



WÄRTSILÄ CORPORATION

ABG SUNDAL COLLIER ENGINEERING VISION SEMINAR

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EVP & CFO



Wärtsilä's net sales by business Q1/2015, 12m rolling



Power Plants, 24%



Ship Power, 35%



Services, 42%

Key figures

MEUR	Q1/2015, 12 m rolling	2014	2013 ¹
Order intake	5 253	5 084	4 821
Order book at the end of the period	4 931	4 530	4 311
Net sales	4 770	4 779	4 607
Operating result before non-recurring items	570	569	557
% of net sales	12.0	11.9	12.1
Earnings/share, EUR	1.87	1.76	1.98

1) 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.

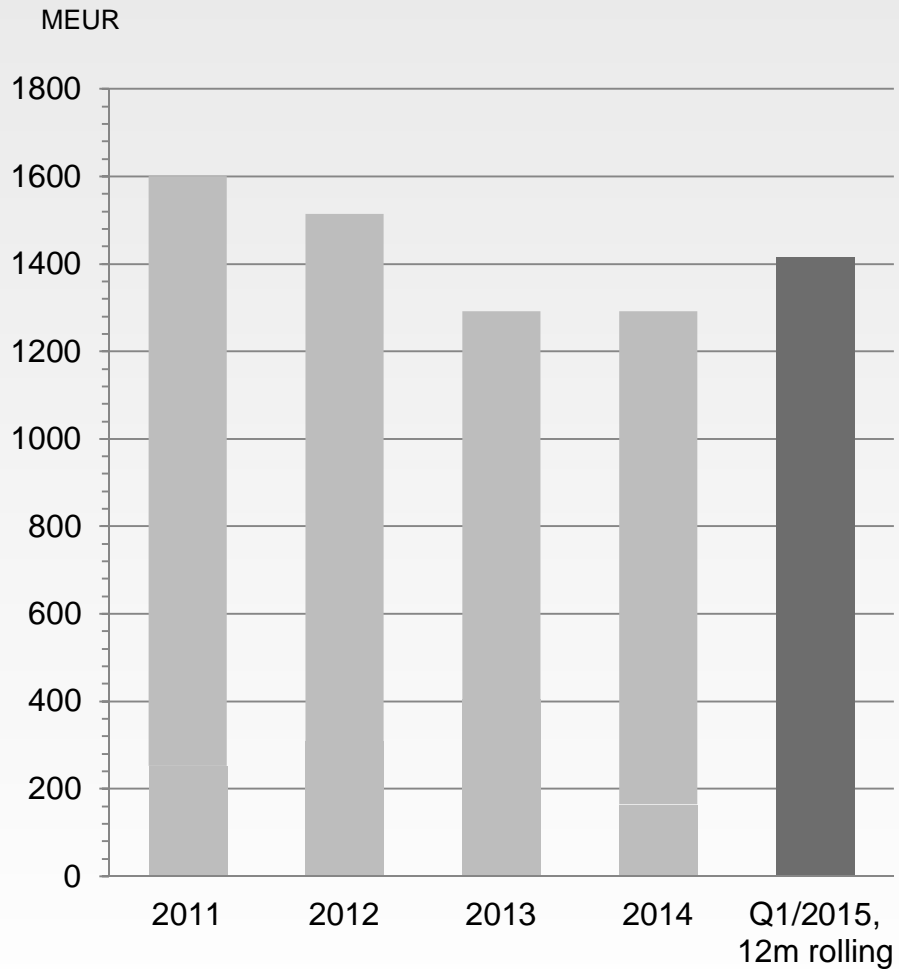
Power Plants market trends & drivers

- 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

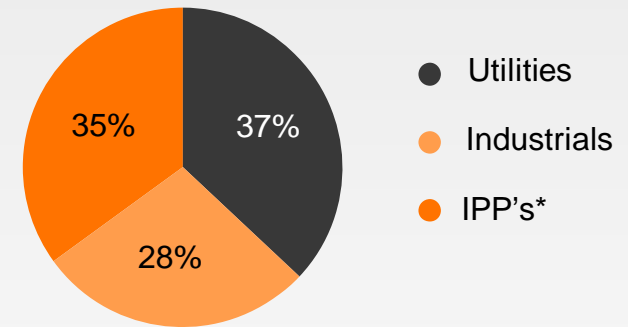


The world needs clean, affordable and reliable power generation

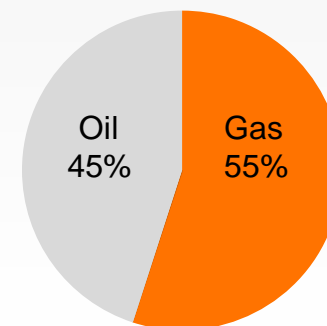
Power Plants order intake by customer segment



Order intake development, 12m rolling
EUR 1,416 million (1,051)

