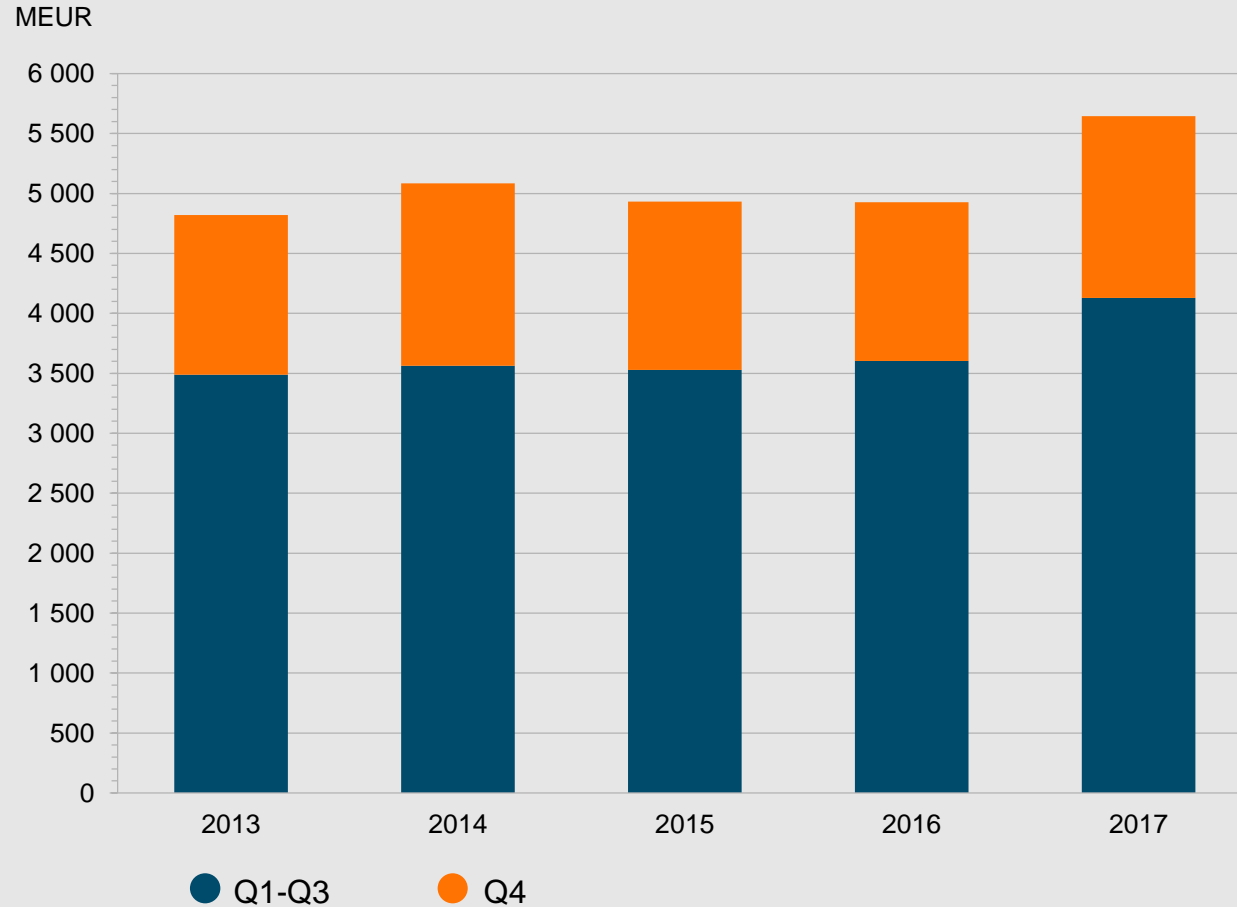


Key financials 2017

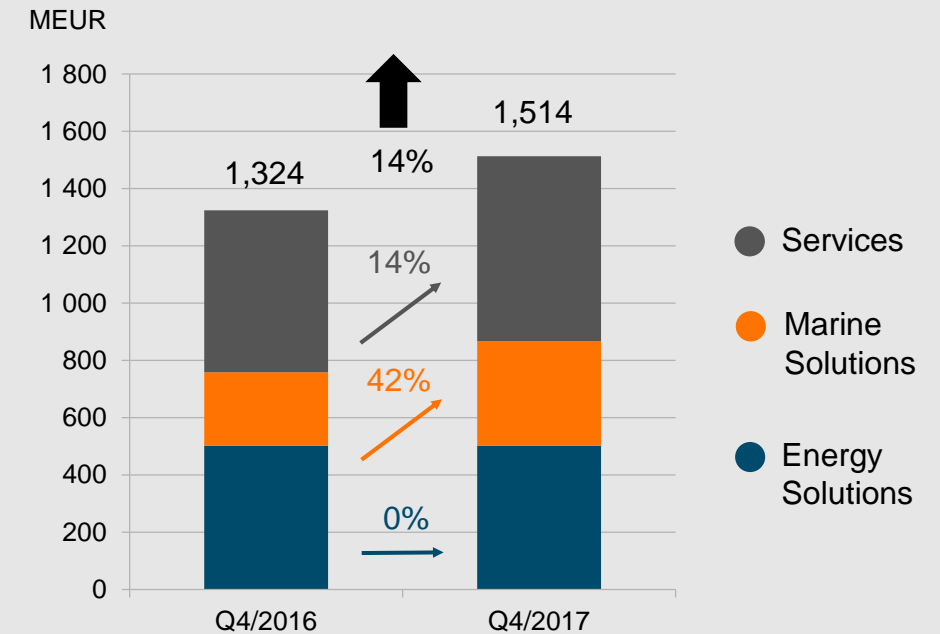
- Order intake EUR 5,644 million, +15%
- Net sales EUR 4,923 million, +3%
- Book-to-bill 1.15 (1.03)
- Comparable operating result EUR 590 million (583), 12.0% of net sales (12.1)
- Earnings per share EUR 1.95 (1.79)
- Cash flow from operating activities EUR 430 million (613)
- Order book at the end of the period EUR 5,064 million, +8%
- Dividend proposal EUR 1.38 per share (1.30), to be paid in two instalments
- The Board proposes a share split so that two new shares are issued for each share



