



DRIVING PROFITABLE GROWTH

BJÖRN ROSENGREN
President & CEO

Fundamental changes taking place in our end markets



We are dedicated to reaching our long-term financial targets

Net sales

Grow faster than global GDP

Profitability

14% at the peak of the cycle, above 10% at the trough

Gearing

Maintain below 50%

Dividend

50% of earnings per share



Globalisation



Population growth and urbanisation

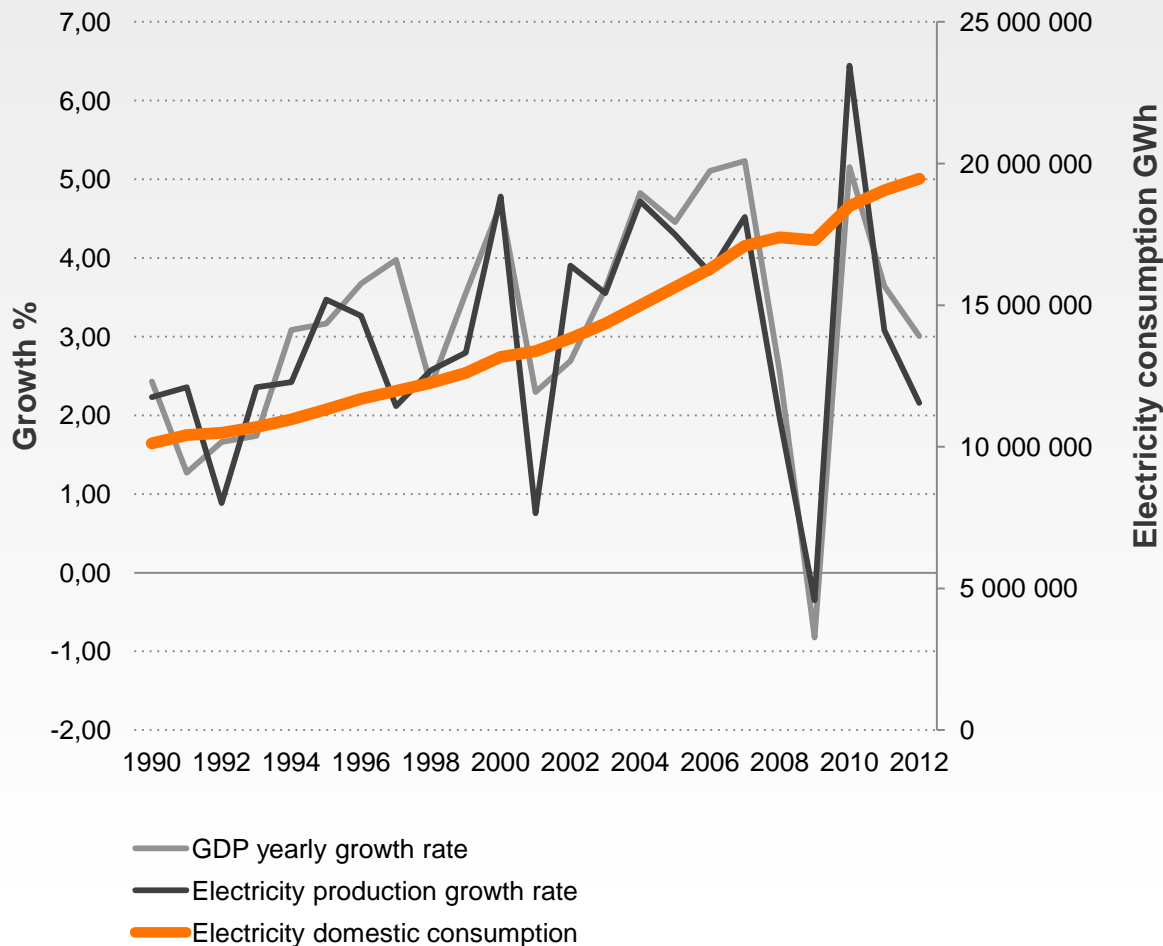


Emerging market growth



Sustainability and climate change

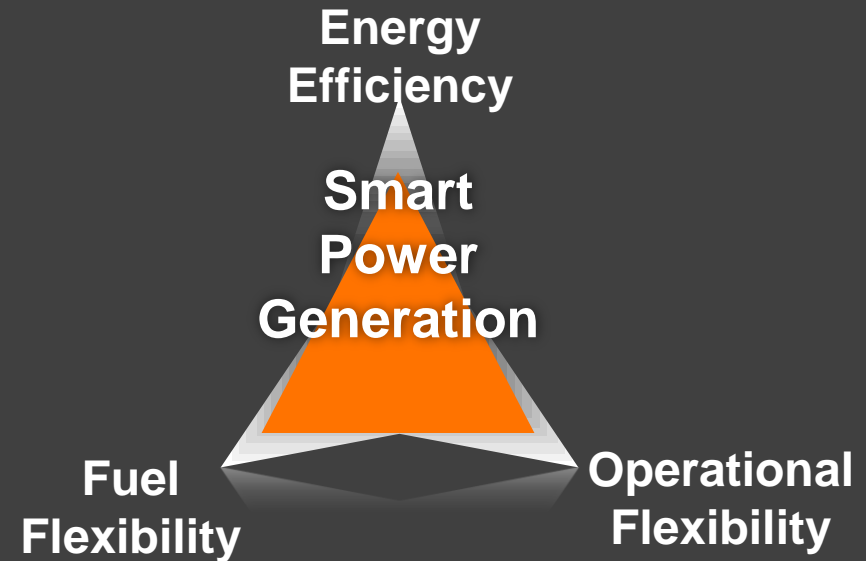
Electricity consumption growth vs. GDP growth

