

FINCANTIERI CONTINUES TO BUILD AN EXPORT MARKET FOR AUSTRALIAN MANUFACTURING

Fincantieri Australia awards Hofmann Engineering new order for ships components

4 May 2018, Adelaide – Fincantieri Australia has awarded **Hofmann Engineering** a contract to supply the Italian shipbuilder with **two transverse tunnel thrusters** for use in Fincantieri cruise ships. This order follows a pilot order to Hofmann Engineering for a bow thruster last year. As a result of the transfer of the required knowledge and capability from Fincantieri, Hofmann Engineering has now become internationally competitive with Fincantieri's global suppliers for both naval and commercial vessels.

The new base order to Hofmann also includes an additional two options that could see Hofmann construct up to six thrusters under this agreement.

In October last year, Fincantieri awarded Hofmann Engineering a pilot order contract to manufacture in Australia a bow thruster for a Landing Platform Dock for a Middle Eastern Navy, enabling Hofmann Engineering to join Fincantieri's global base of 80,000 subcontractors around the world. These pilot orders are used to provide the real work necessary to gain the return on experience needed for complex industrial construction and cooperation between the two firms.

Dario Deste, Chairman of Fincantieri Australia said: "We are committed to transferring technology to design, build ships, and the equipment within Australia, to create an export market. By transferring the knowledge and technology directly to Australian workers, management, institutions and businesses, Australia will gain the capability and independent control to design and build new vessels and the advanced equipment within them. Fincantieri's decision to place additional orders with Hofmann Engineering demonstrates this transfer at work."

Sean Costello, Director of Fincantieri Australia said: "We've been very impressed with all the companies we have engaged and executed commercial agreements with over the past 12-months. It's quite clear that Australian companies can compete both on quality and price, meaning that the local shipbuilding industry can participate in a highly competitive global market and succeed."

Erich Hofmann from Hofmann Engineering said "Since October, we have been able to develop our construction capabilities and tooling and have completed an alignment to European Union standards, allowing us to establish the conditions for EU certification. We achieved this under the supervision and guidance of Fincantieri, who have allowed Hofmann Engineering to take an enormous step towards competing more effectively in global markets."

Additionally, Fincantieri and Hofmann Engineering have entered into a Memorandum of Understanding (MoU) to jointly cooperate in the potential development of Fincantieri's Euro 250 million global market (over 5 years) for the manufacturing of marine systems and components.

Fincantieri is one of the world's largest shipbuilding groups and is tendering for Australia's next major Naval program – the **SEA 5000 Future Frigates program**. The Italian shipbuilder has made the transfer of its knowledge and technology to the Australian industry a core part of its bid. It will ensure that Australian companies are fully capable of manufacturing all internal materials and equipment required in vessels.

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Notes to Editor:

Fincantieri is one of the world's largest shipbuilding groups and number one by diversification and innovation. It is leader in cruise ship design and construction and a reference player in all high-tech shipbuilding industry's sectors, from naval to offshore vessels, from high-complexity special vessels and ferries to mega-yachts, ship repairs and conversions, systems and components production and after-sales services.

Headquartered in Trieste (Italy), the Group has built more than 7,000 vessels in over 230 years of maritime history. With more than 19,500 employees, of whom more than 8,300 in Italy, 20 shipyards in 4 continents, today Fincantieri is the leading Western shipbuilder. It has among its clients the major cruise operators, the Italian and the U.S. Navy, in addition to several foreign navies, and it is partner of some of the main European defense companies within supranational programmes. www.fincantieri.com