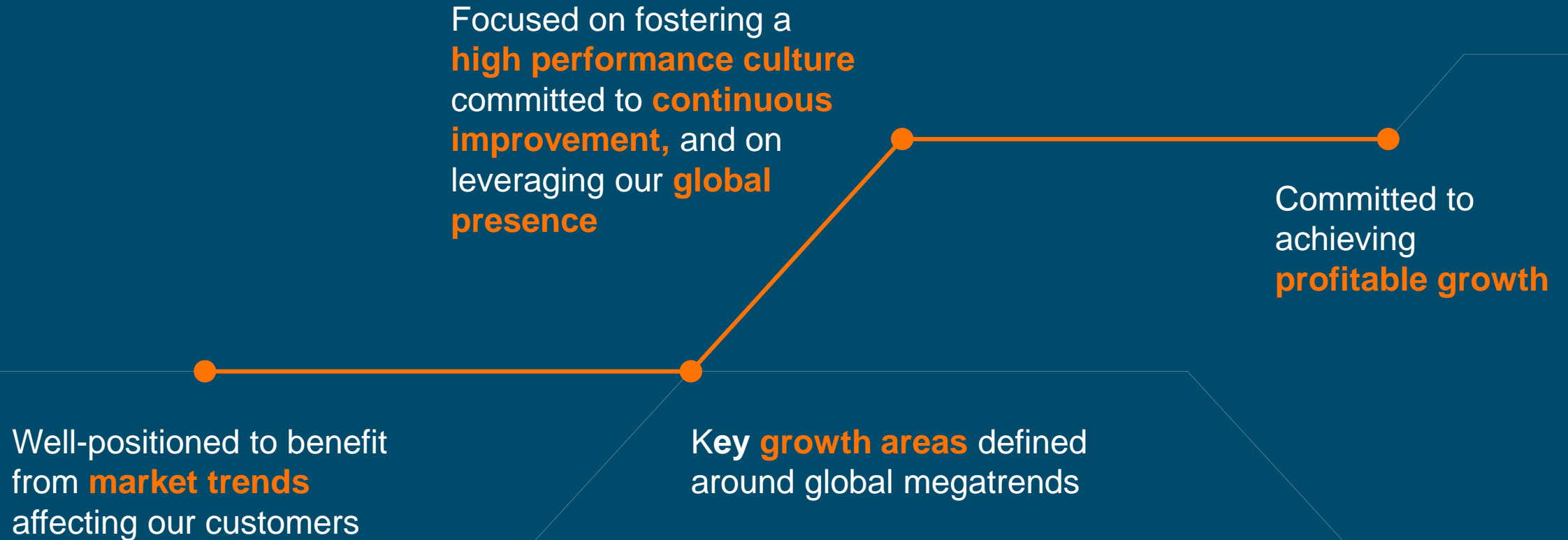


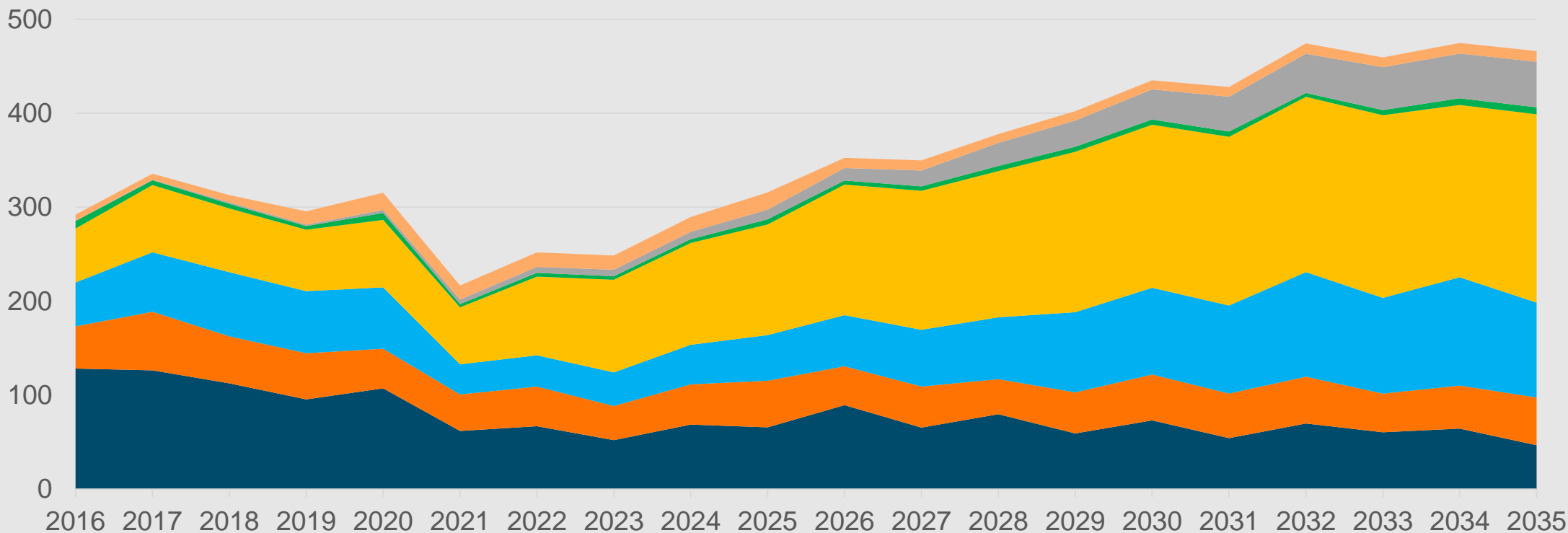
# Progressing towards profitable growth

**Jaakko Eskola**  
**President & CEO**



# Future energy investments will favor