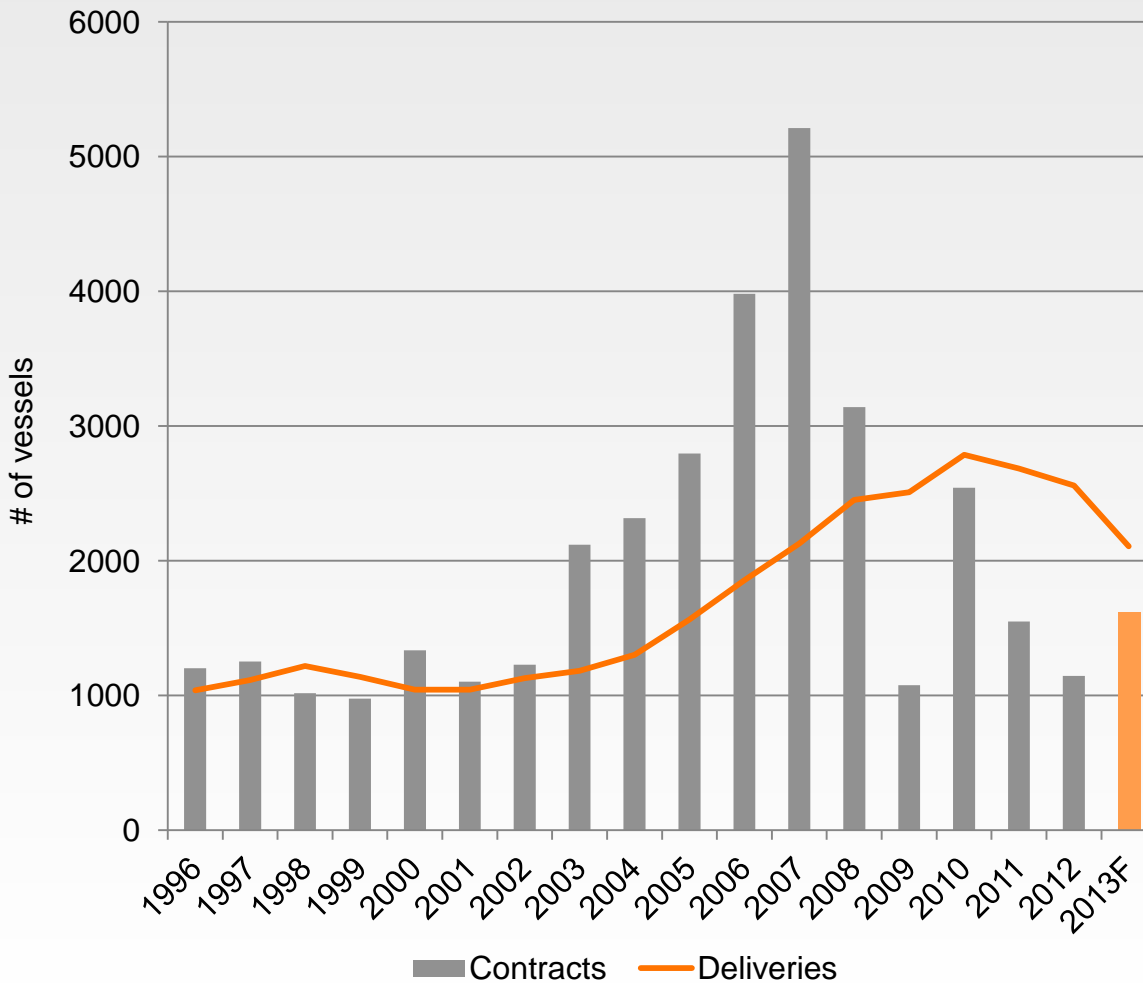


Key trends

- Continued global economic uncertainty impacts customer decision-making
- Environmental regulations drive the increasing use of natural gas
- Growing demand for electricity in emerging markets
- Need for new type of power generation in developed markets

- Maintain market leader position in flexible baseload and industrial self-generation in the growing emerging markets