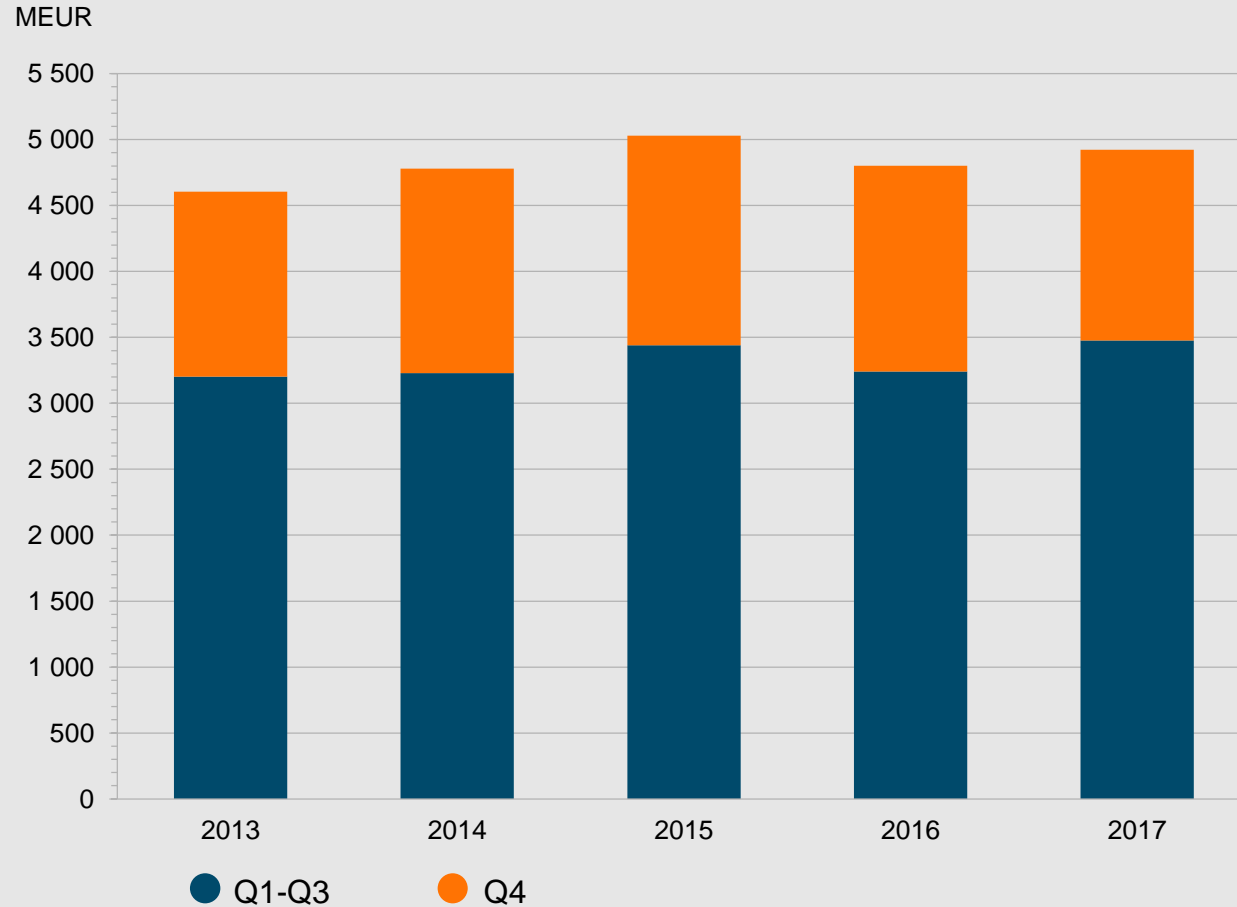
Growth in order intake



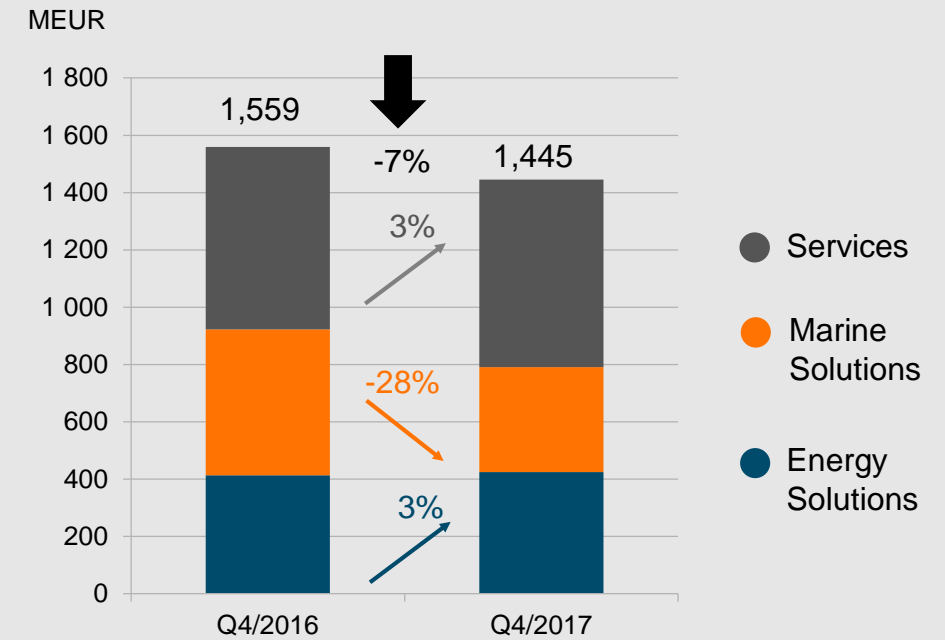
Fourth quarter development



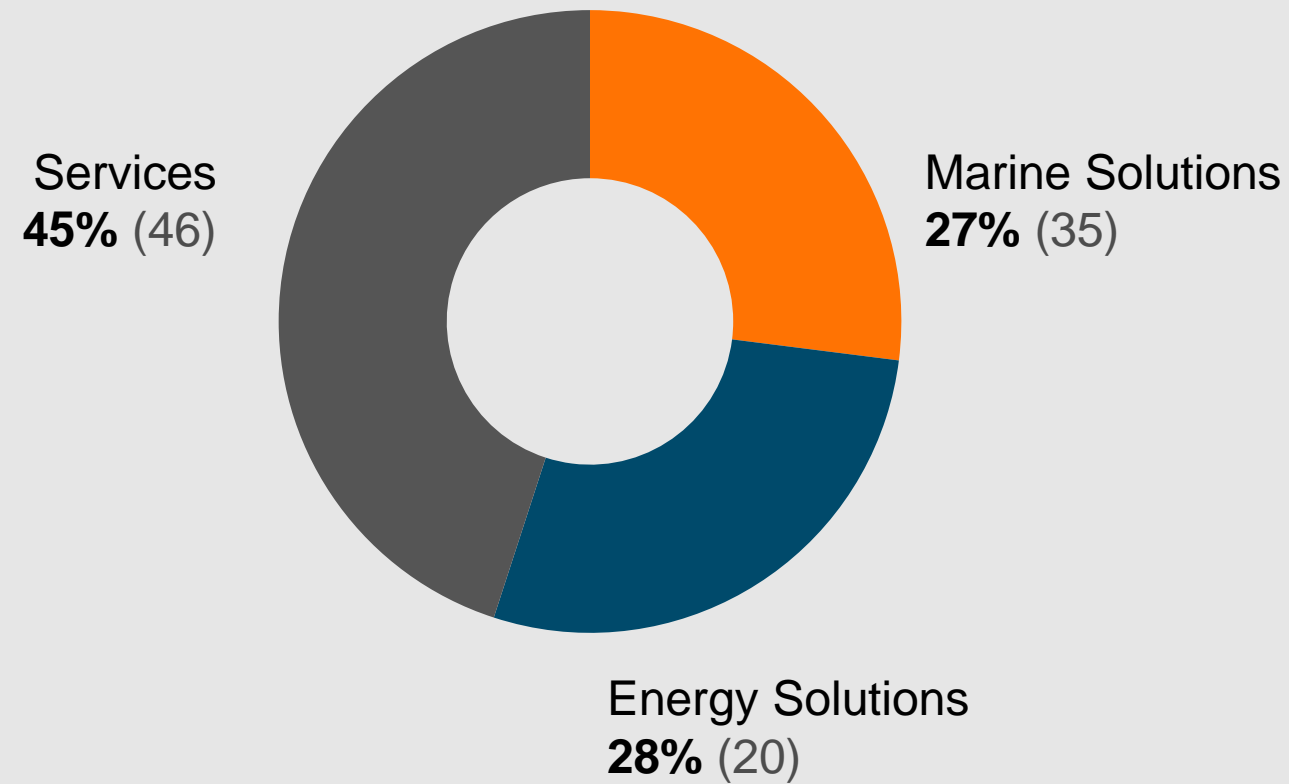
Solid full year sales development



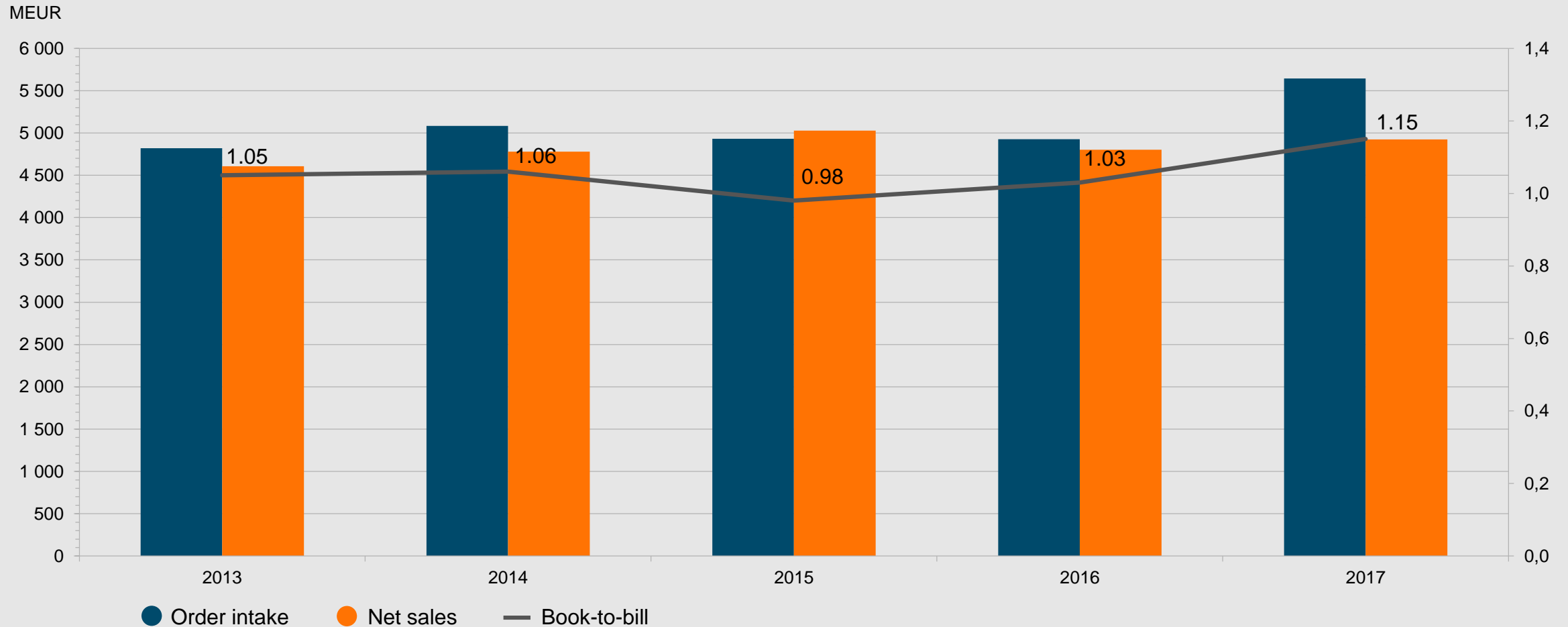
Fourth quarter development



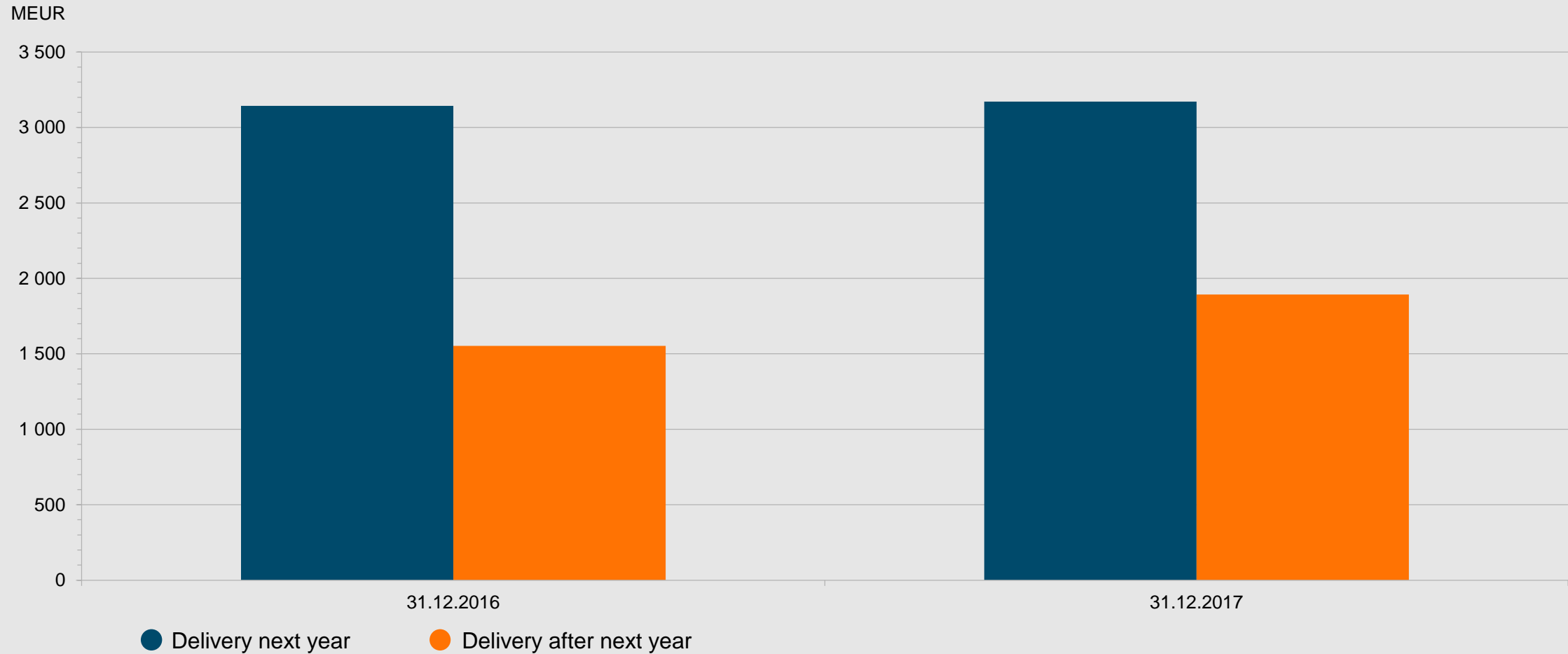
Net sales by business 2017



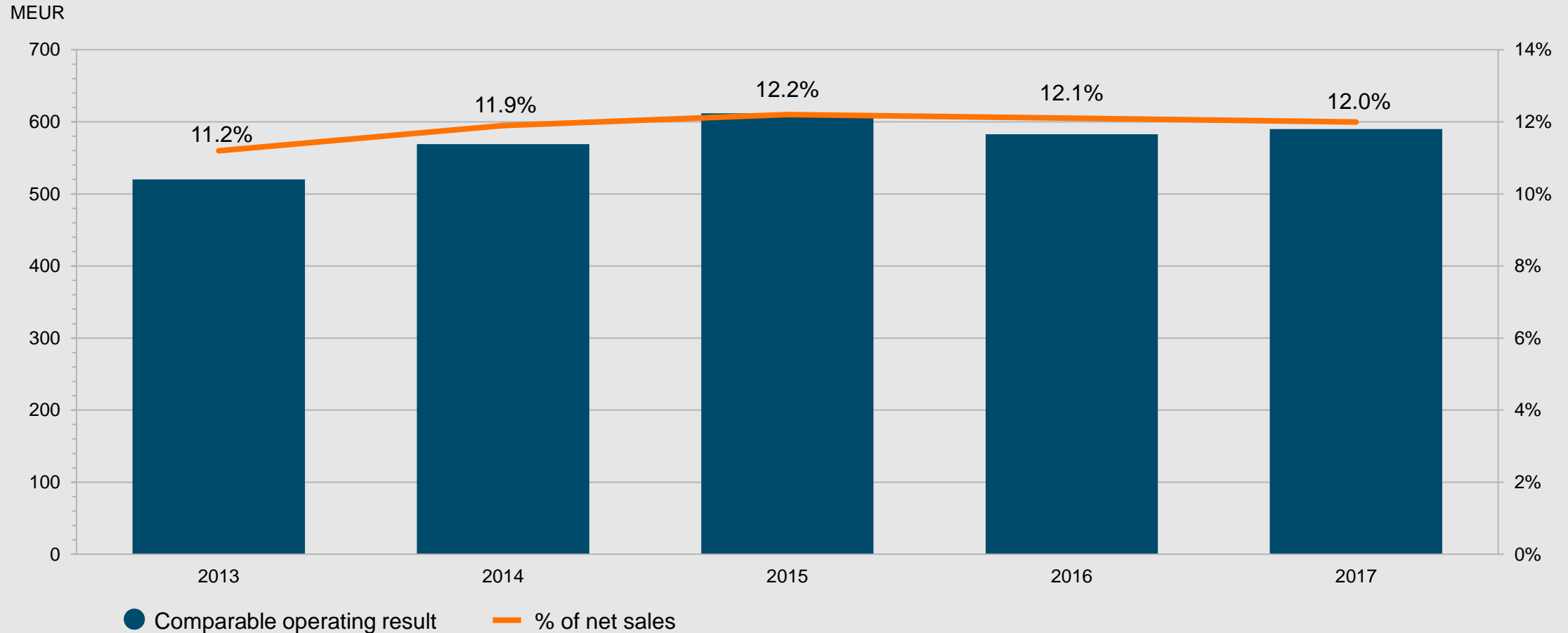
