Highlights Q2/2015

- Order intake EUR 1,159 million, +2%
- Net sales EUR 1,230 million, +10%
- Book-to-bill 0.94 (1.02)
- EBIT EUR 137 million, 11.1% of net sales (EUR 132 million or 11.8%)
- EBITA EUR 144 million, 11.7% of net sales (EUR 138 million or 12.4%)
- EPS EUR 0.54 (0.42)
- Cash flow from operating activities EUR 47 million (61)
- Order book at the end of the period EUR 5,325 million, +20%
- Acquisition of L-3 MSI finalised
- Strategy fine-tuned, business names changed

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

Second quarter development

- Energy Solutions
- Marine Solutions
- Services

Q1-Q2  Q3-Q4
Net sales developed well

Second quarter development

- Services
- Marine Solutions
- Energy Solutions

Q1-Q2 Q3-Q4
Net sales by business 1-6/2015

- **Services**: 47% (43)
- **Energy Solutions**: 23% (20)
- **Marine Solutions**: 30% (37)
### Book-to-bill ratio remains above one

<table>
<thead>
<tr>
<th>Year</th>
<th>Order Intake (MEUR)</th>
<th>Net Sales (MEUR)</th>
<th>Book-to-Bill Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1.07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>1.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>1.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-6/2015</td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Order book distribution

- Delivery current year
- Delivery next year or later

MEUR

30.6.2014 30.6.2015
Operating result and profitability

EBIT is shown before non-recurring items. Figures for 2011-2013 and Q2/2014 include both discontinued and continuing operations.
Challenging environment in the power generation markets
Energy Solutions’ quotation activity on a good level

MW


Multi-fuel | Gas | Liquid fuel
Growth in Energy Solutions’ order intake

Review period development
Total EUR 475 million (409)

Review period order intake by fuel in MW

*IPP = Independent Power Producer
Energy Solutions’ orders globally

Order intake 1-6/2015: 1,222 MW (986)

- **Europe**: 698 (361) MW
  - Utilities: 40
  - IPP’s: 31
  - Industrials: 58

- **Americas**: 239 (76) MW
  - Utilities: 40
  - IPP’s: 31
  - Industrials: 58

- **Asia**: 111 (284) MW
  - Utilities: 40
  - IPP’s: 31
  - Industrials: 58

- **Africa and Middle East**: 175 (265) MW
  - Utilities: 40
  - IPP’s: 31
  - Industrials: 58
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.
Contracting volumes remain low
Vessel contracting activity

Source: Clarkson Research Services, figures exclude late contracting
* CGT= gross tonnage compensated with workload
Marine Solutions’ order intake

Review period development
Total EUR 728 million (823)

- Offshore: 15%
- Special vessels: 10%
- Traditional merchant: 16%
- Cruise & Ferry: 18%
- Others: 4%
- Navy: 3%
- Gas carriers: 34%

Q1-Q2 vs Q3-Q4
Joint venture order intake totalled EUR 140 million (92) during January-June 2015.

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.

Joint venture order intake, includes figures from Wärtsilä Hyundai Engine Company Ltd. and Wärtsilä Qiyao Diesel Company Ltd.

Marine Solutions order intake.
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.
The integration of MSI with Wärtsilä’s existing E&A business within Marine Solutions has started.

In addition to sales synergies, Wärtsilä expects MSI to reach current group profitability within five years.

Purchase price allocation amortisation is expected to be EUR 7 million in 2015.

The goodwill value of the transaction is estimated at EUR 161 million.

In 2015, MSI is expected to contribute approx. EUR 250 million to net sales and EUR 16 million to the operating result excluding PPA amortisation.

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### Key figures

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Marine Solutions 1-6/2015</th>
<th>MSI’s contribution 6/2015</th>
<th>MSI 1-6/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>728</td>
<td>41</td>
<td>161</td>
</tr>
<tr>
<td>Net sales</td>
<td>674</td>
<td>30</td>
<td>197</td>
</tr>
<tr>
<td>Order book, end of period</td>
<td>2,785</td>
<td>519</td>
<td>519</td>
</tr>
</tbody>
</table>
Marine Solutions business to be adjusted to reflect the current market situation