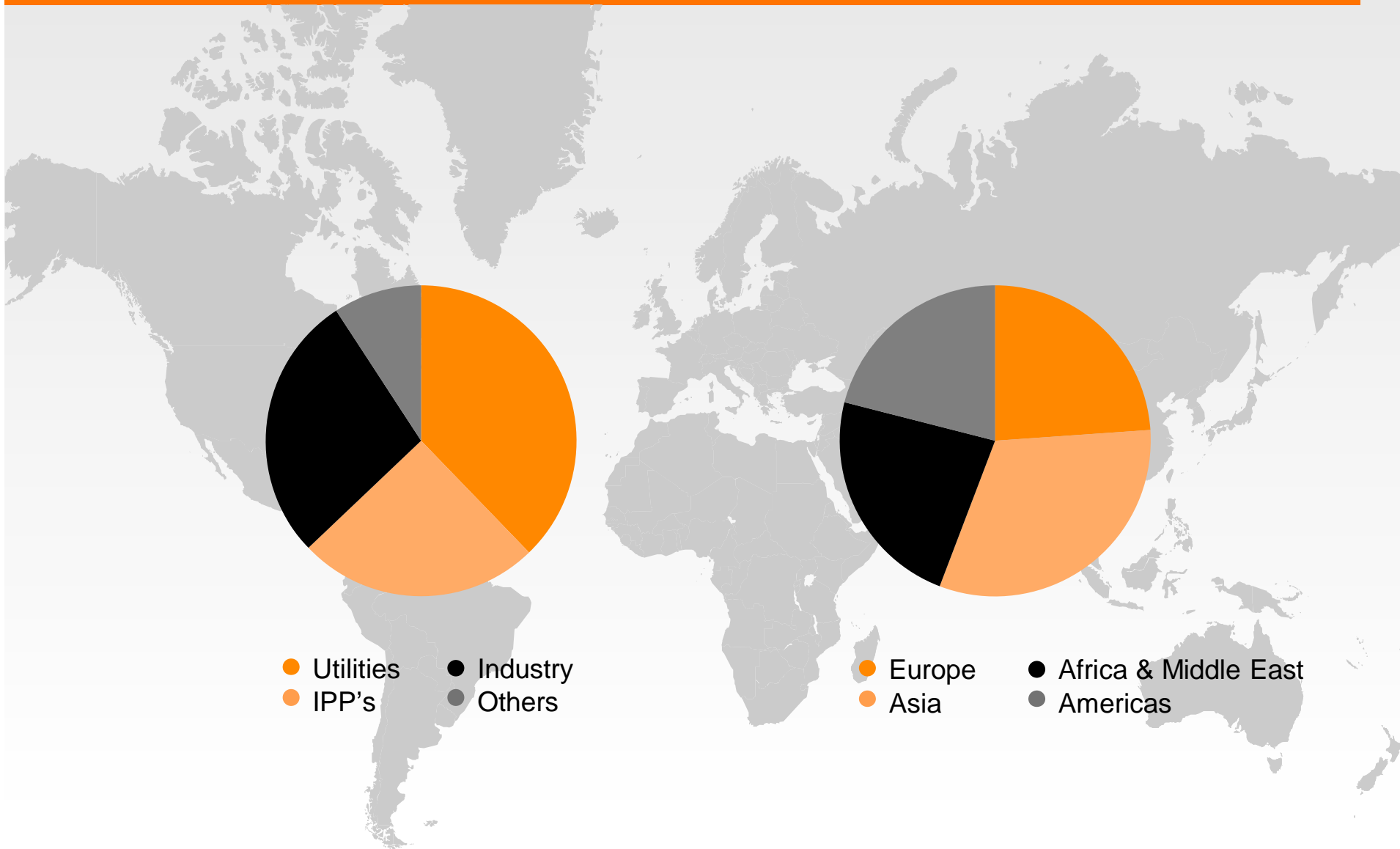


Order intake development by fuel in MW,
rolling 12 months



*IPP = Independent Power Producer

58 GW of installed power plant capacity in 175 countries