Book-to-bill



Order book distribution



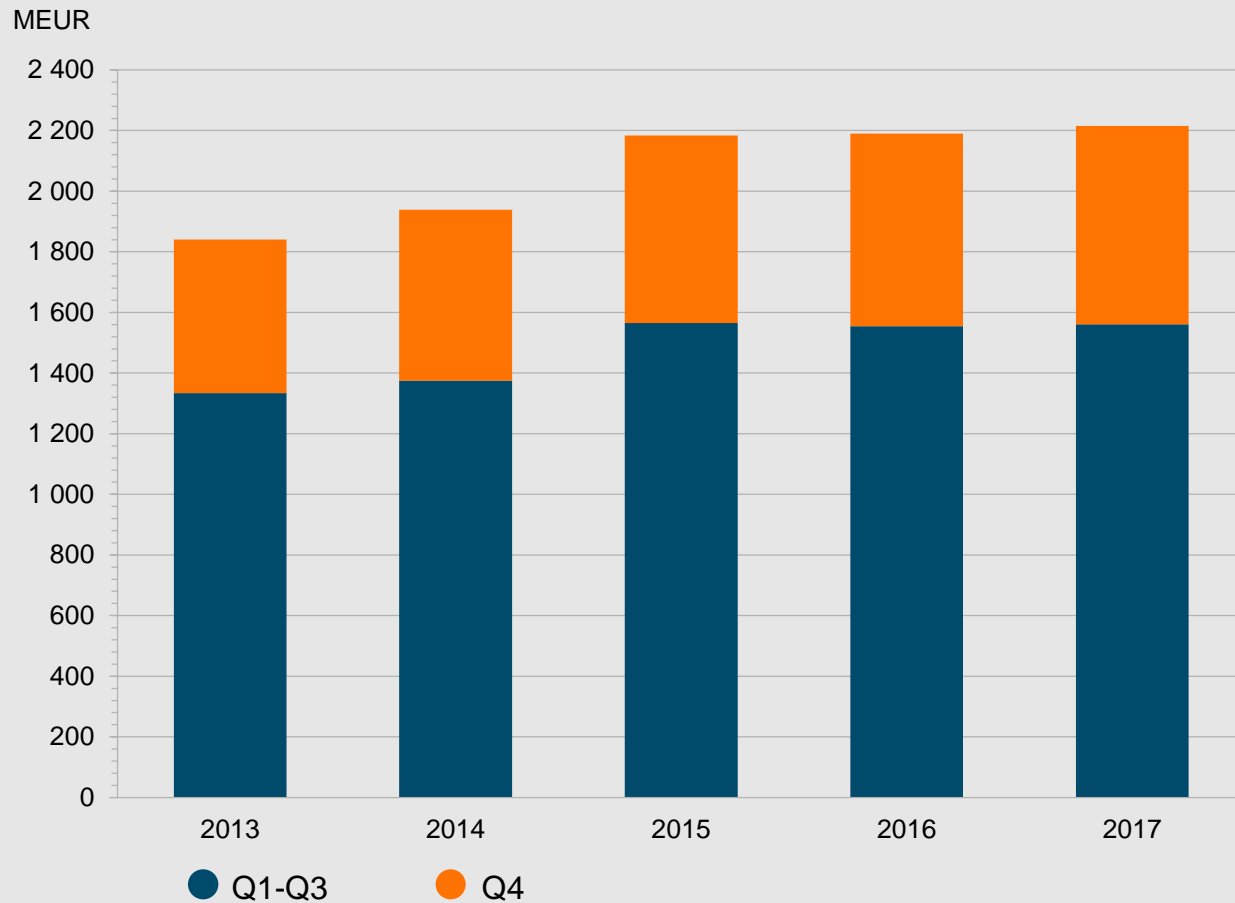
Operating result in line with previous year



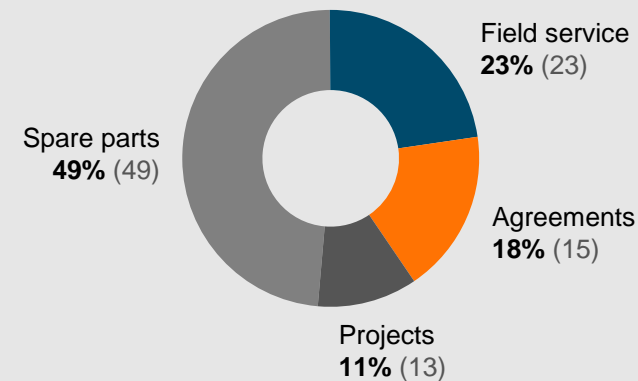
Items affecting comparability amounted to EUR 19 million (22) in the fourth quarter of 2017 and EUR 37 million (51) during the review period January-December. Figures for 2013 include both discontinued and continuing operations.



