COMPLETE LIFECYCLE POWER SOLUTIONS

A global leader in sustainable power for the marine and energy markets
OUR MISSION, VISION AND VALUES

We shape the marine and energy markets with advanced technologies and focus on lifecycle performance, to enhance our customers’ business and benefit the environment.

We will be our customers’ most valued business partner.

ENERGY
Capture opportunities and make things happen.

EXCELLENCE
Do things better than anyone else in our industry.

EXCITEMENT
Foster openness, respect and trust to create excitement.
ENERGY SOLUTIONS

MARINE SOLUTIONS

SERVICES
WHAT WE BRING TO THE MARKET

EFFICIENCY
ENVIRONMENTAL SOLUTIONS
FUEL FLEXIBILITY
Strong emphasis on technology leadership and innovation

Long-term co-operation with research institutes and partners

R&D investments in 2014 EUR 139 million, representing 2.9% of net sales

"Total efficiency, cost of ownership, fuel flexibility and versatility, minimised environmental impact, and reliability are our main drivers"
OUR NATIONALITIES

Finland  India  Italy  China  Netherlands  Norway  Great Britain  Brazil  Pakistan  France  Singapore  Germany  Philippines  Spain  Poland
South Korea  Switzerland  Denmark  Bangladesh  U.S.  Indonesia  Sweden  Russia  Japan  Ecuador  Kenya  Myanmar  Canada  Turkey  Malaysia
Dominica  Guyana  Greece  South Africa  Lithuania  Senegal  Colombia  Nigeria  Argentina  Guinea  Australia  Sri Lanka  Saudi Arabia  Hungary  Uganda
Cameroon  Puerto Rico  Tanzania  Azerbaijan  Estonia  Zambia  Portugal  Madagascar  Romania  Gabon  Taiwan  Venezuela  Mexico  Ukraine  Uruguay
Chile  Jordania  Antigua  Panama  Dominican Republic  Vietnam  Peru  Yemen  Iran  Cuba  Cyprus  Guatemala  Croatia  Pap.New Guinea  El Salvador
Thailand  Egypt  Ireland  Serbia  Morocco  Slovenia  Austria  Bulgaria  Jamaica  Mozambique  Nepal  Netherlands Antilles  Ghana  Falkland Islands  Latvia
New Zealand  East Timor  Albania  Czech Republic  Ethiopia  Iraq  Macau  Mauritius  Rwanda  Somalia  Cape Verde  Surinam  Syria  Togo  Zimbabwe
Unit.Arab Emirates  Belgium  Burkina-Faso  Burundi  Belarus  Belize  DR Congo  Congo  Australia  Algeria  Faroe Islands  Haiti  Iceland  Cambodia  Cayman Islands
Kazakhstan  Lebanon  Macedonia  Mauritania  Namibia  Paraguay  Sudan  Slovakia  Tunisia
ENERGY EFFICIENT SOLUTIONS

- Smart Power Generation combining energy efficiency, fuel and operational flexibility
- Most complete offering of marine products and integrated solutions, including a broad portfolio of environmental products
- Optimised asset performance over the lifecycle

GAS BASED TECHNOLOGY

- A forerunner in gas and multi-fuel engines, fuel systems, technology and services
- Offering that covers gas value chain from exploration to end consumers
- Wide LNG offering in small and mid-sized terminals

INNOVATIVE SOLUTIONS

- Strong and global track record in distributed energy
- Project management and engineering competence create customer value
- Making use of digital technology
## FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013(^2)</th>
<th>2012(^3)</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>5 084</td>
<td>4 821</td>
<td>4 940</td>
<td>4 516</td>
<td>4 005</td>
</tr>
<tr>
<td>Order book at the end of the period</td>
<td>4 530</td>
<td>4 311</td>
<td>4 492</td>
<td>4 007</td>
<td>3 795</td>
</tr>
<tr>
<td>Net sales</td>
<td>4 779</td>
<td>4 607</td>
<td>4 725</td>
<td>4 209</td>
<td>4 553</td>
</tr>
<tr>
<td>Operating result (^1)</td>
<td>569</td>
<td>557</td>
<td>517</td>
<td>469</td>
<td>487</td>
</tr>
<tr>
<td>% of net sales (^1)</td>
<td>11.9</td>
<td>12.1</td>
<td>10.9</td>
<td>11.1</td>
<td>10.7</td>
</tr>
<tr>
<td>Earnings/share, EUR</td>
<td>1.76</td>
<td>1.98</td>
<td>1.72</td>
<td>1.44</td>
<td>1.96</td>
</tr>
</tbody>
</table>

1) Figures exclude non-recurring items
2) Figures related to the statement of income in the comparison period 2013 have been restated due to the two-stroke business being classified as discontinued operations. Figures in comparison periods 2010, 2011 and 2012 have not been restated.
3) The figures in the comparison period 2012 have been restated during year 2013 according to the revised IAS 19. Figures in comparison periods 2010 and 2011 have not been restated.
Figures shown before non-recurring restructuring items.
2014 EBIT and EBIT% include continuing operations. Figures for 2010-2013 include both discontinued and continuing operations.
ENERGY SOLUTIONS

