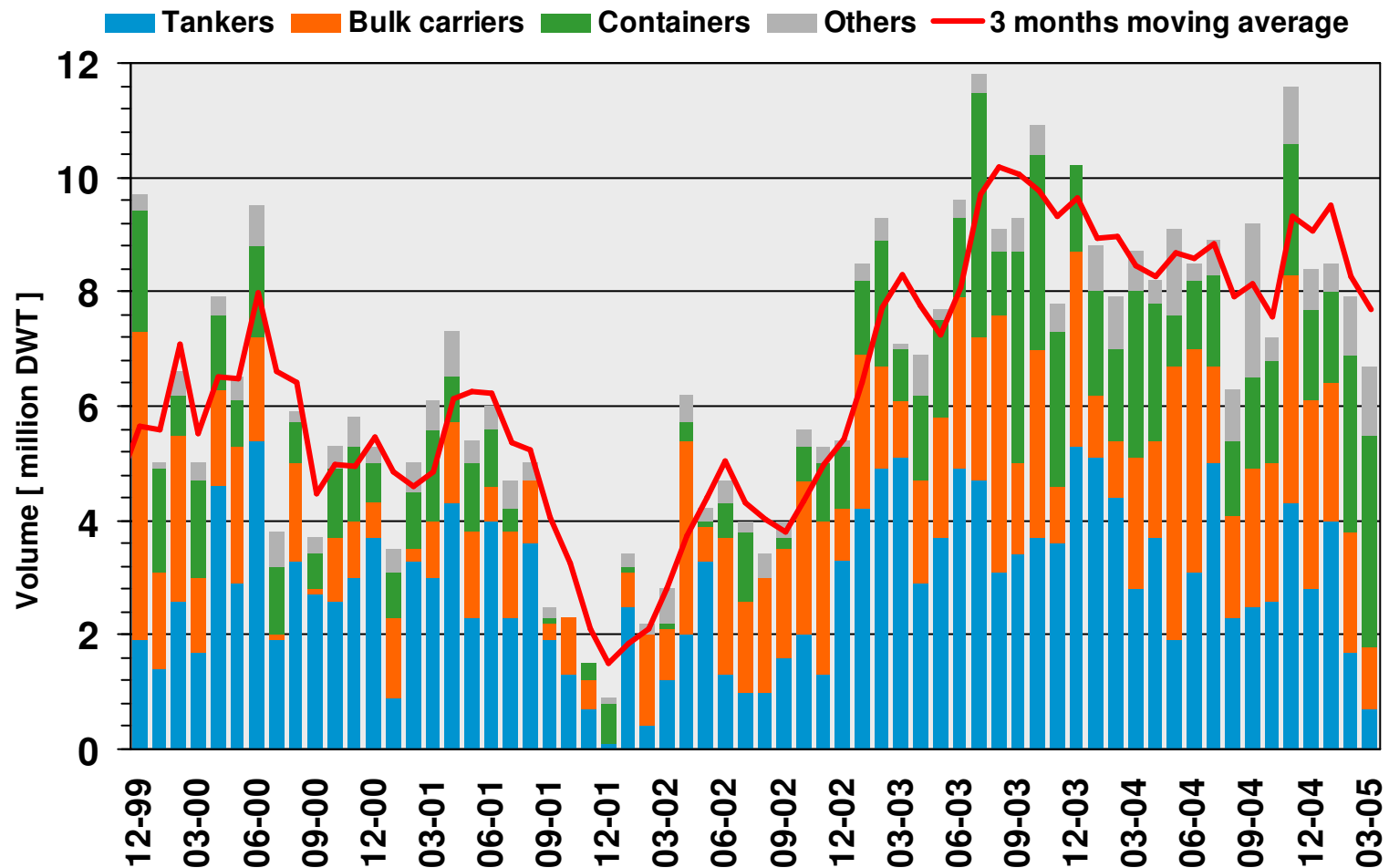




# Business outlook – competitive edge

Mikael Mäkinen 31.5.2005

# Vessel orders



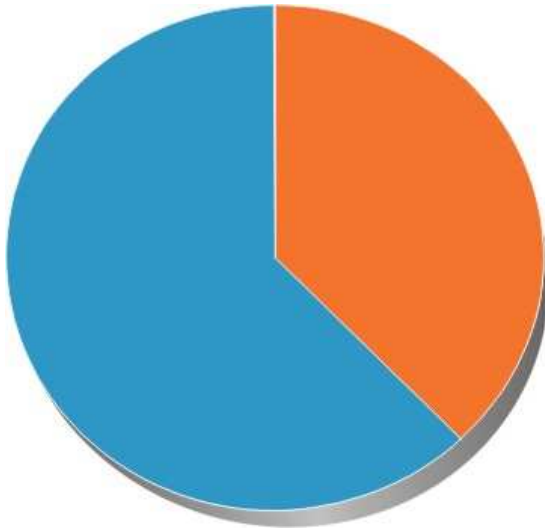
Source: Based on data from Clarkson Research Studies

