

WÄRTSILÄ CORPORATION

2008 RESULT PRESENTATION

OLE JOHANSSON, PRESIDENT & CEO

30 JANUARY 2009

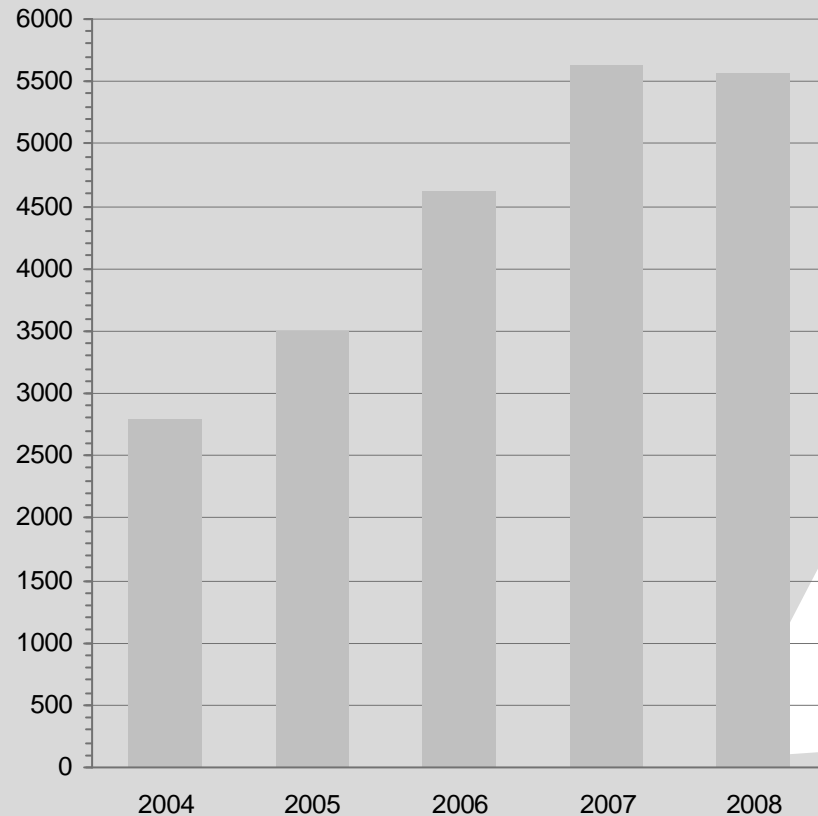
2008 - a record year



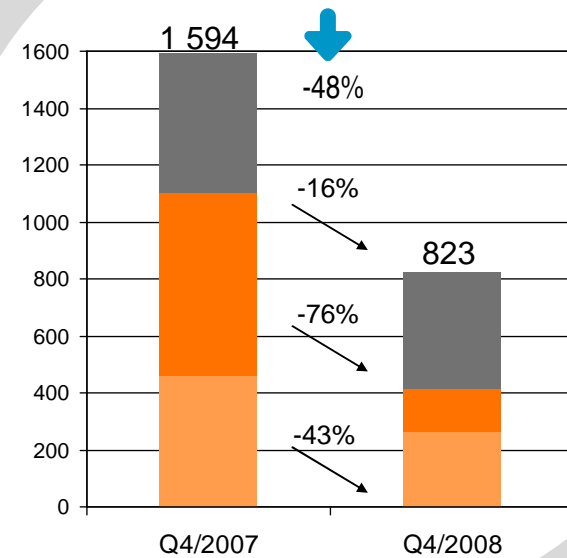
- Net sales +23%, EUR 4,612 million
- Profitability improved clearly, EUR 525 million, 11.4% of net sales
- EPS EUR 3.88 (2.74)
- Order intake EUR 5,573 million (5,633)

Full year order intake at last year's level

MEUR

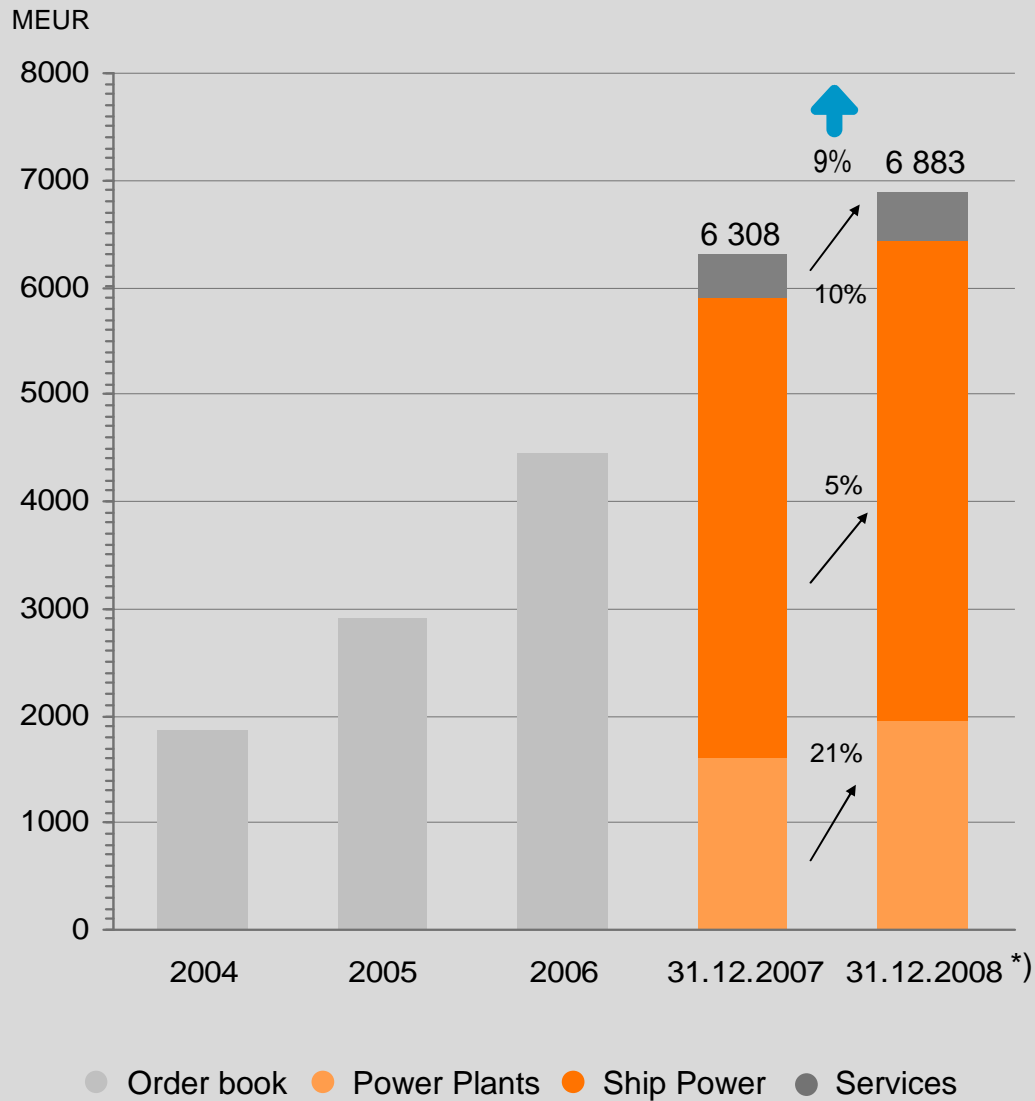


Fourth quarter development



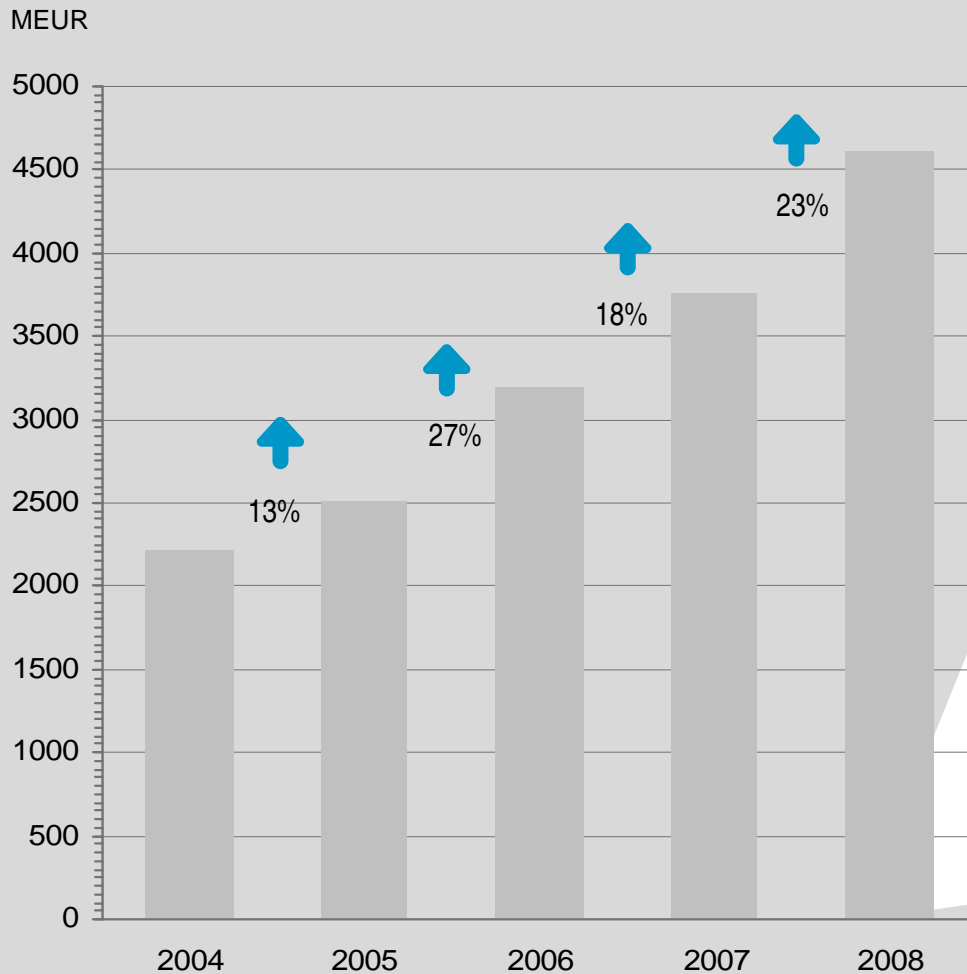
● Order intake ● Power Plants ● Ship Power ● Services

Order book grew 9%



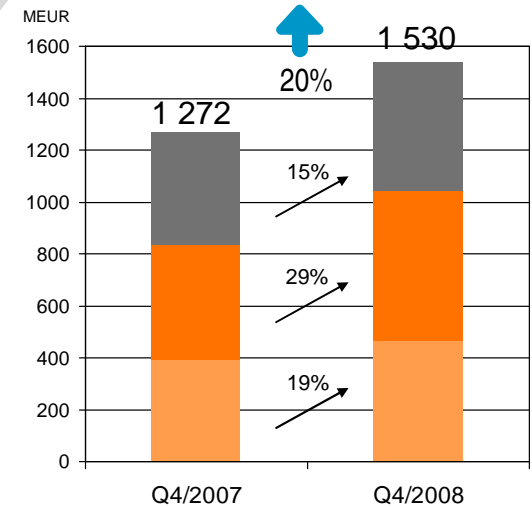
*) Cancellations amounting to EUR 333 million and the order book of Bio Power amounting to EUR 116 million have been deducted from the order book. Additions relating to acquisitions and other adjustments amounted to EUR 158 million.

