

WÄRTSILÄ CORPORATION

CORPORATE PRESENTATION 2008

This is Wärtsilä

SHIP
POWER

POWER
PLANTS

SERVICES

Our Mission and Vision

Mission

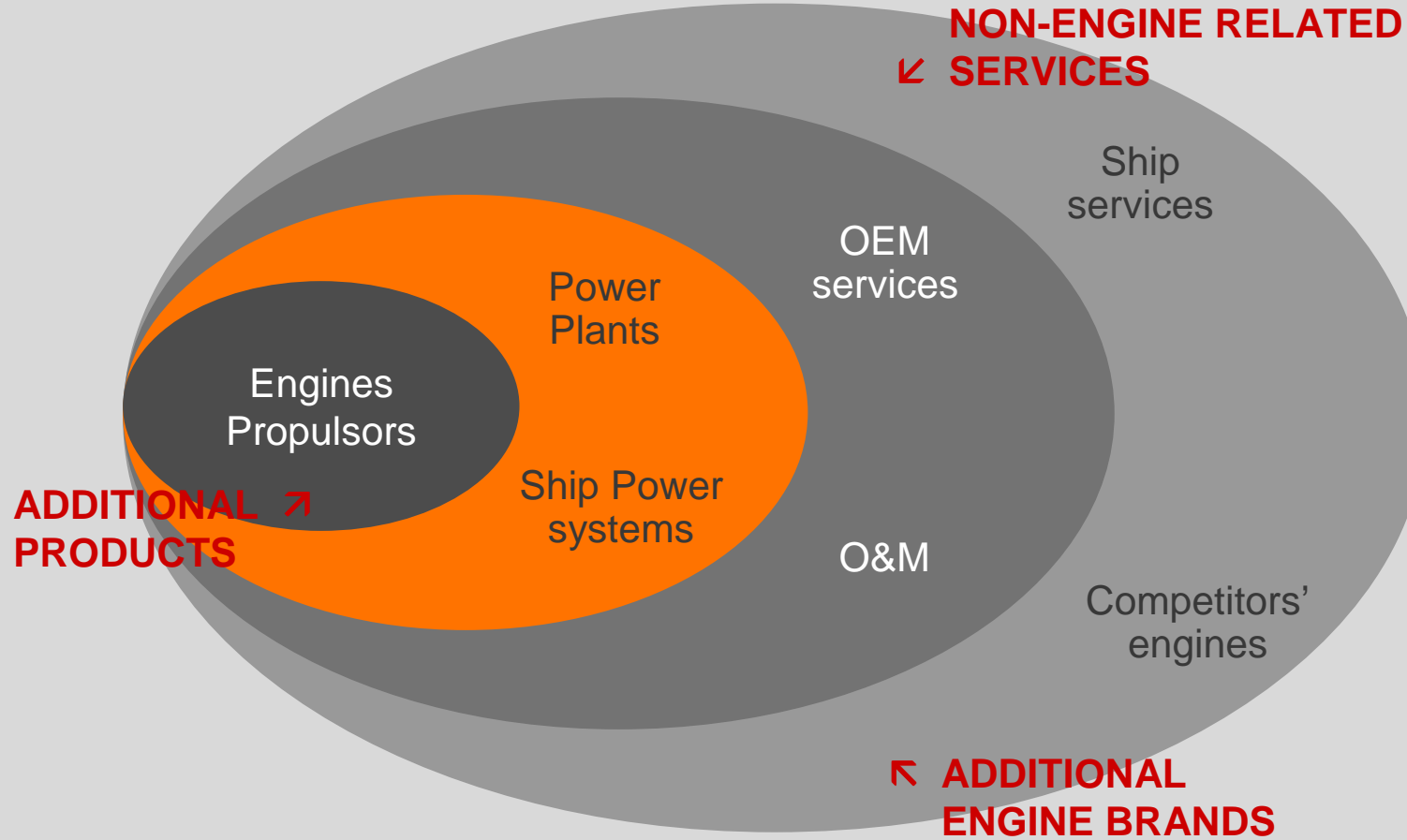
We provide lifecycle power solutions to enhance the business of our customers, whilst creating better technologies that benefit both the customer and the environment.

Vision

We will be the most valued business partner of all our customers.

Our offering

... we are seeking growth beyond the organic growth



WE ARE THE LEADING PROVIDER OF SHIP POWER SOLUTIONS. WE COMMAND A STRONG POSITION IN ALL MAIN MARINE SEGMENTS AS THE SUPPLIER OF HIGHLY RATED SHIP MACHINERY AND SYSTEMS

We intend to



- **maintain our leading position** and generate profitable growth in all business segments
- **broaden and develop** the range of system integration and design, installation and engineering services
- **strengthen competences**, capabilities and presence in key markets
- **continuously explore possibilities** to extend our product portfolio and services via acquisitions and partnerships

Our offering covers all key shipping segments

Merchant



Offshore



Cruise
and Ferry



Navy



Special
Vessels



We have the most extensive product portfolio in the industry



Engines



Propulsion



Seals & Bearings



Automation



Power Distribution



Power Drives

Merchant

Offshore

Cruise & Ferry

Navy

Special vessels

Wärtsilä Components

Segment specific

- Concepts
- Applications
- Project Execution Models
- System Integration Capabilities
- Engineering Services
- Third party supplies

