THIS IS WÄRTSILÄ

WÄRTSILÄ

We are Wärtsilä

We have 173 years of experience in power generation on land and at sea.

We are one company united by the same values and vision and our businesses are: Ship Power, Services and Power Plants.

Our heritage remains an important part of our way of doing things throughout all these businesses.

We are the Engine of Industry

Our customers keep the world running, keep it powered and heated, keep commerce moving and energy flowing.

An Engine is a source of power, a source of energy and movement. An Engine can be trusted to perform day in and day out. It’s exactly these qualities that we bring to all our businesses.

WÄRTSILÄ

We are driving the industries of the world by

- constantly creating better technologies,
  systems and services that bring higher return on investment
- creating new ways to help organize customers' operations more cost effectively
- developing environmentally sound technologies and creating business concepts

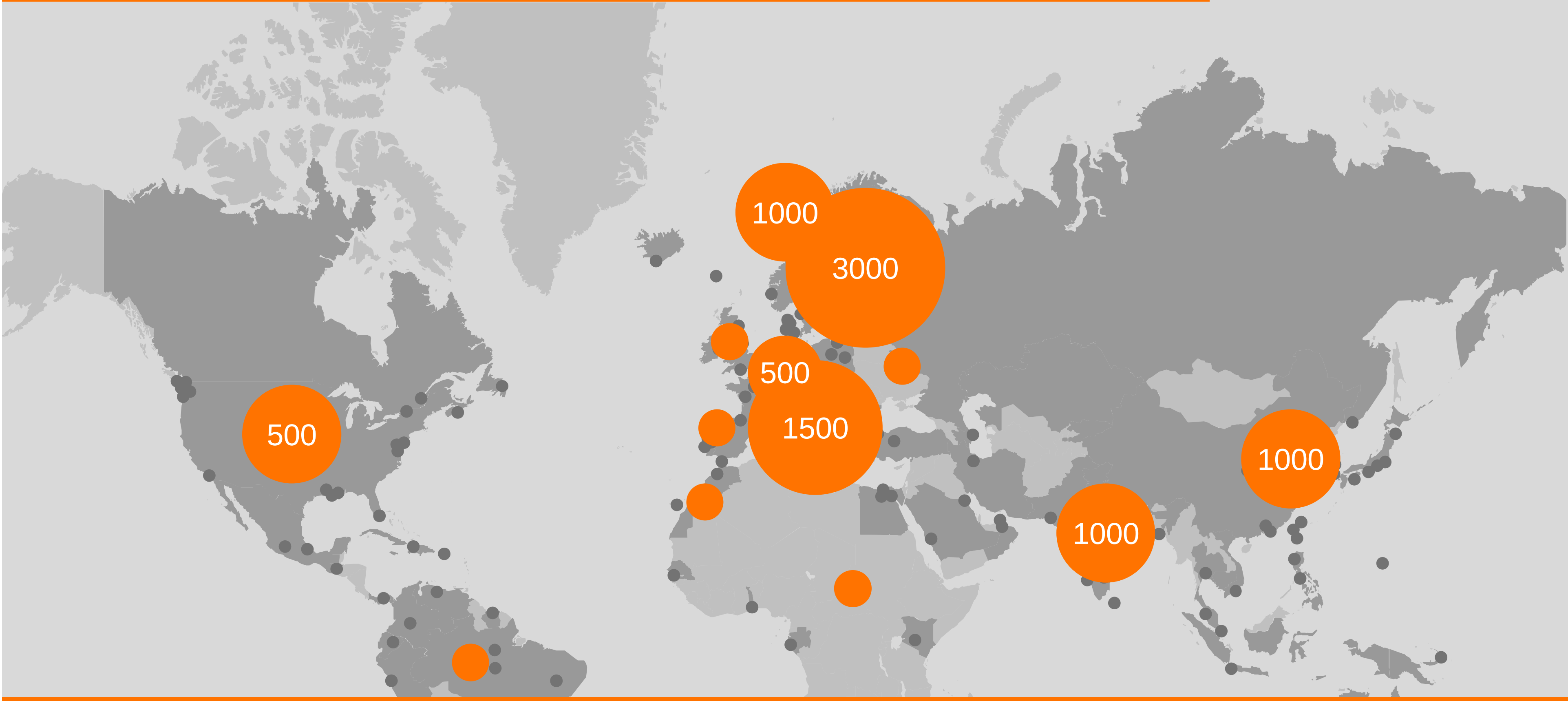
WÄRTSILÄ

173 years of experience

- Heritage in engine building
- Getting things done
- We are Doers

WÄRTSILÄ

The world has enough talkers, we are doers



Wärtsilä is the Engine of Industry

More than 14,000 people across the globe dedicated to achieving our clients’ goals.

We are Ship Power

- For any challenge in the marine industry we have a solution. We provide solutions for builders, owners and operators of any type of marine vessel and offshore application.
- This is done via an impressive worldwide network of Wärtsilä locations that have a deep and complete understanding of customer needs. This allows us to provide solutions over the entire lifecycle of the installations from design to construction and operation.

Ship Power market offering

Product areas

- Medium-speed engines
- Low-speed engines
- Propulsion
- Automation
- Seals and bearings
- System integration

Related services

- Ship design
- Engineering
- Project management
- Commissioning
- Lifetime support

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Ship Power market segments

Merchant

Offshore

Cruise & Ferry

Naval

Special vessels

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We are Services

- We continuously develop innovative solutions and products for all our customers whether it involves servicing our own brands or other makes, power systems, power plants or shipping services all around the world.
- We understand our customers' real needs through direct face-to-face contact, thanks to our 14,000 people worldwide, dedicated to the entire lifecycle of our customers' businesses.
- We are globally close to our customers through our service network.

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Wärtsilä Services

- Engine services
- Operations & Management
- Automation services
- Reconditioning services
- Propulsion services
- Training services
- Ship services

Wärtsilä Services

24/7

Globally

We are Power Plants

Wärtsilä is the leading supplier for flexible power plant solutions in selected niches.

- We supply flexible baseload power solutions for the developing world, islands and remote areas
- We supply solutions for grid stability and peaking needs for industries
- We supply solutions for industrial self-generation and bio-fuel power plants

No matter what the solution, efficiency, flexibility, and versatility come with the package.