- Grow in the large utility gas power plant markets
- Actively influence the regulatory environment to enable capacity investments

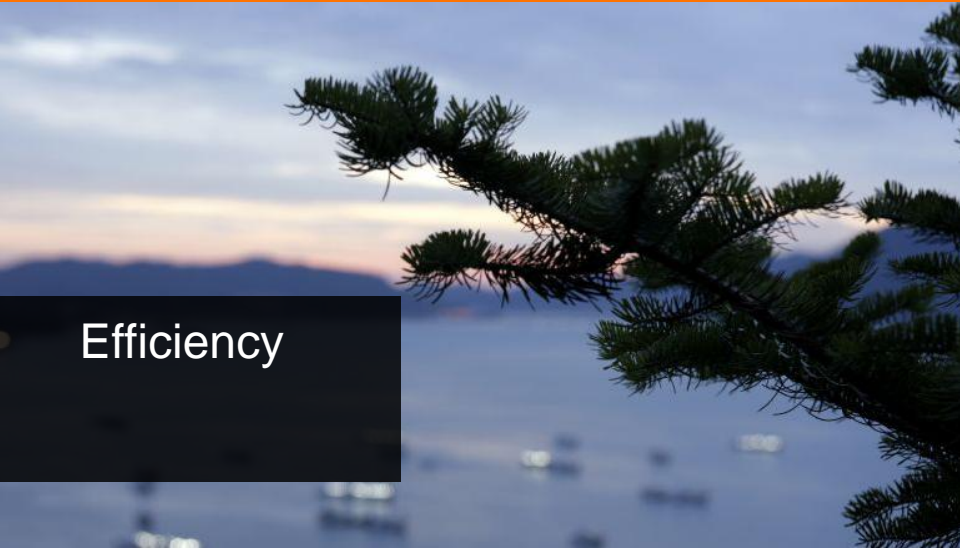




Source: Clarkson Research Services

Key trends

- Improvement in merchant activity driven by newbuild prices and fuel efficiency
- Current oil prices support continued activity in offshore markets
- Upcoming regulations create interest in gas as a fuel and environmental solutions



