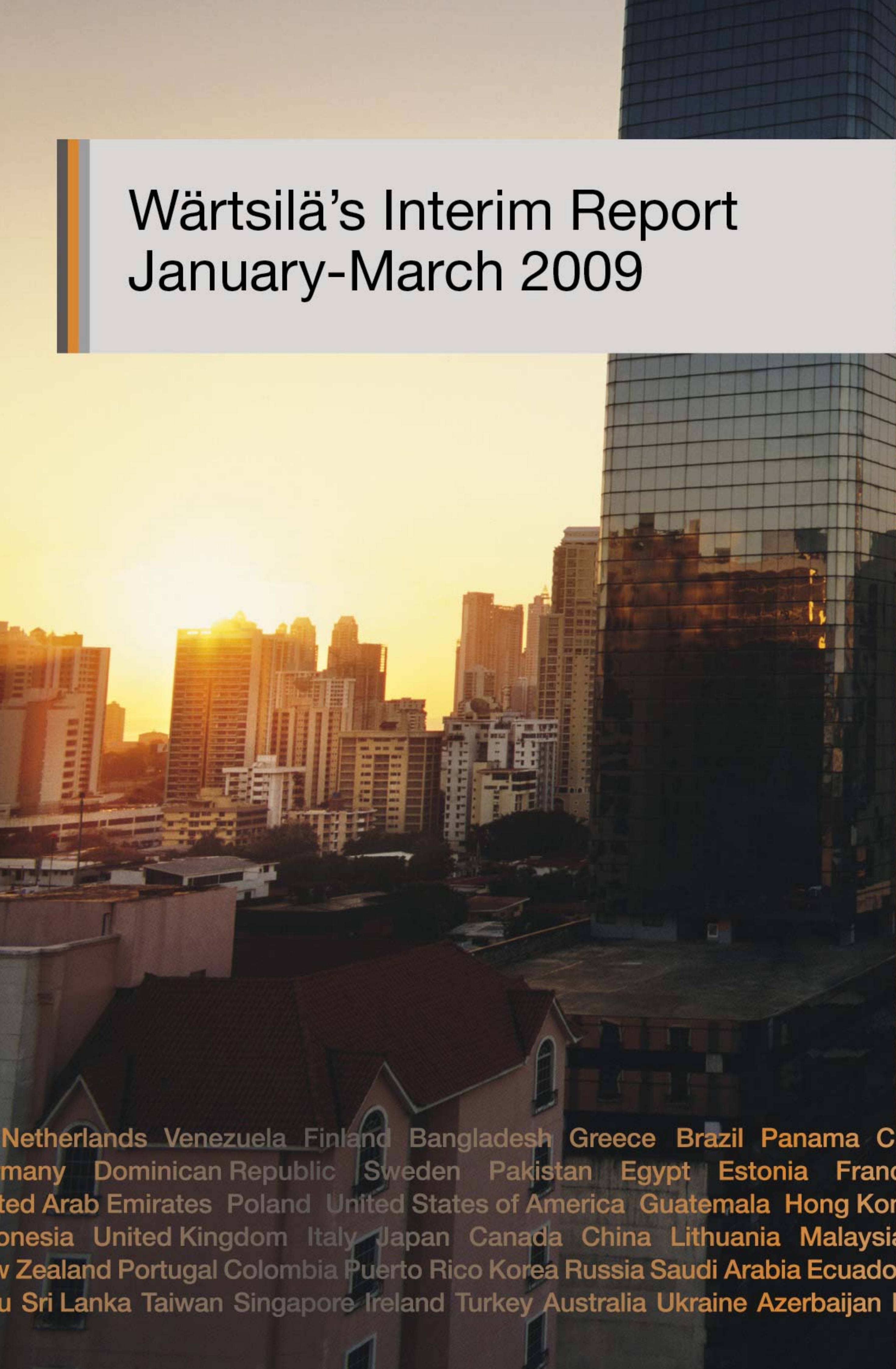
Wärtsilä's Interim Report January-March 2009



INTERIM REPORT JANUARY-MARCH 2009

The figures in this interim report are unaudited.

