STABLE NET SALES AND STRONG CASH FLOW, WHILE COVID-19 IMPACT AND MIX WEAKENED PROFITABILITY
### KEY FIGURES

<table>
<thead>
<tr>
<th></th>
<th>4-6/2020</th>
<th>CHANGE</th>
<th>1-6/2020</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Order intake</strong></td>
<td>1,011</td>
<td>-27%</td>
<td>2,259</td>
<td>-19%</td>
</tr>
<tr>
<td>of which services</td>
<td>486</td>
<td>-22%</td>
<td>1,120</td>
<td>-12%</td>
</tr>
<tr>
<td><strong>Order book</strong></td>
<td></td>
<td></td>
<td>5,401</td>
<td>-12%</td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>1,220</td>
<td>0%</td>
<td>2,390</td>
<td>+1%</td>
</tr>
<tr>
<td>of which services</td>
<td>510</td>
<td>-17%</td>
<td>1,103</td>
<td>-7%</td>
</tr>
<tr>
<td><strong>Book-to-bill</strong></td>
<td>0.83</td>
<td>-0.30</td>
<td>0.95</td>
<td>-0.23</td>
</tr>
<tr>
<td><strong>Comparable operating result</strong></td>
<td>55</td>
<td>-51%</td>
<td>111</td>
<td>-48%</td>
</tr>
<tr>
<td>% of net sales</td>
<td>4.5%</td>
<td>-4.8 pp</td>
<td>4.7%</td>
<td>-4.4 pp</td>
</tr>
<tr>
<td><strong>Earnings per share, EUR</strong></td>
<td>0.04</td>
<td>-0.07</td>
<td>0.09</td>
<td>-0.12</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>252</td>
<td>+289</td>
<td>293</td>
<td>+295</td>
</tr>
</tbody>
</table>
VESSEL ORDERS REMAINED AT A VERY LOW LEVEL

Source: Clarksons Research, contracting as per 1 July, 2020
CGT= gross tonnage compensated with workload
ENERGY MARKETS AT A STABLE LEVEL

The total market, including also power plants with prime movers above 500 MW, decreased by 2% to 46.2 GW during the twelve-month period ending in March 2020 (47.2 at the end of December).

The market data includes all Wärtsilä power plants and other manufacturers’ gas and liquid fuelled gas turbine based power plants with prime movers below 500 MW, as well as the estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. The main gas turbine competitors are GE, Siemens, Mitsubishi, and Ansaldo. Other combustion engines are not included.
ORDER INTAKE

Second quarter development

Order intake by business area
- Marine Power: 5% (3)
- Marine Systems: 39% (46)
- Voyage: 12% (14)
- Energy: 5% (5)
- Portfolio Business: 39% (32)

Order intake by business type
- Services: 52% (55)
- Equipment: 48% (45)

MEUR, 12m rolling

- Q318-Q219: 1,377
- Q418-Q319: 1,011
- Q119-Q419: 1,011
- Q219-Q120: 1,011
- Q319-Q220: 1,011

Second quarter development

- Order intake: -27%

Second quarter 2020 and comparison 2019
## JANUARY–JUNE ORDER INTAKE BY CUSTOMER SEGMENT

### Marine Businesses

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Equipment</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marine Power</strong></td>
<td>6% (15)</td>
<td>16% (16)</td>
</tr>
<tr>
<td><strong>Marine Systems</strong></td>
<td>42% (45)</td>
<td>5% (5)</td>
</tr>
<tr>
<td><strong>Voyage</strong></td>
<td>1% (0)</td>
<td>3% (1)</td>
</tr>
</tbody>
</table>

### Energy

- **Other**
- **Industrials**
- **Independent Power Producers**
- **Utilities**

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Services</th>
<th>Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marine Businesses</strong></td>
<td>33% (32)</td>
<td>30% (62)</td>
</tr>
<tr>
<td><strong>Energy</strong></td>
<td>11% (19)</td>
<td>59% (19)</td>
</tr>
</tbody>
</table>
**ORDER BOOK**