Efficiency



Gas and dual-fuel solutions



Offshore market



Environmental solutions

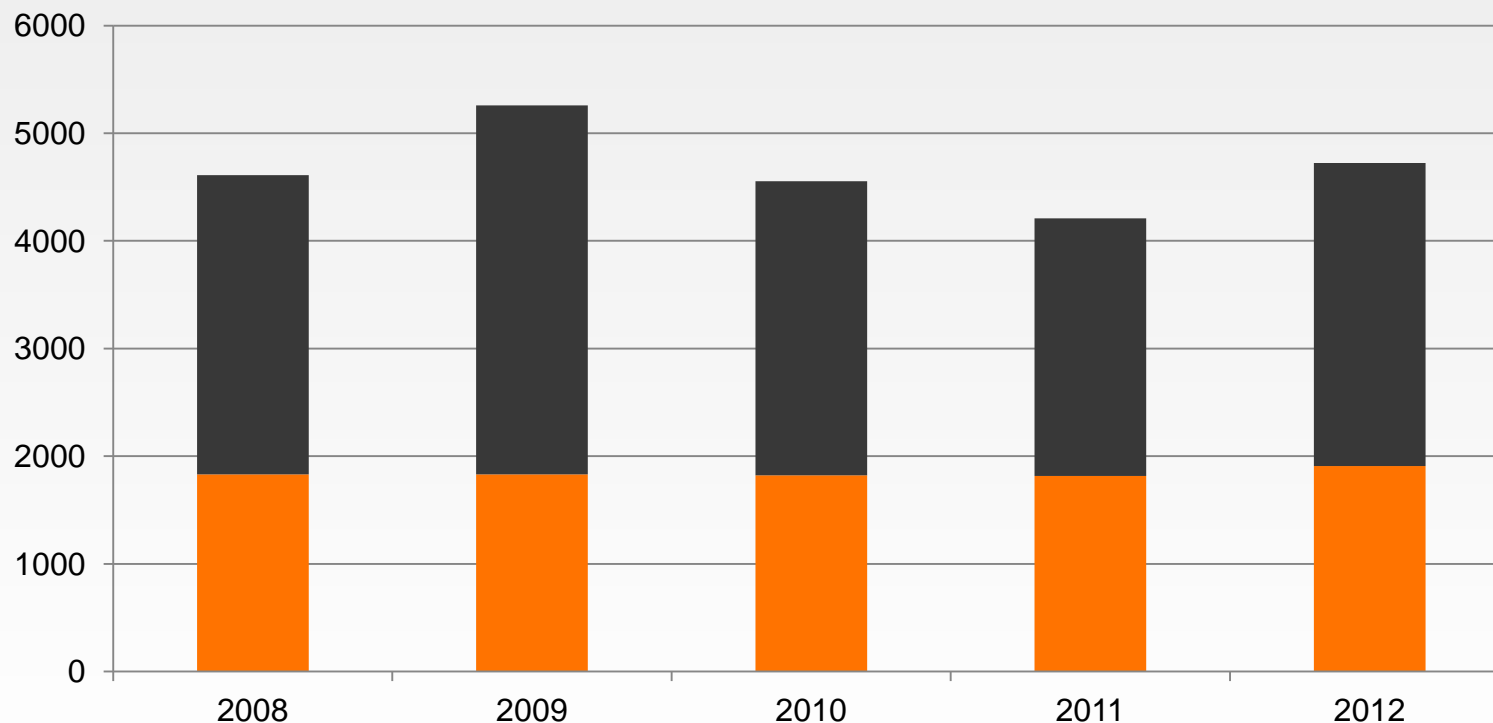
Market share	2008	2010	2012	2013
Ship Power				Q4/12-Q3/13
Medium-speed	37%	42%	47%	49%
Low-speed	15%	13%	18%	10%
Auxiliary	8%	4%	4%	5%
Power Plants				Q1-Q2
Global market for gas and liquid fuelled power plants	3.6%	5.6%	4.2%	5.8%
Engine manufacturers, all fuels	61%	55%	74%	n.a.

Power Plants market shares include units above 5 MW.