REVIEW PERIOD JANUARY-MARCH 2009 IN BRIEF

MEUR	1-3/2009	1-3/2008	Change	2008
Order intake	958	1 936	-51%	5 573
Order book 31 March	6 477*)	7 219	-10%	6 883
Net sales	1 241	850	46%	4 612
Operating result	130	81	60%	525
% of net sales	10.5%	9.6%		11.4%
Profit before taxes	123	74	65%	516
Earnings/share, EUR	0.89	0.49		3.88 1)
Cash flow from operating activities	23	75		278
Interest-bearing net debt at the end of the period	613	-79		455
Gross capital expenditure	24	38		366

*) Cancellations amounting to EUR 51 million have been eliminated from the order book during the first quarter.
1) 3.96 euros before the effect of the combination of Wärtsilä's share series.

MARKET DEVELOPMENT

SHIP POWER

The standstill in the ordering of new ships that started during the autumn of 2008 continued during the first quarter of 2009. The very few new big vessel orders that were registered were placed with Korean and Chinese yards. With the current market fundamentals, there remains very little reason to expect new vessel ordering to pick up. The market has moved from earlier fears of under supply, to the reality of over capacity in most major vessel segments, with container vessels and bulk carriers being affected the most. Due to the world short-term economic outlook, many existing vessel orders have become unattractive for vessel owners and operators. By contrast, shipyards are trying to hold on to the orders to secure their record long order books. Second hand market prices for practically new vessels have become very appealing, which is also hampering new orders.

More cancellations and rescheduling of existing orders have occurred during the review period and it is expected that markets will continue to reach for balance by cancelling and reorganising orders. The reduction of existing fleet capacity through temporary lay-ups, scrapping and slow steaming is also being carried out.

Ship Power market shares

During the review period Wärtsilä's share of the medium speed main engine market decreased slightly from 37% (at the end of the previous quarter) to 35%. Wärtsilä's market share in low-speed engines decreased to 13% (15). In auxiliary engines the market share decreased to 6% (8).

POWER PLANTS

Inquiries for new power plants remained at a high level during the first quarter. Market activity was good with customers showing continued interest in new flexible capacity. However, the impact of the financial crisis is showing through a slower conclusion of projects mainly due to difficulties in securing financing. Independent Power Producers (IPP) are facing challenges in closing financing packages, which has delayed projects.

Industrial self-generation is so far the most affected market with many projects postponed due to uncertainty in the market, or through lack of e.g. demand for minerals.

SERVICES

The imbalance between vessel capacity and vessel demand in the shipping industry has led to ship owners making adjustments, such as reducing the operating frequency of some vessels and laying-up parts of their fleets. The slowdown has led to some reductions in maintenance volumes and demand for spare parts, but the impact on Wärtsilä's services for the marine industry has so far been limited. The service market for power plants continues strong and power plants are in active operation. Furthermore, there is demand for various Services projects, such as fuel conversions for power plants.

Wärtsilä's installed engine base in the Ship Power and Power Plant markets totals 162,000 MW and consists of thousands of installations distributed throughout the world. Both end markets consist of several customer segments for Services, and Wärtsilä's portfolio is the broadest in the market. These factors limit the impacts of fluctuations in any individual market or customer segment.

ORDER INTAKE AND ORDER BOOK

The order intake for the review period totalled EUR 958 million (1,936), representing a deterioration of 51% compared to the corresponding period last year. In relation to the previous quarter Wärtsilä's total order intake grew 16% (EUR 823 million in the fourth quarter of 2008).

