Wärtsilä Corporation

Financial Statements Bulletin

January–December 2025

All-time high operating result and cash flow in 2025

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

October–December 2025 highlights

- Order intake in Marine and Energy combined increased by 6% to EUR 1,746 million (1,645), while the organic growth, which excludes FX impact and the impact of acquisitions and divestments, was 11%
- Total order intake decreased by 11% to EUR 2,220 million (2,491), while the organic growth was -4%
- Service order intake decreased by 5% to EUR 959 million (1,007)
- Net sales in Marine and Energy combined increased by 18% to EUR 1,657 million (1,406), while the organic growth was 23%
- Total net sales increased by 8% to EUR 2,002 million (1,854), while organic growth was 16%
- Book-to-bill amounted to 1.11 (1.34)
- The comparable operating result increased by 23% to EUR 256 million (209), which represents 12.8% of net sales (11.3)
- The operating result increased by 10% to EUR 251 million (229), which represents 12.5% of net sales (12.4)
- Earnings per share increased to EUR 0.32 (0.27)
- Cash flow from operating activities increased to EUR 652 million (437)

January–December 2025 highlights

- Order intake in Marine and Energy combined increased by 17% to EUR 6,866 million (5,875), while the organic growth, which excludes FX impact and the impact of acquisitions and divestments, was 20%
- Total order intake remained stable at EUR 8,102 million (8,072), while organic growth was 6%
- Service order intake remained stable at EUR 3,740 million (3,812)
- The order book at the end of the period remained stable at EUR 8,248 million (8,366) after elimination of approximately EUR 900 million related to the divestments in Portfolio Business
- Net sales in Marine and Energy combined increased by 12% to EUR 5,542 million (4,949), while the organic growth was 15%
- Total net sales increased by 7% to EUR 6,914 million (6,449), while organic growth was 11%
- Book-to-bill amounted to 1.17 (1.25)
- The comparable operating result increased by 20% to EUR 829 million (694), which represents 12.0% of net sales (10.8)
- The operating result increased by 16% to EUR 833 million (716), which represents 12.1% of net sales (11.1)
- Earnings per share increased to EUR 1.06 (0.85)
- Cash flow from operating activities increased to EUR 1,598 million (1,208)
- Dividend proposal: EUR 0.54 base dividend per share (0.44) and EUR 0.52 extraordinary dividend per share, totalling EUR 1.06 per share

Key figures

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**2,220**	2,491	-11%	**8,102**	8,072	0%
of which services	**959**	1,007	-5%	**3,740**	3,812	-2%
of which equipment	**1,262**	1,484	-15%	**4,362**	4,260	2%
Order book, end of period				**8,248**	8,366	-1%
Net sales	**2,002**	1,854	8%	**6,914**	6,449	7%
of which services	**963**	948	2%	**3,575**	3,422	4%
of which equipment	**1,039**	905	15%	**3,338**	3,027	10%
Book-to-bill	**1.11**	1.34		**1.17**	1.25	
EBITDA	**314**	250	25%	**1,045**	847	23%
% of net sales	**15.7**	13.5		**15.1**	13.1	
Comparable operating result	**256**	209	23%	**829**	694	20%
% of net sales	**12.8**	11.3		**12.0**	10.8	
Operating result	**251**	229	10%	**833**	716	16%
% of net sales	**12.5**	12.4		**12.1**	11.1	
Result before taxes	**251**	219	15%	**828**	687	20%
Earnings per share (EPS), basic and diluted, EUR	**0.32**	0.27		**1.06**	0.85	
Return on capital employed (ROCE)*, %				**65.4**	37.1	
Cash flow from operating activities	**652**	437		**1,598**	1,208	
Net interest-bearing debt, end of period				**-2,006**	-777	
Gearing				**-0.70**	-0.31	
Solvency, %				**40.5**	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 outlook

Marine
Wärtsilä expects the demand environment for the next 12 months (Q1/2026-Q4/2026) to be similar to that of the comparison period.

Energy
Wärtsilä expects the demand environment for the next 12 months (Q1/2026-Q4/2026) to be better than in the comparison period.

Energy Storage
Wärtsilä expects the demand environment for the next 12 months (Q1/2026-Q4/2026) 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.

Håkan Agnevall, President & CEO: Order intake increased in Marine and Energy, all-time high operating result and cash flow in 2025

2025 was a strong year for Wärtsilä. Despite increased uncertainty, the global economy showed greater resilience than anticipated. We continued steady progress in both the marine and energy markets. Order intake for Marine and Energy increased, and we delivered all-time high order intake, net sales, operating profit and cash flow for the year.

In the energy market, global power consumption continued to grow as electrification accelerates, industries expand, and the need for data centre capacity rises. The transition towards renewables continued to advance, and investments in renewables are expected to have posted another record high year in 2025, supported by favourable economics. This trend continues to drive demand for Wärtsilä's balancing solutions, both for engine power plants and battery energy storage systems.

In 2025, Wärtsilä continued its growth in the data centre segment. These applications require highly reliable and efficient power solutions to support their critical operations, and our medium-speed engine technology is well suited to meet these demands. During the year, we secured our first two projects in the US, which together included delivering 789 MWs of power from Wärtsilä engines. We continue to see interesting opportunities in this market going forward.

In the marine market, the year was impacted by geopolitical tensions and shifting trade patterns. Ordering eased across most vessel segments compared to the extraordinary activity seen in 2024, but the market sentiment for Wärtsilä's key customer segments remained on a good level. The decarbonisation transition continues, despite the IMO's postponement in October of a decision regarding the adoption of global regulations on shipping emissions. This postponement opens the door to a more fragmented landscape of carbon pricing mechanisms introduced by individual regions and countries. However, we continue to support our customers on their decarbonisation journey, offering a wide range of solutions ranging from improving fuel efficiency to abatement technologies such as carbon capture, and to alternative fuel and hybrid technologies.

In 2025, Wärtsilä's order intake increased organically by 6%. Equipment order intake increased in both Marine and Energy. In Energy Storage, the order intake was below the levels seen in 2024, but revived during the last quarter of the year. The Energy Storage business continues to face headwinds from elevated US tariffs and regulatory changes particularly related to FEOC (Foreign Entity of Concern), as well as intensified competition in other markets. Service order intake remained stable, supported by good development in agreements, while retrofits and upgrades decreased. The rolling 12-month book-to-bill ratio in service remains well above 1, indicating future growth. Organic net sales increased, with growth both in equipment and services.

The comparable operating result increased by 20% to EUR 829 million, representing 12.0% of net sales in 2025. The result was supported by good development in Marine, Energy and Portfolio Business, while the result in Energy Storage decreased, mainly due to lower volumes.

Cash flow from operating activities was at an all-time high level, following the improved result and a good level of received customer payments. We expect the negative working capital level to be sustained over the next years, and will continue our active efforts to manage working capital to maintain it well below the long-term historical average.

We took several steps during the year to increase our delivery capacity, positioning Wärtsilä to meet growing market demand in energy and marine. In April, we announced the expansion of our R&D testing and manufacturing capacity at our state-of-the-art Sustainable Technology Hub (STH) in Vaasa, Finland. After the reporting period, we communicated a total expansion of our production capacity at STH by 35%. The expanded capacity will enable Wärtsilä to deliver a higher volume of engines, and better support both customer needs and continued long-term business growth. The new production capacity will be installed within the previously announced expansion of STH, and is expected to be commissioned in the first quarter of 2028. In November, we announced the expansion of our main spare parts distribution centre in Kampen, the Netherlands and in December, we reported a strategic partnership with Siempelkamp Giesserei, a key supplier of large engine blocks for Wärtsilä engines, to strenghten our supply chain.

In 2025, we also made great progress in streamlining our business portfolio in order to become a more focused and profitable company. We divested the Automation, Navigation and Control Systems (ANCS) business in July and Marine Electric Systems in October. Additionally, we announced the divestment of the Gas Solutions business in December 2025. Subject to approvals, this transaction is expected to be completed in the second quarter of 2026.

In March, we concluded the strategic review of Energy Storage and Optimisation business, and decided to separate it as an individual segment. Following the new reporting structure, we also set new financial targets. Marine and Energy combined has delivered good growth and reached an operating margin of 13.8% during 2025. The US tariffs were only introduced shortly after the conclusion of the strategic review, and the Energy Storage market environment was especially affected. In Energy Storage, the low order intake in 2025 puts significant pressure on profitability going forward. For 2026 we still need orders to cover the costs of the business. While we remain focused on profitable customer segments, we are also looking at measures that improve the competitiveness of the Energy Storage business.

We expect the demand environment for the coming 12 months to be better than in the comparison period in Energy and Energy Storage, while the demand environment in Marine is expected to remain at a similar level. We see that the growing demand for electricity, data centre power solutions and renewable energy will continue to drive the demand for both Energy and Energy Storage businesses. Despite a good level of order intake in Q4, it is worth noting that the order intake in the comparison period of last 12 months for Energy Storage was weak. The current high external uncertainties continue to make forward-looking statements challenging.

At Wärtsilä, we are in a unique position to contribute to the decarbonisation transformation of our two industries, while continuing to deliver profitable growth and sustainable long-term value to our shareholders. I would like to express my sincere thanks to our customers, partners, our engaged Wärtsilä team, and our shareholders for your trust and support. Wärtsilä can make a difference for the future and I am excited to have the opportunity to continue this journey together with you all.

Orders, net sales and profitability

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**2,220**	2,491	-11%	**8,102**	8,072	0%
Order book, end of period				**8,248**	8,366	-1%
Net sales	**2,002**	1,854	8%	**6,914**	6,449	7%
Comparable operating result	**256**	209	23%	**829**	694	20%
% of net sales	**12.8**	11.3		**12.0**	10.8	
Operating result	**251**	229	10%	**833**	716	16%
% of net sales	**12.5**	12.4		**12.1**	11.1	

Order intake bridge

MEUR	10–12/2025	1–12/2025
2024	**2,491**	**8,072**
Organic	-4%	6%
Acquisitions and divestments	-2%	-4%
FX impact	-4%	-2%
2025	**2,220**	**8,102**

Net sales bridge

MEUR	10–12/2025	1–12/2025
2024	**1,854**	**6,449**
Organic	16%	11%
Acquisitions and divestments	-5%	-2%
FX impact	-4%	-2%
2025	**2,002**	**6,914**

Development in October–December

Order intake decreased by 11%. Service order intake decreased by 5%. Development was good in Energy, but Marine, Portfolio Business and Energy Storage decreased. Excluding the negative currency impact, service order intake was stable. Equipment order intake decreased by 15%, mainly due to the strong comparison period in Energy Storage and divestments in Portfolio Business. Equipment order intake increased in Marine.