Services brings stability in uncertain market environment

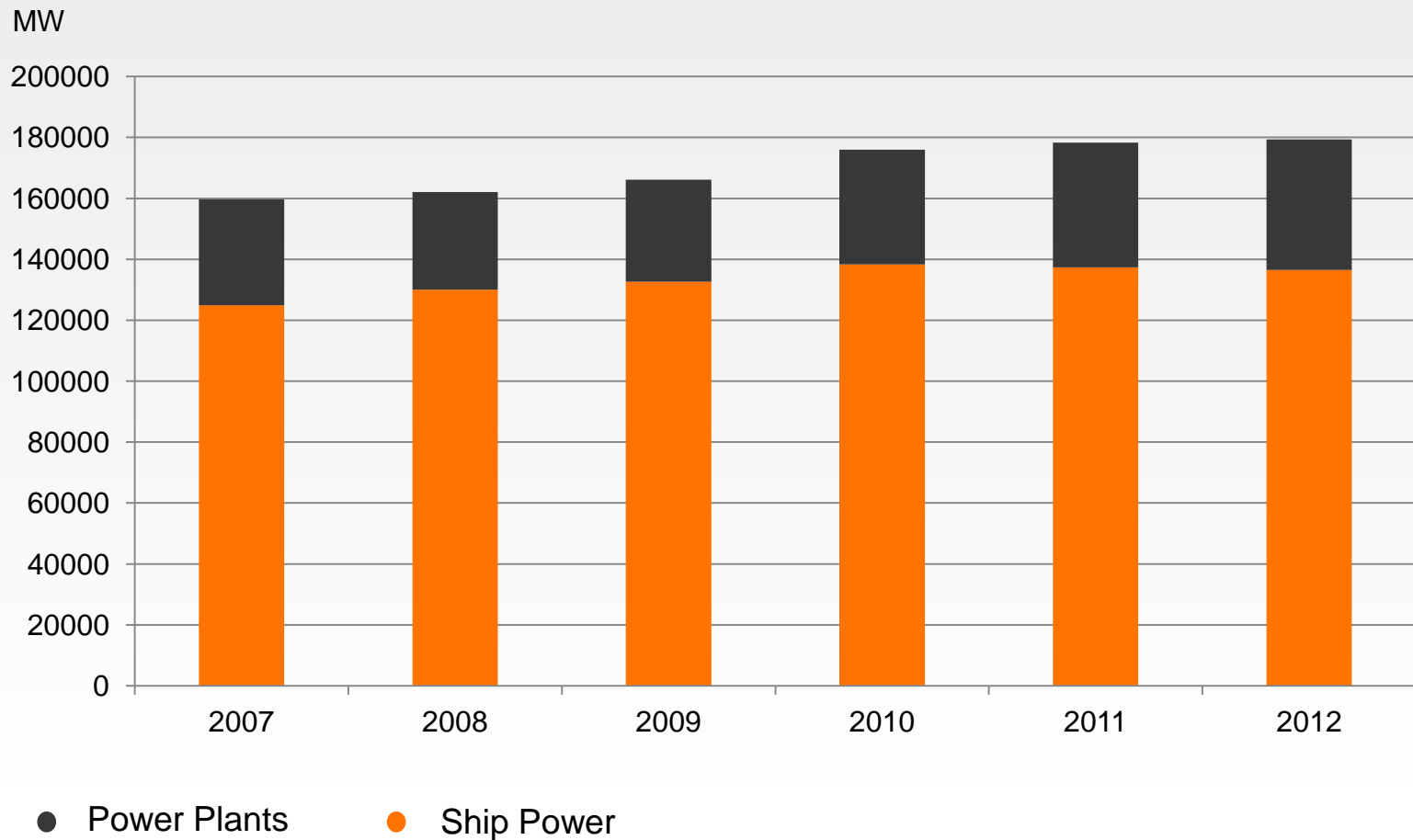
Net sales development

MEUR



● Services share of net sales

Installed engine base provides opportunities for Services business





Bio seal ring



2S dual-fuel engine



New thruster portfolio



Wärtsilä 3C



LNG terminal



Gas reformer

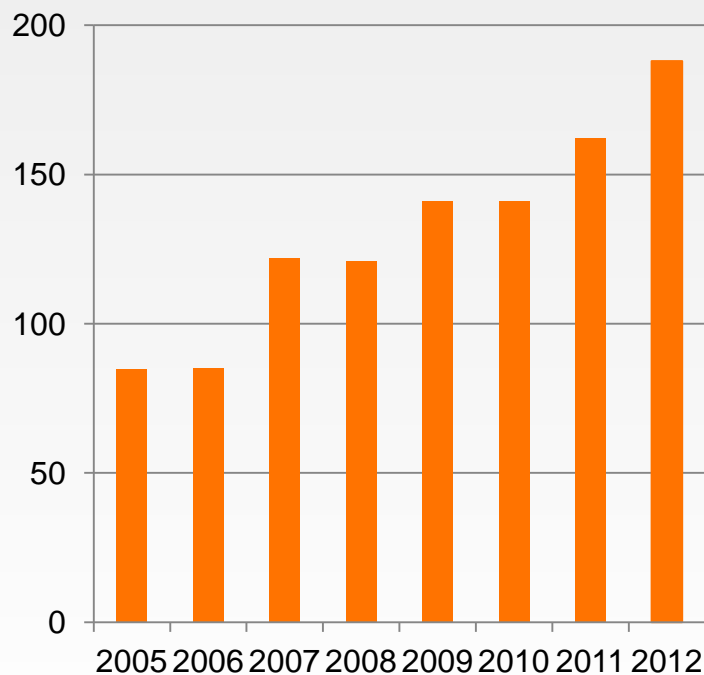


New 4S engine portfolio

R&D focused on improving efficiency, reliability and environmental performance

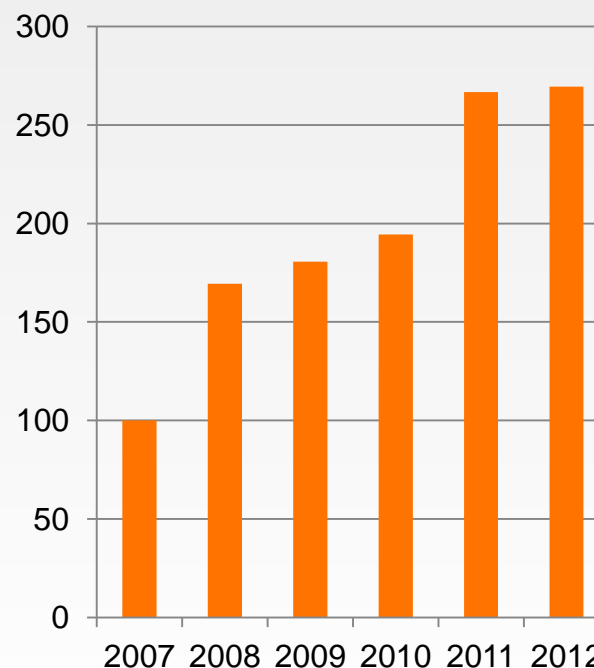
R&D EXPENSES

MEUR

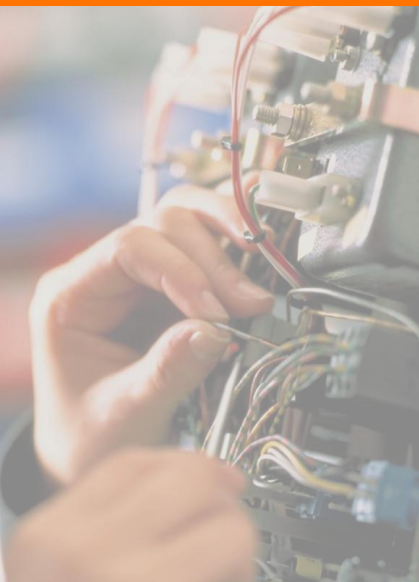


FILED PRIORITY PATENT APPLICATIONS

indexed 2007 = 100



An organisation based on divisions with end-to-end responsibility