Wärtsilä Ship Power's order intake totalled EUR 127 million (758), a decrease of 83% compared to the very high corresponding period. Compared to the previous quarter Ship Power's order intake fell 16% (EUR 152 million in the fourth quarter of 2008). Orders for the first quarter of 2009 were mainly booked in the Offshore and Merchant segments. The Offshore segment accounted for 34%, Merchant 30% Cruise&ferry 18%, Navy 8% and Special vessels and Ship design 5% respectively of Ship Power's total order intake.

The first quarter order intake for the Power Plant business totalled EUR 321 million (566), which was 43% lower than the all-time high order intake in the corresponding period last year. The main reasons for this drop lie in the timing of large projects as well as in the impact of the financial crisis. Compared to the previous quarter the Power Plant business order intake grew 22% (EUR 263 million in the fourth quarter of 2008). The largest oil-fired power plants were sold to Pakistan, Greece and Cyprus. The latest 200 MW Pakistani order is the fourth major power project sold by Wärtsilä to Pakistan in the last two years. Pakistan is expected to offer interesting opportunities in the future as well. The largest gas-fired plants were sold to Brazil and to the Dominican Republic. The large gas power plant order received from Brazil marks an important milestone for Wärtsilä as it is Wärtsilä's first major gas power project in the country. With the increased availability of gas in Brazil, the gas power plant market for Wärtsilä is expected to grow.

Services order intake for the period January-March 2009 was strong and amounted to EUR 507 million (611), a reduction of 17% compared to the all-time high corresponding period of 2008. In relation to the previous quarter Services order intake grew 24% (EUR 410 million in the fourth quarter of 2008). During the review period, Services received contracts from three Brazilian Independent Power Producers (IPPs) to provide conversions for their generating stations. The conversions will enable them to attain fuel flexibility and switch from heavy fuel oil (HFO) to gas operation. These combined plant conversions represent the biggest project of its kind ever undertaken by Wärtsilä Services.

The total order book at the end of the review period stood at EUR 6,477 (7,219). At the end of the review period, the Ship Power order book stood at EUR 4,127 million (4,810), a decrease of 14%. During the period cancellations of EUR 51 million materialised and have been deducted from the order book. The cancellations were mainly concentrated within the Merchant and Special vessel segments. Wärtsilä sees a potential cancellation risk of approximately EUR 1,000 million. The Power Plants order book stood at EUR 1,829 million (1,822). The Services order book totalled EUR 521 million (588).

Order intake by business

MEUR	1-3/2009	1-3/2008	Change	1-12/2008
Ship Power	127	758	-83%	1 826
Services	507	611	-17%	1 858
Power Plants	321	566	-43%	1 883
Order intake, total	958	1 936	-51%	5 573

Order intake Power Plants

MW	1-3/2009	1-3/2008	Change	1-12/2008
Oil	344	442	-22%	2 029
Gas	243	543	-55%	1 240
Renewable fuels	0	37	-100%	80

Order book by business

MEUR	31 Mar. 2009	31 Mar. 2008	Change	2008
Ship Power	4 127	4 810	-14%	4 486
Services	521	588	-11%	445
Power Plants	1 829	1 822	0%	1 949
Order book, total	6 477*)	7 219	-10%	6 883

*) Cancellations amounting to EUR 51 million have been eliminated from the order book during the first quarter.

NET SALES

Wärtsilä's net sales for January-March 2009 grew strongly by 46% and totalled EUR 1,241 million (850). Ship Power's net sales grew by 53% and totalled EUR 373 million (244). Net Sales for Power Plants developed very favourably during the review period and totalled EUR 431 million (175), a growth of 146% compared to the corresponding period last year. Net sales from the Services business remained at last year's high level and amounted to EUR 434 million (428). Ship Power net sales accounted for 30%, Power Plants for 35% and Services net sales for 35% of total net sales.

