



March 15, 2001

Ref: 005/2001

## **DENEL TO MAKE MAJOR FUSELAGE ASSEMBLIES FOR SWEDISH AIR FORCE GRIPEN FIGHTERS**

Denel Aviation, South Africa's state-owned aerospace business, has been awarded a US\$3,6-million (approximately ZAR28-million) workshare package to manufacture a section of the Gripen centre fuselage for the Swedish Air Force's next batch of Gripen advanced fighters.

Denel Aviation commence work on the package this May and will also produce additional fuselage sections for the 28 Gripen swing-role fighters ordered for the South African Air Force.

The work package gives Denel Aviation the option to produce 100 fuselage units of which the initial Saab order (for the Swedish Air Force) is for 40 units. These will be built at Denel Aviation's facilities at Kempton Park, near Johannesburg. The sections will also be incorporated into all future export order Gripen aircraft.

To date, just 11 months since South Africa's Gripen and Hawk contract became effective, Saab and BAE SYSTEMS have placed DIP contracts with South African companies worth more than US\$800-million (or 55 per cent of the total DIP obligation) over the period to April 2007.

"This clearly demonstrates our ability to meet our industrial participation commitments and proves that the unprecedented industrial participation package negotiated by South Africa will deliver the economic benefits promised", explained Saab CEO and President, Bengt Halse.

The fuselage section is technically known as the Main Landing Gear Unit (MLGU) because it is the main lower central fuselage section housing the main undercarriage and complex fuel, electrical and hydraulics systems. The MLGU represents one of the largest portions of the fuselage, requiring advanced precision engineering and manufacturing processes.

The MLGU work package is the latest element of the US\$1.5-billion Defence-related Industrial Participation (DIP) obligation linked to South Africa's purchase of 28 Gripen swing-role fighters and 24 Hawk lead-in fighter trainers.



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"We have met and continue to exceed the product development, manufacturing and industrial participation milestones for the South African Gripen and Hawk programmes. We will deliver the aircraft on time and according to specification. We will also deliver all of the economic benefits promised through our Defence and non-Defence Industrial Participation initiatives", Halse added.

The MLGU work package forms part of the ZAR3.5-billion umbrella agreement signed in March 2000 with Denel Aviation which covers other manufacturing work on Gripen, Hawk, the Avro RJ/RJX jetliner and Airbus.

Much of the Gripen work placed with Denel Aviation has been made possible through the skills and high-technology transfer programmes initiated by Saab and BAE SYSTEMS. The first group of South African engineers, technicians, systems specialists, pilots and logistical support officers from Denel and the SA Air Force has already been transferred to Sweden. They are based at Saab in Linköping where they are training on and becoming familiar with the industrial processes, technology and systems used in the production and operational support of Gripen.

In addition, a fully equipped state-of-the-art computer aided design/computer aided manufacturing design centre has been established at Denel Aviation by Saab. Denel Aviation utilises these facilities in component design work for Gripen and Hawk, but may also generate additional revenue by using the system for work on other aircraft and components.

#### Notes on Gripen:

Gripen is the world's only fourth-generation multi-role/swing-role fighter in active service. It is produced and marketed internationally by a joint-venture company owned equally by Sweden's Saab and the UK's BAE SYSTEMS.

Designed to meet all known and perceived 21<sup>st</sup> century defence threats, Gripen is the only fighter in service today with designed-in easy maintenance and low operating costs. Gripen is unique as an operational fighter that combines high performance and outstanding manoeuvrability with a fully integrated digital information system, precision engagement weapons and advanced reconnaissance capabilities for the future air war.

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