Net sales grew according to plan

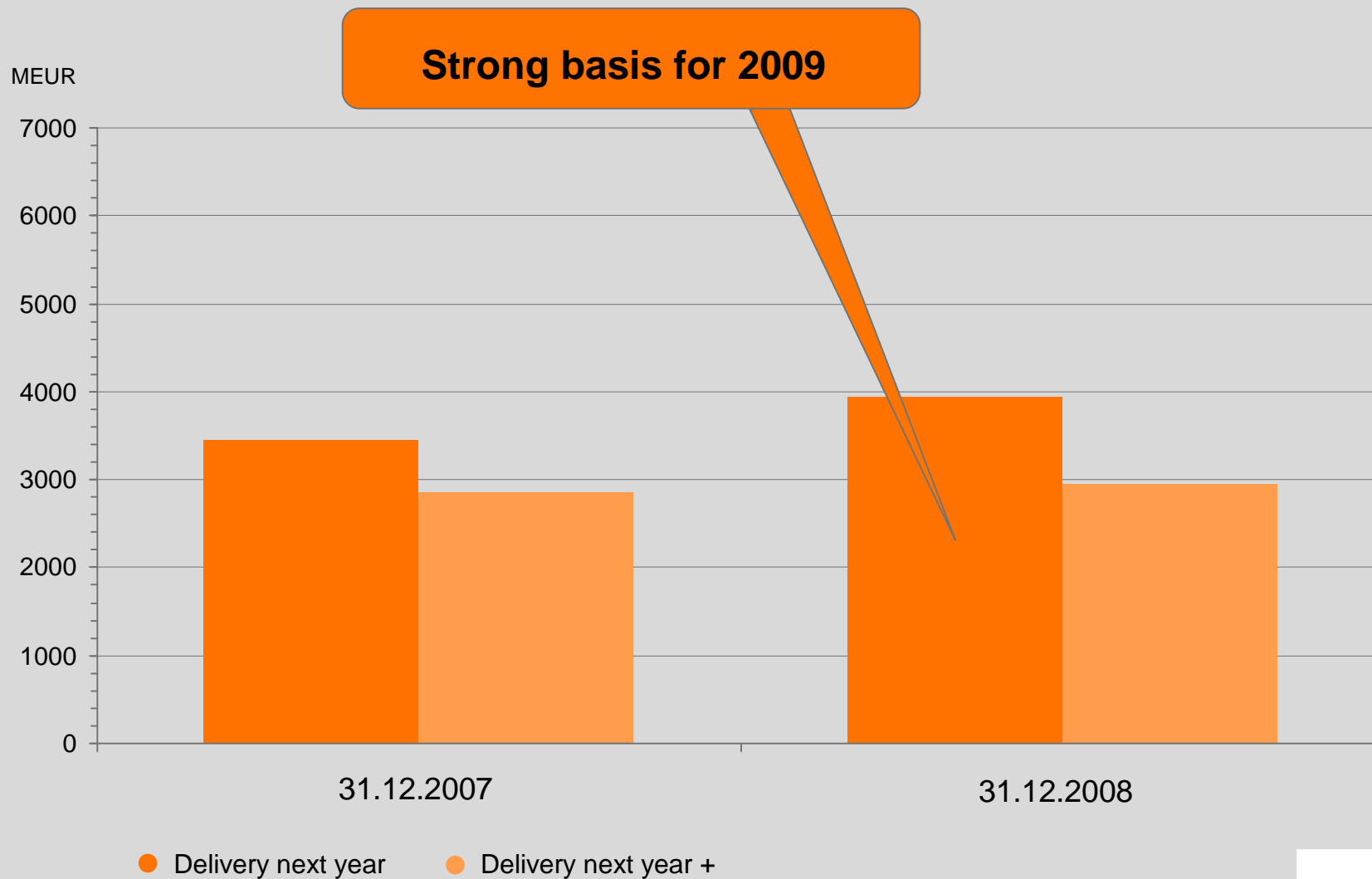


● Net sales ● Power Plants ● Ship Power ● Services

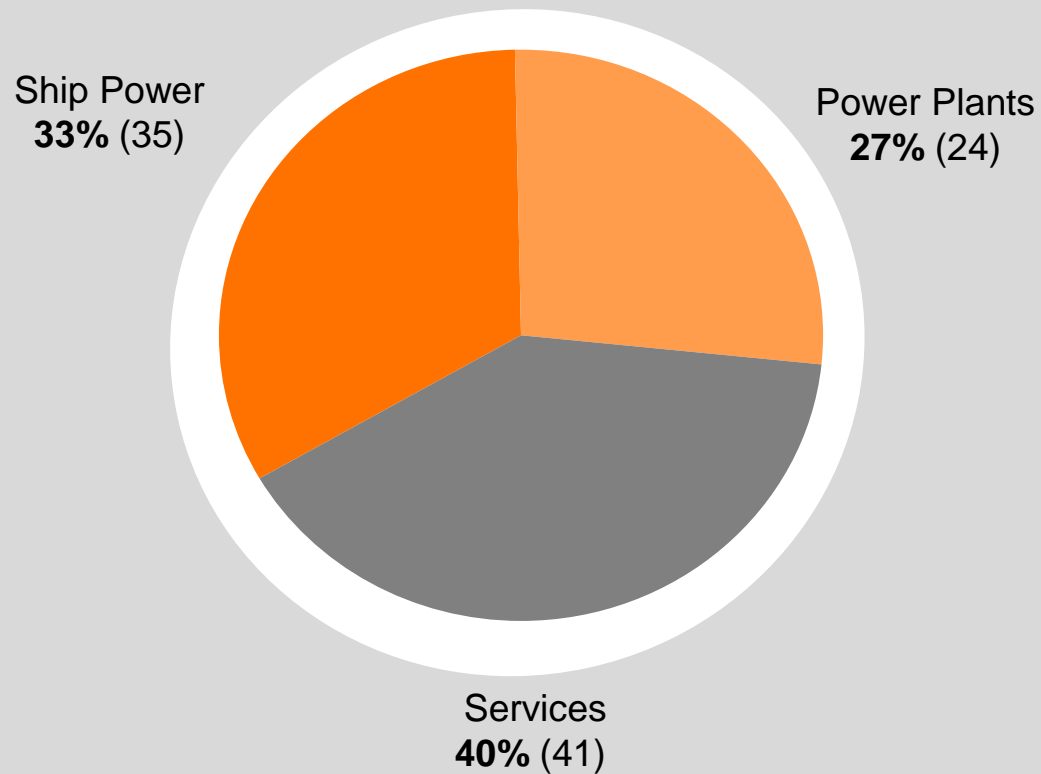
Fourth quarter development



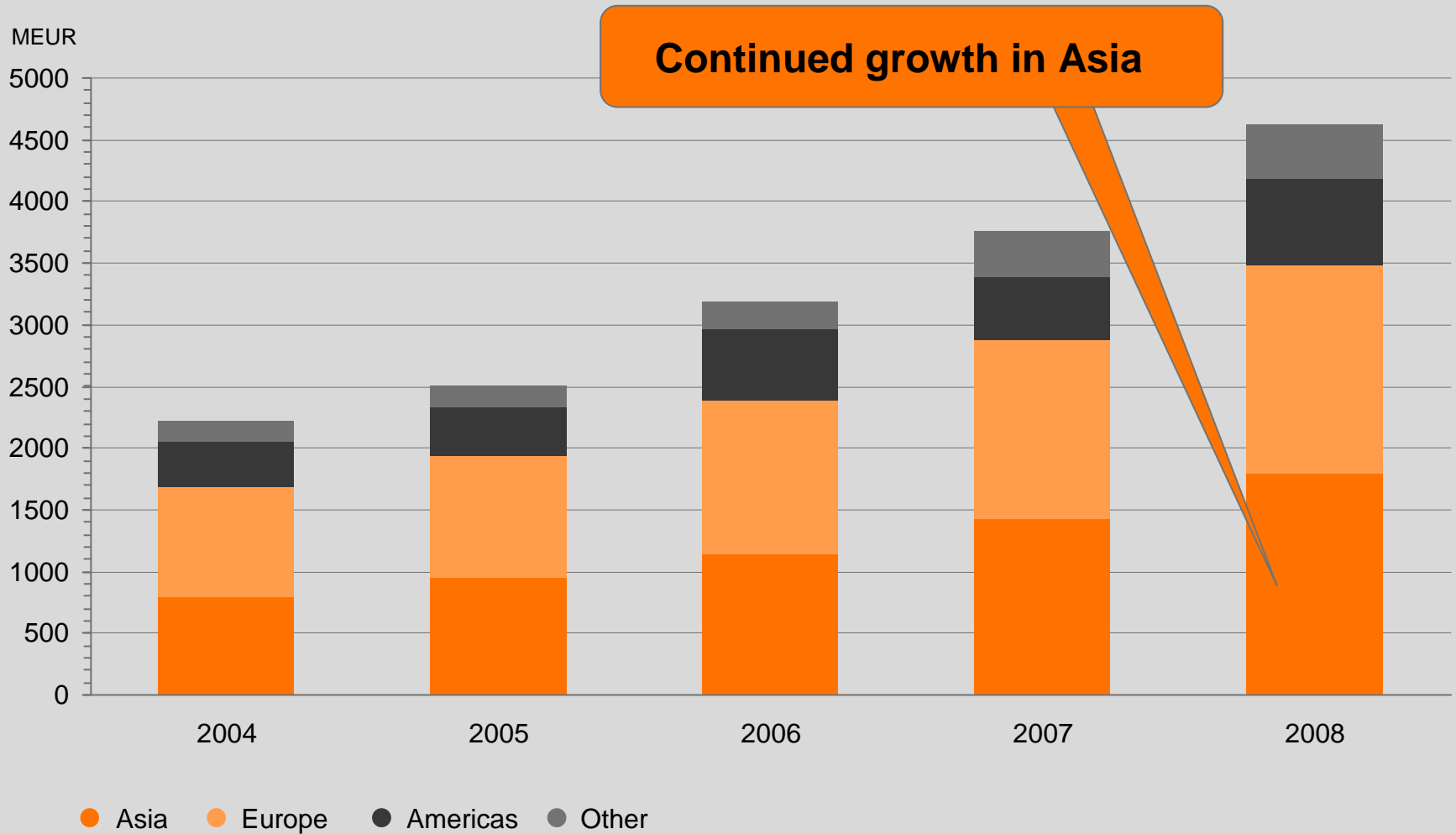
