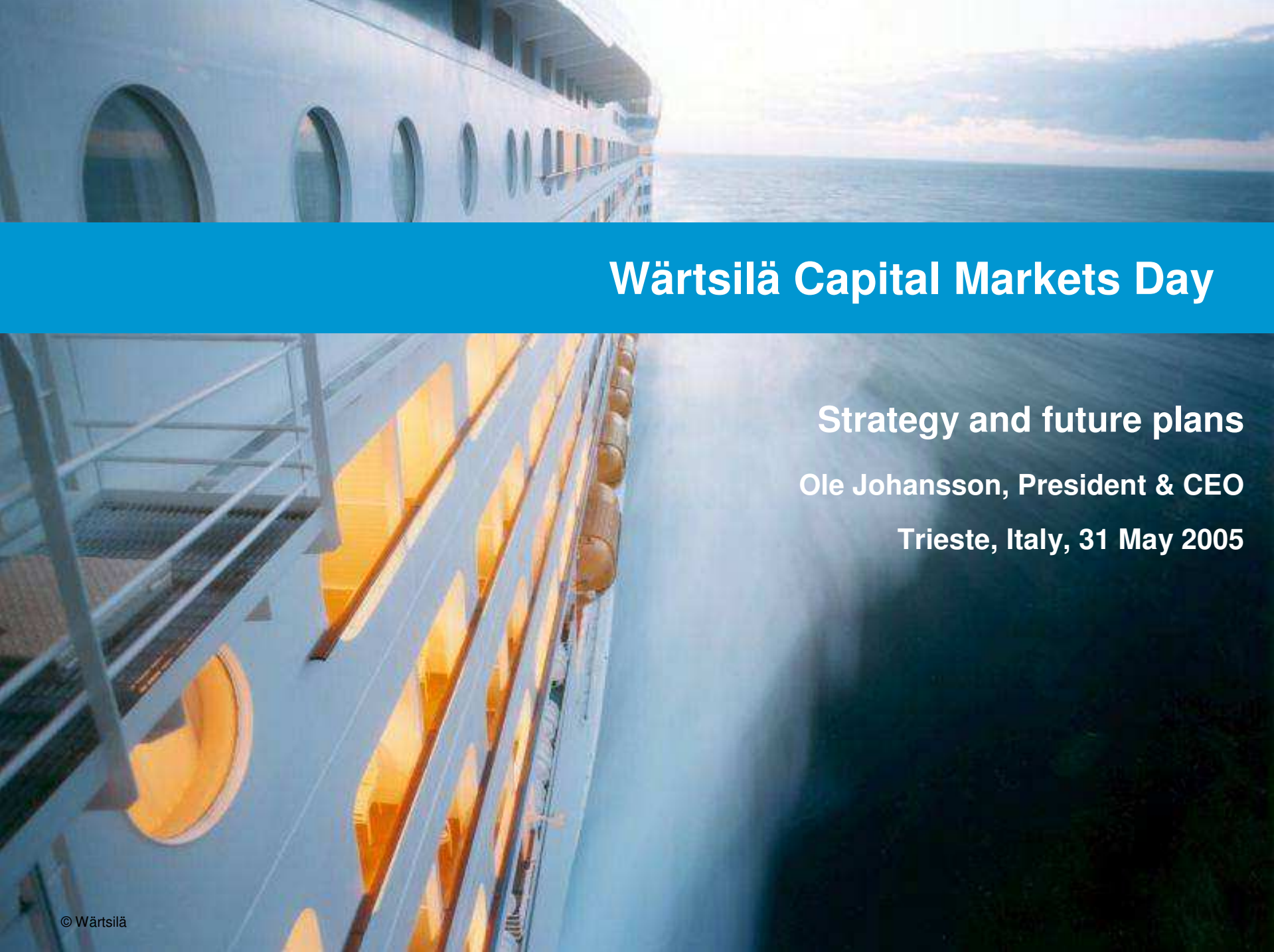


Wärtsilä Capital Markets Day

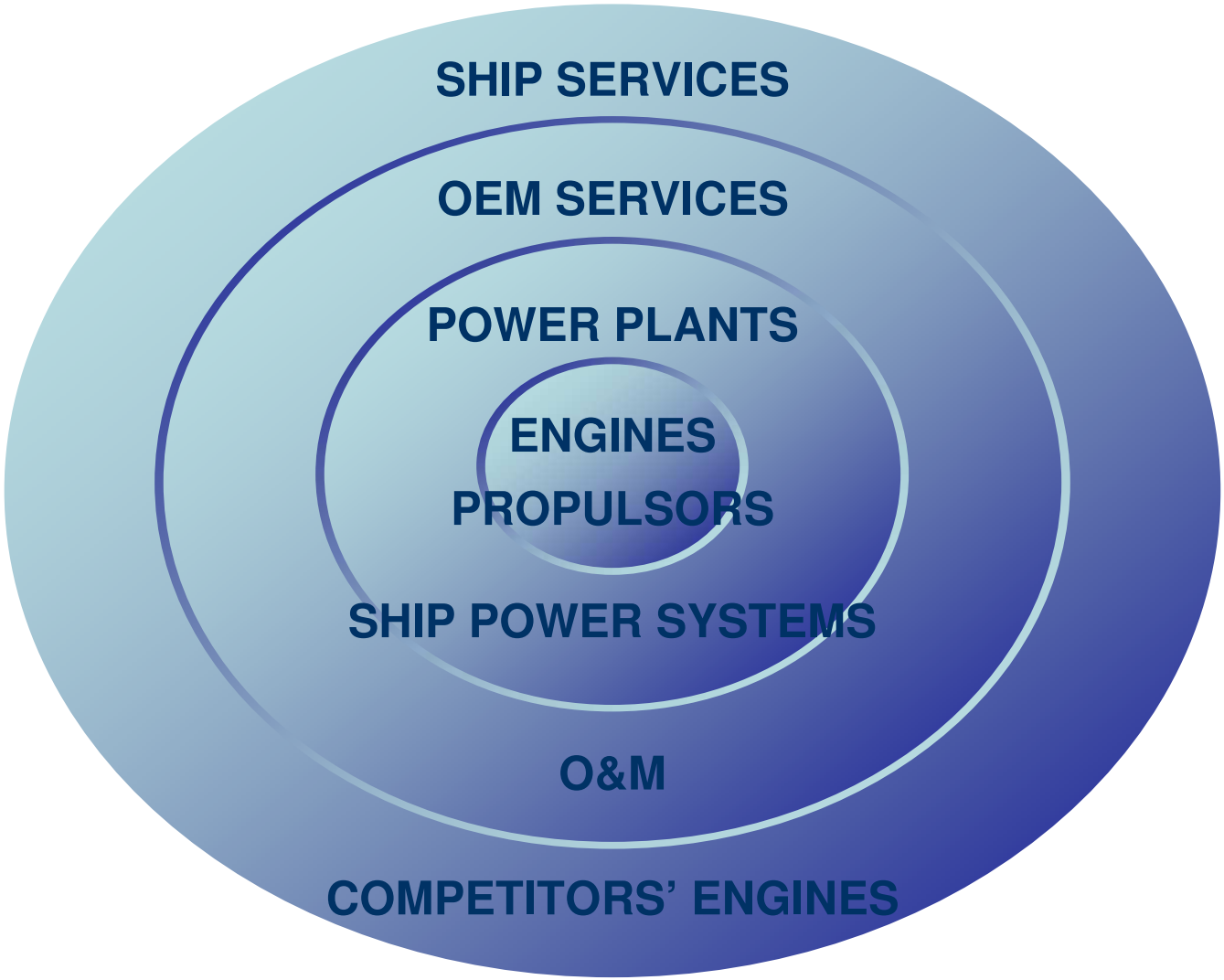
Strategy and future plans

Ole Johansson, President & CEO

Trieste, Italy, 31 May 2005