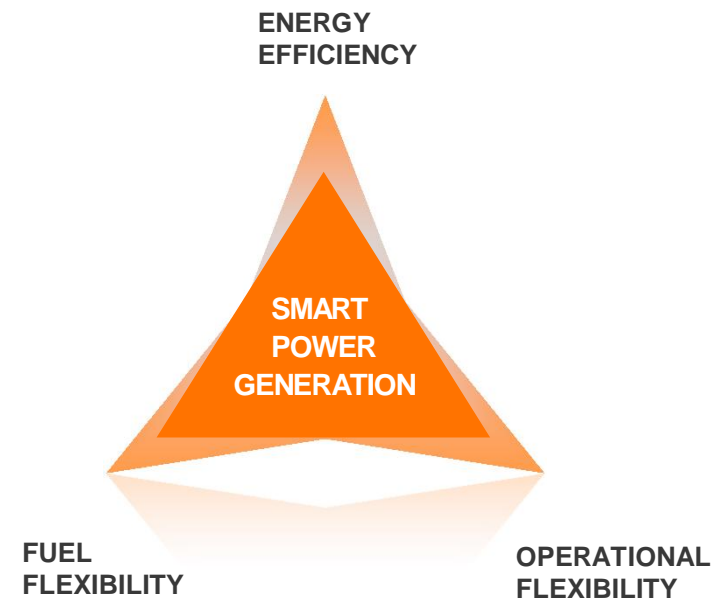


* December 2014

Power Plants' 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 and special applications