Power Plants world leader in selected niche markets

Flexible baseload

- Our installed base 21.1 GW, 1 529 power plants

Grid stability and peaking

- Our installed base 4.2 GW, 446 power plants

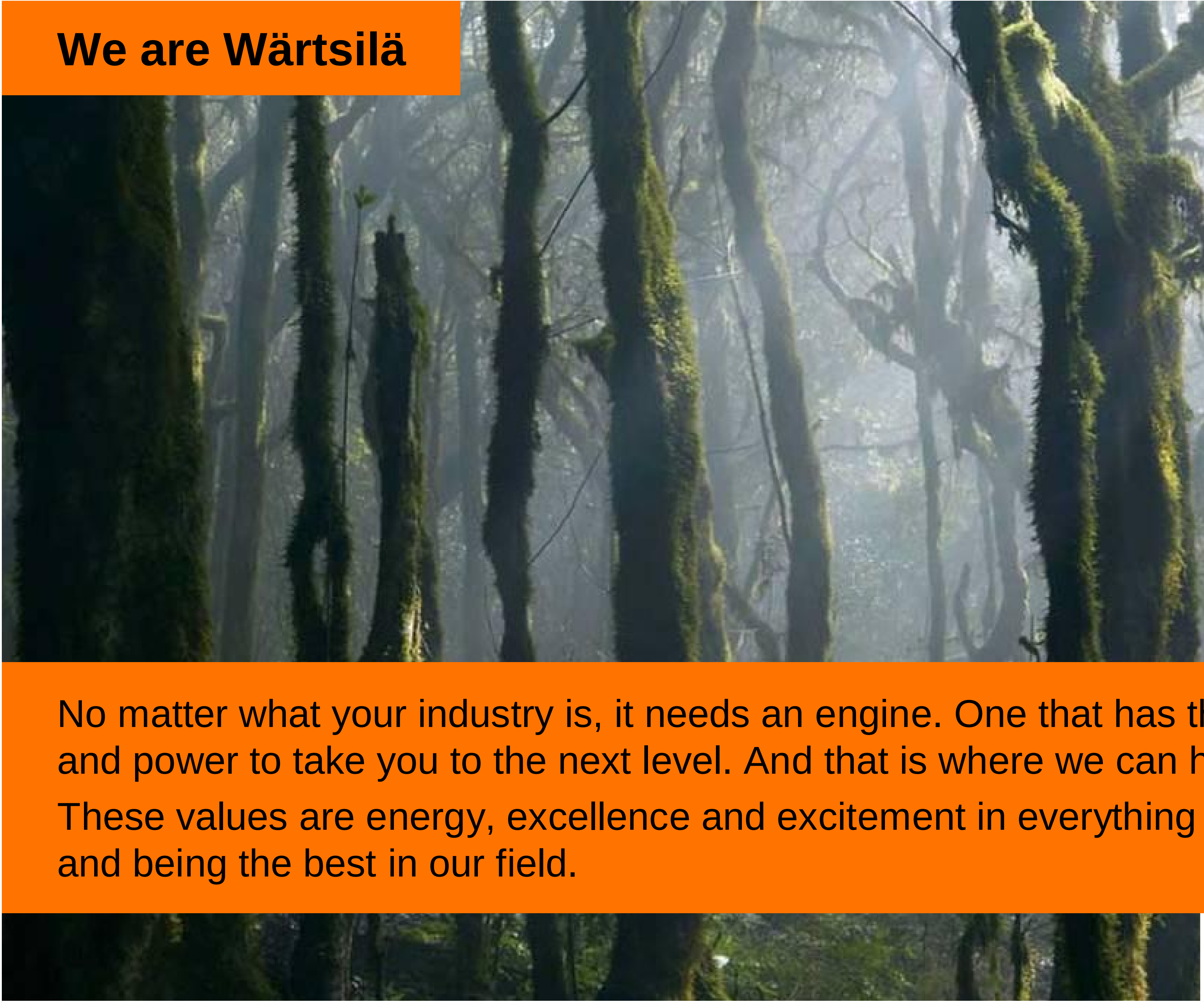
Industrial self-generation

- Our installed base 11.0 GW, 1 412 power plants

Oil & gas industry solutions

- Our installed base 20 MWe & 590 MWth, 82 power plants

We are Wärtsilä

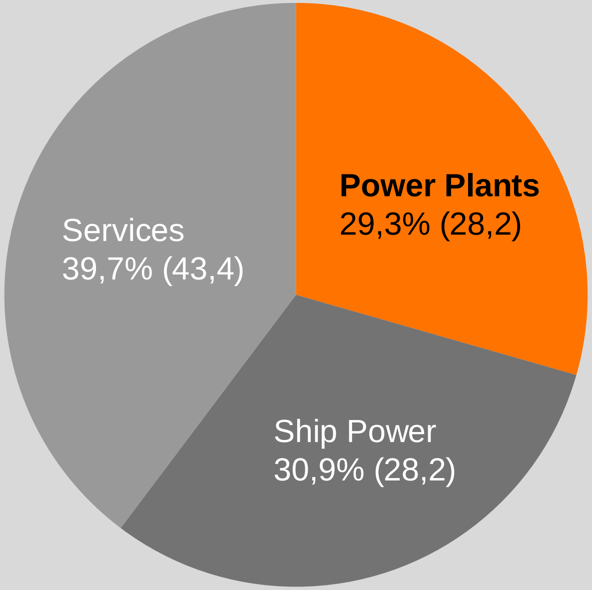


No matter what your industry is, it needs an engine. One that has the will and power to take you to the next level. And that is where we can help.

These values are energy, excellence and excitement in everything we do and being the best in our field.

Key figures 2006

Net sales by business 2006

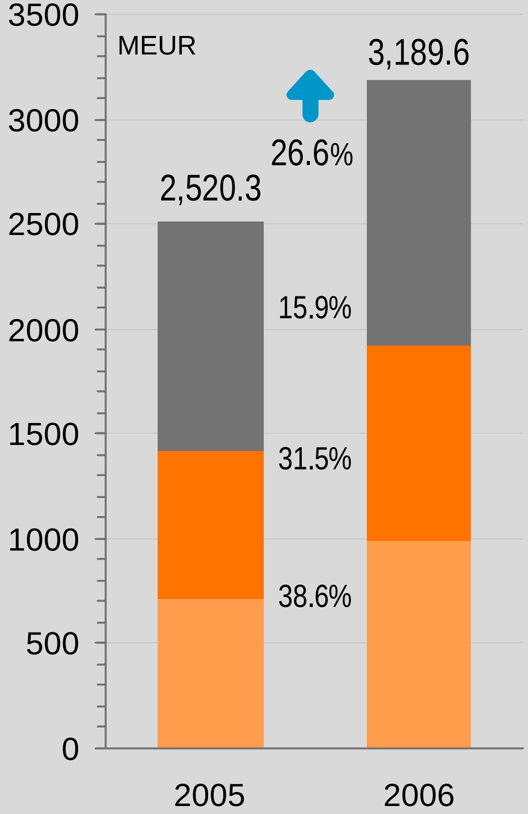


	2006	2005*	Change (%)
Net sales	**3.189,6**	2.520,3	26,6
Operating income	**261,6**	202,5	29,2
% of net sales	**8,2**	8,0	
Income before taxes	**446,8**[2]	212,4[1]	
Earnings/share, EUR	**3,72**	1,80	

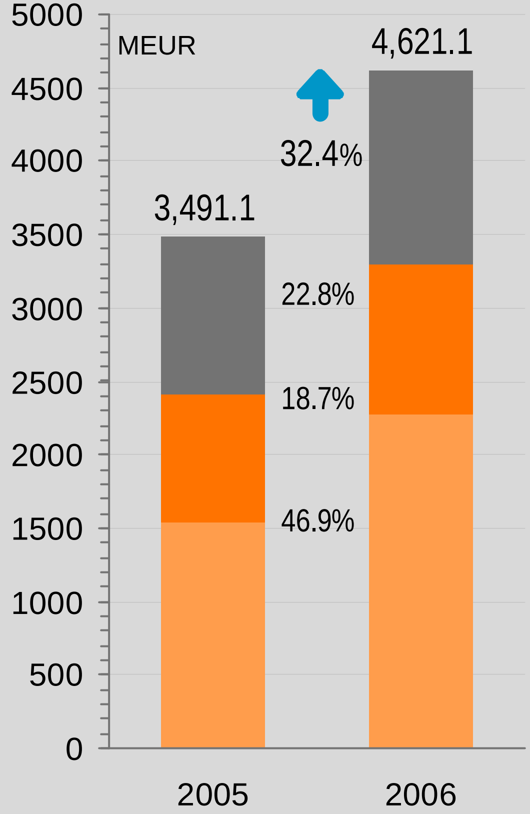
1) The figure in the comparison period includes Imatra Steel's pre-tax profit of EUR 21.4 million and Wärtsilä's share of Ovako's profit after taxes EUR 10.4 million.
2) The January – December result 2006 includes Wärtsilä's share of Ovako's profit after taxes EUR 18.1 million and a tax-free capital gain of EUR 49.3 million from the sale of Oy Ovako Ab and a capital gain of EUR 123.9 million from the sales of Assa Abloy B shares.
*) For comparability reasons net sales and operating income for 2005 are presented without Imatra Steel.

