

Service call for investors

Agenda

1 | **Arjen Berends**
Why is service business so important for Wärtsilä

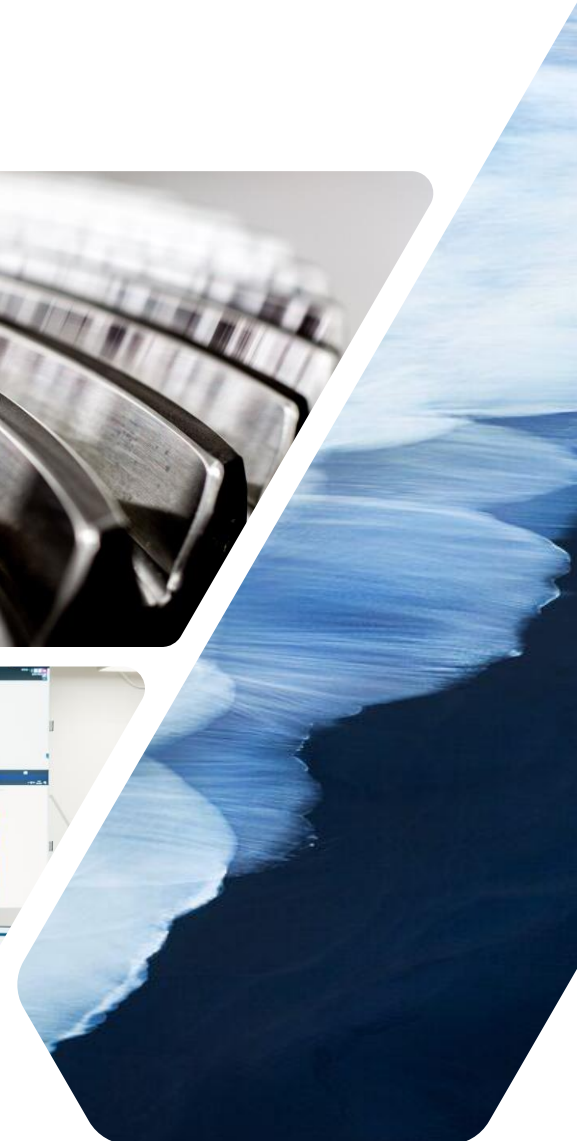
4 | **Q&A**

2 | **Roger Holm**
Moving up the Service Value Ladder in Marine

3 | **Markus Ljungkvist**
Moving up the Service Value Ladder in Energy

Service Business is of high importance to Wärtsilä

- 50% of order intake (LTM Q123)
- 47% of net sales (LTM Q123)
- Significant contributor to Wärtsilä's profitability improvement
- Growing double digit in order intake and sales
- Vital driver of customer satisfaction
- Potential for growth short- and long-term, moving up the service value ladder



Service business is a major driver for growth in volume and profitability

Wärtsilä's financial targets

Net sales	5% annual organic growth	Capital structure	Gearing below 0.50
Profitability	12% operating margin	Dividend	At least 50% of earnings

Target: 5% annual organic growth

Starting point: Net sales 4,401 MEUR (LTM Q3/2021)

- Storage ⊕ ⊕ ⊕
- **Services** ⊕ ⊕
 - Increased share of wallet from existing customers
 - Deeper penetration of installed base
 - Decarbonisation retrofits
 - New business models
- Thermal balancing ⊕ ⊕
- Marine new build market recovery ⊕

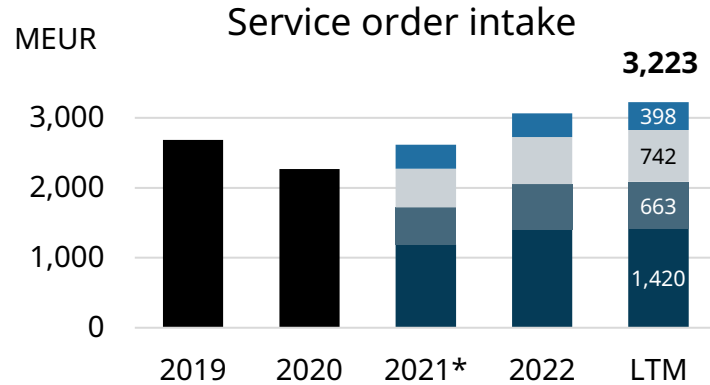
Target: 12% operating margin

Starting point: Operating margin 5.9% (LTM Q3/2021)