Enabling transition to a sustainable power system



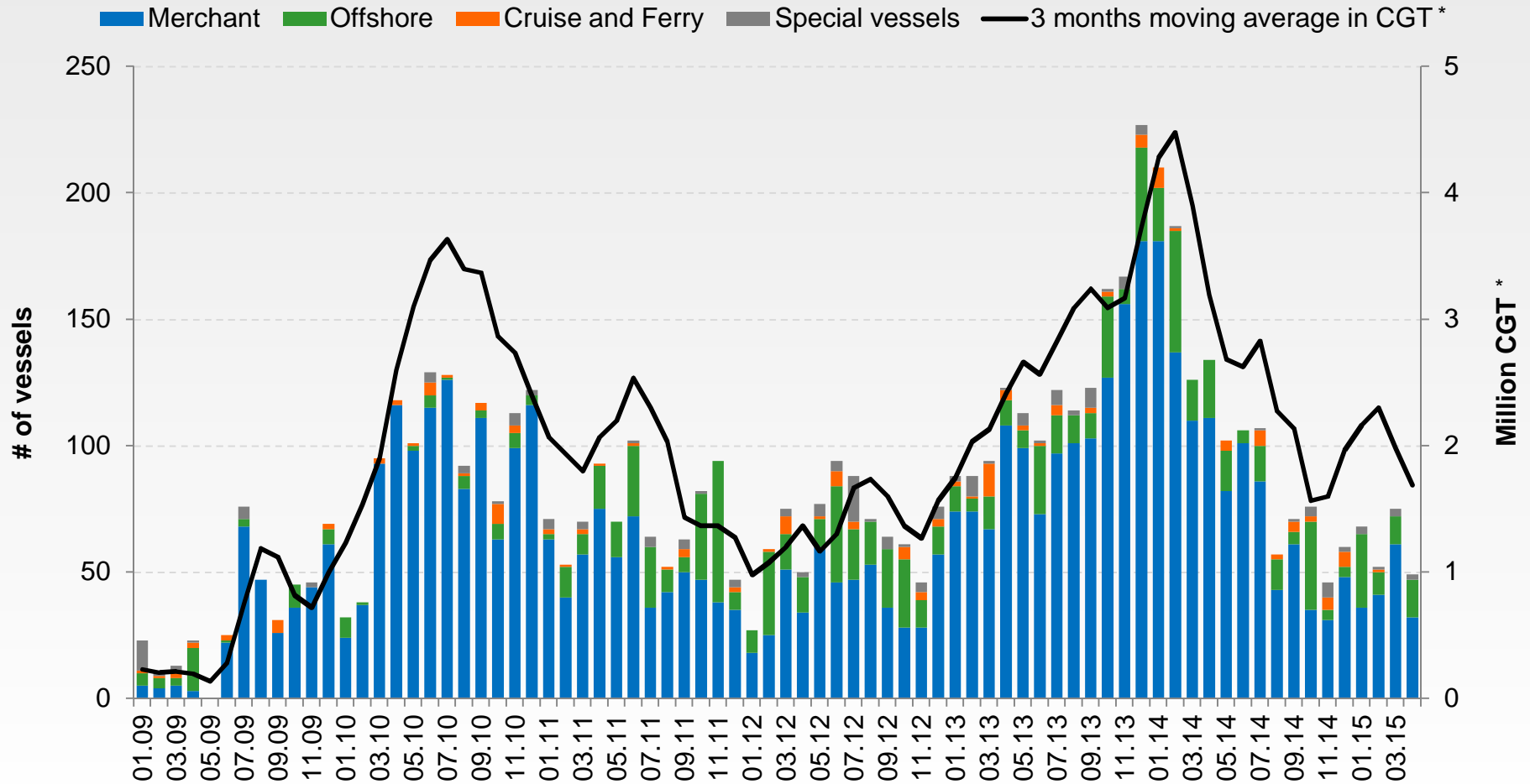
Ship Power market trends & drivers

- 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

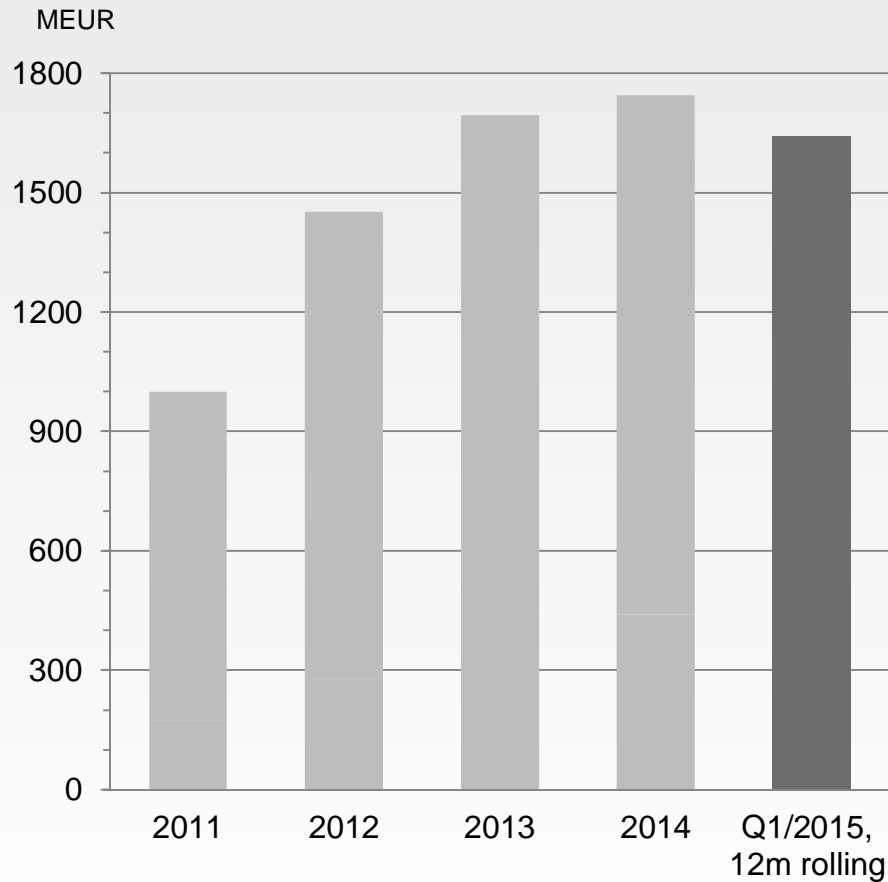
Subdued vessel contracting



