

ISUZU will supply small direct injection diesel manufactured in Poland  
to MERCURY MERCUISER,  
the world largest marine engine company

Isuzu Motors Limited has contracted to supply small-size diesel engines to Mercury Mercruiser (hereinafter Mercruiser), the world No. 1 marine engine company in USA, to power sterndrives and inboards for pleasure boats. The engines will be produced at Isuzu Motors Polska, Sp. z o. (ISPOL) from March 2001 as an application model derived from the passenger car diesel engine currently supplied to Adam Opel AG in Germany. The engine is 1.7 liter direct-injection diesel, 4-valve DOHC with turbo-charger.

Mercruiser, a marine division of Brunswick Corporation in USA, the leading company of leisure products, is selling sterndrives and inboards for pleasure boats globally. Mercruiser has in excess of 70% of the world sterndrive gasoline market share. In accordance with the growing demand for diesel engines in Europe, the company had been seeking a new diesel engine supplier to fill the gaps in their current product line. Mercruiser chose Isuzu as a new partner because of Isuzu's proven accomplishments in the diesel engine business and the excellent performance of the engine manufactured at ISPOL. Especially, Mercruiser appreciates that the engine is very much innovative in terms of its output versus packaging size and weight. Isuzu, which has a wide lineup of marine engines from 1,500 cc mini-size diesel to 20,000 cc powerhouse, is going to work closely with Mercruiser to help them enhance its marine diesel business.

Currently, the plant operation of ISPOL is almost full due to the fast-growing diesel engine demand in Europe as well as excellent reputation of its engine performance and reliability. The production volume at the Polish operation for 2000 is estimated to be 160,000 units, and it will reach approximately 300,000 units with three-shifts operation in 2001, one year earlier than what was envisaged in the first business plan.

###