2012 development

- Order intake EUR 4,940 million, +9%
- Net sales EUR 4,725 million, +12%
- Book-to-bill 1.05 (1.07)
- EBITA EUR 550 million, 11.6% of net sales
- EBIT EUR 515 million, 10.9% of net sales
- EPS EUR 1.72 (1.44), +19%
- Cash flow from operating activities EUR 153 million (232)
- Dividend proposal 1.00 euro per share (0.90)

EBIT is shown excluding non-recurring items.
EBITA is shown excluding non-recurring items and intangible asset amortisation related to acquisitions.
Growth in order intake

Fourth quarter development

- **Services**
- **Ship Power**
- **Power Plants**

Q4/2011: 1,250 MEUR (9% increase)
Q4/2012: 1,357 MEUR (5% increase)

2008: 5,500 MEUR
2009: 3,000 MEUR
2010: 3,500 MEUR
2011: 4,000 MEUR
2012: 5,000 MEUR
Good development in net sales

Fourth quarter development

- 2008: 1,238 MEUR, -7.6%
- 2009: 1,533 MEUR, 14%
- 2011: 1,533 MEUR, 12%
- 2012: 1,533 MEUR, 12%

- Q4/2011: 1,238 MEUR, -7.6%
- Q4/2012: 1,533 MEUR, 24%

Services: 24%, Ship Power: 4%, Power Plants: 38%
Net sales by business 2012

- Ship Power: 28% (24)
- Power Plants: 32% (32)
- Services: 40% (43)
Net sales by market area - Asia’s share over 40%
Top 10 countries

- **USA**: 5% of 2012 net sales
- **China**: 7% of 2012 net sales
- **South Korea**: 8% of 2012 net sales
- **Singapore**: 3% of 2012 net sales
- **Indonesia**: 3% of 2012 net sales
- **Dominican Republic**: 3% of 2012 net sales
- **Brazil**: 4% of 2012 net sales
- **The Netherlands**: 5% of 2012 net sales
- **United Kingdom**: 5% of 2012 net sales
- **Norway**: 3% of 2012 net sales
Book-to-bill ratio remains above one
Growth in order book

- **2008**: 4,007 MEUR
- **2009**: 4,492 MEUR
- **31.12.2011**: 4,007 MEUR
- **31.12.2012**: 4,492 MEUR

<table>
<thead>
<tr>
<th>Year</th>
<th>Services</th>
<th>Ship Power</th>
<th>Power Plants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>4,007 MEUR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>4,492 MEUR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31.12.2011</td>
<td>4,007 MEUR</td>
<td>2%</td>
<td>26%</td>
</tr>
<tr>
<td>31.12.2012</td>
<td>4,492 MEUR</td>
<td>2%</td>
<td>26%</td>
</tr>
</tbody>
</table>

- **Growth**: 12%
Order book provides good base for 2013

![Bar chart showing orders book for 2011 and 2012]

- **31.12.2011**: 2000 MEUR (Delivery next year)
- **31.12.2012**: 3000 MEUR (Delivery next year or later)

© Wärtsilä
EBITA development stable

EBIT, MEUR

EBIT% target: 10-14%

Q1  Q2  Q3  Q4

EBITA% before non-recurring items and intangible asset amortisation related to acquisitions

EBIT% before non-recurring items
Good activity in gas based power generation markets
Good level of quotes

Quoted MW per Fuel Type

Share of natural gas is consistently increasing.
Quarterly order intake
Order intake by application

Review period development
Total EUR 1,515 million (1,602)

- Industrial self-generation: 77%
- Flexible baseload: 14%
- Oil & gas: 6%
- Grid stability & peaking: 4%

Review period order intake by fuel in MW

- Gas: 74%
- Oil: 25%
- Renewables: 1%
Major power plant order from Mozambique

- Contract to engineer, supply and install a gas fuelled power plant to Mozambique, the biggest gas power plant ever installed in the country
- Contract value EUR 138 million
- Contract signed with a joint venture owned by Sasol New Energy from South Africa and the Mozambique state utility
- Scope of supply 18 Wärtsilä 34SG engines running on natural gas
- Wärtsilä’s presence in southern Africa is likely to strengthen further as the use of natural gas continues to be developed
Global order intake