- Wärtsilä Marine Solutions plans to realign its organisation to maintain competitiveness in an environment of low demand
- Approx. 600 jobs will be reduced, of which 160 in Finland
- Wärtsilä seeks annual savings in the region of EUR 40 million
- The non-recurring costs related to the restructuring measures will be approximately EUR 25-30 million
- Currently, Wärtsilä Marine Solutions employs 7,217 people globally
Good activity in the service markets, market outlook remains positive
Services’ net sales increased by 14% in 1-6/2015

MEUR

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1-Q2</th>
<th>Q3-Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1800</td>
<td>1600</td>
</tr>
<tr>
<td>2012</td>
<td>1750</td>
<td>1700</td>
</tr>
<tr>
<td>2013</td>
<td>1800</td>
<td>1600</td>
</tr>
<tr>
<td>2014</td>
<td>2000</td>
<td>2000</td>
</tr>
<tr>
<td>2015</td>
<td>1800</td>
<td>1600</td>
</tr>
</tbody>
</table>

Second quarter development

- Q2/2014: 468 MEUR (17% increase)
- Q2/2015: 548 MEUR (5% increase)
Services net sales distribution 1-6/2015

- Field service: 24% (25)
- Spare parts: 51% (52)
- Contracts: 17% (17)
- Projects: 7% (6)

Total EUR 1,034 million (903)
Development of service agreements

<table>
<thead>
<tr>
<th>Year</th>
<th>MW under agreement – Energy Solutions</th>
<th>MW under agreement – Marine Solutions</th>
<th>% of Energy Solutions’ installed base</th>
<th>% of Marine Solutions’ installed base</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>8000</td>
<td>2300</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>2010</td>
<td>9000</td>
<td>3200</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>2011</td>
<td>10000</td>
<td>4000</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>2012</td>
<td>11000</td>
<td>4800</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>2013</td>
<td>12000</td>
<td>5600</td>
<td>25%</td>
<td>21%</td>
</tr>
<tr>
<td>2014</td>
<td>13000</td>
<td>6400</td>
<td>30%</td>
<td>24%</td>
</tr>
<tr>
<td>30.6.2015</td>
<td>14000</td>
<td>7200</td>
<td>35%</td>
<td>27%</td>
</tr>
</tbody>
</table>
QuantiParts B.V. – a new subsidiary to trade spare parts for classic 4-stroke Wärtsilä engines

- QuantiParts operates from the Netherlands and serves customers in the marine, locomotive and power plant industries worldwide
- QuantiParts trades OEM spare parts for selected mature Wärtsilä medium- and high-speed 4-stroke engines
- Establishing QuantiParts fits well with Wärtsilä Services strategy of aligning its organisation in order to ensure tailor-made services for its customers
Solid financial standing
Working capital

**Review period development**

- *Working capital / 12 months rolling net sales*

- Working capital
- Total inventories
- Advances received
- Working capital / Net sales

* Working capital / 12 months rolling net sales
Gearing impacted by L-3 MSI acquisition

Review period development

- 2011: 0.00
- 2012: 0.40
- 2013: 0.20
- 2014: 0.10

- 30.6.2014: 0.30
- 30.6.2015: 0.40
Market outlook

- **Energy Solutions:** 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.

- **Marine Solutions:** The outlook for the shipping and shipbuilding market environment is challenging. Low oil prices are impacting demand for offshore vessels. The sentiment in the gas carrier market and cruise & ferry is healthy.

- **Services:** The overall service market outlook is positive with growth opportunities in selected regions and segments.
Wärtsilä expects its net sales for 2015 to grow by 5-10% and its operational profitability (EBIT% before non-recurring items) to be between 12.0-12.5%. The guidance includes the impact of the L-3 Marine Systems International acquisition.
Environmental awareness and changing energy needs are increasingly steering investments in the markets in which we operate.

We seek growth by offering energy efficient lifecycle solutions, gas based technology, as well as innovative solutions that leverage our project management and engineering competence.

Our growth ambitions are supported by our superior global service network.
A brand new medium-speed Wärtsilä 31 engine launched in June

- The Wärtsilä 31 engine is the marine industry’s most advanced, powerful, fuel efficient, fuel flexible, and environmentally sound engine.
- The engine achieved a Guinness World Records title for the most efficient 4-stroke diesel engine.
- Remarkable increases in fuel efficiency and fuel flexibility are matched by significant reductions in maintenance costs.
- The engine comes in three alternative versions; diesel, dual-fuel and spark-ignited gas.
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