



Wärtsilä Corporation

Interim Report

January – March 2025

Improved operating result and strong growth in net sales

Unless otherwise stated, the comparison figures in brackets refer to the corresponding period of the previous year.

Highlights from January–March 2025

- Order intake remained stable at EUR 1,902 million (1,924).
- Service order intake increased by 5% to EUR 992 million (949)
- The order book at the end of the period increased by 17% to EUR 8,533 million (7,294)
- Net sales increased by 18% to EUR 1,560 million (1,321)
- Book-to-bill amounted to 1.22 (1.46)
- The comparable operating result increased by 29% to EUR 171 million (132), which represents 11.0% of net sales (10.0)
- The operating result increased by 30% to EUR 165 million (127), which represents 10.6% of net sales (9.6)
- Earnings per share increased to 0.21 euro (0.14)
- Cash flow from operating activities was on a good level at EUR 190 million (258)

Key figures

MEUR	1–3/2025	1–3/2024	Change	2024
Order intake	1,902	1,924	-1%	8,072
of which services	992	949	5%	3,812
of which equipment	910	975	-7%	4,260
Order book, end of period	8,533	7,294	17%	8,366
Net sales	1,560	1,321	18%	6,449
of which services	884	833	6%	3,422
of which equipment	676	489	38%	3,027
Book-to-bill	1.22	1.46		1.25
EBITDA	207	162	28%	847
% of net sales	13.3	12.3		13.1
Comparable operating result	171	132	29%	694
% of net sales	11.0	10.0		10.8
Operating result	165	127	30%	716
% of net sales	10.6	9.6		11.1
Result before taxes	164	118	39%	687
Earnings per share (EPS), basic and diluted, EUR	0.21	0.14		0.85
Return on capital employed (ROCE)*, %	40.6	19.3		37.1
Cash flow from operating activities	190	258		1,208
Net interest-bearing debt, end of period	-817	-79		-777
Gearing	-0.34	-0.04		-0.31
Solvency, %	35.2	34.8		37.4

*Rolling 12 months.

Wärtsilä presents certain alternative performance measures in accordance with the guidance issued by the European Securities and Markets Authority (ESMA). The definitions of these alternative performance measures are presented in the Calculations of financial ratios section.

Wärtsilä's prospects

Marine

Wärtsilä expects the demand environment for the next 12 months (Q2/2025–Q1/2026) to be better than in the comparison period.

Energy

Wärtsilä expects the demand environment for the next 12 months (Q2/2025–Q1/2026) to be better than in the comparison period.

However, Wärtsilä underlines that the current high external uncertainties make forward-looking statements challenging. Due to high geopolitical uncertainty, the changing landscape of global trade, and the lack of clarity related to tariffs, there are risks of postponements in investment decisions and of global economic activity slowing down.

Håkan Agnevall, President & CEO: Continued growth and improved performance amid increased uncertainty

Wärtsilä had a solid first quarter of 2025, achieving an improved operating result and significant growth in net sales. However, towards the end of the quarter, uncertainty in the global economic outlook increased. Higher and broader trade barriers, along with policy uncertainty, are expected to limit global economic growth.

In the energy market, the continued growth in electricity demand is anticipated to drive demand for new power generation. This growth will primarily be met by renewables, with wind and solar expected to achieve record-high capacity additions in 2025. The increasing share of intermittent renewables in power systems worldwide also creates demand for balancing technologies, where Wärtsilä has a strong offering. However, the current trade policy uncertainty presents challenges to global energy-technology supply chains.

In the marine market, the growth rate for ship capacity demand has moderated from the 15-year high seen in 2024. While the market remains positive overall, uncertainty in global trade has led to mixed sentiments across various vessel segments. Investments in new ships during the quarter were below the levels seen in the same period last year. Wärtsilä's key customer segments – cruise, ferry, and offshore – have performed better than the general market. There was also a healthy pickup in alternative fuels, which accounted for 65% of the capacity of contracted vessels in the first quarter.

In both end markets, we continued to support our customers with comprehensive technology and service offerings. For instance, we signed a Lifecycle Agreement with CMA Ships, a subsidiary of the leading French shipping company CMA CGM during the first quarter. This agreement covers 14 large LNG-fuelled container ships, for which Wärtsilä will provide a full-service package ensuring reliable operations at a fixed and minimized cost. This package utilises Wärtsilä's unique Expert Insight service, which leverages AI technology for predictive maintenance, enhancing asset efficiency and reducing operating costs. Another highlight of our technology development is the launch of our next generation 46TS engine during the quarter. The Wärtsilä 46TS engine is designed to balance intermittent renewable energy output, provide highly efficient baseload power, and can run on sustainable fuels in the future. We have already announced the first order for the 46TS engines with Kazakhstan Caspian Offshore Industries.

Wärtsilä's order book was at an all-time high at the end of the first quarter of 2025 even though order intake in the first quarter decreased organically by 2%. Equipment order intake decreased, primarily due to lower orders in Energy Storage and Optimisation, while equipment order intake in Engine Power Plants increased by 35%. Service order intake increased, supported by higher activity in Marine and Energy. Net sales increased organically by 18%, mainly supported by growing equipment sales in Marine and Energy.

The comparable operating result increased by 29% to EUR 171 million, representing 11.0 % of net sales. The result was supported by increases in Marine, Energy and Portfolio Business. Cash flow from operating activities was solid at EUR 190 million in the first quarter. As stated earlier, the current negative working capital level is very favourable for our business, and we expect it to normalise going forward. Our active efforts on all aspects of working capital will continue in order to maintain a working capital level clearly below the long-term historical average.

During the quarter, we announced the closure of the strategic review of Energy Storage and Optimisation. As a result, Energy was separated into two independent reporting segments: Energy, focusing on the power plants business and related lifecycle business and Energy Storage, focusing on the battery storage business and related lifecycle business. Separating Energy Storage into an independent reporting segment drives further focus on this business in a rapidly evolving industry. Wärtsilä remains fully committed to developing Energy Storage that will continue to focus on profitable growth, leveraging its project delivery and execution excellence, and growing its recurring revenue. Effective from 1 April 2025, Wärtsilä has three reporting segments: Wärtsilä Marine, Wärtsilä Energy, and Wärtsilä Energy Storage. Portfolio Business continues to be reported as other business activities.

As a result of solid profitability improvement in Marine and Energy and to better reflect the new organisational structure, we also introduced new financial targets. Marine and Energy, which have strong operational synergies, share a combined target of 5% annual organic growth and a 14% operating margin. The targets for Energy Storage are low double-digit annual organic growth and a 3-5% operating margin. We will continue our firm strategy execution and have a clear path to reach the updated targets.

As we look into the future, we expect the demand environment for the coming 12 months to be better than in the comparison period in both Marine and Energy. However, as we underlined in the previous quarter, the current high external uncertainties make forward-looking statements challenging.

Despite the uncertain macroeconomic outlook, our customers in the marine and energy industries remain focused on affordable energy and decarbonisation. Wärtsilä will continue to provide flexible and future-proof solutions that help our customers reaching their goals in a way that is both environmentally sustainable and financially viable. We have established ourselves as a technology leader in both of our industries, and our strong balance sheet, global footprint, and resilient service business give us a strong foundation to weather the challenges ahead.

Orders, net sales and profitability

MEUR	1-3/2025	1-3/2024	Change	2024
Order intake	1,902	1,924	-1%	8,072
Order book, end of period	8,533	7,294	17%	8,366
Net sales	1,560	1,321	18%	6,449
Comparable operating result	171	132	29%	694
% of net sales	11.0	10.0		10.8
Operating result	165	127	30%	716
% of net sales	10.6	9.6		11.1

Order intake bridge

MEUR	1-3/2025
2024	1,924
Organic	-2%
Acquisitions and divestments	0%
FX impact	1%
2025	1,902

Net sales bridge

MEUR	1-3/2025
2024	1,321
Organic	18%
Acquisitions and divestments	0%
FX impact	0%
2025	1,560

Development in January–March

Order intake remained stable. Service order intake increased by 5%, driven primarily by growth in Marine. Equipment order intake decreased by 7% primarily due to lower orders in Energy Storage & Optimisation, while equipment order intake in Engine Power Plants increased.