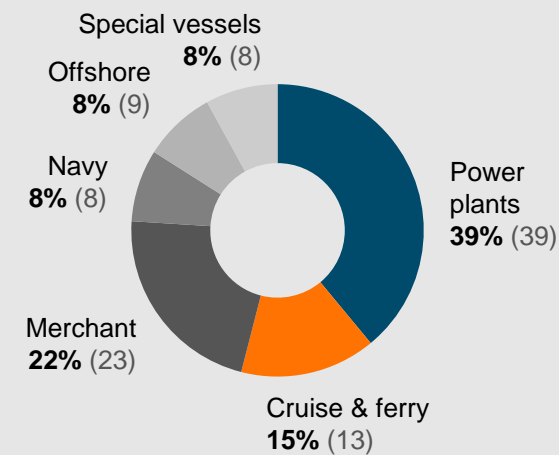
Net sales development



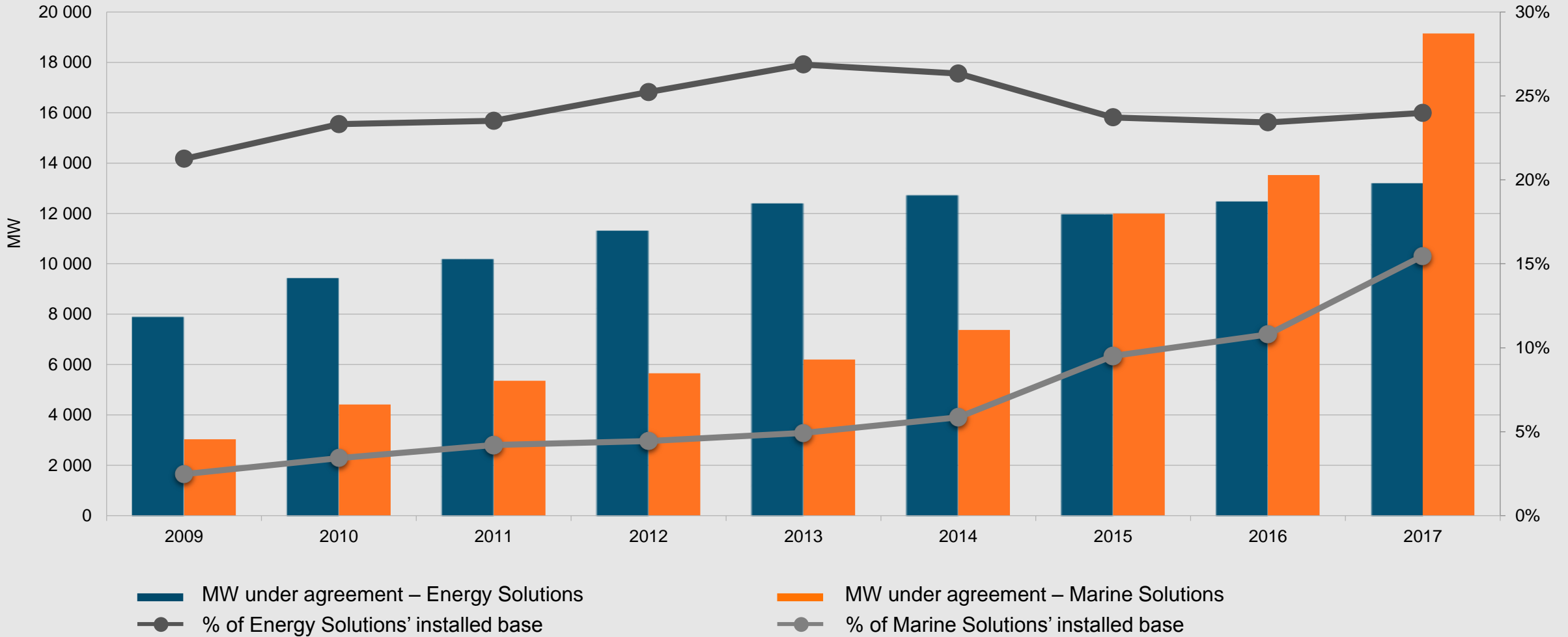
By product area



By segment



Installed base covered by service agreements



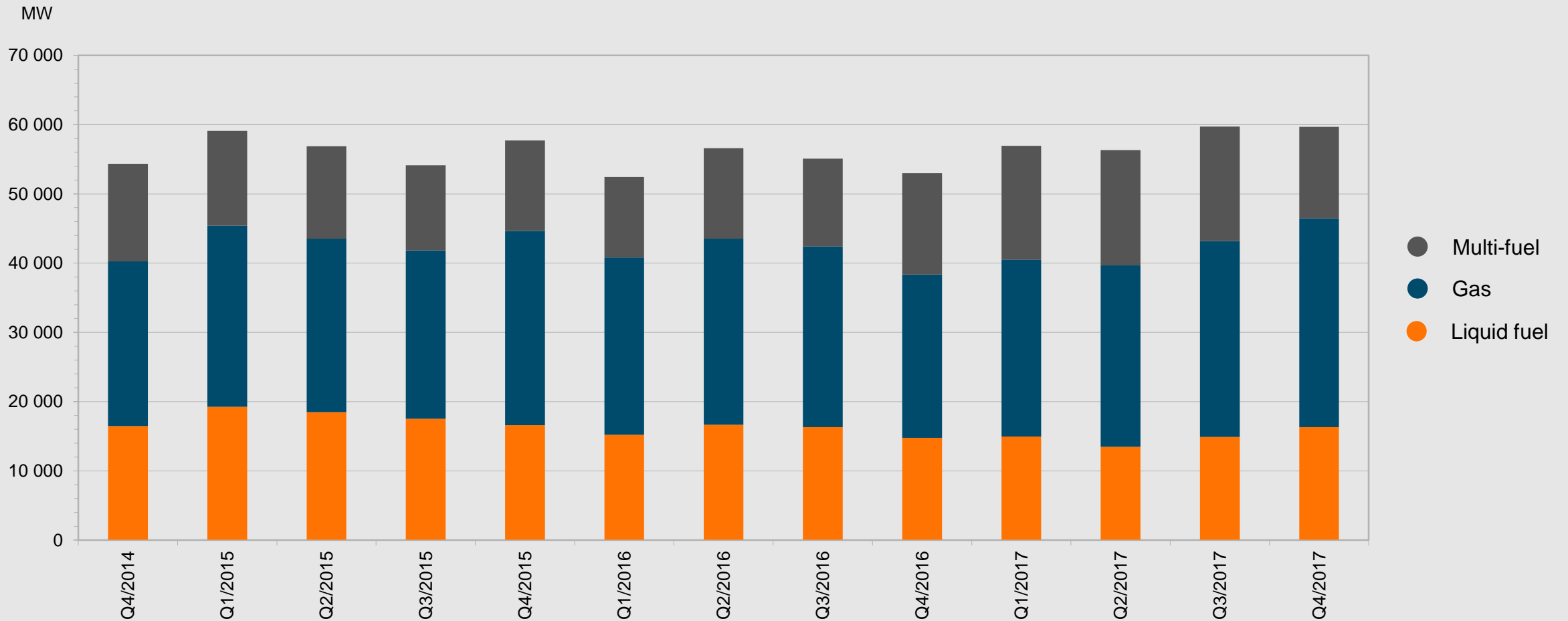
Wärtsilä to retrofit the world's first energy storage solution on board a large offshore supply vessel

- The system will be installed on the North Sea Giant, one of the world's largest and most advanced sub-sea construction vessels
- Benefits of the solution include:
 - Reduced energy consumption
 - Lower operating costs
 - Improved environmental footprint
 - Increased redundancy and responsiveness



