

BACK TO GROWTH

BJÖRN ROSENGREN

President & CEO





Environmental legislation and the need for energy efficiency are currently the main drivers for our customers' actions toward developing their business in a more sustainable way

- Fundamental changes in the way power is produced and consumed
- Shipping industry seeking ways to comply with upcoming environmental regulation
- Interest in gas increasing in both end markets



NO_x

Acid rains
Ozone depletion

Tier II (2011)
Tier III in ECA (2016)

SO_x

Acid rains

3.5% (2012)
ECA 0.1% (2015)
Global 0.5% (2020)

PM

Impact on air quality

Along with SO_x reduction

GHG

Global warming

Under evaluation by IMO

BALLAST WATER

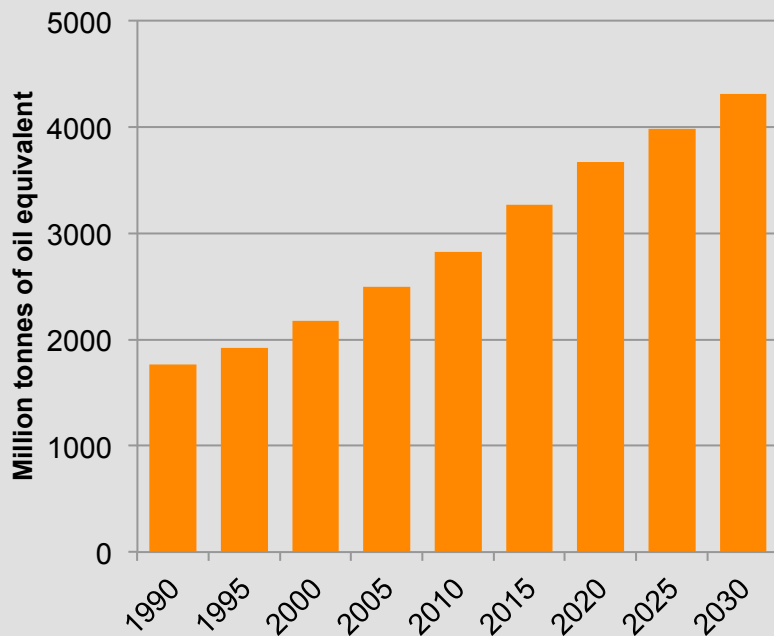
Damage to local ecosystems

Global ballast convention

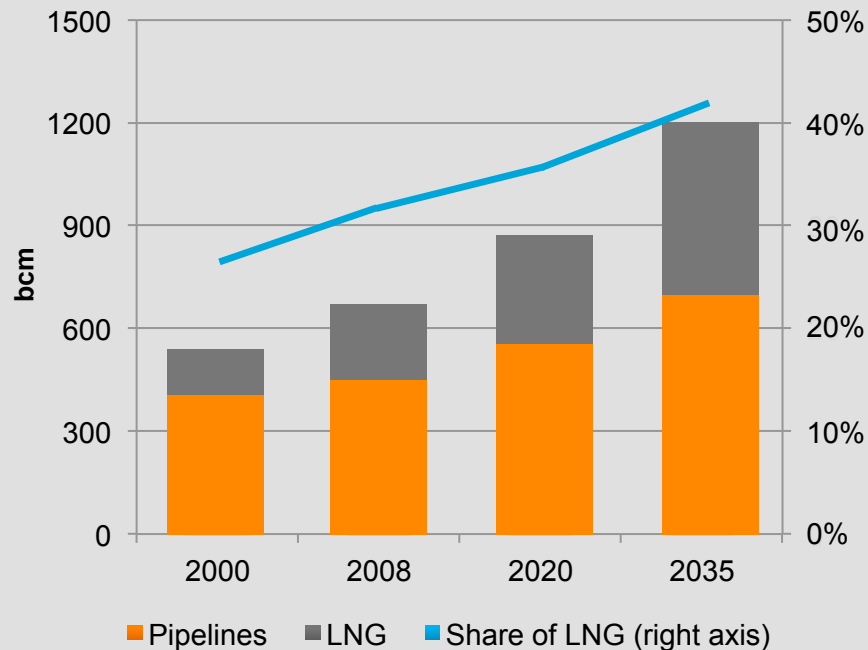
Demand for gas and LNG is increasing

- Demand for natural gas is expected to grow
- LNG will grow faster than pipeline gas