Order intake 2012: 3,146 MW (3,340)

- Americas 919 (713)
- Europe 89 (788)
- Africa and Middle East 1,269 (784)
- Asia 869 (1,055)

Flexible baseload
Industrial self-generation
Grid stability & peaking
Oil & gas
Market data includes all prime mover units over 5 MW and estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. Other combustion engines not included, in engine technology Wärtsilä has a leading position.
An active year in offshore and specialised vessels
Vessel order development

Source: Clarkson Research Services

*CGT = gross tonnage compensated with workload
Order intake increased by 45%

Review period development
Total EUR 1,453 million (1,000)

- Merchant 28%
- Offshore 46%
- Special vessels 12%
- Cruise & ferry 6%
- Navy 7%
- Other 1%

MEUR
2000
1600
1200
800
400
0
2008 2009 2010 2011 2012
High activity in offshore markets

- Offshore markets continued to be active in Q4/2012 and Wärtsilä received several major orders:
  - An order to supply complete mechanical packages for three new drillships to be built as a part of the ongoing Brazilian DRU program
  - An integrated solution for a LNG powered platform supply vessel to be built in Norway
  - A contract to supply a complete LNG package for an offshore support vessel to operate in the Gulf of Mexico
- The overall contracting mix is expected to continue favouring the offshore segment in 2013
Wärtsilä offers ballast water management systems based on the two most common technologies: ultra-violet (UV) treatment and electro-chlorination (EC).

The AQUARIUS EC based system was granted basic approval in October 2012, type approval expected in Q2/2013.

All testing of the AQUARIUS UV system has been completed, and type approval was received in December 2012.

First orders for UV-systems were received and delivered in 2012.
Joint venture ordering activity

- Order intake in the South Korean joint venture producing dual-fuel engines and the Chinese joint venture producing auxiliary engines totalled EUR 242 million (394) during the review period January-December 2012

- Wärtsilä’s share of ownership in these companies is 50%, profits are reported as a share of result in associates and joint ventures

- Joint venture order intake
(Wärtsilä Hyundai Engine Company Ltd and Wärtsilä Qiyao Diesel Company Ltd)

- Ship Power order intake
Ship Power order book 31 December 2012

- Offshore: 45%
- Merchant: 30%
- Cruise & Ferry: 7%
- Special vessels: 8%
- Navy: 8%
- Others: 1%
- LNG*: 7%
- Cargo: 5%
- Tankers: 11%
- Containers: 2%
- Bulkers: 5%

* Excluding order book from South Korean joint venture
Market position of Wärtsilä’s marine engines

Wärtsilä’s market shares are calculated on a 12 months rolling basis, numbers in brackets are from the end of the previous quarter. Wärtsilä’s own calculation is based on Marine Market Database.

**Medium-speed main engines**
- Wärtsilä: 47% (48)
- Others: 25% (23)
- MAN Diesel: 23% (23)
- Caterpillar (MAK): 5% (6)

Total market volume last 12 months: 4,356 MW (4,481)

**Low-speed main engines**
- Mitsubishi: 2% (2)
- Wärtsilä: 18% (18)
- others (96%): 80% (80)

Total market volume last 12 months: 11,107 MW (8,498)

**Auxiliary engines**
- Wärtsilä: 4% (5)
- Others: 96% (95)

Total market volume last 12 months: 3,585 MW (3,367)
Services net sales reached an all time high level
Services net sales back to growth

Fourth quarter development

MEUR

0 100 200 300 400 500 600

Q4/2011 Q4/2012

513 4% 531

MEUR

0 200 400 600

2008 2009 2010 2011 2012

0% 0% 0% 5%
Net sales by quarter

MEUR

Q1  Q2  Q3  Q4

2005  2006  2007  2008  2009  2010  2011  2012
Net sales distribution 2012

- Spare parts: 53% (51)
- Field service: 23% (24)
- Contracts: 15% (15)
- Projects: 9% (10)