renewable power production

Global annual gross capacity additions (GW)

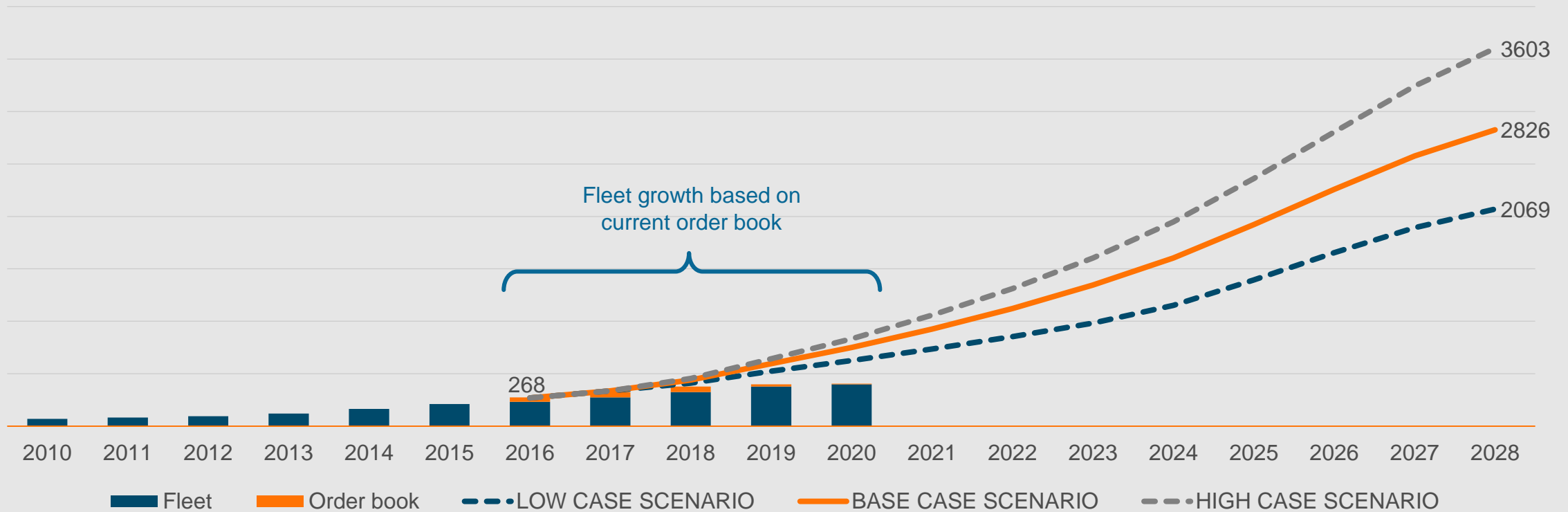


■ Traditional baseload ■ Gas ■ Wind ■ Solar ■ Other ■ Batteries ■ Other flexible capacity