Key figures

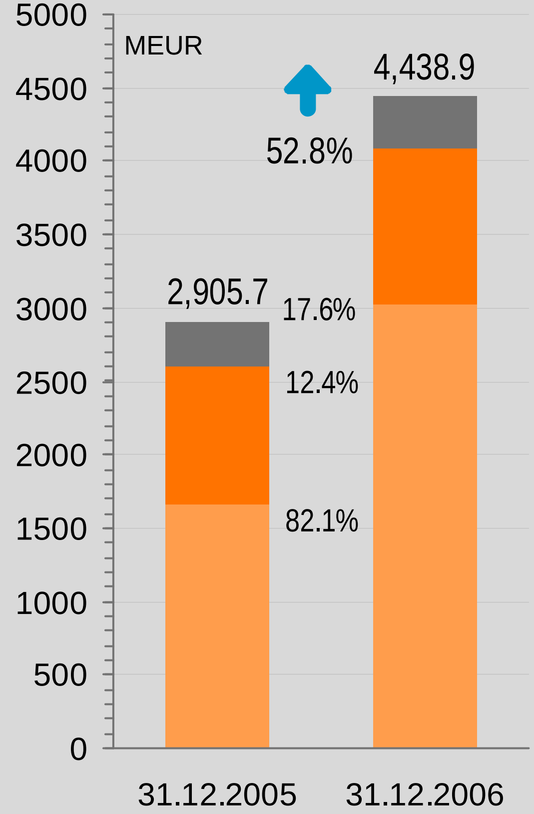
Net sales



Order intake

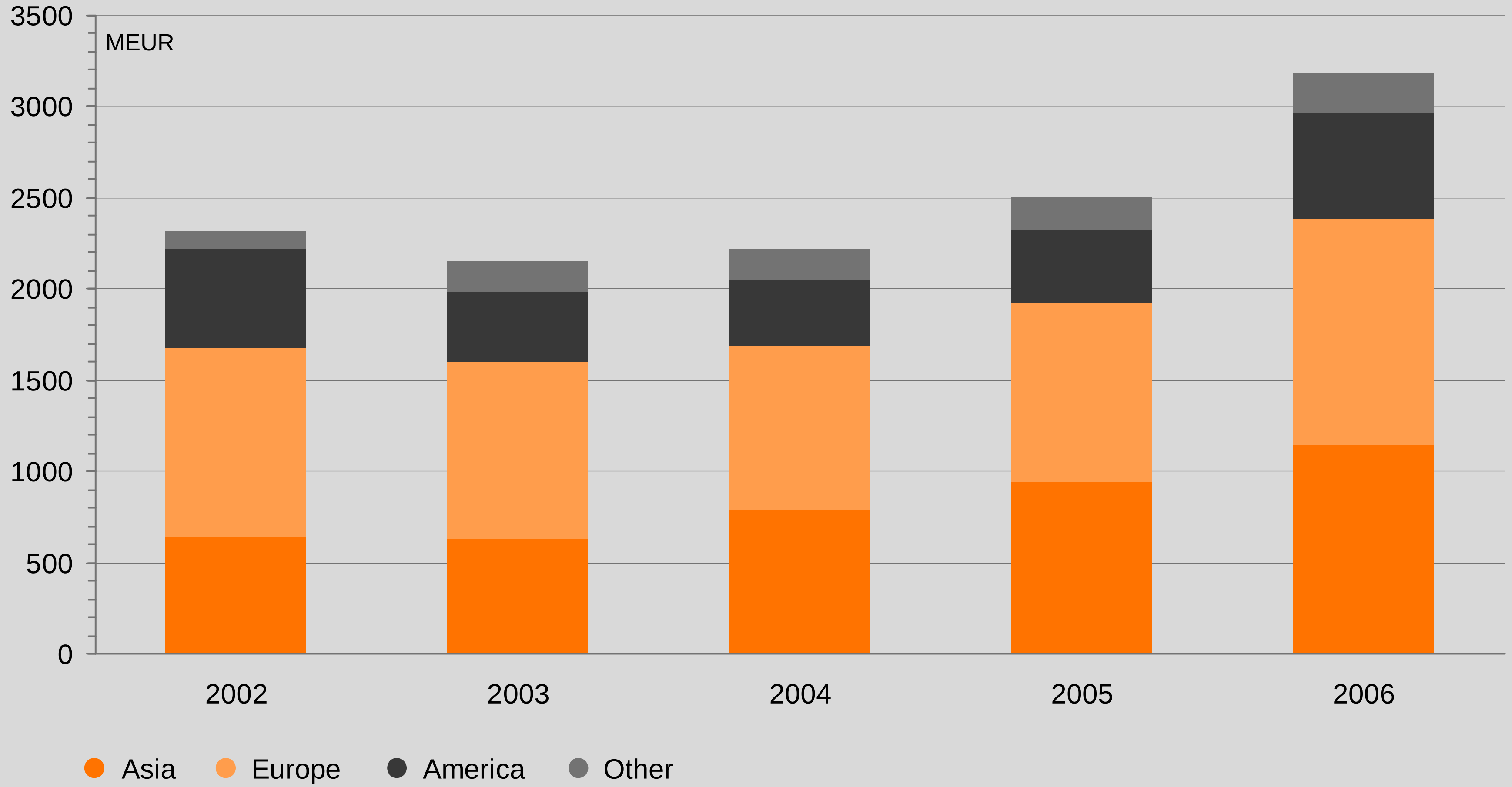


Order book

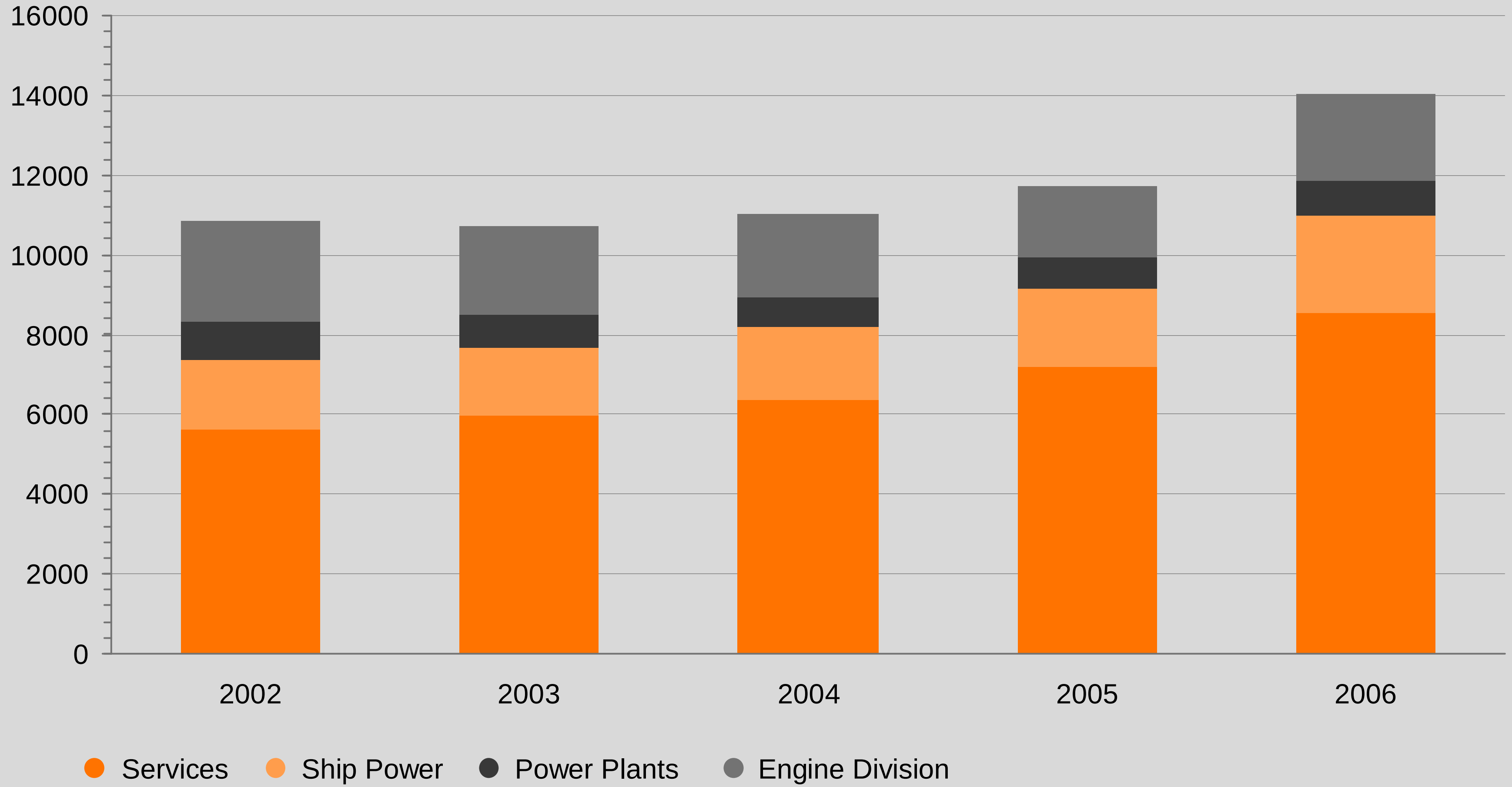


Services Power Plants Ship Power

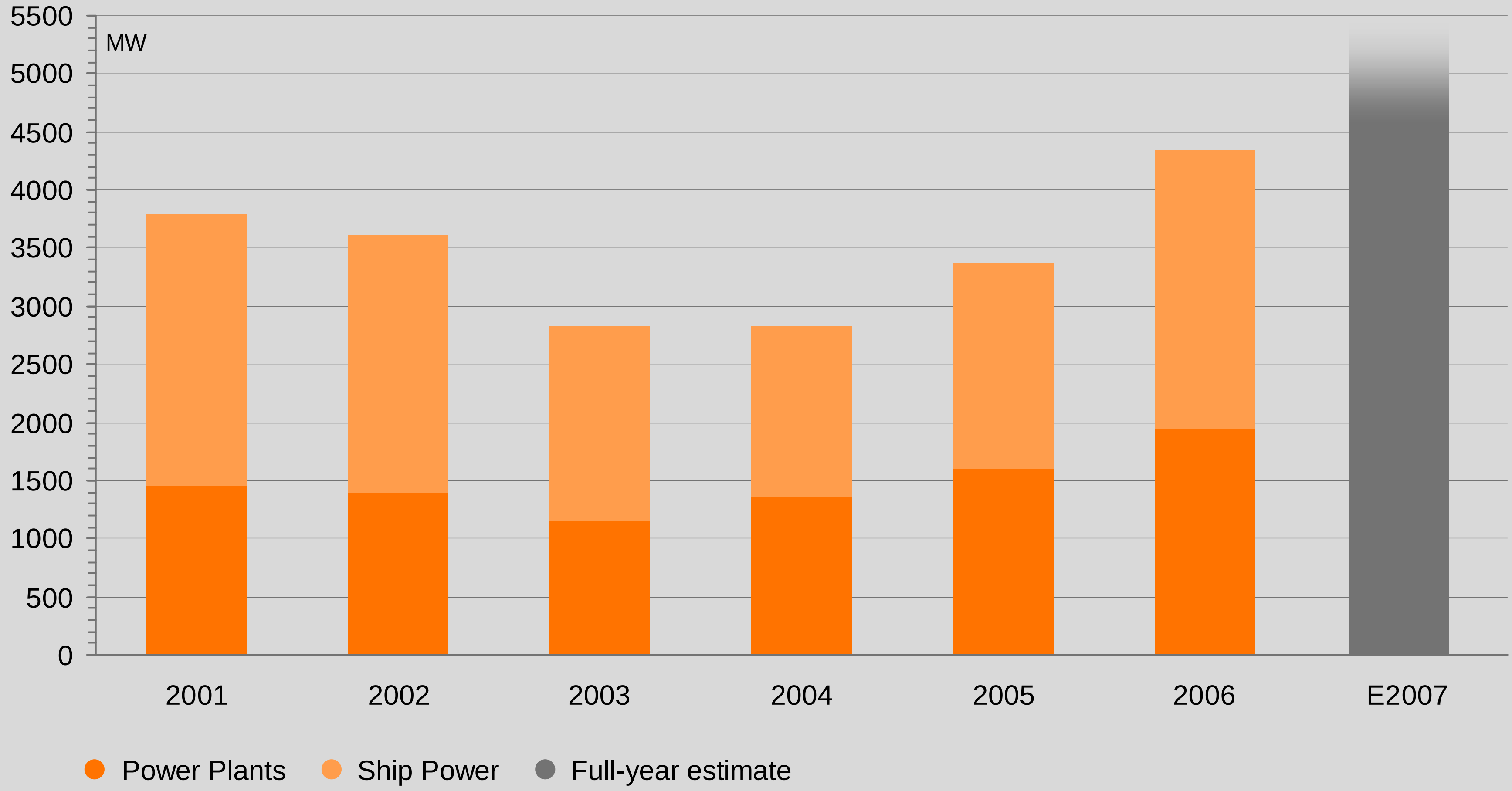
Comparable sales by market area 2002 - 2006