Order book distribution



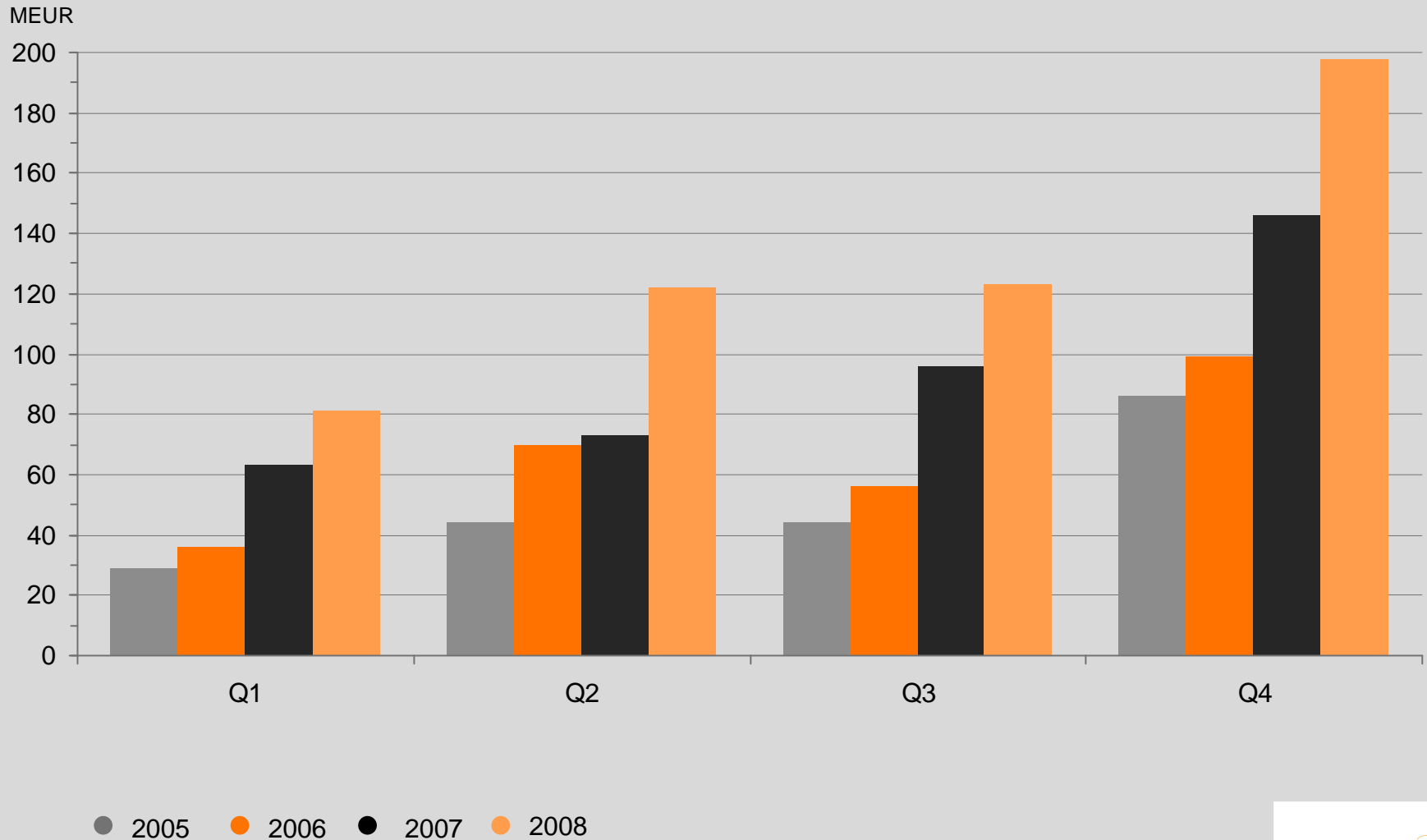
Net sales by business 2008



Net sales by market area

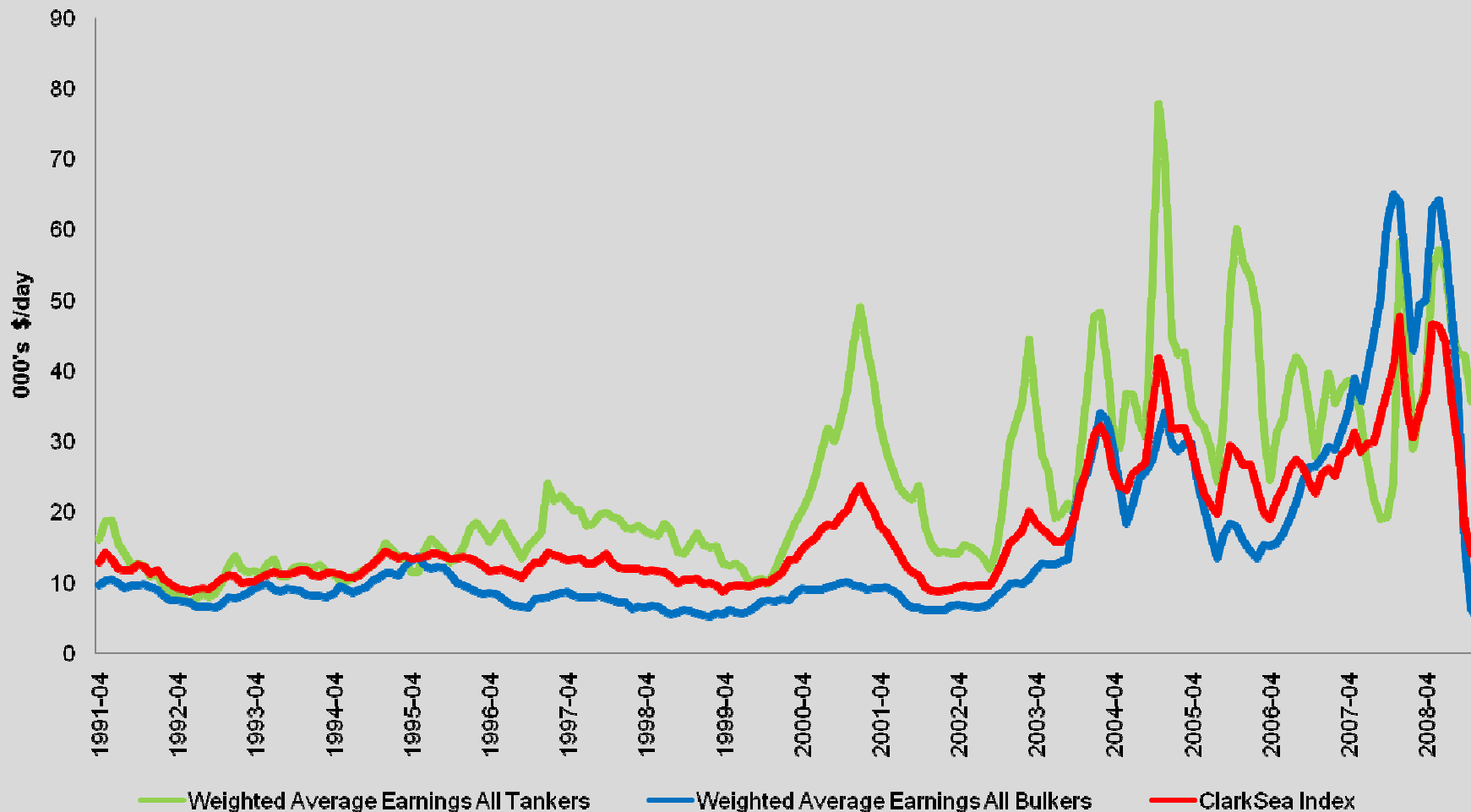


Operating profit all time high



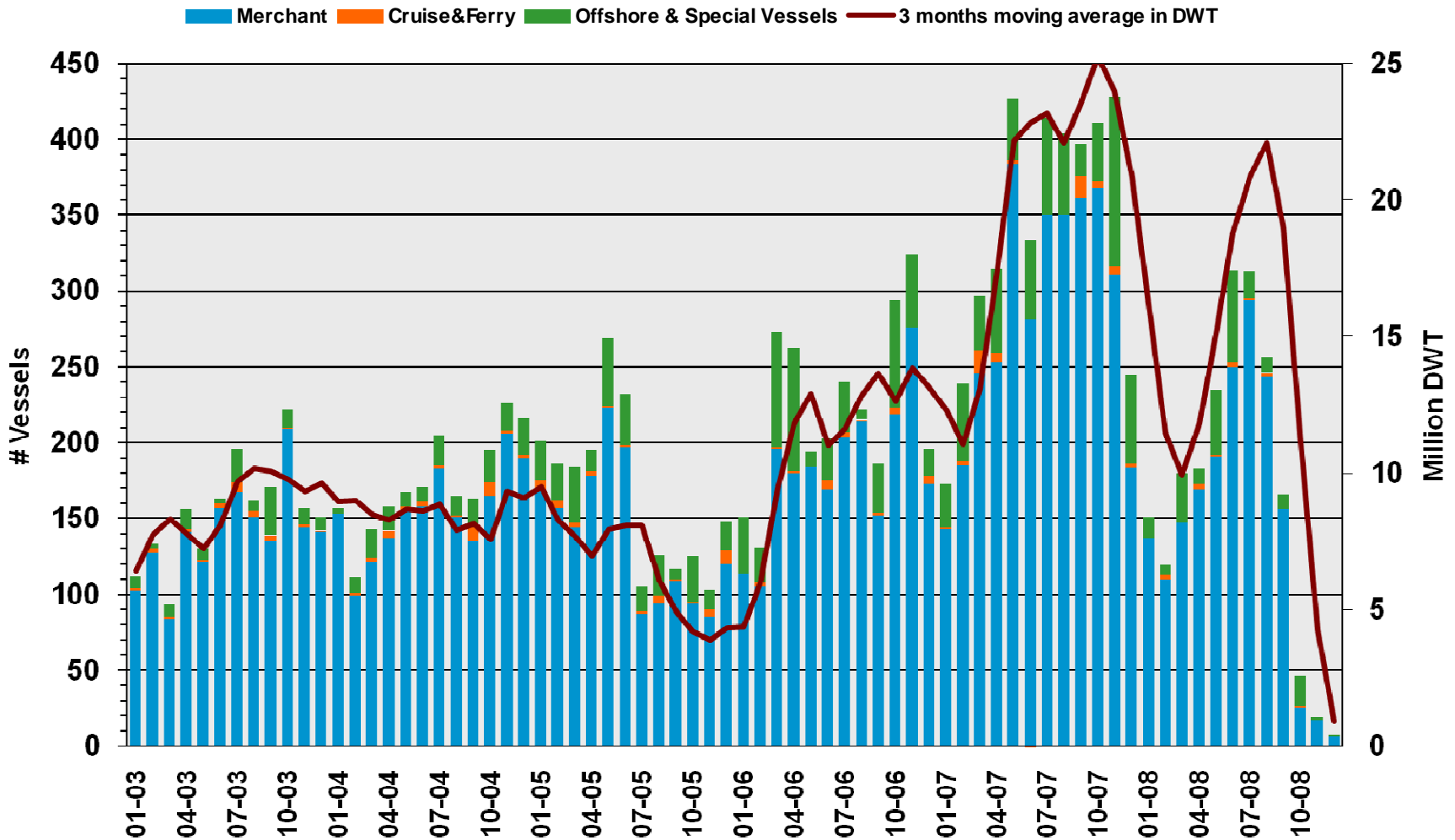