Source: Bloomberg New Energy Finance  
 Traditional baseload = coal, oil, nuclear, hydro  
 Other = geothermal, biomass, waste to energy, other REs  
 Other flexible capacity = demand response and other potential sources

# Marine emission regulations are driving a shift towards gas-fuelled vessels

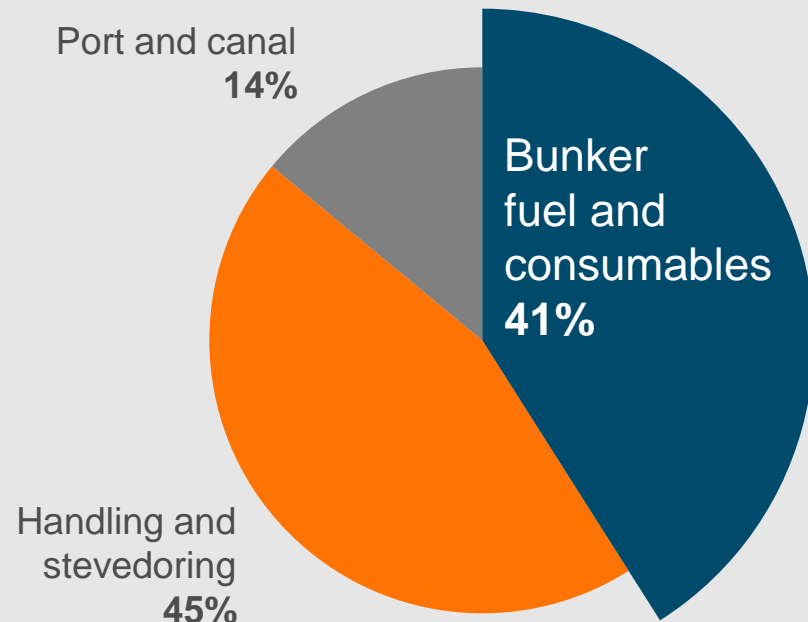
## LNG capable fleet



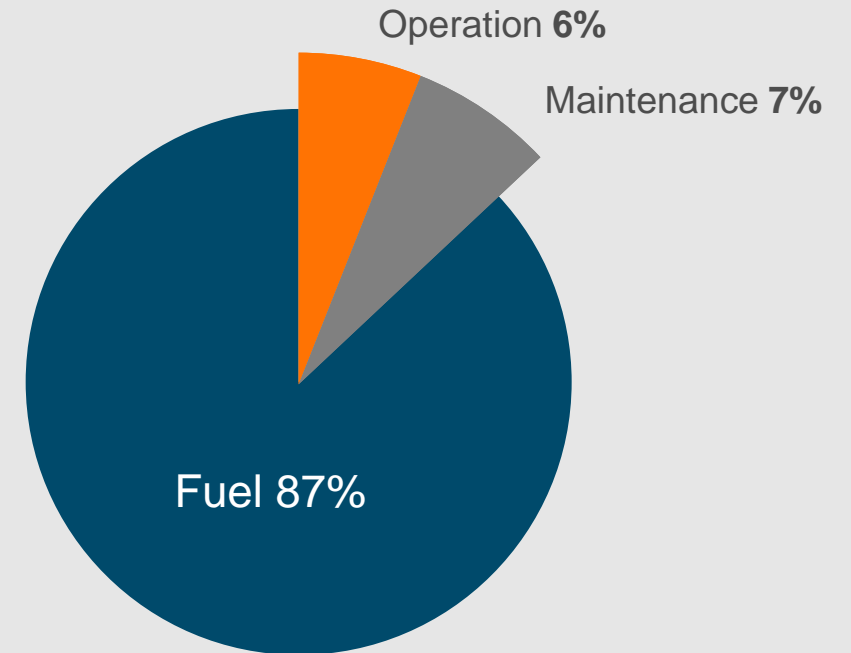
Source: Clarksons Research