Our flexible technology provides superior value and environmental benefits, contributing to more efficient and sustainable power systems.
ENERGY SOLUTIONS OFFERING

- Flexible baseload power plants
- Capacity for grid stability, peaking, load following and integrating balancing wind and solar energy
- Multi-fuel solutions enabling use of any gas or liquid fuels
- LNG terminals and distribution systems
- Project development and EPC capability
We provide our full range of project and lifecycle support to LNG receiving terminals. We have the capability to develop the entire LNG fuel supply chain in partnership with our customers.
### OUR CUSTOMER SEGMENTS

<table>
<thead>
<tr>
<th>UTILITIES</th>
<th>IPP’S</th>
<th>INDUSTRIAL CUSTOMERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisations providing</td>
<td>Financial organisations investing</td>
<td>Industrial businesses with captive power</td>
</tr>
<tr>
<td>electricity and / or heat to</td>
<td>in power plants to sell power to</td>
<td>plants.</td>
</tr>
<tr>
<td>power markets or end users.</td>
<td>utilities.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ENERGY SOLUTIONS STRATEGY

- Grow strongly in large utility gas power plants by capturing market share from gas turbines
- Maintain our leading position in HFO & dual-fuel power plants
- Grow the gas power plant business further by developing and delivering LNG infrastructure projects
- Grow in biofuel power plants
- Grow in special applications for the nuclear emergency power, combined heat & power and oil & gas industry
MARKET TRENDS & DRIVERS

- Economic growth, electrification and increased standard of living
- Demand for sustainability and reducing carbon emissions
- Rapid growth of intermittent renewable generation and escalating demand fluctuation
- Increasing role of natural gas
- Ageing installed capacity drives investments in new technologies

“The world needs clean, affordable and reliable power generation”
SMART POWER GENERATION

Enabling transition to a sustainable power system

- Energy Efficiency
- Fuel Flexibility
- Operational Flexibility
- Smart Power Generation

- Affordable
- Reliable
- Sustainable
MARINE SOLUTIONS

We are the leading provider of innovative products and integrated solutions in the marine and oil & gas industries. We are passionate about supporting our customers with what they need, through optimised lifecycle value and best-in-class operational efficiency, environmental excellence and fuel flexibility.
THE MOST COMPLETE MARINE OFFERING ON EARTH
COVERING ALL MARKET SEGMENTS

OFFSHORE  MERCHANT  CRUISE & FERRY  NAVY  SPECIAL VESSELS

OIL & GAS  SHIPPING
MARINE SOLUTIONS STRATEGY

**LEADER IN**

**EFFICIENCY**

**GAS AND DUAL-FUEL SOLUTIONS**

**ENVIRONMENTAL SOLUTIONS**

**THROUGH OFFERING**

- Lifecycle solutions for ship owners and operators
- Integrated solutions for the shipbuilding industry, owners and operators
- The most competitive products and delivery process for the marine industry
MARKET TRENDS & DRIVERS

- Marine trade and transportation growth
- Demand for oil and gas drive investments in exploration and production of offshore oil & gas and distribution chain development
- Demand for environmental solutions and gas as a marine fuel
- Energy efficiency, operating performance and security

“A dynamic global market, but with distinctive segment-specific and local needs”
ENVIRONMENTAL LEGISLATION CONTINUES

SOx legislation:
- Sulphur free fuels
  - LNG
  - Methanol, LPG, bio-fuels
  - Distillates
- Scrubbers in combination with HFO

NOx legislation:
- Tier II
  - Engine internal methods
- Tier III
  - Secondary methods (SCR)
  - LNG/NG with lean burning process (dual-fuel engines)
- Ballast Water Treaty:
  - UV ballast water treatment system
  - EC ballast water treatment system
  - Minimised amount of ballast water through Ship Design
**WÄRTSILÄ DUAL-FUEL REFERENCES**

<table>
<thead>
<tr>
<th>MERCHANT</th>
<th>OFFSHORE</th>
<th>SPECIALS</th>
<th>DF CONVERSION</th>
<th>2 STROKE DF</th>
<th>DF POWER PLANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>732 ENGINES</td>
<td>132 ENGINES</td>
<td>61 ENGINES</td>
<td>28 ENGINES</td>
<td>22 ENGINES</td>
<td>383 ENGINES</td>
</tr>
<tr>
<td>168 LNG carriers</td>
<td>24 Offshore supply vessels</td>
<td>9 Ferries</td>
<td>4 FPSO vessels</td>
<td>6 Large LNG carriers, 2 engines each</td>
<td>79 plants</td>
</tr>
<tr>
<td>8 Multigas carriers</td>
<td>5 FPSO vessels</td>
<td>6 Tugs</td>
<td>2 RORO vessels</td>
<td>4 Chemical tankers</td>
<td>Output 5,037 MW</td>
</tr>
<tr>
<td>2 Product tankers</td>
<td>4 FSRU vessels</td>
<td>3 ROPAX vessels</td>
<td>1 Chemical tanker</td>
<td>1 Ferry</td>
<td>Online since 1997</td>
</tr>
<tr>
<td>1 Bulk tanker</td>
<td>2 Platforms</td>
<td>1 Navy vessel</td>
<td>1 Ferry</td>
<td>3 Container vessels</td>
<td>1 Small LNG carrier</td>
</tr>
<tr>
<td>1 CNG carrier</td>
<td>1 FSO vessel</td>
<td>1 Icebreaker</td>
<td>1 IWW vessel</td>
<td>2 Asphalt carriers</td>
<td></td>
</tr>
<tr>
<td>9 Ferries</td>
<td>2 FPSO vessels</td>
<td>1 Guide ship</td>
<td>1 IWW vessel</td>
<td>1 Guide ship</td>
<td></td>
</tr>
</tbody>
</table>