Personnel development 2002 - 2006



Delivered engine megawatts from own factories



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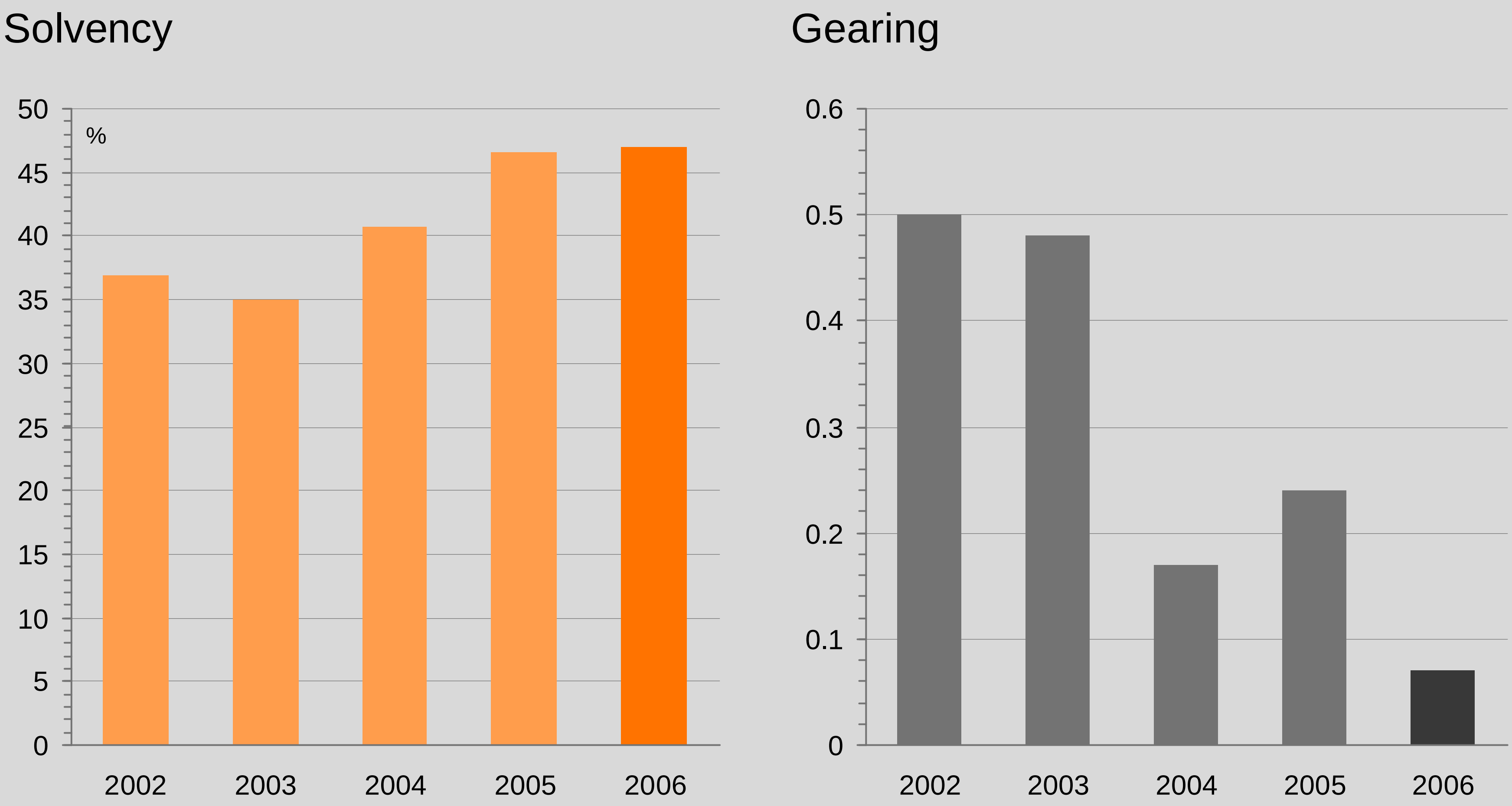
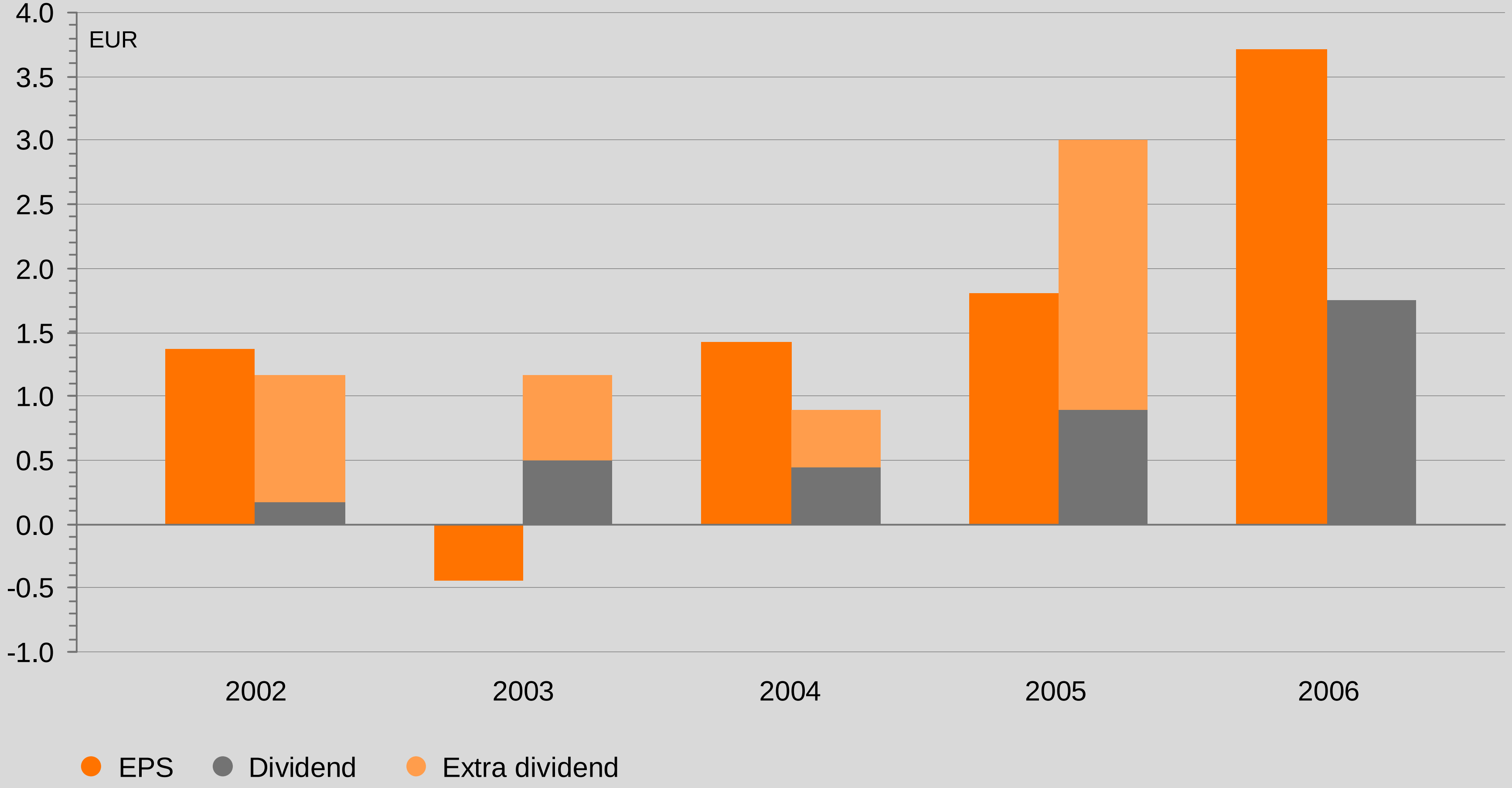
Strong financial position enables further growth