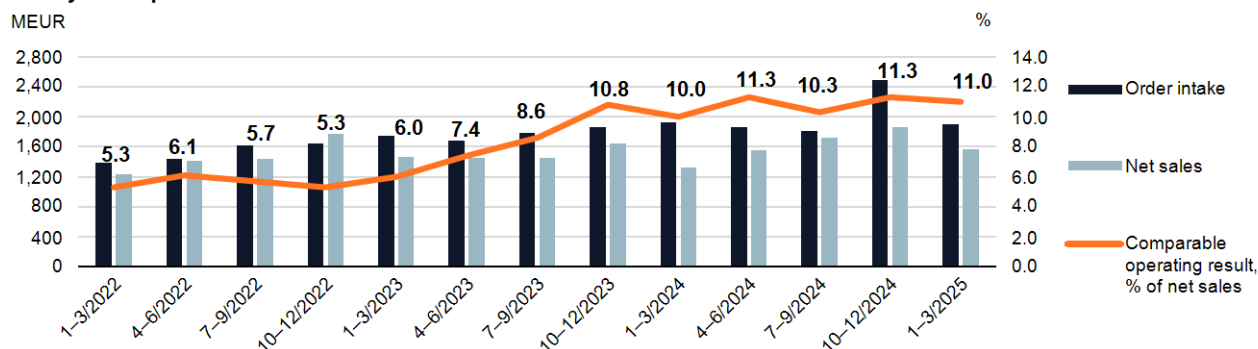
The **order book** at the end of the period increased by 17% to an all-time high. Wärtsilä's current order book for 2025 deliveries is EUR 4,172 million (3,864).

Net sales increased by 18%. Service net sales increased by 6%, supported by growth in Marine, Energy and Portfolio Business. Equipment net sales increased by 38%, supported by Marine and Energy. Of Wärtsilä's net sales, 53% was EUR denominated and 33% USD denominated, with the remainder being split between several currencies.

The **comparable operating result** totalled EUR 171 million (132) or 11.0% of net sales (10.0). The comparable operating result was supported by increases in Marine, Energy and Portfolio Business. The **operating result** amounted to EUR 165 million (127) or 10.6% of net sales (9.6). Items affecting comparability amounted to EUR -5 million (-5) and were mostly related to the restructuring of engine manufacturing in Europe.

Financial items amounted to EUR -2 million (-9). Net interest totalled EUR 4 million (0). The result before taxes amounted to EUR 164 million (118). Taxes amounted to EUR -41 million, implying an effective tax rate of 24.9%. The result for the financial period amounted to EUR 123 million (86). Basic earnings per share totalled 0.21 euro (0.14). Return on investments (ROI) was 26.4% (16.0) while the return on equity (ROE) was 24.1% (14.3). Return on capital employed (ROCE) was 40.6% (19.3) due to increased operating result and improved working capital. It is good to note that the current negative working capital level is very favourable for Wärtsilä.

Quarterly development



Financing, cash flow and capital expenditure

MEUR	1–3/2025	1–3/2024	2024
Cash flow from operating activities	190	258	1,208
Working capital	-770	-329	-787
Net interest-bearing debt, end of period	-817	-79	-777
Gearing	-0.34	-0.04	-0.31
Solvency, %	35.2	34.8	37.4
Equity/share, EUR	4.07	3.58	4.29

Development in January–March

Cash flow from operating activities totalled EUR 190 million (258). Working capital totalled EUR -770 million at the end of the period (-787 at the end of 2024). Advances received totalled EUR 1,006 million (898 at the end of 2024).

Wärtsilä aims to ensure sufficient liquidity at all times through efficient cash management, and by maintaining the availability of sufficient committed and uncommitted credit lines. Refinancing risk is managed by having a balanced and sufficiently long loan portfolio.

Cash and cash equivalents amounted to EUR 1,550 million (1,554 at the end of 2024). Additionally, EUR 4 million of cash and cash equivalent pertained to assets held for sale (4 at the end of 2024). Unutilised committed credit facilities totalled EUR 644 million (644 at the end of 2024).

Wärtsilä's net interest-bearing debt totalled EUR -817 million at the end of the period (-777 at the end of 2024). The total amount of short-term debt maturing within the next 12 months is EUR 243 million. Long-term debt amounted to EUR 479 million. Additionally, EUR 15 million of interest-bearing liabilities pertained to assets held for sale (15 at the end of 2024).

Capital expenditure

Capital expenditure related to intangible assets and property, plant, and equipment amounted to EUR 34 million (36) for the period January–March. Depreciation, amortisation, and impairment amounted to EUR 41 million (35), including depreciation of right-of-use assets of EUR 12 million (12).

In 2025, capital expenditure related to intangible assets and property, plant, and equipment is expected to be at around the same level as depreciation, amortisation, and impairment.

Operating environment

General macro environment

Global economic outlook has softened

The OECD sees the global economic outlook starting to soften in the first quarter of 2025, with business and consumer sentiments weakening and economic policy uncertainty rising globally. Global GDP growth projections were revised down as a result of changes in trade policies, continued inflationary pressures and concerns regarding further fragmentation of the global economy. The softening outlook comes with high uncertainty, with higher and broader trade barriers and policy uncertainty expected to limit global growth and trade volumes. On the other hand, lower or removed trade barriers and a peaceful resolution of conflicts in Europe and the Middle East could reduce uncertainty and improve confidence, leading to higher-than-expected economic growth.

Marine market

Demand for new ships negatively affected by growing uncertainty

The shipping markets remained positive overall but softer market conditions and heightened geopolitical uncertainties impacted sentiment in early 2025. Average freight rates declined from the 2024 levels but are still well above the long-term average levels. Demand for ship capacity in the first quarter was driven by further growth in global trade volumes and the continued rerouting of ships away from the Red Sea. However, the growth rate for ship capacity demand has moderated from the 15-year high growth rates seen in 2024. This moderating growth in demand coupled with the growing uncertainties related to global trade policies as well as growth in supply of new ships exceeding the growth in demand has led to market conditions and sentiment becoming more mixed across vessel segments.

The more mixed outlook, the increased uncertainty and caution around measures suggested by the USA against Chinese-linked ships, slowed the investment appetite in new ships in the first quarter. In total, 235 new ship contracts were reported between January - March, compared to 368 contracts signed in Q1/2024.

The newbuild prices of ships declined slightly in the first quarter for the first time in four years, driven by continued efforts to increase shipyard capacity and output, together with moderating ordering volumes. Shipyard capacity utilisation rates remain high and shipyard orderbooks remain long, indicating that a shortage of yard capacity still exists. According to Clarksons Research, global shipyard capacity reached its low point in 2020 at around ~60% of the 2011 peak level. It is currently at ~70% of the peak and could increase to 85% by 2030, mainly due to yard reactivations and expansions in China.

The regulatory drive to decarbonise shipping pushed shipowners to increase their investments in ships that can use alternative fuels, or which can be later converted to use alternative fuels. In the first quarter, 85 orders for new alternative fuel capable ships were reported, accounting for 36% (32) of all contracted vessels and 65% (45) of the capacity of contracted vessels.

A more mixed market sentiment for Wärtsilä's key customer segments

In the cruise segment, the positive market sentiment was driven by the strong growth in demand for cruises. This positive momentum has enabled cruise lines to continue investing in new ship capacity to support their future growth ambitions. Furthermore, the demand for service was supported by the continued growth in active fleet capacity, as well as interest in efficiency improvements needed for regulatory compliance and lower operational costs.

In the ferry segment, market sentiment remained positive but has become more mixed with the limited growth in economic activity weighing on some ferry operators' growth prospects and near-term investment appetite for newbuilds. The demand for service was supported by operator interest in maintaining and improving the efficiency of their aging fleets.

In the offshore segment, the oil companies have become more cautious with their investment plans in recent months, following uncertainty in the outlook for oil demand. This has resulted in lower and uneven growth in demand for offshore assets. Newbuild activity has increased gradually in recent months driven mainly by charter-backed orders for Offshore Support Vessels and subsea vessels to support demand especially from the Brazilian and Asian markets. The high prices, limited availability of finance, a shortage of yard capacity, and moderating day rates continued to limit further upticks in newbuild activity. Sentiment in the offshore wind sector was impacted by uncertainty in political support across countries as well as by on-going cost pressures that affect investor confidence. This resulted in project delays and a more limited interest in newbuilds. The demand for service across both offshore sub-segments was supported by relatively high utilisation and day rates, as well as interest in retrofits to improve the efficiency of assets.

In the LNG carrier segment, market sentiment remained clearly softer compared to previous years, as strong fleet capacity growth clearly exceeded growth in demand, which led to a decline in charter rates, along with declining utilisation rates for, in particular, the older steam turbine-powered ships. However, the appetite for newbuild capacity remained strong, driven by further capacity requirements to cater for the demand in expanding LNG liquefaction capacity. Service demand was supported by the growth in active fleet capacity and continued interest in service agreements.