Total EUR 1,908 million (1,816)
Services distribution per business 2012

Net sales distribution
Total EUR 1,908 million

Installed base distribution
Total 181,200 MW

In addition to Engine Services, Wärtsilä’s Services portfolio includes:
Electrical & Automation Services, Propulsion Services, Boiler Services,
Environmental Services, O&M and Training Services
Good demand for power plant services

• Several service agreements signed and renewed with power plants customers in Q4/2012:
  – A 15-year parts supply agreement and a 5-year technical service agreement with KEPCO Plant Service & Engineering Co. in Jordan
  – A maintenance agreement with South Texas Electric Cooperative in the USA
  – A four year extension to the O&M agreement with Guyana Power & Light, Inc.
  – A three years extension to an O&M agreement with United Cement Company of Nigeria Ltd.

• An increase in the installed power plants base provides a good outlook for services to the power segment in 2013
Development of Power Plants service agreements

- O&M and maintenance agreements
- Power Plants deliveries
- % of delivered MWs

MW

<table>
<thead>
<tr>
<th>Year</th>
<th>O&amp;M and maintenance agreements</th>
<th>Power Plants deliveries</th>
<th>% of delivered MWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>600</td>
<td>2000</td>
<td>31%</td>
</tr>
<tr>
<td>2009</td>
<td>1500</td>
<td>3500</td>
<td>53%</td>
</tr>
<tr>
<td>2010</td>
<td>1750</td>
<td>3500</td>
<td>57%</td>
</tr>
<tr>
<td>2011</td>
<td>1750</td>
<td>3500</td>
<td>58%</td>
</tr>
<tr>
<td>2012</td>
<td>1750</td>
<td>3500</td>
<td>57%</td>
</tr>
</tbody>
</table>
Fleet utilisation

Anchored* & Idle Vessels**, % of fleet

Fleet Average Speed***, knots

* Source Bloomberg (AISLive). More than 25,000 vessels (>299 GT) covered.
** Idle (no movement for 19 days for containerships, others 35 days). Source Lloyd’s MIU. Around 15,000 vessels (>299 GT) covered.
*** Source Bloomberg
Cash flow from operating activities
Net working capital development

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Working Capital</th>
<th>Total Inventories</th>
<th>Advances Received</th>
<th>Net Working Capital / Net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>267 MEUR</td>
<td>1600 MEUR</td>
<td>5.8%</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>486 MEUR</td>
<td>1500 MEUR</td>
<td>9.2%</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>118 MEUR</td>
<td>1400 MEUR</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>235 MEUR</td>
<td>1300 MEUR</td>
<td>6.8%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>509 MEUR</td>
<td>1200 MEUR</td>
<td>10.9%</td>
<td></td>
</tr>
</tbody>
</table>
Drawn long-term loans: 545 MEUR
Current portion of long-term loans: 92 MEUR
Drawn short-term loans: 157 MEUR
Undrawn revolving credits: 554 MEUR
Total EUR 794 million drawn

At the end of the reporting period, drawn revolving credits amounted to 0 euro.
Drawn short-term loans include EUR 141 million Finnish Commercial Papers.
The total amount of Finnish Commercial Paper Programs was EUR 700 million (uncommitted).
Financial position

Solvency

Gearing
EPS and dividend per share

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
<th>Dividend</th>
<th>Extra dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>2.00</td>
<td>0.50</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>2.00</td>
<td>0.50</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>2.00</td>
<td>1.00</td>
<td>1.72</td>
</tr>
<tr>
<td>2011</td>
<td>2.00</td>
<td>0.50</td>
<td></td>
</tr>
<tr>
<td>2012*</td>
<td>1.00</td>
<td>0.50</td>
<td>1.00</td>
</tr>
</tbody>
</table>

*Dividend 2012 - Proposal of the Board
• **Power Plants:** The overall market for natural gas and liquid fuel based power generation in 2013 is expected to be similar to that of 2012.

• **Ship Power:** Our outlook for the shipping and shipbuilding market in 2013 is cautious, although slightly better than in 2012. Overall, the contracting mix is expected to be in line with that seen in 2012, favouring offshore and specialised vessel segments.

• **Services:** The overall service market outlook remains stable.
Wärtsilä expects its net sales for 2013 to grow by 0-10% and its operational profitability (EBIT% before non-recurring items) to be around 11%.
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