

27 February 2012

## **A new structure for Rheinmetall Defence: Major reorganization takes account of corporate growth and greater internationalization**

Rheinmetall AG of Düsseldorf is reorganizing its Defence arm in response to planned expansion and the corporation's increasingly international character. Rheinmetall Defence, which has production plants and sales units in some 15 countries, generated global sales last year of over €2.1 billion.

In essence, the new management structure of Rheinmetall Defence will consist of three divisions: **Combat Systems**, **Electronic Solutions**, and **Wheeled Vehicles**, the latter equating to the joint venture company Rheinmetall MAN Military Vehicles (RMMV). These three divisions, each headed by a member of the Executive Board of Rheinmetall Defence, will encompass the corporation's previous six divisions as well as the wheeled vehicles joint venture, RMMV, partly recombined and structured into eleven business units.

Armin Papperger will represent the Combat Systems division on the Executive Board of Rheinmetall Defence, which he also chairs and represents on the Executive Board of Rheinmetall AG. Representing the Electronic Solutions division on the Executive Board of Rheinmetall Defence will be Bodo Garbe, while Pietro Borgo, the new Managing Director of RMMV GmbH, will represent the Wheeled Vehicles division.

### **Technology for the modern battlefield: the Combat Systems division**

The newly created Combat Systems division unites Rheinmetall's complete portfolio of combat-oriented products in a single organization for the first time, ranging from tracked vehicles, turret systems and weapons to medium- and large-calibre ammunition and propellant technology. The move creates a systems supplier with a globally unique array of products and services for the world's armies as well as a major global source of key components for air force and naval systems.

The new division encompasses five business units, each with a strong international orientation. The **Combat Platforms** business unit, led by Ralf Prechtel, brings together combat and combat support vehicles and related services as well turret systems, guns and weapon stations; medium- and large-calibre ammunition and the Group's Test Centre in Unterlüß also form part of this unit. The **Infantry** business unit, with Werner Krämer at the helm, offers a wide array of infantry-related products, ranging from 40mm ammunition and pyrotechnics to fuse technology and lightweight

mortar systems. **Propulsion Systems**, headed by Beat Steuri, equates just as before to the Nitrochemie Group, jointly owned by Rheinmetall and Switzerland's RUAG AG, and focuses primarily on powder and propellant systems. The division's **Protection Systems** business unit, directed by Dr. Stefan Nehlsen, combines active, passive and softkill protection systems from Rheinmetall and its subsidiaries Chempro, Verseidag and ADS. The division has international locations and subsidiaries in the United States, South Africa, the United Arab Emirates, Canada and Italy, all of which come under the sway of **Combat International**, led by Norbert Schulze. Finally, Rheinmetall's newly founded **Plant Engineering** unit in South Africa also belongs to the Combat Systems division.

A trusted partner of the world's armed forces, the Combat Systems division is active today in over eighty countries. Internationally, the new organization intends to focus more sharply on growth markets in the Middle East and Asia.

### **The Electronic Solutions division: cutting edge electronic components and system solutions**

The Electronic Solutions division embraces Rheinmetall Defence's array of software-based system solutions and electronic components. These range from air defence systems, simulation technology and related services to reconnaissance, C4I, and fire control systems as well as electro-optical components. The new division's mission is to gain market share and create growth through a well-targeted expansion of its international business operations. Concentrating forces within the division to produce new solutions for the global security sector, too, will help the division achieve its goals. Moreover, stepped up business development efforts will accompany and facilitate the move into new markets. Along with certain countries in the Middle East and Asia, the division has its sights set on South America and Australia.

The Electronic Solutions division is divided into four business units.

Its **Air Defence** unit, including the associated radar technology, is headquartered in Zürich and headed by Kurt Rossner. Systems for protecting high-value assets in a conventional air defence context or in current and future military operations other than war are among the division's core competencies. Sensors and effectors for air defence and naval surface combatants round out its portfolio. The **Defence Electronics** business unit, led by Luitjen Ennenga, includes command and fire control systems as well as reconnaissance systems. Also belonging to the division is a joint venture company with Cassidian in the field of unmanned aerial systems. Now in the process of formation, it will design, manufacture and market unmanned aircraft. The **Simulation and Training** business unit, run by Ulrich Sasse, is responsible for developing and fabricating simulation systems for ground, air and naval applications. It also designs and operates major military training facilities. The **Electro-Optics** business unit encompasses imaging sensors for the visible and infrared spectrum as well as components for high-tech infantry equipment and cost-effective observation

devices, which are also sold independently of Rheinmetall systems. The head of this business unit is Jon Asbjørn Bø. The unit also includes **Rheinmetall Technical Publications GmbH**, likewise located in Bremen. It is responsible for producing technical documentation for Rheinmetall systems as well as for military and civilian systems made by other companies.

In VSHORAD air defence and combat training centre technology, Rheinmetall's Electronic Solutions division already plays a leading role in the global marketplace. Following the Group's acquisition of Simrad Optronics ASA of Norway, the electro-optical components unit was reorganized last year, and has been active worldwide since autumn 2011.

### **Wheeled Vehicles: RMMV logistical and tactical systems keep armies rolling**

Founded in cooperation with MAN Bus & Truck, RMMV GmbH, in which Rheinmetall holds a 51% share, produces a wide variety of logistical and tactical wheeled vehicles. Headquartered in Munich, this joint venture company has production facilities in Kassel, Vienna and the Netherlands, and is a globally leading supplier of military wheeled vehicles.

The Wheeled Vehicles division makes Rheinmetall one of the world's only system suppliers that can offer a complete range of wheeled vehicles for military purposes in every weight and protection class, all from a single source. Its phalanx of tactical vehicles ranges from the 7.5-ton off-road AMPV to the Fuchs/Fox armoured transport vehicle (now in service with eight nations) and the 30-ton Boxer armoured transport vehicle, fielded by the Bundeswehr in Afghanistan since 2011; while the division's logistical vehicles extend from the conventional military trucks of its diverse TG family to the extremely manoeuvrable all-terrain SX special vehicles and the heavy duty, highly protected HX81 armoured recovery vehicle of the RMMV High Mobility series.

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