Global energy consumption of natural gas

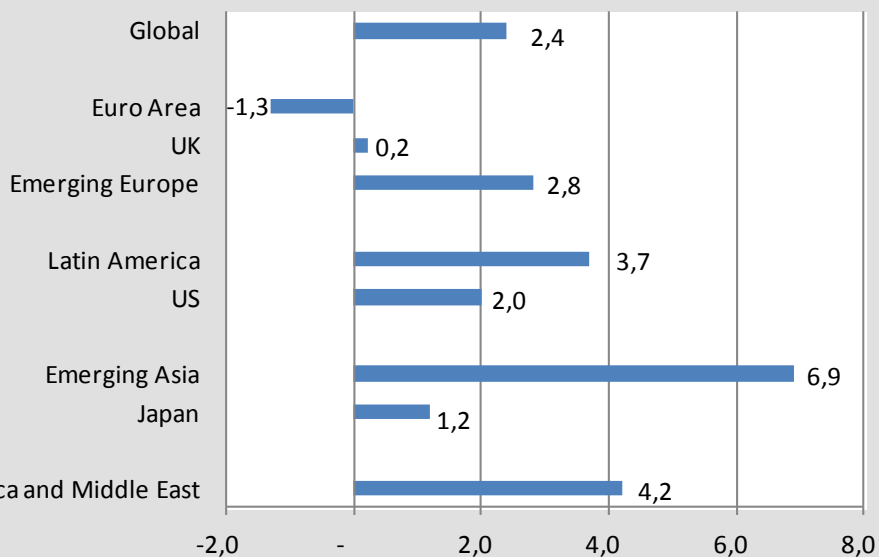


World inter-regional natural gas trade by type in the New Policies Scenario

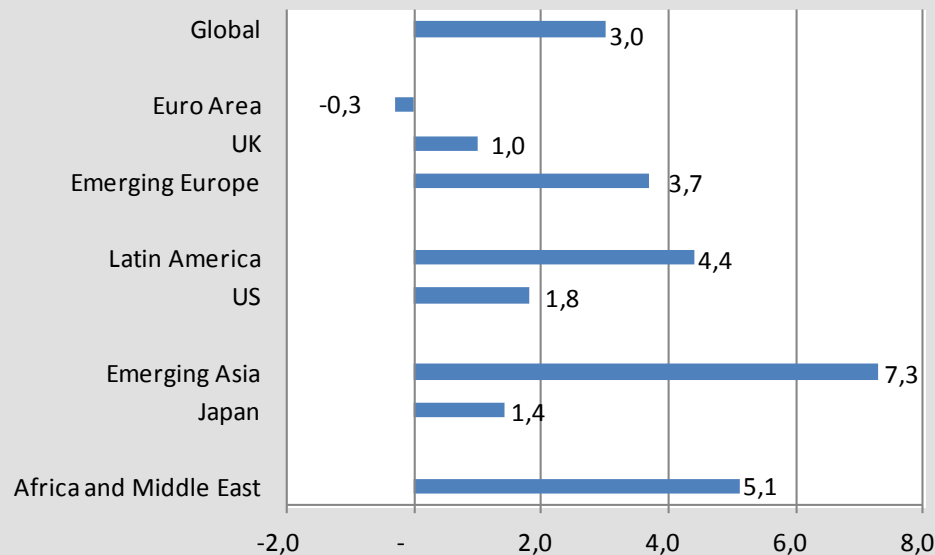


Source: Demand for natural gas from BP's energy outlook, IEA