NOTE: 2002-2003 according to FAS, 2004- IFRS
Convertible subordinated debentures treated as equity

EPS and dividend/share



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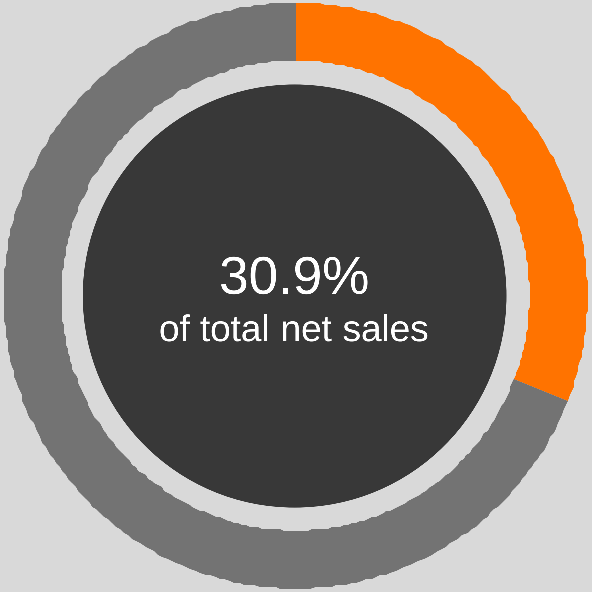
Wärtsilä Ship Power

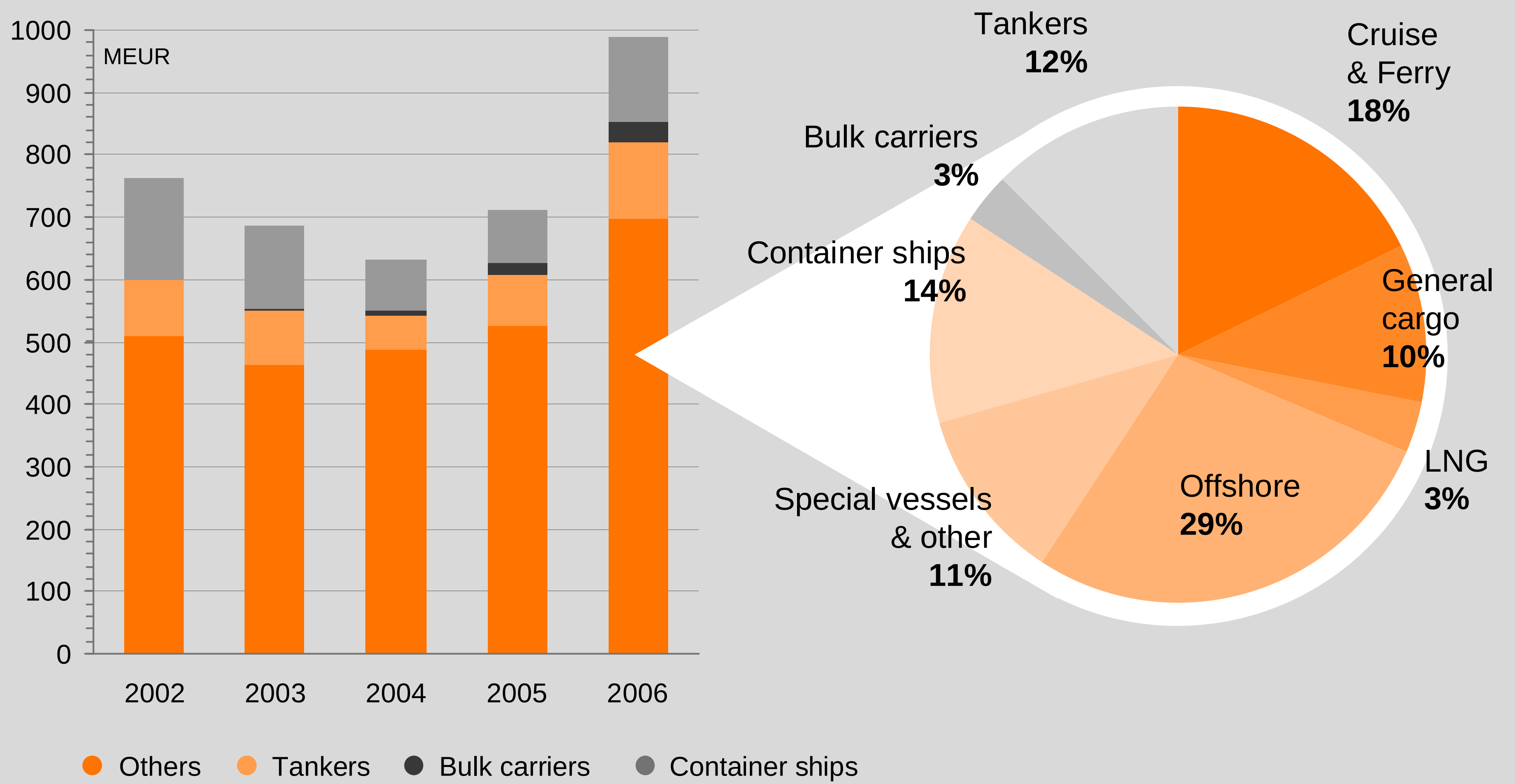
Ship Power net sales



MEUR	**2006**	2005	Change (%)
Net sales	**984.7**	710.3	38.6
Order intake	**2,270.5**	1,545,3	46.9
Order book*	**3,019.7**	1,658.5	82.1