Net sales increased by 8%. Service net sales remained stable, supported by growth in Marine, but negatively impacted by lower service net sales in Portfolio Business and Energy. Equipment net sales increased by 15%, primarily due to the timing of deliveries in Energy.

The comparable operating result totalled EUR 256 million (209) or 12.8% of net sales (11.3). The comparable operating result was supported by increases in Marine and Energy, while it decreased in Energy Storage. **The operating result** amounted to EUR 251 million (229) or 12.5% of net sales (12.4). Items affecting comparability amounted to EUR -5 million (20) and were mostly related to the asset held for sale categorisation of the Gas Solutions business unit and restructuring of engine manufacturing in Europe.

Development in January–December

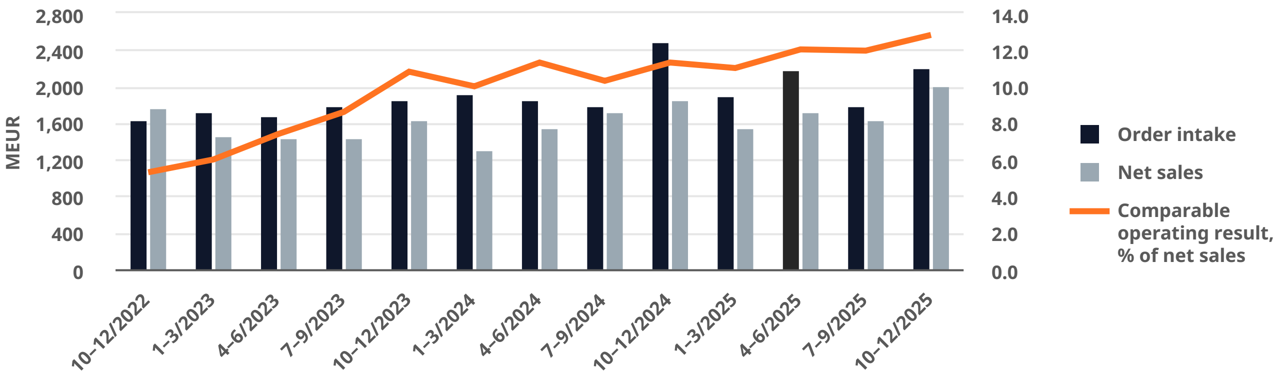
Order intake remained stable both in service and equipment. Service order intake was supported by growth in agreements, while retrofits and upgrades decreased. Equipment order intake increased in Energy and Marine, while it decreased in Energy Storage. The Energy Storage business is facing headwinds from elevated US tariffs, regulatory changes, and intensified competition in other markets.

The order book at the end of the period remained stable at EUR 8,248 million (8,366). The order book has been corrected during the year after elimination of approximately EUR 900 million following the divestments of Automation, Navigation and Control Systems (ANCS), and Marine Electrical Systems (MES) business units. Wärtsilä's current order book for 2026 deliveries is EUR 4,991 million (5,075).

Net sales increased by 7%. Service net sales increased by 4%, driven by growth in Marine and Energy. Equipment net sales increased by 10%, supported by Marine and Energy. Of Wärtsilä's net sales, 57% was EUR denominated and 29% USD denominated, with the remainder being split between several currencies.

The comparable operating result totalled EUR 829 million (694) or 12.0% of net sales (10.8). The comparable operating result was supported by increases in Marine, Energy, and Portfolio Business. **The operating result** amounted to EUR 833 million (716) or 12.1% of net sales (11.1). Items affecting comparability amounted to EUR 4 million (23) and were mostly related to the divestments, the asset held for sale categorisation of the Gas Solutions business unit as well as the restructuring of engine manufacturing in Europe. Financial items amounted to EUR -5 million (-29). Net interest totalled EUR 17 million (7). The result before taxes amounted to EUR 828 million (687). Taxes amounted to EUR 198 million, implying an effective tax rate of 23.9% (26.2). The result for the reporting period amounted to EUR 630 million (507). Basic earnings per share totalled 1.06 euro (0.85). Return on investments (ROI) was 26.2% (23.7) while the return on equity (ROE) was 23.3% (21.3). Return on capital employed (ROCE) was 65.4% (37.1) due to the increased operating result and improved working capital.

Quarterly development



Financing, cash flow and capital expenditure

MEUR	10–12/2025	10–12/2024	1–12/2025	1–12/2024
Cash flow from operating activities	**652**	437	**1,598**	1,208
Working capital			**-1,263**	-787
Net interest-bearing debt, end of period			**-2,006**	-777
Gearing			**-0.70**	-0.31
Solvency, %			**40.5**	37.4
Equity/share, EUR			**4.89**	4.29

Development in October–December

Cash flow from operating activities amounted to EUR 652 million (437), the improvement being driven by the improved result and a good level of received customer payments. Working capital totalled EUR -1,263 million at the end of the period (-1,091 at the end of the previous quarter). Advances received totalled EUR 1,347 million (1,151 at the end of the previous quarter).

Development in January–December

Cash flow from operating activities totalled EUR 1,598 million (1,208). **Working capital** totalled EUR -1,263 million at the end of the period (-787 at the end of 2024). Advances received totalled EUR 1,347 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 2,590 million (1,554 at the end of 2024). Additionally, EUR 0 million of cash and cash equivalent pertained to assets held for sale (4 at the end of 2024). Unutilised committed credit facilities totalled EUR 636 million (644 at the end of 2024).

Wärtsilä's **net interest-bearing debt** totalled EUR -2,006 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 78 million. Long-term debt amounted to EUR 503 million. Additionally, EUR 4 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 150 million (170) for the period January–December. Depreciation, amortisation, and impairment amounted to EUR 211 million (131), including the depreciation of right-of-use assets of EUR 48 million (51).

In 2026, capital expenditure related to intangible assets and property, plant, and equipment is expected to be above depreciation, amortisation, and impairment.

Research and development expenditure totalled EUR 329 million (296) in 2025, which represents 4.8% of net sales (4.6).

Operating environment

General macro environment

Global economy remained resilient in 2025

The global economy proved to be more resilient and robust in 2025 than initially expected. The OECD stated in its December economic outlook report that despite mixed activity indicators globally and ongoing policy uncertainty, global trade volumes remained strong. This was primarily driven by the front-loading of production and trade ahead of tariffs, strong AI-related investments, and supportive fiscal and monetary policies. As the front-loading of consumption and investment spending started to unwind later in the year, industrial production eased in places like Germany and Japan, but remained steadier in China and the USA. However, signs of slowing momentum emerged, particularly in industrial production in major economies, while consumer confidence remained subdued. Furthermore, the impact of higher effective tariff rates became increasingly visible, especially in the USA, impacting both prices and business costs.

Marine market

Contracting in 2025 decreased from the extraordinary activity levels seen in 2024

The marine market in 2025 was impacted by geopolitical tensions, shifting trade patterns, and the IMO decision to delay the adoption of global carbon pricing mechanism. The announced tariff policies, the growing national interests in shipbuilding, concerns on security of supply, and the disruptions to critical shipping routes have led to increasing uncertainty, especially among shipowners. Market sentiment remained on a good level. The uncertainty caused by the tariff policies eased towards the end of the year, along with a truce to hostilities being established in the war in the Middle East, raised the prospects of more widespread use of the Suez canal. In October, the vote to adopt the IMO's Net Zero Framework was postponed by one year. This outcome opens the door to a fragmented landscape of carbon pricing mechanisms being introduced by individual regions and countries.

Ordering eased across most segments compared to the extraordinary activity seen in 2024. Meanwhile, ordering has continued to be on a good level in some segments, notably containerships, cruise vessels, and LNG bunkering ships. In total, 2,029 newbuild contracts were reported in January-December, compared to 2,386 contracts reported in 2024, excluding late reporting of contracts. A total of 366 orders for new alternative fuel capable ships were reported in January-December, accounting for 18% (27) of all contracted vessels and 37% (50) of the capacity of contracted vessels.

With moderating ordering volumes, increasing shipyard capacity and high delivery output, average newbuild ship prices declined modestly throughout the year. Despite this, the shipyards' forward cover remains largely unchanged at 3.9 years globally, the highest level since 2009.

Market sentiment for Wärtsilä's key customer segments remains on a good level

In the cruise segment, market sentiment continues to be positive, driven by growth in demand for cruises. This momentum has enabled cruise operators to firm up plans for acquiring additional ship capacity to support their long-term expansion objectives. Additionally, service demand is being bolstered by the growth in active fleet capacity, interest in efficiency enhancements required for regulatory compliance, and efforts to reduce operational costs.

In the ferry segment, market sentiment remained positive with fleet renewal being the key driver for solid newbuild activity in 2025. However, high newbuild prices and limited yard slots continued to limit the near-term investment appetite for newbuilds. The demand for service was supported by improving fleet utilisation rates, and operator interest in maintaining and improving the efficiency of their ageing fleets.

In the offshore segment, capex commitments to oil & gas projects picked up in late 2025, supporting the demand especially for mobile oil and gas production units. This uptick indicates that oil companies have moved past some of the earlier uncertainty. Newbuild activity continued to be limited by high prices, the availability of finance, a shortage of yard capacity, and moderating day rates. Sentiment in the offshore wind sector was impacted by uncertainty in political support across countries, as well as by ongoing cost pressures impacting investor confidence. This has resulted in project delays and a more limited interest in newbuilds. The demand for service across both offshore sub-segments was driven by relatively high asset utilisation rates.

In the LNG carrier segment, market conditions were challenging despite a seasonal uptick in Q4. Increased short-haul trade constrained demand for ships, while strong fleet capacity growth continued, putting significant pressure on spot and utilisation rates for mostly the older ships. Newbuild activity has moderated significantly from prior years, due to strong orderbooks and delays to LNG export projects. Newbuild ordering for LNG bunkering vessels reached a new annual record as the current fleet capacity struggles to keep pace with the increase in use of LNG as fuel. The demand for service was negatively affected by the higher idling of ships, and by owners seeking to cut costs in adverse market conditions.