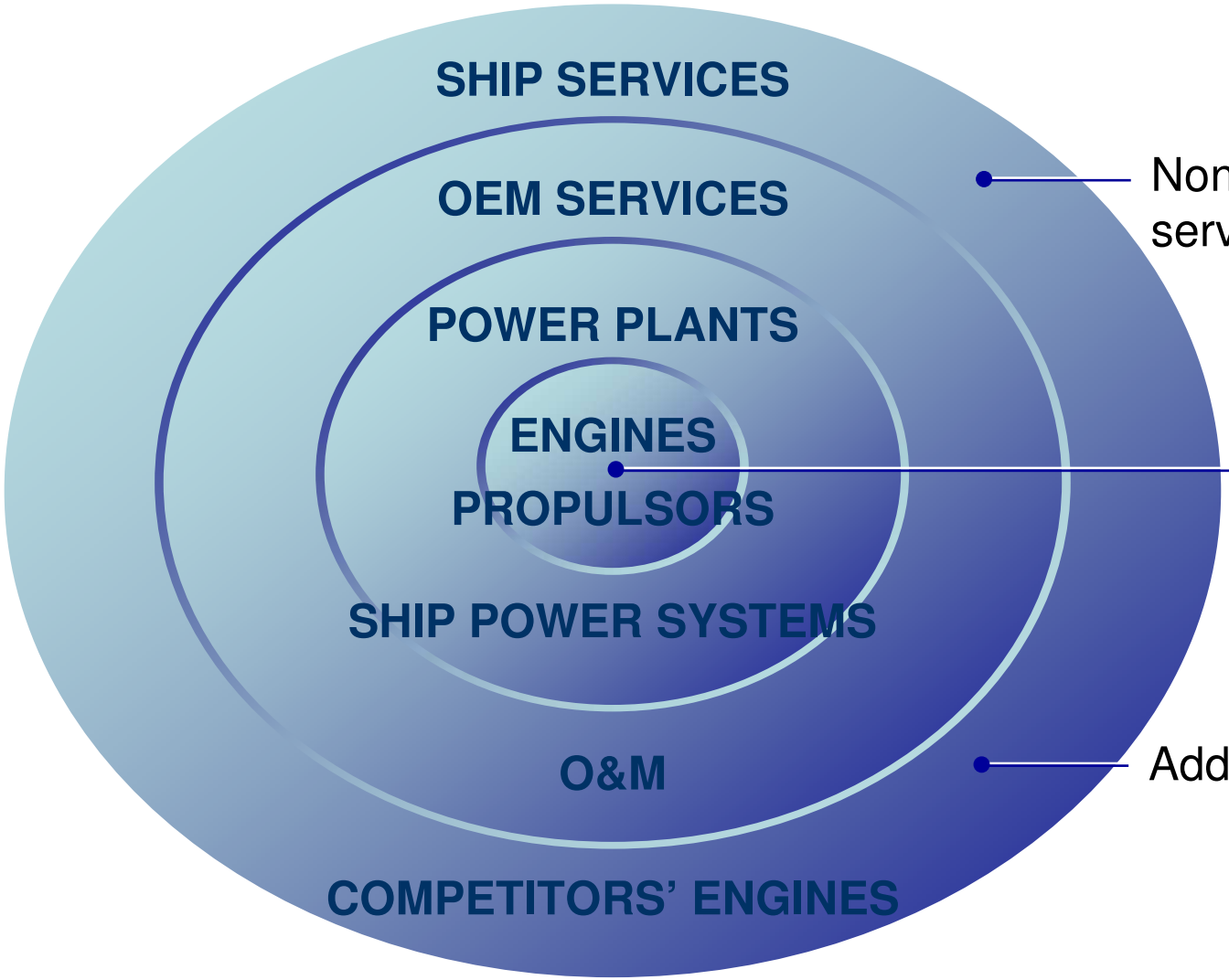
Our offering

We are in business to power your business



Our offering

…and we are seeking growth beyond the organic growth

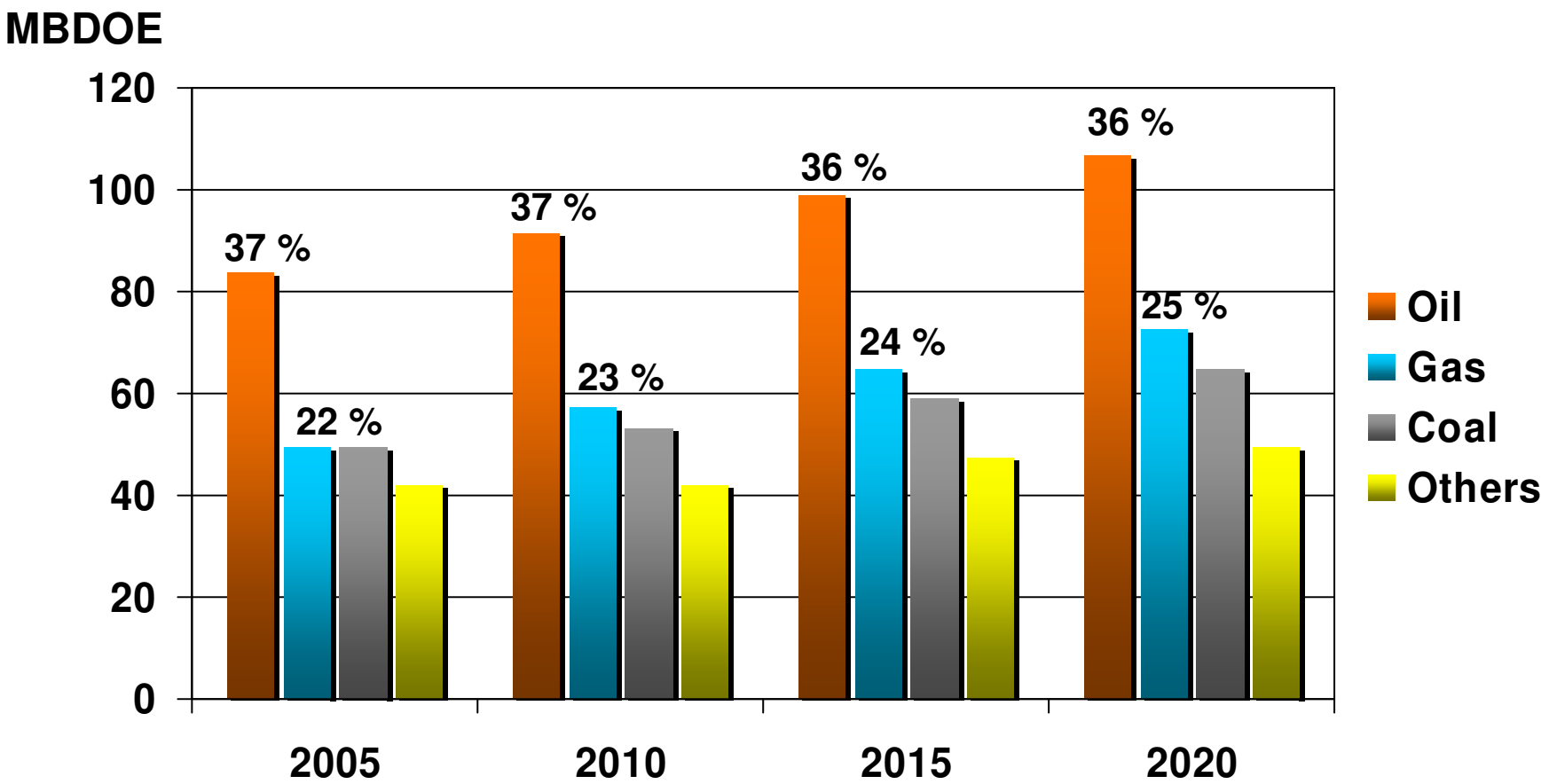


Non engine related services