Ship Power - market development

Ship owner earnings have fallen dramatically



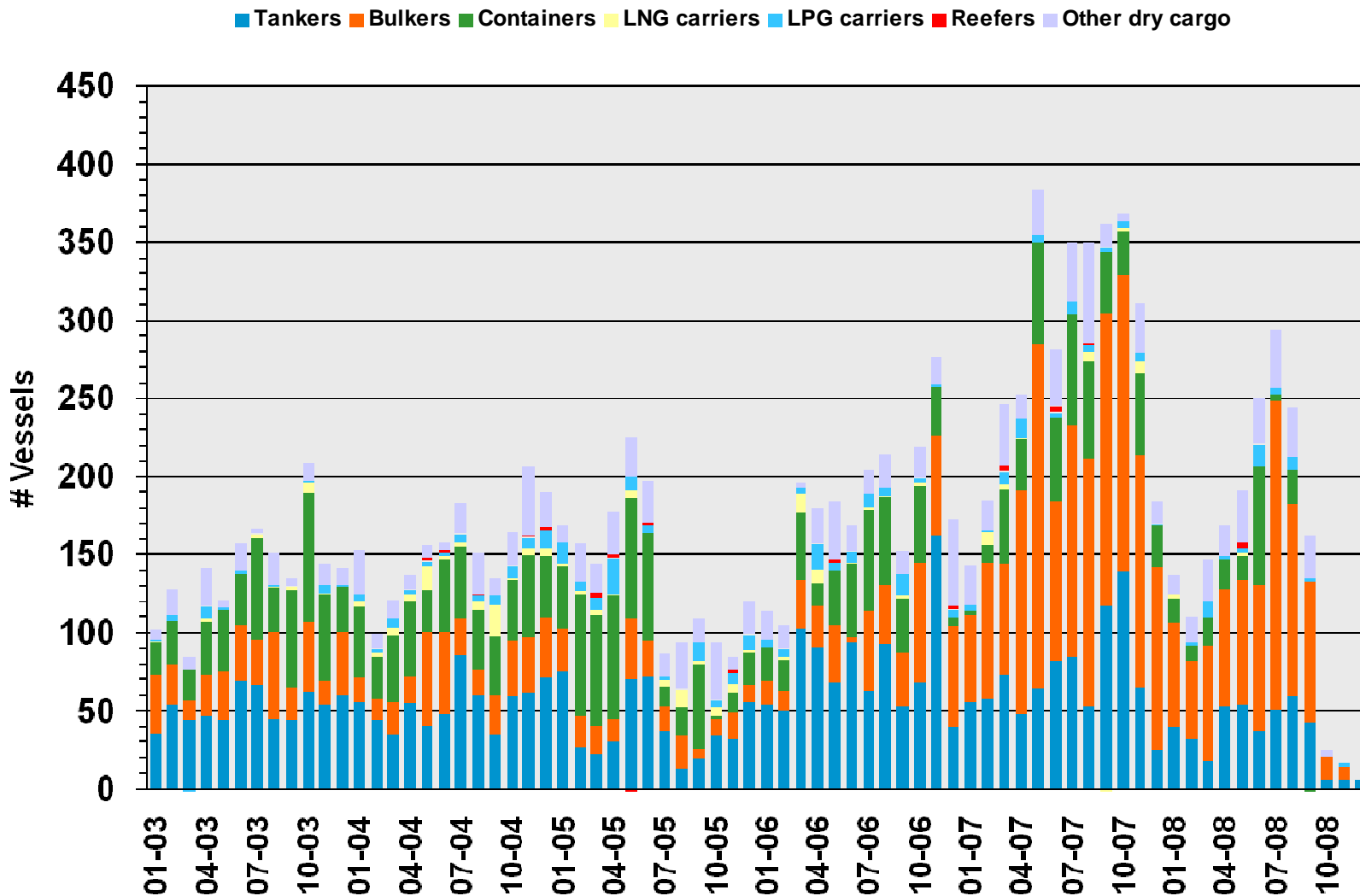
ClarkSea index covers tankers, bulkers, containers and gas carriers.
Source: Clarkson Research Services Limited.