In the containership segment, market sentiment remained mixed and uncertain. Freight market conditions continued to soften, while the timecharter market was more balanced. Geopolitics and the Red Sea rerouting remain key sources of uncertainty to the demand outlook for containerships. Despite this, the investment appetite for newbuilds remained very strong as liner operators and tonnage providers have progressed with their fleet renewal plans. The high uncertainty over demand for ship capacity affected demand for service, but overall service demand remained healthy and was supported by high ship utilisation rates.

Energy market

Increased demand drives energy transition investment

The global energy transition continues to move forward despite certain countries having a reduced climate ambition. Most research agencies, such as IEA and BloombergNEF, have kept their global forecasts for wind and solar similar to previous levels, highlighting continued short- and long-term growth and annual capacity additions of hundreds of gigawatts. Favourable economics shield wind and solar from changes in policy, while at the same time, in most countries, policies continue to be supportive of renewables.

Two key themes stood out in energy-related macroeconomic development in 2025: load growth and tariff-related uncertainty. Accelerated load growth from the electrification of industry, transport, and heating, as well as from data centre investments, have led to high demand for all power-producing assets, including gas-fuelled power. The uncertain tariff and regulatory situation poses challenges to all actors due to its impact on global energy technology supply chains, and is expected to continue in 2026. This situation has led to longer delivery times, and industry participants have responded by expanding manufacturing capacity.

The investment environment for energy technologies has improved along with global macroeconomic conditions. During 2025, global natural gas and LNG prices decreased. Prices are expected to somewhat decrease in the second half of the decade due to increased supply, and volatility has also decreased. Prices for lithium rebounded slightly after hitting a four-year low during the summer.

In engine power plants, the market demand for equipment and services has been strong. 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 2025 is expected to be larger than in any previous year, based on data from both McCoy Power Reports and that gathered internally. The drivers for balancing demand are also expected to continue to develop favourably. For example, BloombergNEF expects wind and solar capacity addition projects to grow towards 2035, while supportive market reforms are developing, and old, inflexible coal and gas plants are being retired. The baseload segment remains a consistent 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.

Demand for baseload generation is expected to remain stable, with further growth opportunities in data centres. The data centre power landscape is undergoing a significant transformation. Rapid growth in high-tech industries and AI applications is driving unprecedented energy demand, making reliable on-site power essential.

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 have surpassed 200 GWh in 2025, and is expected to exceed 400 GWh before the end of the decade, according to BloombergNEF. The US market is facing regulatory headwinds, though several drivers remain solid, with data centres as a potential new opportunity. Globally, competition has tightened as battery manufacturers, for example, have expanded downstream, putting pressure on profitability.

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 in 2025

During 2025, Wärtsilä continued to advance sustainable fuel product development in line with its decarbonisation roadmap. The company focused on building the infrastructure needed to enhance engine testing capabilities for sustainable fuels. Testing capacity for methanol was expanded, while technology and product development for ammonia and hydrogen continued to progress. The infrastructure for ammonia testing was also strengthened, enabling the start of ammonia test runs at the Sustainable Technology Hub in Vaasa, Finland. A milestone was reached in the fourth quarter with the completion of the Factory Acceptance Test of the first customer ammonia engine.

In support of the "Set for 30" target to achieve carbon-neutrality in its own operations by 2030, several initiatives were implemented during the year. Wärtsilä piloted the use of liquified biogas (LBG) in engine testing activities and successfully reduced the duration of the Factory Acceptance Test for the company's largest engine type. In addition, Wärtsilä continued to purchase renewable electricity, with over 79% (MWh) of the total electricity consumption in 2025 coming from renewable sources. These efforts contribute to decreasing Wärtsilä's Scope 1 and Scope 2 greenhouse gas emissions.

Of the total engine megawatts that Wärtsilä has delivered during the past twelve months, 74% were alternative fuel capable in Marine, while 89% in Energy were gas and dual-fuelled.

Wärtsilä's four-year health and safety programme "Success through Safety", launched in 2023, focuses on four streams: employee safety, contractor safety, product safety, and occupational health.

In 2025, Wärtsilä advanced several initiatives, including a global learning event and updated training materials to strengthen frontline engagement during safety walks and wellbeing talks. To address emerging risks, safety training programmes for marine battery systems, and ammonia as a fuel were introduced, supporting safe operations as these applications become more common on vessels.

Our wellbeing efforts focused on mental health and continued implementation of the six wellbeing elements defined in our global Wellbeing Framework. A key initiative was fostering regular wellbeing talks within teams to promote psychological safety, strengthen cohesion, and proactively identify support needs.

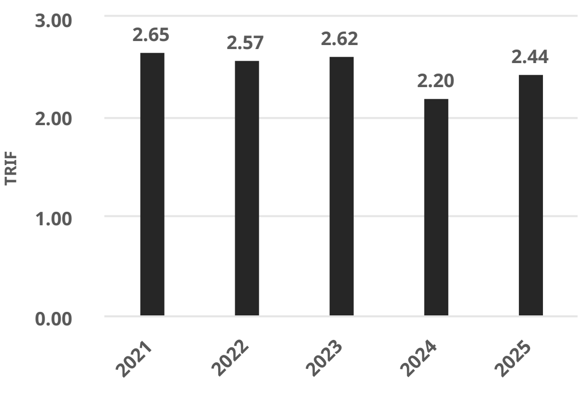
The roll-out of the "One Winning Team" safety awareness training progressed in 2025. By year-end, more than 7,700 employees had completed the training globally. Our aim was to have all frontline employees trained by the end of 2025, and we reached 86%. Training workshops will continue in 2026.

The frequency of total recordable injuries increased compared to the previous year. In response, Wärtsilä reviewed work practices and conditions, resulting in targeted corrective actions being implemented locally. These findings have also shaped the action plans for 2026. In 2025, the total recordable injury frequency rate (TRIF) was 2.44 (2.20).

Wärtsilä's safety KPI's

	1–12/2025	1–12/2024
Frequency of total recordable injuries (TRIF), for own employees	**2.44**	2.20
Number of Safety Walks	**14,300**	12,900
Ratio of front-line employees who have reported at least one near miss or hazard observation in the previous 12 months	**75.0%**	70.0%

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	2025
Dow Jones*	0 to 100	62**	28	2025
Ecovadis	0 to 100 Bronze to Platinum	74 Silver	N/A	2025
FTSE Russell	1 to 5	3.5	2.7	2025
MSCI	CCC to AAA	AAA	AA	2025
Sustainalytics	100 to 0	23***	32	2025

*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	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**988**	918	8%	**3,926**	3,637	8%
of which services	**541**	594	-9%	**2,242**	2,307	-3%
of which equipment	**447**	323	38%	**1,684**	1,329	27%
Order book, end of period				**3,725**	3,409	9%
Net sales	**935**	847	10%	**3,494**	3,053	14%
of which services	**610**	552	11%	**2,222**	2,050	8%
of which equipment	**324**	295	10%	**1,272**	1,002	27%
Book-to-bill	**1.06**	1.08		**1.12**	1.19	
Comparable operating result	**122**	100	23%	**443**	360	23%
% of net sales	**13.0**	11.8		**12.7**	11.8	
Operating result	**134**	100	33%	**449**	364	23%
% of net sales	**14.3**	11.8		**12.9**	11.9	

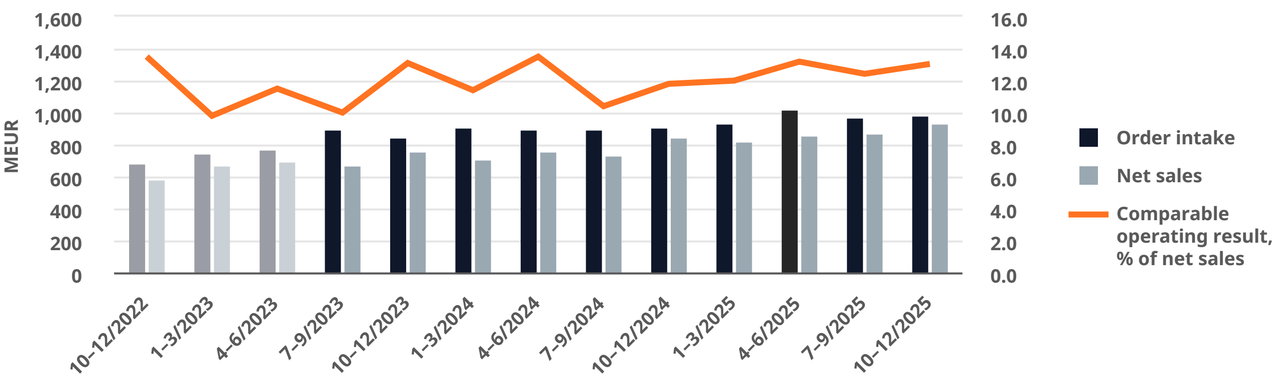
Order intake bridge

MEUR	10–12/2025	1–12/2025
2024	**918**	**3,637**
Organic	11%	10%
Acquisitions and divestments	0%	0%
FX impact	-3%	-2%
2025	**988**	**3,926**

Net sales bridge

MEUR	10–12/2025	1–12/2025
2024	**847**	**3,053**
Organic	14%	16%
Acquisitions and divestments	0%	0%
FX impact	-3%	-2%
2025	**935**	**3,494**

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). These periods are incomparable with the rest of the data.

Development in October–December

Order intake increased by 8%. Service order intake decreased by 9%. Service order intake increased in parts and field service but decreased in agreements and service projects. Service order intake increased in the merchant and offshore segments, while it decreased in the cruise segment. Rolling 12-month book-to-bill ratios remained above 1 in all service disciplines, excluding retrofits and upgrades. Equipment order intake increased by 38%, driven by special vessels, ferry and offshore segments, while it decreased in the cruise segment.

Net sales increased by 10%. Service net sales increased by 11%, driven by higher sales in agreements. Service net sales increased primarily in the cruise segment. Equipment net sales increased by 10%, driven especially by the merchant segment deliveries.

The **comparable operating result** amounted to EUR 122 million (100) or 13.0% of net sales (11.8). The result was supported by higher service and equipment volumes providing better operating leverage, and improved newbuild margins. Conversely, the result was negatively impacted by the increased R&D cost needed to support the development of decarbonisation technology. The comparable operating margin increased, thanks to a favourable mix between equipment and services. Items affecting comparability totalled EUR 12 million (1) and were mainly related to the restructuring of engine manufacturing in Europe.

