

## Quickstep signs long-term F-35 component agreement with Marand

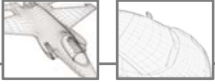
- F-35 Lightning II long term agreement valued at US\$139 million over 14 years
- Quickstep to manufacture about 700 sets of composite parts for Joint Strike Fighter vertical tails
- Parts to be delivered to Marand Precision Engineering Pty Ltd
- First deliveries expected to commence in second half of 2015

**Sydney, 10 April 2014** – Quickstep Holdings Limited (ASX:QHL), a manufacturer of high-grade carbon-fibre components, today announced that it has signed a long-term agreement (LTA) with Marand Precision Engineering Pty Ltd. Under the LTA, Quickstep will supply about 700 sets of carbon fibre composite parts for the F-35 Lightning II Joint Strike Fighter (JSF) aircraft vertical tails to Marand over a period of 14 years. The estimated value of the LTA to Quickstep is US\$139 million.

Each ship set of vertical tails provided by Quickstep will contain 18 individual parts, including skins, spars and fairings. These and parts from other suppliers, will be assembled by Marand into vertical tails for their customer BAE Systems in the UK, with delivery to Lockheed Martin's facility in Fort Worth, Texas, where they will be incorporated with other components for the F-35A variant of the JSF. Quickstep expects to deliver the first parts to Marand's facility in Victoria, Australia in the second half of 2015.

Quickstep managing director, Philippe Odouard, said, "We are delighted to sign this long-term agreement, which locks in the previous memorandum of understanding with Marand for the Joint Strike Fighter program. This is an important step forward for Australian manufacturing, which demonstrates the value of our capabilities for global aerospace and defence contracts, and our capacity to meet the complex schedules of international supply chains."

At peak production rates, the new LTA is expected to provide \$13 million p.a. sales revenue for Quickstep. The LTA provides for annual purchase orders initially, with longer-term purchase orders to be confirmed as the



program matures. The LTA follows Quickstep's memorandum of understanding with Marand, signed in November 2009.

Initial work to extend Quickstep's existing Lockheed Martin process qualification has begun. The company anticipates only minor additional investment in new equipment.

Quickstep is supplying carbon fibre composite skins and subassemblies for the F-35 program, and the overall agreement to manufacture JSF parts for several different original equipment manufacturers is valued at up to \$700 million to the company over two decades.

The F-35 Lightning II Joint Strike Fighter is a fifth generation aircraft, combining advanced stealth with fighter speed and advanced networking capability. F-35 aircraft have been purchased by the US Air Force, US Navy and US Marine Corps, and at least 10 other countries, including Australia.

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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 in excess of US\$300 billion worldwide. To date, more than 93 JSF 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 and Airbus.

Quickstep is also developing patented manufacturing technologies to produce high-volume A-grade finished composite components for automotives and specialist thick parts such as spars and wing skins for large defence and commercial aircraft. The company is currently working to qualify its patented Quickstep Process for the F-35, 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.

#### **For further information:**

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