

Quickstep signs US\$75 million Lockheed Martin C-130J memorandum of agreement

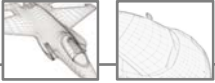
- Overarching memorandum of agreement covers delivery of 120 C-130J carbon-fibre wing-flap sets for US\$75 million, including current purchase orders
- Follows Quickstep's selection by Lockheed Martin as sole supplier of wing flaps for the C-130J Super Hercules military transport aircraft
- Quickstep's first shipset on track for on-schedule delivery to Lockheed Martin

Sydney, 10 December 2013 – Quickstep Holdings Limited (ASX:QHL), the manufacturer of high-grade carbon-fibre composite components, today announced that it has signed a memorandum of agreement (MOA) with the global security and aerospace company, [Lockheed Martin](#) (NYSE: LMT) for the manufacture and delivery of 120 sets of C-130J carbon-fibre wing flaps through 2018 at a rate of approximately 24 sets per year. This MOA is subsequent to Quickstep's March 2012 announcement that the company was awarded the tender to manufacture wing flaps for the C-130J Super Hercules aircraft.

The MOA is an overarching agreement under which Quickstep will supply carbon-fibre wing flaps for the C-130J Super Hercules aircraft. The value of activities under the agreement, which includes previous purchase orders announced by Quickstep, is US\$75 million.

Quickstep managing director Philippe Odouard said: "We are delighted to sign this memorandum of agreement with Lockheed Martin which provides increased certainty for Quickstep. Under the agreement, we will supply 120 shipsets of carbon-fibre wing flaps through to 2018. Since being awarded the tender against global competition, we have made significant progress including qualification of processes, transferring of manufacturing jigs, establishing a qualified trained workforce and commencing production. We are on track to deliver the first completed assemblies in the next few weeks."

The company is manufacturing carbon-fibre wing flaps for the Lockheed Martin C-130J. Each shipset includes four carbon fibre wing flaps. Each flap contains more than 200 individual parts including carbon ribs, spars and skins;



more than 200 tools are used for the parts' development and manufacture. The wing flaps are expected to be delivered at a rate of approximately two sets per month beginning January 2014.

The Lockheed Martin C-130J wing flaps program is one of two significant aerospace programs awarded to Quickstep, which is also producing components for the F-35 Lightning II Joint Strike Fighter program.

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Background on Quickstep Holdings Limited

Quickstep Holdings (ASX:QHL) is a manufacturer of advanced carbon fibre composites for the aerospace and defence and automotive industries. The company operates state-of-the-art manufacturing facilities at Bankstown Airport in Sydney, Australia, and has offices in Germany and the United States.

Quickstep is an approved supplier for the international F-35 Lightning II Joint Strike Fighter (JSF) program - the largest military aerospace program in the world, valued at in excess of US\$300 billion worldwide. To date more than 85 F-35 aircraft have been delivered to the US Department of Defense, and this number is now expected to grow rapidly. The company has also been selected by Lockheed Martin as the sole supplier of composite wing flaps for the C-130J "Hercules" military transport aircraft. Quickstep is currently partnering with some of the world's largest aerospace/defence organisations, including the US Department of Defense, Lockheed Martin, Northrop Grumman, Airbus and EADS.

Quickstep is also developing patented manufacturing technologies to produce high-volume A-grade finished composite components for automobiles and specialist thick parts such as spars and wing skins for large defence and commercial aircraft. The company is currently working with the US Department of Defence to qualify its patented Quickstep Process and Resin Spray Technology (RST) for JSF, and is also conducting a major research and development program with car maker Audi aimed at delivering high-quality finish, low cost, fast processing of carbon fibre composite, together with specialised resins, particularly adapted to the automotive industry.

Headquartered in Bethesda, Maryland, USA, Lockheed Martin is a global security and aerospace company that employs about 116,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration, and sustainment of advanced technology systems, products and services. The corporation's new sales for 2012 were US\$47.2 billion.

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