In the container ship segment, market sentiment was more uncertain and mixed. The continued rerouting of ships away from the Red Sea supported demand for ship capacity in the first quarter. However, the potential risks related to the unwinding of vessel rerouting, the uncertainty related to future US policies concerning tariffs and port fees, and the continued firm vessel deliveries all contributed to the more mixed sentiment. The investment appetite for newbuilds remained relatively strong as liner operators progressed with their fleet renewal plans. The demand for service was supported by the growth in active fleet capacity as well as by shipowner interest in retrofitting existing fleets.

Energy market

Growth in electricity demand continues to drive new power capacity

Electricity generation grew by 4.2% in 2024 globally, with renewables and natural gas contributing significantly to serving new power demand according to the International Energy Agency. Most upcoming growth will be met by renewables, with both wind and solar expected to post all-time high additions in capacity in 2025. The transition towards renewables is expected to continue to move quickly, the main driver for wind and solar capacity additions being favourable economics.

The energy market in the first quarter of 2025 has been heavily impacted by elevated risks in the geopolitical environment. The unclear and uncertain tariff situation, driven by the USA, poses challenges to all actors because of the possible effects on global energy technology supply chains. Tariffs have both direct and indirect impacts on competition in the USA, as uncertainty related to the size and scope of the tariffs can cause hesitation among players in any sector.

While the global macroeconomic environment has made project financing difficult, decreasing inflation and interest rates are expected to encourage investment decisions in the mid- to long-term. However, the OECD recently forecasted more persistent inflation than was previously thought.

In the first quarter of 2025, global natural gas prices decreased slightly after the winter season. Prices are expected to decrease over the second half of the decade, but volatility is likely to stay elevated in the short term. Prices for lithium were stable in the first quarter and are expected to increase after this year.

In engine power plants, market demand for equipment and services has remained at a good level. **In the balancing segment**, the pace of the renewable energy transition continued to be an important demand driver. The total market for thermal balancing in 2024 was larger than in any previous year according to data from the McCoy Power Report and internal sources. The drivers for balancing demand are also expected to develop favourably in 2025. **The baseload segment** remains a strong source of demand for thermal power. Reciprocating engines are important providers of baseload generation, particularly in remote locations and other locations where access to grid power is uncertain or time sensitive. Baseload generation demand is expected to remain stable.

In battery energy storage, demand is closely linked to the increasing share of intermittent renewables in the energy system, which continues to progress strongly. The annual market for utility-scale battery storage is expected to surpass 130 GWh in 2025 and 300 GWh before the end of the decade according to BloombergNEF. The rapidly growing industry has also seen increasing competition, putting pressure on profitability and product development simultaneously. Tariffs implemented by the US administration have affected decision-making on new battery energy storage investments.

Sustainability

Sustainability at the core of Wärtsilä's strategy

With a broad range of technologies and specialised services, Wärtsilä is well positioned to support customers on their decarbonisation journey, as well as in preparing for new regulatory requirements. Wärtsilä's R&D efforts continue to focus on the development of advanced environmental technologies and solutions. Wärtsilä's aim is to be able to provide a product portfolio ready for zero-carbon fuels by 2030, and the company is well on track towards this target. In addition to promoting the transition to carbon neutrality for its customers, the company's goal is to become carbon neutral in its own operations by 2030.

Enhancing safety, diversity and wellbeing is also one of Wärtsilä's long-term sustainability focus themes. Safety is a high priority for Wärtsilä, and the company is committed to creating and maintaining a safe and healthy workplace for its employees and partners. Creating an inclusive culture that drives engagement and performance is one of the priorities of the People Strategy. The company is committed to supporting the UN Global Compact and its ten principles with respect to human rights, labour, the environment, and anti-corruption.

Sustainability performance and highlights of the first quarter

Wärtsilä is contributing to the maritime industry's decarbonised future by playing a pivotal role in the EU-sponsored TwinShip project. The 4-year initiative kicked off in February with the objective to enhance the maritime industry's access to reliable data for smarter, decarbonisation-focused shipping decisions. The primary outcome of the TwinShip project is a Decision Support System (DSS), giving real-time and data-driven insights on how to optimally design and operate vessels. The DSS will guide the maritime sector on selecting the right sustainable fuels, technologies and operational profiles for any particular vessel. The project supports the 2023 IMO GHG Strategy, which includes a target to reach net-zero greenhouse gas emissions by or around 2050.

Wärtsilä's sustainable future fuel product development is proceeding at a good pace. In 2025, the focus will be on

building the infrastructure to enhance engine testing capabilities for future fuels.

Of the total engine megawatts that Wärtsilä has delivered during the last twelve months, 71% were alternative fuel capable in Marine, while 89% in Energy were gas and dual-fuelled.

Wärtsilä is making steady progress towards the target to achieve carbon neutrality in its own operations by 2030. By the end of 2024, the company had reduced its Scope 1 and 2 greenhouse gas emissions by 50% from the baseline value (3 years average, 2019-2021). Implementation of the company's emission reduction actions continues in 2025, with the focus being on purchasing green electricity, the installation of solar panels, a gradual switch to electric cars, and reducing the time needed for R&D and factory engine testing.

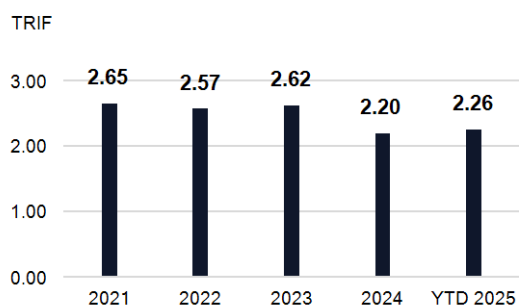
At the end of 2024, Wärtsilä included a new target under its Set for 30 decarbonisation programme. With this new target, Wärtsilä seeks for a 25% reduction of its suppliers' greenhouse gas emissions by 2030 compared to the 2024 baseline. The target covers Tier 1 direct suppliers and their Scope 1 and 2 GHG emissions related to deliveries to Wärtsilä. During the first quarter of 2025, Wärtsilä began preparations for calculating the baseline emissions and monitoring progress against the target.

Implementation of Wärtsilä's four-year health and safety programme 'Success through safety' continues. In the first quarter, trainings on improving contractor environment, health and safety (EHS) assessment was carried out. This will aid supply management and the EHS function in increasing competency of our employees in handling EHS topics when conducting contractor assessments. To improve learning and engagement with the frontline, a global learning event aimed at improving the quality of safety walks and wellbeing talks was organised. In addition, the "One Winning Team" safety awareness training roll-out continued, and during Q1 more than 1,000 individuals were trained globally. So far over 4,200 individuals have been trained globally, and we are committed to continuing the implementation of this training programme, aiming to have all front-line employees trained by the end of 2025.

Wärtsilä's safety KPI's

	1-3/2025	1-3/2024
Frequency of total recordable injuries (TRIF), for own employees	2.26	1.74
Number of Safety Walks	2,180	2,390
Ratio of front-line employees who have reported at least one near miss or hazard observation in the previous 12 months	67.2%	64.1%

Total recordable injury frequency rate (TRIF)



Wärtsilä above sector average in all relevant ESG indices and rankings

Wärtsilä's ratings in the most relevant sustainable development indices and rankings:

Rating	Scale	Wärtsilä score	Sector average	Year
CDP	D- to A	Climate B Water C	Climate C Water C	2024
Dow Jones*	0 to 100	62**	25	2024
Ecovadis	0 to 100 Bronze to Platinum	65 Silver	N/A	2024
MSCI	CCC to AAA	AAA	AA	2024
Sustainalytics	100 to 0	24***	29	2024
FTSE Russell	1 to 5	3,5	2.2	2023

*Wärtsilä is listed in DJSI Europe **Percentile ranking in the sector: among the best 4% ***ESG risk rating is scored on 0-100 range, with 0 being the highest and 100 the lowest score

Reporting segment: Wärtsilä Marine

Key figures

MEUR	1-3/2025	1-3/2024	Change	2024
Order intake	937	916	2%	3,637
of which services	593	568	4%	2,307
of which equipment	344	348	-1%	1,329
Order book, end of period	3,489	3,008	16%	3,409
Net sales	827	708	17%	3,053
of which services	531	498	6%	2,050
of which equipment	296	209	41%	1,002
Comparable operating result	99	81	23%	360
% of net sales	12.0	11.4		11.8
Operating result	95	77	24%	364
% of net sales	11.5	10.8		11.9