Net sales by business

MEUR	1-3/2009	1-3/2008	Change	1-12/2008
Ship Power	373	244	53%	1 531
Services	434	428	1%	1 830
Power Plants	431	175	146%	1 261
Net sales, total	1 241	850	46%	4 612

FINANCIAL RESULTS

The operating result rose to EUR 130 million (81) for January-March 2009, which is 10.5% of net sales (9.6). Financial items amounted to EUR -7 million (-7). Net interest totalled EUR -6 million (0). Profit before taxes amounted to EUR 123 million (75). Taxes in the reporting period amounted to EUR -34 million (-25). Earnings per share were EUR 0.89 (0.49).

BALANCE SHEET, FINANCING AND CASH FLOW

Cash flow from operating activities for January-March 2009 totalled EUR 23 million (75). Advances received at the end of the period totalled EUR 1,242 million (1,083). Liquid reserves at the end of the period amounted to EUR 149 million (416). Net interest-bearing loan capital totalled EUR 613 million (-63). Dividends paid in 2009 totalling EUR 148 million were paid during the first quarter, where as dividends paid in 2008 totalling

EUR 408 million were paid during the second quarter. The solvency ratio was 32.1% (32.0) and gearing was 0.55 (-0.05).

HOLDINGS

Wärtsilä owns 7,270,350 B shares in Assa Abloy, or 2.0% of the total. This holding has been booked in the balance sheet at its market value at the end of the reporting period, EUR 51 million.

CAPITAL EXPENDITURE

Gross capital expenditure in the review period totalled EUR 24 million (38), which comprised EUR 2 million (5) in acquisitions and investments in securities and EUR 22 million (33) in production and information technology investments. Depreciation amounted to EUR 30 million (21).

Due to the high delivery volumes, efficiency improvements and Services related logistical development plans, the total capital expenditure excluding acquisitions for 2009, is expected to be approx. EUR 180 million.

STRATEGIC ACQUISITIONS, JOINT-VENTURES AND EXPANSION OF THE NETWORK

The strengthening of Wärtsilä's global Service network continued during the review period by the opening of new and the expansion of existing offices in Italy and the Netherlands.

MANUFACTURING

During the review period, Wärtsilä renewed the license agreements for the manufacturing and sales of Wärtsilä low-speed marine diesel with Hitachi Zosen Corporation in Japan and with Mitsubishi Heavy Industries Ltd. (MHI) in Japan.

Qingdao Qiyao Wärtsilä MHI Linshan Marine Diesel Co.Ltd. (QMD), the Joint Venture between CSIC, Wärtsilä and MHI for the production of 2-stroke engines, successfully produced and started its first engine in March 2009. The QMD factory construction work was completed during April 2009. QMD has a healthy order book of approximately EUR 200 million.

RESEARCH & DEVELOPMENT

The EU funded Hercules-Beta research project started in March. Hercules-Beta represents a major international co-operative effort to maximise fuel efficiency while emphasising ultra-low emissions, and to develop future generations of optimally efficient and clean marine diesel engines.

PERSONNEL

Wärtsilä had 18,844 (16,979) employees at the end of March. Personnel on average for January - March 2009 totalled 18,821 (16,813). Services had 11,172 employees (10,095), a growth of 11%.

SHARES AND SHAREHOLDERS

SHARES ON HELSINKI EXCHANGES

31 March 2009	Number of shares	Number of votes	Number of shares traded 1-3/2009
WRT1V	98,620,565	98,620,565	37,993,090

1. Jan - 31 March 2009	High	Low	Average 1)	Close
Share price	24.00	15.81	19.48	15.89

1) Trade-weighted average price

	31 March 2009	31 March 2008
Market capitalisation, EUR million	1,567	4,215
Foreign shareholders	43.9%	49.6%

DECISIONS TAKEN BY THE ANNUAL GENERAL MEETING

Wärtsilä's Annual General Meeting on 11 March 2009 approved the financial statements and discharged the members of the Board of Directors and the company's President & CEO from liability for the financial year 2008. The Meeting approved the Board of Directors' proposal to pay a dividend of EUR 1.50 per share totalling EUR 148 million. Dividends were paid on 23 March 2009.

