Engine Division - Triple





Trieste, Italy 31 May 2005

My scope for today presentation

- □ Triple E for Excellence
- □Technology leader ship
- Flexible Manufacturing
- Excellent suppliers relations



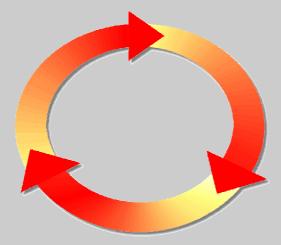


Triple

... the initiative-driven program to take Wärtsilä Engine Division to sustainable world-class performance by the end of 2006

ENERGY

Capture opportunities and make things happen!



EXCELLENCE

Do things better than anyone else in our industry!

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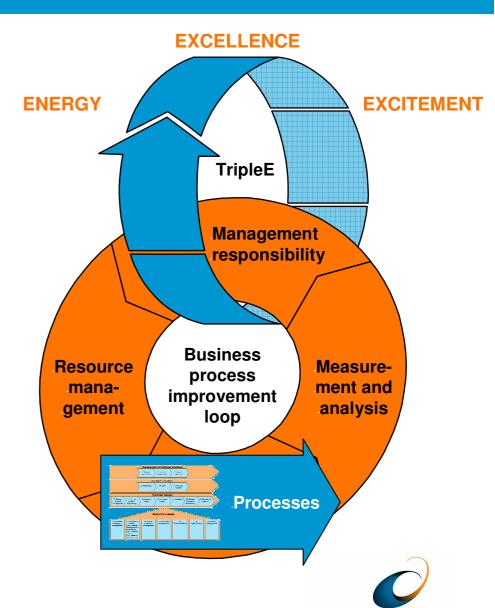


EXCITEMENT

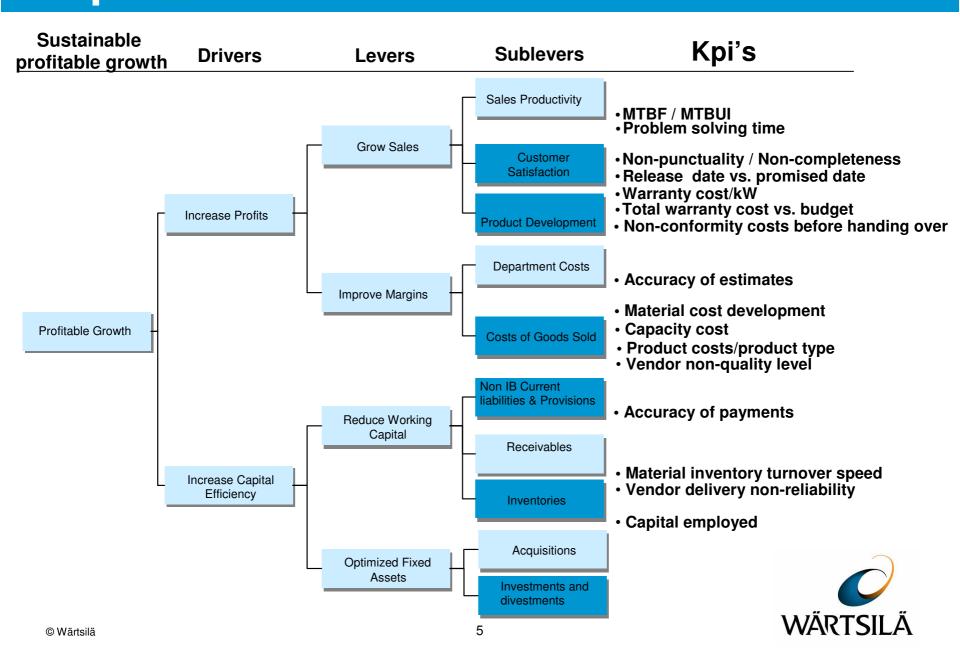
We feel highly motivated about what we do and how we do it!