*) End of period

Net sales of Ship Power by vessel type

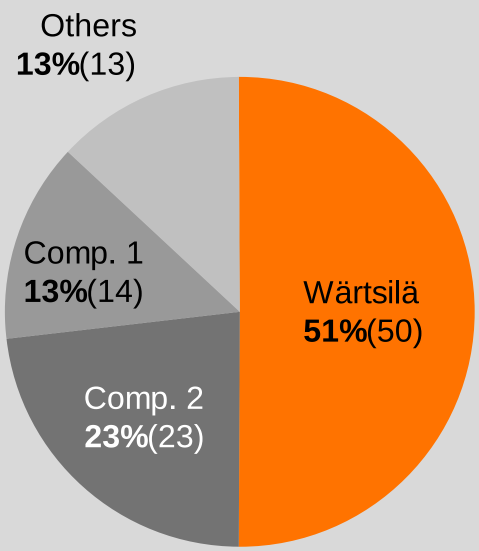


  17 June 2007 WÄRTSILÄ CORPORATION

WÄRTSILÄ

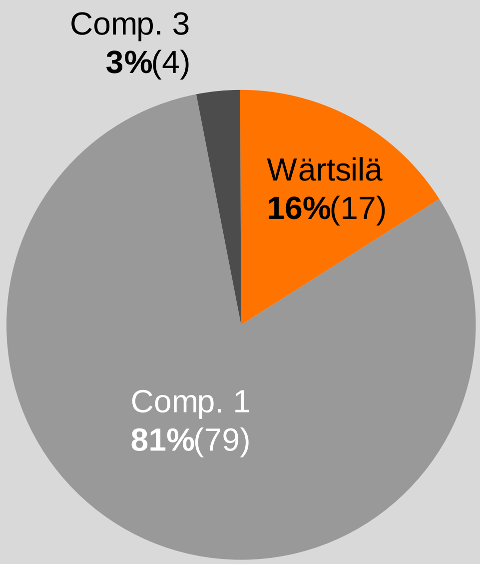
Market position of Wärtsilä's marine engines Q4/2006

Medium-speed main engines
(Own production)



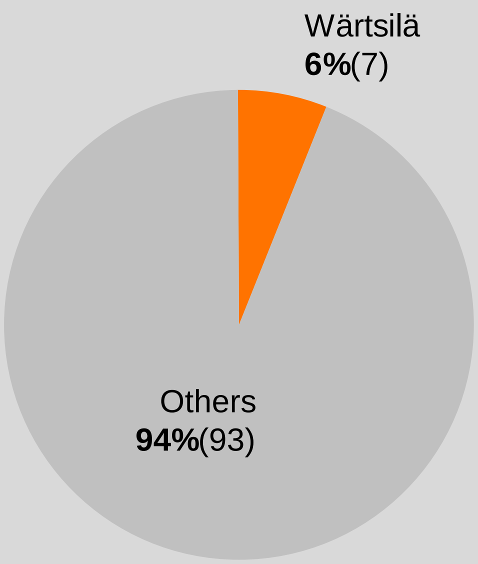
Total market volume last 12 months:
9,200 MW (9,600)

Low-speed main engines
(Production by licensees)



Total market volume last 12 months:
26,600 MW (21,900)

Auxiliary engines
(Own production)



Total market volume last 12 months:
7,600 MW (6,700)

Wärtsilä's own calculation is based on: Lloyd's Register – Fairplay, Clarkson's Research Studies and BRL Shipping Consultants. Market shares based on installed power, numbers in brackets are from the end of the previous quarter. The total market is based on the volume of the last 12 months. Numbers in brackets reflect the volume of the last 12 months at the end of the previous quarter.

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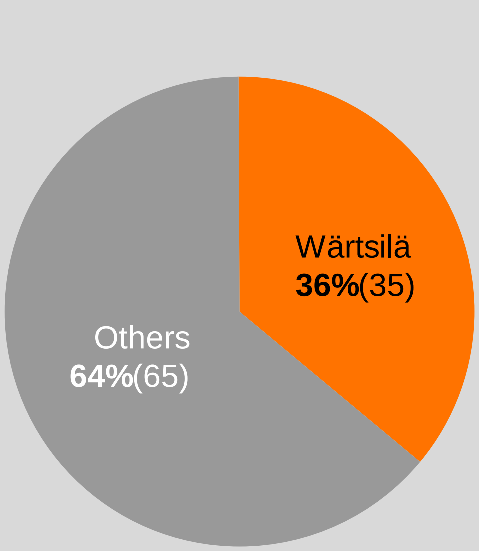
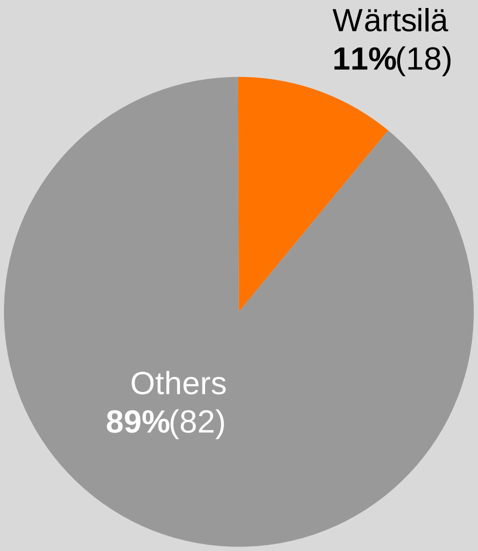
The market position of Wärtsilä's propellers Q4/2006

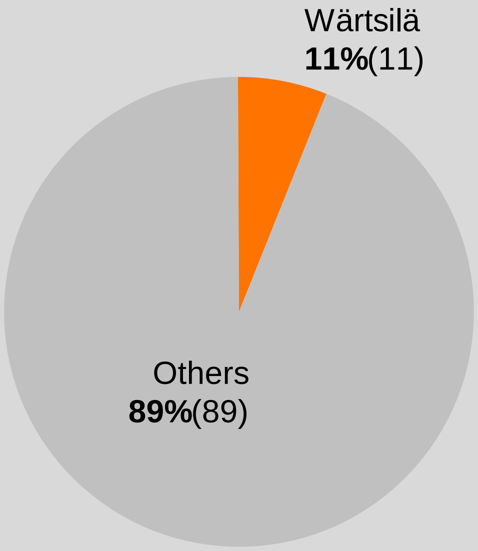
Controllable pitch propellers



Fixed pitch propellers
(includes JV)



Steerable thrusters

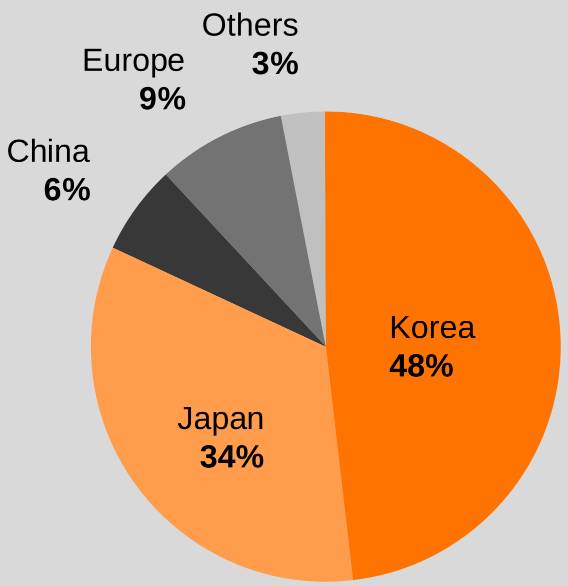


Wärtsilä own calculation based on: Lloyd's Register – Fairplay & Wärtsilä Ship Power
Market shares based on number of installations, numbers in brackets are from the end of the previous quarter.

Global market development

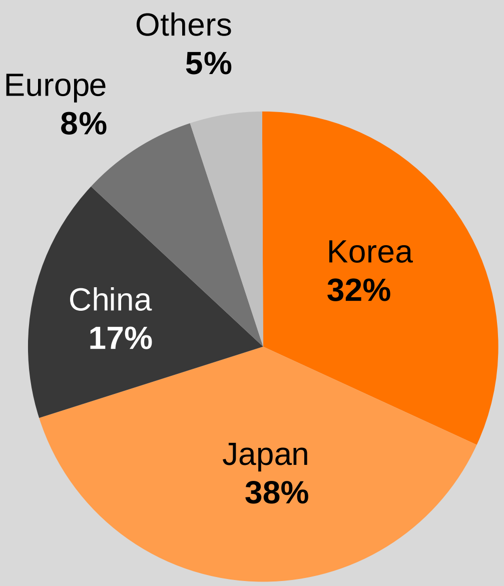
China growing fast in shipbuilding

Vessel orders 2000



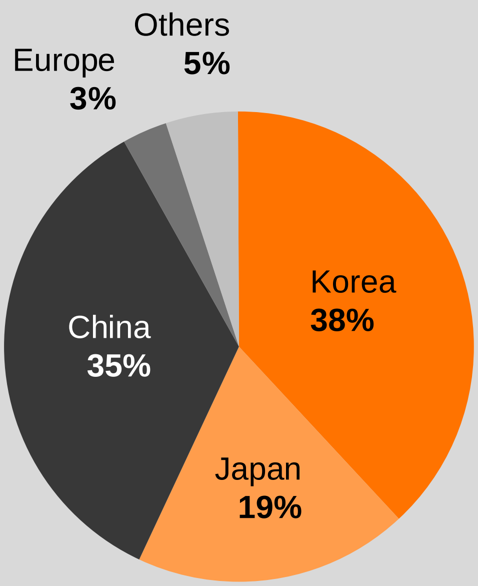
67.595.039 dwt

Vessel orders 2004



104.940.490 dwt

Vessel orders 2006



141.589.105 dwt

Source: Clarkson Research Studies December 2006

Wärtsilä in China - growing presence

Qingdao Qiyao Wärtsilä MHI Linshan Marine Diesel Co Ltd (QMD)
Manufacturing of low-speed engines
(Starting operations in 2008)