R&D

- Ship design
- Product Engineering
- Strategic Purchasing

Wärtsilä Ship Power competitive landscape

Product technologies ► Companies ▼	2-stroke engines	4-stroke engines	Gensets	Turbines	Propulsors	Seals & Bearings	Power & Automation	Ship Design	Fuel Cells
Wärtsilä	■	■	■		■	■	■	■	■
MAN	■	■	■		■				
Mitsubishi Heavy Industries	■	■	■	■	■		■	■	■
Caterpillar		■	■						■
Rolls Royce		■	■	■	■		■	■	■
Tognum / MTU		■	■	■	■		■		■
Niigata		■	■		■				
Hyundai / Himsen		■	■		■			■	
Schottel					■				
Converteam							■		
Siemens				■			■		■
ABB					■		■		■
Kawasaki				■	■			■	
Kobelco Eagle						■			
Others		■	■	■	■	■	■	■	■

**WE ARE A LEADING SUPPLIER OF FLEXIBLE
POWER PLANTS FOR THE DECENTRALIZED POWER
GENERATION MARKET**

Our promise

- We provide superior value to our customers with our decentralized, flexible, efficient and environmentally advanced energy solutions
- Our technology will enable a global transition to a more sustainable and modern energy infrastructure



Our target: World leader in selected niches

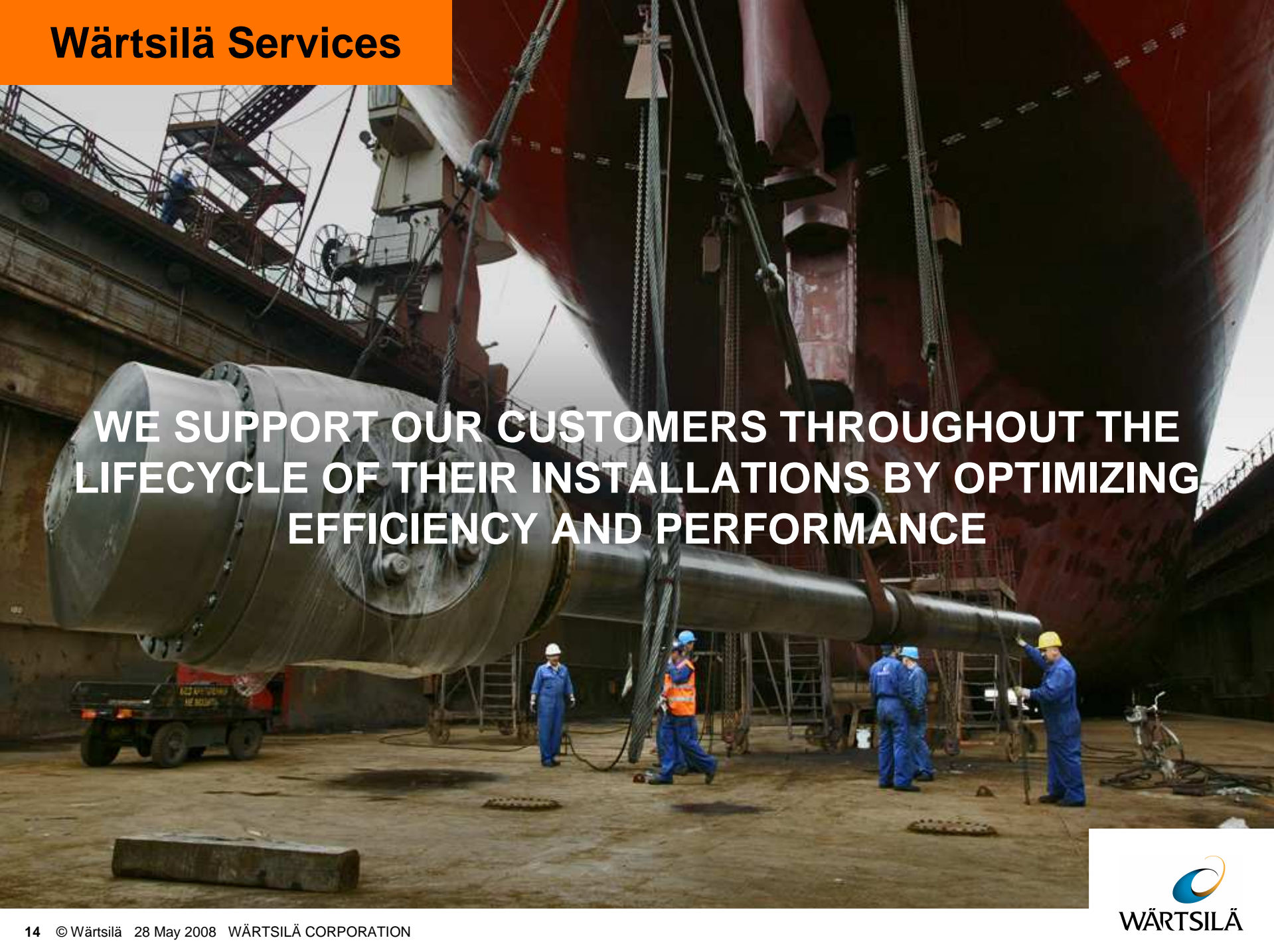


- **Flexible Baseload Power Generation** for the developing world, islands, remote areas
- **Grid Stability and Peaking** for strong grids, enabling increase of renewables
- **Industrial Self-Generation** for large industries
- For the **Oil and Gas Industry** mechanical drives and field power

