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Rheinmetall Simulation Australia acquires defence operations of Sydac Pty Ltd, further reinforcing Rheinmetall's presence in the Australian defence market

Expanding its local workforce and simultaneously strengthening the company's commitment to the Australian defence market, Rheinmetall Simulation Australia today announced that it had entered into an agreement with Sydac Pty Ltd to acquire its defence business. The sale is now subject to final approval from the Australian Department of Defence.

The move represents another step in Rheinmetall Defence's progressive internationalisation and systematic expansion into key markets. The Düsseldorf, Germany-based Group has production and sales units in numerous European countries, the United States and Canada, the United Arab Emirates, South Africa and Asia.

South Australian Treasurer and Minister for Defence Industries Jack Snelling welcomed the announcement of the acquisition. "This announcement strengthens Rheinmetall's presence in South Australia and signifies there is a long-term future for them in our state," Mr Snelling said. "Having met with Rheinmetall in Germany in September and seen first-hand their advanced simulation-based training products as well as other aspects of their business I am confident there are opportunities for them to continue to expand their simulation and training business in Australia's Defence State."

Adrian Smith, Managing Director of Rheinmetall Simulation Australia, commented that "Sydac has been a leader in the Australian defence simulation industry, servicing the ADF since the late 1980s and building up a great capability as well as a valuable team. We look forward to continuing and expanding their relationship with the Australian defence community as we add the products and expertise of Rheinmetall Defence's Simulation and Training business to their already impressive capabilities".

Rheinmetall Simulation Australia is a wholly owned subsidiary of German defence and automotive company Rheinmetall AG, which has an annual turnover of approximately €4 billion (AUD\$ 5 billion). Rheinmetall Defence's Simulation and

Training business unit is Europe's second-largest simulation and training company and the largest source of defence simulation equipment for land warfare operations.

Rheinmetall Simulation Australia will provide advanced simulation-based training products and services for maritime, air and land applications, and plans to grow the company into a major supplier of these products in the region and to become the preferred partner of the Australian Defence Force.

Sydac has been a leader in providing simulation-based products and services in Australia since 1989. Today, its defence business encompasses some twenty employees and has anticipated sales for 2012 of around AUD\$ 6 million. Sydac develops simulation-based systems for the Australian Defence Force as well as providing maintenance and support services for deployed training capabilities.

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