

Wärtsilä Corporation Result presentation Q2 2025

Håkan Agnevall, President & CEO

Arjen Berends, CFO

18 July 2025





Order intake, net sales, operating result and cash flow all increased

- Order intake increased by 18% to 2,190 MEUR
- All-time high order book of 8,764 MEUR
- Net sales increased by 11% to 1,719 MEUR
- Comparable operating result increased by 18% to 207 MEUR
 - 12.0% of net sales
- Operating result increased by 11% to 186 MEUR
 - 10.8% of net sales
- Solid performance in services, particularly in service agreements
 - Service agreement order intake increased by 48%
 - Service agreement net sales increased by 9%
- Strong cash flow from operating activities of 416 MEUR

Good development in key figures

MEUR	4-6/2025	4-6/2024	CHANGE	1-6/2025	1-6/2024	CHANGE
Order intake	2,190	1,854	18%	4,092	3,778	8%
of which services	926	982	-6%	1,918	1,931	-1%
of which equipment	1,264	872	45%	2,174	1,847	18%
Order book				8,764	7,607	15%
of which current year deliveries				3,260	2,967	
Net sales	1,719	1,556	11%	3,279	2,877	14%
of which services	907	834	9%	1,792	1,666	8%
of which equipment	812	722	12%	1,488	1,211	23%
Book-to-bill	1.27	1.19		1.25	1.31	
Comparable operating result	207	176	18%	378	308	23%
% of net sales	12.0	11.3		11.5	10.7	
Operating result	186	168	11%	352	295	19%
% of net sales	10.8	10.8		10.7	10.2	

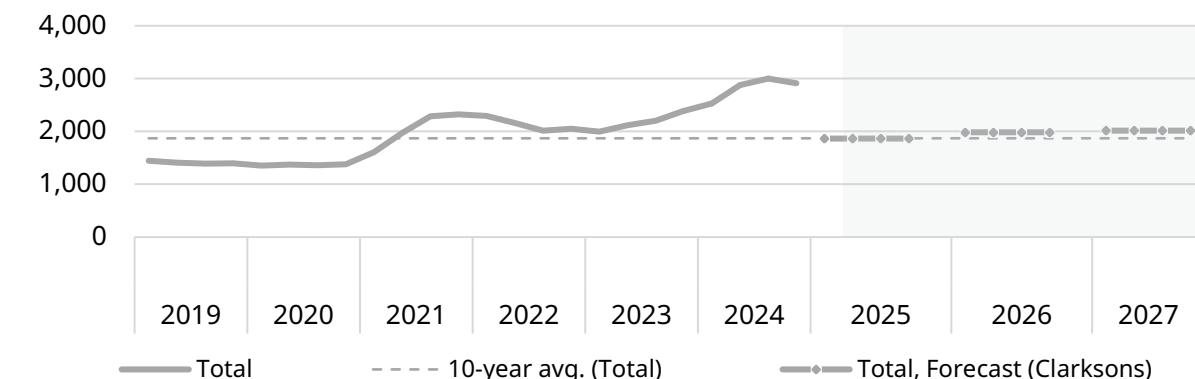
Marine market: Activity in Wärtsilä's key segments remains supportive

Strong ordering across cruise, containerships and LNG bunkering vessels

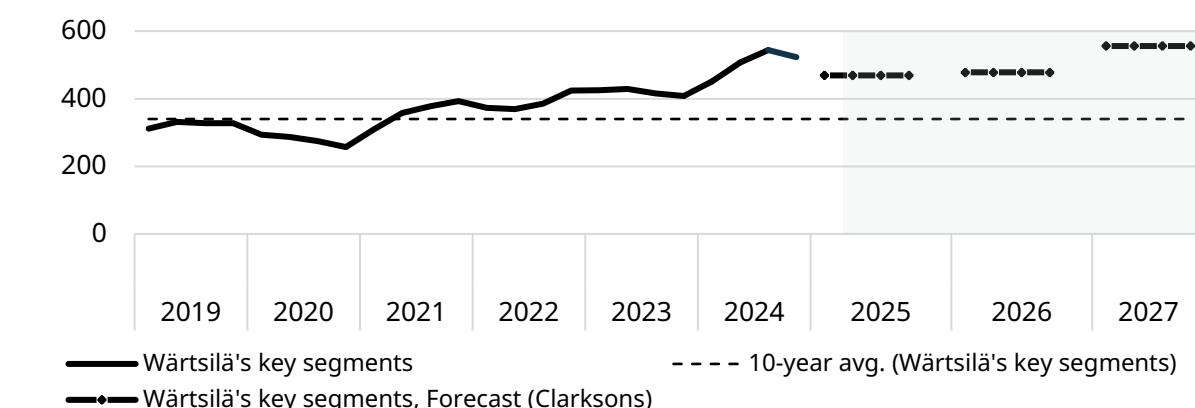
- The number of vessels ordered in the review period decreased to 647 (926 in the corresponding period in 2024, excluding late reporting of contracts).
- Continued uncertainty around the economic outlook and global trade policies affected negatively the market sentiment and newbuild investment appetite in some segments.
- The impact on ordering has been uneven across vessel segments, with continued strong demand in Wärtsilä's key segments—particularly in cruise, containerships, and LNG bunkering vessels.
- The regulatory drive, including the global carbon fee proposed by the International Maritime Organisation's (IMO) MEPC 83 meeting, is incentivising shipowners to increase their investments in ships that are more fuel efficient and can use alternative fuels.
- In H1/2025, 183 orders for new alternative fuel capable ships were reported, accounting for 28% (26) of all contracted vessels and 55% (40) of the capacity of contracted vessels.

Vessel contracting trend

Number of vessels (total)



Number of vessels (Wärtsilä's key segments)



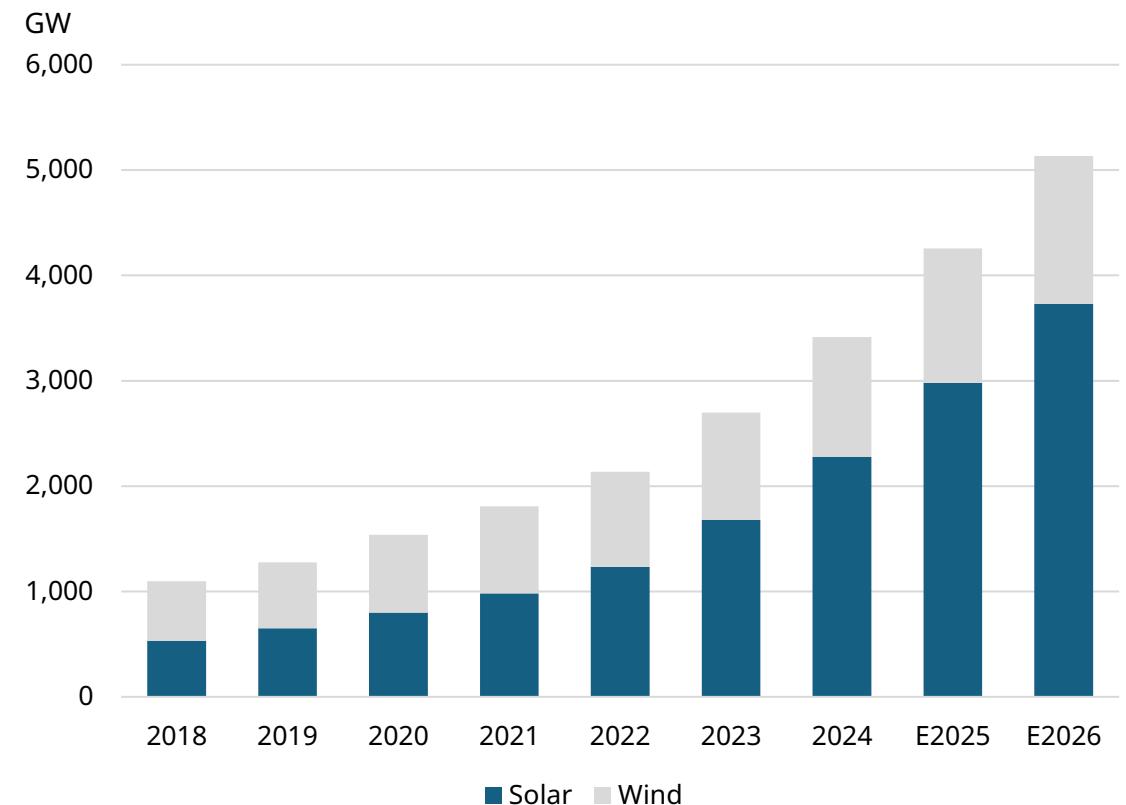
Source: Clarksons Research, as per 3rd of July 2025 (+2,000 DWT/GT, including offshore ship-shaped units.) Wärtsilä key segments include LNG carriers, LPG carriers, cruise & ferry, offshore, and special vessels. Historical figures in graphs are on rolling 12-month basis and are subject to change due to late reporting of contracts. The impact is most significant for the latest quarters; therefore, data from the last two quarters is not included. Forecasts are from March 2025.

Energy market: Global energy transition continues to move forward

Growth in electricity demand continues to drive new power capacity

- Most upcoming capacity growth will be met with renewables, with both wind and solar expected to post all-time high additions in 2025.
- While the global macroeconomic environment has made project financing more difficult, decreasing inflation and interest rates are expected to encourage investment decisions in the mid- to long-term.
- In engine power plants, market demand for equipment and services has been strong. Demand for baseload engine power plants is expected to remain stable with further growth opportunities in data centres. The drivers for engine balancing power plants continue to develop favourably.
- In battery energy storage, the demand is closely linked to the increasing share of intermittent renewables in the energy system, which continues to progress strongly. The US market is facing significant headwinds due to the uncertainty around tariffs. The growth continues in other markets, but the competition is increasing, and putting pressure on profitability.

Installed wind and solar capacity

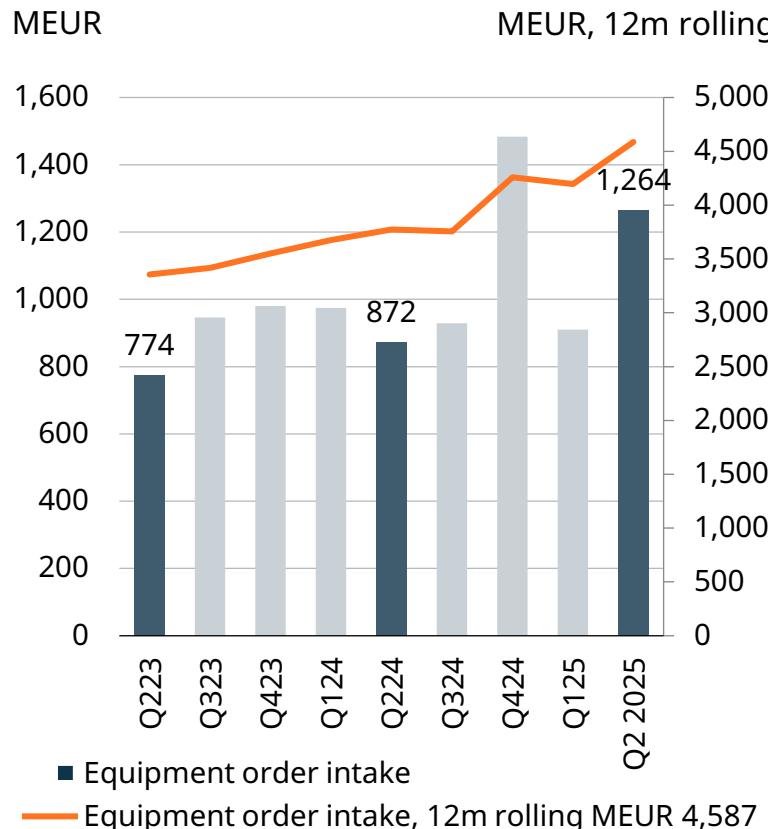


Sources: IEA Global Energy Review 2025, Electricity 2025, and Renewables 2024
 (IEA: International Energy Agency)