We are poised for growth

- **Business fundamentals strong**
- **Product matching market needs – Now and in the future**
 - Fuel flexibility
 - High efficiency
 - Low environmental impact
 - Competitive cost
 - Tried and tested concepts
- **Services packages a clear differentiator**
 - Local presence globally
 - Planning of optimal power solutions in consultation with the customer
 - Development and Financial Services
 - Project execution, including planning, site works, erection, logistics
 - Lifecycle management with most comprehensive services offering in the industry
 - Operations and Management of the power plant

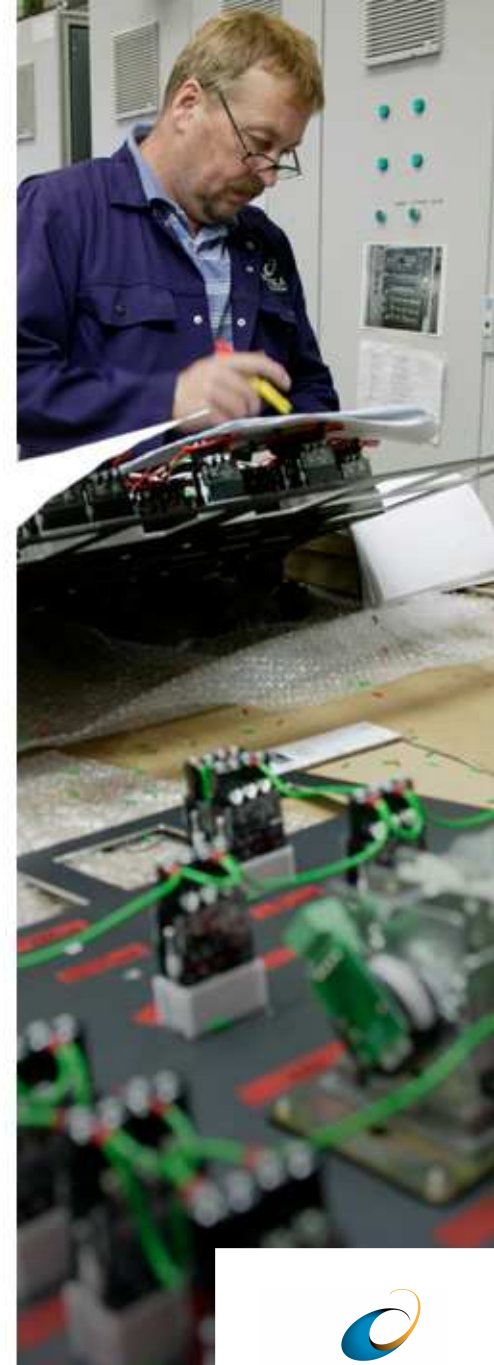




**WE SUPPORT OUR CUSTOMERS THROUGHOUT THE
LIFECYCLE OF THEIR INSTALLATIONS BY OPTIMIZING
EFFICIENCY AND PERFORMANCE**

Market drivers

- **Environmental technologies and solutions**
Wärtsilä Services offers environmentally sound primary and secondary technologies as retrofit to all installations
- **Management services**
Wärtsilä Services offers a wide range of agreements, customized training packages and competence management solutions, as well as condition-based maintenance services and online solutions
- **Competence, presence and availability**
Wärtsilä Services continuously builds up its presence by mobilising competences and logistics where customer needs are



Wärtsilä Services' value to the customer's business

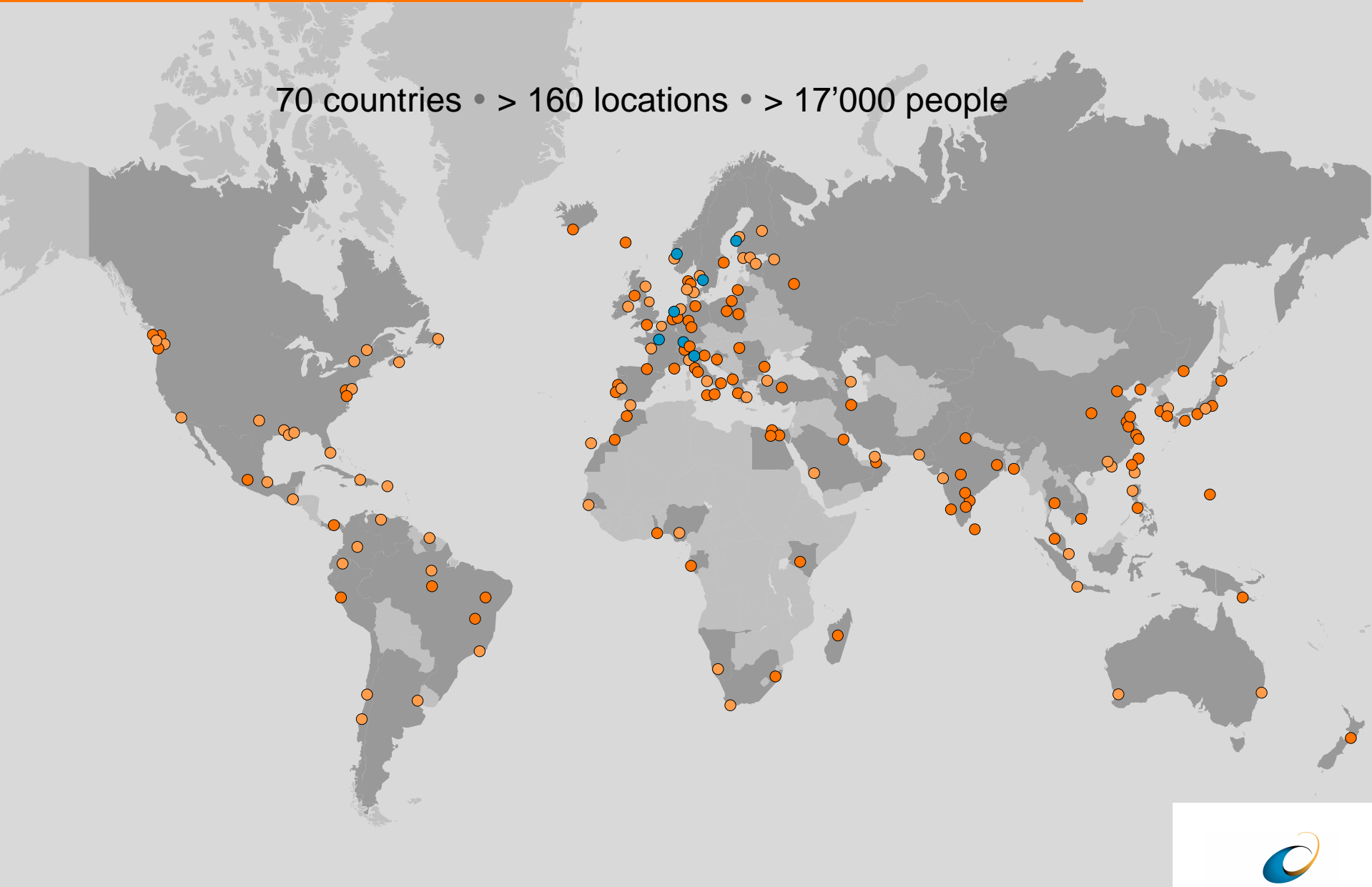
Wärtsilä Services becomes the most valued business partner...