Additional products

Additional engine brands

Total Energy Consumption of the World



Source: ExxonMobil

Status of fuel versatility - Wärtsilä engines

Bio Oils

Bottom Oils

Orimulsion®

Crude Oil

Natural Gas

Heavy Fuel

Diesel Oil

1970 1980 1990 2000 2010

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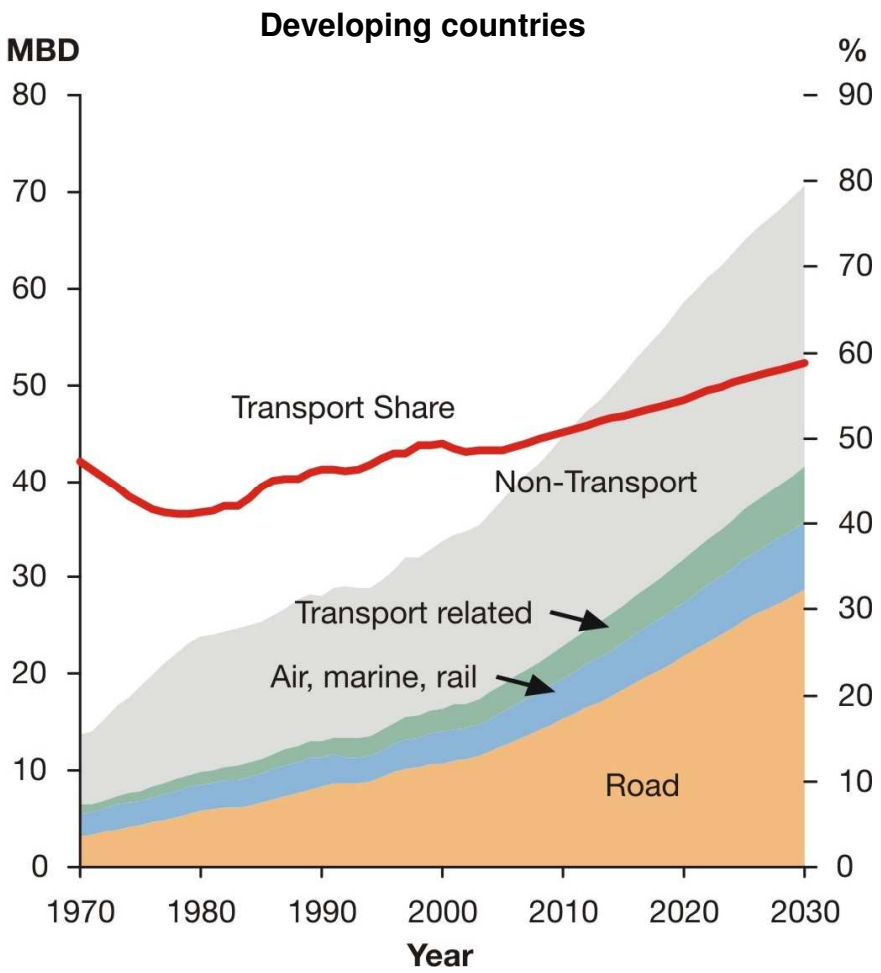
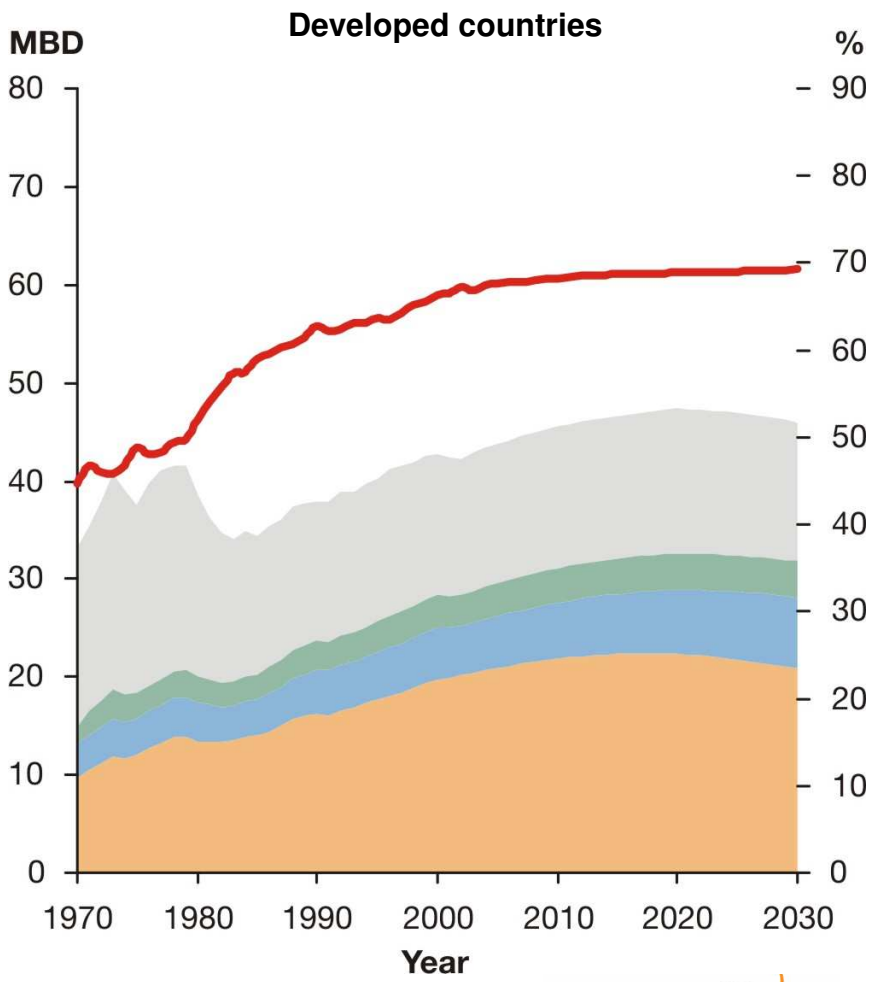
Transportation demand shapes the oil barrel