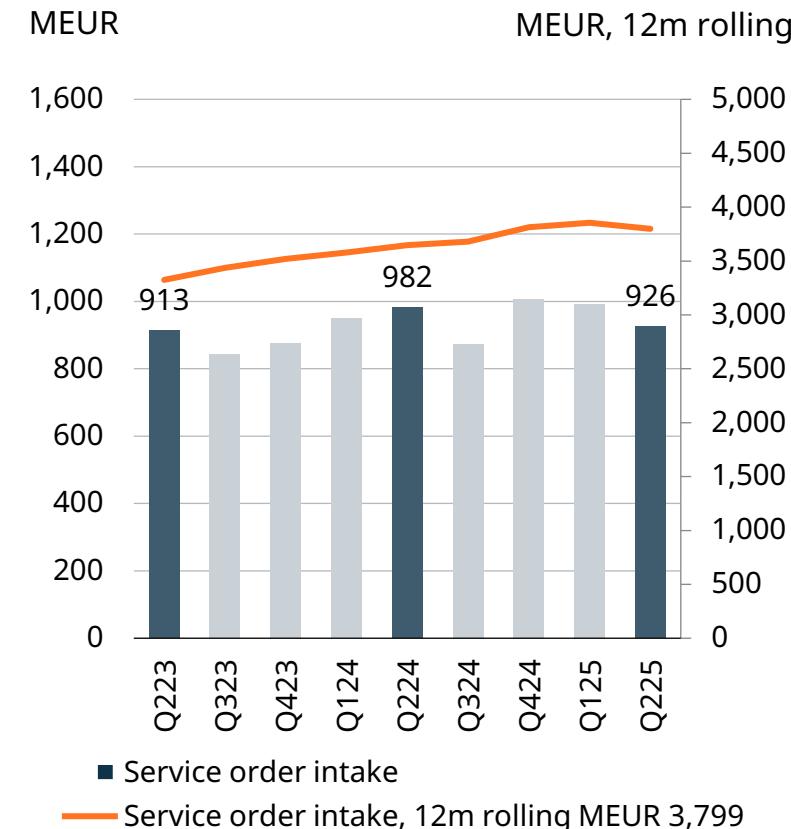
Source: BloombergNEF

Organic order intake increased by 20%

Equipment



Services



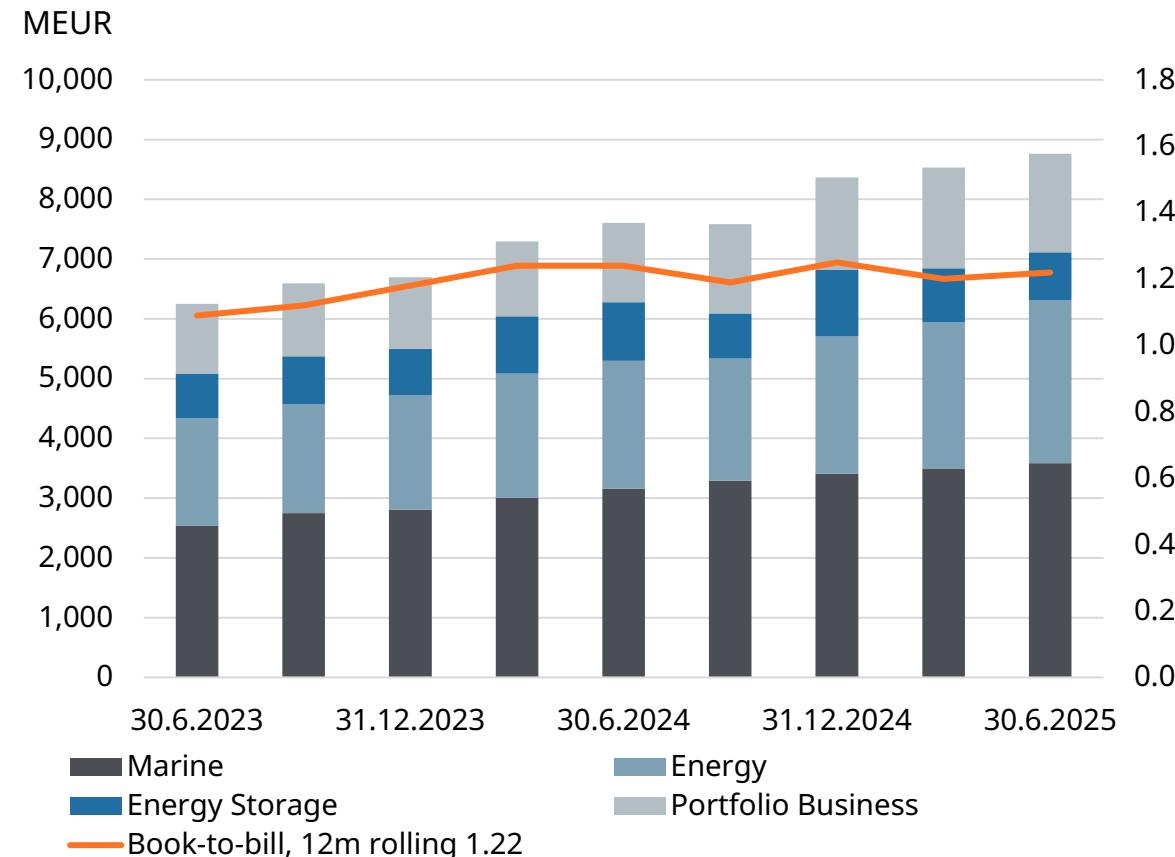
Order intake increased by 18%

Equipment order intake increased by 45%

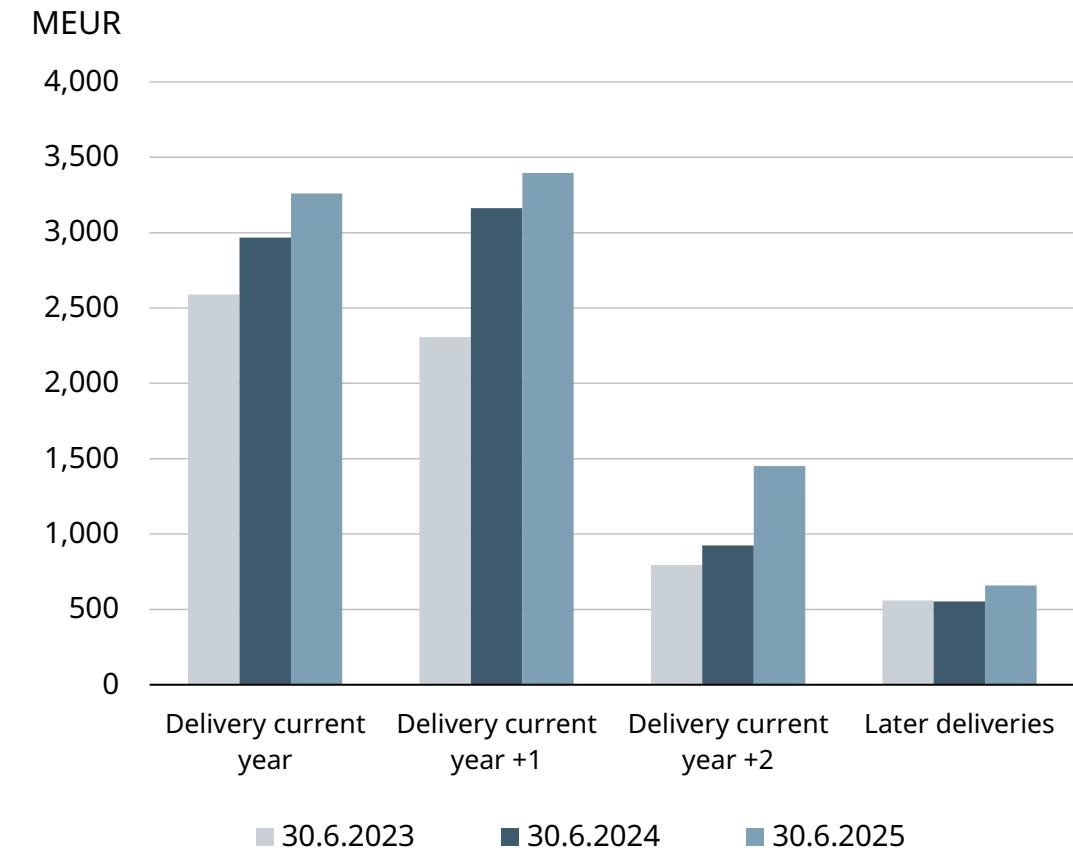
Service order intake decreased by 6%

All-time high order book, rolling book-to-bill continues well above 1

Order book by business



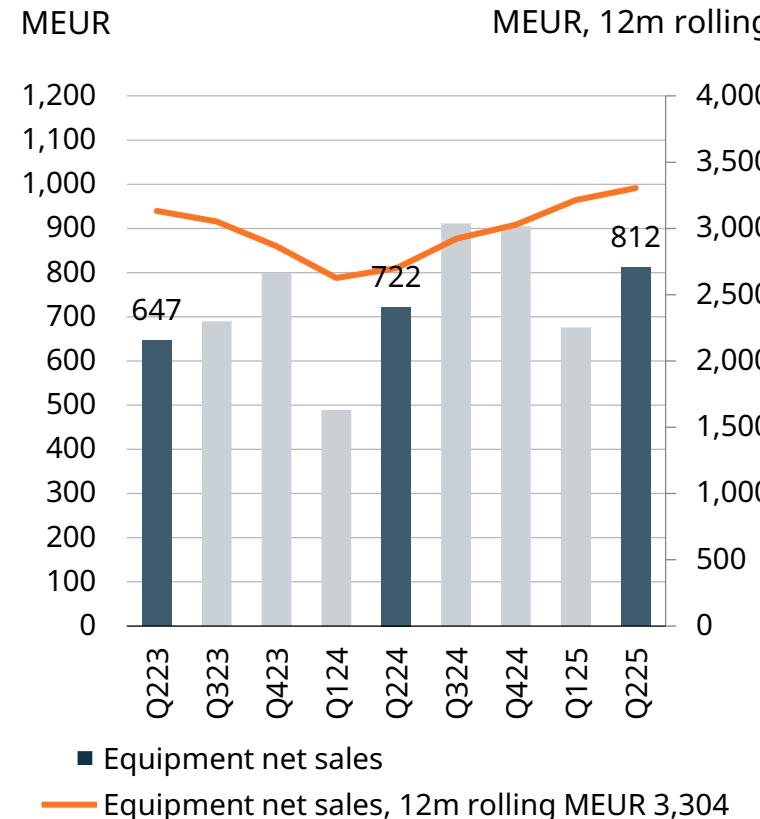
Order book delivery schedule



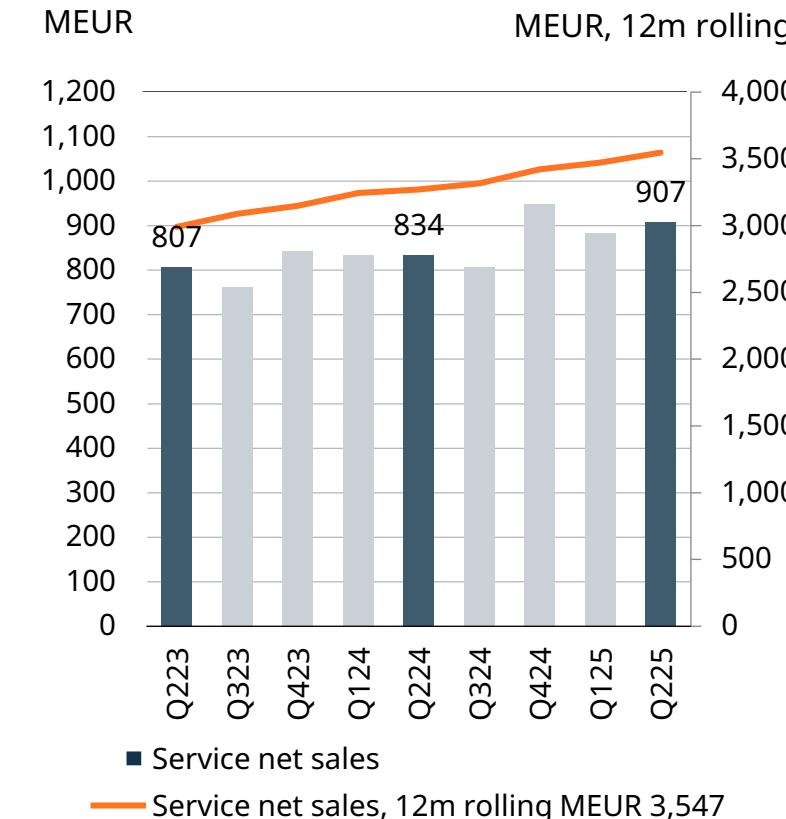
Financial figures for 2023 have been restated to reflect a redefined organisational structure after discontinuation of Marine Systems as a reporting segment as of 1 January 2024. Gas Solutions business unit was moved to Portfolio Business for divestment, and Exhaust Treatment and Shaft Line Solutions business units were moved from Marine Systems to Marine Power and consequently, Marine Power changed its name to Marine as of 1 January 2024. As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy and Energy Storage. The comparison figures have been restated to reflect the new segment structure.