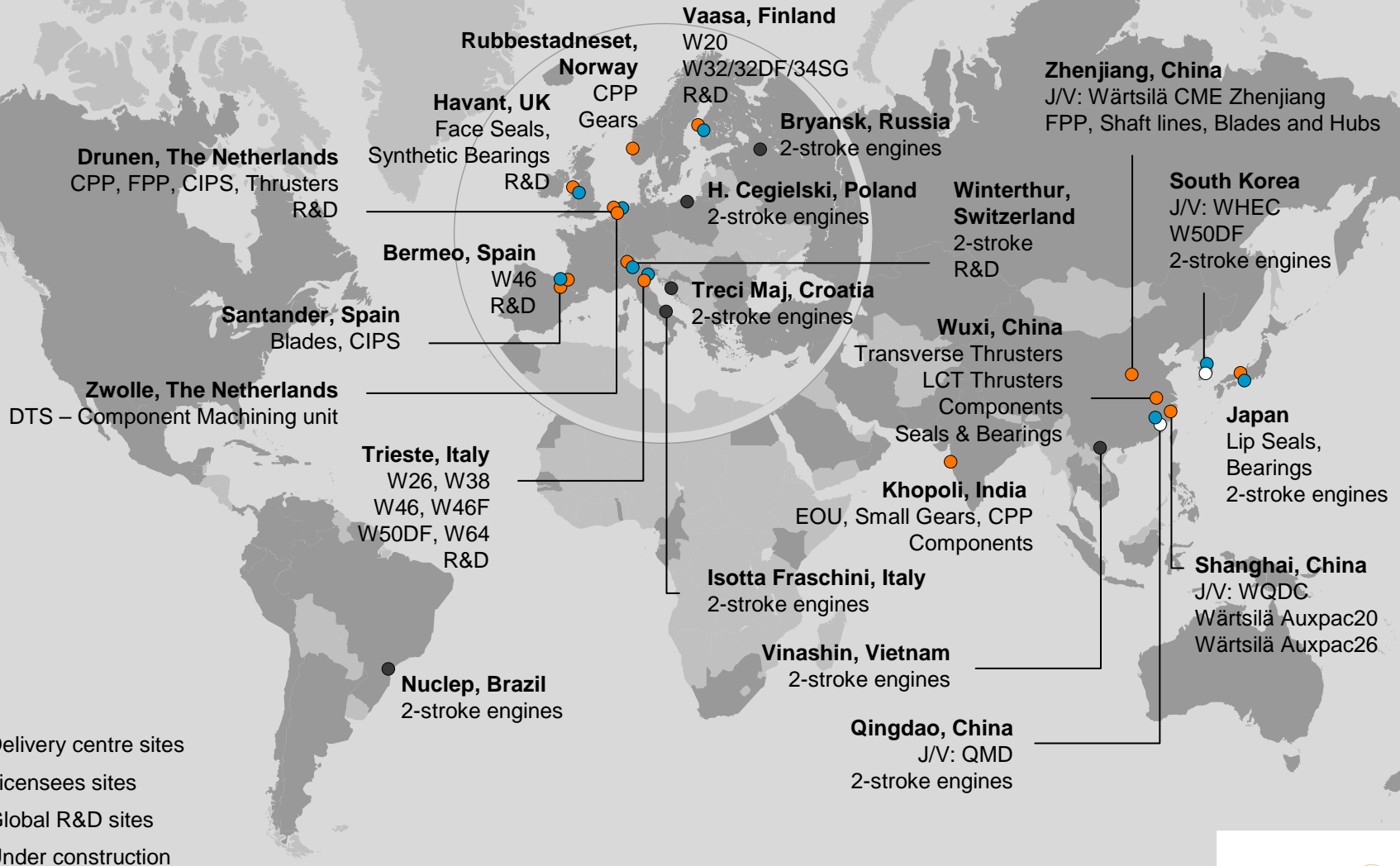
... by understanding **Customers' needs** and assembling the appropriate solution to solve them.