The Annual General Meeting decided that the Board of Directors shall have six members. The following were elected to the Board: Ms Maarit Aarni-Sirviö, Mr Kaj-Gustaf Bergh, Mr Kari Kauniskangas, Mr Antti Lagerroos, Mr Bertel Langenskiöld and Mr Matti Vuoria.

The firm of authorised public accountants KPMG Oy Ab was appointed as the company's auditors.

ORGANISATION OF THE BOARD OF DIRECTORS

The Board of Directors of Wärtsilä Corporation elected Antti Lagerroos as its chairman and Matti Vuoria as the deputy chairman. The Board decided to establish an Audit Committee, a Nomination Committee and a Compensation Committee. The Board appointed from among its members the following members to the Committees:

Audit Committee:

Chairman Antti Lagerroos, Maarit Aarni-Sirviö, Bertel Langenskiöld

Nomination Committee:

Chairman Antti Lagerroos, Matti Vuoria, Kaj-Gustaf Bergh

Compensation Committee:

Chairman, Antti Lagerroos, Matti Vuoria, Bertel Langenskiöld

RISKS AND BUSINESS UNCERTAINTIES

Due to the uncertainty in the shipping industry the main risks in Ship Power remain the slippage of ship yard delivery schedules, as well as the risk of cancellation of existing orders. Wärtsilä Ship Power sees a potential cancellation risk of approximately EUR 1,000 million.

Though the fundamentals in the Power Plants business remain unchanged, the current financial crisis has some effect on the timing of orders. The actual impact of the financial crisis is still small, but the possible effect on orders in the pipeline is difficult to predict. The financing of many future projects appears secure, and there is an increased level of activity from utilities and governmentally funded power producers.

For Services, the biggest risks relate to a further deterioration of the underlying shipping industry leading to larger scale lay-ups of ships, which could reduce demand for maintenance and services in this segment. Currently the bulker and container ship segments are the most affected.

Wärtsilä monitors the stability of its supplier base in the perspective of the worldwide economic crisis and currently there are no significant risks related to this.

Wärtsilä holds adequate credit lines to maintain liquidity in the current business environment.

The annual report for 2008 contains a thorough description of Wärtsilä's risks and risk management.

MARKET OUTLOOK

With the exception of China and India, all the leading economies have negative GDP development this year, which implies that trade and demand for transportation and energy are declining. As a consequence, the outlook for shipping and shipbuilding is quite dismal at the moment. Ship owners continue laying up capacity in an attempt to re-balance the market. Managing existing fleets, and attempts to digest the existing orders on hand, are the shipping industry's main focus points today. For the offshore industry there would be market rationale to continue exploration and production investments, but the current financial crisis is effectively hindering progress in such projects.

During 2009 there will not be any major changes in the new ordering outlook for the major merchant vessel types, such as container vessels, bulk carriers and tankers. Much will, however, depend on the general sentiments in the economy, as certain owners, having benefited from the recent shipping boom, are still financially very sound. If prices for new vessels and concrete signs of a recovering economy converge, it might have a positive effect on the launch of new projects. In the Offshore segment the recovery of the market depends on oil price development as well as on the easing of financing. New orders will most probably be placed for more specialised tonnage where over capacity is not a problem. National stimulus packages benefit mainly governmental projects, such as the Navy sector.

The demand in the Power Plants market remains at a good level. The fundamental global need for a more flexible, efficient and environmentally friendly power generation mix remains and continues to position Wärtsilä well for the future. The quest for increased efficiency and better energy security through fuel versatility and flexibility are trends that clearly work in Wärtsilä's favour. The flexible baseload segment is forecasted to remain active throughout the Middle East, Africa and the Americas. Increased interest for grid stability and peaking solutions throughout the developed world can be seen, whereas the industrial self-generation segment shows lower activity. Power Plants ordering activity is expected to remain at a good, albeit lumpy level.