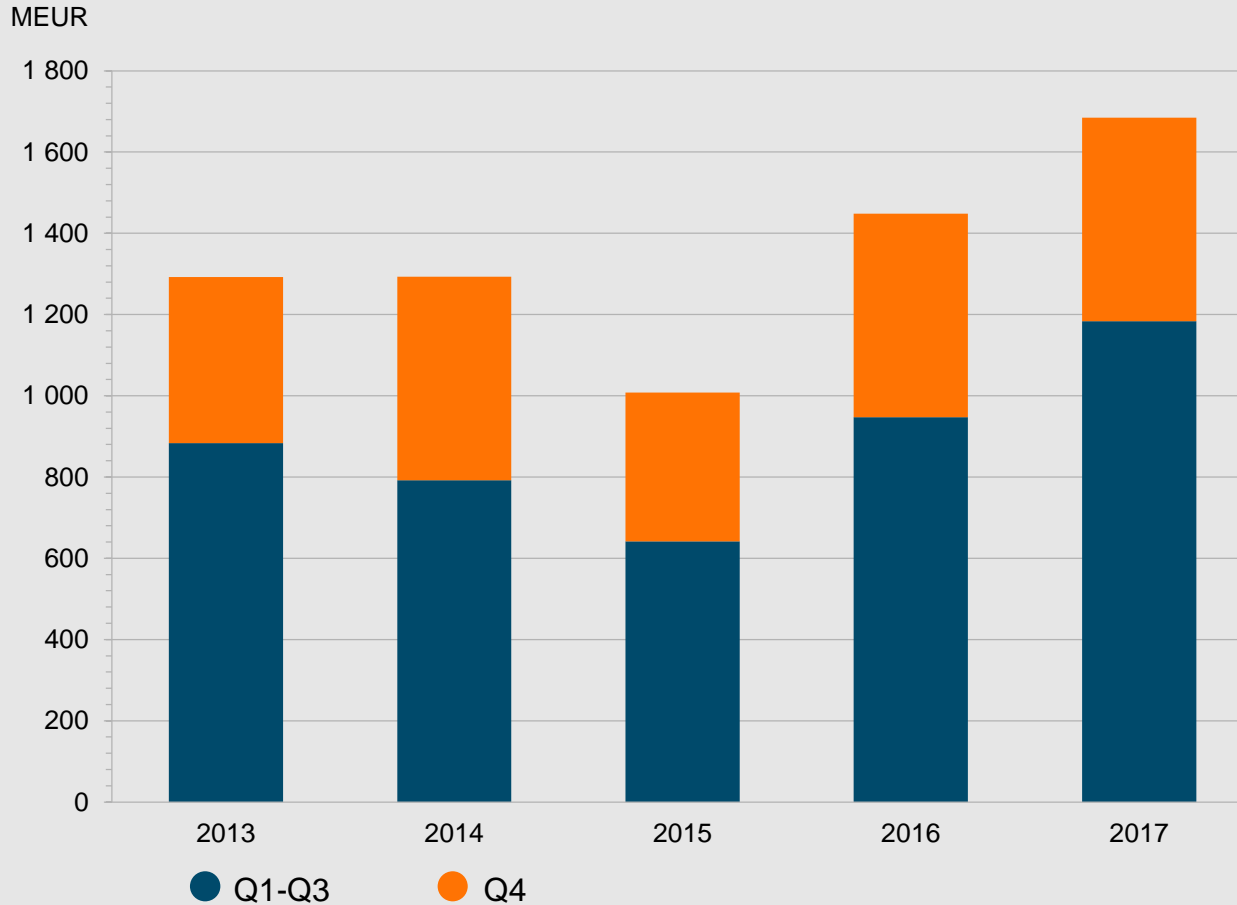


Quotation activity by fuel type



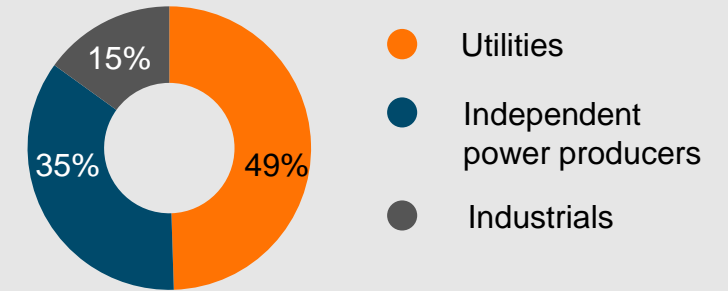
Calculated on a 12 months rolling basis

Energy Solutions' order intake



Review period development

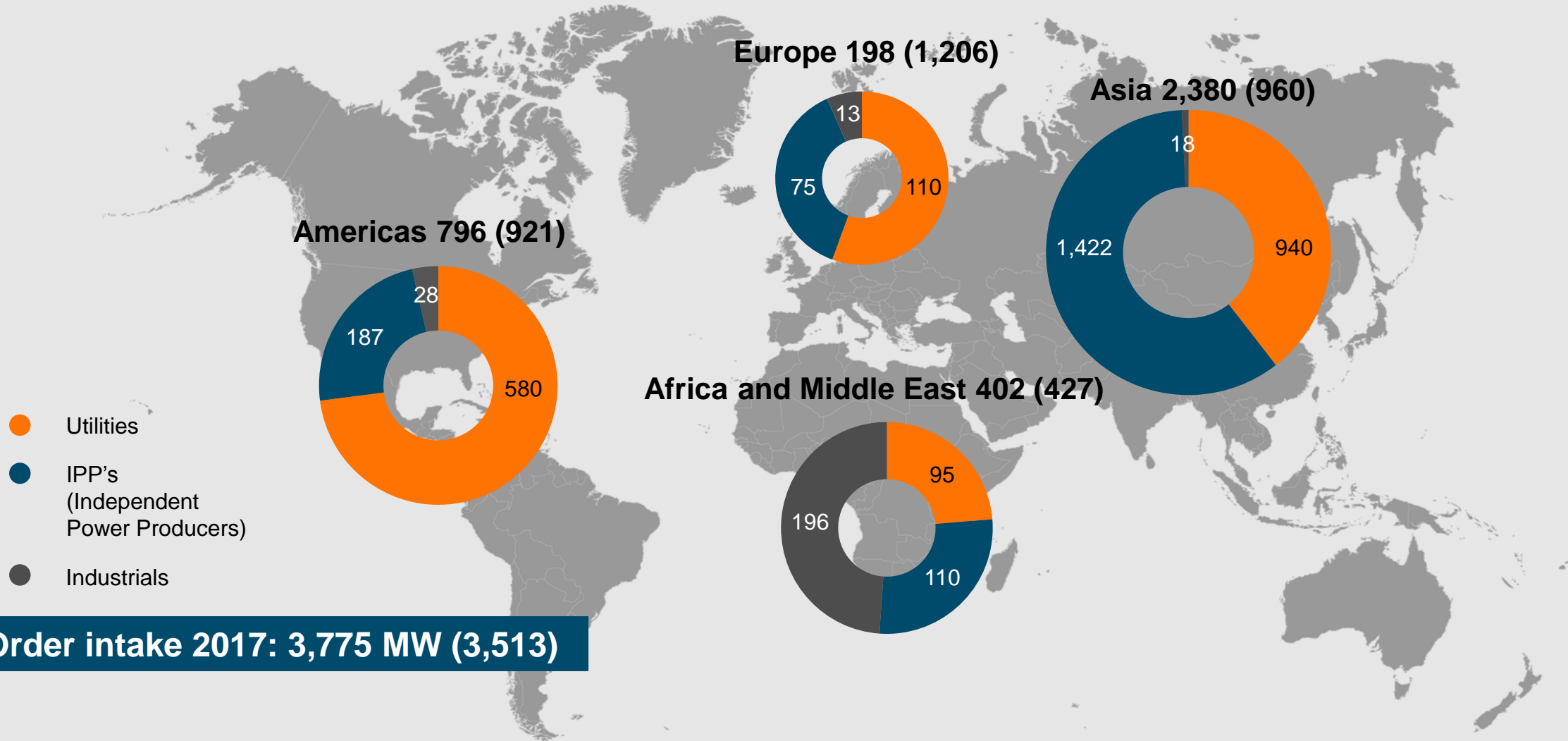
Total EUR 1,685 million (1,448)



Review period order intake by fuel in MW



Order intake globally



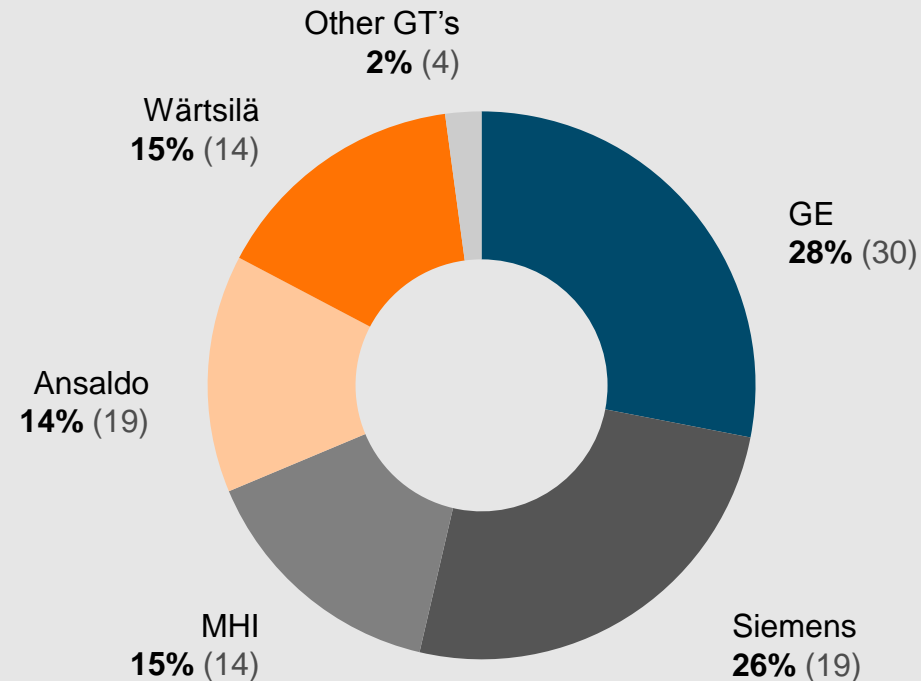
Order intake 2017: 3,775 MW (3,513)

Energy markets shifting towards smart, clean & flexible technologies

- 200 MW gas power plant addresses intermittency challenges associated with the expansion of renewable energy in Arizona, USA
- 52 MWp solar PV plant increases the share of renewables in Jordan
- Integrated energy management system based on Greensmith software will reduce greenhouse gas emissions in the Azores