Development in January–December

Order intake increased by 8%. Service order intake decreased by 3%, supported by higher activity in agreements, but negatively impacted by a decrease in the number of retrofits and upgrades. Service order intake increased primarily in the merchant and special vessels segments, while it decreased in the navy, ferry and gas carrier segments. Equipment order intake increased by 27%, driven by the ferry and navy segments.

Order book at the end of period increased by 9%. Equipment delivery times increased, which has impact on revenue recognition going forward. Conversion times from order intake to net sales have increased driven by longer yard backlogs. Marine's current order book for 2026 deliveries is EUR 2,341 million (2,227).

Net sales increased by 14%. Service net sales increased by 8%, driven by the merchant and ferry segments. Equipment net sales increased by 27%, supported by the merchant, ferry and special vessels segment deliveries.

The **comparable operating result** amounted to EUR 443 million (360) or 12.7% of net sales (11.8). The result was supported by higher service and equipment volumes providing better operating leverage. Conversely, the result was negatively impacted by the increased R&D cost needed to support the development of decarbonisation technology. The comparable operating margin improved, despite a less favourable mix impact between equipment and service. Items affecting comparability totalled EUR 6 million (4) and were primarily related to the restructuring of engine manufacturing in Europe.

Reporting segment: Wärtsilä Energy

As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy, focusing on the power plants and related lifecycle businesses, and Energy Storage, focusing on the battery storage and related lifecycle businesses. The comparison figures have been restated to reflect the new segment structure.

Key figures

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**758**	727	4%	**2,940**	2,238	31%
of which services	**386**	341	13%	**1,311**	1,255	4%
of which equipment	**371**	386	-4%	**1,629**	983	66%
Order book, end of period				**3,009**	2,296	31%
Net sales	**723**	560	29%	**2,048**	1,897	8%
of which services	**328**	337	-3%	**1,188**	1,158	3%
of which equipment	**394**	223	77%	**860**	738	16%
Book-to-bill	**1.05**	1.30		**1.44**	1.18	
Comparable operating result	**115**	85	36%	**315**	269	17%
% of net sales	**16.0**	15.1		**15.4**	14.2	
Operating result	**116**	83	40%	**315**	267	18%
% of net sales	**16.1**	14.9		**15.4**	14.1	

Order intake, MW

	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
MW	**520**	587	-11%	**2,324**	1,376	69%

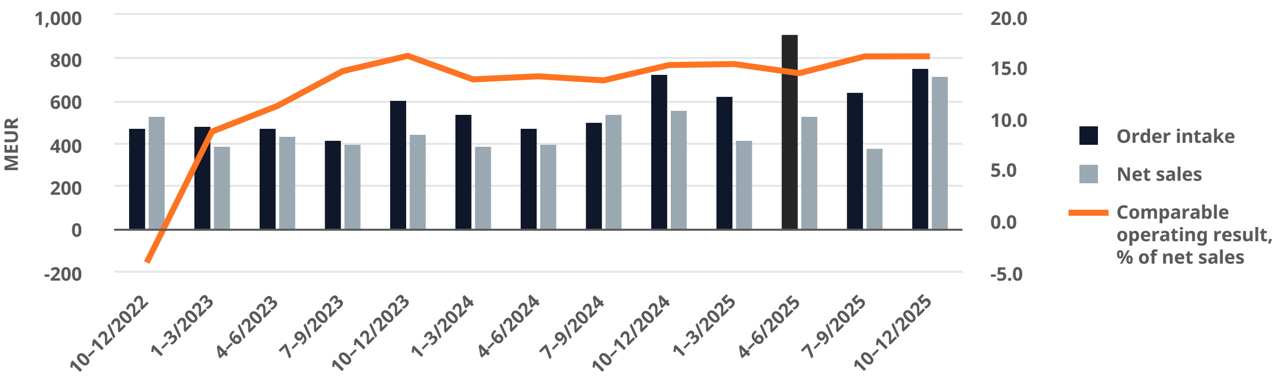
Order intake bridge

MEUR	10–12/2025	1–12/2025
2024	**727**	**2,238**
Organic	13%	37%
Acquisitions and divestments	0%	0%
FX impact	-8%	-6%
2025	**758**	**2,940**

Net sales bridge

MEUR	10–12/2025	1–12/2025
2024	**560**	**1,897**
Organic	36%	12%
Acquisitions and divestments	0%	0%
FX impact	-7%	-4%
2025	**723**	**2,048**

Quarterly development



Development in October–December

Order intake increased by 4%. Service order intake increased by 13%, driven by higher activity in agreements and field service. Equipment order intake decreased by 4%. The equipment order intake in Energy is lumpy by nature, which means that the order intake can vary significantly from one quarter to another.

Net sales increased by 29%. Service net sales decreased by 3%. Parts and field services increased, while service projects and agreements decreased. Equipment net sales increased by 77%, due to the timing of deliveries. The majority of equipment deliveries in the Energy order book are extended equipment supply (EEQ) deliveries, for which revenue is recognised at a point in time.

The **comparable operating result** amounted to EUR 115 million (85) or 16.0% of net sales (15.1). The comparable operating result was supported by higher equipment volumes providing better operating leverage, but was negatively impacted by the increased R&D cost needed to support the development of decarbonisation technology. The comparable operating margin increased despite a less favourable mix between equipment and services.

Development in January–December

Order intake increased by 31%. Service order intake increased by 4%, supported by higher activity in agreements and field service, while it was negatively impacted by a decrease in retrofit and upgrades. Equipment order intake increased by 66%, driven primarily by the particularly high closing activity of projects during the second quarter of 2025.

Order book at the end of period increased by 31%. Equipment delivery times increased towards the end of the year, which has impact on revenue recognition going forward. Energy's current order book for 2026 deliveries is EUR 1,619 million (1,434).

Net sales increased by 8%. Services net sales increased by 3%, supported primarily by higher activity in spare parts and field service. Equipment net sales increased by 16%.

The **comparable operating result** amounted to EUR 315 million (269) or 15.4% of net sales (14.2). The comparable operating result was supported by higher equipment and service volumes. Conversely, the result was negatively impacted by the increased R&D cost needed to support the development of decarbonisation technology. The comparable operating margin increased despite a less favourable mix between equipment and services.

Reporting segment: Wärtsilä Energy Storage

As of 1 April 2025, the reporting segment Energy has been separated into two independent reporting segments: Energy, focusing on the power plant and related lifecycle businesses, and Energy Storage, focusing on the battery storage and related lifecycle businesses. The comparison figures have been restated to reflect the new segment structure.

Key figures

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**364**	608	-40%	**455**	1,128	-60%
of which services	**11**	19	-39%	**28**	36	-20%
of which equipment	**352**	589	-40%	**427**	1,093	-61%
Order book, end of period				**719**	1,117	-36%
Net sales	**207**	257	-20%	**694**	794	-13%
of which services	**5**	6	-3%	**23**	15	52%
of which equipment	**201**	252	-20%	**672**	779	-14%
Book-to-bill	**1.76**	2.36		**0.66**	1.42	
Comparable operating result	**9**	18	-50%	**24**	33	-27%
% of net sales	**4.3**	6.9		**3.4**	4.2	
Operating result	**9**	17	-47%	**23**	33	-29%
% of net sales	**4.5**	6.7		**3.3**	4.1	

Order intake, MWh

	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
MWh	**2,302**	3,275	-30%	**2,677**	5,550	-52%

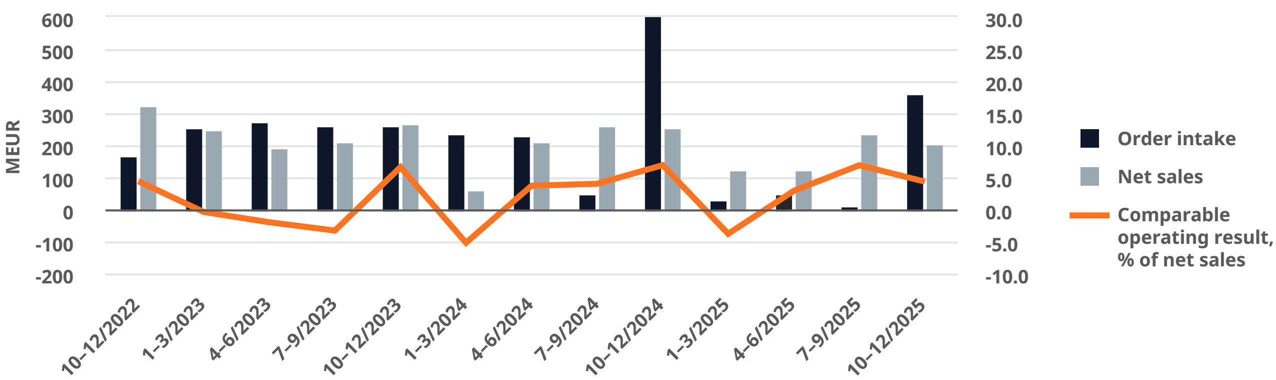
Order intake bridge

MEUR	10–12/2025	1–12/2025
2024	**608**	**1,128**
Organic	-37%	-59%
Acquisitions and divestments	0%	0%
FX impact	-3%	0%
2025	**364**	**455**

Net sales bridge

MEUR	10–12/2025	1–12/2025
2024	**257**	**794**
Organic	-19%	-11%
Acquisitions and divestments	0%	0%
FX impact	-1%	-1%
2025	**207**	**694**

Quarterly development



Development in October–December

Order intake decreased by 40%. Service order intake decreased by 39% and equipment order intake decreased by 40% from the extremely high comparison period. Equipment order intake picked up as expected in Q4. The equipment order intake in Energy Storage is lumpy by nature, which means that order intake can vary significantly from one quarter to another.

Net sales decreased by 20%. Service net sales decreased by 3%. Equipment net sales decreased by 20% due to the timing of project delivery milestones.

The **comparable operating result** amounted to EUR 9 million (18) or 4.3% of net sales (6.9). The result and margin were positively impacted by solid project execution. Conversely, the result was negatively impacted by lower volumes and higher R&D costs.

Development in January–December

Order intake decreased by 60%. Service order intake decreased by 20% and equipment order intake decreased by 61%. The US market continues to face headwinds from tariffs on China and other nations, as well as from regulatory changes particularly related to FEOC (Foreign Entity of Concern).

