This is Wärtsilä

Energy Solutions, 23%

Marine Solutions, 30%

Services, 47%
Net sales and profitability

Figures shown before nonrecurring restructuring items. Figures for 2011-2013 and H1/2014 include both discontinued and continuing operations.
We aim for faster than market growth

Megatrends drive demand for our solutions

Strong presence in growth markets

Opportunities in strategic focus areas

Strengthening market position through acquisitions
Energy Solutions – 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

"The world needs clean, affordable and reliable power generation"
Energy Solutions’ order intake

Review period development
Total EUR 475 million (409)

- Utilities: 10%
- IPP’s*: 41%
- Industrials: 49%

Review period order intake by fuel in MW

- Oil: 56%
- Gas: 44%

*IPP = Independent Power Producer

Q1-Q2 Q3-Q4

© Wärtsilä
58 GW of installed power plant capacity in 175 countries

* December 2014
Energy Solutions – strategic goals

Maintain leading position in flexible baseload power plants

Grow strongly in large utility gas power plants

Grow in LNG infrastructure projects

Grow in industrial applications
Marine Solutions – market trends & drivers

- Marine trade and transportation growth
- Demand for environmental solutions and gas as a marine fuel
- Energy efficiency, operating performance and security
- Investments in exploration and production of offshore oil & gas impacted by oil price development

A dynamic global market, but with distinctive segment-specific and local needs
Vessel contracting activity

Source: Clarkson Research Services, figures exclude late contracting

* CGT = gross tonnage compensated with workload
Marine Solutions’ order intake

Review period development
Total EUR 728 million (823)

- Offshore 15%
- Special vessels 10%
- Cruise & Ferry 18%
- Traditional merchant 16%
- Others 4%
- Navy 3%
- Gas carriers 34%

Q1-Q2 | Q3-Q4
---|---
2011 | 2012 | 2013 | 2014 | 2015
Strong position in marine engine market

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

### Medium-speed main engines

- **Wärtsilä**: 59% (56)
- **Caterpillar**: 10% (13)
- **MAN D&T**: 15% (15)
- **Others**: 16% (16)

Total market volume last 12 months: 4,988 MW (5,711)

### Auxiliary engines

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

Total market volume last 12 months: 4,078 MW (4,988)
Acquisition of L-3 Marine Systems International finalised

Key figures

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Marine Solutions 1-6/2015</th>
<th>MSI’s contribution 6/2015</th>
<th>MSI 1-6/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>728</td>
<td>41</td>
<td>161</td>
</tr>
<tr>
<td>Net sales</td>
<td>674</td>
<td>30</td>
<td>197</td>
</tr>
<tr>
<td>Order book, end of period</td>
<td>2,785</td>
<td>519</td>
<td>519</td>
</tr>
</tbody>
</table>

- The integration of MSI with Wärtsilä’s existing E&A business within Marine Solutions has started.
- In addition to sales synergies, Wärtsilä expects MSI to reach current group profitability within five years.
- Purchase price allocation amortisation is expected to be EUR 7 million in 2015.
- The goodwill value of the transaction is estimated at EUR 161 million.
- In 2015, MSI is expected to contribute approx. EUR 250 million to net sales and EUR 16 million to the operating result excluding PPA amortisation.
The most complete marine offering on earth
Growth opportunities in marine markets

Gas and dual-fuel solutions
Broader scope of supply
Efficiency
Environmental solutions
## 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>3 Container vessels</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>2 Asphalt carriers</td>
<td></td>
</tr>
<tr>
<td>1 CNG carrier</td>
<td>1 FSO vessel</td>
<td>1 Icebreaker</td>
<td>1 IWW vessel</td>
<td>1 Small LNG carrier</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 Guide ship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

>1,300 engines  >12 million running hours
Wärtsilä Services’ global network

11,000 service professionals in 70 countries, 160 locations…

- Blue circles: Marine installed base by operating country
- Black circles: Power installed base by operating country
- Orange dots: Service locations
Services – market trends & drivers

- Development of installed base and installation utilisation
- Growing importance of gas as a fuel
- Need for real-time data
- Downtime avoidance
- Focus on efficiency
- New and stricter regulations
Services’ net sales

Review period development
Total EUR 1,034 million (903)

Field service 24%
Spare parts 51%
Contracts 17%
Projects 7%
Services’ strategic focus areas

CUSTOMER FIRST
We will nourish our partnership with our existing customer base

GO-DIGITAL
We will digitalise our customer engagement

ASSET & LIFECYCLE MANAGEMENT
We will continue to develop and commercialise our portfolio of value-adding services
A brand new medium-speed Wärtsilä 31 engine launched in June

- The Wärtsilä 31 engine is the industry’s most advanced, powerful, fuel efficient, fuel flexible, and environmentally sound engine.
- The engine achieved a Guinness World Records title for the most efficient 4-stroke diesel engine.
- Remarkable increases in fuel efficiency and fuel flexibility are matched by significant reductions in maintenance costs.
- The engine comes in three alternative versions; diesel, dual-fuel and spark-ignited gas.
Wärtsilä expects its net sales for 2015 to grow by 5-10% and its operational profitability (EBIT% before non-recurring items) to be between 12.0-12.5%.

The guidance includes the impact of the L-3 Marine Systems International acquisition.
Environmental awareness and changing energy needs are increasingly steering investments in the markets in which we operate.

We seek growth by offering **energy efficient lifecycle solutions**, **gas based technology**, as well as **innovative solutions** that leverage our project management and engineering competence.

Our growth ambitions are supported by our superior global service network.
Focused on reaching our long-term profitability target

- **Streamlining**
  - Group efficiency program implemented during 2014

- **Increasing accountability**
  - Setup of business line driven organisation

- **Pricing**
  - Securing value based and market driven pricing

- **Productivity**
  - Optimising lead times and focusing on continuous process improvement

- **Ensuring competitiveness**
  - Investing into technological leadership
IR Contact:
Natalia Valtasaari
Director, Investor Relations
Tel. +358 (0) 40 187 7809
E-mail: natalia.valtasaari@wartsila.com