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

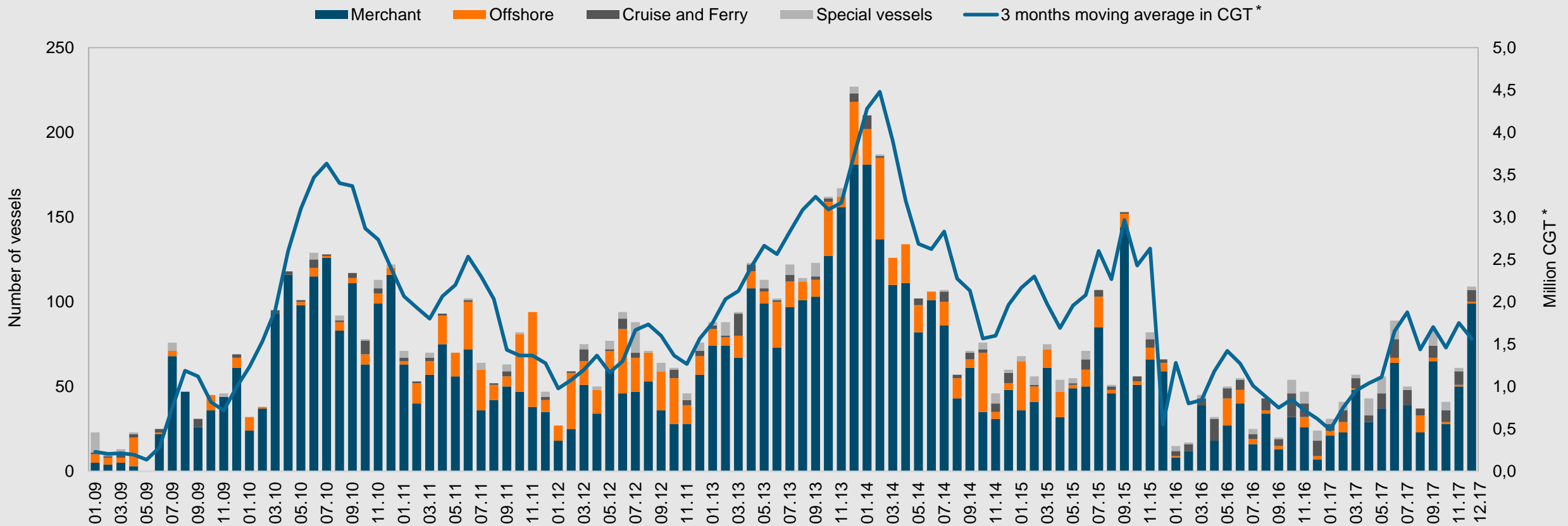


<500 MW market volume last 12 months: 25.2 GW (24.8)
Total market volume last 12 months: 54.9 GW (54.6)

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 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.



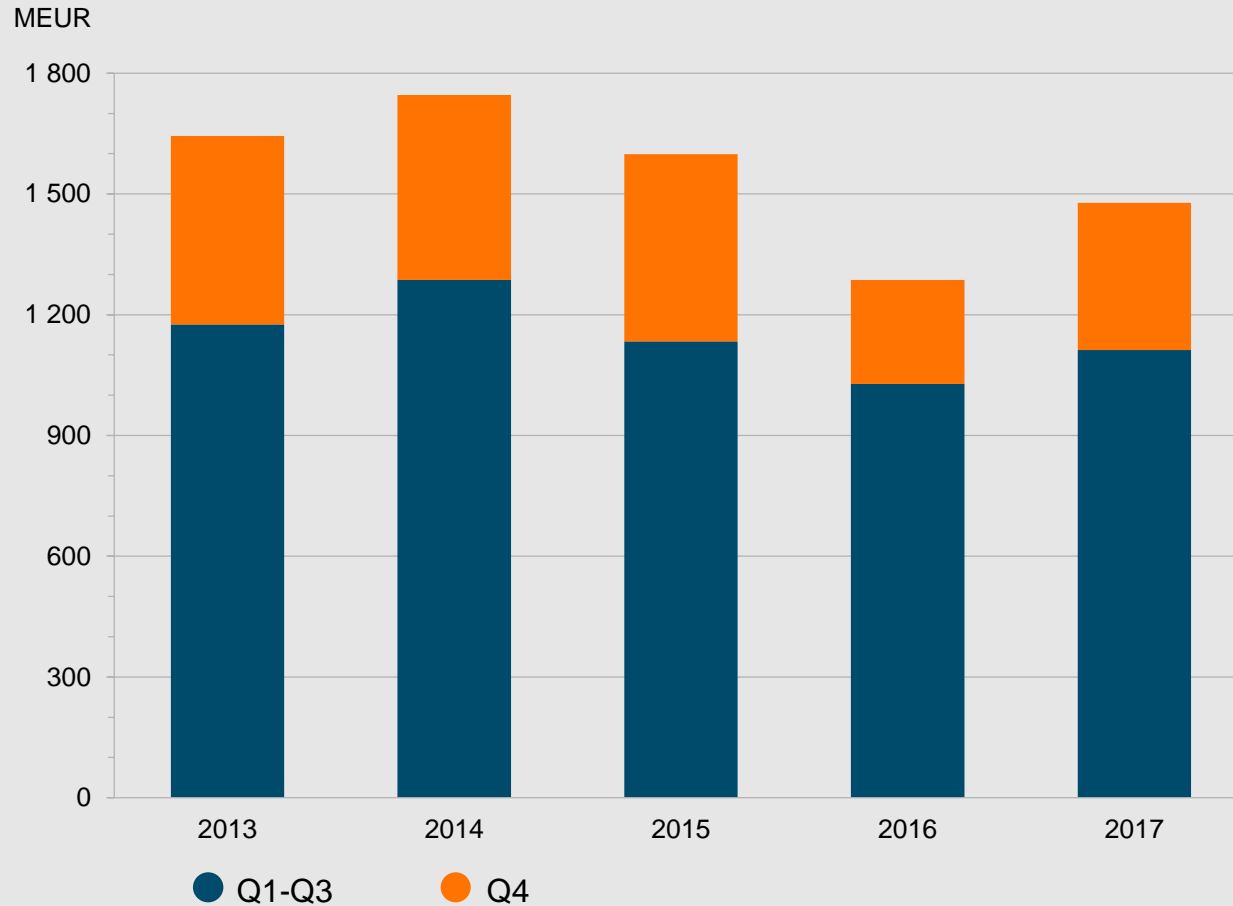
Vessel contracting supported by improved sentiment



Source: Clarkson Research Services, figures exclude late contracting

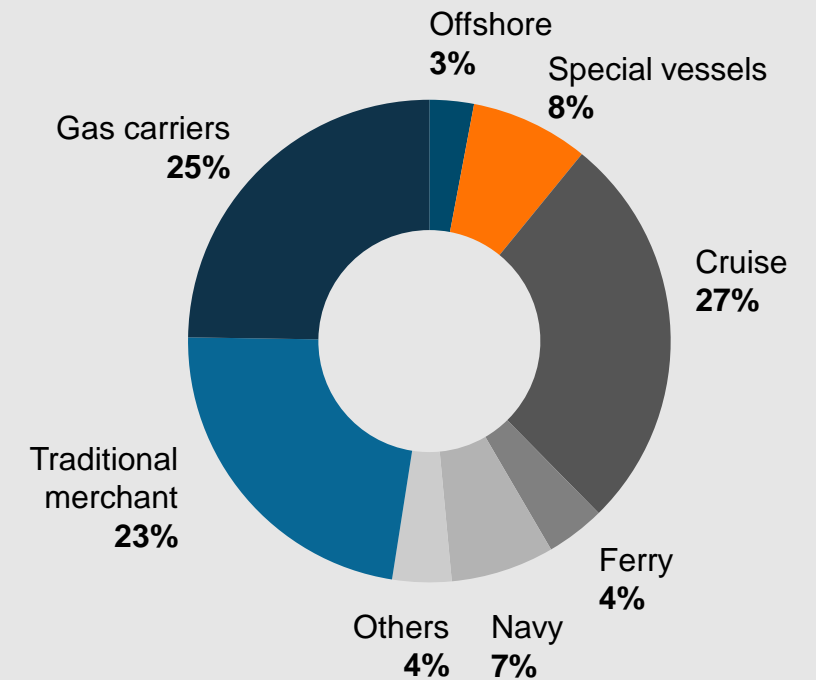
* CGT= gross tonnage compensated with workload