Order book at the end of period decreased by 36%. Energy Storage's current order book for 2026 deliveries is EUR 426 million (707).

Net sales decreased by 13%. Services net sales increased by 52%, supported by the growing installed base and long-term service agreements signed with customers. Equipment net sales decreased by 14% due to the timing of project delivery milestones.

The **comparable operating result** amounted to EUR 24 million (33) or 3.4% of net sales (4.2). The result and margin were positively impacted by solid project execution, as well as higher service volumes. Conversely, the result was negatively impacted by lower equipment volumes, higher R&D costs, and the increased headcount to support new markets, customers and products.

Other business activities: Wärtsilä Portfolio Business

Wärtsilä Portfolio Business consists of business units that are run independently with the aim of accelerating performance improvement, and unlocking value through divestments or other strategic alternatives. At the end of 2025 Portfolio Business includes Gas Solutions 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. The transaction was completed on 1 July 2025. Annual revenue of the business was EUR 127 million in 2025 until disposed (227).

On 17 July 2025, Wärtsilä announced that it had agreed to divest its Marine Electrical Systems business to Vinci Energies. The transaction was completed on 31 October 2025. Annual revenue of the business was EUR 92 million in 2025 until disposed (105).

On 22 December 2025, Wärtsilä announced that it had agreed to divest its Gas Solutions business to Mutares SE & Co. KGaA. Subject to approvals, the transaction is expected to be completed in the second quarter of 2026. Annual revenue of the business was EUR 394 million in 2025 (301).

Key figures

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**110**	239	-54%	**781**	1,069	-27%
of which services	**19**	53	-64%	**158**	214	-26%
of which equipment	**91**	186	-51%	**622**	855	-27%
Order book, end of period				**796**	1,544	-48%
Net sales	**138**	190	-28%	**677**	706	-4%
of which services	**19**	54	-65%	**142**	198	-28%
of which equipment	**119**	136	-13%	**535**	508	5%
Book-to-bill	**0.80**	1.26		**1.15**	1.51	
Comparable operating result	**10**	7	47%	**47**	32	46%
% of net sales	**7.4**	3.7		**6.9**	4.5	
Operating result	**-8**	28	-130%	**46**	52	-11%
% of net sales	**-6.1**	14.8		**6.8**	7.4	

Development in October–December

Order intake decreased by 54%, due to a decline in the Gas Solutions business unit, as well as the divestment of Automation, Navigation and Control Systems (ANCS) business unit. Services order intake decreased by 64%, while equipment order intake decreased by 51%.

Net sales decreased by 28%, mainly due to the divestment of the ANCS business unit. Services net sales decreased by 65%, while equipment net sales decreased by 13%.

The **comparable operating result** amounted to EUR 10 million (7) or 7.4% of net sales (3.7). The result increased in the Water & Waste and Gas Solutions business units, but declined due to the divestment of the ANCS business unit. Items affecting comparability totalled EUR -19 million (21), related mainly to the asset held for sale categorisation of the Gas Solutions business unit.

Development in January–December

Order intake decreased by 27%, mainly due to a decline in the Marine Electrical Systems business unit as well as the divestment of the Automation, Navigation and Control Systems (ANCS) business unit. Services order intake decreased by 26%, while equipment order intake decreased by 27%.

Order book at the end of period decreased by 48%, following the divestments of Automation, Navigation and Control Systems (ANCS), and Marine Electrical Systems (MES) business units.

Net sales decreased by 4%. There was good development in the Gas Solutions business unit, but a decline in the ANCS business unit following the divestment of the unit. Services net sales decreased by 28%, while equipment net sales increased by 5%.

The **comparable operating result** amounted to EUR 47 million (32) or 6.9% of net sales (4.5). The increase was supported by good development in the Gas Solutions business unit but also negatively impacted by the divestment of the ANCS business unit. Items affecting comparability totalled EUR -1 million (20), related mainly to the divestment of the ANCS business unit and Marine Electrical Systems and the asset held for sale categorisation of the Gas Solutions business unit.

Financial targets

The current Wärtsilä financial targets were announced in March 2025.

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

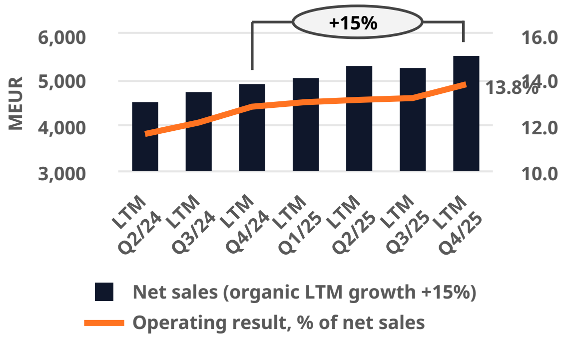
Group, financial targets

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

Recent development

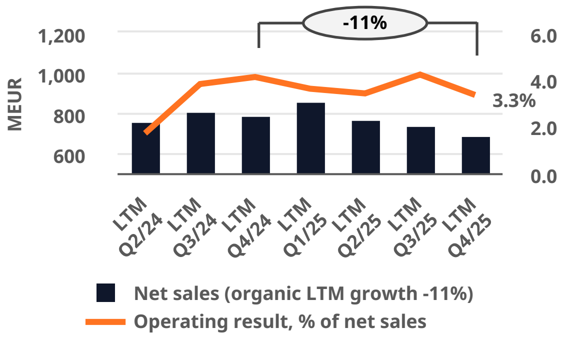
Marine and Energy combined

Net sales and operating margin %, last 12 months



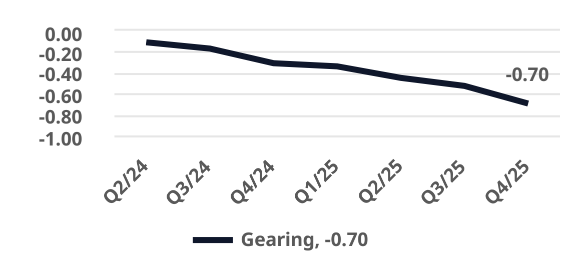
Energy Storage

Net sales and operating margin %, last 12 months



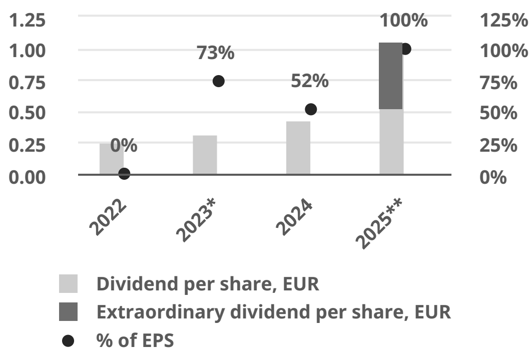
Group

Gearing



Group

Dividend distribution



*Dividend in 2022 was paid despite negative EPS.
** Board's proposal

Key figures for Marine and Energy combined

MEUR	10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Order intake	**1,746**	1,645	6%	**6,866**	5,875	17%
of which services	**928**	936	-1%	**3,553**	3,562	0%
of which equipment	**818**	709	15%	**3,313**	2,312	43%
Order book, end of period				**6,734**	5,705	18%
Net sales	**1,657**	1,406	18%	**5,542**	4,949	12%
of which services	**939**	889	6%	**3,410**	3,209	6%
of which equipment	**719**	518	39%	**2,132**	1,740	22%
Book-to-bill	**1.05**	1.17		**1.24**	1.19	
Comparable operating result	**237**	184	29%	**758**	628	21%
% of net sales	**14.3**	13.1		**13.7**	12.7	
Operating result	**250**	184	36%	**764**	632	21%
% of net sales	**15.1**	13.1		**13.8**	12.8	

Order intake bridge

MEUR	10–12/2025	1–12/2025
2024	**1,645**	**5,875**
Organic	11%	20%
Acquisitions and divestments	0%	0%
FX impact	-5%	-3%
2025	**1,746**	**6,866**

Net sales bridge

MEUR	10–12/2025	1–12/2025
2024	**1,406**	**4,949**
Organic	23%	15%
Acquisitions and divestments	0%	0%
FX impact	-5%	-3%
2025	**1,657**	**5,542**

Risks and business uncertainties

General macro environment

The prolonged and elevated geopolitical tensions, and uncertainty over trade policies exacerbated by the US policy announcements, combined with 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 international trade tensions. Together, these factors are contributing to uncertainty that may limit 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, and the revised greenhouse gas strategy from the International Maritime Organisation, green financing, and the individual sustainability goals of end-customers. This, coupled with shifting trade flows 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 emerging national interests in revitalising shipbuilding activity and ensuring security of supply, disruptions at key waterways, and the uncertainty over barriers to global trade, may have a negative impact on global economic activity and growth. This could result in reduced demand for ship capacity, shifts in the global shipbuilding footprint and shipping trade flows, and higher inflationary pressure.

Other geopolitical tensions that could impact shipping include the announced measures by US Trade Representative to address China's maritime, logistics and shipbuilding dominance, China's countermeasures including port fees on US-linked ships and sanctions on entities considered to be supporting the US measures, disruptions at key waterways, and the uncertainty over barriers to global trade, may have a negative impact on global economic activity and growth. This could result in reduced demand for ship capacity, shifts in the global shipbuilding footprint and shipping trade flows, and higher inflationary pressure.

The constraints on shipyard capacity, the development and deployment of sustainable future technologies and fuels, the need to find the optimal pace and timing of investments based on financial feasibility, and compliance with emission regulations may affect the investment appetite of ship owners and operators. 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. A lack of clarity at the global level around decarbonisation-related regulations and financial incentives may lead to an increase in regional regulations that could add complexity and costs for shipping.

Sufficient global availability of sustainable future fuels will be crucial for shipping to reach its decarbonisation targets. Without a secured supply and clear incentives to drive the uptake of sustainable fuels, ship owners and operators may postpone investments in the uptake of technology capable of using these fuels. This may lead to a slower increase in the production of these fuels, and ultimately slow the decarbonisation of shipping. 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 ship owners, 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, as well as having an impact on the related tanker ship fleet. It may also 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 in 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 and Energy Storage. Energy commodities and supply chains have lately been at the heart of trade policies, presenting risks for all energy technologies. While the scale and scope of potential tariffs related to current US trade policy remain uncertain, they may impact Wärtsilä's Energy and Energy Storage businesses, particularly in the US. In Energy Storage, headwinds in the US market are increasing competition in other markets, which may hamper growth and profitability. Competition between and among energy technologies presents price pressure. Uncertainty related to any of the aforementioned factors tends to delay investment decisions. General news coverage relating to safety issues may affect customer perceptions of product safety, which could have a negative impact on Wärtsilä's business.