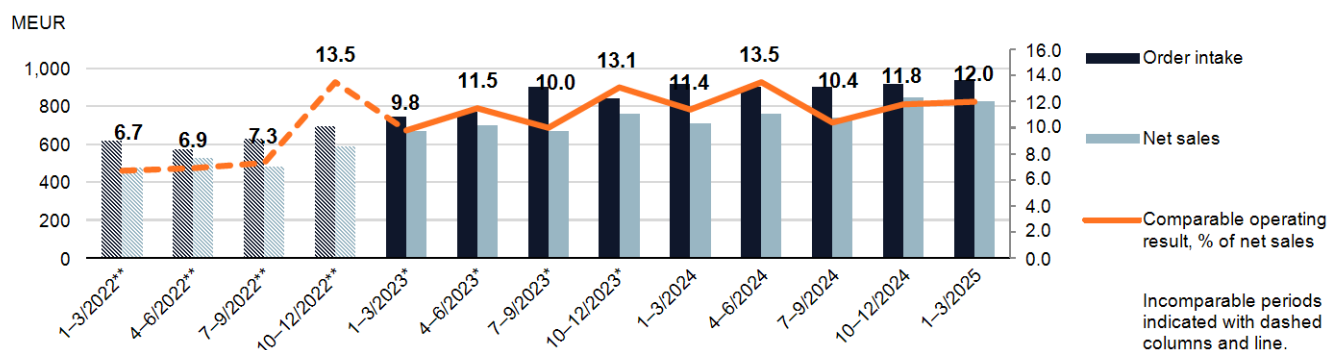
Order intake bridge

MEUR	1-3/2025
2024	916
Organic	2%
Acquisitions and divestments	0%
FX impact	1%
2025	937

Net sales bridge

MEUR	1-3/2025
2024	708
Organic	16%
Acquisitions and divestments	0%
FX impact	1%
2025	827

Quarterly development



*Restated to reflect the redefined organisational structure as of 1 January 2024, as the Exhaust Treatment and Shaft Line Solutions business units were moved from Marine Systems to Marine Power, and Marine Power changed its name to Marine.

**Restated to reflect the redefined organisational change considering the integration of Voyage into Marine Power and moving part of the Voyage business to the Portfolio Business (after the integration into a new business unit)

Financial development in January–March

Order intake remained stable. Service order intake increased by 4%, driven by higher service activity in the merchant segment. Equipment order intake remained stable. Equipment order intake increased mainly in the merchant segment but decreased in the special vessels and ferry segments.

Net sales increased by 17%. Service net sales increased by 6%, supported mainly by the merchant, navy and ferry segments. Equipment net sales increased by 41% driven by the merchant, ferry and special vessels segments.

The **comparable operating result** amounted to EUR 99 million (81) or 12.0% of net sales (11.4). The result was supported by improved newbuild margins, higher service volumes, and better operating leverage. Conversely, the result was negatively impacted by the increased R&D cost to support the development of decarbonisation technology and the strike impact in Finland. The comparable operating margin increased despite a less favourable mix between equipment and services. Items affecting comparability totalled EUR -4 million (-4) and were mainly related to the restructuring of engine manufacturing in Europe.

Reporting segment: Wärtsilä Energy

Key figures

MEUR	1-3/2025	1-3/2024	Change	2024
Order intake	656	774	-15%	3,366
of which services	328	319	3%	1,291
of which equipment	328	455	-28%	2,076
Order intake, power plants	625	538	16%	2,238
Order intake, Energy Storage and Optimisation	31	236	-87%	1,128
Order book, end of period	3,357	3,033	11%	3,413
Net sales	543	452	20%	2,690
of which services	303	291	4%	1,173
of which equipment	241	161	49%	1,517
Net sales, power plants	415	390	7%	1,897
Net sales, Energy Storage and Optimisation	128	62	106%	794
Comparable operating result	58	50	16%	302
% of net sales	10.8	11.1		11.2
% of net sales, 12 months rolling, Energy Storage and Optimisation	3.7	0.5		4.2
Operating result	58	50	16%	300
% of net sales	10.7	11.1		11.1

Order intake Energy

	1-3/2025	1-3/2024	Change
Gas, MW	475	260	83%
Oil, MW	.	.	
Storage, MWh	170	995	-83%
Other*, MW	-	-	

*Includes biofuel power plants and solar installations

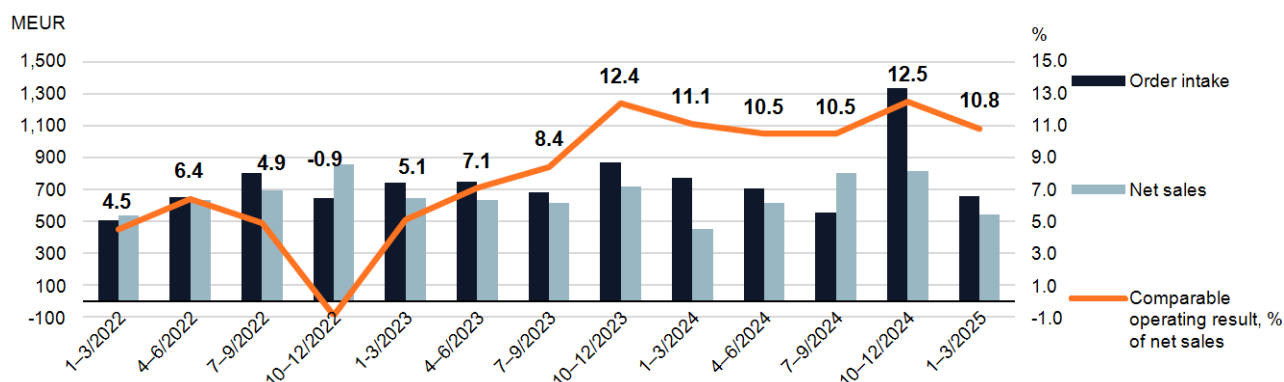
Order intake bridge

MEUR	1-3/2025
2024	774
Organic	-17%
Acquisitions and divestments	0%
FX impact	2%
2025	656

Net sales bridge

MEUR	1-3/2025
2024	452
Organic	20%
Acquisitions and divestments	0%
FX impact	0%
2025	543

Quarterly development



Financial development in January–March

Order intake decreased by 15%. Service order intake increased by 3%, driven by increased activity in field service and upgrade projects. Equipment order intake decreased by 28%. Equipment order intake increased in Engine Power Plants but decreased in Energy Storage and Optimisation. Increased uncertainty and unclarity related to US trade policies have slowed down the contract negotiations in Energy Storage and Optimisation.

Net sales increased by 20%. Services net sales increased by 4%, supported by increased activity in field service. Equipment net sales increased by 49%, driven by higher net sales in Energy Storage and Optimisation. Equipment net sales in Engine Power Plants also increased.

The **comparable operating result** amounted to EUR 58 million (50) or 10.8% of net sales (11.1). The comparable operating result was supported by improved newbuild profitability and higher service volumes in Engine Power Plants. On the other hand, the result was negatively impacted by increased R&D cost. Investments related to selective entry into new markets burdened profitability in Energy Storage and Optimisation. The comparable operating margin decreased due to a less favourable mix between equipment and services and lower profitability in Energy Storage and Optimisation.

Other business activities: Wärtsilä Portfolio Business

Wärtsilä Portfolio Business consists of business units which are run independently with the aim of accelerating performance improvement and unlocking value through divestments or other strategic alternatives. Currently Portfolio Business includes Automation, Navigation & Control Systems (ANCS), Gas Solutions, Marine Electrical Systems and Water & Waste.

In December 2024, Wärtsilä announced that it had agreed to divest its Automation, Navigation and Control System (ANCS) business to the Swedish investment company Solix Group AB. Subject to approvals, the transaction is expected to be completed in the second quarter of 2025.

Key figures

MEUR	1–3/2025	1–3/2024	Change	2024
Order intake	309	234	32%	1,069
of which services	71	61	16%	214
of which equipment	238	173	38%	855
Order book, end of period	1,686	1,252	35%	1,544
Net sales	190	162	18%	706
of which services	51	43	18%	198
of which equipment	139	118	18%	508
Comparable operating result	13	1	1170%	32
% of net sales	6.9	0.6		4.5
Operating result	12	0	2588%	52
% of net sales	6.4	0.3		7.4

*Restated due to organisational changes

Financial development in January–March

Order intake increased by 32%, driven mainly by good development in the Gas Solutions business unit. Services order intake increased by 16%, while equipment order intake increased by 38%.

Net sales increased by 18%, driven by good development in all business units. Services net sales increased by 18%, while equipment net sales increased by 18%.