We are continuously developing our network

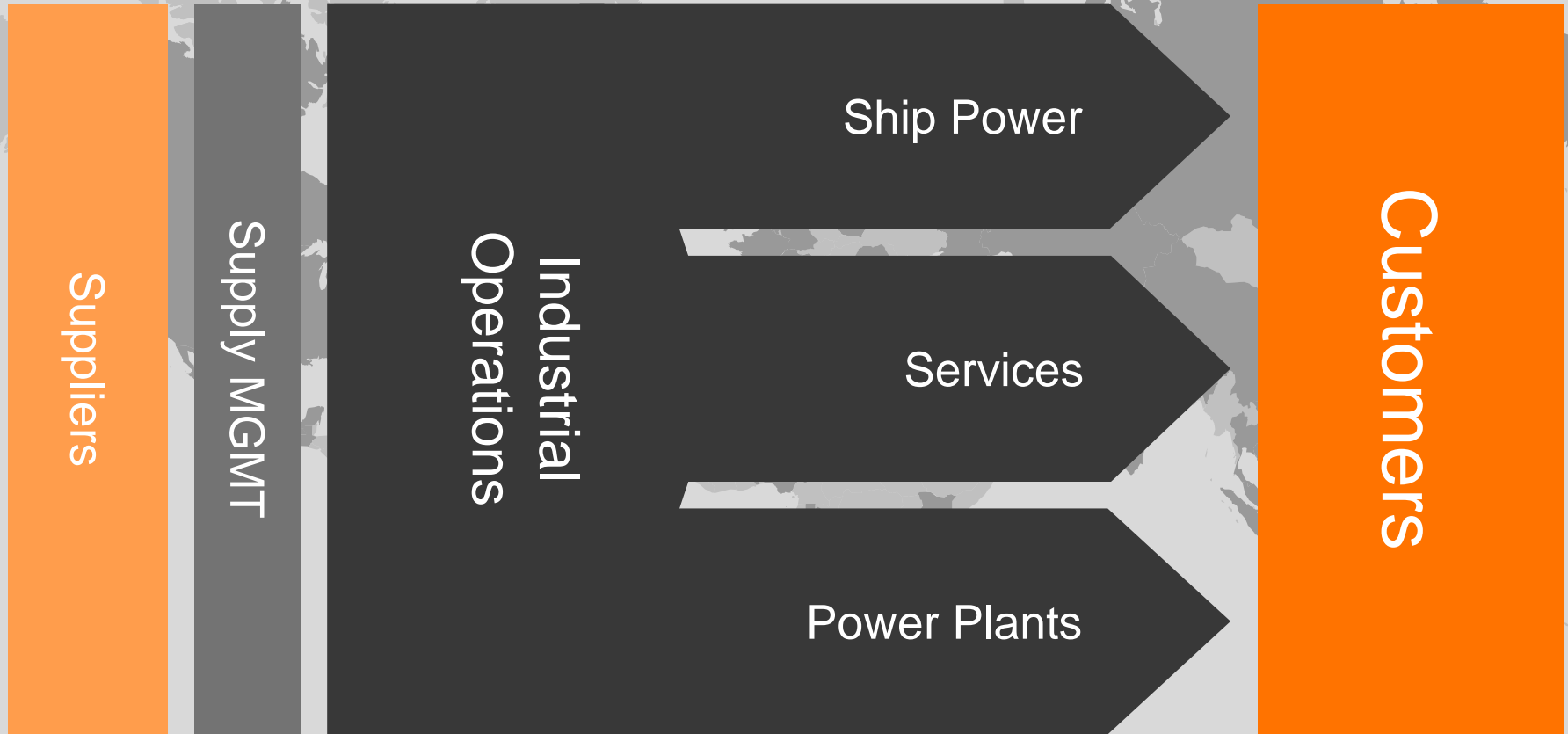
70 countries • > 160 locations • > 17'000 people



Meeting market demands with flexible capacity



Wärtsilä Corporation - Organization





Wärtsilä products shall be

- Market leading in technologies that benefit both the customer and the environment integrated as part of a total solution package
- First-time-right and reliable
- Cost efficient over the total lifecycle
- Suitable for the full range of fuels
- Leading in efficiency
- Compliant with existing and future emission regulations by applying the latest environmental technologies