Services continues its stable development, but due to the uncertainty of the marine industry, visibility has become shorter.

WÄRTSILÄ'S PROSPECTS FOR 2009 REITERATED

Despite the risk of cancellations, the substantial order book should support a 10-20 percent growth in net sales for 2009, which would maintain the profitability at last year's good level.

WÄRTSILÄ INTERIM REPORT JANUARY - MARCH 2009

This interim financial report is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the annual financial statements for 2008. All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

Use of estimates

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

Of the amended International Financial Reporting Standards (IFRS) and interpretations mandatory as of 1 January 2009 the following are applicable on the Group reporting:

- IFRS 8 Operating Segments
- IAS 23 Borrowing Cost
- IAS 1 Presentation of financial Statement
- IFRIC 16 Hedges of Net Investment in a foreign Operation

The adaption of the revised standards and interpretations does not have any material effect on the interim report.

Wärtsilä's business

Wärtsilä provides and delivers power solutions for the marine and energy markets. Wärtsilä offers its customers product concepts, products, maintenance and spare parts based on engine technology and applied to different circumstances. Customer service that spans the life of the delivered equipment is an integral part of business. The service is the same regardless of the equipment's purpose of use.

Internal management reporting is used to monitor the development of operations on the basis of market-based business areas. Reporting serves goal setting and budget control and is thus a management tool rather than an actual external economic indicator.

Wärtsilä's highest operative decision maker (*CODM, Chief Operating Decision Maker* according to IFRS 8) is the Group President with the support of the Board of Management and, in some cases, the Board of Directors. The Group President assesses the Group's financial position and its development as a whole, not based on the results of the business areas. As the Group's level of integration is high, the reported indicators from business areas do not give a true picture of the business areas' financial position and development. It is also considered that they are of limited value to an external reader due to poor comparability, for example.

Against this background, Wärtsilä's business cannot be divided into separate operative segments with individual reporting.

This interim report is unaudited.

CONDENSED INCOME STATEMENT

MEUR	1-3/2009	1-3/2008	2008
Net sales	1 241	850	4 612
Other income	5	5	26
Expenses	-1 087	-753	-4 015
Depreciation and impairment	-30	-21	-99
Share of profit of associates and joint ventures	1		
Operating result	130	81	525
Financial income and expenses	-7	-7	-9
Profit before taxes	123	75	516
Income taxes	-34	-25	-127
Profit for the financial period	89	49	389
Attributable to:			
Owners of the parent	87	47	380
Non-controlling interest	1	2	9
Total	89	49	389
Earnings per share attributable to equity holders of the parent company:			
Earnings per share, EUR	0.89	0.49	3.88
Diluted earnings per share, EUR	0.89	0.49	3.88

STATEMENT OF COMPREHENSIVE INCOME

Profit for the financial period	89	49	389
Other comprehensive income after tax:			
Exchange differences on translating foreign operations	8	-5	-27
Investments available for sale	-9	-14	-37
Cash flow hedges		27	-44
Share of other comprehensive income of associates and joint ventures			-1
Other income/expenses			6
Other comprehensive income for the period	-1	9	-103
Total comprehensive income for the period	87	58	286
Total comprehensive income attributable to:			
Owners of the parent	86	57	277
Non-controlling interest	2	1	9
	87	58	286