Note: Cargo vessels > 5,000 dwt

# Market position of Wärtsilä's marine engines 2004

## Own production

Medium speed main engines



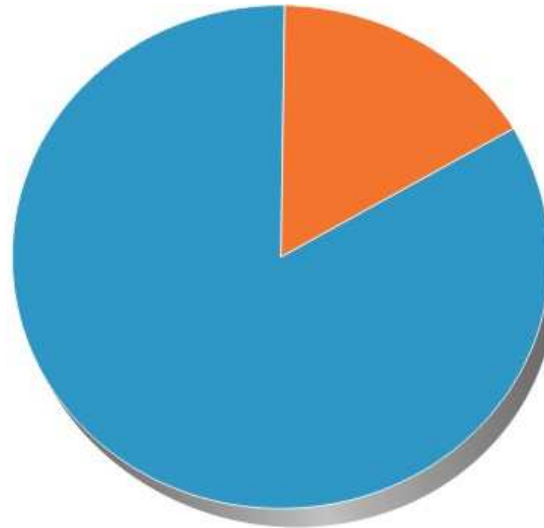
Wärtsilä 34% (28)

**Total market volume**

**3,990 MW (3,462)**

## Production of licencees

Low speed main engines



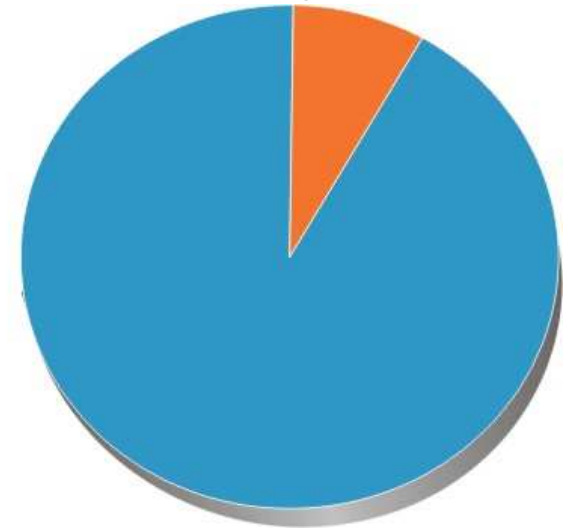
Wärtsilä 18% (25)

**Total market volume**

**24,863 MW (28,717)**

## Own production

Medium speed auxiliary engines



Wärtsilä 9% (8)

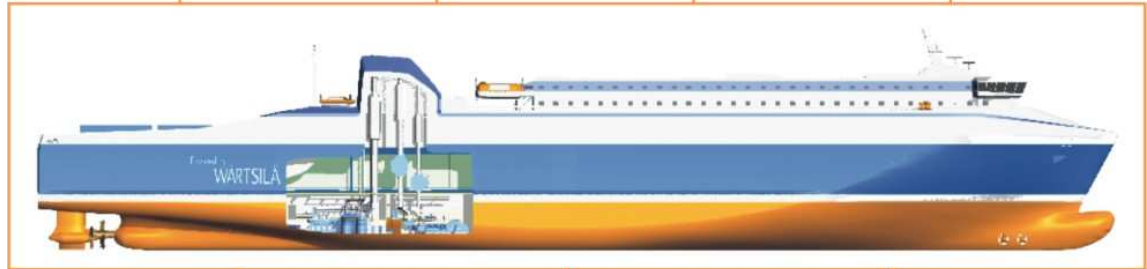
**Total market volume**

**3,544 MW (4,325)**

Wärtsilä own calculation based on: Lloyd's register - Fairplay, Clarkson's Research Studies and BRL Shipping Consultants

## Product areas

- 2-stroke diesel engines
- 4-stroke diesel and gas engines
- Propulsors
- Seals and bearings
- Solutions



## Related services

- Design
- Engineering
- Project management
- Commissioning
- Lifetime support





## Ship owners and operators

- Reliability
- Availability
- Life-cycle costs
- 2nd hand value
- Relationships
- Operational support
- Ease of maintenance

## Shipbuilders

- Price
- On time delivery
- Engineering
- Project mgmt
- Documentation
- Local support
- Ease of installation
- Standardization