Wärtsilä CME Zhenjiang Propeller Co., Ltd
Manufacturing of fixed pitch propellers
(Investments in additional capacity)

Wärtsilä Propulsion (Wuxi) Co., Ltd.
Manufacturing of transverse thrusters
(Investments in additional capacity)

Wärtsilä Qiyao Diesel Shanghai Co., Ltd.
Manufacturing of auxiliary gensets
(Started operations in June 2006)

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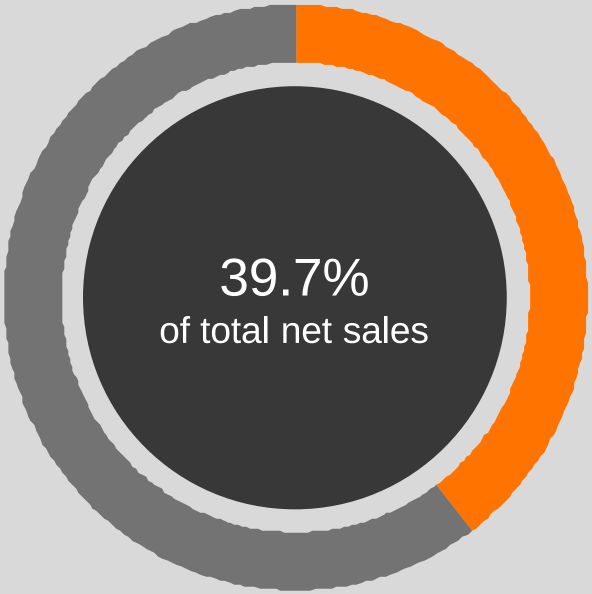
Wärtsilä Hyundai Engine Company Ltd.

To meet demand of growing LNG market

- Joint Venture 50/50 with Hyundai Heavy Industries, Korea
- New factory to produce Wärtsilä 50DF (dual-fuel engines)
- Production volume: 100 engines a year
- Additional capacity for LNG-carrier market
- Investment EUR 58 million, Wärtsilä’s share EUR 29 million
- Intended location: South Korea
- Start of operations in the 2nd half of 2008

Wärtsilä Services

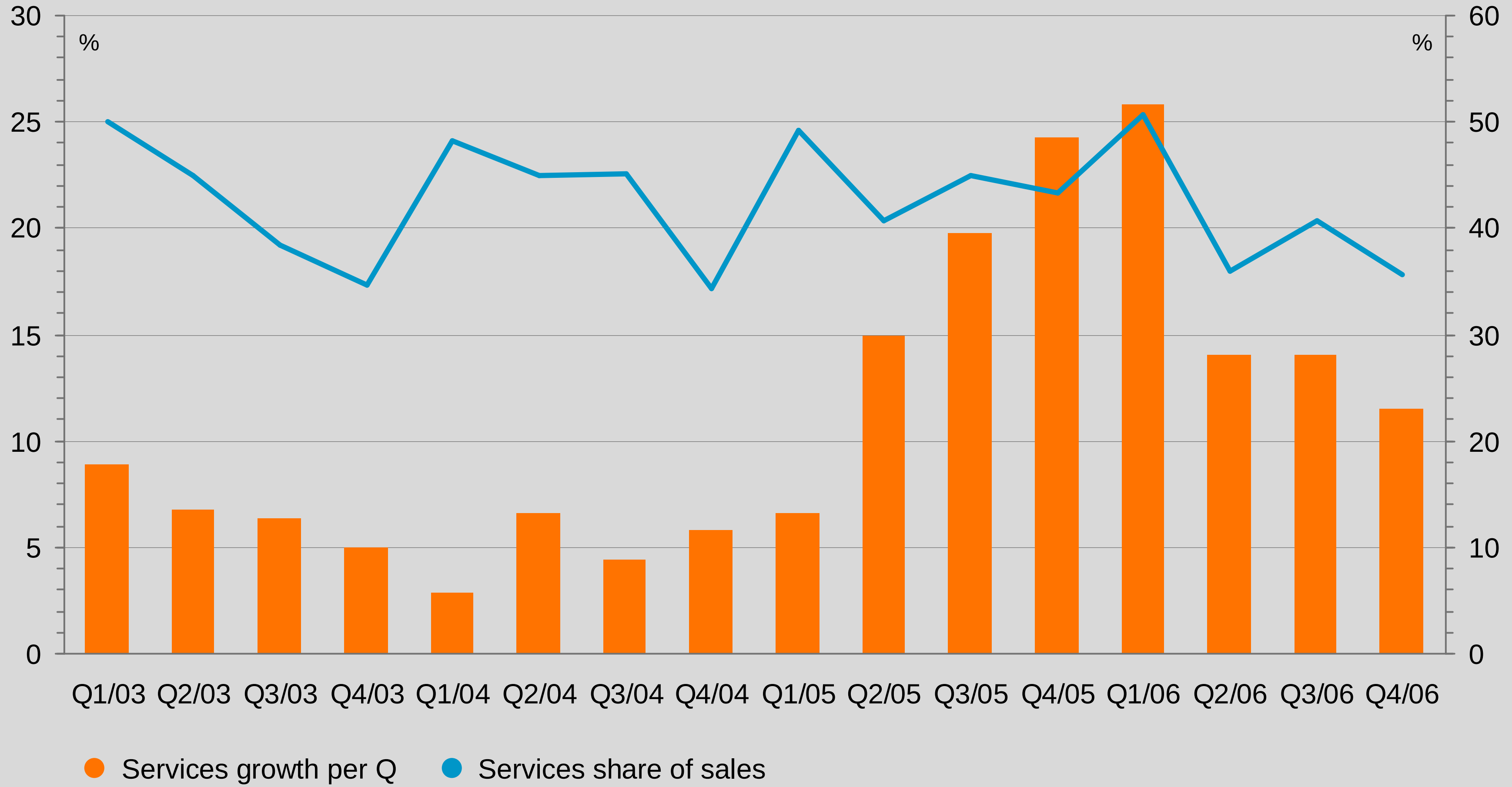
Services net sales



MEUR	**2006**	2005	Change (%)
Net sales	**1,266**	1,093.1	15.9
Personnel*	**8,539**	7,200	18.6