Forecasted GDP growth 2012

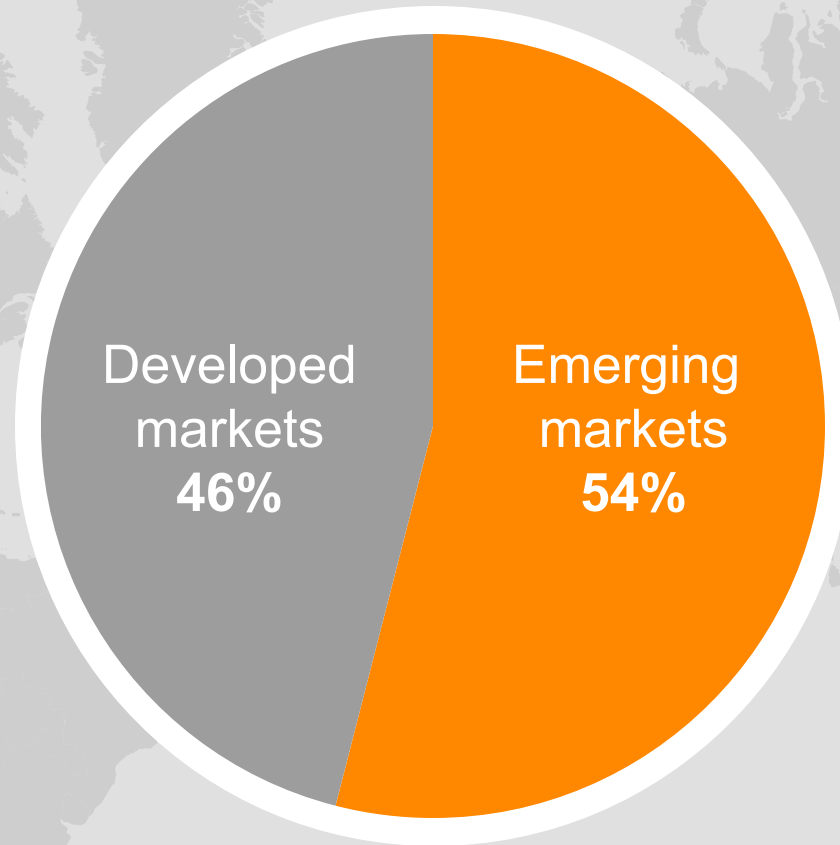


Forecasted GDP growth 2013

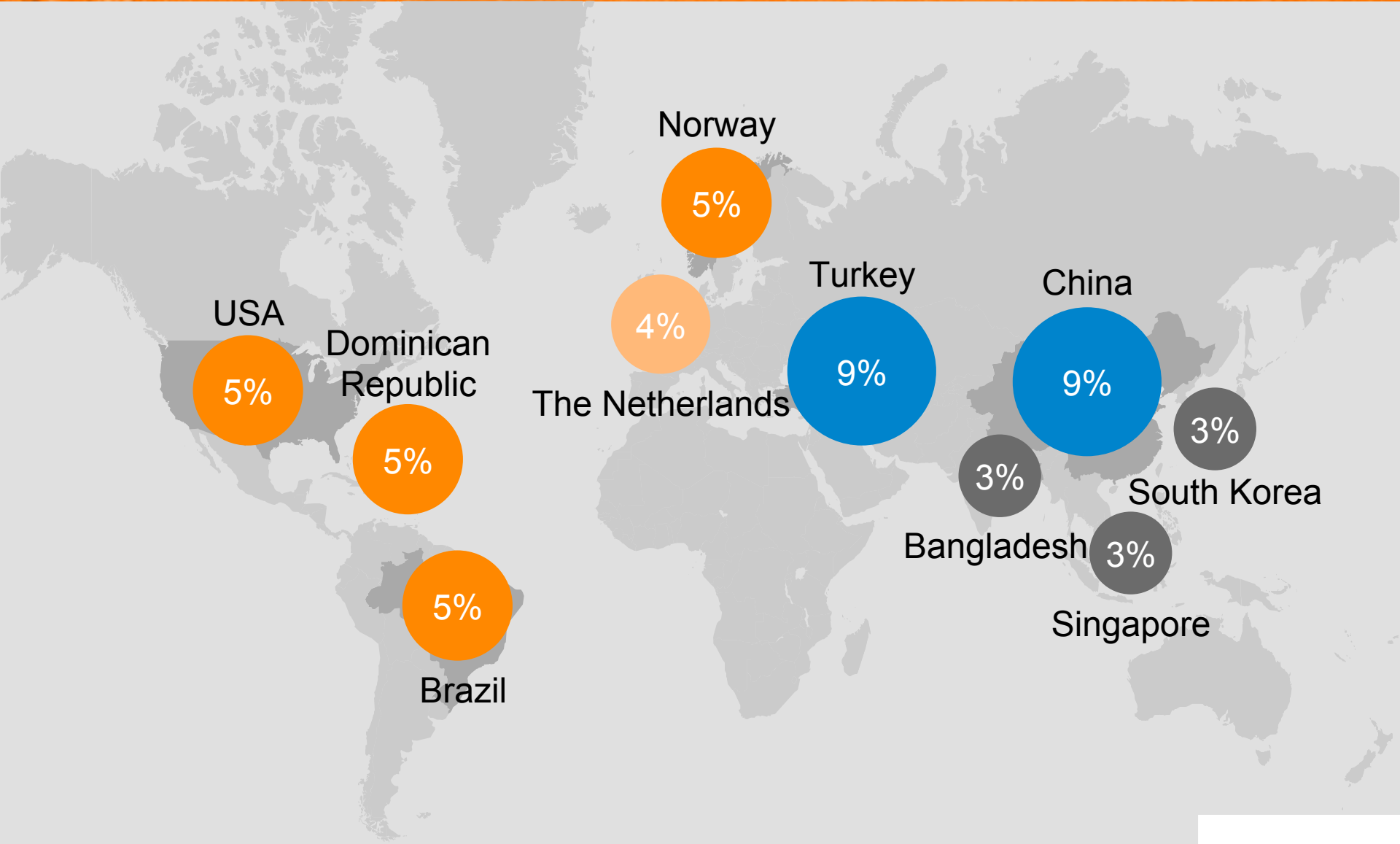


Source: GDP estimates by Citigroup Global Markets (22 February 2012)