# Environmental and economic considerations are increasing the focus on efficiency

Voyage cost breakdown of a container ship



Average OPEX breakdown of a utility power plant



Source: CMA CGM Annual report 2015, data for 2014

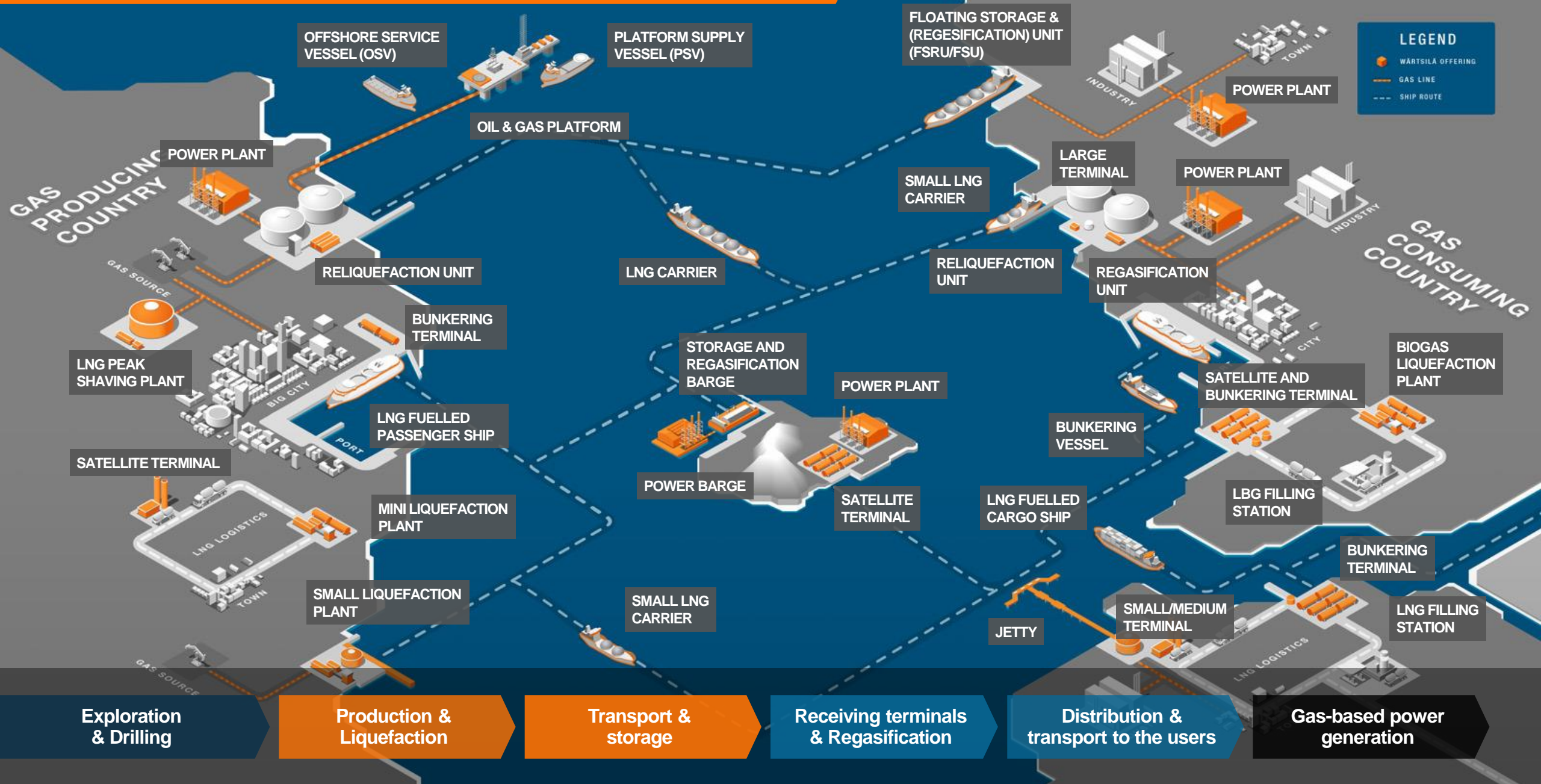
Source: EIA, [https://www.eia.gov/electricity/annual/html/epa\\_08\\_04.html](https://www.eia.gov/electricity/annual/html/epa_08_04.html), data for 2014