Sustainability plays a central role in our business

Wärtsilä's Stakeholders

Continuous
improvement and reporting

Economic responsibility

Profitable,
competitive and
efficient business
operations

Creation of
financial added
value to direct
stakeholders

Greater well-
being in local
communications

Environmental responsibility

Sustainable
use of natural
resources

Prevention of
pollution

Environmentally
sound products
and services

Certified
environmental
management
systems

Social responsibility

Responsible
corporate
citizenship

Well-being
at work and
personnel
development

Safe working
environment

Product safety

Values

Energy

Excellence

Excitement

Principles

Operating
principles

Corporate
policies

Corporate
manual

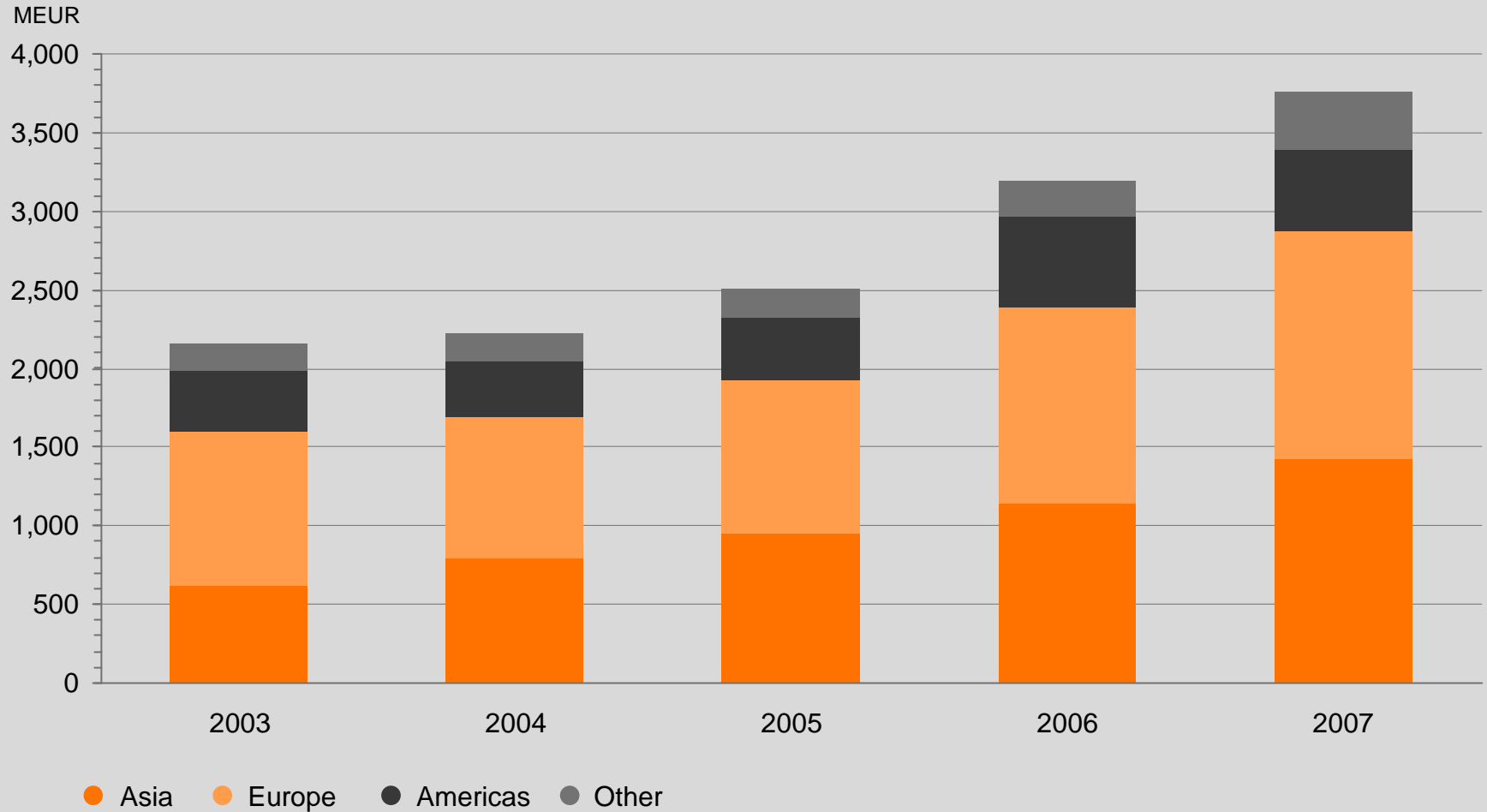
Wärtsilä's sustainable development programme