The **comparable operating result** amounted to EUR 13 million (1) or 6.9% of net sales (0.6). The increase was supported by good development in the Gas Solutions and Automation, Navigation and Control Systems (ANCS) business units. Items affecting comparability totalled EUR -1 million (-1).

Risks and business uncertainties

General macro environment

The ongoing wars in Ukraine and the Middle East have resulted in a range of risks to the demand and supply environment of various commodities globally. The prolonged and elevated geopolitical tensions, and uncertainty over trade policies, exacerbated by the recent US trade policy announcements, combined with the announced and potential further countermeasures, have clearly increased risks related to further global fragmentation and uncertainty to the macroeconomic outlook. Business operations globally are being impacted by continued inflationary pressure, changing trade flows and volumes, tighter monetary policies, concerns over the health of the Chinese economy, rising protectionism, the sanctions in place and planned against Russia and various other nations, and rising trade tensions globally. These factors are all contributing to uncertainty for global economic growth. Further escalation of any of the forementioned factors could result in increased uncertainty over future demand for the equipment and services provided by Wärtsilä. Furthermore, the volatility of the geopolitical environment, and the enforcement of sanctions or embargos, pose a risk to the company's customer relations and international business activities. With the rapidly growing use of data in shipping and shipbuilding, as well as in the energy markets, cyber threats can potentially result in various forms of financial, operational, or reputational damage to the business. Changes in the regulatory environment, financiers' policies, or market sentiment could negatively impact the availability and cost of financing for Wärtsilä and Wärtsilä's customers, which could result in a lower demand for Wärtsilä's solutions.

Marine markets

The shipping and shipbuilding markets are under increasing pressure to reduce carbon emissions because of regional regulations such as the EU's Fit for 55 programme, the greenhouse gas strategy from the International Maritime Organisation, green financing, and the individual sustainability goals of end-customers. This, coupled with longer trade distances resulting from increased geopolitical tensions and disruptions at key waterways, may lead to increased costs for shipowners and operators that cannot be fully passed on to end customers.

The elevated geopolitical tensions, including the proposed actions by the US Trade Representative to impose port call fees on Chinese-linked ships may have a negative impact on global economic growth and demand for ship capacity. Furthermore, they may also lead to shifts in the global shipbuilding footprint, shipping trade flows, and higher inflationary pressure.

The constraints on shipyard capacity, the development and deployment of sustainable future technologies, and a lack of clarity at the global level around decarbonisation-related financial incentives may affect the investment appetite of ship owners and operators. In addition, the need to find the optimal pace and timing of investments based on financial feasibility and compliance with emission regulations may also affect the investment appetite. This concerns both newbuilding

programmes and the management of existing fleets, and may pose a risk of the global shipping fleet not reaching targeted emission reduction levels.

Ship owners and operators, as well as shipyards, may face risks to their business profitability due to the limited ability or desire of people to travel, a lower demand for goods and services because of persistent high inflation, higher barriers to global trade or economic slowdown, as well as higher voyage, operating and financing costs. Highly indebted shipowners, operators or shipyards may not withstand the potential risk of slower than expected growth in demand, higher financing costs or a lowered credit rating.

Uncertainty around the longer-term demand for crude oil, oil price volatility, and the pressure to decarbonise are pushing oil majors to re-evaluate their spending on exploration activities and operational costs. This may lead to lower future demand for offshore drilling or support assets, and related tanker ships, and can hinder newbuild investments due to concerns regarding residual asset values.

Energy markets

The overarching trend in the energy markets is the transition to renewable energy sources, such as wind and solar. The pace of this shift is the principal driver for the growth of battery energy storage and thermal balancing technologies. New technology innovations, as well as the price and availability of fuels and raw materials, affect Wärtsilä's business. High and volatile gas prices directly impact the relative competitiveness of the portfolio against other generating technologies, especially in thermal baseload plants. Similarly, policies related to the energy and electricity markets have direct and indirect impacts on future energy capacity and the generation mix. For example, energy and climate policies may speed or delay the energy transition. Recent years have highlighted the impact of geopolitical tensions on energy market policy and investment decisions. Concentrated supply chains in some countries, and the tight competitive situation, impose direct risks on Energy. Energy commodities and supply chains have been at the heart of trade policies lately, presenting risks for all energy technologies. While the size and scope of potential tariffs related to current US trade policy remain uncertain, they may impact Wärtsilä's Energy business - particularly in the USA. Competition between and among energy technologies presents price pressure. Uncertainty related to any of the aforementioned factors tends to delay investment decisions.

Legal cases

The Group is a defendant in a number of legal cases that have arisen out of, or are incidental to, the ordinary course of its business. These lawsuits mainly concern issues such as contractual and other liability, labour relations, property damage, and regulatory matters. From time to time, the Group receives claims of different amounts and with varying degrees of substantiation. There is currently one unusually sizeable claim. It is the Group's policy to provide for amounts related to the claims as well as for litigation and arbitration matters when an unfavourable outcome is probable, and the amount of loss can be reasonably estimated.

The annual report contains a more detailed description of Wärtsilä's risks and risk management.

Additional information

Decisions taken by the Annual General Meeting

Wärtsilä's Annual General Meeting was held on 13 March 2025 at Messukeskus, Helsinki. The Meeting approved the financial statements for the year 2024, reviewed the Remuneration Report 2024 for Governing Bodies and the Remuneration Policy for Governing Bodies, and discharged the members of the Board of Directors and the company's President & CEO from liability for the financial year 2024.

Decisions taken by the Annual General Meeting can be seen from Wärtsilä's [website](#).

Dividend distribution

The Annual General Meeting approved the Board of Directors' proposal to pay a dividend of EUR 0.44 per share, with the dividend to be paid in two instalments. The first instalment of EUR 0.22 per share was paid on 24 March 2025. The second instalment of EUR 0.22 per share shall be paid on 24 September 2025.

Shares

In January–March, the number of shares traded on Nasdaq Helsinki was 64,424,735 shares, equivalent to a turnover of EUR 1,168 million. Wärtsilä's shares are also traded on alternative exchanges, including Turquoise, BATS, Chi-X and CBOE DXE. The total trading volume on these alternative exchanges amounted to 133,698,007 shares.

The number of Wärtsilä's shares outstanding as of 31 March 2025 was 589,436,960, and the number of treasury shares was 2,286,430.

Strategic projects

Wärtsilä actively manages its business portfolio to support the strategy and financial targets.

The closure of the strategic review of Energy Storage and Optimisation

On 31 March, 2025, Wärtsilä announced the closure of the strategic review of Energy Storage and Optimisation (ES&O) that was started on 31 October 2023. As a conclusion, the reporting segment Energy was separated into two independent reporting segments. Effective from 1 April 2025, Wärtsilä has three reporting segments: Wärtsilä Marine, Wärtsilä Energy, and Wärtsilä Energy Storage. Portfolio Business continues to be reported as other business activities. The change in the reporting structure will be reflected in Wärtsilä's financial reporting starting from the second quarter of 2025. The restated financial information for 2024 and Q1/2025 will be published during the second quarter of 2025.

Changes in management

In conjunction with this change, Tamara de Gruyter will relocate to the USA and assume the leadership of Energy Storage as President of Energy Storage and EVP as of 1 April 2025. She will continue as a member of Wärtsilä's Board of Management and will report to Wärtsilä's President & CEO,

Håkan Agnevall. Following this, Tamara de Gruyter will leave her current role as President of Portfolio Business and EVP. Bernd Bertram, currently leading the business unit Propulsion in Wärtsilä Marine, will take on the leadership of Portfolio Business as of 1 April 2025 in parallel with his current business unit leadership role. In his role as Head of Portfolio Business, Bernd Bertram will report to Wärtsilä's President & CEO, Håkan Agnevall but will not be part of Wärtsilä's Board of Management. Anders Lindberg will continue in his role as President of Energy and EVP.

New financial targets

As a result of solid profitability improvement in Marine and Energy and to better reflect the new organisational structure, Wärtsilä's Board of Directors has approved the company's new combined financial targets for Marine and Energy, and separate new financial targets for the Energy Storage businesses.

Marine and Energy, combined financial targets

- 5% annual organic growth
- 14% operating margin

Energy Storage, financial targets

- Low double-digit annual organic growth
- 3-5% operating margin

Group, financial targets

- Gearing below 0.5
- Distribute a dividend of at least 50% of earnings

Operating margin targets are long term targets. In the short term, selective entry to new markets and related investments are expected to burden Energy Storage profitability.

Previously, Wärtsilä's financial targets were set for the whole group and included 5% annual organic growth, a 12% operating margin, gearing below 0.5 and a dividend distribution of at least 50% of earnings.