Well-positioned to benefit from **market trends** affecting our customers

Key **growth areas** defined around global megatrends

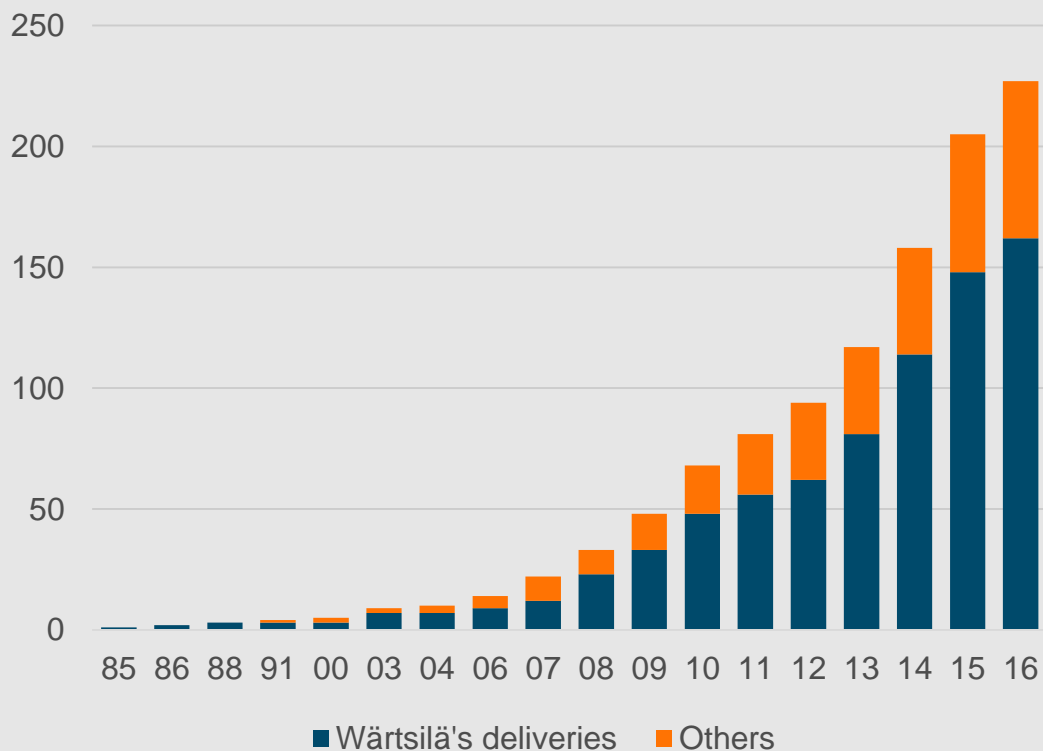
- Gas-based technology
- Energy efficient solutions
- Innovative solutions

# WE SUPPORT OUR CUSTOMERS THROUGHOUT THE GAS VALUE CHAIN



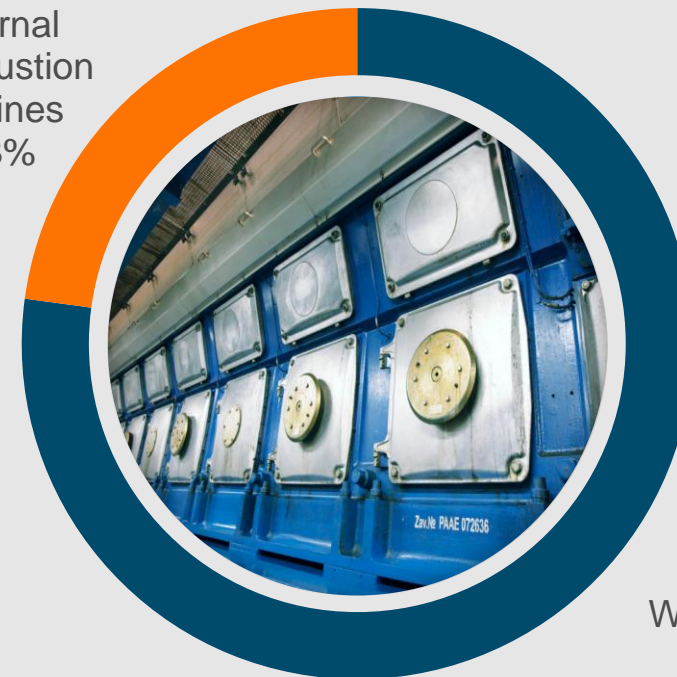
# We are a leader in the gas equipment markets...