Organic net sales increased by 13%

Equipment



Services



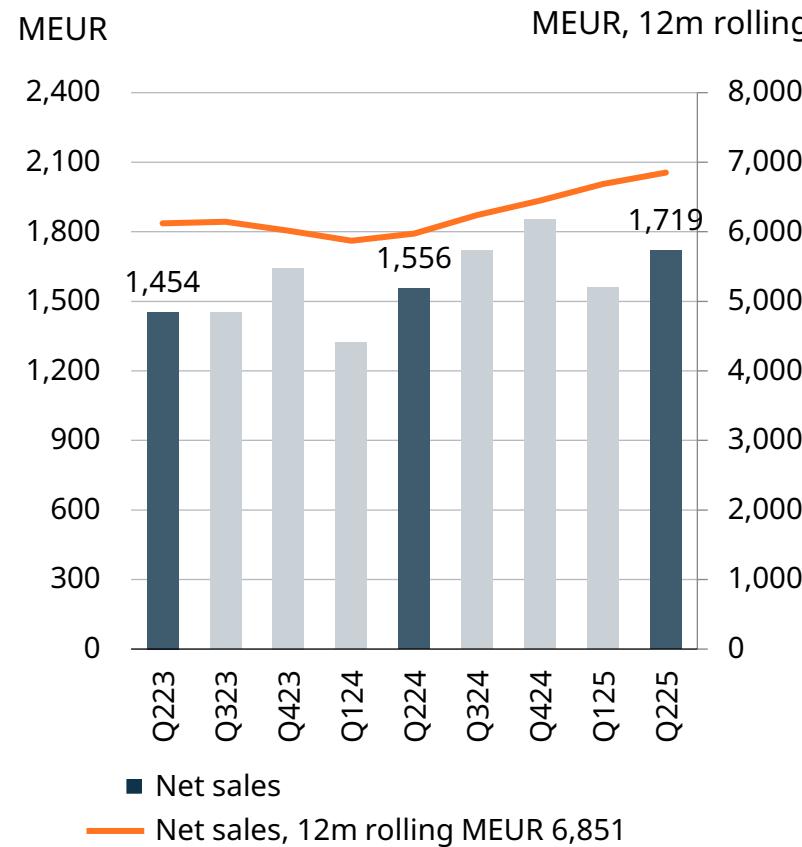
Net sales increased
by 11%

Equipment net sales
increased by 12%

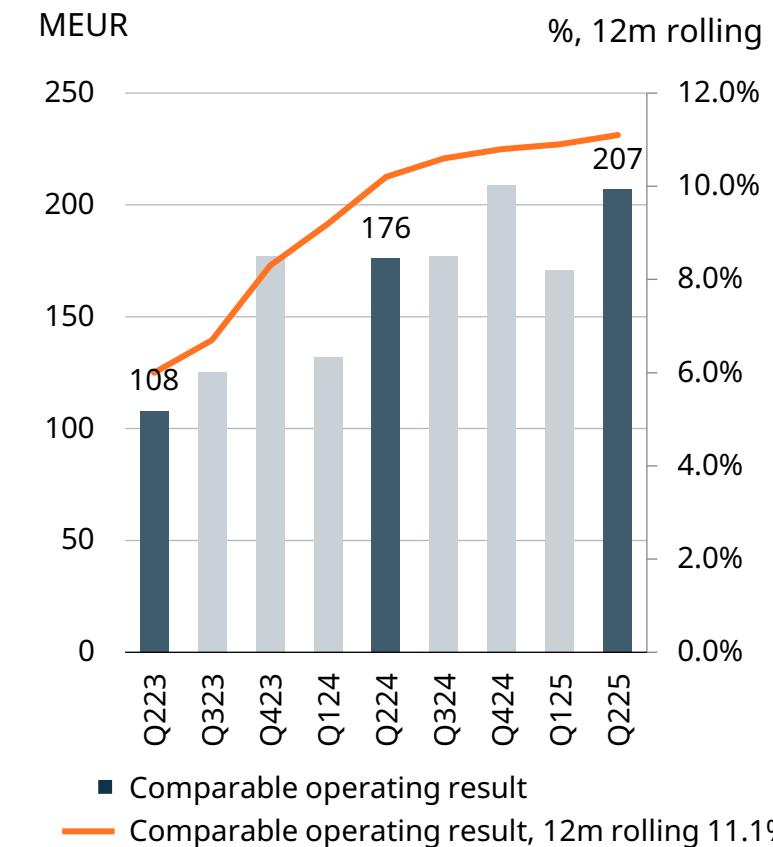
Service net sales
increased by 9%

Profitability continued to improve

Net sales



Comparable operating result



Net sales increased by 11%

Comparable operating result increased by 18%

Comparable operating result margin 12m rolling at 11.1% (10.2%)



Technology and partnership highlights

Enabling industry decarbonisation

Wärtsilä engines selected to deliver reliable power for U.S. data center

- Wärtsilä will supply 282MW of flexible engines to operate a new data center project in Ohio, USA.
- The onsite power facility, providing power directly to the data center, will operate with fifteen Wärtsilä 18V50SG engines running on natural gas.
- The order was booked in Q2 2025.

Wärtsilä launches carbon capture solution to shipping market after world-first full-scale installation success

- Wärtsilä announced in May its breakthrough carbon capture solution (CCS) being commercially available to the global maritime industry.
- According to Wärtsilä's tests, the new CCS solution is proven to reduce vessel CO2 emissions by up to 70%, providing ship owners with an immediate solution to meet increasingly stringent environmental regulations.
- The ability to capture CO2 from ship exhaust systems has a major potential for the industry's efforts to reduce GHG emissions, considering the International Maritime Organization's (IMO) 2050 reduction target.

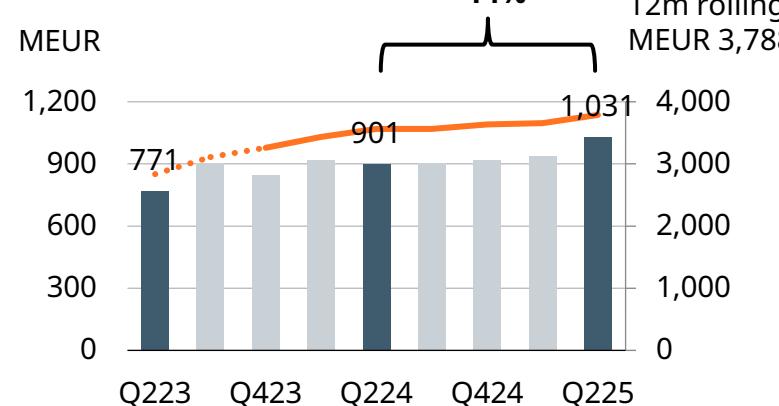
Marine



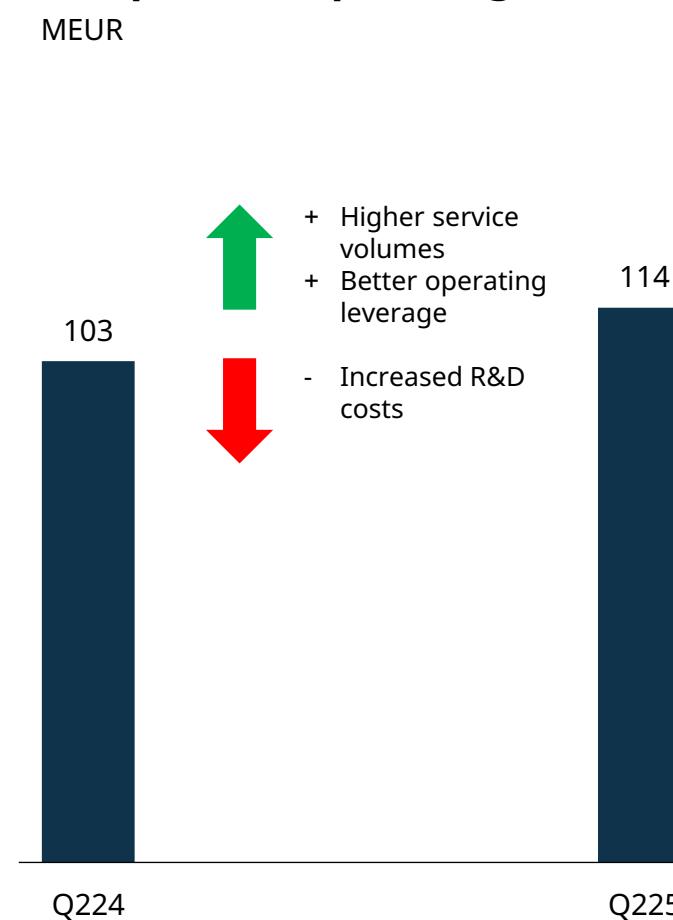
Marine: Higher order intake, net sales and comparable operating result

Service net sales increased by 11% supported by the merchant, ferry and cruise segments