Triple - stimulates our journey to world-class

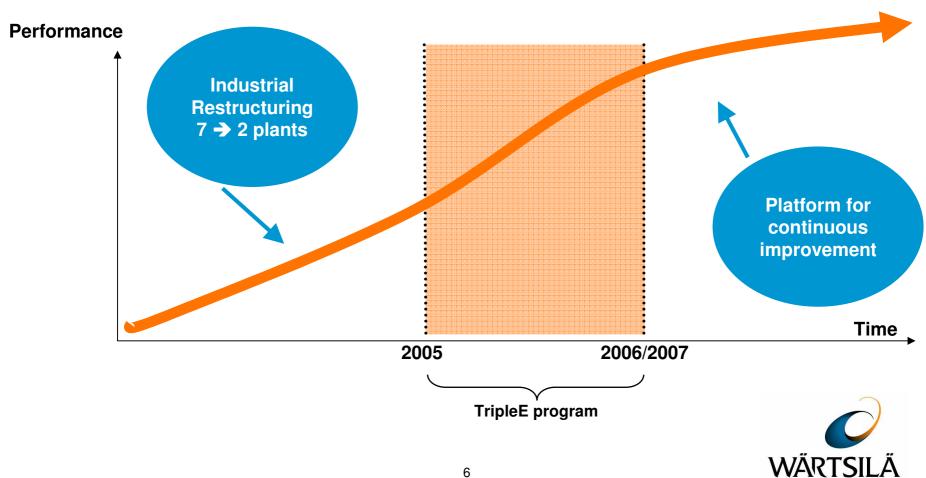
- Reaching the targets will require a step-change in the business process improvement loop
- Line management is responsible for driving TripleE initiatives
- Transparent tracking of initiative progress through milestones and KPI development
 - People
 - Quality
 - Cost
 - Delivery



Triple - Link our KPI's to "DuPont"



Triple - Delivers an additional step change





The new mindset – step out from our comfort zone...