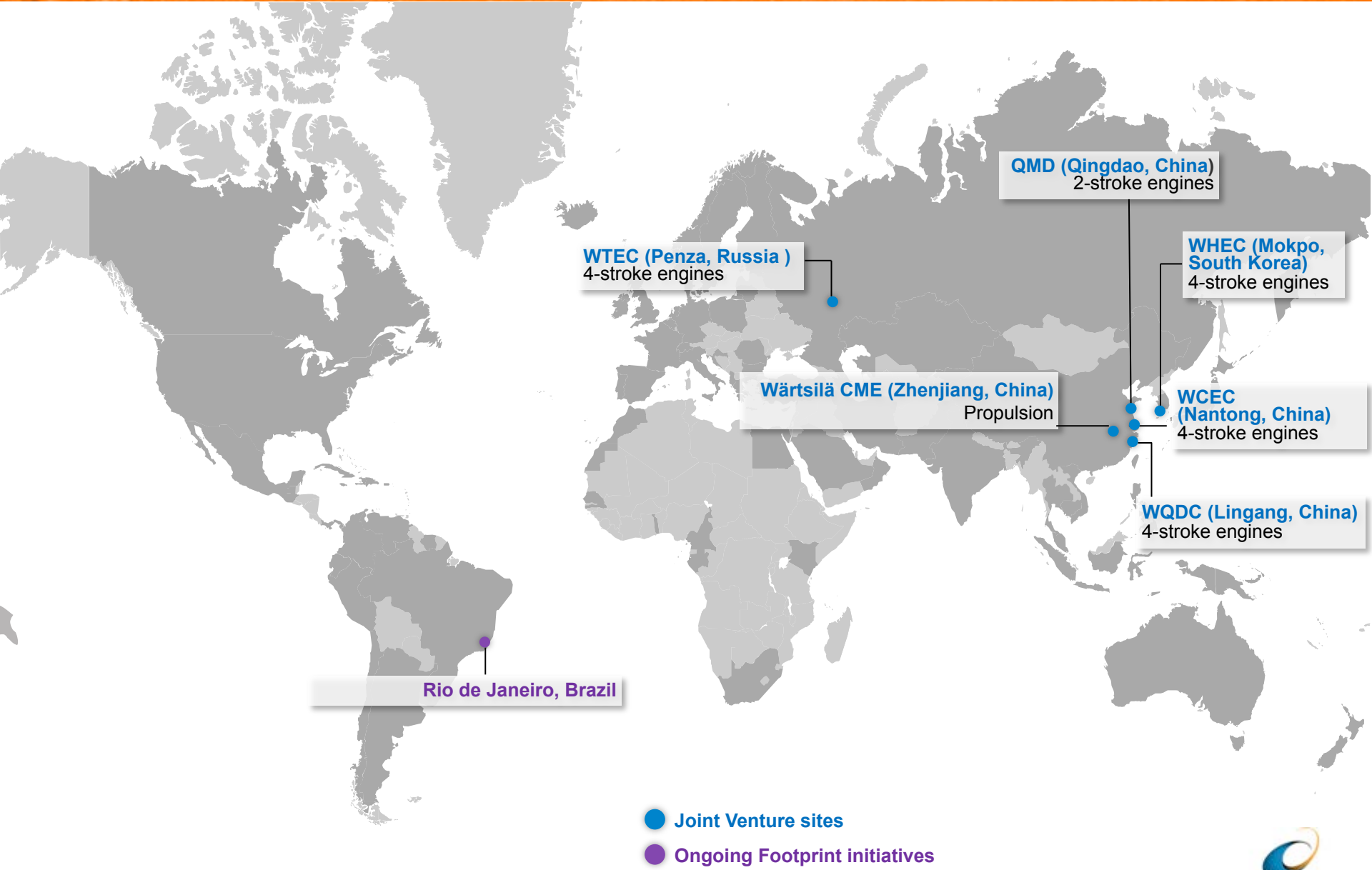
Strong presence in emerging markets



Global net sales Top 