## First quarter highlights

<table>
<thead>
<tr>
<th></th>
<th>Q1/07</th>
<th>Q1/06</th>
<th>Change</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>761</td>
<td>592</td>
<td>29%</td>
<td>3 190</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>63</td>
<td>36</td>
<td>77%</td>
<td>262</td>
</tr>
<tr>
<td>% of net sales</td>
<td>8.3</td>
<td>6.1</td>
<td>8.2</td>
<td></td>
</tr>
<tr>
<td><strong>Income before taxes</strong></td>
<td>60</td>
<td>40¹</td>
<td></td>
<td>447²</td>
</tr>
<tr>
<td><strong>Earnings/share, EUR</strong></td>
<td>0.44</td>
<td>0.55³</td>
<td></td>
<td>3.72</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>79</td>
<td>-2</td>
<td></td>
<td>302</td>
</tr>
<tr>
<td><strong>Gross capital Expenditure</strong></td>
<td>42</td>
<td>40</td>
<td></td>
<td>193</td>
</tr>
</tbody>
</table>

1. The January-March 2006 result includes Wärtsilä’s share of Ovako’s profit after taxes EUR 7 million.
2. The 2006 Result includes Wärtsilä’s share of Ovako’s profit after taxes, EUR 67 million, and a capital gain of EUR 124 million from the sale of Assa Abloy B shares.
3. The January-March 2006 result includes deferred tax assets totalling EUR +26 million relating to previously recognized restructuring expenses.
Market development - Ship Power
Vessel orders

Source: Based on data from Clarkson Research Studies
Market development - Ship Power

Vessel orders - other vessels

Source: Based on data from Clarkson Research Studies
Market development - Ship Power
Market position of Wärtsilä’s marine engines Q1/2007

Medium-speed main engines

- Others: 14% (13)
- Comp. 1: 15% (13)
- Comp. 2: 25% (23)
- Wärtsilä: 46% (51)

Low-speed main engines

- Comp. 3: 3% (3)
- Wärtsilä: 14% (16)
- Comp. 1: 83% (81)

Auxiliary engines

- Wärtsilä: 6% (6)
- Others: 94% (94)

Total market volume last 12 months:
- Medium-speed main engines: 8,800 MW (9,200)
- Low-speed main engines: 27,700 MW (26,600)
- Auxiliary engines: 7,600 MW (7,600)

Wärtsilä’s own calculation is based on Marine Market Database. Market shares based on installed power, numbers in brackets are from the end of the previous quarter. The total market is based on the volume of the last 12 months. Numbers in brackets reflect the volume of the last 12 months at the end of the previous quarter.
Market development - Power Plants

- Demand in the market remained high
- Gas power plants demand was strong
- Renewable fuel power plants continued to offer opportunities
- Demand evenly spread around the world
Market development - Power Plants
Demand evenly spread around the world

Order intake - Power Plants
Q1/07: 456 MW (420)

Europe
247 (226)

America
95 (53)

Asia
55 (99)

Africa and Middle East
59 (42)

Gas

Oil

Renewable fuels

0 (89)

0 (17)

59 (25)

44 (0)

203 (226)

17 (53)

78 (0)
Order intake

MEUR


Total order intake  First-quarter order intake  Power Plants  Ship Power  Services

1 023  1 157

13%  11%  4%  53%
Order book

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Order Book</th>
<th>Power Plants</th>
<th>Ship Power</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>1120</td>
<td></td>
<td></td>
<td>1120</td>
</tr>
<tr>
<td>2004</td>
<td>2050</td>
<td>1000</td>
<td>1050</td>
<td>100</td>
</tr>
<tr>
<td>2005</td>
<td>3100</td>
<td>2050</td>
<td>1050</td>
<td>100</td>
</tr>
<tr>
<td>2006</td>
<td>4300</td>
<td>3415</td>
<td>985</td>
<td>100</td>
</tr>
<tr>
<td>31.3.2006</td>
<td>4860</td>
<td>3415</td>
<td>1445</td>
<td>100</td>
</tr>
<tr>
<td>31.3.2007</td>
<td>5830</td>
<td>42%</td>
<td>58%</td>
<td>12%</td>
</tr>
</tbody>
</table>
Order book distribution

MEUR

31.3.2006 31.3.2007

Delivery current year Delivery next year +
Net sales - Power Plants

- Flexible Baseload Power Generation: 63%
- Industrial Self-Generation: 32%
- Others: 5%

- MEUR

Delivered engine megawatts from own factories

- Ship Power
- Power Plants
- Full-year estimate
Volume growth reflected in Capex

- **MEUR**

![Graph showing volume growth reflected in Capex]


- **MEUR Axes**

- **Lines and Bars**
  - Maintenance
  - Acquisitions
  - Depreciation
  - Comparable net sales
# Cash flow

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q1/07</th>
<th>Q1/06</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>79</td>
<td>-2</td>
<td>302</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-38</td>
<td>-29</td>
<td>148</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-72</td>
<td>27</td>
<td>-387</td>
</tr>
<tr>
<td>Liquid funds at the end of period</td>
<td>148</td>
<td>115</td>
<td>179</td>
</tr>
</tbody>
</table>
NOTE: 2003 according to FAS, 2004- IFRS
Convertible subordinated debentures treated as equity
• Demand in the ship power and energy markets looks likely to remain active for Wärtsilä for the next two quarters.

• Based on the strong order book, Wärtsilä’s net sales are expected to grow this year by around 15%.

• Profitability will exceed 9%.

• Wärtsilä’s profitability varies considerably between the quarters as will be the case also this year.

• Wärtsilä sees further possibilities for growth in 2008.