R&D



Production



Sales & marketing



Product delivery



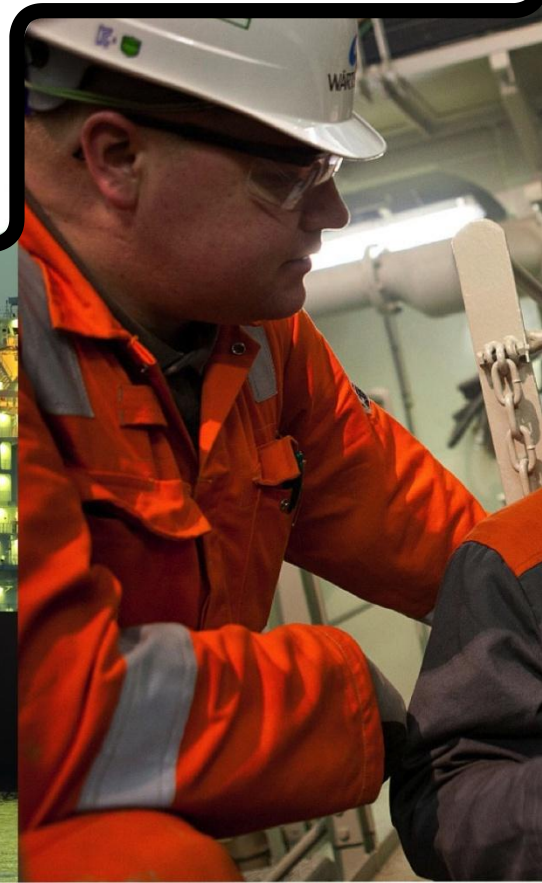
Customer

TRANSPARENCY

ACCOUNTABILITY

SPEED

Enhanced performance through continuous improvement



Long-term opportunities

- Improved activity in vessel ordering
- Tightening environmental regulations
- Growing electricity need in emerging markets
- Climate change and focus on renewable energy
- Increasing interest in gas as a fuel

Short-term challenges

- Uncertainty in the global economy
- Overcapacity in the shipping markets
- Power plant customers' delayed decision-making
- Marine customers' continued focus on reducing operating expenses





WÄRTSILÄ