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 was paid on 24 September 2025.

Board of Directors' dividend proposal

The Board of Directors proposes to the Annual General Meeting that a base dividend of EUR 0.54 per share and an extraordinary dividend of EUR 0.52 per share, totalling EUR 1.06 per share shall be paid for the financial year 2025. The parent company's distributable funds total EUR 1,110,118,876.54, which includes EUR 132,492,704.34 in result for the year. There are 588,436,960 shares with dividend rights. The dividend shall be paid in two instalments. The first instalment, including a base dividend of EUR 0.27 per share and an extraordinary dividend of EUR 0.52 per share, totalling EUR 0.79 per share, shall be paid to the shareholders who are registered in the list of shareholders maintained by Euroclear Finland Oy on the dividend record date of 16 March 2026. The payment day proposed by the Board for this instalment is 23 March 2026. The second instalment of EUR 0.27 per share shall be paid to the shareholders who are registered in the list of shareholders maintained by Euroclear Finland Oy on the dividend record date of 16 September 2026. The payment date proposed by the Board for this instalment is 23 September 2026.

Shares

In January–December, the number of shares traded on Nasdaq Helsinki was 228,809,600 shares, equivalent to a turnover of EUR 4,853 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 135,292,993 shares.

The number of Wärtsilä's shares outstanding as of 31 December 2025 was 588,436,960, and the number of treasury shares was 3,286,430.

Wärtsilä’s Financial Statements Bulletin January–December 2025

This financial statements bulletin 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 financial statements bulletin 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, measurement of warranty provisions and recognition of provisions for litigation, and uncertain tax positions. In addition, accounting for business combinations, and valuation of assets held for sale require 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, and 1,000,000 own shares were repurchased, resulting in the total amount of 3,286,430 at the end of the financial 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 3,367,549 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
Repurchase of own shares on 28 April 2025	-150,000
Repurchase of own shares on 29 April 2025	-150,000
Repurchase of own shares on 30 April 2025	-140,000
Repurchase of own shares on 2 May 2025	-140,000
Repurchase of own shares on 5 May 2025	-140,000
Repurchase of own shares on 6 May 2025	-150,000
Repurchase of own shares on 7 May 2025	-130,000
Number of shares outstanding on 31 December 2025	**588,436,960**
Weighted average number of shares outstanding during the period	**588,708,902**
Weighted average number of dilutive potential ordinary shares during the period	
Contingently issuable ordinary shares	2,836,196
Unvested shares	531,353
Weighted average number of shares outstanding during the period to be used in the calculation of diluted EPS	**592,076,451**

New and amended Accounting Standards

In 2025, the Group has adopted the following amended Accounting Standards issued by 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.

In 2026 or later, the Group will adopt the following new or amended Accounting 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 income and disclosure about management-defined performance measures, as well as adding new principles for aggregation and disaggregation of information. The standard requires that all income and expenses are classified into five categories in the statement of income: operating, investing, financing, income taxes, and discontinued operations. In addition, it is required to use the operating profit subtotal as a starting point for statement of cash flows. The standard changes the presentation of disclosed information and increases the amount of disclosed information and it has no impact on recognition or measurement.

The Group is currently assessing the impact of IFRS 18 as it is expected that the standard will have a significant impact on the presentation of the statement of income. The primary identified areas of changes are the following:

- The share of profit from joint ventures and associates will be presented in the investing category instead of the operating category.
- Foreign exchange differences, and income and expenses related to cash and cash equivalents will be presented in the investing category instead of the financing category.
- Foreign exchange rate differences on intragroup loans and cash pooling arrangements are currently presented in the financing category. The presentation under IFRS 18 is currently being further discussed by the IFRIC®, and the presentation will depend on its final decision.
- Foreign exchange rate differences from external derivates will be presented in the operating category, whereas currently financing-related portion of derivates is included in the financial items and the rest in the operating result.

The assessment may require judgments around aggregation and disaggregation of certain balances, as well as additional disclosures relating to management-defined performance measures.

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 December 2025.

Consolidated statement of income

MEUR	10–12/2025	10–12/2024	2025	2024
Net sales	**2,002**	1,854	**6,914**	6,449
Other operating income	**31**	21	**118**	75
Material and services	**-1,114**	-1,025	**-3,689**	-3,474
Employee benefit expenses	**-413**	-409	**-1,620**	-1,493
Result from net position hedges	**-5**	9	**-14**	
Depreciation, amortisation and impairment	**-63**	-21	**-211**	-131
Other operating expenses	**-191**	-202	**-681**	-720
Share of result of associates and joint ventures	**3**	3	**17**	12
Operating result	**251**	229	**833**	716
Financial income	**17**	13	**67**	44
Financial expenses	**-17**	-24	**-72**	-73
Result before taxes	**251**	219	**828**	687
Income taxes	**-63**	-58	**-198**	-180
Result for the financial period	**187**	161	**630**	507
Attributable to:				
equity holders of the parent company	**186**	160	**626**	503
non-controlling interests	**1**	1	**4**	4
	187	161	**630**	507
Earnings per share attributable to equity holders of the parent company:				
Earnings per share (EPS), basic and diluted, EUR	**0.32**	0.27	**1.06**	0.85

Consolidated statement of comprehensive income

MEUR	10–12/2025	10–12/2024	2025	2024
Result for the financial period	**187**	161	**630**	507
Other comprehensive income, net of taxes:				
Items that will not be reclassified to the statement of income				
Remeasurements of defined benefit liabilities	**10**	-8	**11**	-9
Tax on items that will not be reclassified to the statement of income	**-2**	2	**-2**	2
Total items that will not be reclassified to the statement of income	**8**	-7	**9**	-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	**-4**	32	**-91**	31
transferred to the statement of income	**2**		**2**	
for non-controlling interests			**-1**	
Associates and joint ventures, share of other comprehensive income	**1**	1	**-3**	1
Cash flow hedges	**-4**	-49		
measured at fair value			**96**	-80
transferred to the statement of income			**-11**	17
Tax on items that may be reclassified to the statement of income				
Cash flow hedges	**2**	9		
measured at fair value			**-16**	12
transferred to the statement of income			**2**	-3
Total items that may be reclassified to the statement of income	**-4**	-7	**-22**	-22
Other comprehensive income for the financial period, net of taxes	**4**	-14	**-14**	-29
Total comprehensive income for the financial period	**192**	147	**616**	478
Total comprehensive income attributable to:				
equity holders of the parent company	**191**	146	**614**	474
non-controlling interests	**1**	1	**3**	3
	192	147	**616**	478

Consolidated statement of financial position

MEUR	31.12.2025	31.12.2024
Assets		
Non-current assets		
Goodwill	**1,214**	1,299
Other intangible assets	**413**	446
Property, plant and equipment	**338**	306
Right-of-use assets	**220**	251
Investments in associates and joint ventures	**45**	41
Other investments	**13**	17
Deferred tax assets	**156**	175
Trade receivables	**3**	6
Other receivables	**45**	39
Total non-current assets	**2,447**	2,581
Current assets		
Inventories	**1,440**	1,483
Trade receivables	**985**	1,018
Current tax receivables	**43**	32
Contract assets	**532**	571
Other receivables	**233**	269
Cash and cash equivalents	**2,590**	1,554
Total current assets	**5,823**	4,928
Assets held for sale	**205**	184
Total assets	**8,474**	7,694
Equity and liabilities		
Equity		
Share capital	**336**	336
Share premium	**61**	61
Translation differences	**-248**	-156
Fair value reserve	**48**	-23
Remeasurements of defined benefit liabilities	**-14**	-29
Retained earnings	**2,695**	2,337
Total equity attributable to equity holders of the parent company	**2,877**	2,525
Non-controlling interests	**6**	6
Total equity	**2,884**	2,531
Liabilities		
Non-current liabilities		
Lease liabilities	**188**	215
Other interest-bearing debt	**315**	409
Deferred tax liabilities	**63**	57
Pension obligations	**76**	82
Provisions	**141**	144
Contract liabilities	**177**	121
Other liabilities	**26**	12
Total non-current liabilities	**985**	1,041
Current liabilities		
Lease liabilities	**41**	43
Other interest-bearing debt	**38**	99
Provisions	**187**	207
Trade payables	**666**	793
Current tax liabilities	**111**	84
Contract liabilities	**2,112**	1,825
Other liabilities	**1,048**	938
Total current liabilities	**4,202**	3,990

Total liabilities	**5,187**	5,030
Liabilities directly attributable to assets held for sale	**403**	132
Total equity and liabilities	**8,474**	7,694

Consolidated statement of cash flows

MEUR	10–12/2025	10–12/2024	2025	2024
Cash flows from operating activities:				
Result for the financial period	**187**	161	**630**	507
Adjustments for:				
Depreciation, amortisation and impairment	**63**	21	**211**	131
Financial income and expenses		11	**5**	29
Gains and losses on sale of intangible assets and property, plant and equipment and other changes	**-13**	4	**-48**	5
Share of result of associates and joint ventures	**-3**	-3	**-17**	-12
Income taxes	**63**	58	**198**	180
Other non-cash adjustments	**3**	7	**11**	15
Cash flows before changes in working capital	**301**	257	**991**	856
Changes in working capital:				
Receivables, non-interest-bearing, increase (-) / decrease (+)	**-96**	-1	**-154**	19
Inventories, increase (-) / decrease (+)	**100**	28	**-120**	-71
Liabilities, non-interest-bearing, increase (+) / decrease (-)	**392**	197	**1,038**	552
Changes in working capital	**397**	223	**763**	501
Cash flows from operating activities before financial items and taxes	**698**	481	**1,754**	1,357
Financial items and taxes:				
Interest income	**11**	11	**38**	33
Interest expenses	**-5**	-6	**-22**	-29
Other financial income and expenses	**-5**	-11	**-7**	-25
Income taxes paid	**-47**	-38	**-164**	-128
Financial items and paid taxes	**-46**	-44	**-156**	-149
Cash flows from operating activities	**652**	437	**1,598**	1,208
Cash flow from investing activities:				
Investments in property, plant and equipment and intangible assets	**-40**	-59	**-150**	-170
Proceeds from sale of property, plant and equipment and intangible assets	**3**	4	**4**	11
Proceeds from sale of shares in subsidiaries	**3**		**93**	
Proceeds from sale of other investments				6
Loan receivables, increase (-) / decrease (+), and other changes				4
Dividends received			**1**	
Cash flows from investing activities	**-35**	-55	**-51**	-149
Cash flows after investing activities	**617**	383	**1,547**	1,059
Cash flows from financing activities:				
Repurchase of own shares			**-16**	
Proceeds from non-current debt			**61**	
Repayments and other changes in non-current debt	**-16**	-8	**-274**	-124
Loan receivables, increase (-) / decrease (+)		-2	**2**	-4
Current loans, increase (+) / decrease (-)		2	**-5**	-1
Dividends paid	**-18**	-13	**-263**	-194
Cash flows from financing activities	**-34**	-22	**-494**	-323
Change in cash and cash equivalents, increase (+) / decrease (-)	**583**	361	**1,053**	736
Cash and cash equivalents at the beginning of the financial period*	**2,007**	1,188	**1,557**	819
Exchange rate changes	**1**	8	**-20**	2
Cash and cash equivalents at the end of the financial period*	**2,590**	1,557	**2,590**	1,557