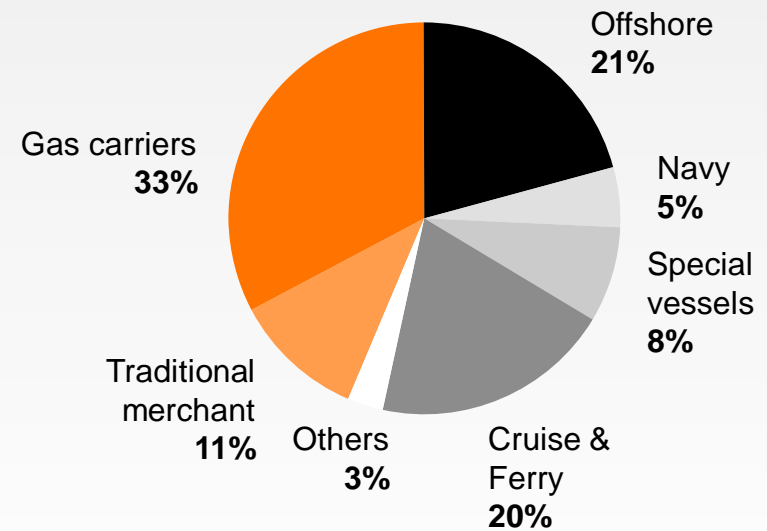
Source: Clarkson Research Services, figures exclude late contracting

* CGT= gross tonnage compensated with workload

Ship Power order intake



Order intake development,
rolling 12 months
EUR 1,644 million (1,655)