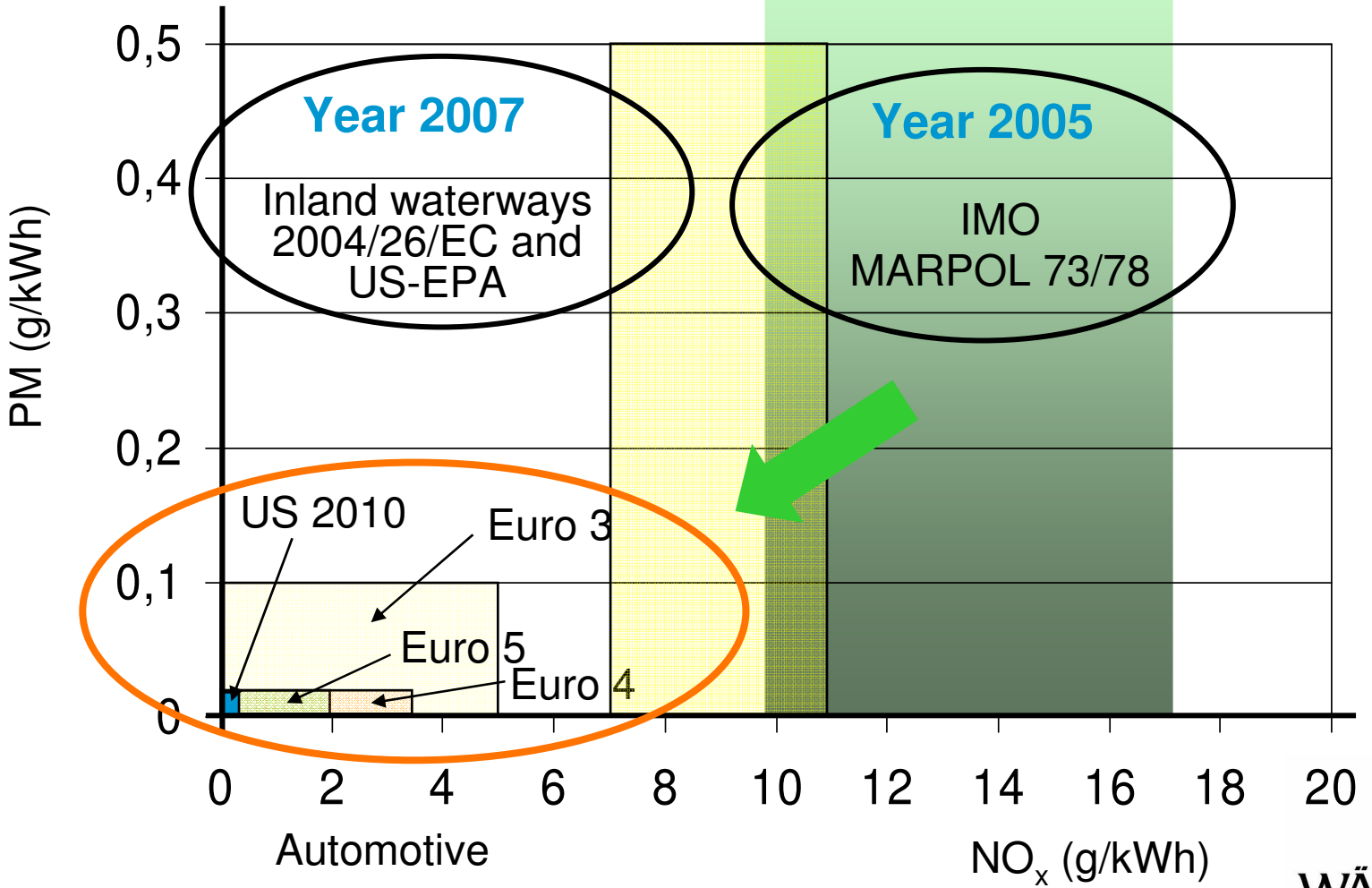




Source: ExxonMobil

Emission limits

Comparison of emission reduction requirements



Gas Engine Features

High electrical efficiency

- Wärtsilä gas engines (4…20 MW) 43…46 %
- Single cycle gas turbines (1…60 MW) 25…40 %
- Combined cycle gas turbines (> 50 MW) 50…57 %

Flexible operation characteristics

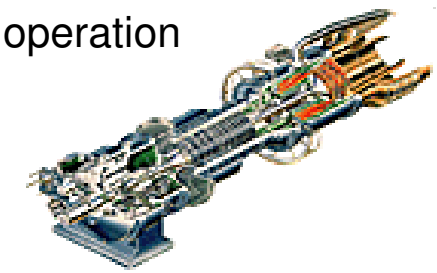
- Fast starting/stopping and loading
- High efficiency on part loads
- Low output reduction (derating) on high altitudes and temperatures

Competitive emissions

- Primary NOx levels below most norms without secondary equipment

Multi fuel options

- LFO & HFO and even crude oil possible. Gas turbines are not suitable for HFO