Divestment of Automation, Navigation and Control System (ANCS) business

In December 2024, Wärtsilä announced the divestment of its Automation, Navigation and Control System (ANCS) business, reported as a part of Portfolio Business. In 2024, the annual revenue of ANCS was close to EUR 230 million. Subject to approvals, the transaction is expected to be completed in the second quarter of 2025.

Events after the reporting period

In March 2025, Wärtsilä announced closure of the strategic review of Energy Storage and Optimisation (ES&O) that was started on 31 October 2023. As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy, focusing on the power plants business and related lifecycle business and Energy Storage, focusing on the battery storage business and related lifecycle business.

Wärtsilä's Interim Report January–March 2025

This interim report is prepared in accordance with IAS® Standard 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the annual financial statements for 2024, except for the new and amended IFRS® Accounting Standards stated below. All

figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

This interim report is unaudited.

Use of estimates

Preparation of the financial statements in accordance with the IFRS Accounting Standards requires management to make judgements, estimates, and assumptions that affect the valuation of the reported assets and liabilities, as well as other information, such as contingent assets and liabilities and the recognition of income and expenses in the statement of income. Although these continuously evaluated judgements, estimates, and assumptions are based on management's past experience and best knowledge of current events and actions, as well as expectations of future events, actual results may differ from the estimates.

For Wärtsilä, the most significant judgements, estimates, and assumptions made by the management relate to, for example, revenue recognition, especially project estimates for long-term projects and agreements, impairment testing, the valuation of trade receivables, contract assets and inventories, determining the length of lease terms, defined benefit pension obligations, recognition of warranty provisions and provisions for litigation, and uncertain tax positions. In addition, the valuation of assets held for sale requires the use of estimates.

Own shares and equity-settled share-based payments

At the beginning of 2025, the total amount of own shares held by the Company was 2,642,575. The shares are to be used for pay-outs under the share-based incentive programmes of Wärtsilä Corporation. During the year, 356,145 own shares were used to settle share-based payments, resulting in the total amount of 2,286,430 at the end of the reporting period.

Wärtsilä has long-term incentive schemes, which can be settled in company shares. These contingently issuable ordinary

shares and unvested shares are issuable when certain pre-defined conditions in the incentive programmes are met during a timeframe set in the conditions of the incentive programmes. If the settlement were to happen at the reporting date, it would result in issuing 1,440,649 shares. These shares are considered as potential ordinary shares causing dilutive effect on the EPS.

Number of shares outstanding on 1 January 2025	589,080,815
Share-based payments settled in company shares	356,145
Number of shares outstanding on 31 March 2025	589,436,960
Weighted average number of shares outstanding during the period	589,191,616
Weighted average number of dilutive potential ordinary shares during the period	
Contingently issuable ordinary shares	977,469
Unvested shares	463,180
Weighted average number of shares outstanding during the period to be used in the calculation of diluted EPS	590,632,264

New and amended Accounting Standards

In 2025, the Group has adopted the following new and amended Accounting Standards issued by the International Accounting Standards Board (IASB):

Lack of Exchangeability amends IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. The amendments have no impact on the consolidated financial statements.

Other new or amended Accounting Standards already effective do not have a significant impact on the consolidated financial statements or other disclosures.

Later, the Group will adopt the following new and amended standards issued by IASB:

New Accounting Standard IFRS 18 Presentation and Disclosure in Financial Statements* improves the quality of financial reporting by requiring defined subtotals in the statement of profit or loss and disclosure about management-defined performance measures, as well as adding new principles for aggregation and disaggregation of information. The standard merely changes the presentation of disclosed information and increases the amount of disclosed information.

Amendments* to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures clarify that a financial asset or liability is recognised or derecognised on the settlement date, and introduce an option to derecognise financial liabilities settled through electronic payment system at an earlier date if certain criteria is met. The amendments also clarify how to assess the contractual cash flow characteristics of certain financial assets, such as ESG-related, and affect disclosure requirements. The amendments are not expected to have a significant impact on the consolidated financial statements.

Other new or amended Accounting Standards not yet effective are not expected to have a significant impact on the consolidated financial statements or other disclosures.

* Not yet endorsed for adoption by the European Commission as of 31 March 2025.

Condensed statement of income

MEUR	1-3/2025	1-3/2024	2024
Net sales	1,560	1,321	6,449
Other operating income	17	11	75
Expenses	-1,369	-1,172	-5,687
Result from net position hedges	-5		
Depreciation, amortisation and impairment	-41	-35	-131
Share of result of associates and joint ventures	5	2	12
Operating result	165	127	716
Financial income and expenses	-2	-9	-29
Profit before taxes	164	118	687
Income taxes	-41	-32	-180
Profit for the financial period	123	86	507
Attributable to:			
equity holders of the parent company	122	85	503
non-controlling interests	1	1	4
	123	86	507
Earnings per share attributable to equity holders of the parent company:			
Earnings per share (EPS), basic and diluted, EUR	0.21	0.14	0.85

Condensed statement of comprehensive income

MEUR	1-3/2025	1-3/2024	2024
Result for the reporting period	123	86	507
Other comprehensive income, net of taxes:			
Items that will not be reclassified to the statement of income			
Remeasurements of defined benefit liabilities		-1	-9
Tax on items that will not be reclassified to the statement of income			2
Total items that will not be reclassified to the statement of income		-1	-7
Items that may be reclassified subsequently to the statement of income			
Exchange rate differences on translating foreign operations			
for equity holders of the parent company	-22	-2	31
Associates and joint ventures, share of other comprehensive income	-1		1
Cash flow hedges	41	-17	-63
Tax on items that may be reclassified to the statement of income	-8	4	9
Total items that may be reclassified to the statement of income	9	-17	-22
Other comprehensive income for the reporting period, net of taxes	9	-18	-29
Total comprehensive income for the reporting period	132	68	478
Total comprehensive income attributable to:			
equity holders of the parent company	132	67	474
non-controlling interests		1	3
	132	68	478

Condensed statement of financial position

MEUR	31.3.2025	31.3.2024	31.12.2024
Non-current assets			
Intangible assets	1,738	1,689	1,745
Property, plant and equipment	304	309	306
Right-of-use assets	238	263	251
Investments in associates and joint ventures	45	35	41
Other investments	17	18	17
Deferred tax assets	168	216	175
Other receivables	42	50	45
Total non-current assets	2,551	2,581	2,581
Current assets			
Inventories	1,622	1,538	1,483
Other receivables	1,943	1,928	1,892
Cash and cash equivalents	1,550	872	1,554
Total current assets	5,115	4,337	4,928
Assets held for sale	188	5	184
Total assets	7,855	6,923	7,694
Equity			
Share capital	336	336	336
Other equity	2,062	1,770	2,189
Total equity attributable to equity holders of the parent company	2,398	2,106	2,525
Non-controlling interests	6	9	6
Total equity	2,404	2,115	2,531
Non-current liabilities			
Lease liabilities	201	230	215
Other interest-bearing debt	278	476	409
Deferred tax liabilities	62	64	57
Other liabilities	401	351	359
Total non-current liabilities	942	1,121	1,041
Current liabilities			
Lease liabilities	43	44	43
Other interest-bearing debt	200	46	99
Other liabilities	4,124	3,597	3,847
Total current liabilities	4,367	3,687	3,990
Total liabilities	5,309	4,808	5,030
Liabilities directly attributable to assets held for sale	142		132
Total equity and liabilities	7,855	6,923	7,694

The comparison figures for warranties have been restated to reflect the categorisation between non-current and current provisions. In condensed statement of financial position, provisions are included in other liabilities.

Condensed statement of cash flows

MEUR	1-3/2025	1-3/2024	2024
Cash flow from operating activities:			
Result for the reporting period	123	86	507
Adjustments for:			
depreciation, amortisation and impairment	41	35	131
financial income and expenses	2	9	29
gains and losses on sale of intangible assets and property, plant and equipment and other changes		-1	5
share of result of associates and joint ventures	-5	-2	-12
income taxes	41	32	180
other non-cash flow adjustments		3	15
Cash flow before changes in working capital	202	162	856
Changes in working capital	30	140	501
Cash flow from operating activities before financial items and taxes	232	302	1,357
Financial items and paid taxes	-42	-44	-149
Cash flow from operating activities	190	258	1,208
Cash flow from investing activities:			
Net investments in property, plant and equipment and intangible assets	-33	-34	-159
Proceeds from sale of shares in subsidiaries, associated companies and other investments			6
Cash flow from other investing activities			4
Cash flow from investing activities	-33	-34	-149
Cash flow from financing activities:			
Repayments and other changes in non-current debt	-43	-87	-124
Changes in current loans and other changes	-1	-3	-4
Dividends paid	-111	-82	-194
Cash flow from financing activities	-155	-171	-323
Change in cash and cash equivalents, increase (+) / decrease (-)	3	53	736
Cash and cash equivalents at the beginning of the reporting period*	1,557	819	819
Exchange rate changes	-7	-1	2
Cash and cash equivalents at the end of the reporting period*	1,553	872	1,557

* Cash and cash equivalents include the cash and cash equivalents pertaining to assets held for sale.