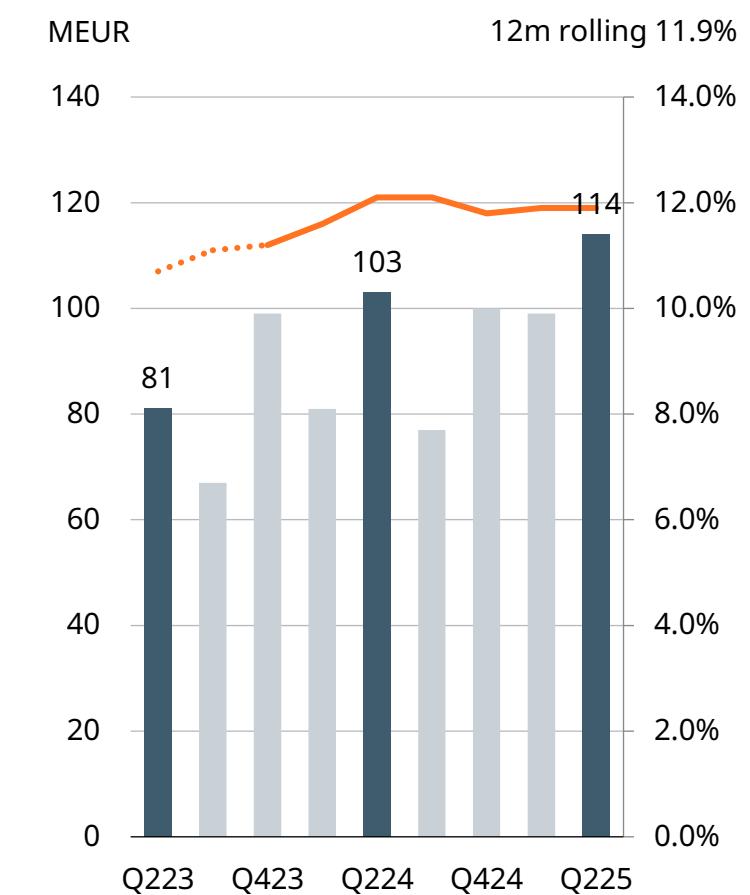
Order intake



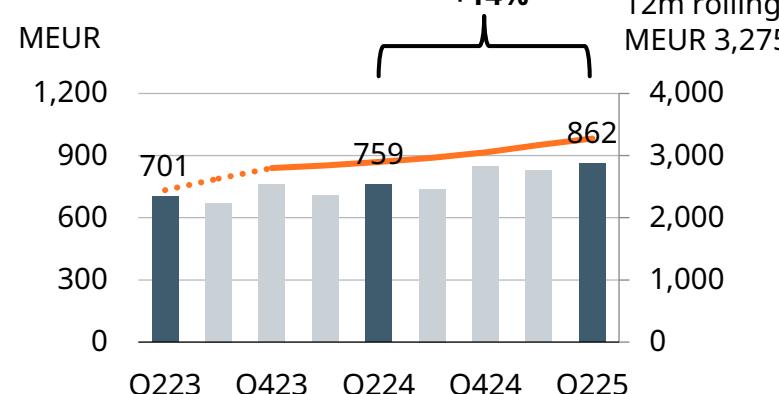
Comparable operating result



Comparable operating result



Net sales

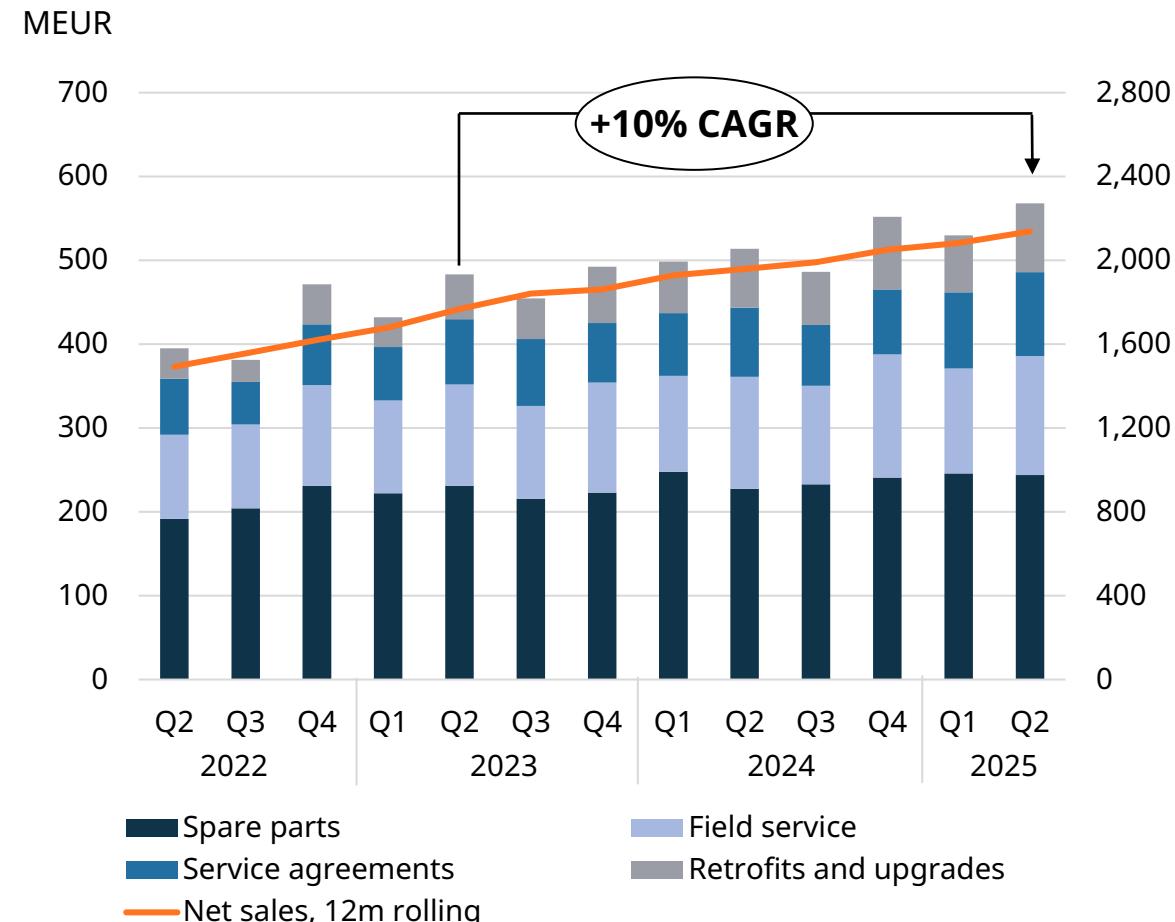


Financial figures for 2023 have been restated to reflect the redefined organisational structure after the discontinuation of Marine Systems as a reporting segment as of 1 January 2024. Exhaust Treatment and Shaft Line Solutions business units were moved from Marine Systems to Marine Power and consequently, Marine Power changed its name to Wärtsilä Marine.
As financial figures prior to 2023 have not been restated to account for the current organisational structure, the non-comparable figures are marked with a dashed line.

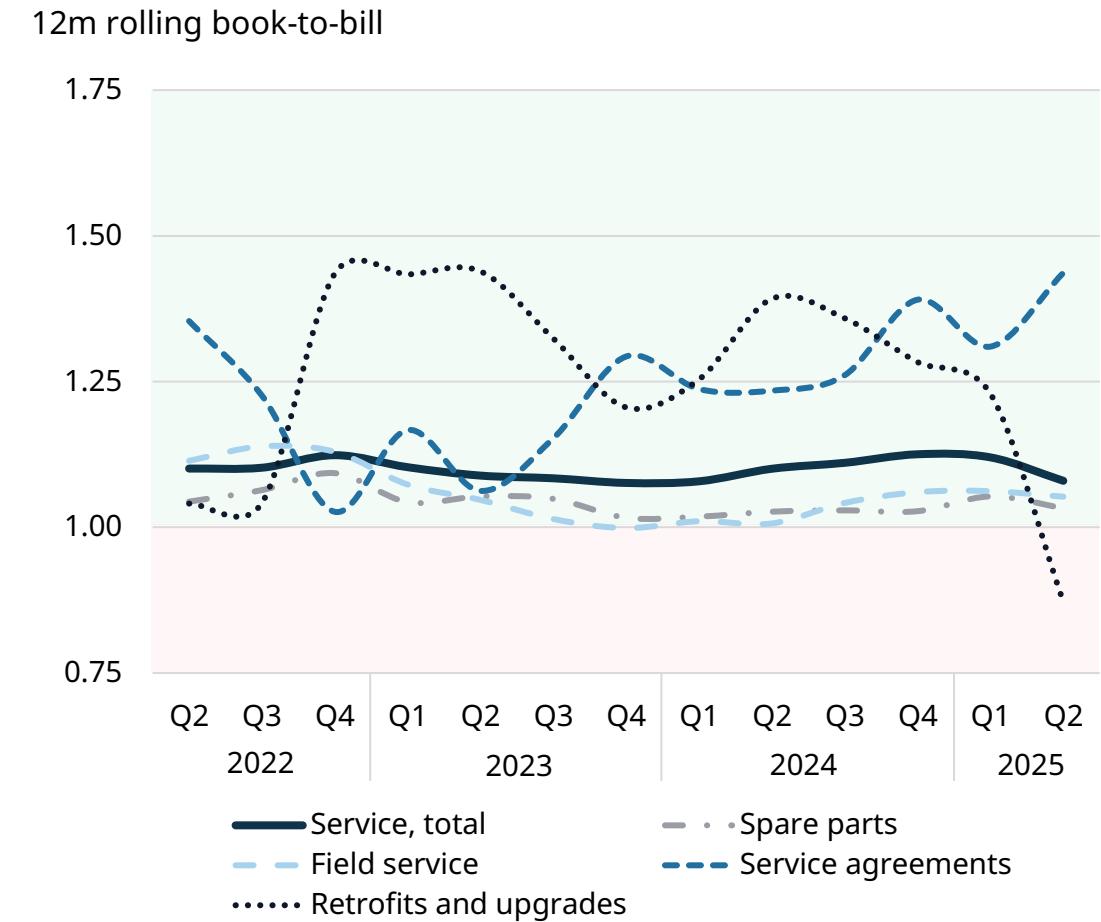
Good development in Marine service

Overall service book-to-bill well above 1

Marine service, Net sales



Marine service, Book-to-bill



2023 data restated to reflect the redefined organisational structure as of 1 Jan 2024. Figures prior to 2023 are not fully comparable due to organisational changes.

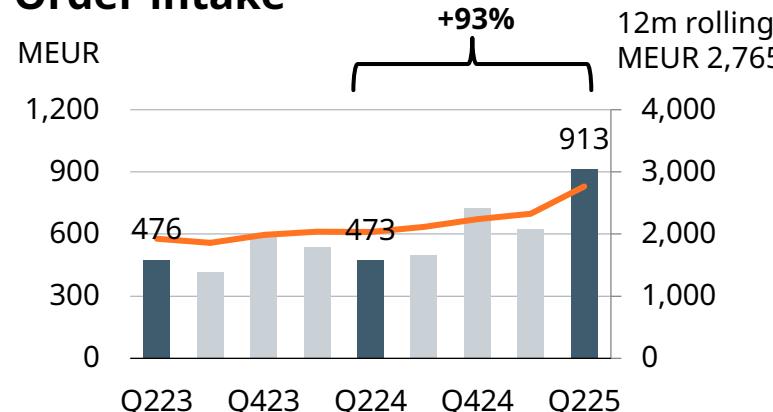
Energy



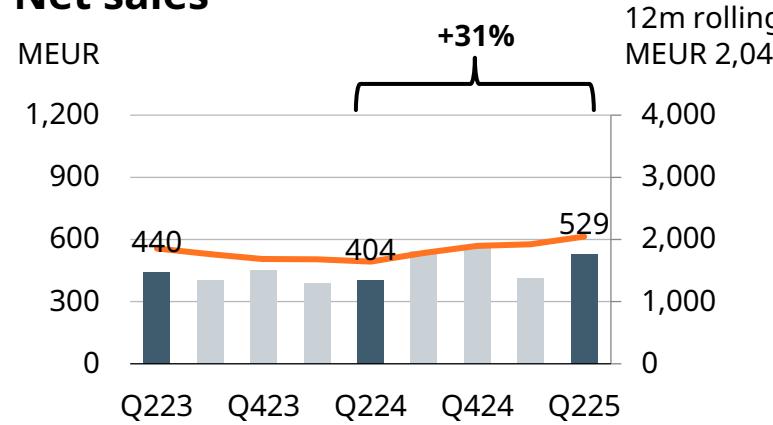
Energy: Record high order intake

Double-digit net sales growth and increased operating result

Order intake



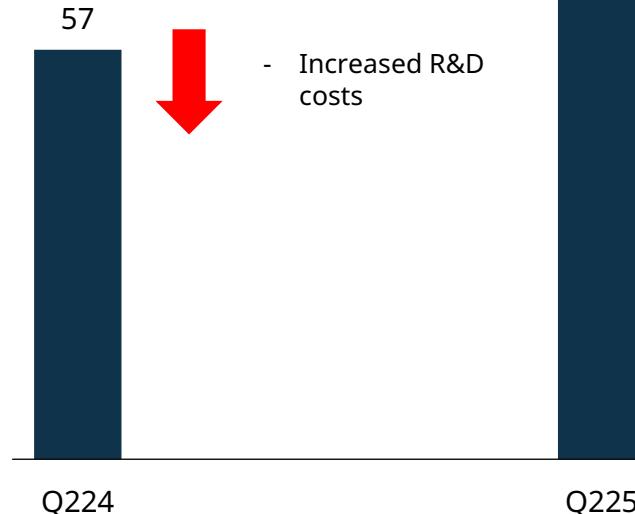
Net sales



Comparable operating result

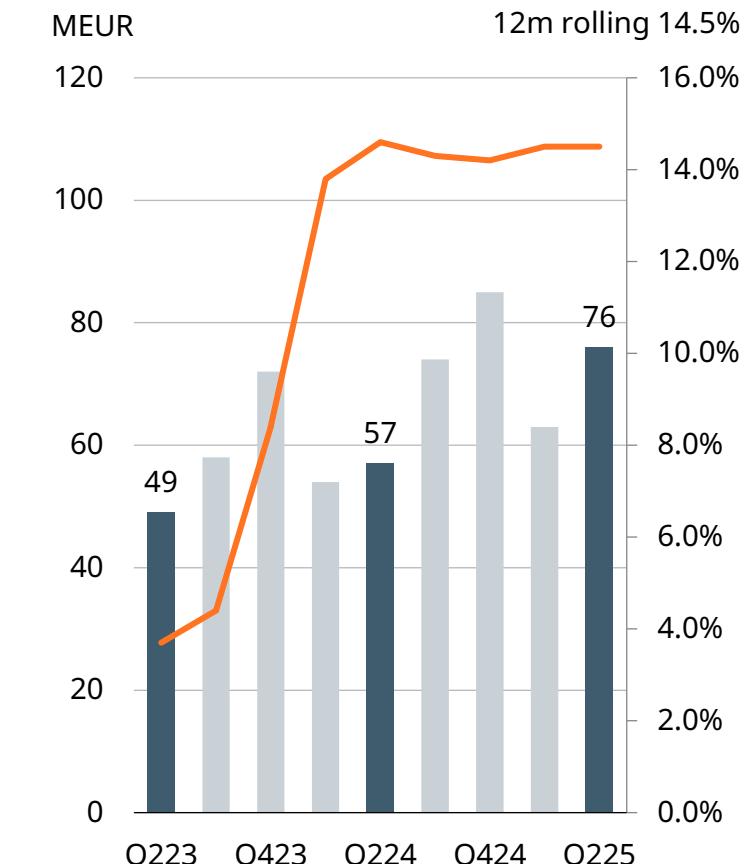
MEUR

↑ + Better operating leverage mainly stemming from higher equipment sales
+ Higher service volumes
- Increased R&D costs