The most complete marine offering on earth



Ship Power strategy

Leader in

Efficiency



Gas and dual-fuel solutions



Environmental solutions



Through offering

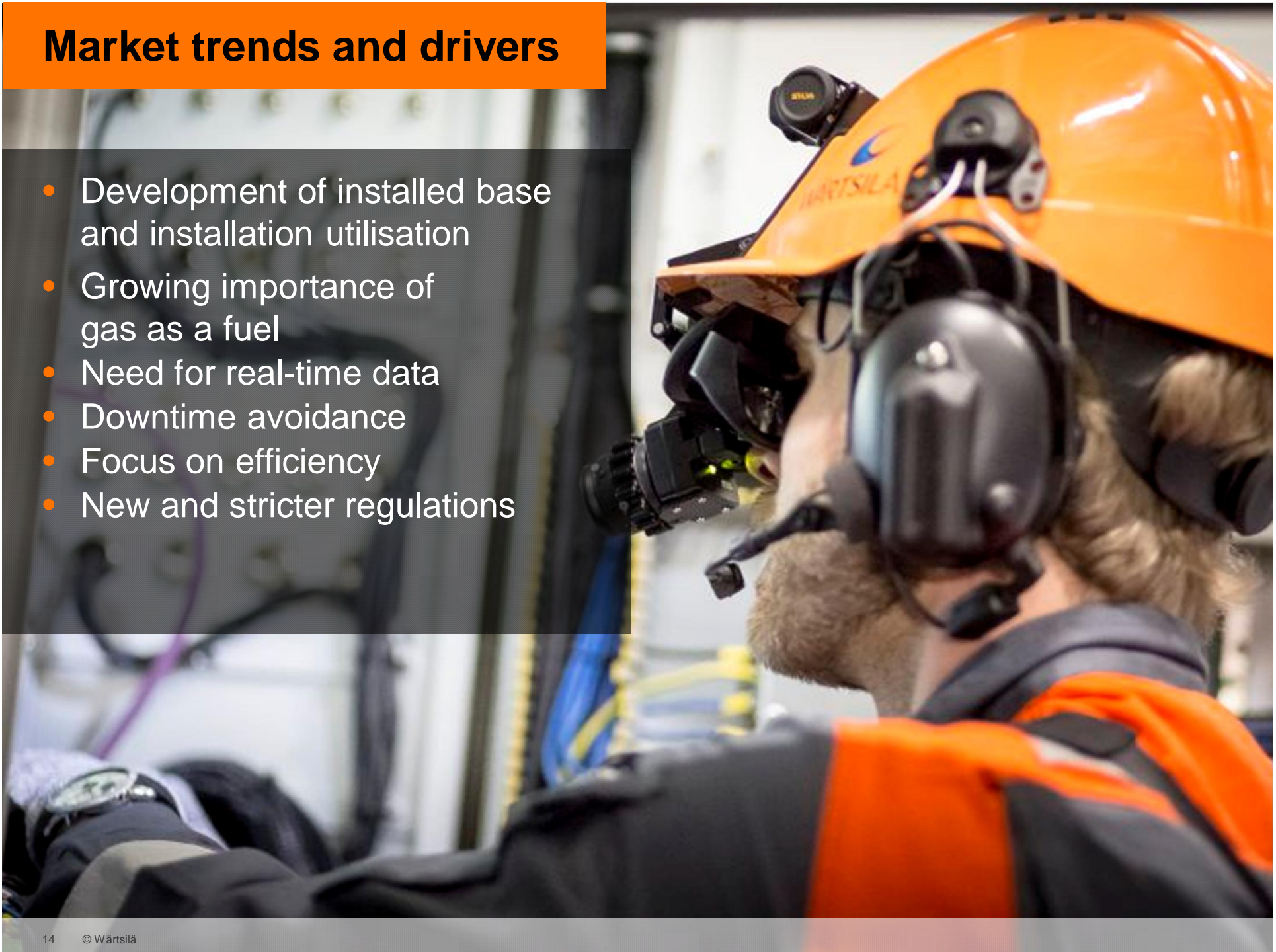
- Lifecycle solutions for ship owners and operators
- Integrated solutions for the shipbuilding industry, owners and operators
- The most competitive products and delivery process for the marine industry