- Switching between fuels possible also during operation



Gas engine business potential

Power Plants

- Large scale load management plants (peak shaving) in strong grids. The benefits of gas engines have recently been demonstrated in USA
- Distributed power production where gas engines have a market to capture from gas turbines
- Fuel conversion of existing plants from HFO to gas

Ship Power

- LNG carriers
- Floating LNG Storage & Regasification Units (FSRUs)
- Floating Production, Storage & Offloading Units (FPSOs)

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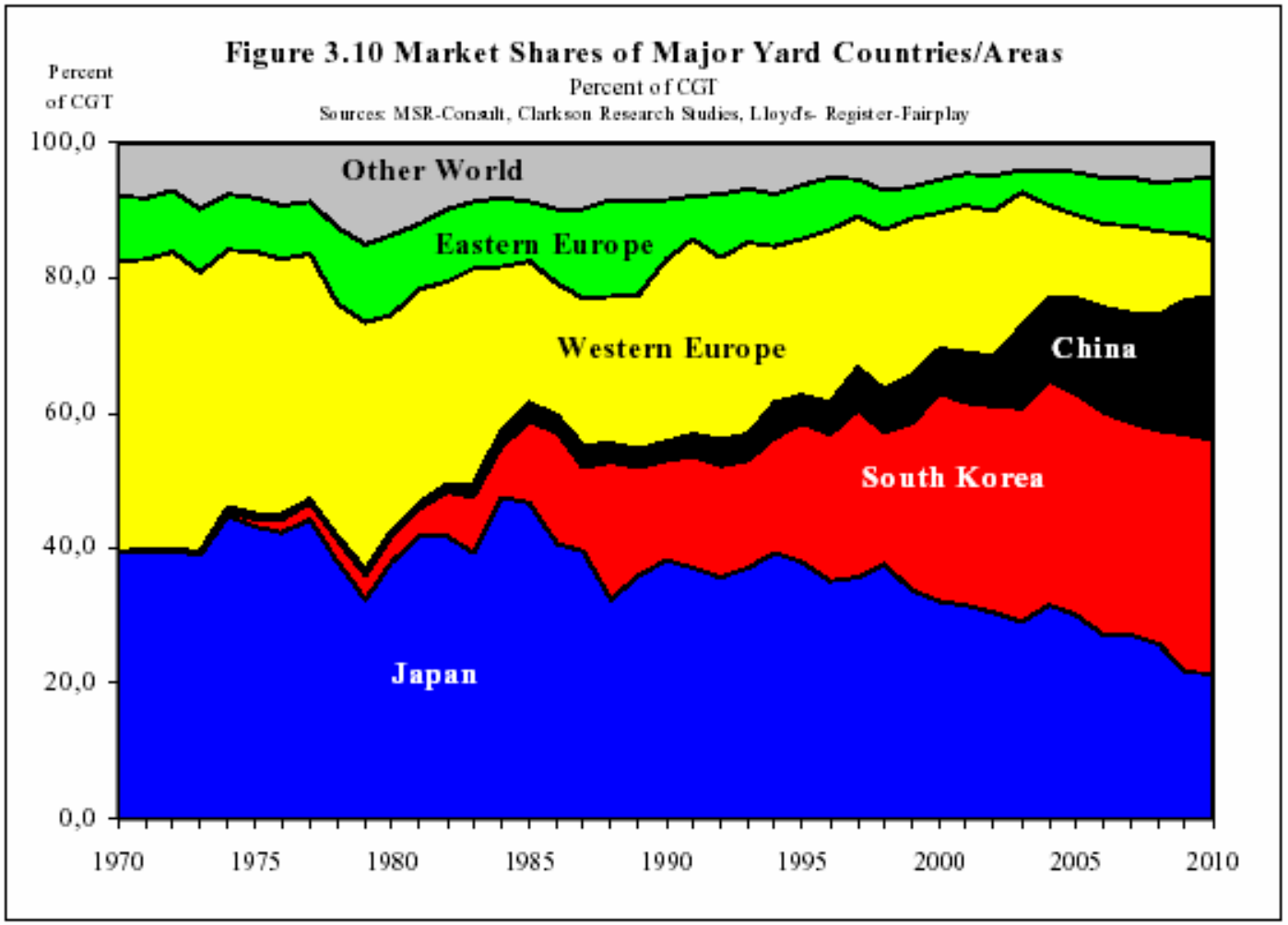
Forecasted geographical distribution of shipbuilding



