WÄRTSILÄ CORPORATION
BANK OF AMERICA MERRILL LYNCH
GLOBAL INDUSTRIALS CONFERENCE 2015

19 MARCH 2015
Björn Rosengren, President & CEO
Net sales by business 2014

- Services: 41%
- Ship Power: 36%
- Power Plants: 24%
Profitability at upper end of guidance range

2014 EBIT and EBIT% include continuing operations. Figures for 2010-2013 include both discontinued and continuing operations.
Order intake growth supported by Ship Power & Services

MEUR

2010 2011 2012 2013 2014

Power Plants  Ship Power  Services
Order book distribution

Power Plants’ market drivers

- Economic growth, electrification and increased standard of living
- Demand for sustainability and reduced 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
Power Plants order intake

Order intake by customer segment, MEUR

- Utilities: 35%
- Industrials: 32%
- IPP’s*: 33%

Order intake by fuel, MW

- Oil: 39%
- Gas: 61%

*IPP = Independent Power Producer
58 GW of installed power plant capacity in 175 countries

* December 2014
Power Plants’ strategic focus

- Maintain leading position in flexible baseload power plants
- Grow in large utility gas power plants
- Grow in LNG infrastructure projects
- Grow in industrial applications
Slowdown in vessel contracting

Source: Clarkson Research Services, figures exclude late contracting

* CGT= gross tonnage compensated with workload
Growth in Ship Power order intake

MEUR

- Offshore
- Navy
- Special vessels
- Cruise and ferry
- Gas carriers
- Other
- Traditional merchant

Ship Power order intake
Joint venture order intake
The most complete marine offering
Clear leadership in dual-fuel applications

<table>
<thead>
<tr>
<th>Power Plants</th>
<th>Merchant</th>
<th>Offshore</th>
<th>Cruise &amp; Ferry</th>
<th>Navy</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF Power plants</td>
<td>LNGC</td>
<td>OSV’s</td>
<td>LNG cruise ferry</td>
<td>Coastal patrol</td>
<td>Tug</td>
</tr>
<tr>
<td>• 83 installations</td>
<td>• 145 vessels</td>
<td>• 31 vessels</td>
<td>• 1 vessel</td>
<td></td>
<td>• 2 vessels</td>
</tr>
<tr>
<td>• 375 engines</td>
<td>• 585 engines</td>
<td>• 96 engines</td>
<td>• 4 engines</td>
<td></td>
<td>• 2 engines each</td>
</tr>
<tr>
<td>• Output 4670.7 MW</td>
<td>• 20 engines</td>
<td>• 2 platforms</td>
<td>• Complete gas train</td>
<td></td>
<td>• Mechanical drive</td>
</tr>
<tr>
<td>• Online since 1997</td>
<td>• 1 chemical tanker</td>
<td>• 9 FPSO’s</td>
<td></td>
<td></td>
<td>• Guide ship</td>
</tr>
<tr>
<td></td>
<td>• 2 engines</td>
<td>• 1 FSO</td>
<td></td>
<td></td>
<td>• 1 vessel/engine</td>
</tr>
<tr>
<td></td>
<td>• 2 engines</td>
<td>• 40 engines</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 8 engines</td>
<td></td>
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</tbody>
</table>

Merchant Power Plants
Offshore
Cruise & Ferry
Navy
Others

→ 6 segments → > 1,000 engines → > 10,000,000 running hours
Focus on growth in Services

![Bar chart showing growth in Services from 2010 to 2014.](chart)

- **Field service**: 2010: 1600 MEUR, 2014: 1800 MEUR (51%)
- **Spare parts**: 2010: 1800 MEUR, 2014: 1900 MEUR (25%)
- **Projects**: 2010: 900 MEUR, 2014: 1000 MEUR (16%)
- **Contracts**: 2010: 1000 MEUR, 2014: 1100 MEUR (9%)
Services’ strategic focus areas

Customer first

Go digital

Asset & lifecycle management
Development of service agreements

MW

MW under agreement – Power Plants

MW under agreement – Ship Power

% of Power Plants installed base

% of Ship Power installed base

2009 2010 2011 2012 2013 2014

0% 5% 10% 15% 20% 25% 30%

0 2000 4000 6000 8000 10000 12000 14000
Solid financial position

Cash flow from operating activities

Gearing

MEUR
700
600
500
400
300
200
100
0

2010 2011 2012 2013 2014

2010 2011 2012 2013 2014

MEUR
0,50
0,40
0,30
0,20
0,10
0,00
-0,10

2010 2011 2012 2013 2014
Wärtsilä expects its net sales for 2015 to grow by 0-10% and its operational profitability (EBIT% before non-recurring items) to be between 12.0-12.5%.
Wärtsilä’s strategic focus areas

Smart Power Generation

Gas as a fuel

Environmental solutions
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