Ship Power market - vessel order development



Source data: Clarkson Research Services

Ship Power market - merchant vessel order development

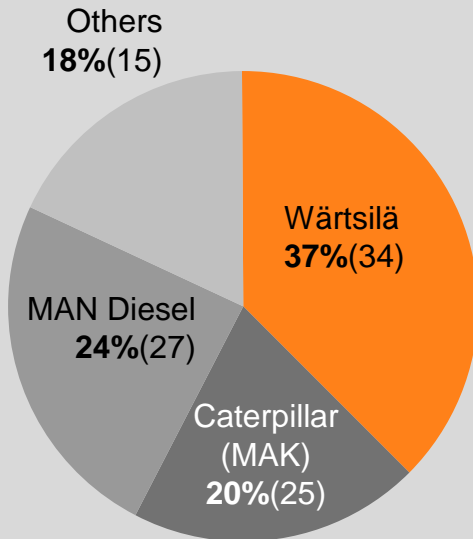


Source data: Clarkson Research Services

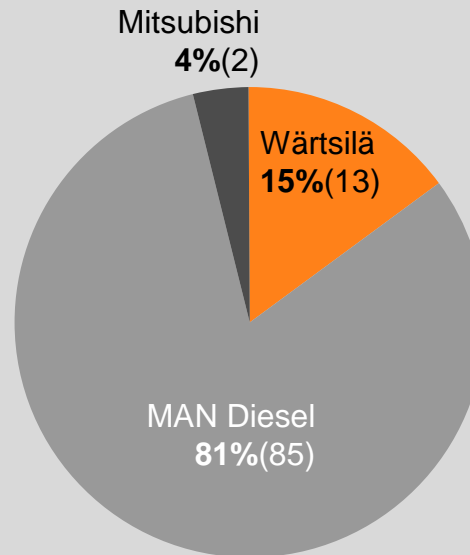
Ship Power - market development

Market position of Wärtsilä's marine engines 2008

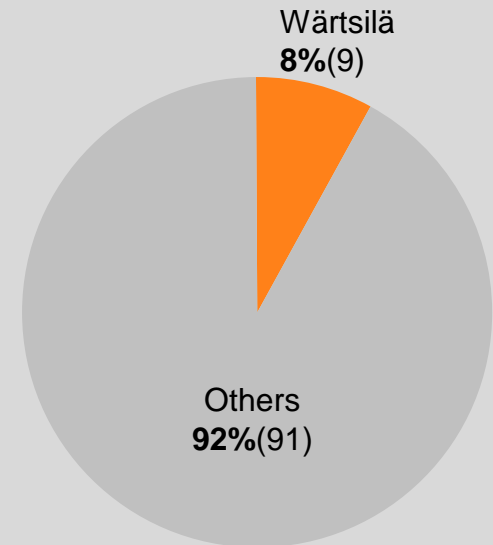
Medium-speed main engines



Low-speed main engines

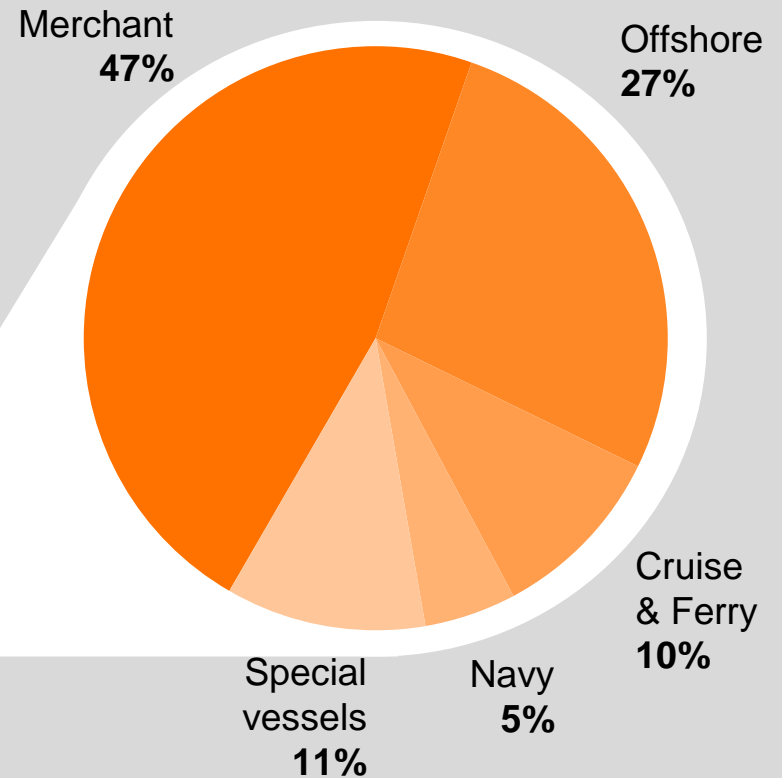
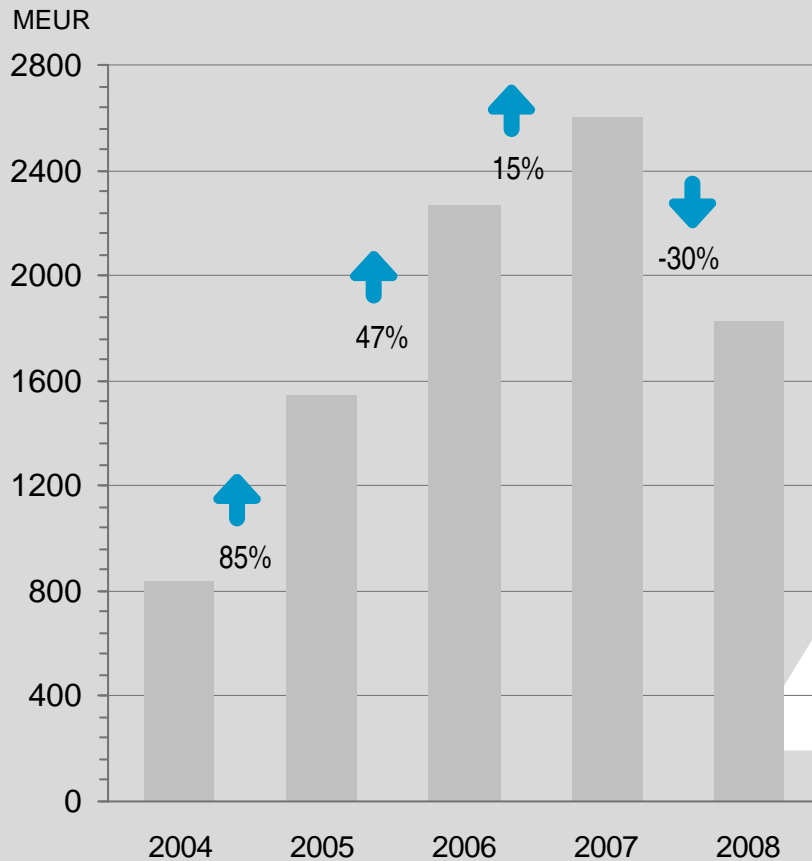


Auxiliary engines



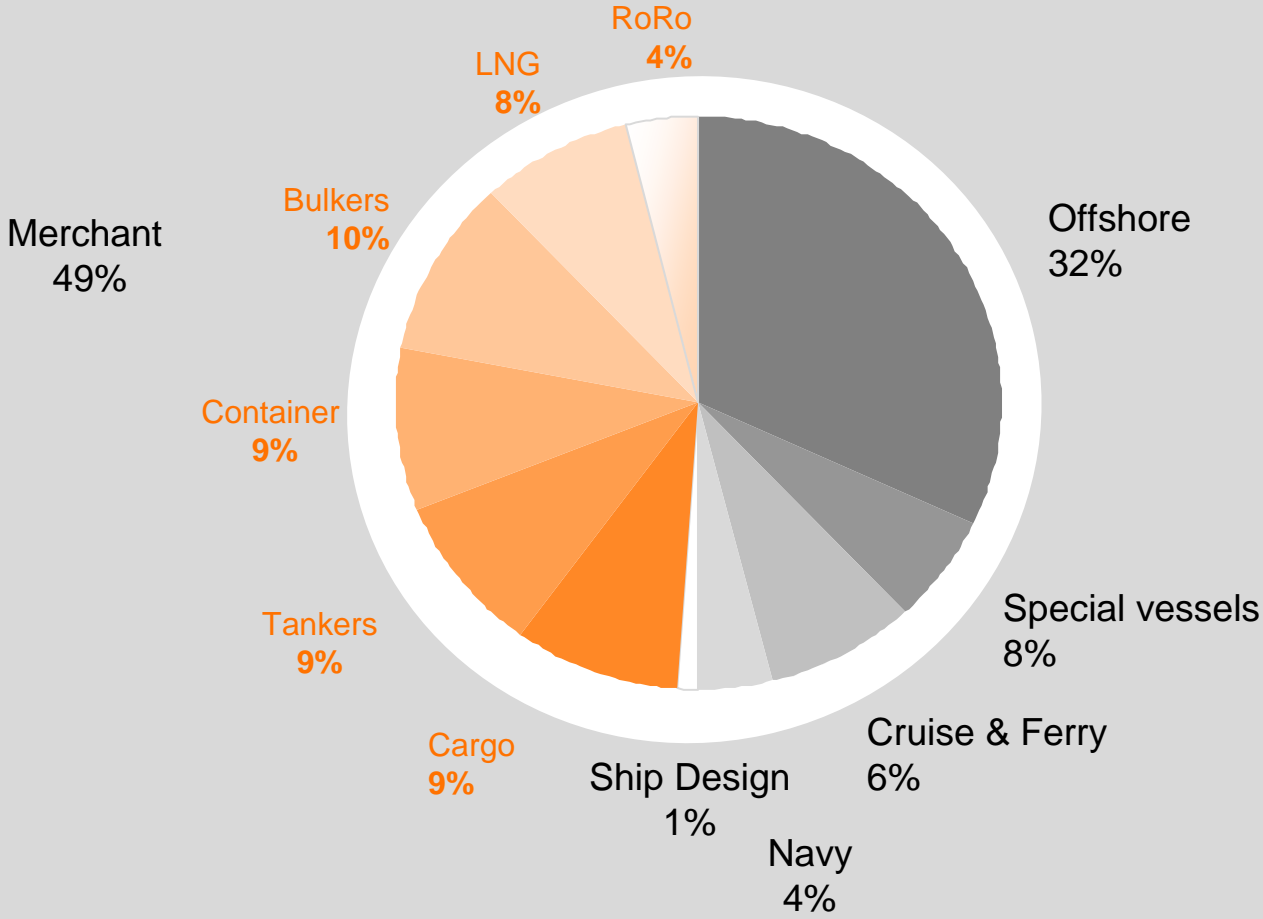
Wärtsilä's own calculation is based on Marine Market Database. Market shares based on installed power, numbers in brackets are from the end of the previous quarter.

Ship Power order intake 2008

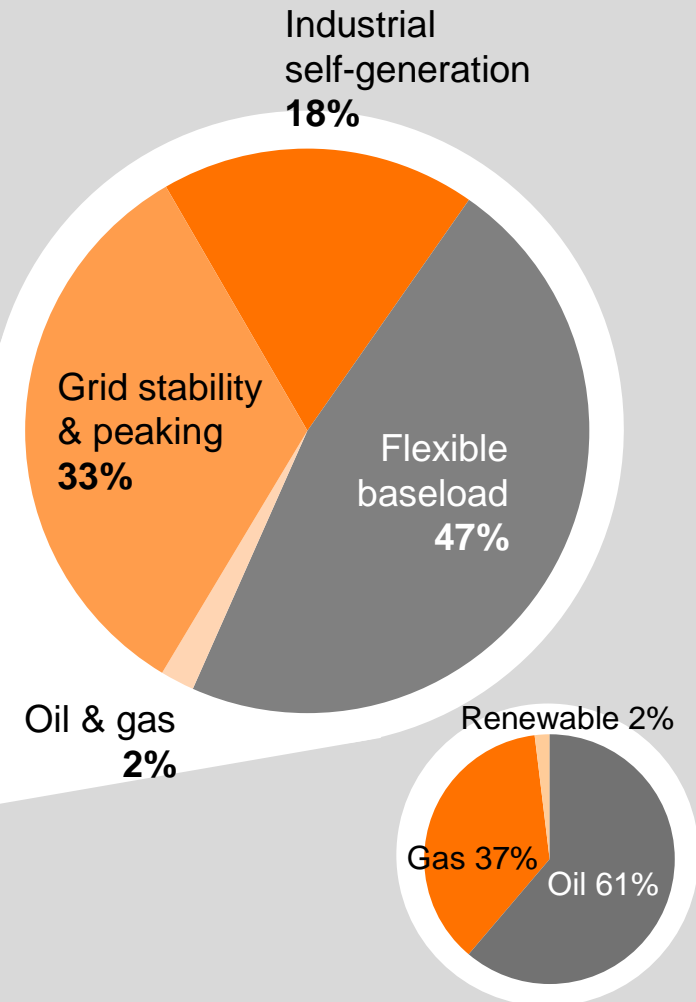
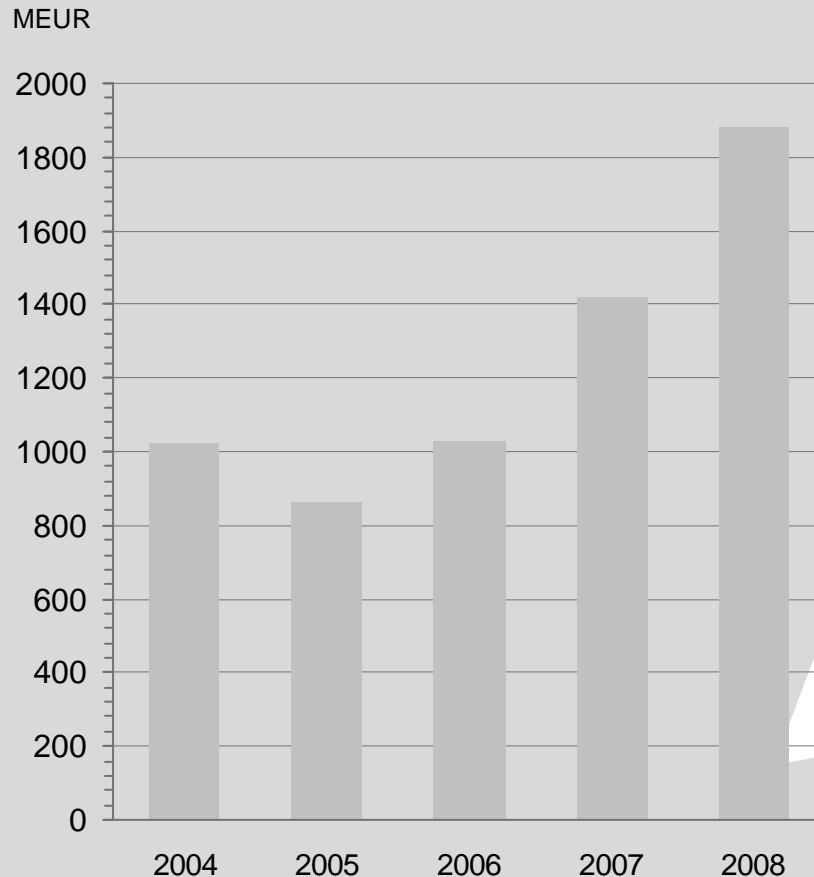