Marine Solutions' order intake

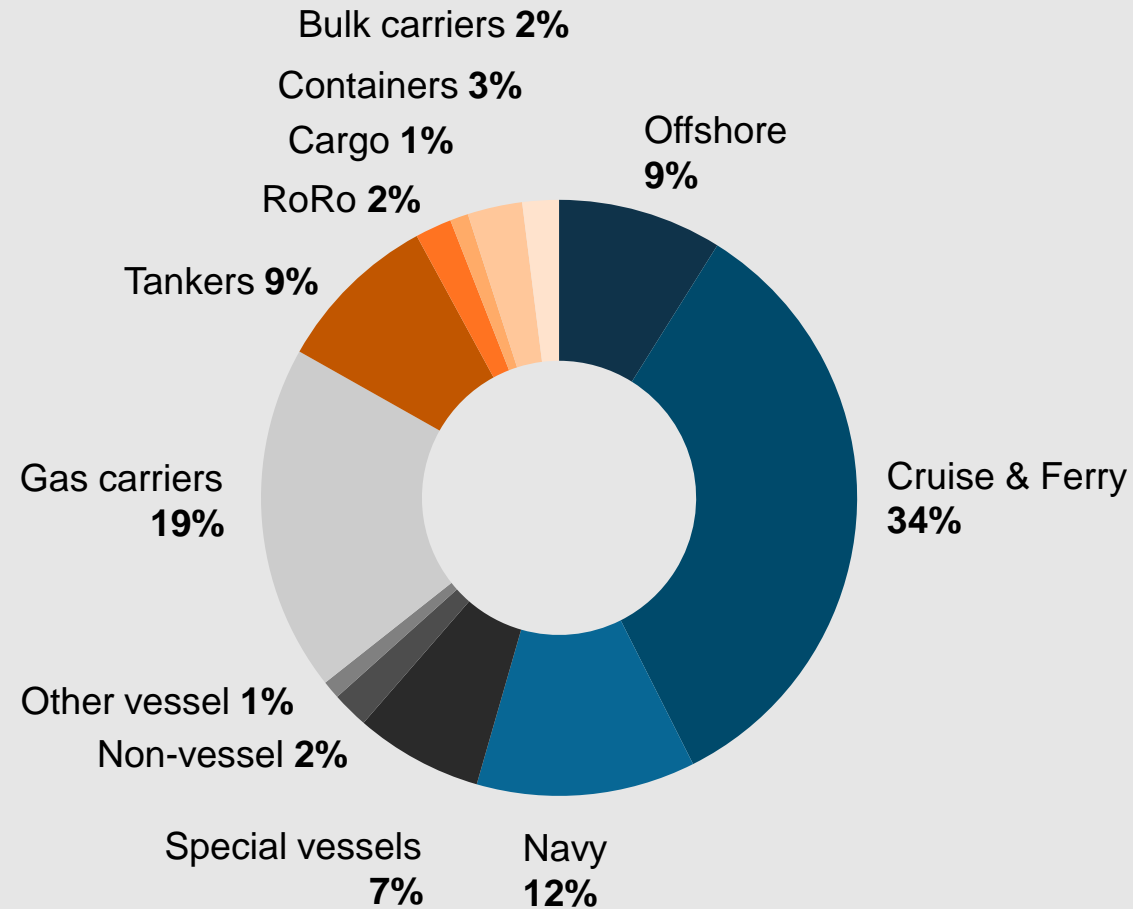


Review period development

Total EUR 1,478 million (1,285)

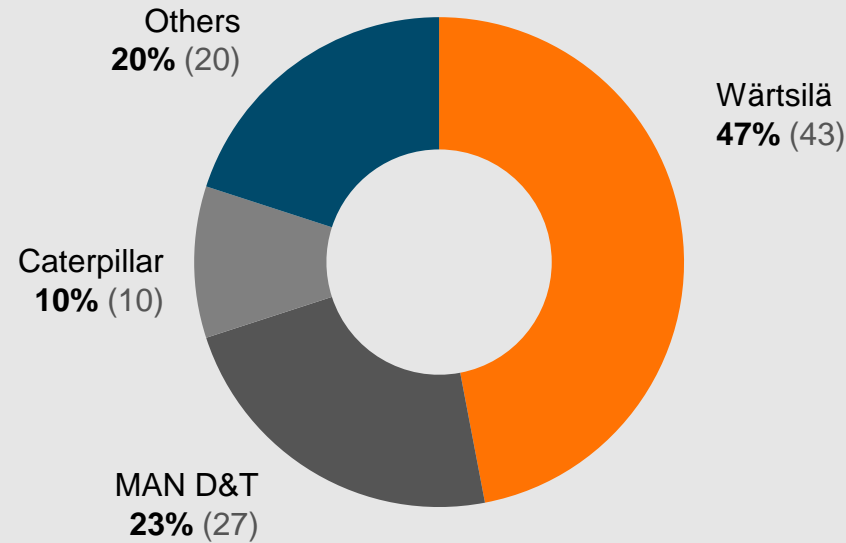


Marine Solutions' order book 31 December 2017



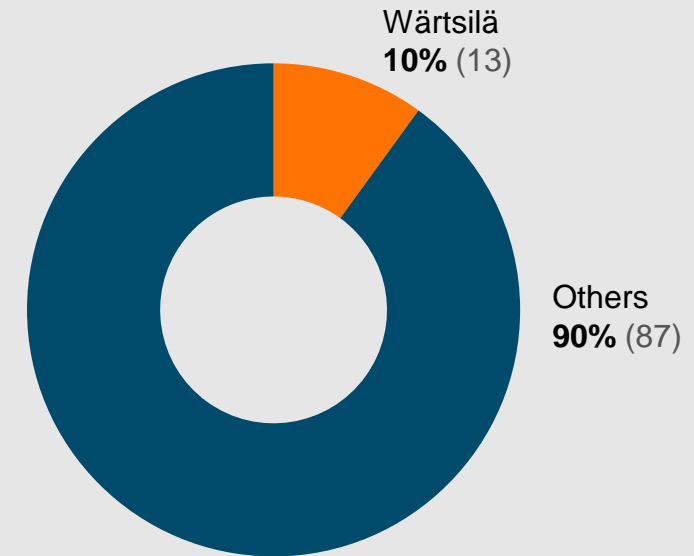
Market position of Wärtsilä's marine engines

Medium-speed main engines



Total market volume last 12 months:
3,017 MW (2,982)

Auxiliary engines



Total market volume last 12 months:
2,409 MW (1,932)

Wärtsilä's market shares are calculated on a 12 months rolling basis, numbers in brackets are from the end of the previous period. The calculation is based on Wärtsilä's own data portal.

Wärtsilä's smart technology at the heart of a new shuttle tanker concept

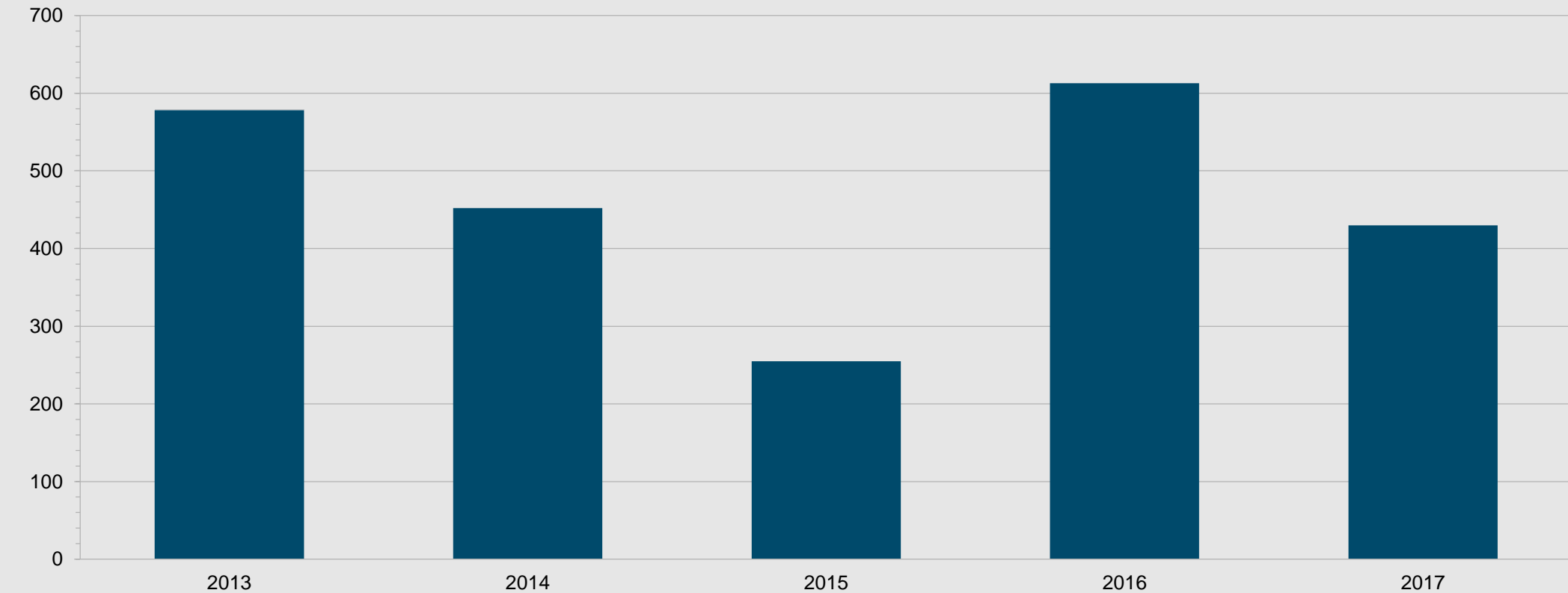
- TEEKAY's four new shuttle tankers will feature a wide range of Wärtsilä's latest technology innovations
- Wärtsilä's smart solutions enable optimal economic and ecological performance
- Eniram's Vessel Performance Management system optimises operations, and provides analytics and reporting