>1,300 engines  >12 million running hours
SERVICES

Our global network and wide range of products, services and expertise enable us to enhance our customer’s business – whenever, wherever.
Optimising customer operations whenever, wherever is our shared passion.

We provide the broadest portfolio and the best services in the industry for both shipping and power generation. We offer expertise, proximity and responsiveness for all customers in the most sustainable way.

Installed base 181,000 MW
Over 450 installations under service agreements
11,000 service professionals
70 countries
160 locations
A WIDE RANGE OF EXPERTISE AND SERVICES

ENGINE SERVICES

PROPULSION SERVICES

ELECTRICAL AND AUTOMATION SERVICES

SEALS AND BEARINGS SERVICES

HYDRO AND INDUSTRIAL PRODUCTS AND SERVICES

SERVICE AGREEMENTS

SERVICE PROJECTS

TRAINING SERVICES
OUR PASSION: LIFECYCLE EFFICIENCY

PERFORMANCE OPTIMISATION

Longer term strategies are aimed at improving business efficiency. Optimising performance of installations reduces operational expenses and improves uptime.

PREVENTING THE UNEXPECTED

Reliable, continuous performance is essential. Planning operational reliability of installations through access to highest quality of technologies, services and competences ensures smooth operations and managing risk.

ENVIRONMENTAL EFFICIENCY

Environmental legislation and energy efficiency are currently major concerns for our customers. Sustainable solution options enable a reduced environmental impact and improved operational efficiency.
STRATEGIC FOCUS AREAS

CUSTOMER FIRST
We will nourish our partnership with our existing customer base by focusing on improved:

- Time to quote
- Delivery accuracy
- Quality of field services

GO-DIGITAL
We will digitalise our customer engagement:

- Logistics and technical support via online services
- Real-time asset performance management
- Digitalise field service activity
- Enable “intelligent” components

ASSET & LIFECYCLE
We will continue to develop and commercialise our portfolio of value-adding services:

- Asset performance management agreements
- Retrofits
- Upgrading of installed base
MARKET TRENDS & DRIVERS

• Complexity, uncertainty and volatility in global economy and politics
• Digital disruption and need for real-time data
• Growing importance of gas as a fuel
• Solid demand for energy driving opportunities within oil & gas industry
• Overcapacity in merchant shipping and resulting focus on efficiency of operations
• Strong demand for power generation in developing countries
• New and stricter regulations regarding emissions, safety, and asset efficiency
SERVICES STRATEGIC GOAL

To be recognised as our customers’ most valued and competitive service partner: competent, reliable and easy to deal with
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNG</td>
<td>compressed natural gas</td>
</tr>
<tr>
<td>DF</td>
<td>dual-fuel</td>
</tr>
<tr>
<td>EBIT</td>
<td>earning before interests and taxes</td>
</tr>
<tr>
<td>ECA</td>
<td>emission control area</td>
</tr>
<tr>
<td>EPC</td>
<td>engineering, procurement and construction</td>
</tr>
<tr>
<td>FPSO</td>
<td>floating production, storage and offloading (vessel)</td>
</tr>
<tr>
<td>FSO</td>
<td>floating storage and offloading (vessel)</td>
</tr>
<tr>
<td>FSRU</td>
<td>floating storage regasification unit (vessel)</td>
</tr>
<tr>
<td>HFO</td>
<td>heavy fuel oil</td>
</tr>
<tr>
<td>IPPs</td>
<td>independent power producers</td>
</tr>
<tr>
<td>IWW</td>
<td>inland waterways (vessel)</td>
</tr>
<tr>
<td>LNG</td>
<td>liquified natural gas</td>
</tr>
<tr>
<td>LPG</td>
<td>liquified petroleum gas</td>
</tr>
<tr>
<td>MW</td>
<td>megawatt</td>
</tr>
<tr>
<td>NECA</td>
<td>nitrogen emission control area</td>
</tr>
<tr>
<td>NG</td>
<td>natural gas</td>
</tr>
<tr>
<td>NOx</td>
<td>nitrogen oxide</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>research &amp; development</td>
</tr>
<tr>
<td>ROPAX</td>
<td>combined RORO and passenger ship</td>
</tr>
<tr>
<td>RORO</td>
<td>roll-on/roll-off (vessel)</td>
</tr>
<tr>
<td>SCR</td>
<td>selective catalytic reduction</td>
</tr>
<tr>
<td>SOx</td>
<td>sulphur oxide</td>
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</tbody>
</table>