Comparable operating result

MEUR

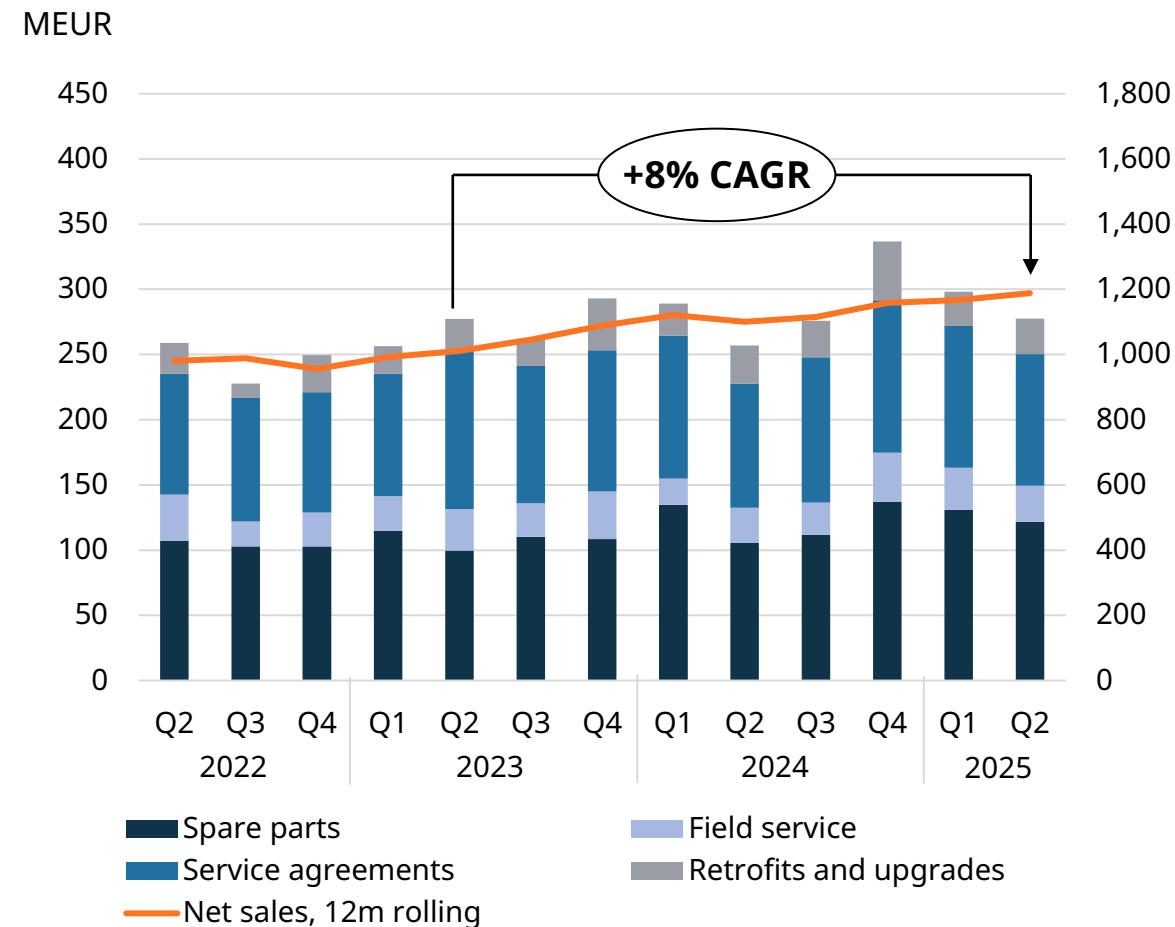


As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy and Energy Storage. The comparison figures have been restated to reflect the new segment structure.

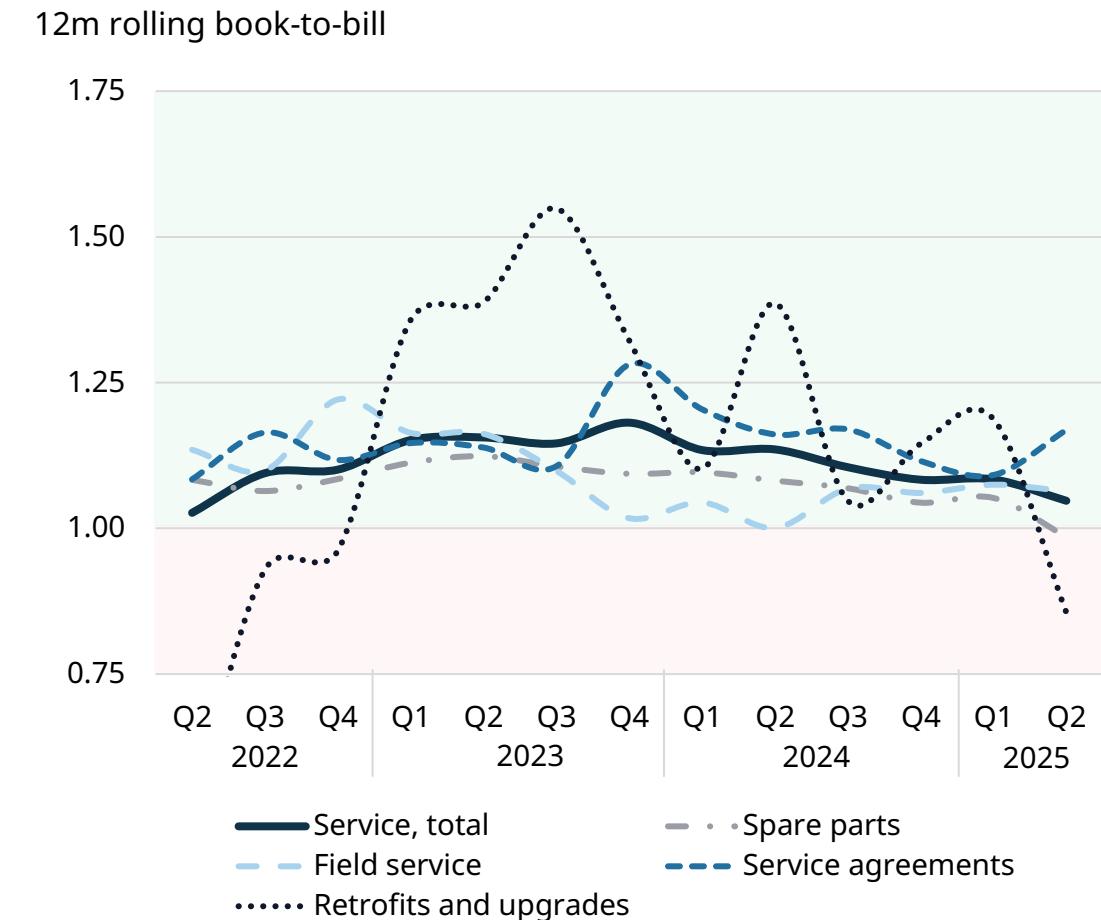
Good development in Energy service

Overall service book-to-bill well above 1

Energy service, Net sales



Energy service, Book-to-bill



As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy and Energy Storage. The comparison figures have been restated to reflect the new segment structure.

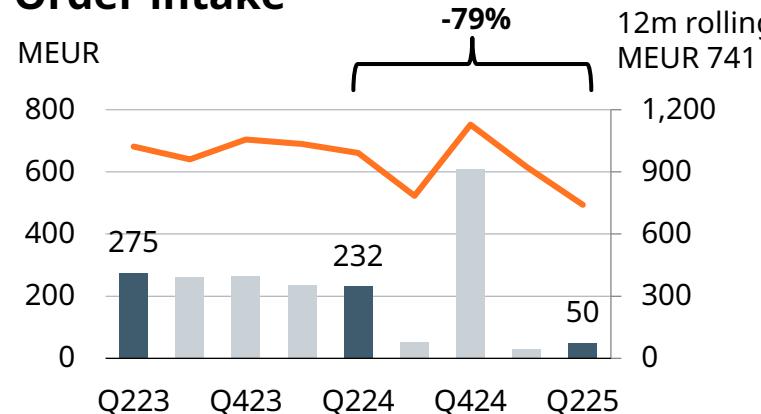
Energy Storage



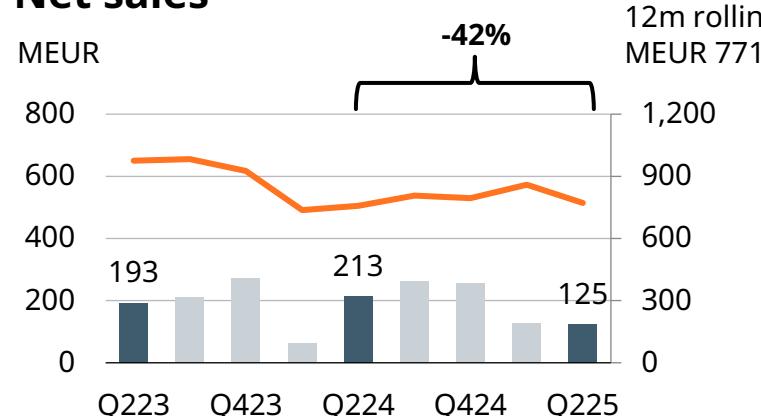
Energy Storage: Order intake decreased due to direct and indirect impact from US tariffs

Order intake and revenue recognition expected to improve in the second half of the year

Order intake



Net sales



Comparable operating result

MEUR

- + Improved equipment margin
- + Higher service volumes



MEUR

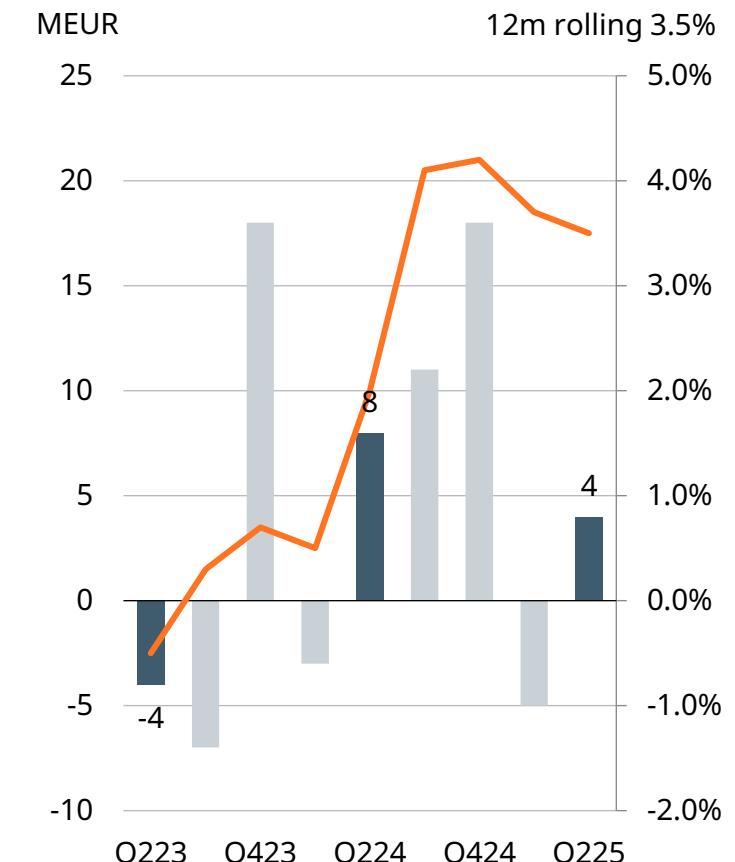
- Lower equipment volumes and weaker operating leverage
- Higher R&D costs
- Increased headcount supporting new markets, customers, and products