Ship Power order book distribution

Even spread between ship types



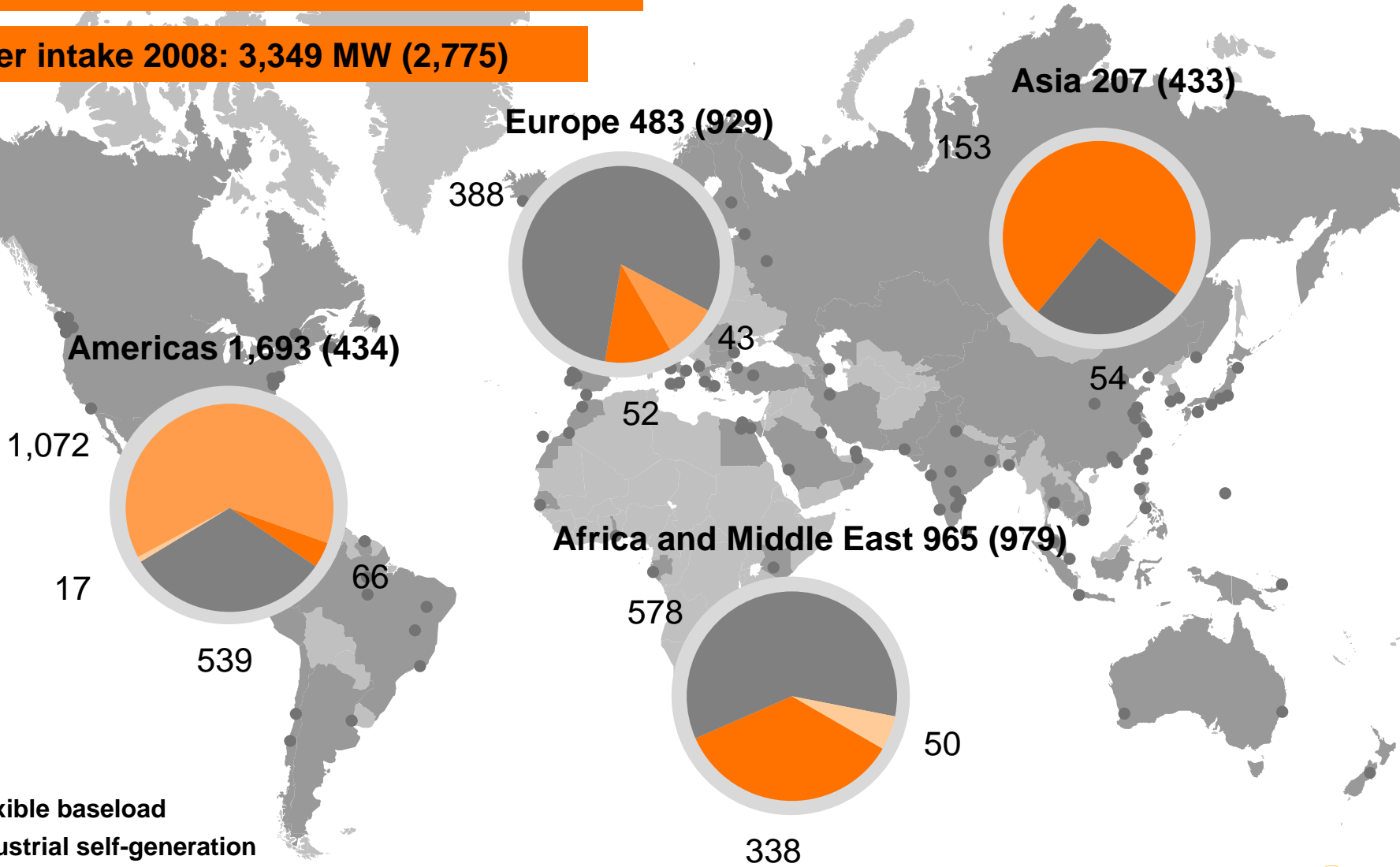
Power Plants order intake by application 2008



Power Plants order intake

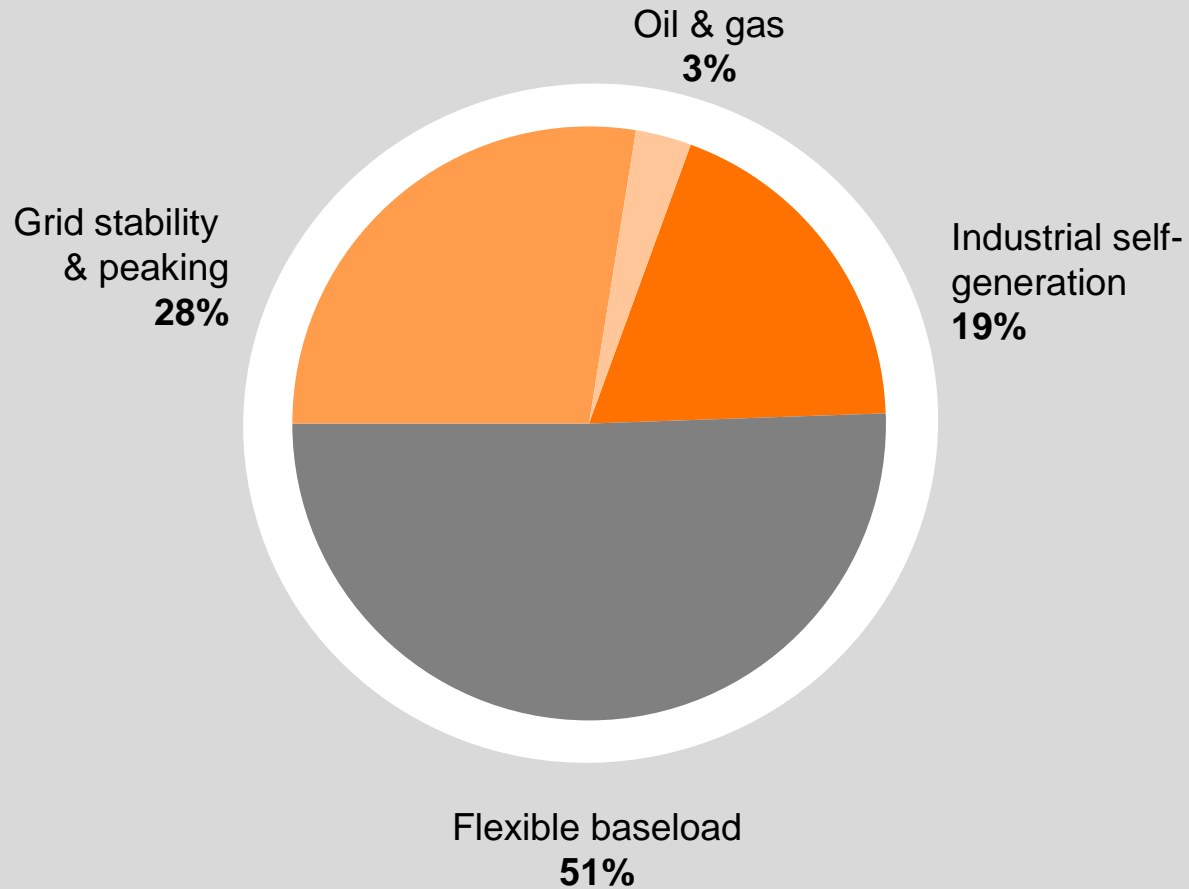
Americas very strong region

Order intake 2008: 3,349 MW (2,775)

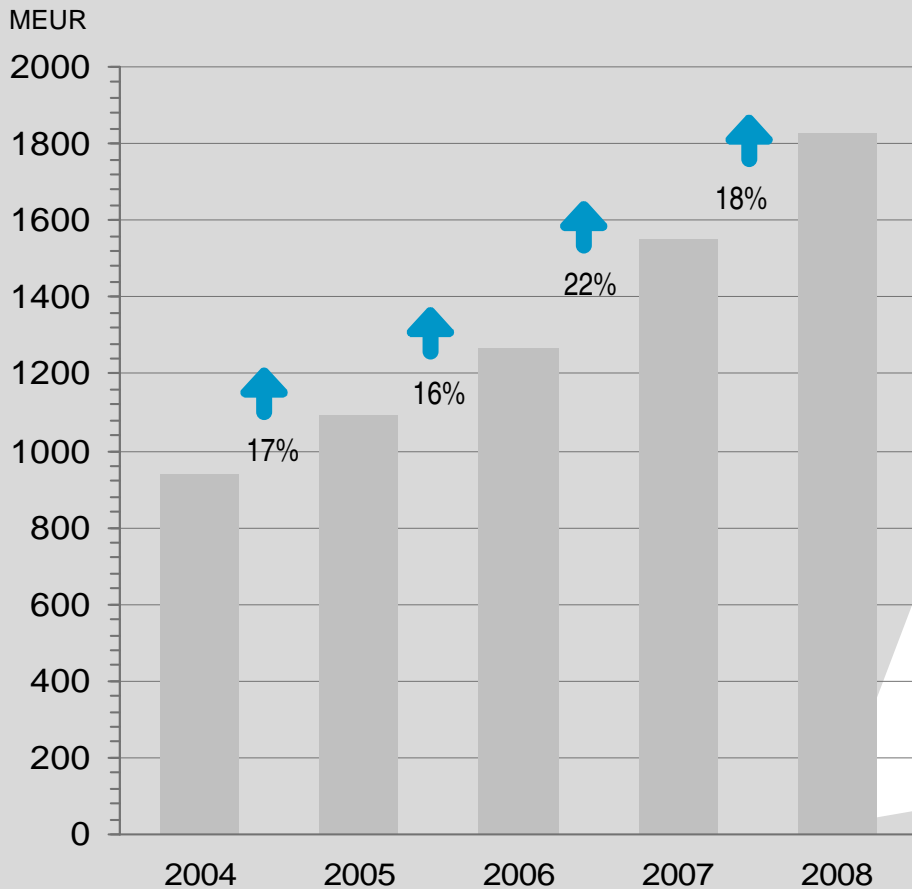


- Flexible baseload
- Industrial self-generation
- Oil & gas
- Grid stability & peaking