Sources: MSR-Consult, Clarkson Research Studies
Lloyd's Register-Fairplay

Developing the service business – major trade routes

Six acquired and four Wärtsilä established CISERV companies since 2001

Ciserv concept will be further developed to ports where ships sail

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Developing the service business

15 major ports worldwide

Source: ISL Shipping Statistics Yearbook 2004

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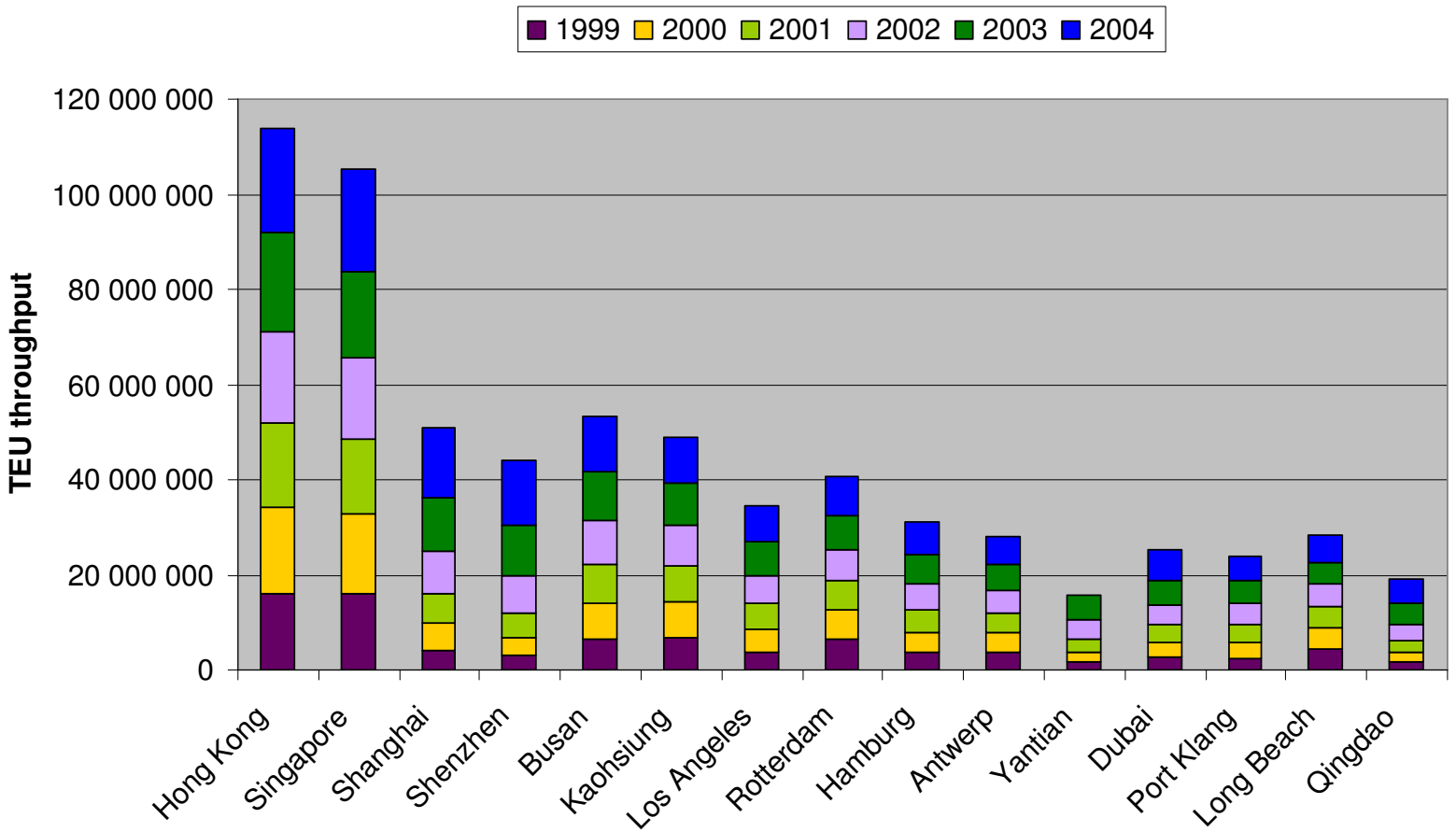
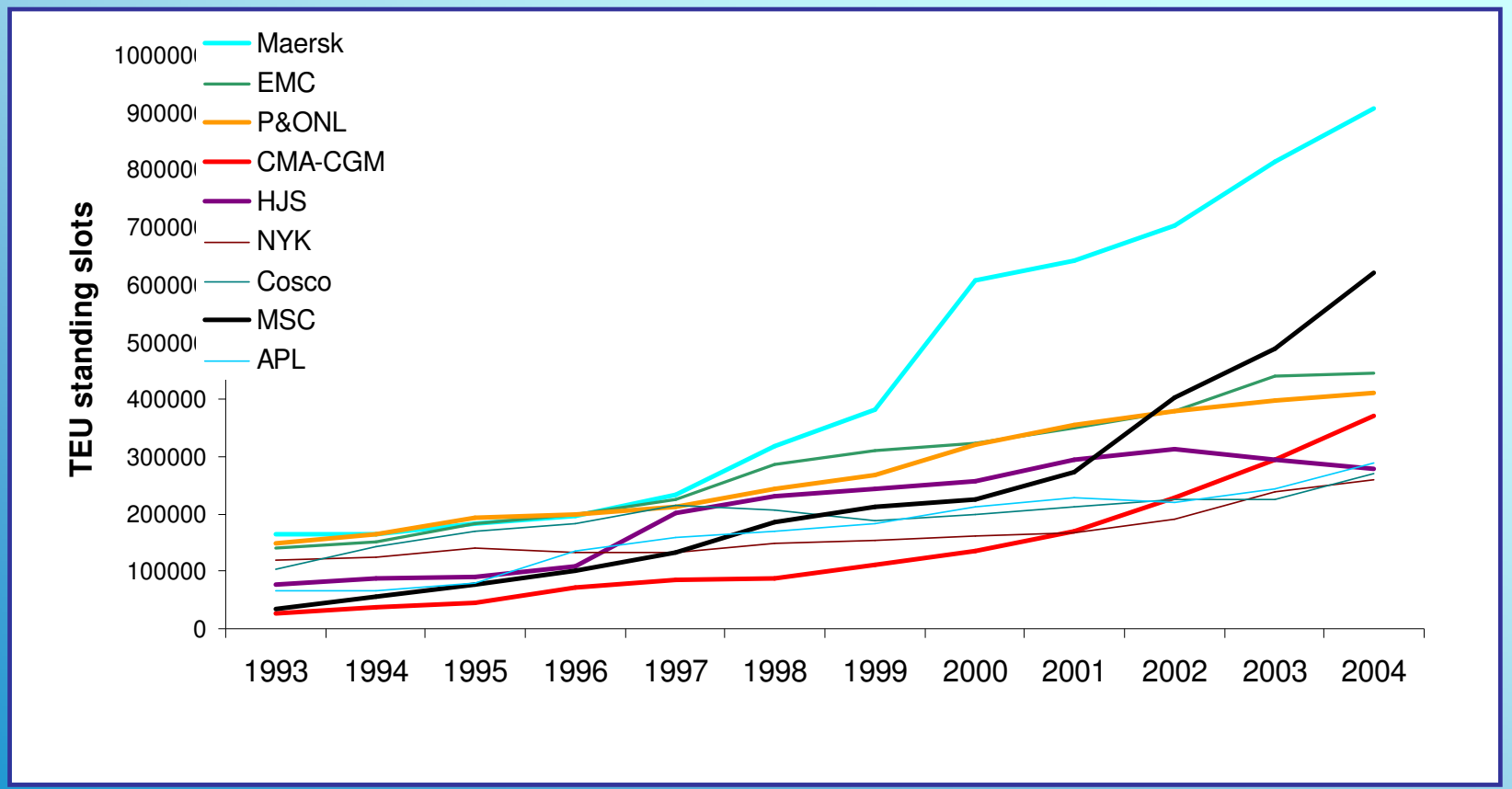
Container port development 1999-2004