Condensed statement of changes in equity

	Total equity attributable to equity holders of the parent company						Non-controlling interests	Total equity
	Share capital	Share premium	Translation difference	Fair value reserve	Remeasurements of defined benefit liabilities	Retained earnings		
MEUR								
Equity on 1 January 2025	336	61	-156	-23	-29	2,337	6	2,531
Total comprehensive income for the reporting period			-23	33		122		132
Transactions with equity holders of the parent company and non-controlling interests								
Dividends paid						-259		-259
Equity on 31 March 2025	336	61	-180	10	-30	2,200	6	2,404

	Total equity attributable to equity holders of the parent company						Non-controlling interests	Total equity
	Share capital	Share premium	Translation difference	Fair value reserve	Remeasurements of defined benefit liabilities	Retained earnings		
MEUR								
Equity on 1 January 2024	336	61	-188	31	-4	1,989	8	2,232
Total comprehensive income for the reporting period			-3	-14	-1	85	1	68
Transactions with equity holders of the parent company and non-controlling interests								
Dividends paid						-188		-188
Share-based payments						3		3
Equity on 31 March 2024	336	61	-191	17	-6	1,888	9	2,115

Segment information

Wärtsilä's reportable segments are Marine and Energy. Furthermore, Wärtsilä reports Portfolio Business as other business activities.

In the beginning of 2025, management has reviewed allocation principles of indirect and administration costs to the

segments and other business activities. As of 1 January 2025, the main factors affecting the allocation of indirect and administration costs to the segments and other business activities are net sales, order intake, and the number of personnel. The change in the allocation principles does not have a significant impact on segment reporting.

MEUR	1-3/2025	1-3/2024	2024
Net sales			
Marine	827	708	3,053
Energy	543	452	2,690
Portfolio Business	190	162	706
Total	1,560	1,321	6,449
Depreciation, amortisation and impairment			
Marine	-27	-24	-101
Energy	-12	-8	-37
Portfolio Business	-3	-3	7
Total	-41	-35	-131
Share of result of associates and joint ventures			
Marine	5	2	12
Total	5	2	12
Operating result			
Marine	95	77	364
Energy	58	50	300
Portfolio Business	12		52
Total	165	127	716
Operating result as a percentage of net sales (%)			
Marine	11.5	10.8	11.9
Energy	10.7	11.1	11.1
Portfolio Business	6.4	0.3	7.4
Total	10.6	9.6	11.1
Comparable operating result			
Marine	99	81	360
Energy	58	50	302
Portfolio Business	13	1	32
Total	171	132	694
Comparable operating result as a percentage of net sales (%)			
Marine	12.0	11.4	11.8
Energy	10.8	11.1	11.2
Portfolio Business	6.9	0.6	4.5
Total	11.0	10.0	10.8

Net sales by geographical areas

MEUR	1-3/2025	1-3/2024	2024
Europe	493	464	2,099
Asia	475	344	1,698
The Americas	376	386	1,835
Other	216	128	818
Total	1,560	1,321	6,449

Service net sales

MEUR	1-3/2025	1-3/2024	2024
Marine, service	531	498	2,050
Energy, service	303	291	1,173
Portfolio Business, service	51	43	198
Total	884	833	3,422

Measures of profit and items affecting comparability

MEUR	1-3/2025	1-3/2024	2024
Comparable operating result	171	132	694
Items affecting comparability:			
Social plan costs			35
Impairment and write-downs	-2		19
Gains and losses on disposal of assets			2
Other costs	-3	-5	-35
Items affecting comparability, total	-5	-5	23
Operating result	165	127	716

Items affecting comparability include EUR 4 million of costs related to the restructuring of engine manufacturing in Europe, and EUR 2 million of other costs.

Assets held for sale

In December 2024, Wärtsilä announced the divestment of Automation, Navigation and Control Systems (ANCS) to the Swedish investment company Solix Group AB. Thus, Wärtsilä has classified ANCS as assets held for sale.

Subject to approvals, the transaction is expected to be completed in the second quarter of 2025. ANCS belongs to Portfolio Business.

All assets held for sale are valued at the lower of book value or fair value.

Disaggregation of revenue

Revenue from contracts with customers is derived over time and at a point in time from the following revenue types.

Net sales by revenue type and timing of satisfying performance obligations

MEUR	1-3/2025	1-3/2024	2024
At a point in time			
Products	431	420	1,616
Goods and services	186	159	730
Projects	436	338	1,762
Total	1,053	916	4,107
Over time			
Projects	309	224	1,597
Long-term agreements	198	181	744
Total	508	405	2,341
Total	1,560	1,321	6,449

Product sales consist of sales of spare parts and standard equipment, for which the revenue is recognised at a point in time when the control of the product has transferred to the customer, in general upon delivery of the goods.

Goods and services -type of revenue involves short-term field service jobs, including the delivery of a combination of service and equipment. The revenue is recognised at a point in time when the service is rendered.

Projects are of both short- and long-term duration. Depending on the contract terms and the duration of the project, the revenue is recognised at a point in time or over time. In large-

scale system or equipment deliveries which require engineering, for example power plants and gas solutions construction contracts, the revenue is recognised over time. Revenue from tailor-made equipment delivery projects is recognised at a point in time when the control of the equipment is transferred, in general upon delivery, and revenue from service-related projects, such as modernisation and upgrade projects is recognised over time.

Long-term agreements include long-term operating and maintenance agreements for which the revenue is recognised over time.

Intangible assets and property, plant and equipment

MEUR	1-3/2025	1-3/2024	2024
Intangible assets			
Carrying amount on 1 January	1,745	1,675	1,675
Changes in exchange rates	-10	4	29
Additions	21	21	106
Amortisation and impairment	-16	-12	-39
Decreases and reclassifications	-2		-25
Carrying amount at the end of the reporting period	1,738	1,689	1,745
Property, plant and equipment			
Carrying amount on 1 January	306	307	307
Changes in exchange rates	-1		
Additions	13	14	64
Depreciation and impairment	-13	-11	-42
Decreases and reclassifications	-1	-1	-23
Carrying amount at the end of the reporting period	304	309	306

Leases

MEUR	1-3/2025	1-3/2024	2024
Land and buildings, right-of-use assets			
Carrying amount on 1 January	240	246	246
Changes in exchange rates	-1	-1	
Additions	4	22	58
Depreciation and impairment	-11	-11	-44
Decreases and reclassifications	-6	-2	-21
Carrying amount at the end of the reporting period	226	255	240
Machinery and equipment, right-of-use assets			
Carrying amount on 1 January	11	9	9
Additions	3	1	9
Depreciation and impairment	-1	-1	-6
Decreases and reclassifications			-1
Carrying amount at the end of the reporting period	12	9	11
Lease liabilities			
Carrying amount on 1 January	258	268	268
Changes in exchange rates	-1		
Additions	6	23	62
Interest expenses	-1	-1	
Payments	-13	-13	-49
Other adjustments	-6	-2	-8
Reclassification to assets held for sale			-15
Carrying amount at the end of the reporting period	244	275	258

Amounts recognised in statement of income			
Depreciation and impairment	-12	-12	-50
Interest expenses	-2	-2	-10
Expense – short-term leases	-6	-7	-28
Expense – leases of low-value assets	-2	-2	-6
Expense – variable lease payments	-3	-3	-8

Gross capital expenditure

MEUR	1-3/2025	1-3/2024	2024
Investments in intangible assets and property, plant and equipment	34	36	170
Total	34	36	170

Net interest-bearing debt

MEUR	31.3.2025	31.3.2024	31.12.2024
Lease liabilities, non-current	201	230	215
Other interest-bearing debt, non-current	278	476	409
Lease liabilities, current	43	44	43
Other interest-bearing debt, current	200	46	99
Interest-bearing liabilities pertaining to assets held for sale	15		15
Total interest-bearing liabilities	737	796	781
Interest-bearing receivables		-4	
Cash and cash equivalents	-1,550	-872	-1,554
Cash and cash equivalents pertaining to assets held for sale	-4		-4
Total interest-bearing assets	-1,554	-876	-1,558
Total net interest-bearing debt	-817	-79	-777

Financial ratios

	1-3/2025	1-3/2024	2024
Earnings per share (EPS), basic and diluted, EUR	0.21	0.14	0.85
Equity per share, EUR	4.07	3.58	4.29
Solvency ratio, %	35.2	34.8	37.4
Gearing	-0.34	-0.04	-0.31
Return on investment (ROI), %	26.4	16.0	23.7
Return on equity (ROE), %	24.1	14.3	21.3
Return on capital employed (ROCE), %	40.6	19.3	37.1

The financial ratios include assets and liabilities pertaining to assets held for sale.