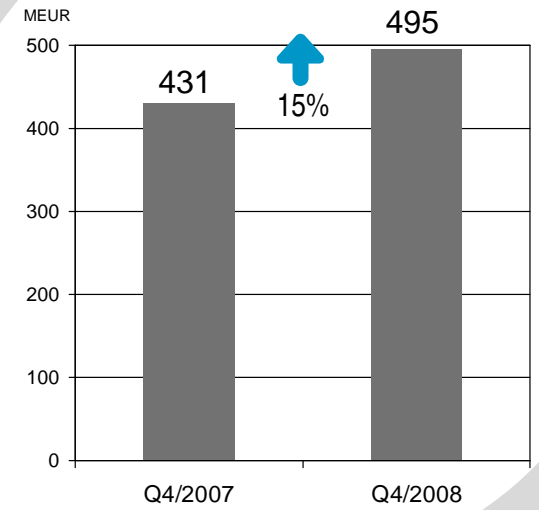
Power Plants order book distribution



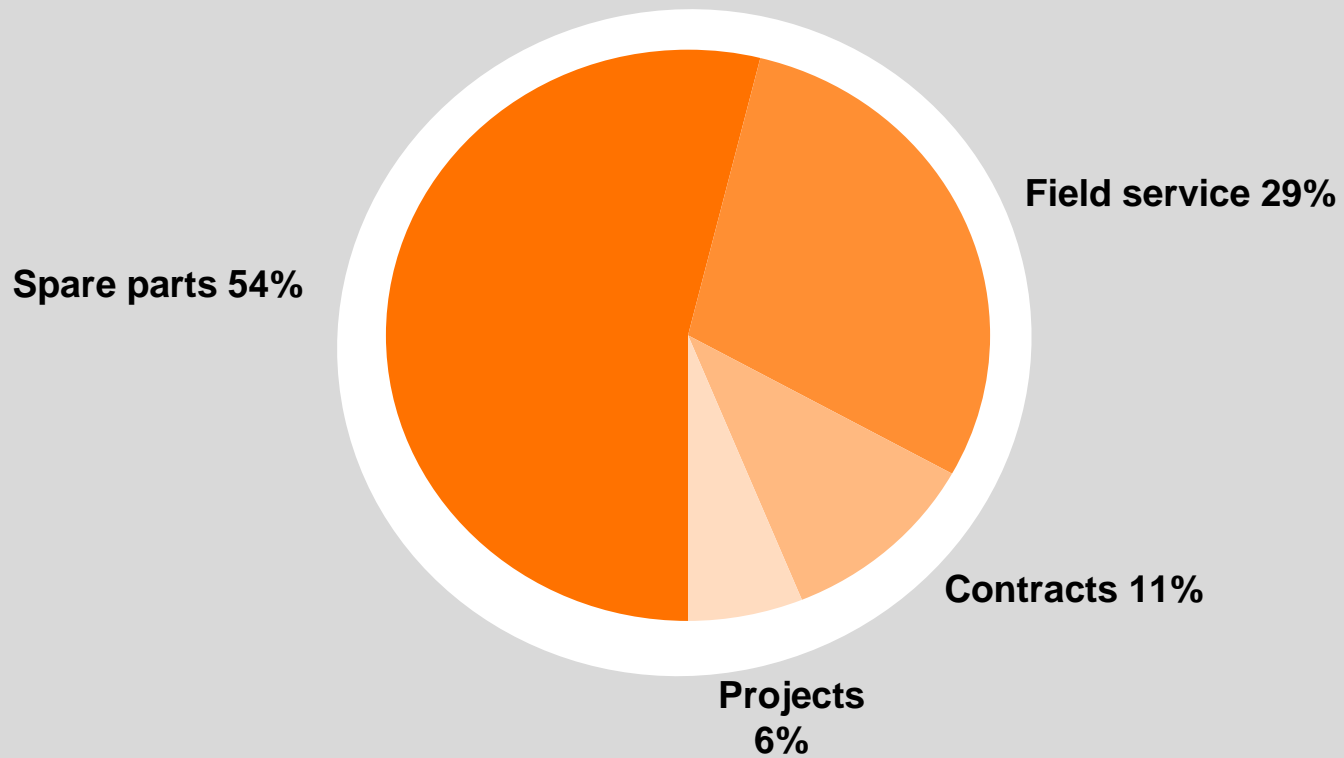
Services net sales 2008



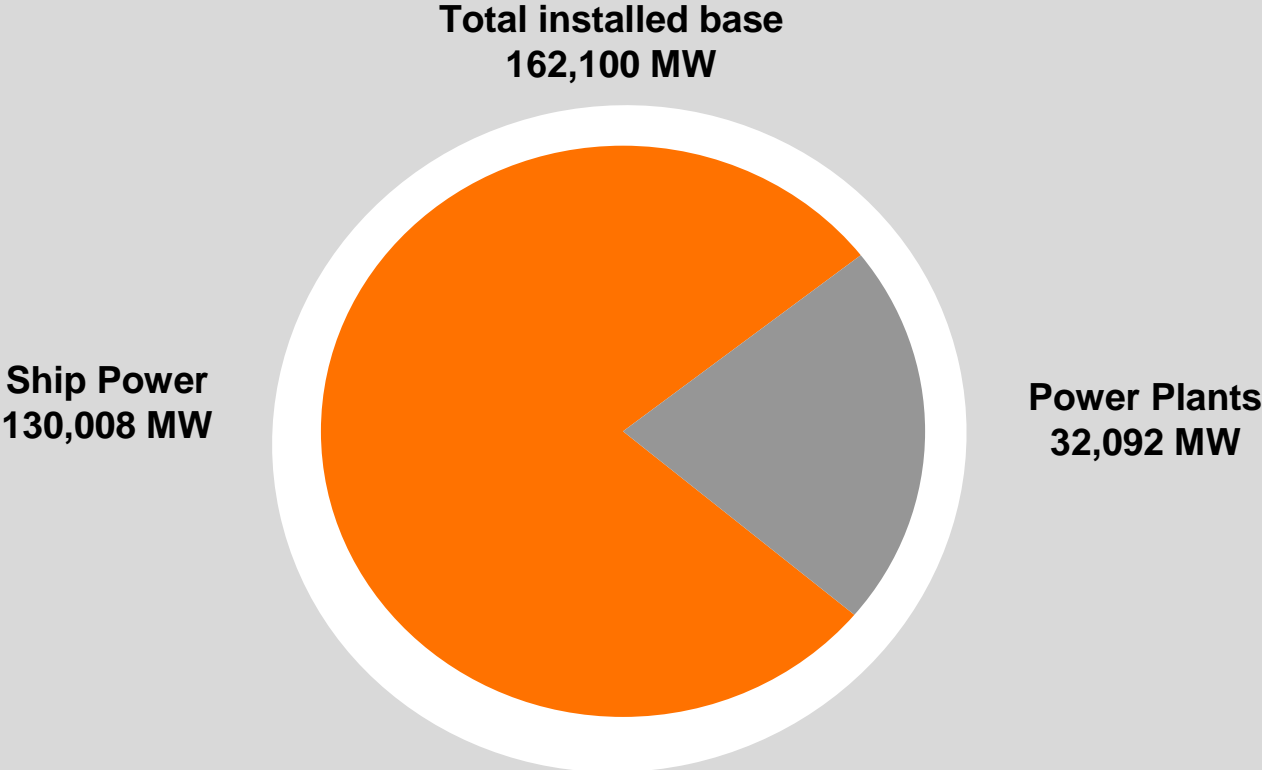
Fourth quarter development



Services net sales distribution



Services installed engine base 2008



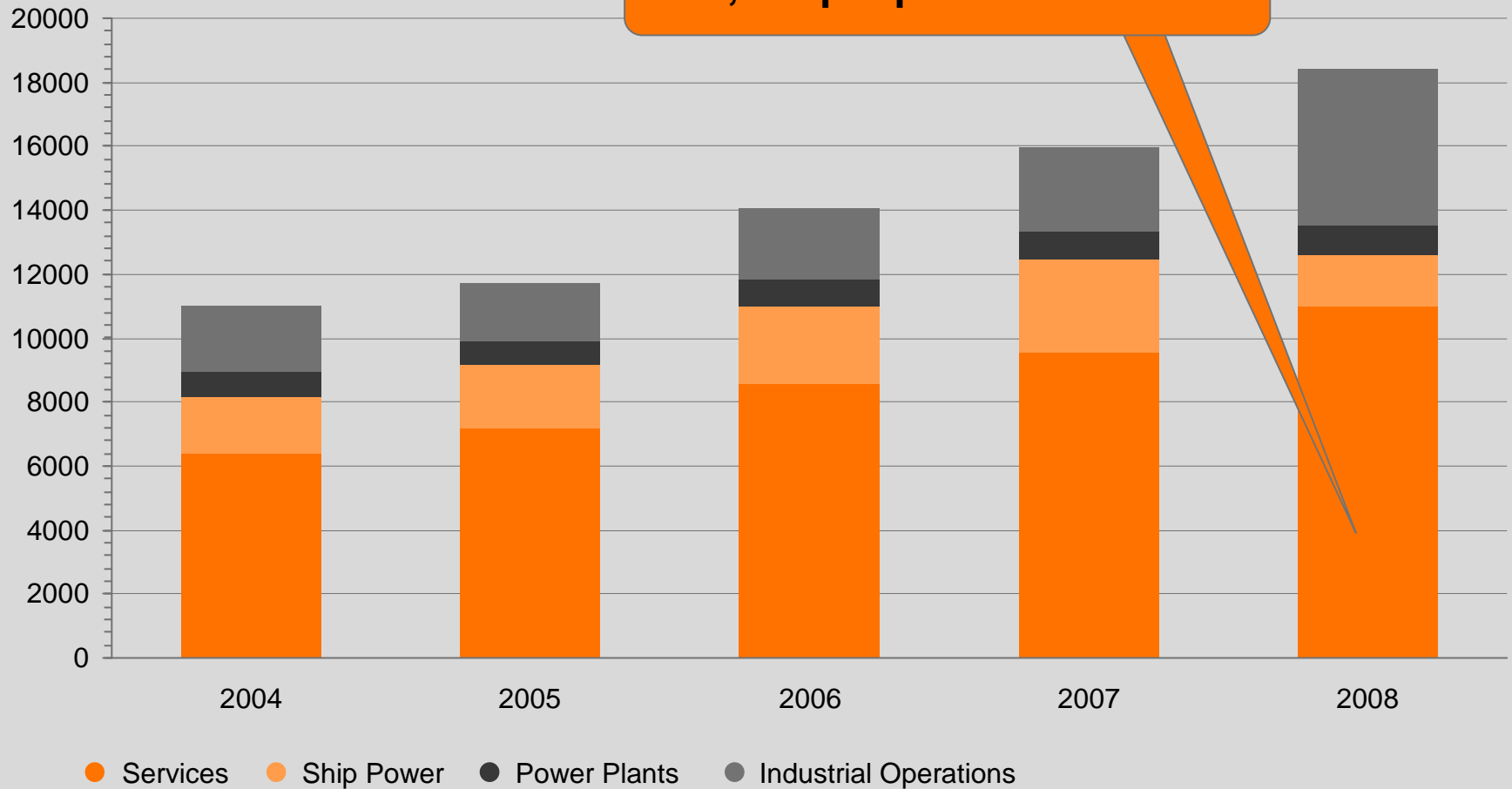
Strong cash flow



<u>MEUR</u>	<u>2008</u>	<u>2007</u>
Cash flow from operating activities	278	431
Cash flow from investing activities	-329	-214
Cash flow from financing activities	-26	-95
Liquid funds at the end of period	197	296

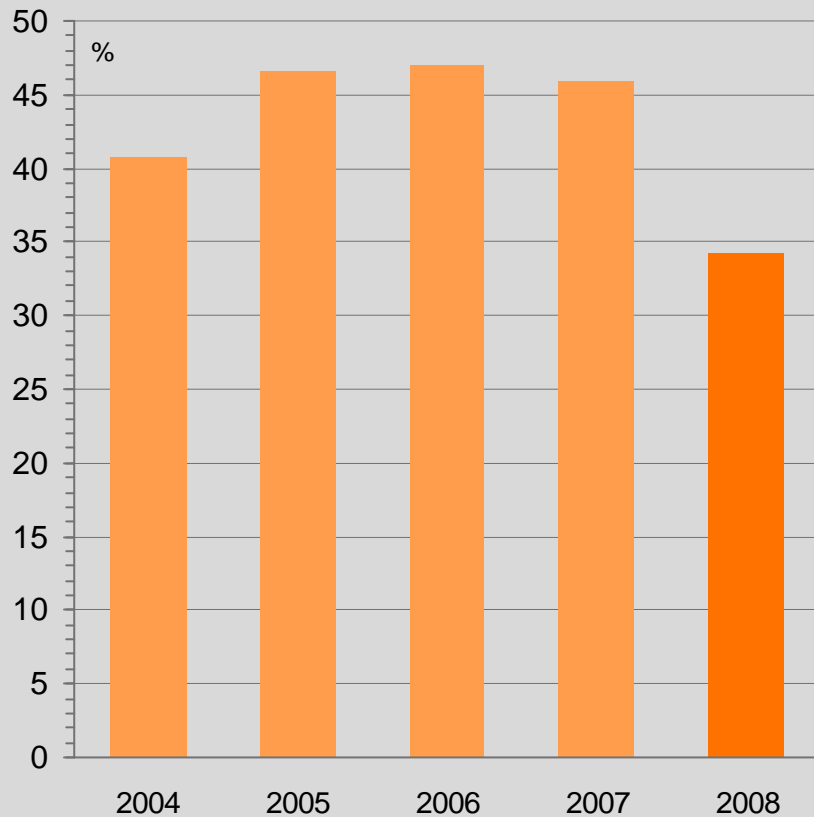
Personnel development

11,000 people in Services

