Highlights Q1/2014

- Order intake EUR 1,142 million, -16%
- Net sales EUR 1,012 million, +15%
- Book-to-bill 1.13
- EBIT EUR 90 million, 8.9% of net sales (EUR 70 million or 8.0%)
- EPS EUR 0.31 (0.37)
- Cash flow from operating activities EUR 111 million (84)
- Efficiency program proceeding according to plan

EBIT is shown excluding non-recurring items.
Order intake affected by challenging power plant markets

First quarter development

- Services
- Ship Power
- Power Plants

Q1/2013: 1,352 MEUR (-16%)
Q1/2014: 1,142 MEUR (1%)

Order intake affected by challenging power plant markets.
Net sales increased by 15%

First quarter development

- Net sales increased by 15%
- Services: 882 (15%)
- Ship Power: 0%
- Power Plants: -6%

Q1/2013: 1,012
Q1/2014: 882
Net sales by business 1-3/2014

- Ship Power: 38% (28)
- Power Plants: 19% (23)
- Services: 43% (49)
Book-to-bill ratio remains above one
Order book distribution

MEUR

3500
3000
2500
2000
1500
1000
500
0

31.03.2013
31.03.2014

Delivery current year
Delivery next year or later
Profitability in line with expectations

EBIT% before non-recurring items

First quarter development

- EBIT before non-recurring items
- EBIT% before non-recurring items
Continued uncertainty in the power generation markets
The share of natural gas is consistently increasing.
Power Plants order intake by customer segment

Review period development
Total EUR 165 million (406)

- Utilities: 25%
- Industrials: 51%
- IPP’s*: 24%

Review period order intake by fuel in MW

- Oil: 41%
- Gas: 59%

*IPP = Independent Power Producer
Power Plants global order intake
Africa and Middle East the most active region

Order intake 1-3/2014: 396 MW (760)
Market for gas and liquid based power plants

2013
Total market 73.2 GW (75.4)

Includes all Wärtsilä power plants and other manufacturers’ gas and liquid fuelled 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.
Marine market activity on a healthy level
Good activity in vessel contracting

Source: Clarkson Research Services

* CGT= gross tonnage compensated with workload
Ship Power order intake by segment

Review period development
Total EUR 467 million (443)

- Offshore: 33%
- Merchant: 62%
- Special vessels: 4%
- Others: 2%

Q1 Q2-Q4

2010 2011 2012 2013 1-3/2014
Wärtsilä’s 2-stroke, dual-fuel engine chosen to power a new LNG carrier

- Order received for Wärtsilä’s 2-stroke, dual-fuel engine and gas valve unit
- The vessel will be built in China for the Chinese ship owner and operator Zhejiang Huaxiang Shipping Co. Ltd.
- Benefits of low-pressure, dual-fuel technology for two stroke engines include:
  - Reduced capital expenditure and gains in operating expenditure
  - Compliance with IMO Tier III emission regulations without exhaust gas cleaning systems when operating in gas mode
Joint venture ordering activity

- 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.

Ship Power 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.

Ship Power market
Market position of Wärtsilä’s marine engines

Medium-speed main engines:
- Wärtsilä: 51% (52)
- MAN D&T: 23% (25)
- Caterpillar: 6% (4)
- Others: 20% (19)

Low-speed main engines:
- Wärtsilä: 9% (10)
- MAN D&T: 90% (88)
- Mitsubishi: 1% (2)
- Others: 97% (96)

Auxiliary engines:
- Wärtsilä: 3% (4)
- Others: 97% (96)

Total market volume last 12 months:
- Medium-speed main engines: 3,787 MW (4,137)
- Low-speed main engines: 31,017 MW (22,935)
- Auxiliary engines: 6,895 MW (5,966)
Steady demand in marine and power plant service markets
Services net sales development stable

First quarter development

MEUR

Q1 2013  Q1 2014

434  0%  435

MEUR

2010  2011  2012  2013  1-3/2014

Q1  Q2-Q4

© Wärtsilä
Services net sales distribution 1-3/2014

- Spare parts 53% (50)
- Field service 24% (27)
- Contracts 17% (16)
- Projects 6% (6)

Total EUR 435 million (434)
Australian FPSO optimises propeller design

- Order for the technical design and installation of a new fixed pitch propeller for an FPSO conversion project
- The vessel is operated by Woodside Energy Ltd, an independent Australian oil and gas company
- Fast-track project execution a key customer requirement
- The major benefit of the new propeller is increased vessel speed
Development of Power Plants service agreements

<table>
<thead>
<tr>
<th>Year</th>
<th>O&amp;M and maintenance agreements</th>
<th>Power Plants deliveries</th>
<th>% of delivered MWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2000</td>
<td>3300</td>
<td>57%</td>
</tr>
<tr>
<td>2011</td>
<td>1900</td>
<td>3200</td>
<td>58%</td>
</tr>
<tr>
<td>2012</td>
<td>1500</td>
<td>3100</td>
<td>57%</td>
</tr>
<tr>
<td>2013</td>
<td>1400</td>
<td>2900</td>
<td>51%</td>
</tr>
<tr>
<td>Q1/2014</td>
<td>1400</td>
<td>2900</td>
<td>49%</td>
</tr>
</tbody>
</table>

- O&M and maintenance agreements
- Power Plants deliveries
- % of delivered MWs

Graph showing the development of O&M and maintenance agreements and Power Plants deliveries from 2010 to Q1/2014.
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
Strong financial position
Favourable development in operating cash flow

First quarter development

MEUR

2010 2011 2012 2013

Q1/2013 Q1/2014
Focus on working capital development

<table>
<thead>
<tr>
<th>Year</th>
<th>Working capital</th>
<th>Total inventories</th>
<th>Advances received</th>
<th>Working capital / Net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>118 MEUR</td>
<td>-</td>
<td>-</td>
<td>2.6%</td>
</tr>
<tr>
<td>2011</td>
<td>235 MEUR</td>
<td>-</td>
<td>-</td>
<td>5.6%</td>
</tr>
<tr>
<td>2012</td>
<td>465 MEUR</td>
<td>-</td>
<td>-</td>
<td>9.8%</td>
</tr>
<tr>
<td>2013</td>
<td>313 MEUR</td>
<td>-</td>
<td>-</td>
<td>6.7%</td>
</tr>
<tr>
<td>31.3.2014</td>
<td>292 MEUR</td>
<td>-</td>
<td>-</td>
<td>6.1%</td>
</tr>
</tbody>
</table>
Financial position

Solvency

Gearing
Market outlook

• **Power Plants:** Although customers are still delaying their decision-making, the forecasted GDP growth in 2014 is expected to result in a slightly improved overall market for liquid and gas fuelled power generation. Ordering activity remains focused on the emerging markets.

• **Ship Power:** The main drivers supporting activity in the shipping and offshore sectors are in place. Overall contracting is expected to be in line with that seen in 2013, keeping in mind the prevailing overcapacity and the market’s limited capacity to absorb new tonnage.

• **Services:** The overall service market outlook remains stable.
Wärtsilä expects its net sales for 2014 to grow by 0-10% and its operational profitability (EBIT% before non-recurring items) to be around 11%.