MEUR

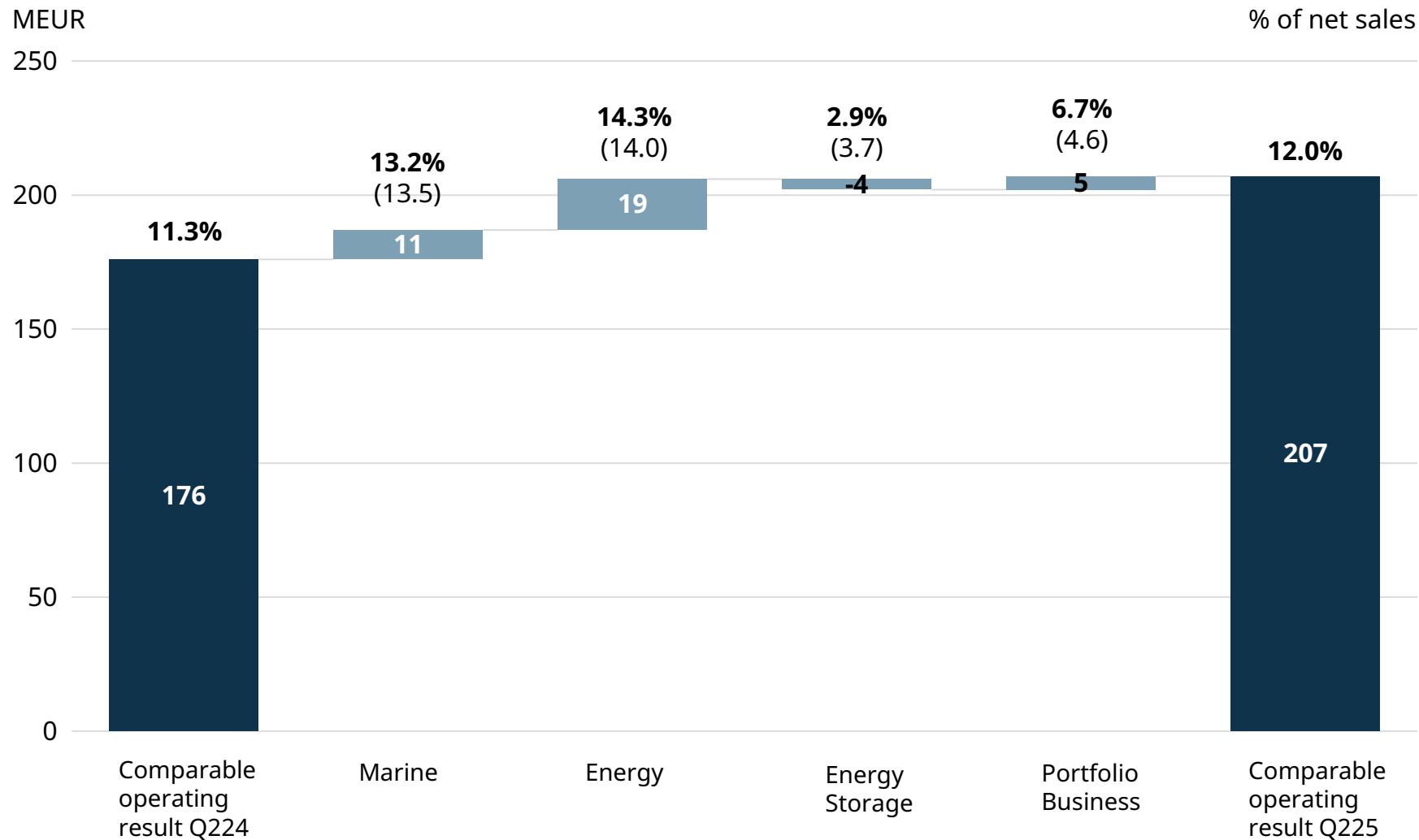
Comparable operating result

MEUR



As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy and Energy Storage. The comparison figures have been restated to reflect the new segment structure.

Comparable operating result improved – improvement in Marine, Energy and Portfolio business



Comparable operating result increased by 18%

Other key financials



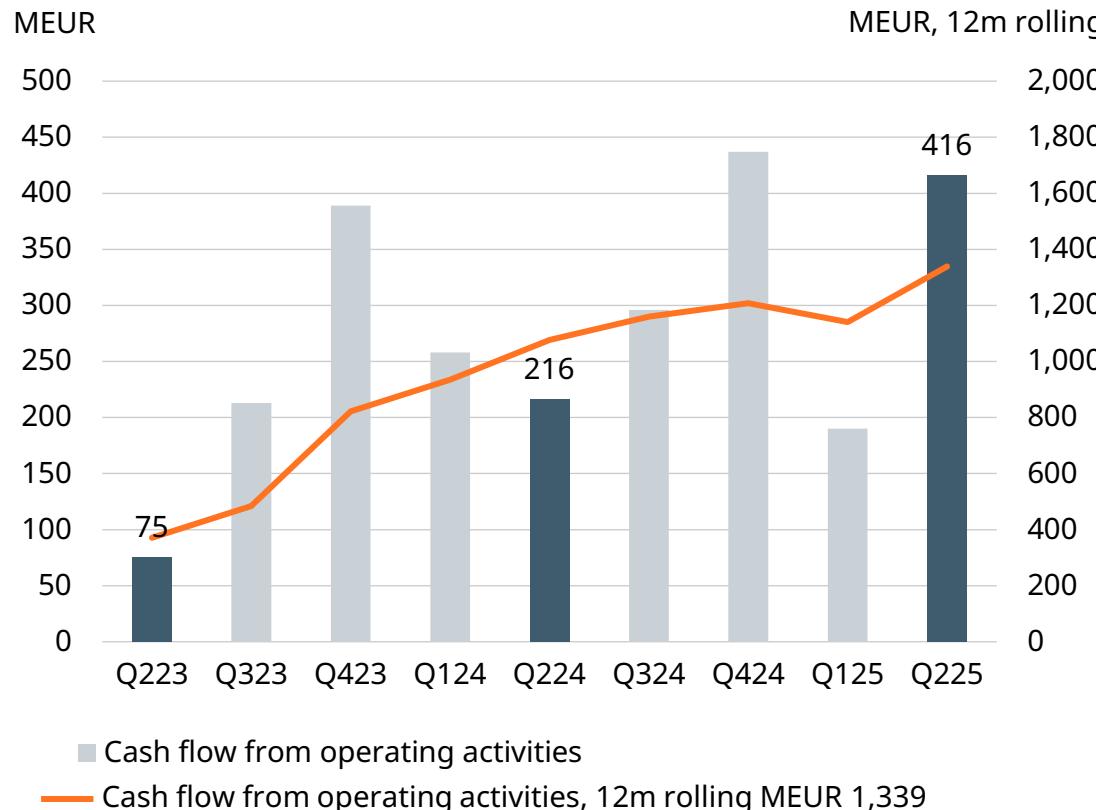
Other key financials: Strong cash flow from operating activities

MEUR	4-6/2025	4-6/2024	1-6/2025	1-6/2024
Cash flow from operating activities	416	216	606	475
Working capital			-924	-420
Net interest-bearing debt			-1,123	-250
EBITDA	251	205	458	367
Return on capital employed (ROCE), %*			44.6	24.3
Gearing			-0.45	-0.11
Solvency, %			36.6	35.3
Earnings per share (EPS), basic and diluted, EUR	0.23	0.20	0.44	0.34

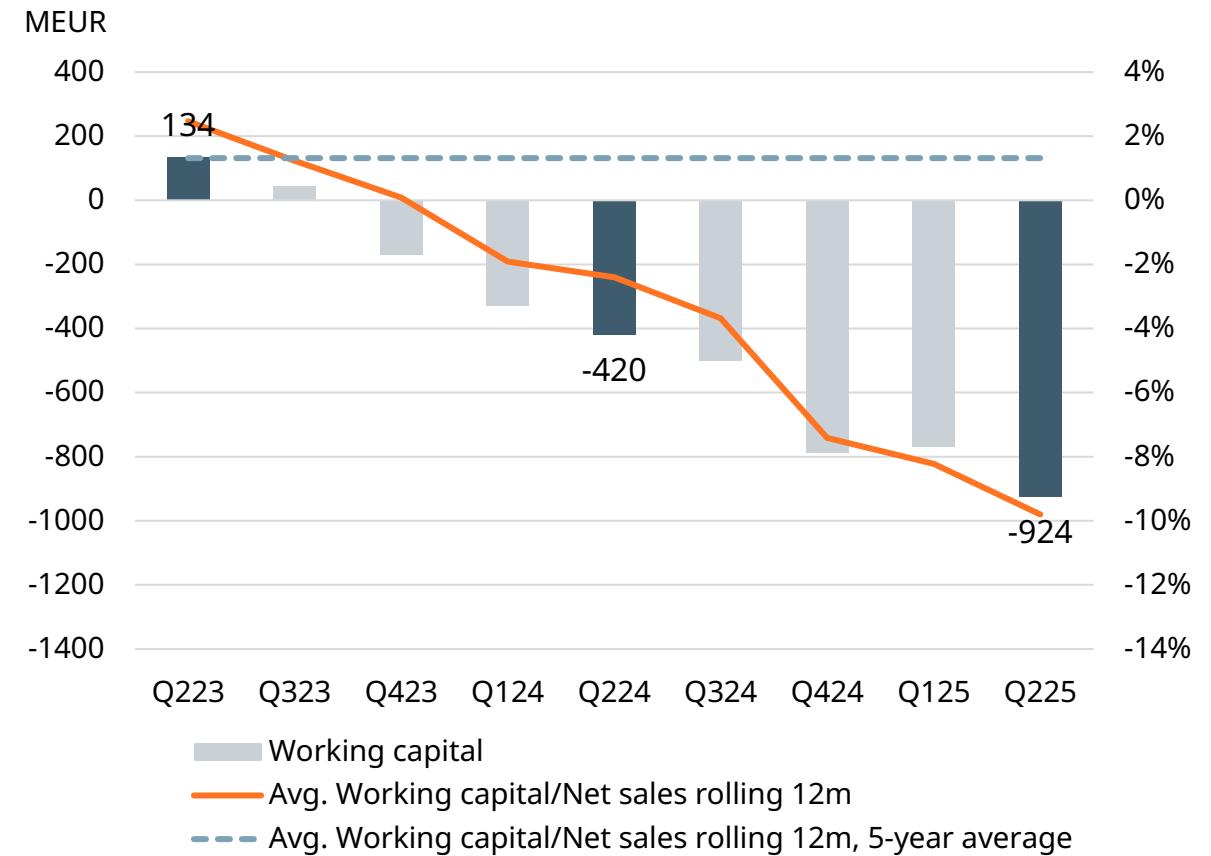
*Last 12 months.

Strong cash flow from operating activities following good level of received customer payments

Cash flow from operating activities



Working capital to net sales ratio

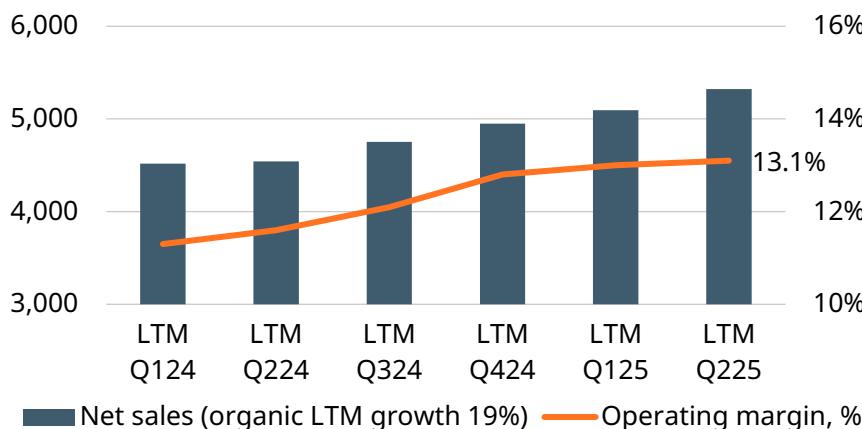


Average working capital is calculated by taking the average of the period's starting value and ending value.