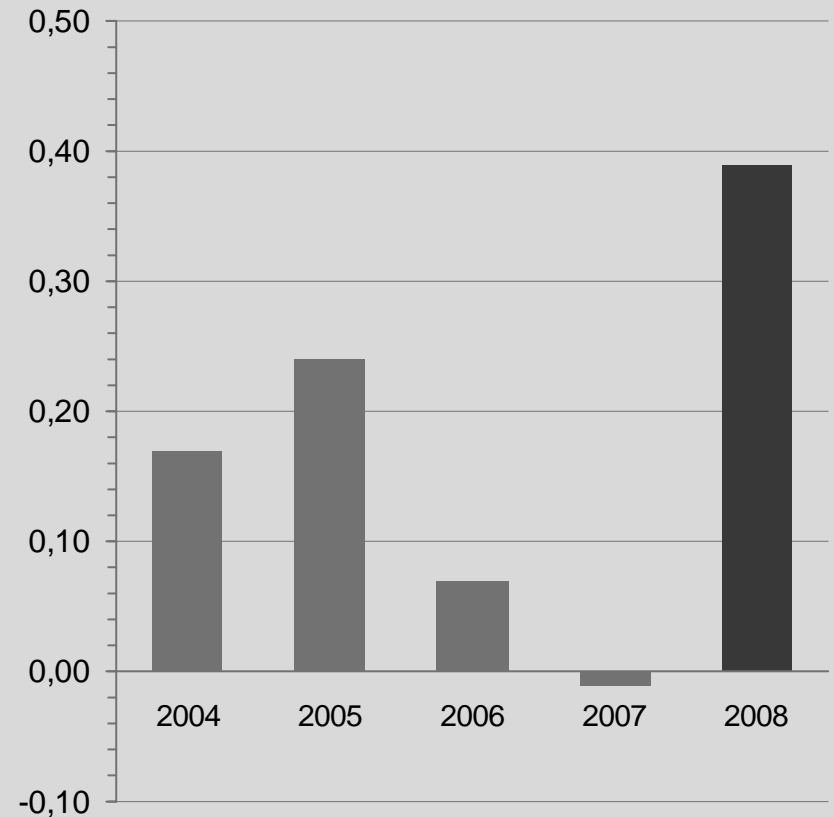


Financial position

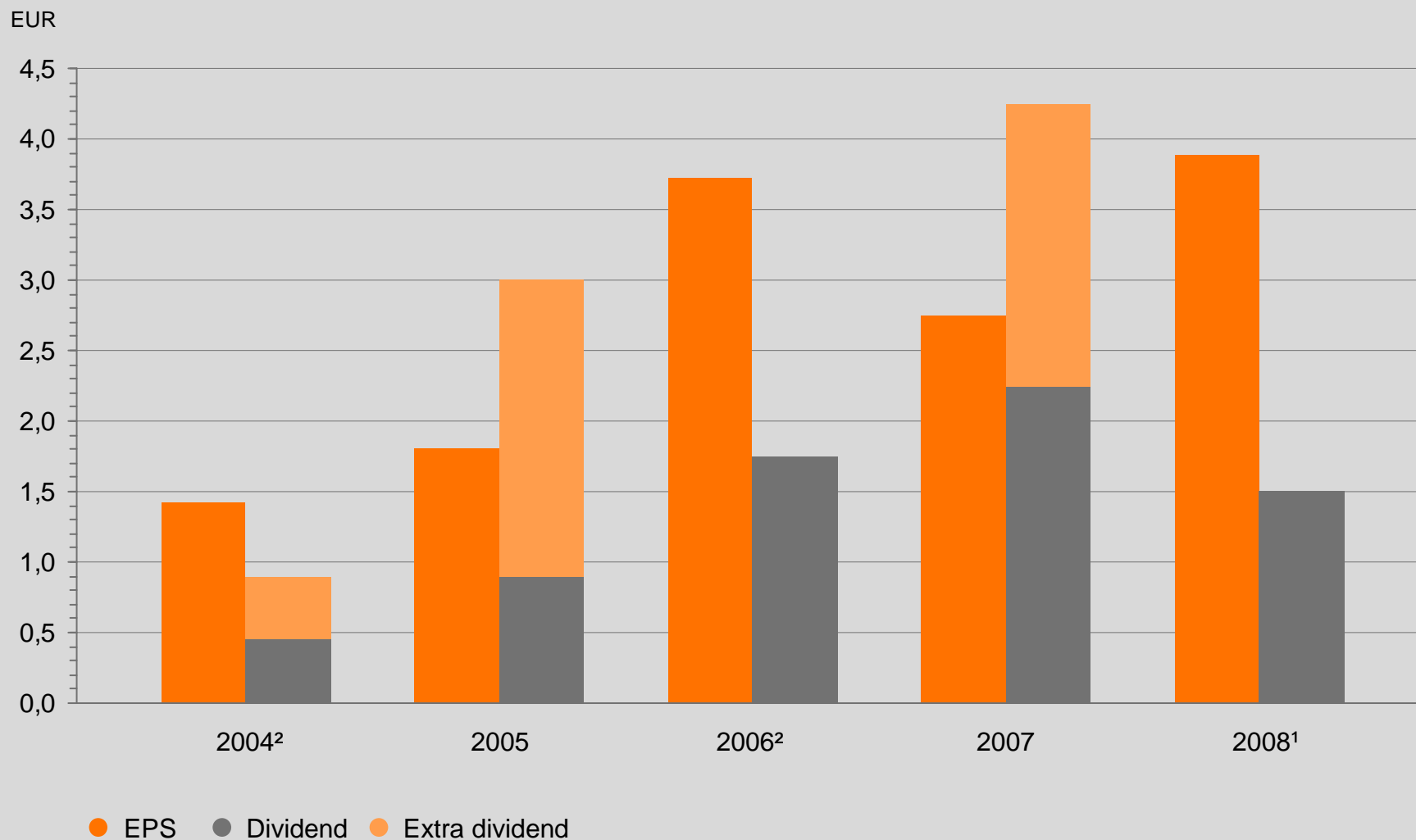
Solvency



Gearing



EPS and dividend/share



1 Dividend 2008 - Proposal of the Board

2 Includes one-off capital gains; Assa Abloy & Ovako



- Ship Power: Market uncertainties prevail
- Power Plants: Ordering activity estimated to be on a good level during the next two quarters
- Services: Stable development continues

Prospects for 2009



- Despite the risk of cancellations, the substantial order book at the end of the year should support a 10-20 percent growth in net sales for 2009, which would maintain the profitability at last year's good level.



WÄRTSILÄ