Wärtsilä's Vision, Mission, Strategy and Goals

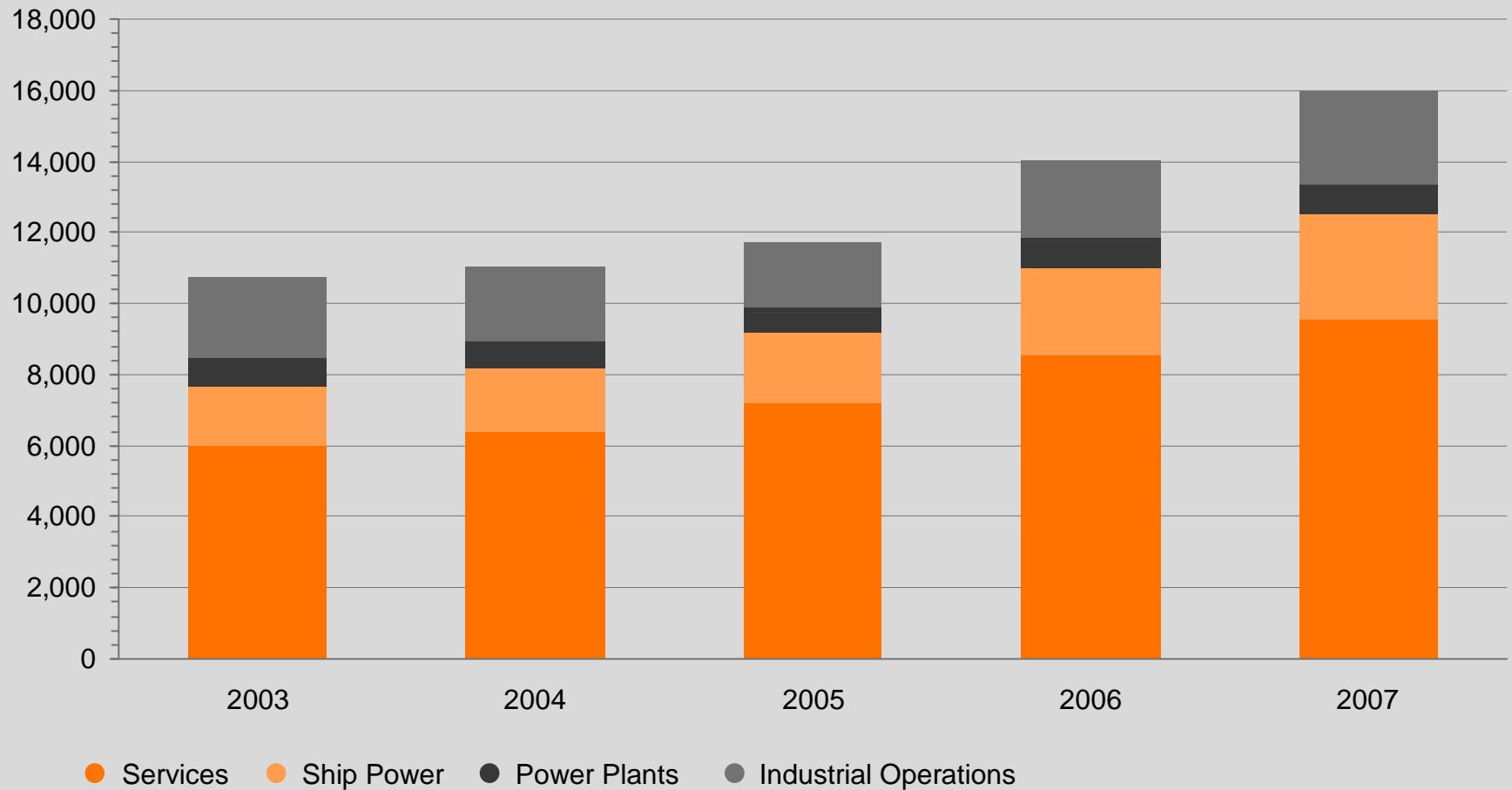
Financial highlights

MEUR	2007	2006	2005	2004
Order intake	5 633	4 621	3 491	2 791
Order book	6 308	4 439	2 906	1 855
Net sales	3 763	3 190	2 639	2 478
Operating result	379	262	224	112
% of net sales	10.1	8.2	8.5	4.5
Profit before taxes	372	255	212	217
Earnings/share, EUR	2.74	2.03	1.80	1.42
Cash flow from operating activities	431	302	76	220
Gross capital expenditure	231	193	231	69