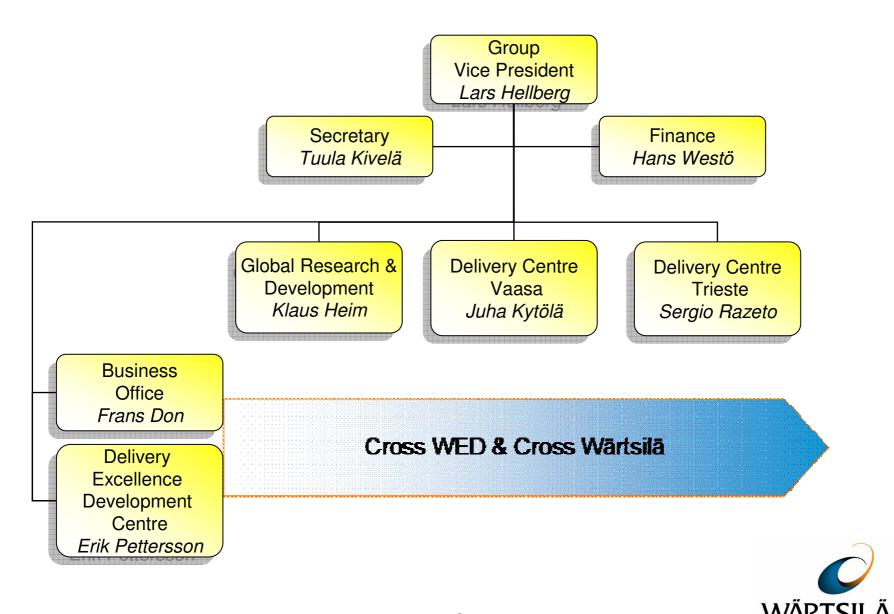




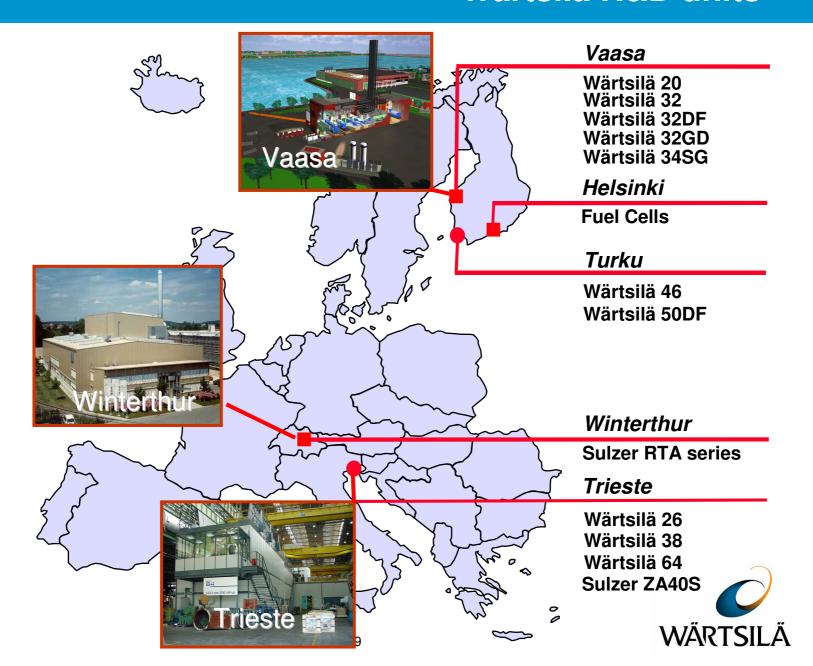


The new Engine division supports Triple E

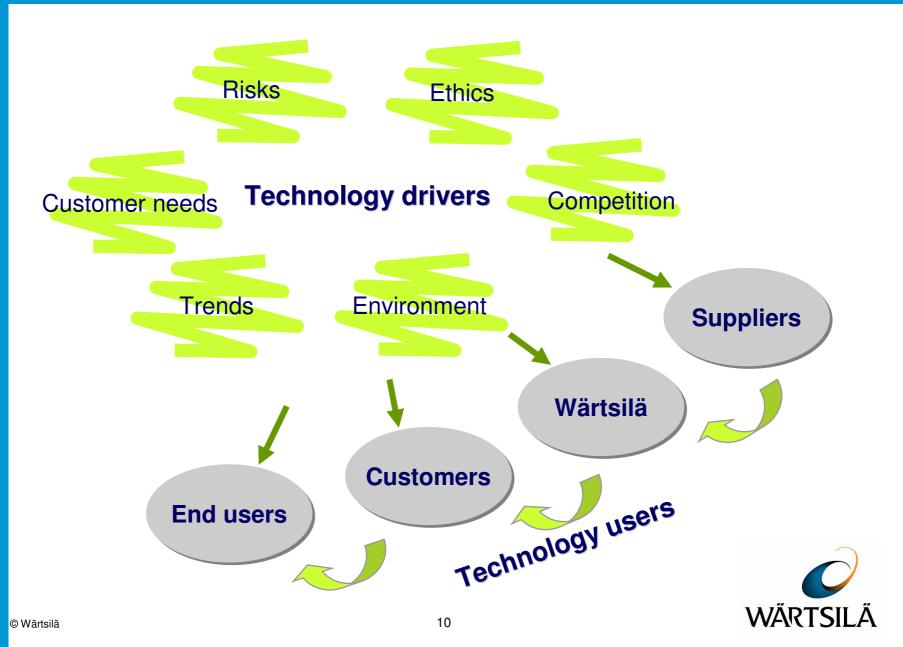
as from May 1:st



Wärtsilä R&D units

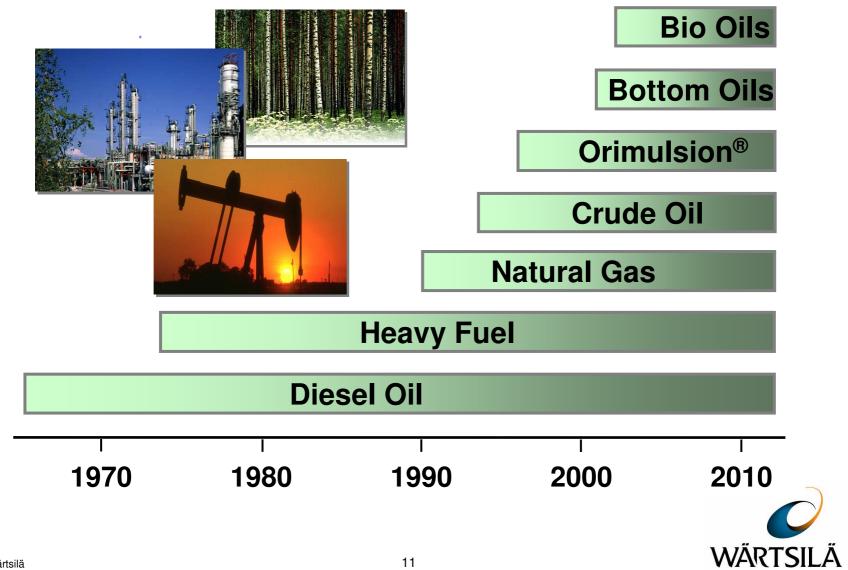


Impact of technology drivers

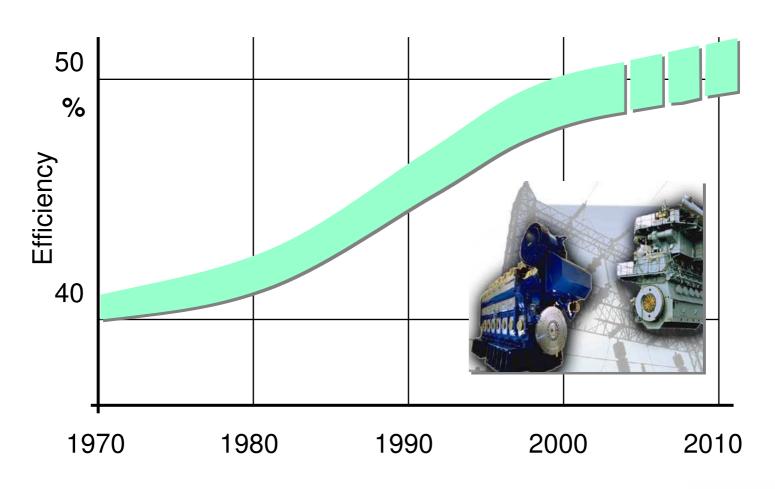


Global fuel versatility needs

→ available Wärtsilä engine technology

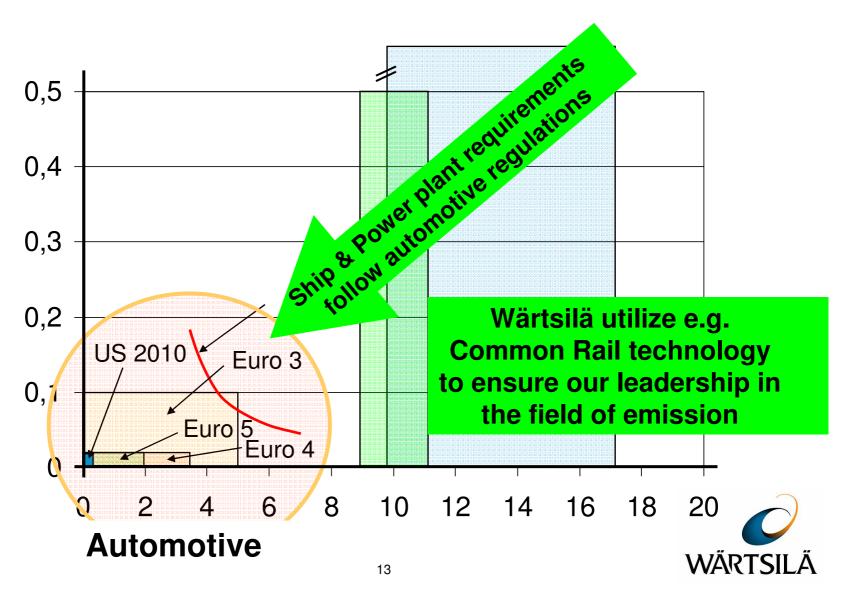