Personnel

	1-3/2025	1-3/2024	2024
On average	18,437	17,871	18,110
At the end of the reporting period	18,490	17,909	18,338

Contingent liabilities

MEUR	31.3.2025	31.3.2024	31.12.2024
Mortgages		10	10
Chattel mortgages and other pledges and securities	31	13	32
Total	31	23	42
Guarantees and contingent liabilities on behalf of Group companies	1,181	1,204	1,237
Nominal amounts of lease liabilities			
Low-value lease liabilities	11	12	13
Short-term lease liabilities	2	3	3
Leases not yet commenced, but to which Wärtsilä is committed	14	1	14
Residual value guarantee	104	90	104
Total	1,313	1,311	1,372

Nominal values of derivative instruments

MEUR	Total amount	of which closed
Non-deliverable forwards	10	
Interest rate swaps	168	
Cross currency swaps	155	
Foreign exchange forward contracts	2,592	1,252
Total at the end of the reporting period	2,926	1,252

In addition, the Group had copper swaps amounting to 1,665 tons.

Fair values

Fair value measurements at the end of the reporting period:

MEUR	Carrying amounts of the statement of financial position items	Fair value
Financial assets		
Other investments (level 3)	17	17
Other receivables, non-current (level 2)	1	1
Derivatives (level 2)	55	55
Financial liabilities		
Interest-bearing debt, non-current (level 2)	479	477
Derivatives (level 2)	34	34

Events after the reporting period

In March 2025, Wärtsilä announced closure of the strategic review of Energy Storage and Optimisation (ES&O) that was started on 31 October 2023. As of 1 April 2025, the reporting segment Energy has been separated into two independent

reporting segments: Energy, focusing on the power plants business and related lifecycle business, and Energy Storage, focusing on the battery storage business and related lifecycle business.

Quarterly figures

MEUR	1-3/ 2025	10-12/ 2024	7-9/ 2024	4-6/ 2024	1-3/ 2024	10-12/ 2023	7-9/ 2023	4-6/ 2023	1-3/ 2023
Order intake									
Marine	937	918	902	901	916	844	902	771	744
Energy	656	1,335	553	705	774	868	679	750	744
Portfolio Business	309	239	348	248	234	144	207	166	252
Total	1,902	2,491	1,803	1,854	1,924	1,856	1,787	1,687	1,739
Order book at the end of the reporting period									
Marine	3,489	3,409	3,289	3,155	3,008	2,808	2,751	2,535	2,493
Energy	3,357	3,413	2,803	3,120	3,033	2,693	2,620	2,548	2,483
Portfolio Business	1,686	1,544	1,491	1,332	1,252	1,192	1,222	1,165	1,177
Total	8,533	8,366	7,583	7,607	7,294	6,694	6,594	6,249	6,153
Net sales									
Marine	827	847	739	759	708	759	671	701	669
Energy	543	817	804	617	452	720	613	633	645
Portfolio Business	190	190	175	179	162	165	168	120	151
Total	1,560	1,854	1,718	1,556	1,321	1,644	1,452	1,454	1,465
Share of result of associates and joint ventures	5	3	4	3	2	2	2	3	1
Operating result before depreciation, amortisation and impairment (EBITDA)	207	250	230	205	162	173	151	146	125
as a percentage of net sales	13.3	13.5	13.4	13.2	12.3	10.5	10.4	10.1	8.6
Depreciation, amortisation and impairment	-41	-21	-38	-37	-35	-45	-34	-81	-33
Purchase price allocation amortisation	-5	-5	-5	-5	-5	-5	-5	-5	-5
Comparable operating result	171	209	177	176	132	177	125	108	88
as a percentage of net sales	11.0	11.3	10.3	11.3	10.0	10.8	8.6	7.4	6.0
Items affecting comparability, total	-5	20	15	-8	-5	-49	-8	-42	4
Operating result	165	229	192	168	127	128	117	66	92
as a percentage of net sales	10.6	12.4	11.2	10.8	9.6	7.8	8.0	4.5	6.3
Financial income and expenses	-2	-11	-2	-8	-9	-8	-9	-12	-8
Result before taxes	164	219	190	160	118	120	107	53	84
Income taxes	-41	-58	-47	-43	-32	-24	-25	-24	-23
Result for the reporting period	123	161	144	117	86	96	82	30	61
Earnings per share (EPS), basic and diluted, EUR	0.21	0.27	0.24	0.20	0.14	0.16	0.14	0.05	0.09
Gross capital expenditure	34	59	37	39	36	51	31	35	32
Investments in securities and acquisitions						1			
Cash flow from operating activities	190	437	296	216	258	389	213	75	145
Working capital (WCAP) at the end of the reporting period	-770	-787	-501	-420	-329	-169	43	134	105
Personnel at the end of the reporting period									
Marine	10,887	10,794	10,702	10,817	10,657	10,602	10,530	10,441	10,369
Energy	5,686	5,669	5,639	5,571	5,460	5,430	5,416	5,380	5,342
Portfolio Business	1,918	1,875	1,830	1,835	1,792	1,774	1,750	1,732	2,002
Total	18,490	18,338	18,171	18,224	17,909	17,807	17,696	17,553	17,713

The segment-related comparison figures for 2023 have been restated to reflect the current organisational structure.

Calculations of financial ratios

Operating result

Net sales + other operating income – expenses – depreciation, amortisation and impairment +/- share of result of associates and joint ventures

Operating result before depreciation, amortisation and impairment (EBITDA)

Operating result + depreciation, amortisation and impairment

Earnings per share (EPS), basic

Result for the reporting period attributable to equity holders of the parent company

Number of shares outstanding, average over the reporting period

Earnings per share (EPS), diluted

Result for the reporting period attributable to equity holders of the parent company

Number of shares outstanding, average over the reporting period + number of potential ordinary shares with dilutive effect

Items affecting comparability

Certain income and expenses are presented as items affecting comparability when they have significant impact on the consolidated statement of income. Items affecting comparability consist of income and expenses, which result from restructuring activities aiming to adjust the capacity of Wärtsilä's operations. They may also include other income and expenses incurred outside Wärtsilä's normal course of business, such as impairment charges, acquisition related costs, settlements recorded as a result of legal proceedings with third parties or unforeseen obligations from earlier discontinued businesses.

Comparable operating result

Operating result – items affecting comparability

Gross capital expenditure

Investments in securities and acquisitions + investments in intangible assets and property, plant and equipment

Net interest-bearing debt

Non-current and current lease liabilities + non-current and current other interest-bearing debt – interest-bearing receivables – cash and cash equivalents

Equity per share

Equity attributable to equity holders of the parent company

Number of shares outstanding at the end of the reporting period

Solvency ratio

Equity

Total equity and liabilities – advances received

x 100

Gearing

Interest-bearing liabilities – cash and cash equivalents

Equity

Order intake

Total amount of orders received during the reporting period to be delivered either during the current reporting period or thereafter.

Order book

The presentation in value of orders that are placed by customers but not yet delivered. For service agreements, only the expected net sales for the next 24 months are included in the order book.

Working capital (WCAP)

(Inventories + trade receivables + current tax receivables + other non-interest-bearing receivables)

– (trade payables + advances received + pension obligations + provisions + current tax liabilities + other non-interest-bearing liabilities – dividend payable)

Return on investment (ROI)

Result before taxes + interest and other financial expenses, 12 months rolling

Total equity and liabilities - non-interest-bearing liabilities - provisions, average of end of the reporting period and end of the corresponding period previous year

Return on equity (ROE)

Result for the reporting period, 12 months rolling

Equity, average of end of the reporting period and end of the corresponding period previous year

Capital employed (CE)

Intangible assets + property, plant and equipment + right-of-use assets + investments in associates and joint ventures + other investments + working capital (WCAP) – current tax receivables + current tax liabilities

Return on capital employed (ROCE)

Operating result, 12 months rolling

Capital employed (CE), average of end of the reporting period and end of the corresponding period previous year

24 April 2025

Wärtsilä Corporation

Board of Directors