Note: figures are based on ship capacity, not actual container throughput
Source: Clarkson Research Studies

Major lines' TEU fleet capacities 1993-2004



Source: Clarkson Research Studies

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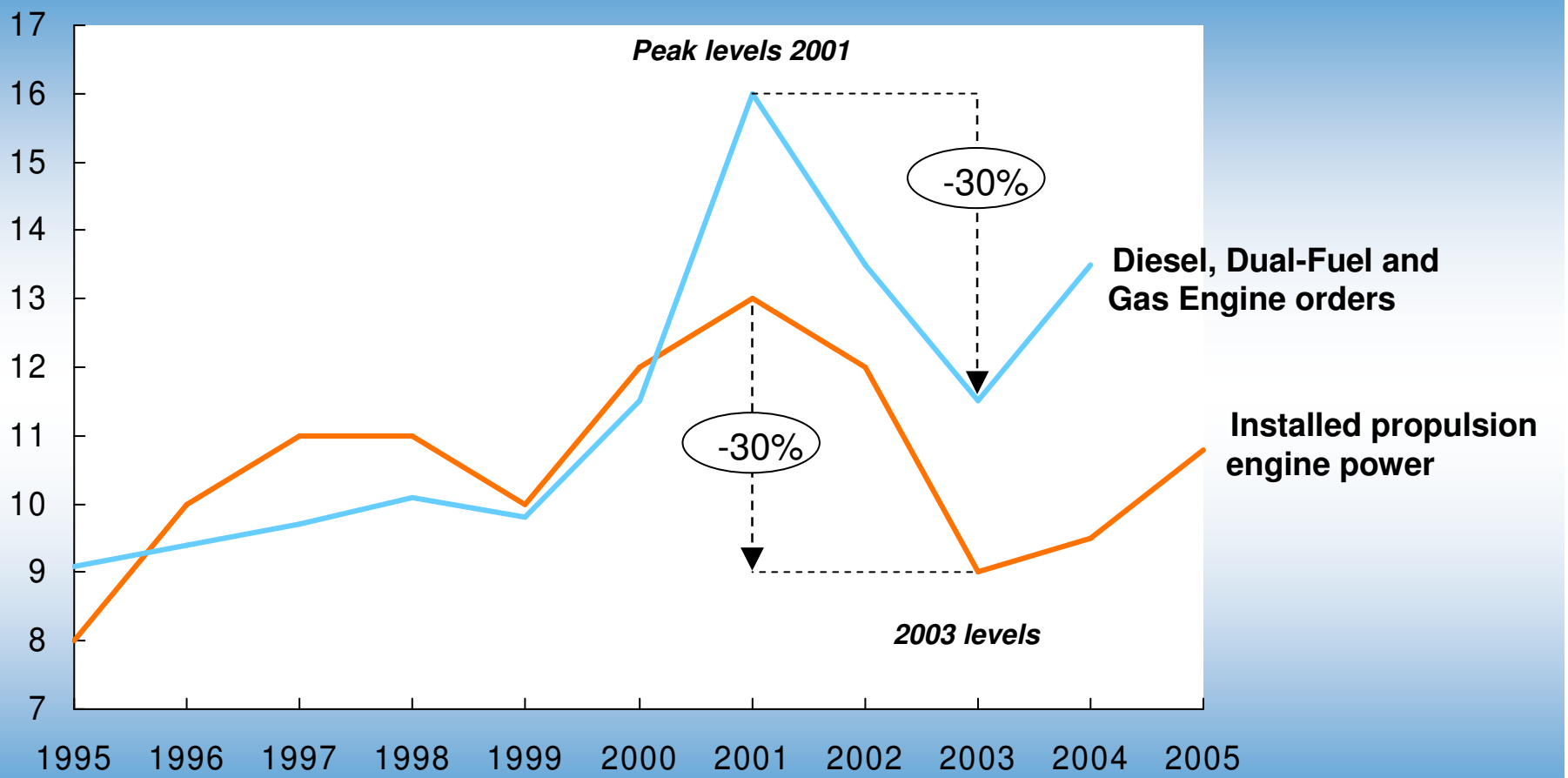
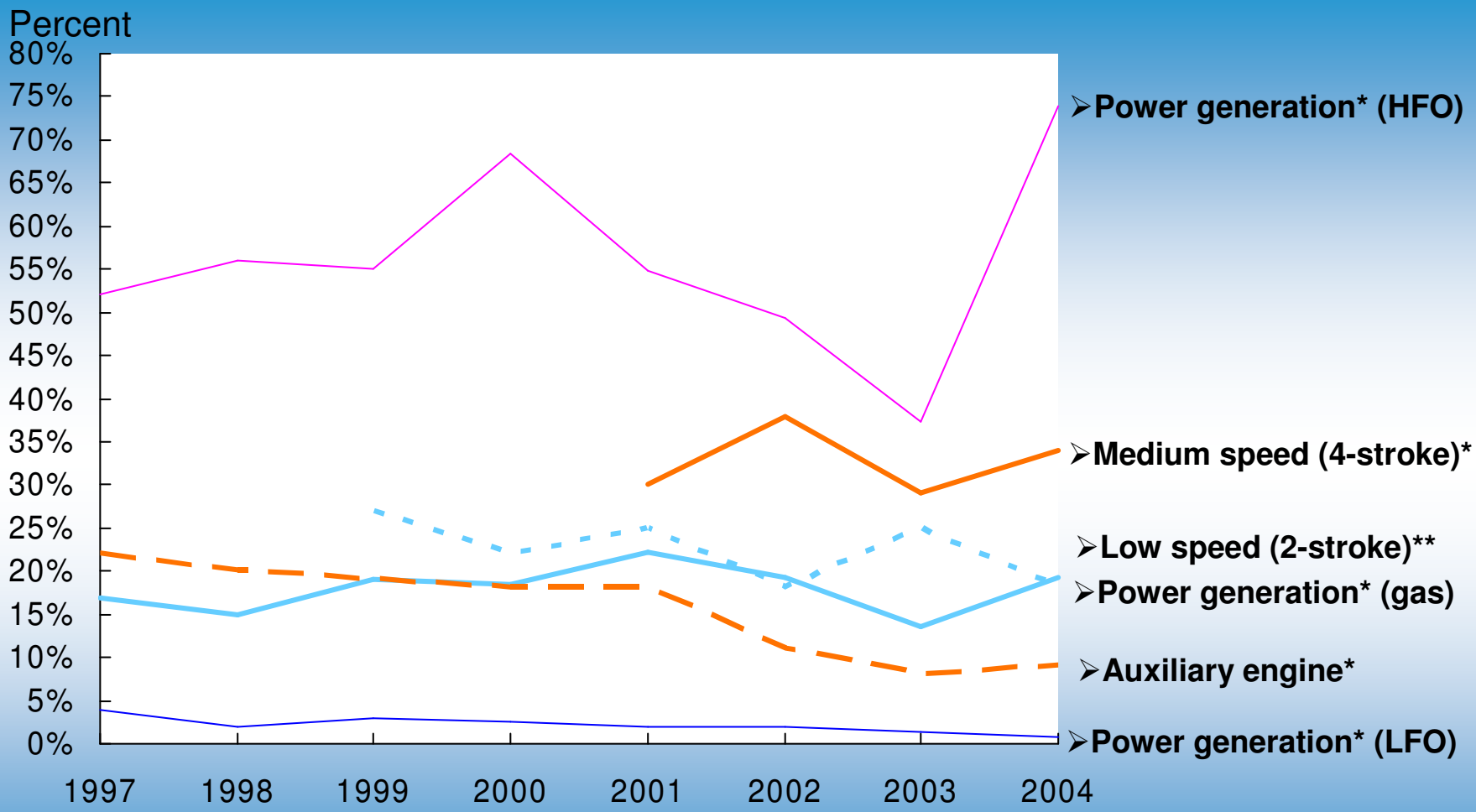
Volatile ship power and power plant markets

Engine power installed (propulsion) and orders (diesel, dual fuel, and gas)



Source: Lloyds register of ships (installed marine power); Diesel & Gas Turbine Worldwide, Oct 2004 (Diesel, dual-fuel and gas engine orders)

Market share development



*Share of MW. Total market from Diesel & Gas Turbine, Wärtsilä sales from public reports
**Share of MW. From Wärtsilä 2-stroke reporting
Source: Wärtsilä; Diesel & Gas Turbine (Power generation & Auxiliary engines
, Ship Power business intelligence (2-stroke & 4-stroke engines)

Outlook

- 2005 net sales to grow approx. 15 %
- Profitability for the whole year 2005 around 8%
- 2006 net sales up approx. 10 % and profitability slightly better than 2005

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