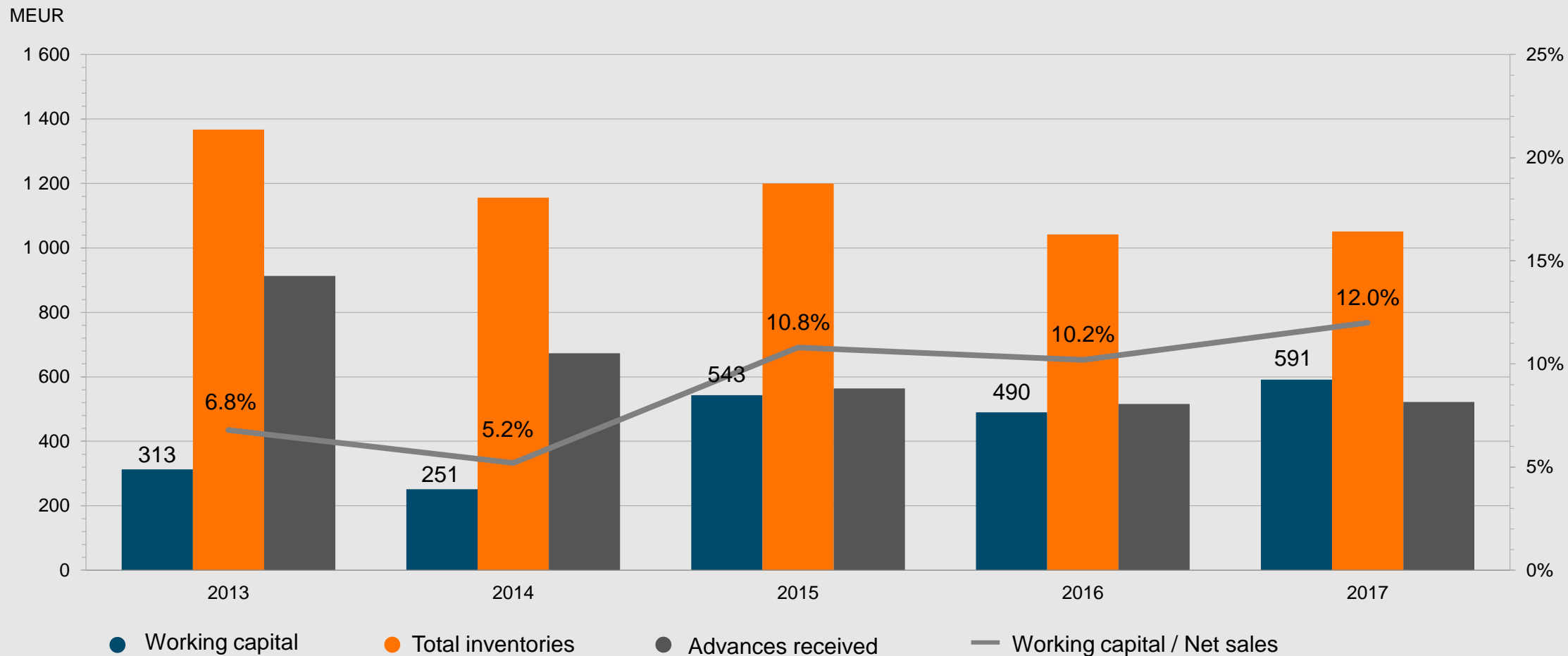


Cash flow from operating activities

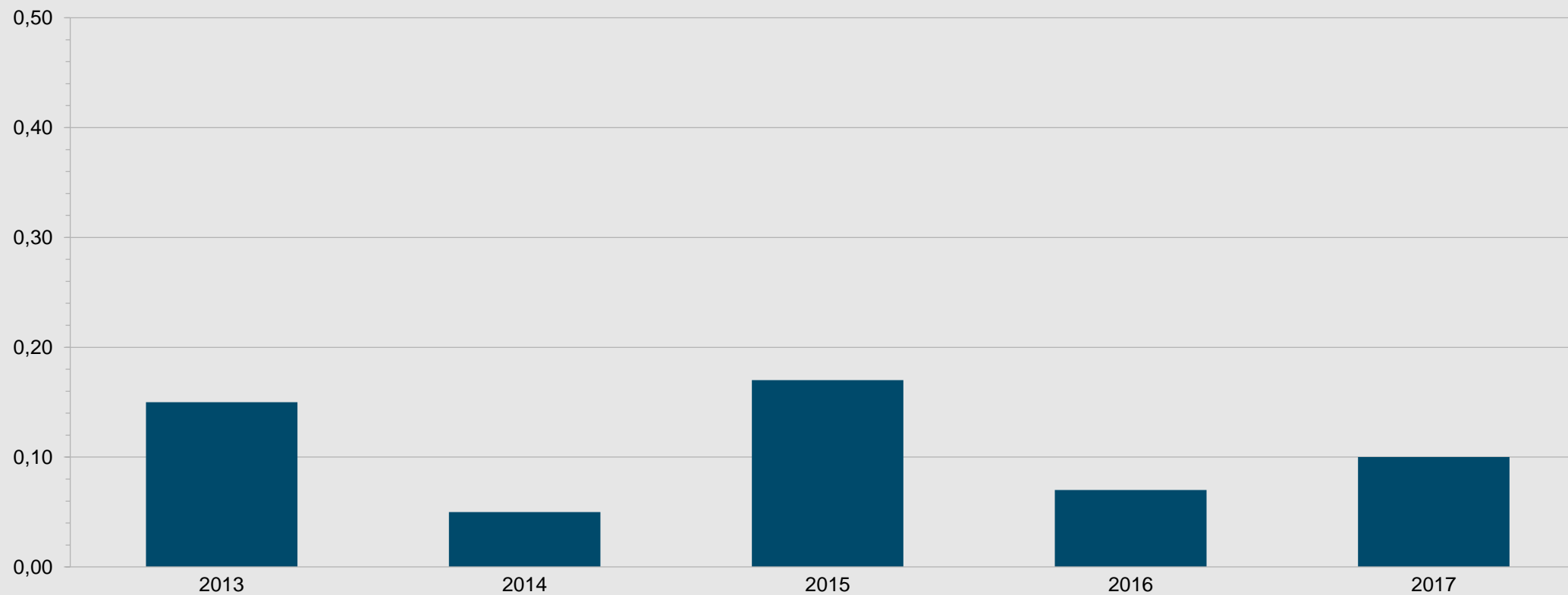
MEUR



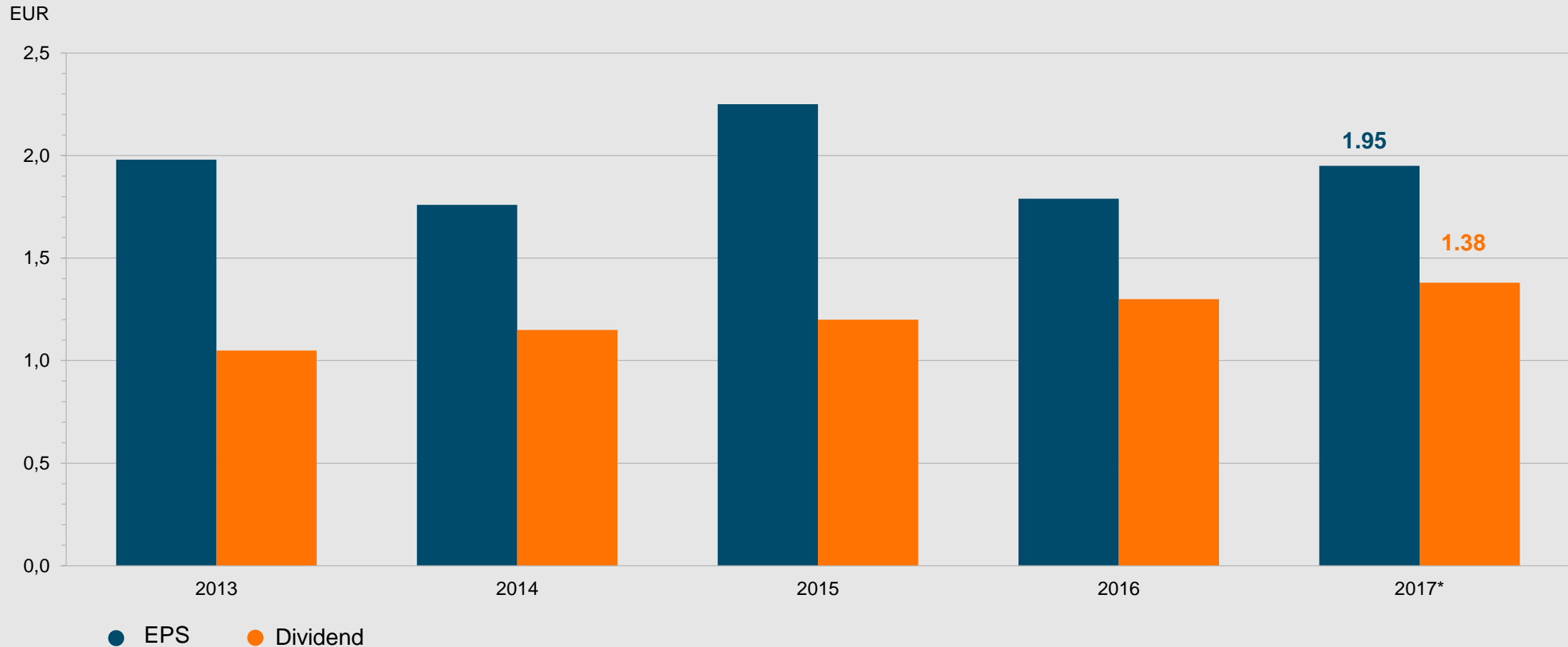
Working capital



Gearing



EPS and dividend per share



* Dividend 2017 - Proposal of the Board

Prospects for 2018

The demand for Wärtsilä's services and solutions in 2018 is expected to improve somewhat from the previous year.

Demand by business area is anticipated to be as follows:

- Good in Services
- Good in Energy Solutions
- Solid in Marine Solutions



THANK YOU

Further information:
Natalia Valtasaari
Director, Investor & Media Relations
Tel. +358 (0) 10 709 5637
E-mail: natalia.valtasaari@wartsila.com