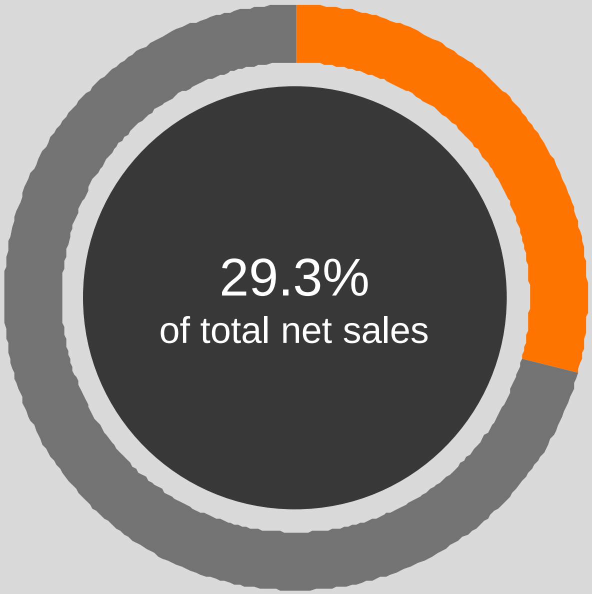
*) End of period

Wärtsilä Services



Wärtsilä Power Plants

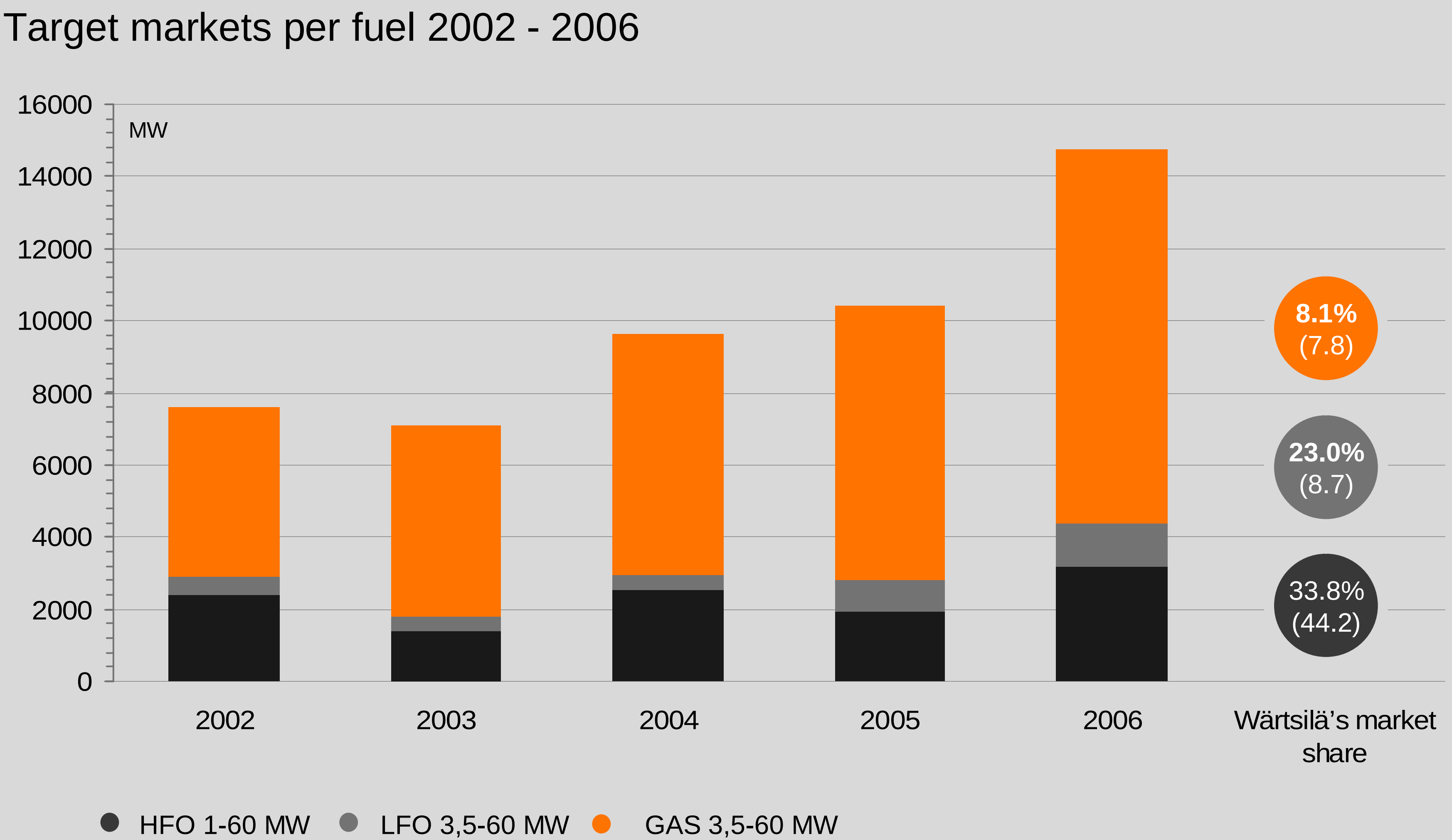
Power Plants net sales



MEUR	**2006**	2005	Change (%)
Net sales	**934.2**	710.3	31.5
Order intake	**1,027.3**	865.9	18.7
Order book*	**1,061.4**	943.9	12.4

*) End of period

Wärtsilä Power Plants market share



Note I: Wärtsilä's gas power plant target markets have changed since Wärtsilä stopped manufacturing and selling high speed engines (power range < 3,5 MW) Note II: The 2006 LFO figure includes liquid biofuels.
Source: Diesel & Gas turbine worldwide, June 2001-May 2006

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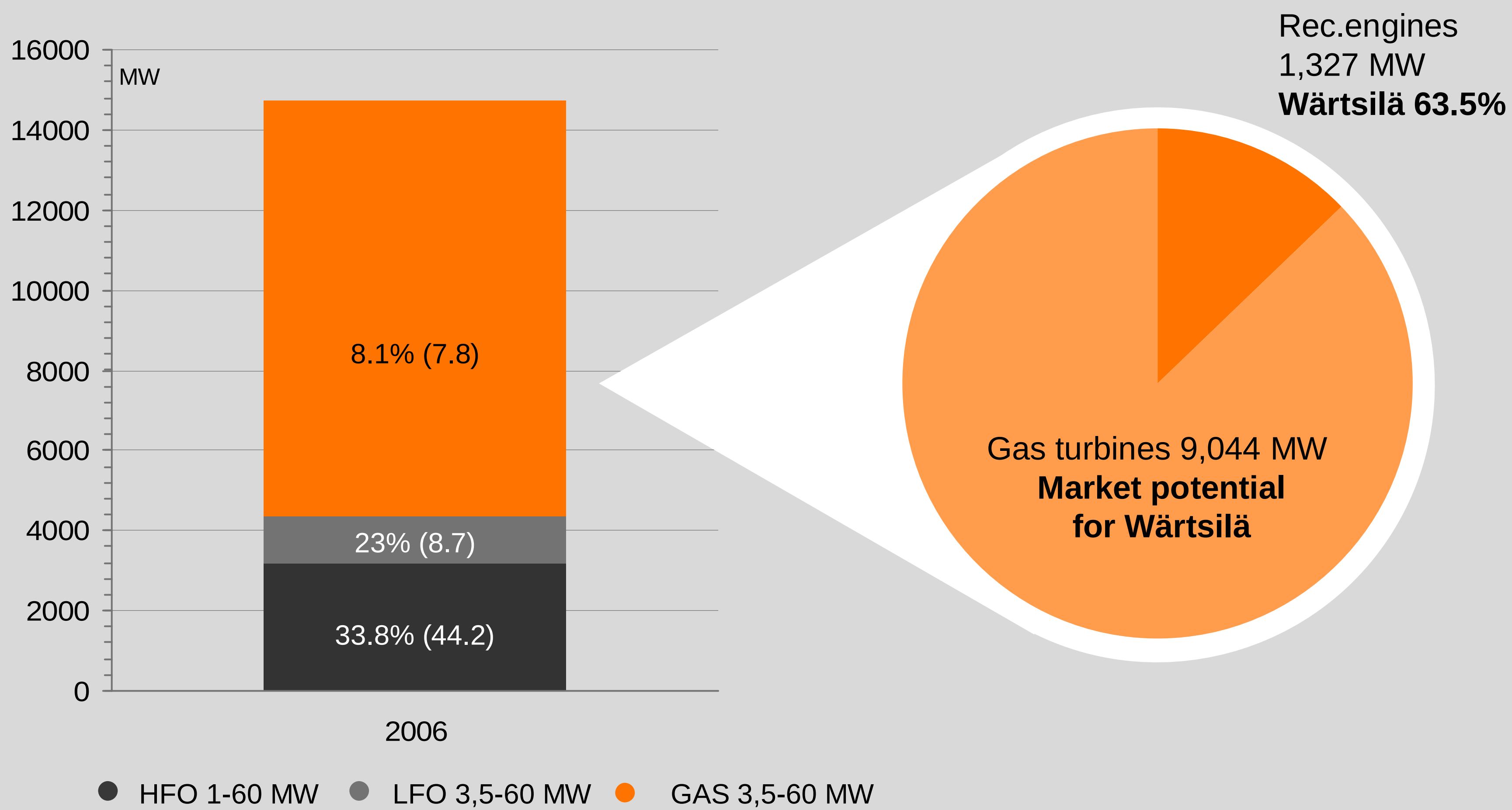
Gas power plant market



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Source: Diesel & Gas turbine worldwide, June 2001-May 2006

Wärtsilä’s prospects in 2007

- Demand in the ship power and energy markets will remain active for Wärtsilä for at least the first half of 2007.
- Based on the strong order book, Wärtsilä’s net sales are expected to grow this year by around 15%.
- Profitability will exceed 9%.
- Wärtsilä sees further possibilities for growth in 2008.

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