# Market segments

**Seaborne  
transportation**



**Offshore oil  
exploration  
and support**



**Cruise  
and ferry**



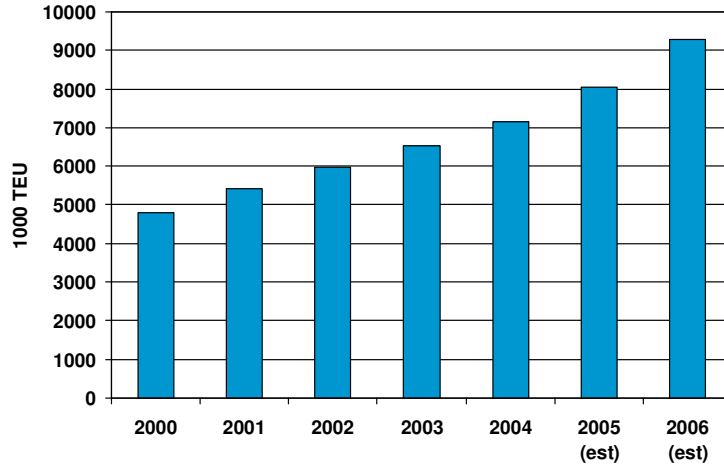
**Naval and  
governmental**



**Special vessels**

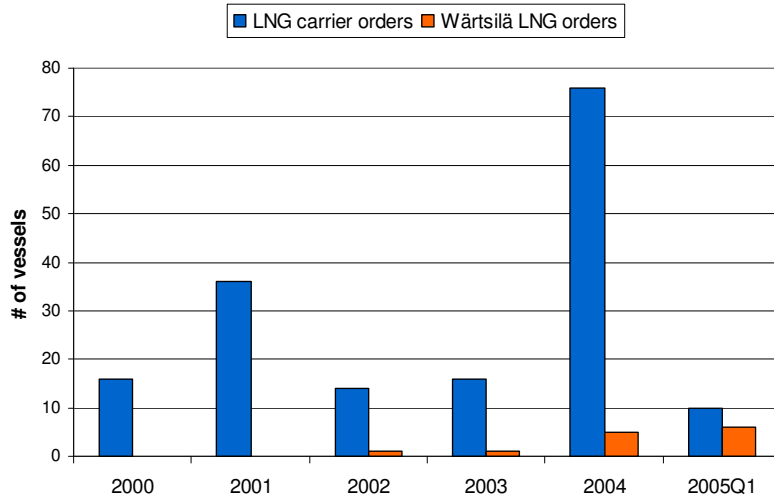


## Global container ship fleet development



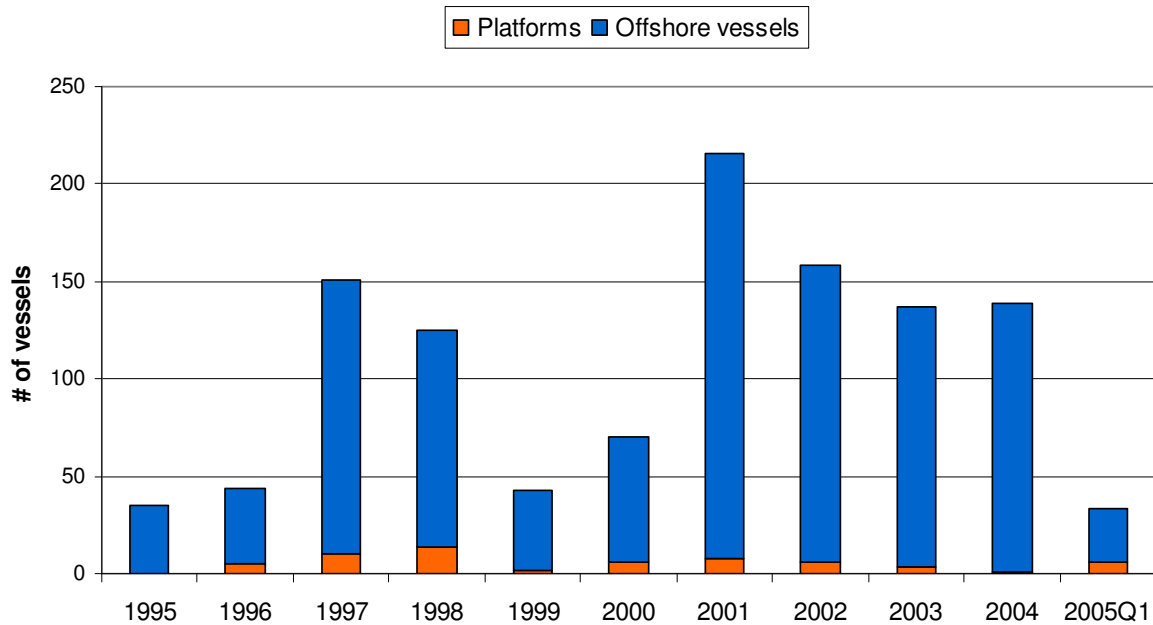
## Global LNG carrier fleet orders

Wärtsilä figures may not match orderdates from other source.