10 countries

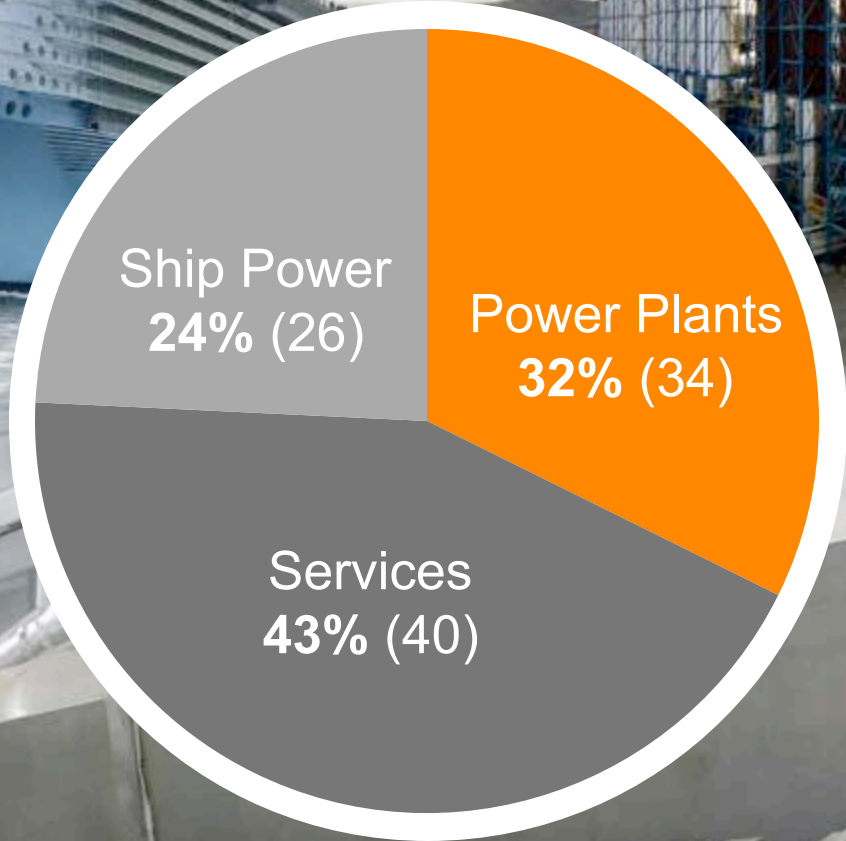
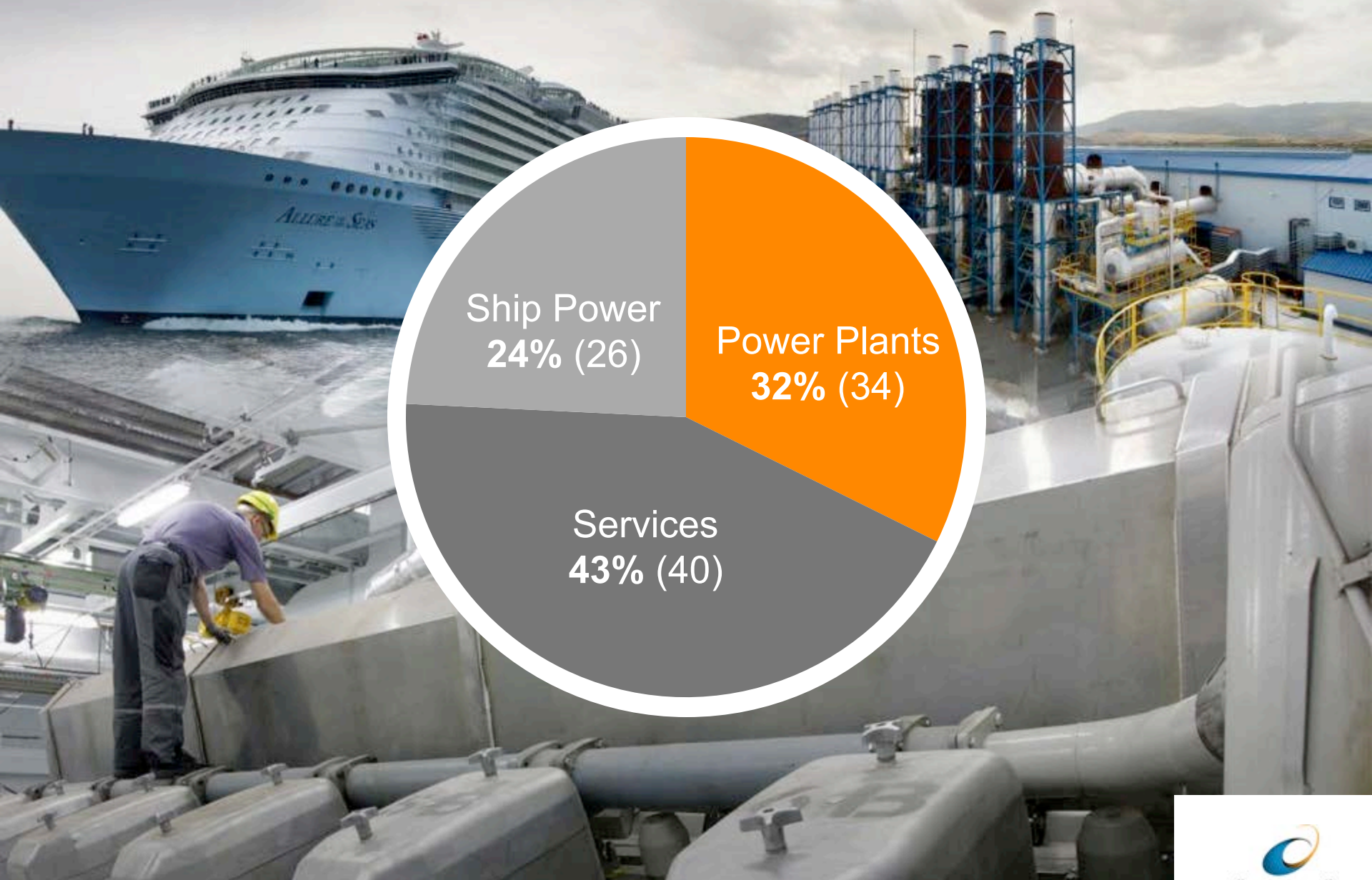