Wärtsilä Services' global network

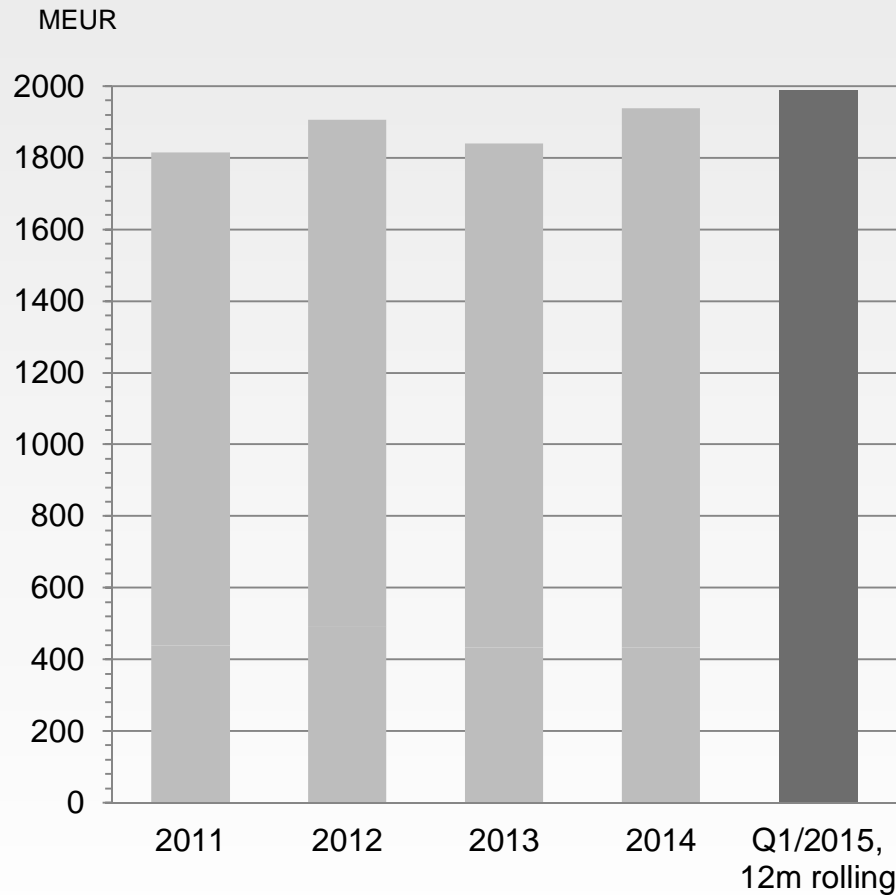
- Installed base 181,000 MW
- Over 450 installations under service agreements
- 11,000 service professionals
- 70 countries
- 160 locations

Market trends and drivers

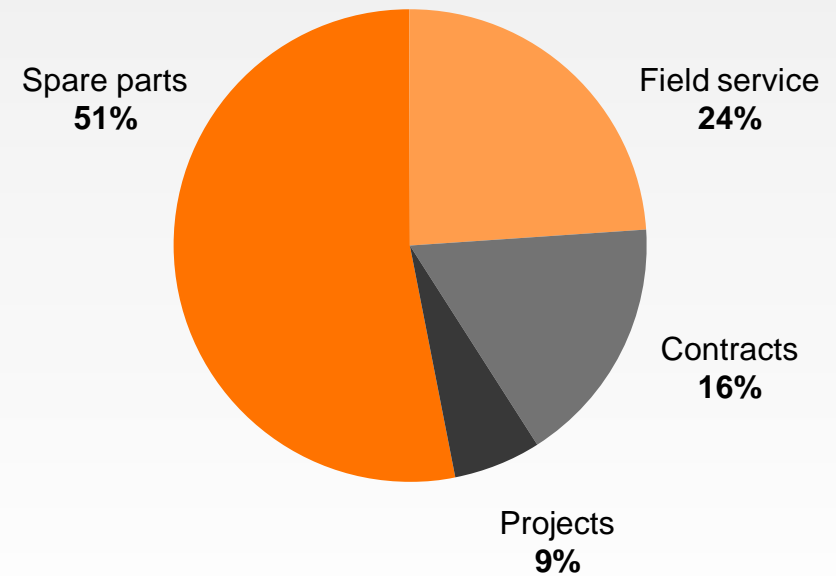
- Development of installed base and installation utilisation
- Growing importance of gas as a fuel
- Need for real-time data
- Downtime avoidance
- Focus on efficiency
- New and stricter regulations



Services net sales development



**Net sales development,
rolling 12 months**
EUR 1,989 million (1,939)



Services' strategic focus areas



CUSTOMER FIRST

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

GO-DIGITAL

We will digitalise our customer engagement

ASSET & LIFECYCLE

We will continue to develop and commercialise our portfolio of value-adding services

Prospects for 2015

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%.

Positioned for growth



Smart Power Generation

The transition to modern, sustainable energy systems is driving demand for smart power generation.



Gas as a fuel

Economic and environmental forces are increasing the growth of gas fuels in the marine and power plant markets.



Environmental solutions

Environmental regulation and focus on improved efficiency are driving demand in the marine industry.

Focused on reaching our long-term profitability target

11.9%

14.0%

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

WARTSILA.COM



WÄRTSILÄ

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