

23 January 2014

New joint venture of Ferrostaal and Rheinmetall “Rheinmetall International Engineering” now ready for take-off

Final preparations by Rheinmetall AG of Düsseldorf and Ferrostaal GmbH of Essen to establish the new joint venture company Rheinmetall International Engineering GmbH are now complete. Approval by the competition authorities was granted in December 2013. Rheinmetall and Ferrostaal announced the creation of the joint venture in September 2013, in which both organizations hold a 50% stake.

Whether acting as general contractor or subcontractor, Rheinmetall International Engineering will plan and build industrial facilities, serving as a single-source supplier. The new company is headquartered in Geisenheim, Germany, close to Frankfurt/Main. Rheinmetall International Engineering will have an initial staff of around 200, most of them former Ferrostaal Industrieanlagen GmbH employees.

Rheinmetall intends to use the new joint venture to accelerate internationalization of its defence operations, especially in regions where until now it has had only limited access. Intermeshing of the two Groups' sales networks should – particularly with regard to sovereign customers – assure broader access to target markets in North Africa and Middle East as well as Asia and Latin America. Ferrostaal expects the joint venture to give its activities in these regions a significant boost. This also applies to Ferrostaal's traditional oil and gas operations, which it is contributing to the joint venture in the form of Ferrostaal Industrieanlagen GmbH.

Rheinmetall sees the joint venture as a means of marketing its extensive array of defence technology products in combination with local turnkey production facilities. This approach takes account of a growing trend among international customers, who increasingly prefer to create manufacturing infrastructure at home rather than rely solely on traditional arms imports.

By drawing on the experience of a globally leading defence contractor, Rheinmetall International Engineering thus enables execution of major capex projects in the defence technology realm, too – all from a single source. In the field of plant engineering, the new joint venture benefits in particular from the expertise and

international experience which Ferrostaal Industrieanlagen brings to the company, especially with regard to project management, project development, EPC contracting (engineering, procurement, construction) and production planning.

For more information, please contact:

Oliver Hoffmann
Head of Public Relations
Rheinmetall AG
Tel.: +49 – 211-473 4748
oliver.hoffmann@rheinmetall.com

Clemens Pawlak
Head of Corporate Communications
Ferrostaal GmbH
Tel. +49 – 201 818 26 66
clemens.pawlak@ferrostaal.com