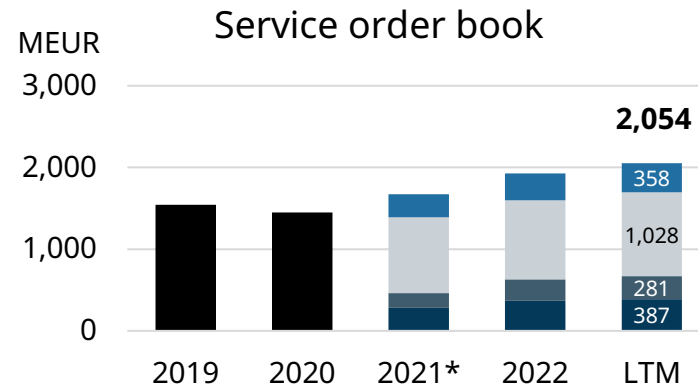
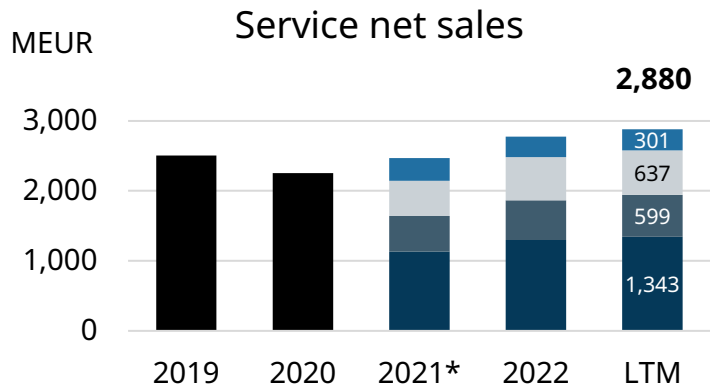
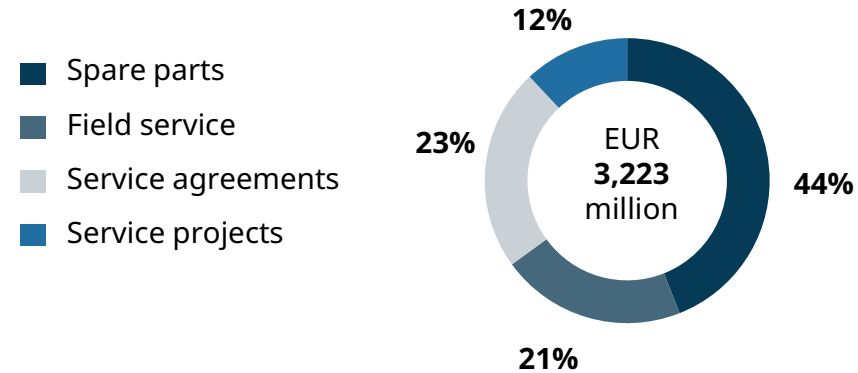
- **Marine and Energy services growth** ⊕ ⊕ ⊕
 - Thermal balancing power growth ⊕ ⊕
 - Storage growth ⊕
 - Voyage turnaround and digital growth ⊕
 - Pricing ⊕
 - Continuous improvement ⊕
 - Cost inflation ⊖
- >0% {

Solid growth in Wärtsilä's services

Order book visibility becoming longer in time



Service order intake, LTM



*Adjusted to reflect a change in categorisation between equipment and services in Wärtsilä Marine Power and Wärtsilä Marine Systems. Split by category not available before 2021. LTM = Last twelve months, Q222-Q123



WÄRTSILÄ