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

Consolidated statement of changes in equity

	Total equity attributable to equity holders of the parent company							Non-controlling interests	Total equity
MEUR	**Share capital**	**Share premium**	**Translation difference**	**Fair value reserve**	**Remeasurements of defined benefit liabilities**	**Retained earnings**	**Total**		
Equity on 1 January 2025	**336**	**61**	**-156**	**-23**	**-29**	**2,337**	**2,525**	**6**	**2,531**
Result for the financial period						**626**	**626**	**4**	**630**
Other comprehensive income									
Translation differences			**-94**				**-94**	**-1**	**-95**
Translation differences transferred to the statement of income			**2**				**2**		**2**
Cash flow hedges									
net change in fair value, net of taxes				**80**			**80**		**80**
transferred to the statement of income, net of taxes				**-9**			**-9**		**-9**
Defined benefit plans					**9**		**9**		**9**
Other changes					**6**	**-6**			
Other comprehensive income, total			**-92**	**71**	**15**	**-6**	**-12**	**-1**	**-14**
Total comprehensive income for the financial period			**-92**	**71**	**15**	**620**	**614**	**3**	**616**
Transactions with equity holders of the parent company and non-controlling interests									
Dividends paid						**-259**	**-259**	**-2**	**-262**
Repurchase of own shares						**-16**	**-16**		**-16**
Share-based payments						**15**	**15**		**15**
Equity on 31 December 2025	**336**	**61**	**-248**	**48**	**-14**	**2,695**	**2,877**	**6**	**2,884**

	Total equity attributable to equity holders of the parent company							Non-controlling interests	Total equity
MEUR	**Share capital**	**Share premium**	**Translation difference**	**Fair value reserve**	**Remeasurements of defined benefit liabilities**	**Retained earnings**	**Total**		
Equity on 1 January 2024	336	61	-188	31	-4	1,989	2,225	8	2,232
Result for the financial period						503	503	4	507
Other comprehensive income									
Translation differences			32				32		32
Cash flow hedges									
net change in fair value, net of taxes				-67			-67		-67
transferred to the statement of income, net of taxes				13			13		13
Defined benefit plans					-7		-7		-7
Other changes					-18	18			
Other comprehensive income, total			32	-54	-25	18	-29		-29
Total comprehensive income for the financial period			32	-54	-25	521	474	3	478
Transactions with equity holders of the parent company and non-controlling interests									
Dividends paid						-188	-188	-6	-194
Share-based payments						15	15		15
Equity on 31 December 2024	336	61	-156	-23	-29	2,337	2,525	6	2,531

Segment information

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. Thus, Wärtsilä's reportable segments are Marine, Energy, and Energy Storage. Furthermore, Wärtsilä reports Portfolio Business as other business activities. The comparison figures have been restated to reflect the new segment structure.

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	10–12/2025	10–12/2024	2025	2024
Net sales				
Marine	**935**	847	**3,494**	3,053
Energy	**723**	560	**2,048**	1,897
Energy Storage	**207**	257	**694**	794
Portfolio Business	**138**	190	**677**	706
Total	**2,002**	1,854	**6,914**	6,449
Depreciation, amortisation and impairment				
Marine	**-30**	-28	**-120**	-101
Energy	**-12**	-8	**-36**	-29
Energy Storage	**-7**	-3	**-17**	-8
Portfolio Business	**-14**	17	**-39**	7
Total	**-63**	-21	**-211**	-131
Share of result of associates and joint ventures				
Marine	**3**	3	**17**	12
Total	**3**	3	**17**	12
Operating result				
Marine	**134**	100	**449**	364
Energy	**116**	83	**315**	267
Energy Storage	**9**	17	**23**	33
Portfolio Business	**-8**	28	**46**	52
Total	**251**	229	**833**	716
Operating result as a percentage of net sales (%)				
Marine	**14.3**	11.8	**12.9**	11.9
Energy	**16.1**	14.9	**15.4**	14.1
Energy Storage	**4.5**	6.7	**3.3**	4.1
Portfolio Business	**-6.1**	14.8	**6.8**	7.4
Total	**12.5**	12.4	**12.1**	11.1
Comparable operating result				
Marine	**122**	100	**443**	360
Energy	**115**	85	**315**	269
Energy Storage	**9**	18	**24**	33
Portfolio Business	**10**	7	**47**	32
Total	**256**	209	**829**	694
Comparable operating result as a percentage of net sales (%)				
Marine	**13.0**	11.8	**12.7**	11.8
Energy	**16.0**	15.1	**15.4**	14.2
Energy Storage	**4.3**	6.9	**3.4**	4.2
Portfolio Business	**7.4**	3.7	**6.9**	4.5
Total	**12.8**	11.3	**12.0**	10.8

Net sales by geographical areas

MEUR	10–12/2025	10–12/2024	1–12/2025	2024
Europe	**456**	639	**1,920**	2,099
Asia	**632**	503	**2,086**	1,698
The Americas	**522**	481	**1,798**	1,835
Other	**392**	230	**1,110**	818
Total	**2,002**	1,854	**6,914**	6,449

Service net sales

MEUR	10–12/2025	10–12/2024	1–12/2025	2024
Marine, service	**610**	552	**2,222**	2,050
Energy, service	**328**	337	**1,188**	1,158
Energy Storage, service	**5**	6	**23**	15
Portfolio Business, service	**19**	54	**142**	198
Total	**963**	948	**3,575**	3,422

Measures of profit and items affecting comparability

MEUR	10–12/2025	10–12/2024	2025	2024
Comparable operating result	**256**	209	**829**	694
Items affecting comparability:				
Social plan costs	**3**	8	**-3**	35
Impairment and write-downs	**-15**	20	**-35**	19
Gains and losses on disposal of assets	**12**		**46**	2
Other costs	**-5**	-7	**-5**	-35
Items affecting comparability, total	**-5**	20	**4**	23
Operating result	**251**	229	**833**	716

For financial period January–December, items affecting comparability include EUR 31 million of capital gains related to the divestment of business unit Automation, Navigation and Control Systems, EUR 20 million of impairment related to classifying business unit Gas Solutions as assets held for sale, and EUR 10 million of impairment related to the divestment of business unit Marine Electrical Systems.

Related to the restructuring of engine manufacturing in Europe, items affecting comparability include EUR 15 million of capital gains, EUR 11 million of other costs, and EUR 4 million of impairment.

In addition, items affecting comparability include EUR 4 million of other income and other costs.

Disposals

On 1 July 2025, Wärtsilä divested business unit Automation, Navigation and Control Systems (ANCS) to Solix Group AB. The divestment was announced in December 2024. In 2025, the net sales of ANCS was EUR 127 million until disposed (227).

The impact of the divestment on the result for the financial period 2025 is EUR 31 million. It has been recognised in the statement of income as other operating income, and is considered as an item affecting comparability. Business unit ANCS belonged to Portfolio Business.

On 31 October 2025, Wärtsilä divested business unit Marine Electrical Systems (MES) to VINCI Energies. The divestment was announced in July 2025. In 2025, the net sales of MES was EUR 92 million until disposed (105).

The impact of the divestment on the result for the financial period 2025 is EUR -10 million. It has been recognised in the statement of income as depreciation, amortisation and impairment, and is considered as an item affecting comparability. Business unit MES belonged to Portfolio Business.

Assets held for sale

Wärtsilä has classified business units Gas Solutions and Water & Waste as assets held for sale since the last quarter of 2025.

In December 2025, Wärtsilä announced the divestment of business unit Gas Solutions to the German private equity investor Mutares SE & Co. KGaA. In 2025, the net sales of Gas Solutions was EUR 394 million (301).

Classifying business unit Gas Solutions as assets held for sale has an impact of EUR -20 million on the result for the financial period 2025, which has been recognised in the statement of income as depreciation, amortisation and impairment, and it is considered as an item affecting comparability. In the consolidated statement of financial position, EUR -9 million has been recognised as asset write-downs, rest as additional provisions and accruals. Subject to approvals, the transaction is expected to be completed in the second quarter of 2026. Gas Solutions belongs to Portfolio Business.

Wärtsilä has also classified business unit Water & Waste as assets held for sale. Water & Waste 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	10–12/2025	10–12/2024	2025	2024
At a point in time				
Products	**448**	433	**1,662**	1,616
Goods and services	**204**	213	**748**	730
Projects	**728**	507	**2,196**	1,762
Total	**1,380**	1,152	**4,607**	4,107
Over time				
Projects	**404**	500	**1,522**	1,597
Long-term agreements	**218**	202	**785**	744
Total	**622**	701	**2,307**	2,341
Total	**2,002**	1,854	**6,914**	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	2025	2024
Intangible assets		
Carrying amount on 1 January	**1,745**	1,675
Changes in exchange rates	**-53**	29
Acquisitions and disposals	**-43**	
Additions	**89**	106
Amortisation and impairment	**-76**	-39
Decreases and reclassifications	**-36**	-25
Carrying amount at the end of the financial period	**1,627**	1,745
Property, plant and equipment		
Carrying amount on 1 January	**306**	307
Changes in exchange rates	**-4**	
Acquisitions and disposals	**-5**	
Additions	**76**	64
Depreciation and impairment	**-54**	-42
Decreases and reclassifications	**19**	-23
Carrying amount at the end of the financial period	**338**	306

During 2025, leasehold improvements have been reclassified from intangible assets to property, plant and equipment. As a result, decreases and reclassifications includes a transfer of EUR 19 million between the categories.

