

PRESS RELEASE

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Luerssen selected as preferred tenderer for the design and prime contractor for SEA1180 Phase 1 Offshore Patrol Vessel (OPV) program

The Australian Government today announced Fr. Luerssen Werft GmbH & Co.KG had been selected as the preferred tenderer for the design and prime contractor for the SEA1180 Phase 1 Offshore Patrol Vessel (OPV) program to build the next generation of OPVs for the Australian Defence Force (ADF).

The announcement follows an extensive Competitive Evaluation Process and Request for Tender (RFT) evaluation spanning approximately two years which required designers to team with Australian industrial partners to build the twelve OPVs for the ADF.

Under the model announced today, Luerssen will be the prime contractor leading a fully Australian build team comprising experienced shipbuilders as directed by the Australian Government.

Luerssen Chief Executive Officer Mr Peter Luerssen said that SEA1180 Phase 1 was the first major capital expenditure component of the Australian Government's Continuous Naval Shipbuilding Plan which will see over \$90 billion invested in Australian naval capability over the coming decades.

"Australia stands on the brink of the most significant national shipbuilding effort in its modern history, so to be selected to lead a part of this enterprise at this early stage is a tremendous honour and responsibility which we intend to fully meet.

"Our ambition from the start of this process has been clear: to deliver the best vessel for the Royal Australian Navy from a proven low-risk design; to build that vessel by investing in the development of Australian shipbuilding skills; and to open up new opportunities for Australian businesses and suppliers by contributing to a sustainable and globally competitive industrial base.

"We feel we have made good progress so far, including by committing to funding a number of shipbuilding scholarship places for Australian candidates, but now is the time for Luerssen and its partners to roll up the sleeves and get down to work."

Luerssen as the preferred tenderer would be the designer and prime contractor for the OPV program and, together with its shipbuilding partners, will commence construction of the first two vessels in 2018 at ASC's Osborne shipyard with the balance of ten vessels to be completed at Henderson in Western Australia.

Luerssen's Australian team includes major subcontractors L3 Australia, SAAB Australia and Penske and, as part of its commitment to Australian Industry Content, Luerssen has committed to involving Australian SMEs and subcontractors in the project.

"We see vast opportunities for SMEs across the entire country from the shipbuilding program, including in the construction of the vessels, contributing supplies, in shipyard services, in future sustainment work and in supporting industries.

"What we are proposing fully reflects the national collaborative approach enshrined in the Government's shipbuilding plan and Luerssen's commitment to developing an Australian sovereign capability."

Mr Luerssen added that the company had been looking to establish a base outside of Europe to design and build warships for the export market and that the OPV project offered a credible opportunity to build an Australian sovereign shipbuilding capability and to establish an export-led industrial base.

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