Cumulative gas-fuelled vessel deliveries



Market share in gas engine power plants

Other internal combustion engines  
23%

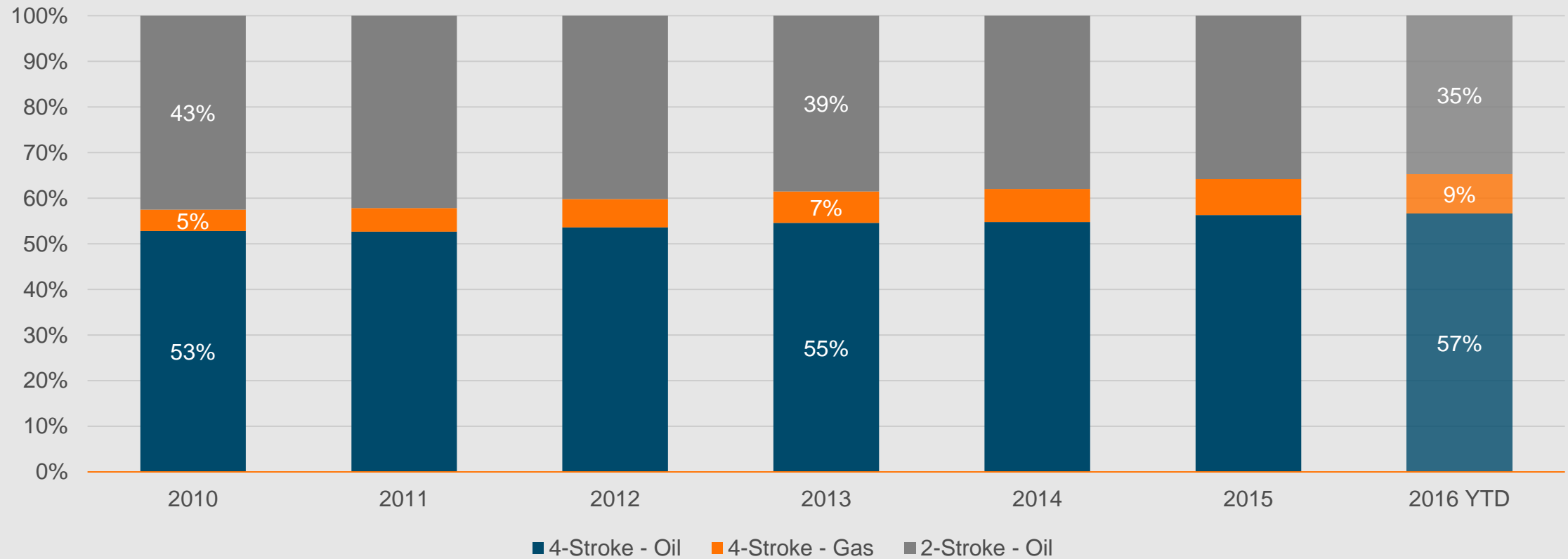


Wärtsilä  
77%



# ...which creates growth opportunities for our Services business

Installed base according to fuel type in % of MW