Good progress towards financial targets in Marine and Energy combined

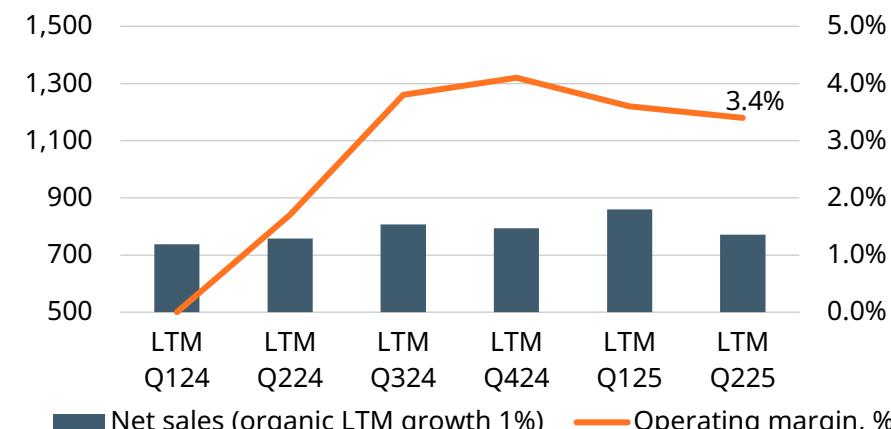
Marine and Energy combined

Net sales and operating margin %, last 12 months



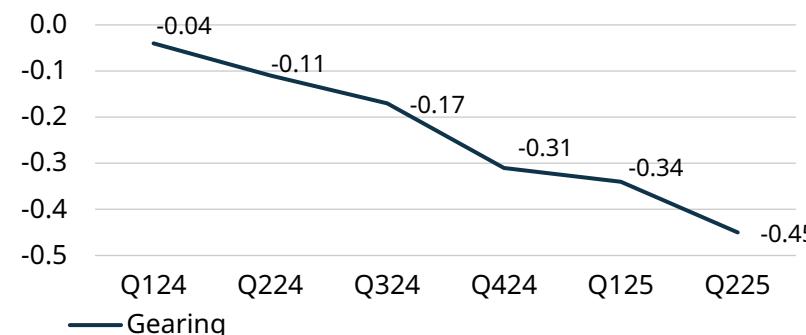
Energy Storage

Net sales and operating margin %, last 12 months



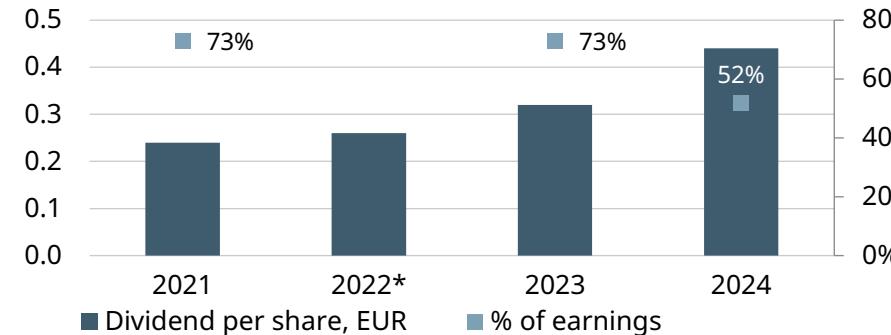
Group

Gearing



Group

Dividend distribution



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

*In 2022, dividend was paid despite negative EPS

Becoming more focused, stable and profitable company

Progress in Portfolio Business divestments

Divestment of Automation, Navigation and Control Systems business to Solix

- On 1 July, Wärtsilä divested business unit Automation, Navigation and Control Systems (ANCS) to the Swedish investment company Solix Group AB.
- The divestment was announced in December 2024 and is estimated to have a positive impact of EUR 30 million on the result for the reporting period 2025 subject to post-closing adjustments, to be reported in items affecting comparability in Q3.

Wärtsilä to divest its Marine Electrical Systems business to Vinci Energies

- On 17 July 2025, Wärtsilä announced that it had agreed to divest its Marine Electrical Systems business to Vinci Energies, a global company focused on multi-technical solutions and services for energy, transport and communication infrastructure.
- Subject to approvals, the transaction is expected to be completed in the last quarter of 2025.





Outlook

Marine

- Wärtsilä expects the demand environment for the next 12 months (Q3/2025–Q2/2026) to be better than in the comparison period.

Energy

- Wärtsilä expects the demand environment for the next 12 months (Q3/2025–Q2/2026) to be similar to that of the comparison period.

Energy Storage

- Wärtsilä expects the demand environment for the next 12 months (Q3/2025–Q2/2026) to be better than in the comparison period. However, the current geopolitical uncertainty particularly impacts this business and may affect growth.

In general, 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.