CONDENSED BALANCE SHEET

MEUR	31 Mar. 2009	31 Mar. 2008	31 Dec. 2008
Non-current assets			
Intangible assets	796	641	793
Property, plant and equipment	452	374	446
Equity in associates and joint ventures	52	37	41
Investments available for sale	96	138	106
Deferred tax receivables	77	68	85
Other receivables	26	18	26
	1 500	1 277	1 498
Current assets			
Inventories	1 784	1 307	1 656
Other receivables	1 349	1 122	1 392
Cash and cash equivalents	149	416	197
	3 282	2 845	3 245
Assets	4 782	4 122	4 743
Shareholders' equity			
Share capital	336	336	336
Other shareholders' equity	785	628	848
Total equity attributable to equity holders of the parent	1 121	964	1 184
Minority interest	17	11	15
Total shareholders' equity	1 138	975	1 199
Non-current liabilities			
Interest-bearing debt	607	241	448
Deferred tax liabilities	80	80	86
Other liabilities	341	559	394
	1 029	881	927
Current liabilities			
Interest-bearing debt	167	123	216
Other liabilities	2 448	2 144	2 400
	2 615	2 266	2 616
Total liabilities	3 644	3 147	3 544
Shareholders' equity and liabilities	4 782	4 122	4 743

CONDENSED CASH FLOW STATEMENT

MEUR	1-3/2009	1-3/2008	2008
Cash flow from operating activities:			
Profit before taxes	123	74	516
Depreciation and impairment	30	21	99
Financial income and expenses	7	7	9
Selling profit and loss of fixed assets and other adjustments	-1	-4	2
Share of profit of associates and joint ventures	-1		
Changes in working capital	-90	5	-250
Cash flow from operating activities before financial items and taxes	69	103	377
Net financial items and income taxes	-46	-27	-99
Cash flow from operating activities	23	75	278
Cash flow from investing activities:			
Investments in shares and acquisitions	-2	-5	-198
Net investments in tangible and intangible assets	-22	-31	-168
Proceeds from sale of shares	-23		30
Cash flow from other investing activities	1	1	8
Cash flow from investing activities	-46	-35	-329
Cash flow from financing activities:			
New long-term loans	162		260
Amortisation and other changes in long-term loans	2	-9	-4
Changes in short term loans and other financing activities	-43	108	129
Dividends paid	-149		-412
Cash flow from financing activities	-27	100	-26
Change in liquid funds, increase (+) / decrease (-)	-50	140	-76
Cash and cash equivalents at beginning of period	197	296	296
Joint ventures' cash and cash equivalents at beginning of period		-16	-18
Fair value adjustments, investments			1
Exchange rate changes	2	-4	-6
Cash and cash equivalents at end of period	149	416	197

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

MEUR	Total equity attributable to equity holders of the parent					Minority interest	Total equity
	Share capital	Share issue premium	Translation differences	Fair value and other reserves	Retained earnings		
Shareholders' equity on 1 Jan. 2009	336	61	-27	50	764	15	1 199
Dividends paid					-148	-1	-149
Total comprehensive income for the period			10	-13	87	3	87
Shareholders' equity on 31 Mar. 2009	336	61	-17	37	703	17	1 138
Shareholders' equity on 1 Jan. 2008	336	61	3	127	788	10	1 325
Decided paid					-408		-408
Total comprehensive income for the period			-4	14	47	1	58
Shareholders' equity on 31 Mar. 2008	336	61	-1	141	427	11	975

GEOGRAPHICAL DISTRIBUTION OF NET SALES

MEUR	Europe	Asia	Americas	Other	Group
Net sales 1-3/2009	347	491	290	113	1 241
Net sales 1-3/2008	318	301	159	71	850

INTANGIBLE ASSETS AND PROPERTY, PLANT & EQUIPMENT

MEUR	1-3/2009	1-3/2008	2008
Intangible assets			
Book value at 1 January	793	646	646
Changes in exchange rates	13	-6	-30
Acquisitions	2	2	191
Additions	2	7	29
Depreciation and impairment	-14	-8	-42
Disposals and intra-balance sheet transfer			-1
Book value at end of period	796	641	793
Property, plant and equipment			
Book value at 1 January	446	377	377
Changes in exchange rates	3	-1	-3
Acquisitions		2	9
Additions	20	26	139
Depreciation and impairment	-16	-13	-57
Joint ventures' opening balances		-12	-6
Disposals and intra-balance sheet transfer	-1	-6	-13
Book value at end of period	452	374	446