# Improving efficiency is a key cornerstone in our product development

WÄRTSILÄ 31



WST-14 STEERABLE THRUSTER



NACOS PLATINUM



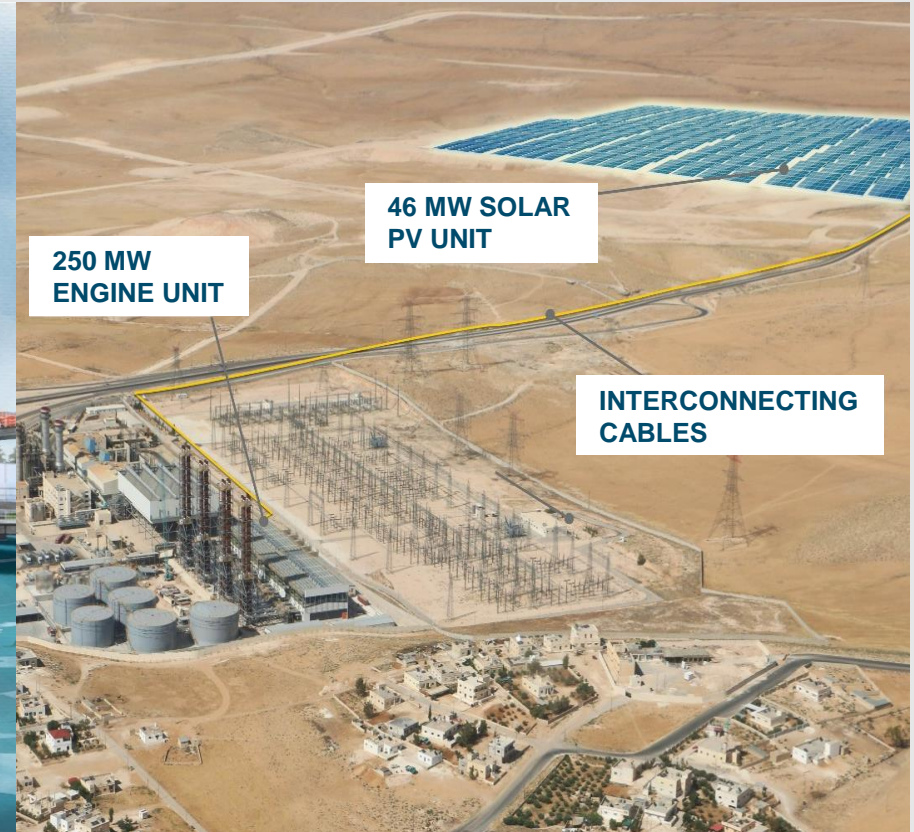
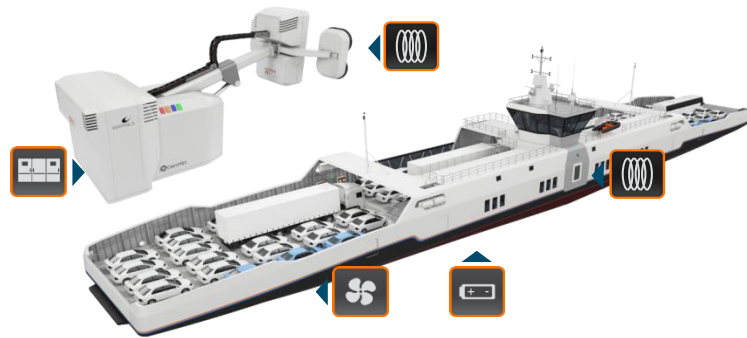
SHIP DESIGN