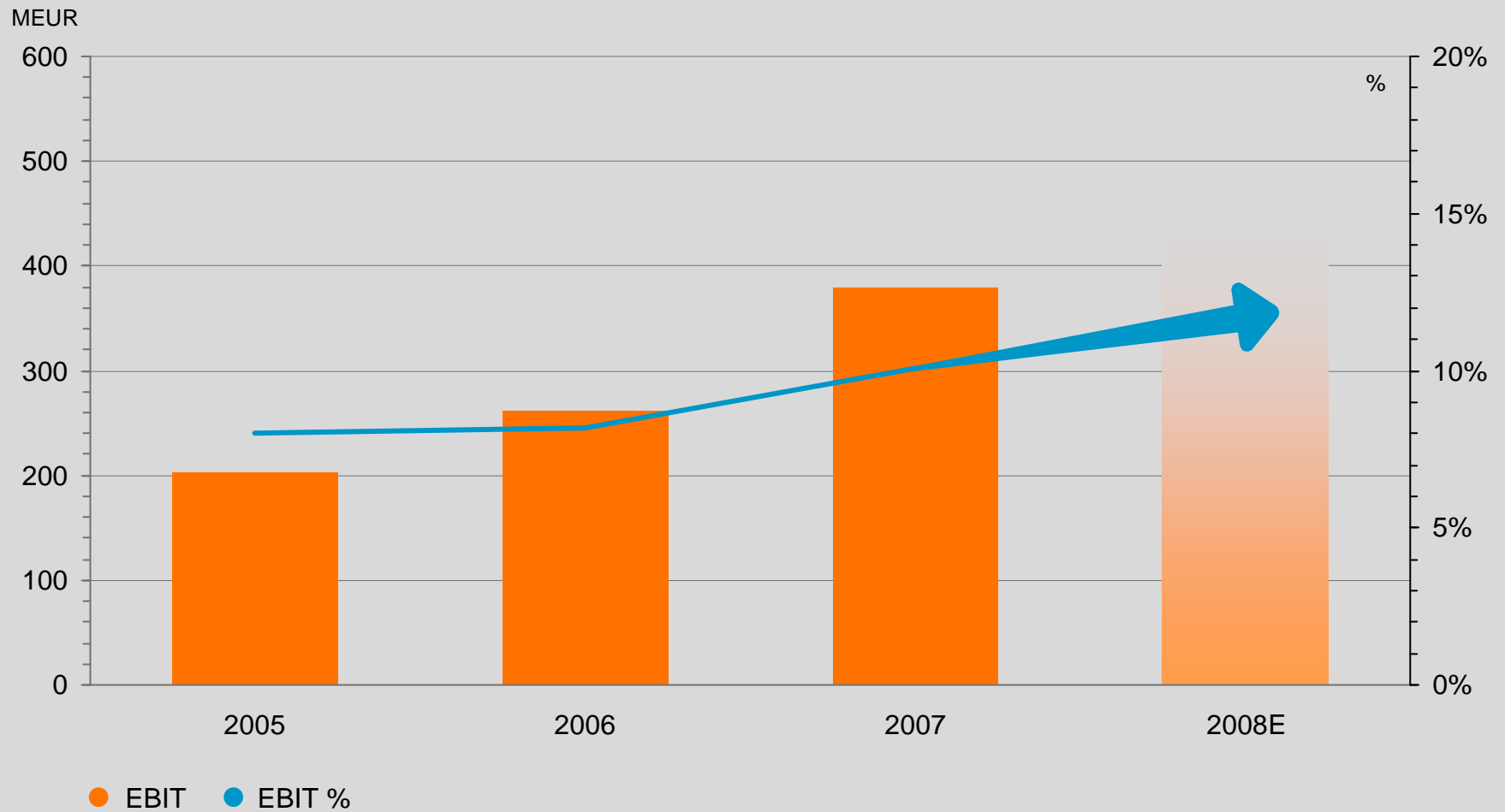
Net sales by market area



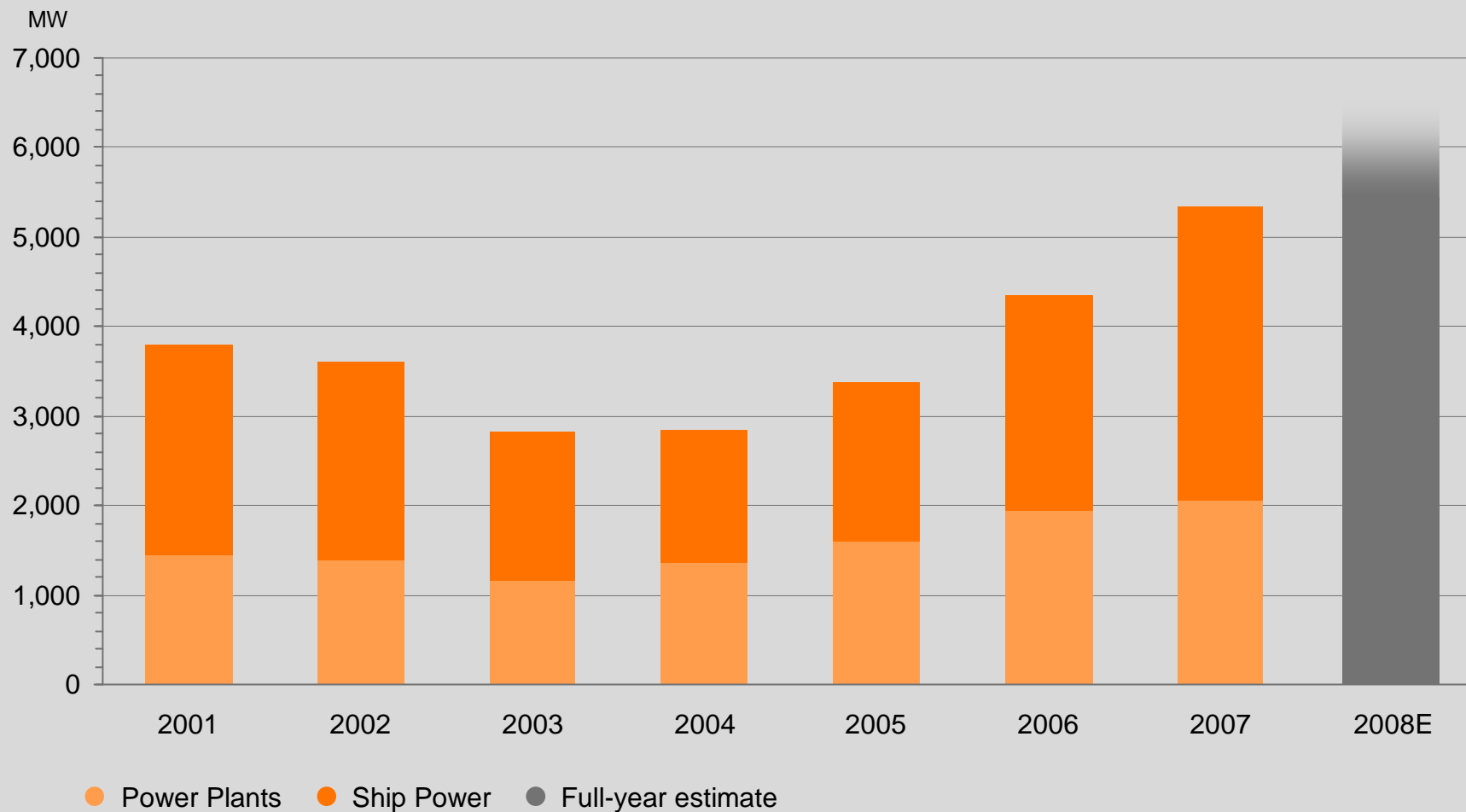
Personnel development



Improved profitability



Delivered engine megawatts from own factories



Wärtsilä's prospects 2008

- Based on the strong order book, Wärtsilä's net sales are expected to grow by about 25% in 2008
- Wärtsilä's profitability varies considerably from one quarter to another
- Profitability will exceed 11%





WÄRTSILÄ