Strengthening global presence through JVs



- Joint Venture sites
- Ongoing Footprint initiatives

Three businesses with interesting opportunities

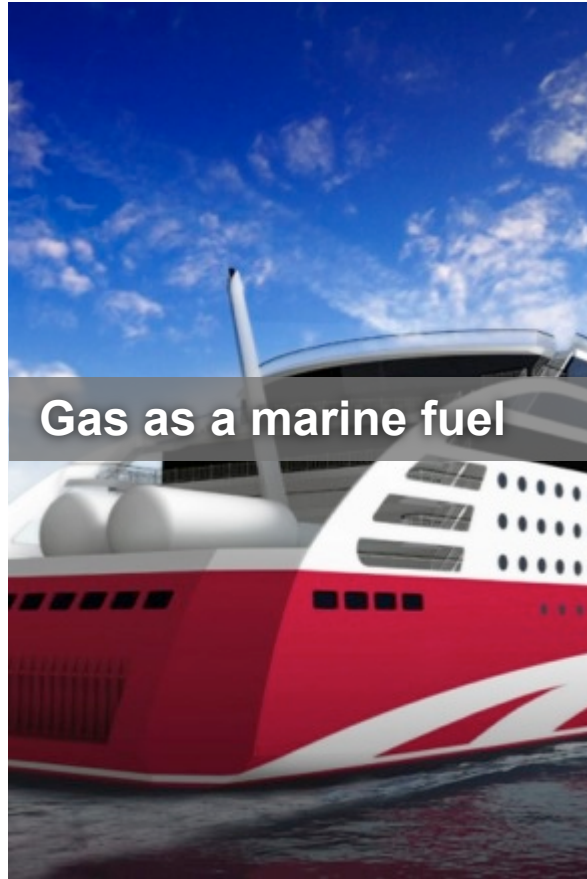


Profitable growth by focusing on

Smart Power Generation



Gas as a marine fuel



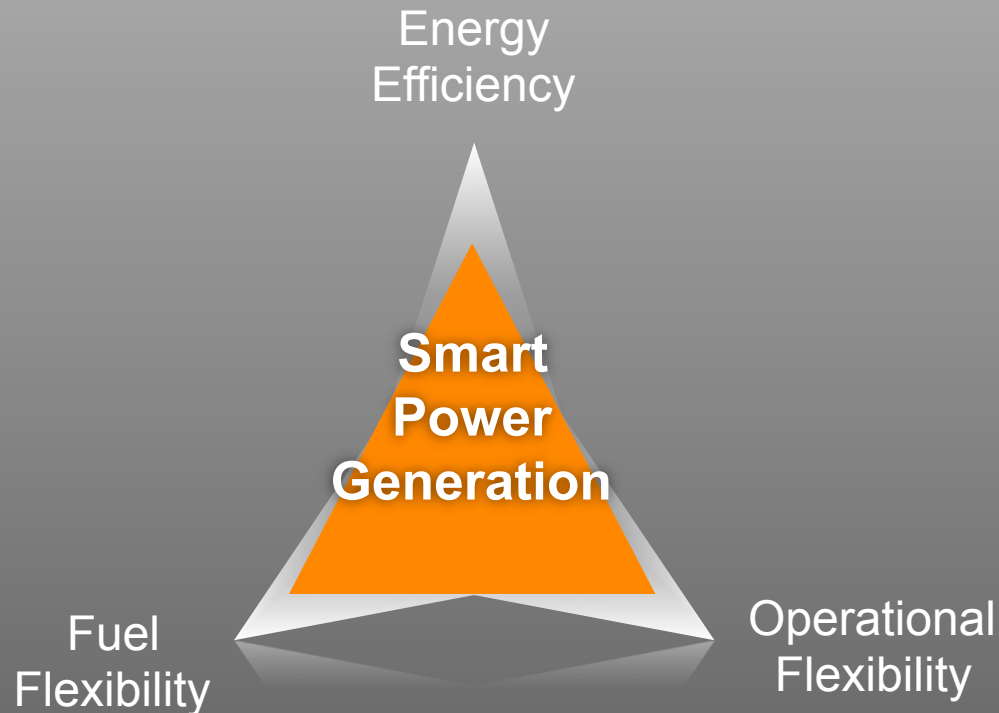
Environmental solutions





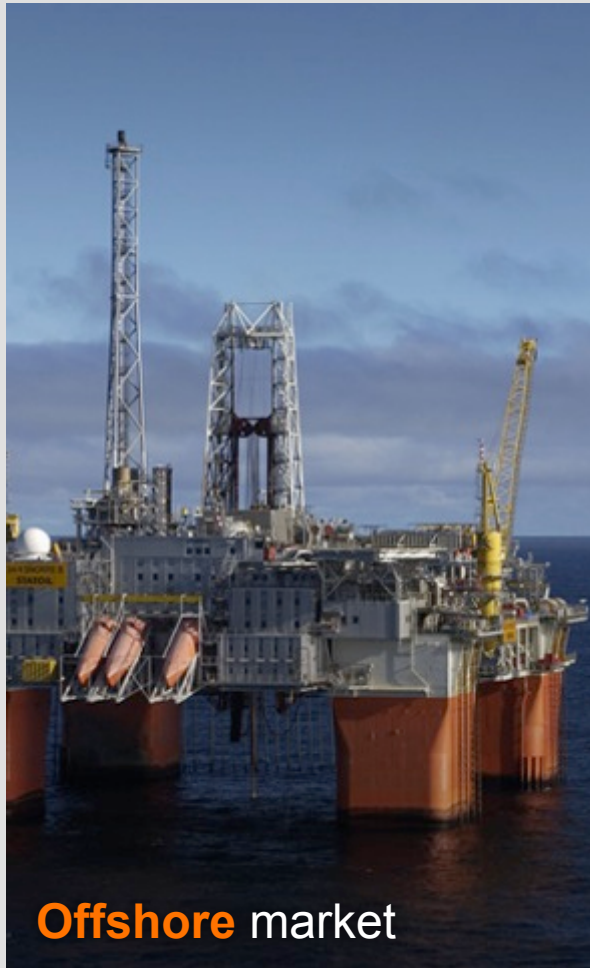
- Growth in electricity consumption
- Renewable energy investments
- Increasing use of gas as a fuel
- Need for additional back up and balancing power