# Our new innovations in hybrid solutions increase customer efficiency

## Benefits of hybrid solutions:

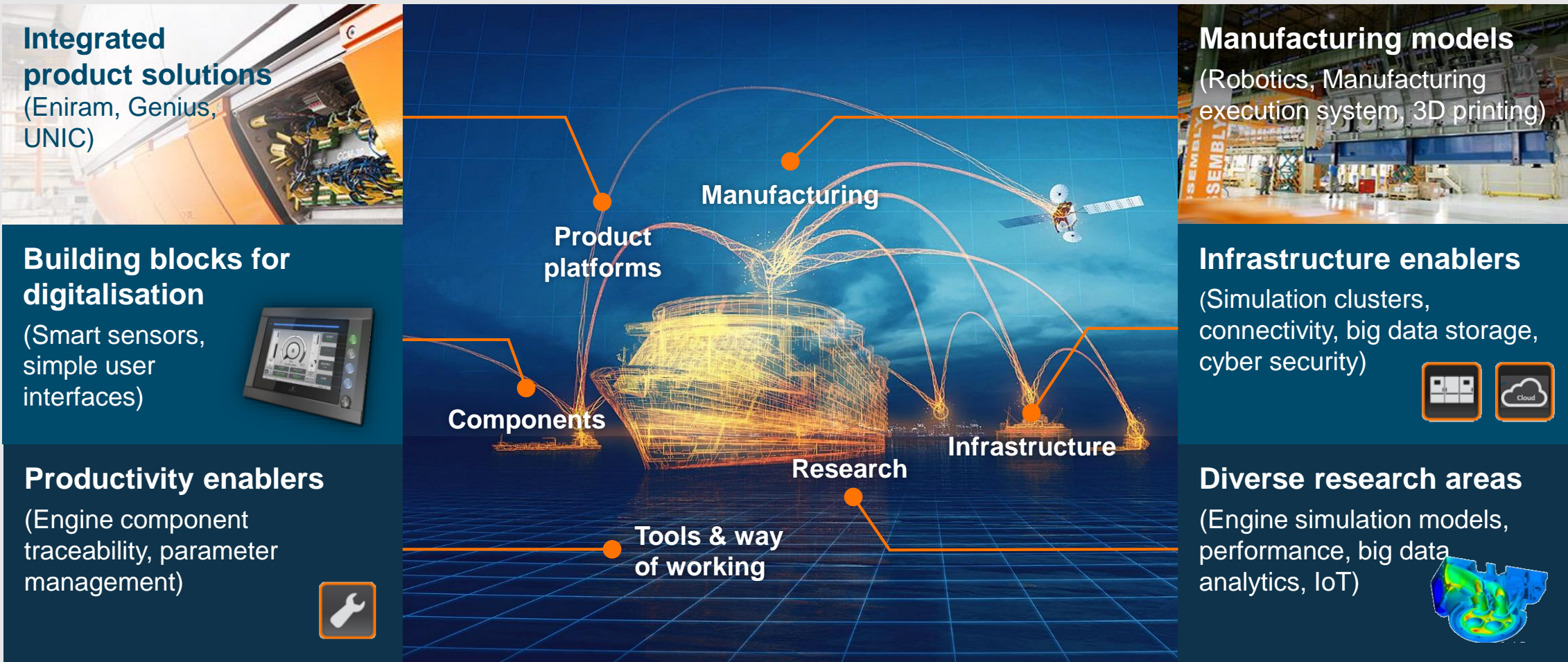
- Fuel savings and reduced emissions
- Optimised engine operation
- Thermal power generation optimisation



# Moving from hardware to software – Our digital journey



# Digitalisation increases our overall productivity



Focused on fostering a **high performance culture** committed to **continuous improvement**, and on leveraging our **global presence**

Well-positioned to benefit from **market trends** affecting our customers

Key **growth areas** defined around global megatrends





## Diversity

Building an inclusive company culture

Over 130 nationalities in 70 countries



## Leadership

Developing excellent leaders with common goals



## Continuous development

Ensuring competent and motivated personnel

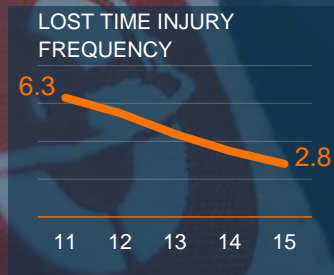
Over 55,000 learning days in 2015





## Safety

Creating a hazard-free working environment



## High ethical standards

Ensuring responsible actions and integrity among our people



## Quality

Providing the most reliable products and services in our industry



### North America:

- Changing energy mix
- Growing installed base
- Opportunities in environmental solutions

### Europe:

- Changing energy mix
- LNG infrastructure development
- Significant shipping market
- Opportunities in environmental solutions

### Asia:

- Increasing energy demand
- Target market for solar applications
- Significant shipping market, growing cruise industry
- Large installed base
- Local presence through partnerships

### South America:

- Increasing energy demand
- Target market for solar applications
- Large installed base

### Middle East & Africa:

- Increasing energy demand
- Target market for solar applications
- Growing installed base

**REACH 14%  
PROFITABILITY**

Enhanced performance  
through continuous  
improvement

**DIVIDEND OF AT  
LEAST 50% OF EPS  
OVER THE CYCLE**

Committed to  
providing shareholder  
returns

**GROW FASTER THAN  
GLOBAL GDP**

Focus on strengthening our  
position in strategic growth  
markets

**MAINTAIN GEARING  
BELOW 50%**

Unleveraged balance sheet  
supports growth through  
acquisitions

THANK YOU



WÄRTSILÄ