Additional impairment testing of goodwill for cash generating units Energy and Energy Storage

Due to the new organisational structure, Wärtsilä performed an intermediate impairment testing of goodwill during the second quarter of 2025 for cash generating units (CGU) Energy and Energy Storage. As a result of the impairment test, no impairment loss was recognised for the CGUs for the reporting period ended 30 June 2025.

Leases

MEUR	2025	2024
Land and buildings, right-of-use assets		
Carrying amount on 1 January	**240**	246
Changes in exchange rates	**-4**	
Acquisitions and disposals	**-20**	
Additions	**37**	58
Depreciation and impairment	**-42**	-44
Decreases and reclassifications	**-3**	-21
Carrying amount at the end of the financial period	**208**	240
Machinery and equipment, right-of-use assets		
Carrying amount on 1 January	**11**	9
Acquisitions and disposals	**-2**	
Additions	**9**	9
Depreciation and impairment	**-6**	-6
Decreases and reclassifications		-1
Carrying amount at the end of the financial period	**12**	11
Lease liabilities		
Carrying amount on 1 January	**258**	268
Changes in exchange rates	**-5**	
Acquisitions and disposals	**-22**	
Additions	**46**	62
Payments	**-49**	-49
Other adjustments	**4**	-8
Reclassification to assets held for sale	**-4**	-15
Carrying amount at the end of the financial period	**228**	258

Amounts recognised in statement of income		
Depreciation	**-48**	-50
Interest expenses	**-8**	-10
Expense – short-term leases	**-22**	-28
Expense – leases of low-value assets	**-5**	-6
Expense – variable lease payments	**-8**	-8

Gross capital expenditure

MEUR	10–12/2025	10–12/2024	2025	2024
Investments in intangible assets and property, plant and equipment	**40**	59	**150**	170
Total	**40**	59	**150**	170

Net interest-bearing debt

MEUR	31.12.2025	31.12.2024
Lease liabilities, non-current	**188**	215
Other interest-bearing debt, non-current	**315**	409
Lease liabilities, current	**41**	43
Other interest-bearing debt, current	**38**	99
Interest-bearing liabilities pertaining to assets held for sale	**4**	15
Total interest-bearing liabilities	**585**	781
Cash and cash equivalents	**-2,590**	-1,554
Cash and cash equivalents pertaining to assets held for sale		-4
Total interest-bearing assets	**-2,591**	-1,558
Total net interest-bearing debt	**-2,006**	-777

Financial ratios

	2025	2024
Earnings per share (EPS), basic and diluted, EUR	**1.06**	0.85
Equity per share, EUR	**4.89**	4.29
Solvency ratio, %	**40.5**	37.4
Gearing	**-0.70**	-0.31
Return on investment (ROI), %	**26.2**	23.7
Return on equity (ROE), %	**23.3**	21.3
Return on capital employed (ROCE), %	**65.4**	37.1

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

Personnel

	2025	2024
On average	**18,295**	18,110
At the end of the financial period	**17,879**	18,338

Contingent liabilities

MEUR	31.12.2025	31.12.2024
Mortgages	**8**	10
Chattel mortgages and other pledges and securities	**31**	32
Total	**39**	42
Guarantees and contingent liabilities		
on behalf of Group companies	**1,628**	1,237
Nominal amounts of lease liabilities		
Low-value lease liabilities	**5**	13
Short-term lease liabilities	**3**	3
Leases not yet commenced, but to which Wärtsilä is committed	**17**	14
Residual value guarantee	**104**	104
Total	**1,756**	1,372

Nominal values of derivative instruments

		31.12.2025		31.12.2024
MEUR	Total amount	of which closed	Total amount	of which closed
Non-deliverable forwards	**5**		4	
Interest rate swaps	**195**		168	
Cross currency swaps	**136**		153	
Foreign exchange forward contracts	**2,709**	**1,229**	2,389	1,156
Total at the end of the financial period	**3,045**	**1,229**	2,714	1,156

In 2024, the Group had copper swaps amounting to 1,665 tons.

Fair values

		31.12.2025		31.12.2024
MEUR	Carrying amounts of the statement of financial position items	Fair value	Carrying amounts of the statement of financial position items	Fair value
Financial assets				
Other investments (level 3)	**13**	**13**	17	17
Other receivables, non-current (level 2)	**1**	**1**	1	1
Derivatives (level 2)	**24**	**24**	15	15
Financial liabilities				
Interest-bearing debt, non-current (level 2)	**503**	**503**	624	621
Derivatives (level 2)	**34**	**34**	72	72

Quarterly figures

MEUR	10–12/ 2025	7–9/ 2025	4–6/ 2025	1–3/ 2025	10–12/ 2024	7–9/ 2024	4–6/ 2024	1–3/ 2024	10–12/ 2023
Order intake									
Marine	988	970	1,031	937	918	902	901	916	844
Energy*									868
Energy	758	644	913	625	727	500	473	538	
Energy Storage	364	11	50	31	608	53	232	236	
Portfolio Business	110	165	196	309	239	348	248	234	144
Total	2,220	1,790	2,190	1,902	2,491	1,803	1,854	1,924	1,856
Order book at the end of the financial period									
Marine	3,725	3,660	3,586	3,489	3,409	3,289	3,155	3,008	2,808
Energy*									2,693
Energy	3,009	2,977	2,729	2,454	2,296	2,049	2,143	2,077	
Energy Storage	719	573	800	904	1,117	755	977	956	
Portfolio Business	796	1,427	1,648	1,686	1,544	1,491	1,332	1,252	1,192
Total	8,248	8,637	8,764	8,533	8,366	7,583	7,607	7,294	6,694
Net sales									
Marine	935	870	862	827	847	739	759	708	759
Energy*									720
Energy	723	382	529	415	560	543	404	390	
Energy Storage	207	235	125	128	257	261	213	62	
Portfolio Business	138	146	204	190	190	175	179	162	165
Total	2,002	1,632	1,719	1,560	1,854	1,718	1,556	1,321	1,644
Share of result of associates and joint ventures	3	5	4	5	3	4	3	2	2
Operating result before depreciation, amortisation and impairment (EBITDA)	314	273	251	207	250	230	205	162	173
as a percentage of net sales	15.7	16.7	14.6	13.3	13.5	13.4	13.2	12.3	10.5
Depreciation, amortisation and impairment	-63	-42	-65	-41	-21	-38	-37	-35	-45
Purchase price allocation amortisation	-3	-3	-4	-5	-5	-5	-5	-5	-5
Comparable operating result	256	195	207	171	209	177	176	132	177
as a percentage of net sales	12.8	11.9	12.0	11.0	11.3	10.3	11.3	10.0	10.8
Items affecting comparability, total	-5	35	-20	-5	20	15	-8	-5	-49
Operating result	251	230	186	165	229	192	168	127	128
as a percentage of net sales	12.5	14.1	10.8	10.6	12.4	11.2	10.8	9.6	7.8
Financial income and expenses		-3		-2	-11	-2	-8	-9	-8
Result before taxes	251	227	186	164	219	190	160	118	120
Income taxes	-63	-45	-49	-41	-58	-47	-43	-32	-24
Result for the financial period	187	182	138	123	161	144	117	86	96
Earnings per share (EPS), basic and diluted, EUR	0.32	0.31	0.23	0.21	0.27	0.24	0.20	0.14	0.16
Gross capital expenditure	40	39	37	34	59	37	39	36	51
Investments in securities and acquisitions									1
Cash flow from operating activities	652	340	416	190	437	296	216	258	389
Working capital (WCAP) at the end of the financial period	-1,263	-1,091	-924	-770	-787	-501	-420	-329	-169
Personnel at the end of the financial period									
Marine	11,252	11,188	11,070	10,887	10,794	10,702	10,817	10,657	10,602
Energy*									5,430
Energy	5,227	5,182	5,107	5,115	5,126	5,103	5,088	5,022	
Energy Storage	588	599	589	571	543	536	484	438	
Portfolio Business	812	1,194	1,986	1,918	1,875	1,830	1,835	1,792	1,774
Total	17,879	18,163	18,753	18,490	18,338	18,171	18,224	17,909	17,807

As of 1 April 2025, reportable segment Energy is separated into reportable segments Energy and Energy Storage. The segment-related comparison figures for 1–3/2025 and 2024 have been restated to reflect the current organisational structure.

* Energy-related comparison figures for 2023 have not been restated accordingly, they represent the organisational structure as it was on 31 March 2025.

Calculations of financial ratios

Operating result

Net sales + other operating income – expenses +/– result from net position hedges – 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

$$\frac{\text{Result for the financial period attributable to equity holders of the parent company}}{\text{Number of shares outstanding, average over the financial period}}$$

Earnings per share (EPS), diluted

$$\frac{\text{Result for the financial period attributable to equity holders of the parent company}}{\text{Number of shares outstanding, average over the financial period + number of potential ordinary shares with dilutive effect}}$$

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

$$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Number of shares outstanding at the end of the financial period}}$$

Solvency ratio

$$\frac{\text{Total equity}}{\text{Total equity and liabilities – advances received}} \times 100$$

Gearing

$$\frac{\text{Interest-bearing liabilities – cash and cash equivalents}}{\text{Total equity}}$$

Order intake

Total amount of orders received during the financial period to be delivered either during the current financial 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)

$$\frac{\text{Result before taxes + interest and other financial expenses, 12 months rolling}}{\text{Total equity and liabilities - non-interest-bearing liabilities - provisions, average of end of the financial period and end of the corresponding period previous year}} \times 100$$

Return on equity (ROE)

$$\frac{\text{Result for the financial period, 12 months rolling}}{\text{Total equity, average of end of the financial period and end of the corresponding period previous year}} \times 100$$

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)

$$\frac{\text{Operating result, 12 months rolling}}{\text{Capital employed (CE), average of end of the financial period and end of the corresponding period previous year}} \times 100$$

3 February 2026
Wärtsilä Corporation
Board of Directors