GROSS CAPITAL EXPENDITURE

MEUR	1-3/2009	1-3/2008	2008
Investments in securities and acquisitions	2	5	198
Intangible assets and property, plant and equipment	22	33	168
Group	24	38	366

During the review period investment in the enlargement of propulsion equipment manufacturing in the Netherlands and China amounted to EUR 3 million, and Wärtsilä had commitments related to the enlargements amounting to EUR 4 million at the end of the review period. Wärtsilä centralises warehousing and logistics of spare parts by investing in a new distribution centre in the Netherlands. The commitments related to the new distribution centre amounted to EUR 55 million at the end of the review period.

INTEREST-BEARING LOAN CAPITAL

MEUR	31 Mar. 2009	31 Mar. 2008	31 Dec. 2008
Long-term liabilities	607	241	448
Current liabilities	167	123	216
Loan receivables	-12	-12	-12
Cash and bank balances	-149	-416	-197
Net	613	-63	455

FINANCIAL RATIOS

	1-3/2009	1-3/2008	2008
Earnings per share, EUR	0.89	0.49	3.88
Equity per share, EUR	11.36	9.78	12.01
Solvency ratio, %	32.1	32.0	34.3
Gearing	0.55	-0.05	0.39

PERSONNEL

	1-3/2009	1-3/2008	2008
On average	18 821	16 813	17 623
At end of period	18 844	16 979	18 812

CONTINGENT LIABILITIES

MEUR	31 Mar. 2009	31 Mar. 2008	31 Dec. 2008
Mortgages	56	13	61
Chattel mortgages	10	8	10
Total	66	21	71
Guarantees and contingent liabilities on behalf of Group companies	688	441	664
Nominal amount of rents according to leasing contracts	70	71	87
Total	757	512	751

NOMINAL VALUES OF DERIVATIVE INSTRUMENTS

MEUR	Total amount	of which closed
Interest rate swaps	140	
Foreign exchange forward contracts	1 795	462
Currency options, purchased	52	

COMMODITY DERIVATIVES

	Amount in metric tons	of which closed
Oil swaps	4 275	
Copper futures	650	

CONDENSED INCOME STATEMENT, QUARTERLY

MEUR	1-3/2009	10-12/2008	7-9/2008	4-6/2008	1-3/2008
Net sales	1 241	1 530	1 140	1 092	850
Other income	5	10	6	5	5
Expenses	-1 087	-1 313	-996	-953	-753
Depreciation and impairment	-30	-31	-26	-21	-21
Share of profit of associates and joint ventures	1	1	-1	1	
Operating result	130	197	123	124	81
Financial income and expenses	-7	-14	5	7	-7
Profit before taxes	123	183	127	131	75
Income taxes	-34	-36	-30	-36	-25
Profit for the financial period	89	147	97	96	49
Attributable to:					
Owners of the parent company	87	144	95	94	47
Non-controlling interest	1	3	3	2	2
Total	89	147	97	96	49
Earnings per share attributable to equity holders of the parent company:					
Earnings per share, EUR	0.89	1.46	0.97	0.96	0.49

CALCULATION OF FINANCIAL RATIOS

Earnings per share (EPS)

$$\frac{\text{Profit for the financial period attributable to equity holders of the parent company}}{\text{Adjusted number of shares over the financial year}}$$

Equity per share

$$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Adjusted number of shares at the end of the period}}$$

Solvency ratio

$$\frac{\text{Shareholders' equity}}{\text{Balance sheet total - advances received}} \times 100$$

Gearing

$$\frac{\text{Interest-bearing liabilities - cash and bank balances}}{\text{Shareholders' equity}}$$

23 April 2009
Wärtsilä Corporation
Board of Directors