**Order book by business area**

<table>
<thead>
<tr>
<th>Date</th>
<th>Marine Businesses total</th>
<th>Marine Power</th>
<th>Voyage</th>
<th>Energy</th>
<th>Book-to-bill, QTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.3.2018*</td>
<td>5,000</td>
<td>2,000</td>
<td>2,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>30.9.2018*</td>
<td>5,500</td>
<td>2,500</td>
<td>2,500</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>31.3.2019**</td>
<td>6,000</td>
<td>3,000</td>
<td>3,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>30.9.2019**</td>
<td>6,500</td>
<td>3,500</td>
<td>3,500</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>31.3.2020</td>
<td>7,000</td>
<td>4,000</td>
<td>4,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
</tbody>
</table>

**Order book delivery schedule**

<table>
<thead>
<tr>
<th>Date</th>
<th>Delivery current year</th>
<th>Delivery next year</th>
<th>Delivery after next year</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.6.2018</td>
<td>1,000</td>
<td>2,500</td>
<td>3,000</td>
</tr>
<tr>
<td>30.6.2019**</td>
<td>1,100</td>
<td>2,600</td>
<td>3,100</td>
</tr>
<tr>
<td>30.6.2020</td>
<td>1,200</td>
<td>2,700</td>
<td>3,200</td>
</tr>
</tbody>
</table>

*2018 figures not restated to accommodate the establishment of Portfolio Business entity.
**As published in the Interim report January-March 2020, order book figures for 2019 have been restated due to stricter requirements for booking new orders.
NET SALES

Second quarter development

- Marine Power: 34% (37)
- Marine Systems: 37% (33)
- Voyage: 5% (6)
- Energy: 20% (19)
- Portfolio Business: 4% (5)

Net sales by business area

- Services: 58% (50)
- Equipment: 42% (50)

Net sales by business type

- MEUR, 12m rolling

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Sales</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q318-Q219</td>
<td>5,000</td>
<td>0%</td>
</tr>
<tr>
<td>Q418-Q319</td>
<td>5,000</td>
<td>0%</td>
</tr>
<tr>
<td>Q119-Q419</td>
<td>5,000</td>
<td>0%</td>
</tr>
<tr>
<td>Q219-Q120</td>
<td>1,217</td>
<td>0%</td>
</tr>
<tr>
<td>Q319-Q220</td>
<td>1,220</td>
<td>0%</td>
</tr>
</tbody>
</table>

Second quarter 2020 and comparison 2019

17 July 2020
HALF YEAR REPORT JANUARY-JUNE 2020
NET SALES BY BUSINESS TYPE

Second quarter development

- **Marine Businesses**
  - EUR 715 million (756)
  - 23% (25)
  - 56% (48)
  - 13% (16)
  - 4% (7)
  - 4% (4)

- **Energy**
  - EUR 457 million (400)
  - 17% (19)
  - 60% (53)
  - 14% (18)
  - 4% (5)

- **Services**
- **Equipment**
- **Service sales, 12m rolling**
NET SALES BRIDGE

<table>
<thead>
<tr>
<th>Component</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-6/2019</td>
<td>2,368</td>
</tr>
<tr>
<td>Equipment, organic</td>
<td>105</td>
</tr>
<tr>
<td>Services, organic</td>
<td>-55</td>
</tr>
<tr>
<td>Portfolio Business</td>
<td>-3</td>
</tr>
<tr>
<td>Acquisitions &amp; divestments</td>
<td>3</td>
</tr>
<tr>
<td>FX impact</td>
<td>-29</td>
</tr>
<tr>
<td>1-6/2020</td>
<td>2,390</td>
</tr>
</tbody>
</table>
COMPARABLE OPERATING RESULT