# Off-shore oil exploration and support

## Global offshore fleet orders

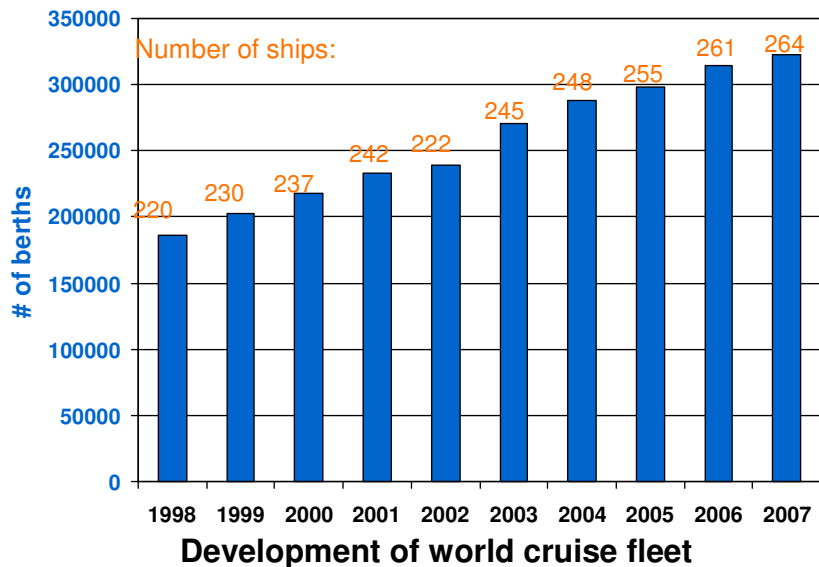
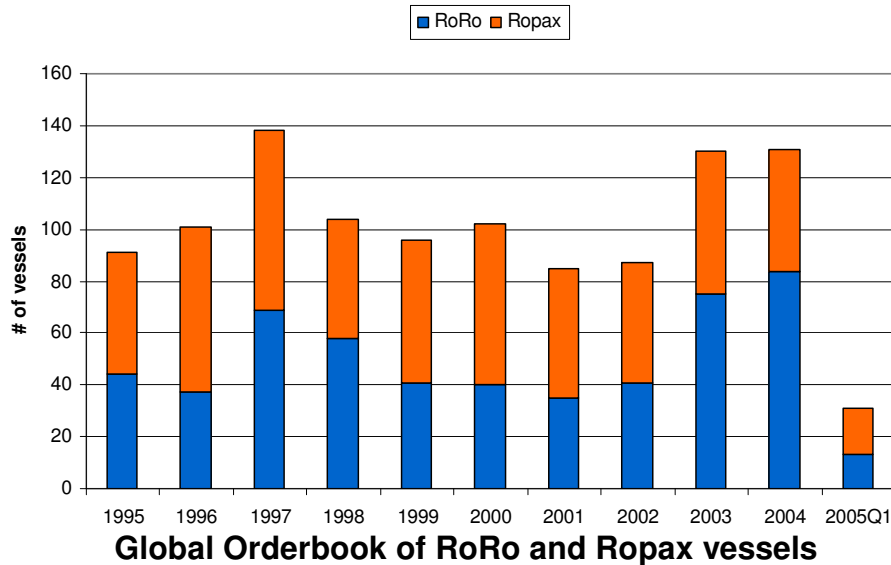


Source: Lloyds Register-Fairplay, April 2005





# Cruise and ferry



In 2004 almost 12 million people went on a cruise. The average occupancy level was close to 90%

Source: Lloyds Register-Fairplay April 2005, Cruise Industry News Annual Guide 2004

## CORE MARKET

- Destroyers, Frigates
- Corvettes, Offshore patrol vessels
- Support vessels (Auxiliary oilers, Landing platform docks, Fast transport craft ...)
- Silent ships (antisubmarine ships, oceanographic vessels)
- **References in 74 navies**