Efficiency development of Wärtsilä engines





Environmental: Legal regulations



The new 4-stroke engine generation — Wärtsilä 46F



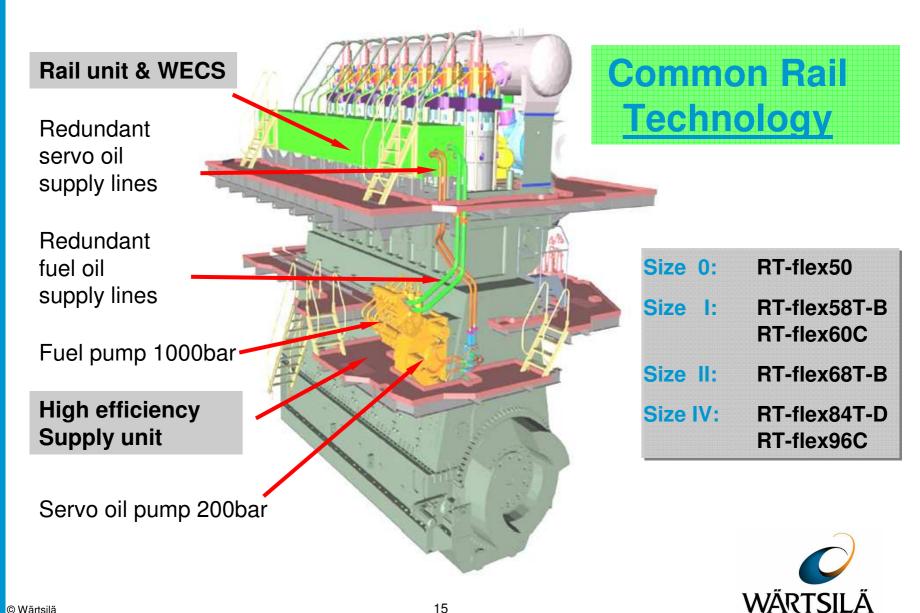


Power 1250 kW/cyl Speed 600 rpm BMEP 25,9 bar

Design for manufacturing
reduced cost to support profitable growth



The new 2-stroke engine generation – RT-flex 2-stroke



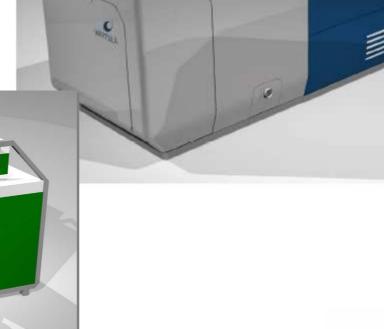
Wärtsilä Fuel Cell program to support future market requests

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Commercial applications

Stationary

Marine



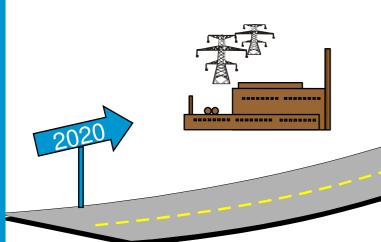


Power plant

- Demand for electricity growing (2 % / annually)
- Natural gas preferred fuel

General concerns

- Global warming (CO₂)
- Air pollution (developing countries)
- Increased demand for energy
- Increase of energy prices