Review period development

MEUR, 12m rolling

Q318-Q219  Q418-Q319  Q119-Q419  Q219-Q120  Q319-Q220
11.1%  9.6%  8.8%  7.9%  6.8%

Comparable operating result
Comparable operating result, %
CASH FLOW FROM OPERATING ACTIVITIES
WORKING CAPITAL

MEUR


Other non-interest-bearing liabilities
Advances received
Trade payables
Other non-interest-bearing receivables
Trade receivables
Inventories
Working capital
Working capital / net sales, 12m rolling


-4,000 -3,000 -2,000 -1,000  0  1,000  2,000  3,000  4,000

17 July 2020
HALF YEAR REPORT JANUARY-JUNE 2020
GEARING

Review period development
BUSINESS AREAS
• Order intake decreased by 38% to EUR 391 million (632)
  • Ordering activity under pressure due to idling of fleet and customers adjusting their capital and operating expenditures
• Net sales decreased by 6% to EUR 420 million (447)
• Comparable operating result amounted to EUR 24 million (62) or 5.7% of net sales (13.8)
  • Profitability weakened primarily due to an unfavourable sales mix and weaker fixed cost absorption
A new remote service to overcome travel restrictions

- Wärtsilä introduced its Assured Operations remote support service for Wärtsilä 4-stroke and 2-stroke engine customers
- The service enables technical experts to assess and resolve operational issues via remote connection between the vessel and Wärtsilä’s Expertise Centres
Order intake decreased by 40% to EUR 119 million (198)
  • Reduced fuel spreads resulted in lower demand for scrubber investments
Net sales increased by 1% to EUR 238 million (237)
Comparable operating result amounted to EUR 27 million (23) or 11.2% of net sales (9.7)
Increased scrubber delivery volumes boosted both net sales and profitability
• Order intake decreased by 23% to EUR 56 million (72)
• Net sales decreased by 23% to EUR 56 million (73)
  • COVID-19 caused project postponements and less transactional service business
• Comparable operating result amounted to EUR -12 million (-9) or -20.8% of net sales (-12.8)
  • Negative impacts from lower sales volumes, a less favourable service mix, and increased investments in digital competences
Voyage is committed to creating a Smart Marine Ecosystem, whereby every vessel can connect to digital services that make voyaging safer and greener.

Connected vessels enable:
- Significant cost savings
- Faster and safer voyage planning
- On time arrival, less anchorage
- Transparent ship-to-shore data
Order intake decreased by 10% to EUR 390 million (435)
  - Received equipment orders included a 200 MW flexible baseload power plant to be delivered to South America
Net sales increased by 14% to EUR 457 million (400), driven by equipment deliveries
Comparable operating result amounted to EUR 19 million (38) or 4.0% of net sales (9.6)
Decline in profitability mainly due to an unfavourable sales mix and COVID-19 impacts
ENERGY INSTALLED BASE COVERED BY LONG-TERM SERVICE AGREEMENTS

*Includes agreements covering both installed assets and assets to be installed in the future
ORDERS RECEIVED FOR ENERGY EQUIPMENT GLOBALLY

ORDER INTAKE 1-6/2020: 912 MW (1,058)

- Americas: 719 (248)
- Europe: 22 (24)
- Africa and Middle East: 70 (291)
- Asia: 101 (525)

Utilities
IPP’s (Independent Power Producers)
Industrials
Others
PROSPECTS

The COVID-19 outbreak and the measures taken to contain the pandemic will materially impact the demand for Wärtsilä’s solutions and services, as well as the company’s financial performance in 2020. The full financial impact cannot be quantified at this time. Consequently, Wärtsilä withdrew its market outlook for 2020 on 31 March 2020 pending an improvement in visibility.
Thank you.

Further information:

NATALIA VALTASAARI
Vice President, Investor Relations
Tel: +358 (0) 10 709 5637
E-mail: natalia.valtasaari@wartsila.com