# Special vessels



“Salvanguard”  
4 x Wärtsilä 6L32LNE

## Salvage Tugs



“G.O. Sars”  
3 x Wärtsilä 6L32

## Research Vessels



“Queen of Penta Ocean”  
2 x Wärtsilä 12V46

## Dredgers

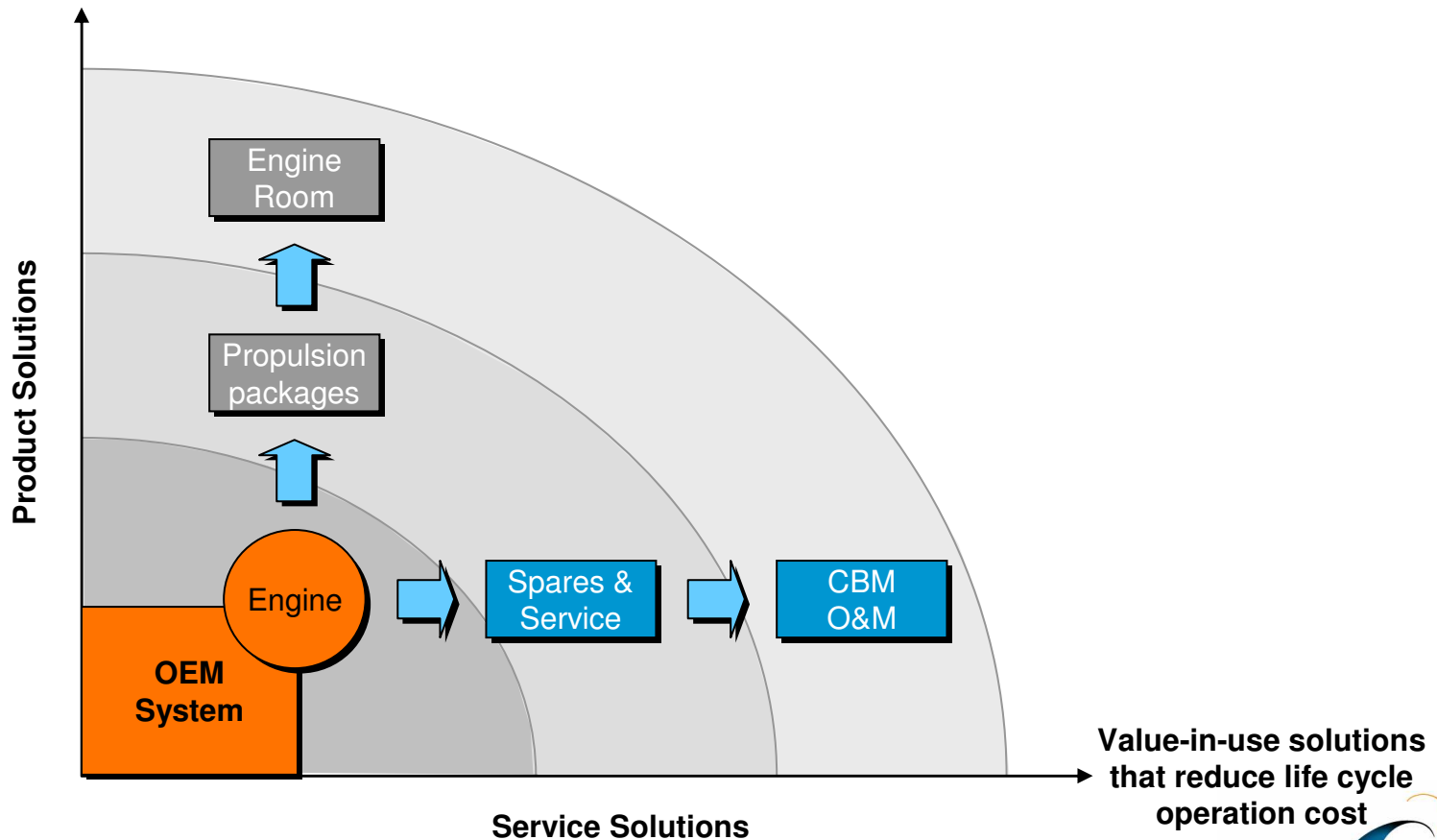


“Dockwise Yacht Carrier.”  
2 x Wärtsilä 8L38B  
2 x Wärtsilä 4L20  
1 x Wärtsilä 9L20  
2 x LIPS CS3500 Steerable Thrusters  
1 x LIPS CT225 Tunnel Thruster

## Heavy Lift Vessels

# Suppliers of industrial systems can grow “solutions” in two dimensions, product and service

Integration of “adjacent” systems and components into larger system



Source: Booz/Allen/Hamilton





**Every second ship on the horizon  
to be powered by Wärtsilä**