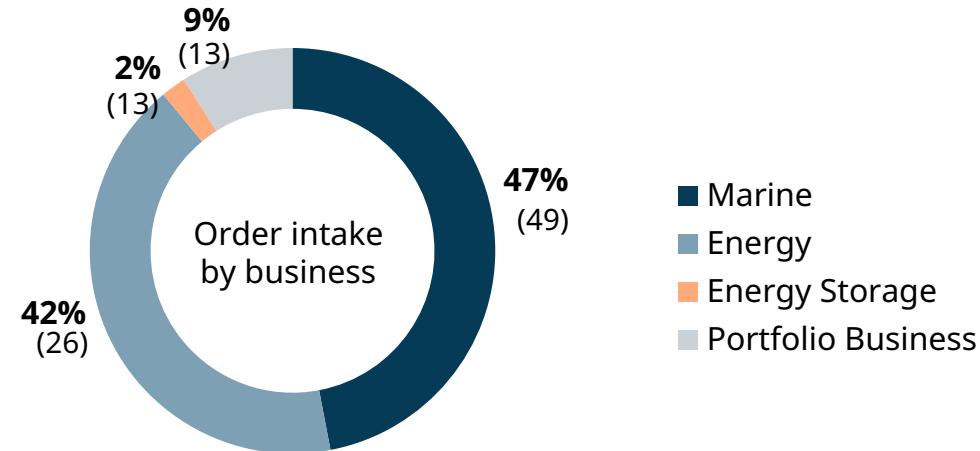
Q&A



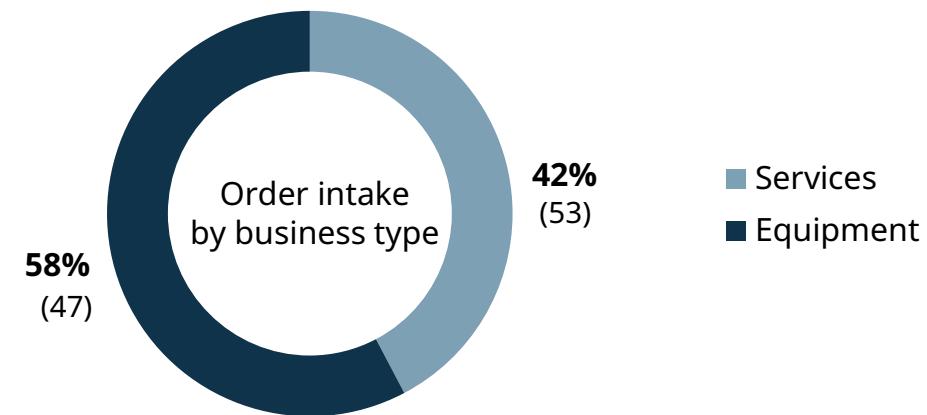
Appendix

Order intake

Second quarter development

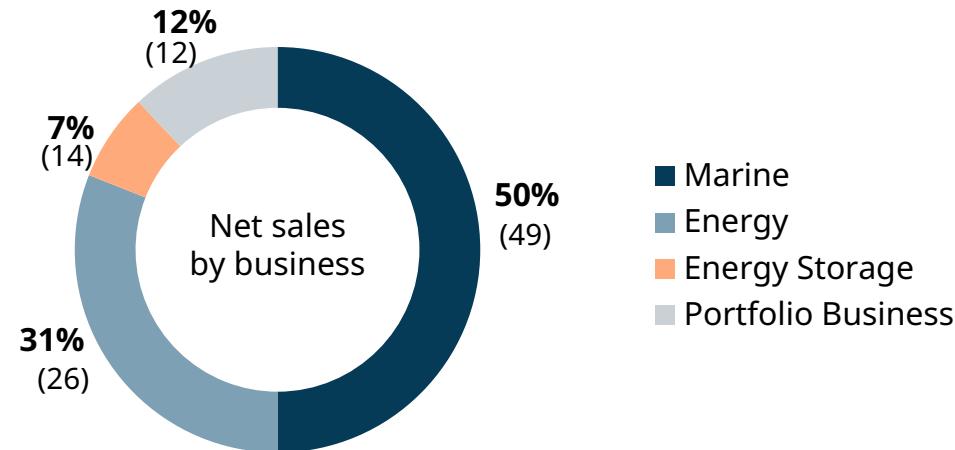


- Marine
- Energy
- Energy Storage
- Portfolio Business

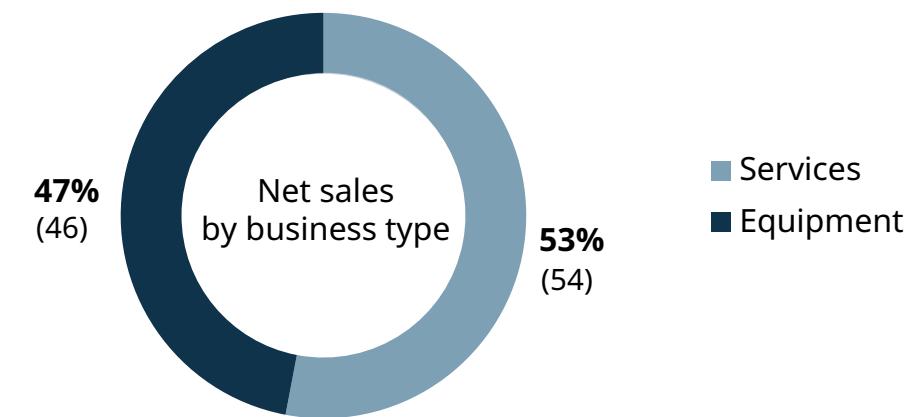


Net sales

Second quarter development

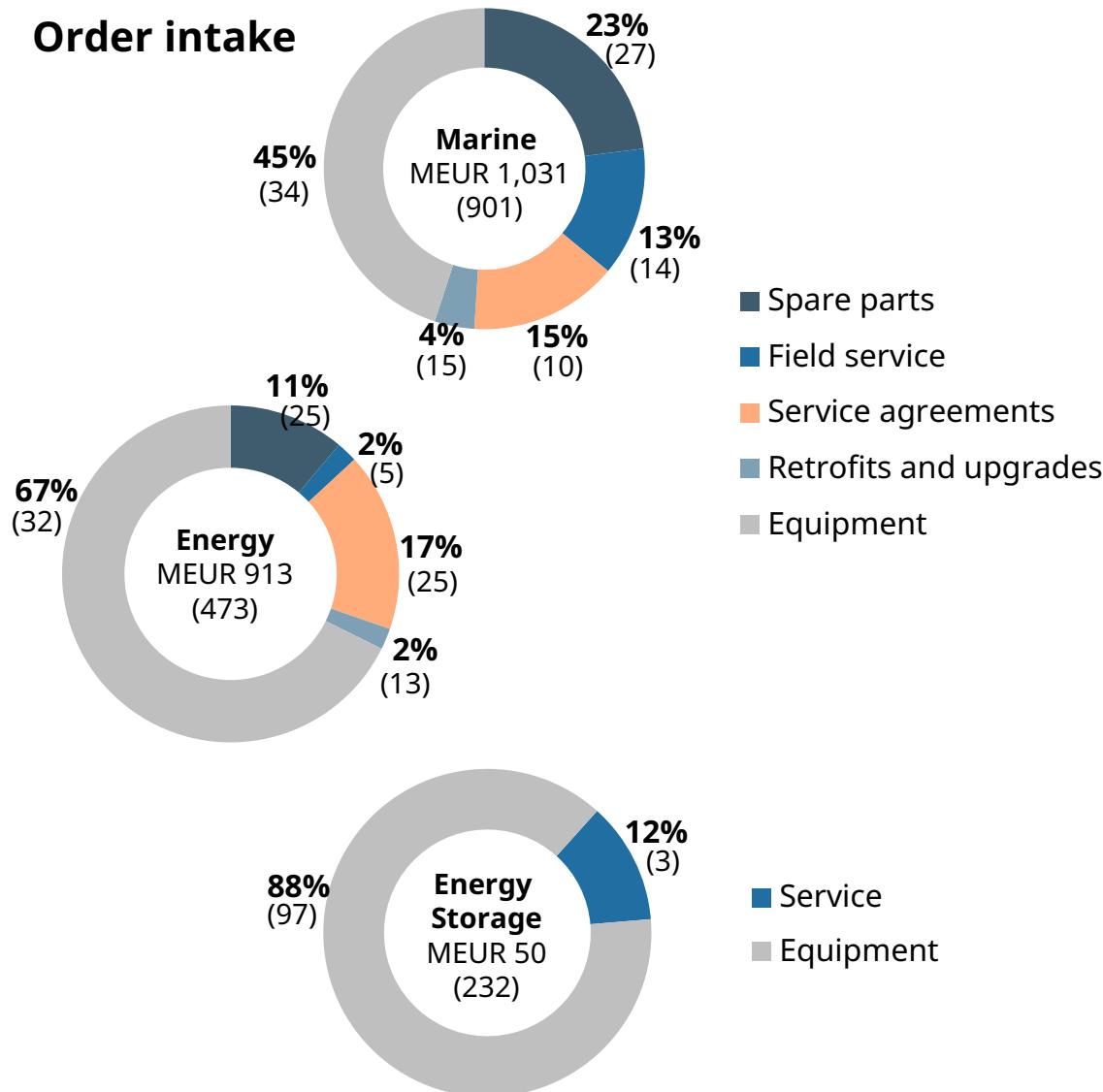


- Marine
- Energy
- Energy Storage
- Portfolio Business

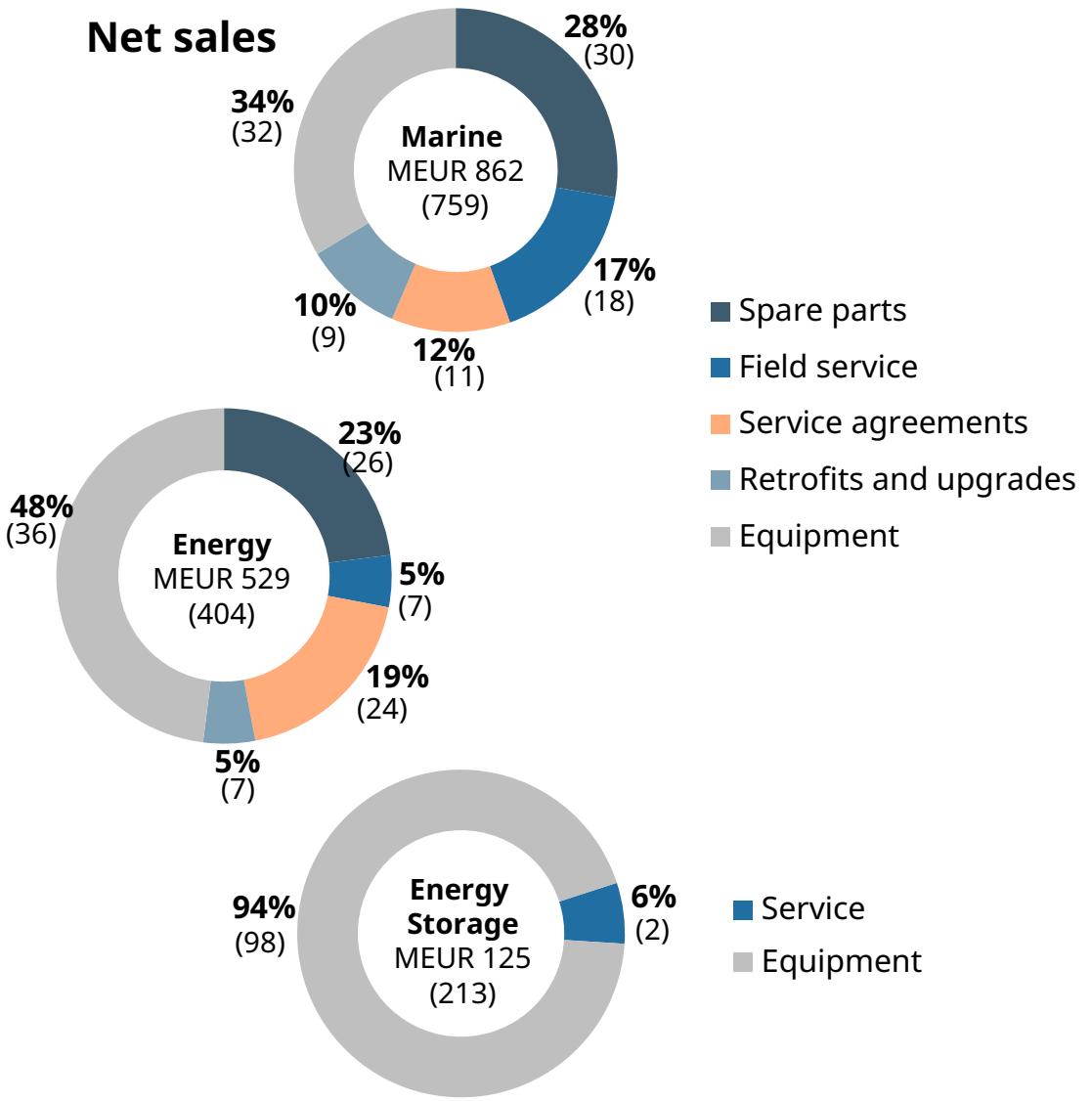


Second quarter development by business type

Order intake



Net sales



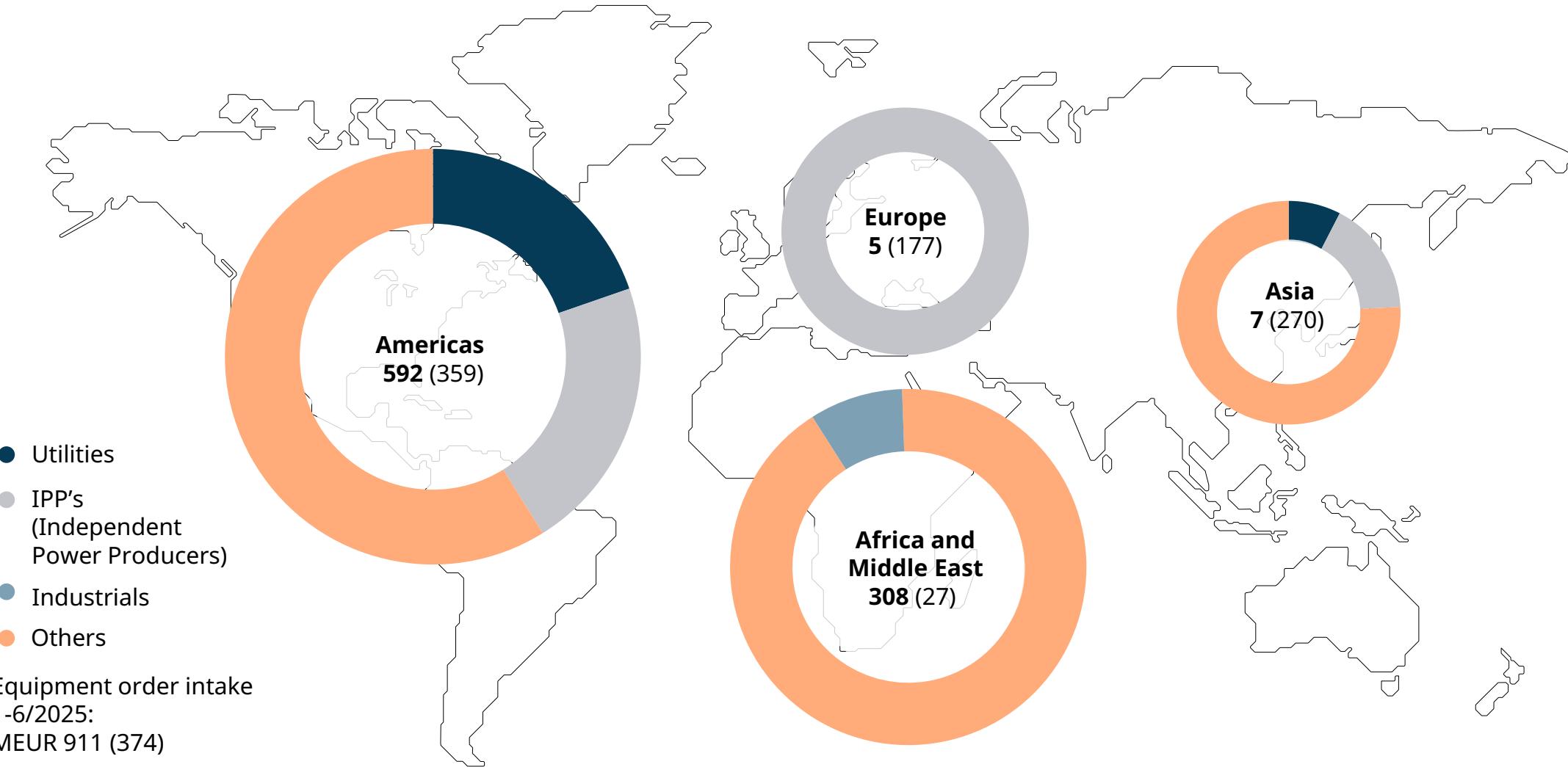
January–June order intake by customer segment

Marine	Gas carriers	Cruise & ferry	Offshore	Navy	Special vessels	Merchant	Other
Equipment	6% (5)	21% (27)	10% (5)	18% (6)	6% (13)	37% (38)	4% (6)
Services	13% (14)	24% (23)	15% (15)	8% (10)	11% (11)	27% (26)	1% (1)
Total	10% (11)	23% (24)	13% (11)	12% (9)	9% (11)	31% (30)	2% (3)

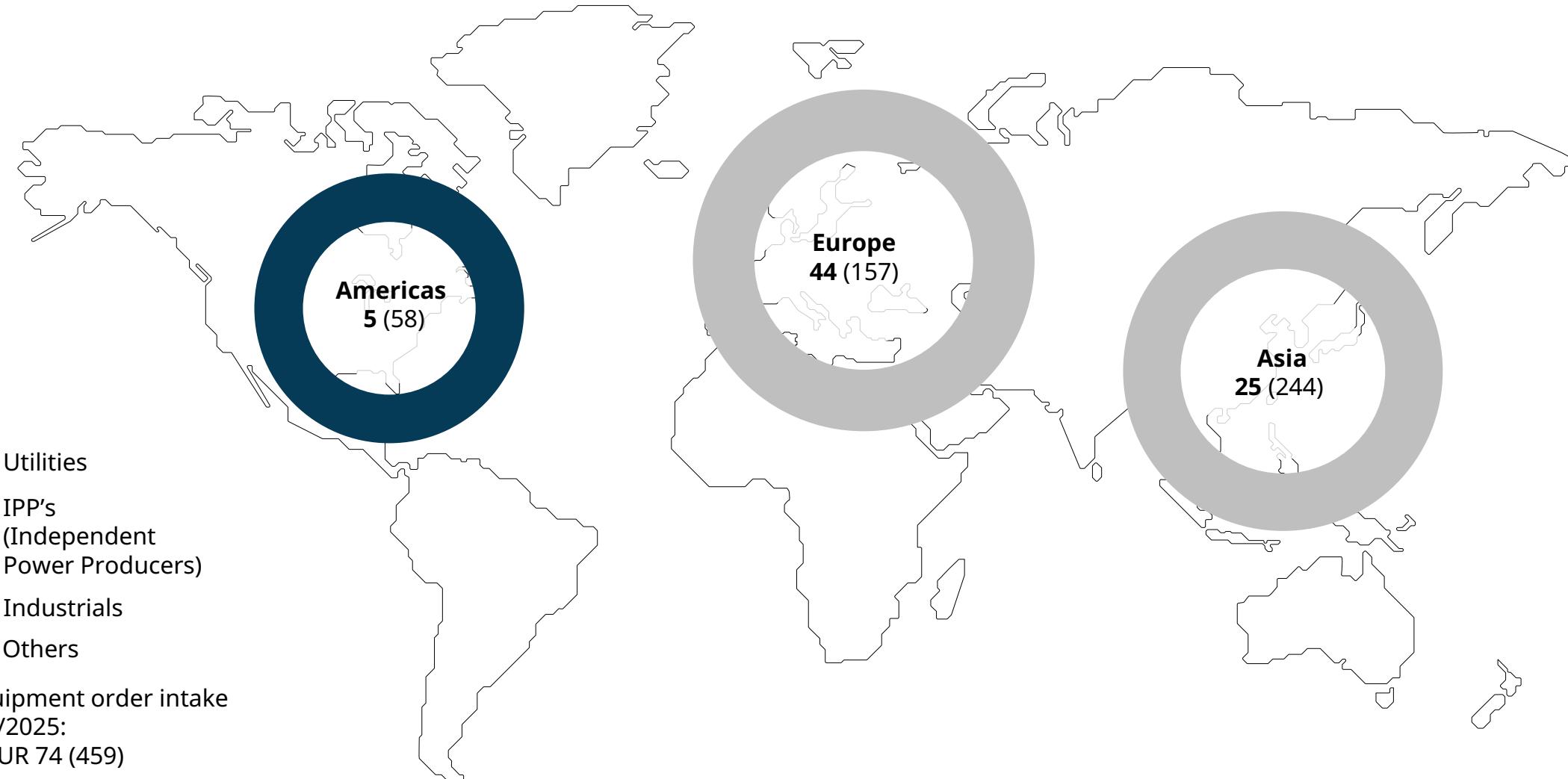
Energy	Utilities	Independent Power Producers	Industrials	Other
Equipment	13% (63)	15% (23)	3% (0)	70% (14)
Services	39% (29)	24% (33)	22% (24)	15% (13)
Total	39% (48)	24% (27)	22% (11)	15% (14)

Energy Storage	Utilities	Independent Power Producers	Industrials	Other
Total	7% (32)	93% (68)	0% (0)	0% (0)

January-June orders received for Energy equipment globally



January-June orders received for Energy Storage equipment globally





WÄRTSILÄ