- Maintain market leader position in flexible baseload and industrial self-generation in the growing emerging markets
- Grow in the utility gas power plant markets
- Actively influence the regulatory environment to enable capacity investments





- Global GDP development drives the demand for marine transportation
- Fuel prices drive the demand in offshore
- Environmental regulation drives the demand for new technologies



Offshore market



Marine **gas** applications

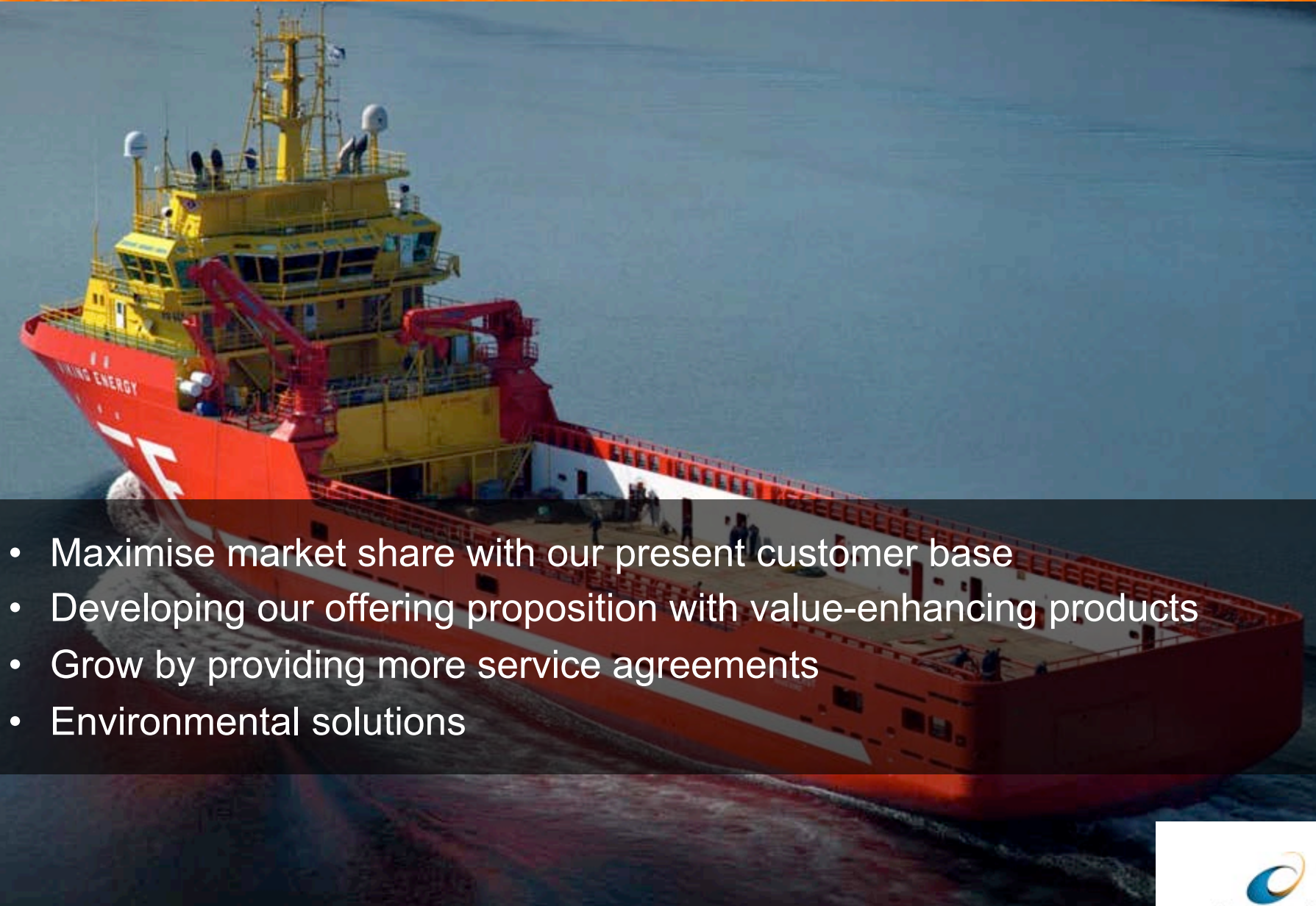


Environmental solutions

Hamworthy integral to our strategy

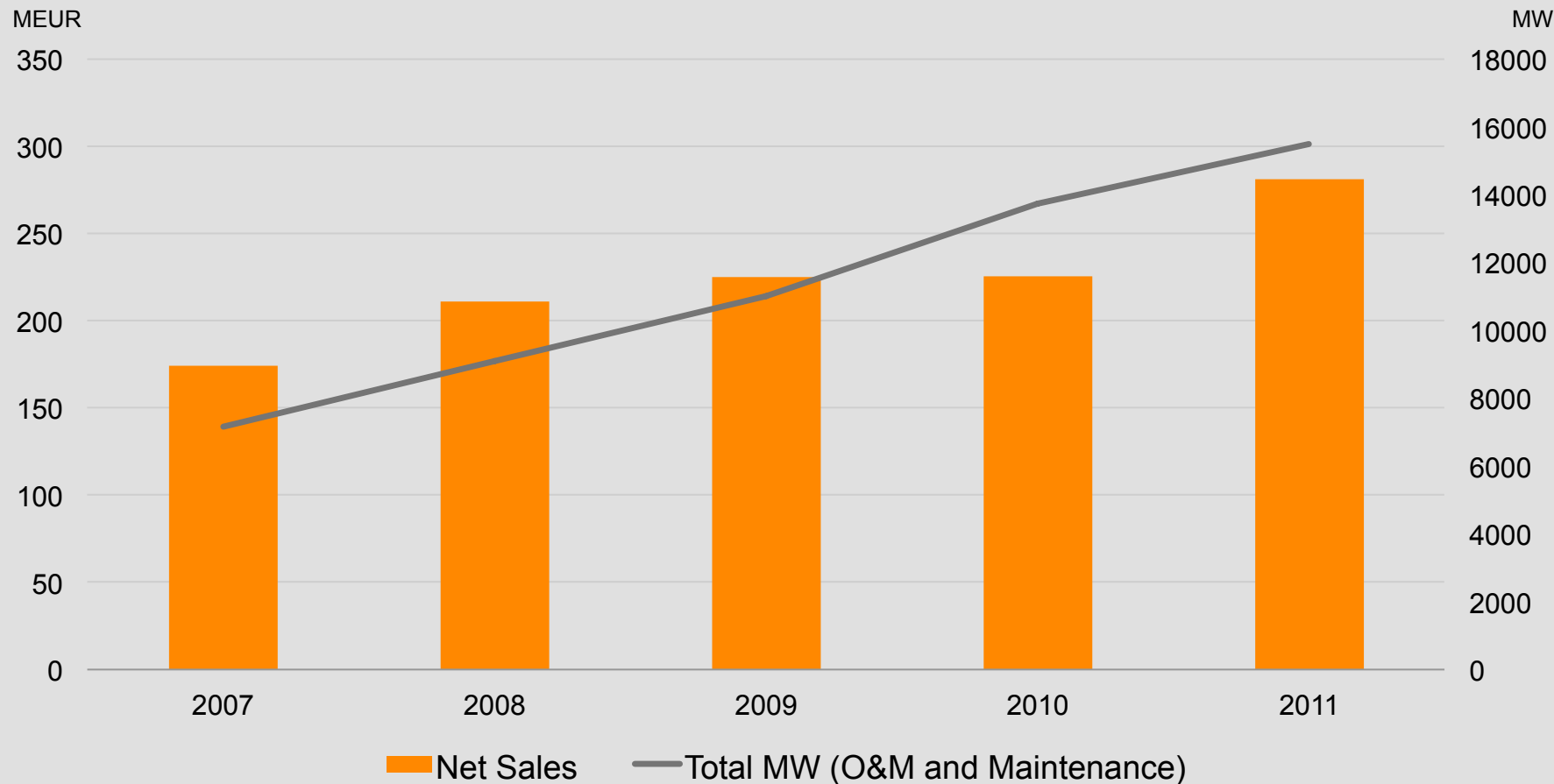
- Strengthens our position in the growing offshore, the marine gas applications and the environmental solutions markets
- Potential for technology sharing and optimised R&D
- Focus on capturing synergies and growth opportunities from Hamworthy





- Maximise market share with our present customer base
- Developing our offering proposition with value-enhancing products
- Grow by providing more service agreements
- Environmental solutions

Continued interest in service agreements



- Nearly 19,000 people in 170 locations in 70 countries
- Securing the right competence and motivation among our personnel
- Attract, develop and retain key personnel

- Target to grow faster than global GDP
- Operating profit margin (EBIT%) target:
 - 14% at the peak of the cycle
 - maintain above 10% at the trough
- Gearing below 50%
- Our target is to pay a dividend equivalent to 50% of earnings per share





WÄRTSILÄ