Highlights Q1/2015

- Order intake EUR 1,285 million, +15%
- Net sales EUR 988 million, -1%
- Book-to-bill 1.30 (1.12)
- EBIT EUR 100 million, 10.1% of net sales (EUR 98 million or 9.8%)
- EPS EUR 0.43 (0.31)
- Cash flow from operating activities EUR 37 million (111)
- Order book at the end of the period EUR 4,931 million, +12%

EBIT is shown excluding non-recurring items. As a result of the 2-stroke operations being classified as discontinued operations in 2014, first quarter comparison figures related to the statement of income have been restated.
Order intake growth supported by Power Plants and Services

First quarter development

MEUR

2011 2012 2013 2014 2015

Q1 Q2-Q4

MEUR

Q1/2014 Q1/2015

Order intake growth supported by Power Plants and Services

First quarter development

MEUR

2011 2012 2013 2014 2015

Q1 Q2-Q4

MEUR

First quarter development
Net sales development stable

First quarter development

- Q1/2014: 997 MEUR (11% increase)
- Q1/2015: 988 MEUR (11% decrease)

Net sales in line with our expectations
Net sales by business 1-3/2015

- Services: 49% (44)
- Ship Power: 32% (37)
- Power Plants: 18% (19)
**Order intake**  
**Net sales**  
**Book-to-bill**  

Book-to-bill ratio remains above one
Order book distribution

31.3.2014

31.3.2015

Delivery current year

Delivery next year or later
Improvement in profitability

EBIT% development:
- 2011: 11.1%
- 2012: 10.9%
- 2013: 11.2%
- 2014: 11.9%

First quarter development:
- Q1/2014: 8.9%
- Q1/2015: 10.1%

EBIT is shown before non-recurring items. Figures for 2010-2013 and Q1/2014 include both discontinued and continuing operations.
Sentiment in power generation markets improving
Power Plants’ quotation activity on a high level

Quoted MW per Fuel Type

MW

0 2000 4000 6000 8000 10000 12000 14000 16000 18000

2010 2011 2012 2013 2014 2015

Quoted MW on a high level

- Others
- Natural gas
- Heavy fuel oil
Growth in Power Plants order intake

Review period development
Total EUR 287 million (165)

- Utilities: 61%
- IPP’s*: 30%
- Industrials: 8%

Review period order intake by fuel in MW

- Oil: 64%
- Gas: 36%

*IPP = Independent Power Producer
Order intake 1-3/2015: 702 MW (396)

Power Plants orders globally

- Europe: 433 (90)
- Asia: 20 (37)
- Africa and Middle East: 175 (202)
- Americas: 75 (67)

Utilities

IPP's

Industrials

© Wärtsilä
Growing interest towards gas fuelled power plants in USA

- Contract to supply a 56 MW peaking and wind support power plant to Coffeyville Municipal Light and Power in Kansas, USA
- Scope of supply three gas-fired Wärtsilä 50SG engines
- Benefits of Smart Power Generation power plants include fast starts, flexibility and reliability
- Wärtsilä has over 2,500 MW of installed capacity in the United States
Market for gas and liquid fuel based power plants 2014

Total market
47.8 GW (73)

- GE: 41.9%
- Siemens: 20.8%
- MHI: 19.0%
- Alstom: 8.1%
- Wärtsilä: 4.7%
- Ansaldo: 0.3%
- Other GTs: 5.2%

Market <500 MW
23.4 GW (32)

- GE: 50.4%
- Siemens: 13.2%
- MHI: 20.1%
- Alstom: 10.7%
- Wärtsilä: 3.8%
- Ansaldo: 1.3%
- Other GTs: 0.4%

Market data includes all Wärtsilä power plants and other manufacturers' gas and liquid fuelled turbine based power plants with prime movers above 5 MW, as well as estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. Other combustion engines not included. In engine technology Wärtsilä has a leading position.
Slow activity in the marine markets
Subdued vessel contracting

Source: Clarkson Research Services, figures exclude late contracting
* CGT= gross tonnage compensated with workload
Ship Power order intake supported by gas carriers

Review period development
Total EUR 336 million (440)

Gas carriers 41%
Offshore 11%
Special vessels 11%
Cruise & Ferry 11%
Navy 3%
Traditional merchant 18%
Others 5%

During the first quarter, Wärtsilä Hyundai Engine Company Ltd. received an order to supply 30 dual-fuel engines for icebreaking LNG carriers for the Yamal LNG project in Russia.

Wärtsilä’s share of ownership in these companies is 50%, and the results are reported as a share of result of associates and joint ventures.
Environmentally sustainable dual-fuel engines to a new Baltic Sea ferry

- Tallink Grupp’s new fast ropax ferry will feature Wärtsilä dual-fuel engines running primarily on LNG
- Contract scope: three 12-cylinder Wärtsilä 50DF and two 6-cylinder Wärtsilä 50DF main engines, two Wärtsilä fixed pitch propellers and propeller shaft lines
- Operating primarily on LNG enables compliance with the sulphur emissions legislation that came into force in January
- Wärtsilä’s highly efficient and reliable main engine propulsion and leading position in gas fuelled solutions was key in the contract award
Strong position in marine engine market

Wärtsilä’s market shares are calculated on a 12 months rolling basis, numbers in brackets are from the end of the previous quarter. The calculation is based on Wärtsilä’s own data portal.
Increased maintenance activity boosted Services’ order intake and sales
Services’ net sales increased by 11%
Services net sales distribution 1-3/2015

Spare parts 53% (53)

Field service 24% (24)

Contracts 17% (17)

Projects 6% (6)

Total EUR 485 million (435)
Wärtsilä to boost efficiency and reduce emissions of Maltese power plant

- Contract signed with Shanghai Electric Power to convert the Maltese Delimara Power Station to operate on natural gas
- Project scope includes converting four of the power plant’s eight engines into Wärtsilä 50SG and four into Wärtsilä 50DF engines
- Operating the plant on natural gas with the latest Wärtsilä factory specification will enable reduced emissions and operating costs, as well as increased efficiency and output
Development of service agreements

MW under agreement – Power Plants
MW under agreement – Ship Power
% of Power Plants installed base
% of Ship Power installed base

0% 5% 10% 15% 20% 25% 30%

0 2000 4000 6000 8000 10000 12000 14000

2009 2010 2011 2012 2013 2014 Q1 2015
Fleet utilisation

Anchored Vessels & Fleet Development*

Fleet Average Speed, knots**

* Source: Bloomberg. Sample of more than 25 000 vessels (>299 GT) covered by IHS AIS Live.
** Source: Bloomberg
Solid financial standing
Cash flow from operating activities

MEUR

2011  2012  2013  2014

Review period development

MEUR

1-3/2014  1-3/2015
Working capital

Review period development

* Working capital / 12 months rolling net sales
Gearing remains low
Market outlook

- **Power Plants**: Based on the market situation during 2014 and the GDP forecasts for 2015, the market for liquid and gas fuelled power generation is expected to remain challenging.

- **Ship Power**: The outlook for the shipping and shipbuilding market environment remains cautious due to weaker market conditions in the dry bulk and offshore segments.

- **Services**: The overall service market outlook is cautiously positive with growth opportunities in selected regions and segments.
Wärtsilä expects its net sales for 2015 to grow by 0-10% and its operational profitability (EBIT% before non-recurring items) to be between 12.0-12.5%.