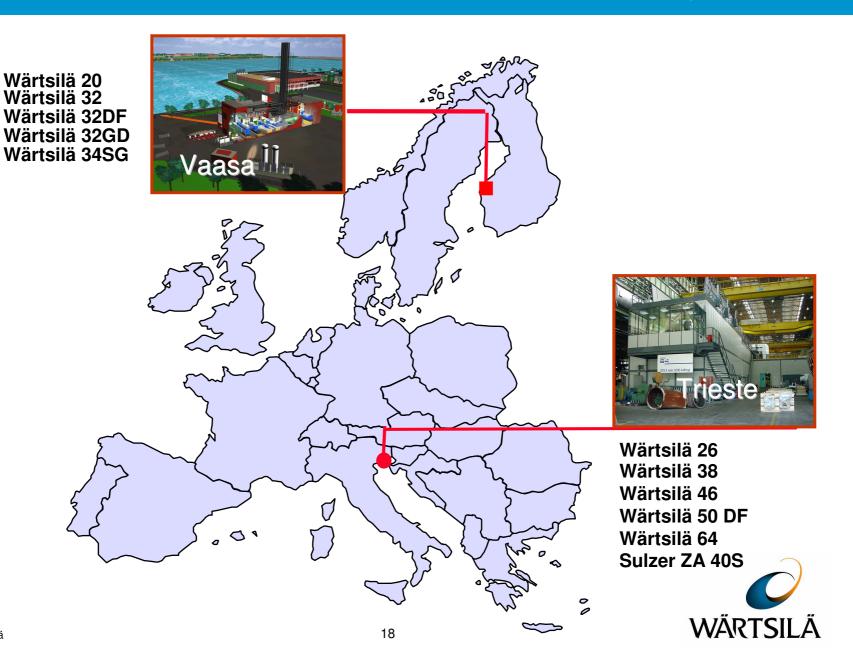




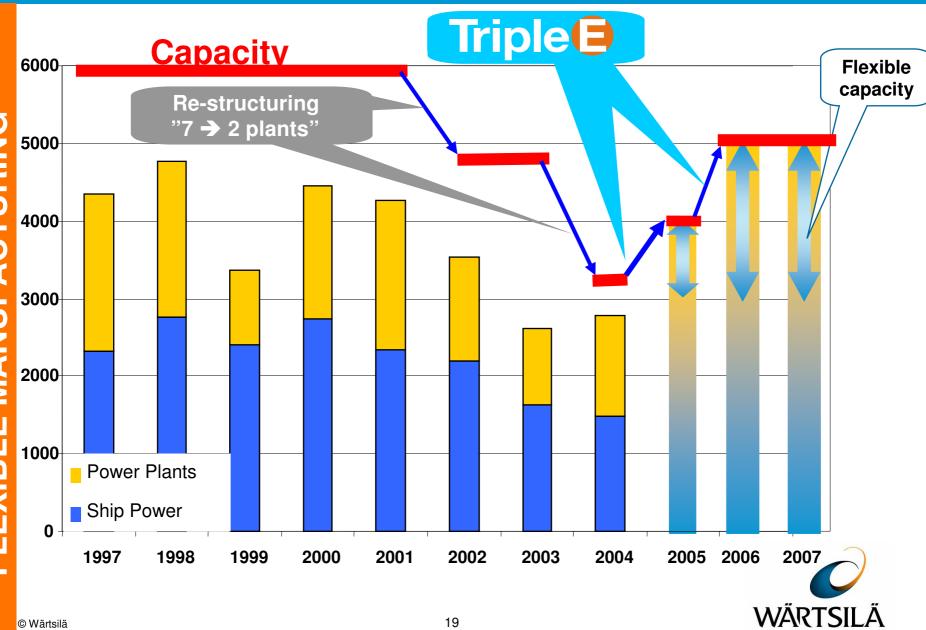
Marine

- Diesel engines will continue to dominate
- Pressure to improve fuel quality and reduce emissions

Wärtsilä Manufacturing units

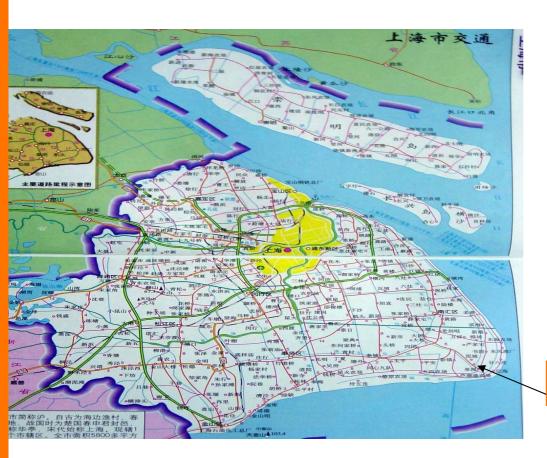


Capacity level MW 1997-2007



Wärtsilä Qiyao Diesel Company, Ltd.

Wärtsilä has signed a JV Contract with **Shanghai Marine Diesel Engine Research Institute (SMDERI)** which is an affiliate of China Shipbuilding Industry Corporation (CSIC) to **produce Wärtsilä Auxpac W20** gensets as from second quarter 2006.













The new Corporate Supply Management team as from June 1:st

management and quality deliveries on time!



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Our commitment → OUR Triple E program!

