

16 December 2014

Rheinmetall to supply the US Marine Corps and US Navy with advanced infantry and screening smoke munitions

Rheinmetall has won a multimillion-dollar ammunition contract from the US armed forces. The Department of the Navy recently announced the award of three framework contracts worth a total of \$127.8 million (€95.7 million) to American Rheinmetall Munitions, Inc. (ARM) – a wholly owned US subsidiary of Germany's Rheinmetall Defence AG – for advanced infantry and screening smoke munitions.

The three framework contracts, one for the M1110 40 x 46mm day/night training cartridge and two for 66mm vehicle-launched screening smoke grenades, are all five-year, indefinite-delivery/indefinite-quantity contracts running through FY 2019. In June 2014 ARM received delivery orders under these frame contracts totalling \$26.2 million (€19.1 million). An additional \$6.8 million (€5.0 million) in sales volume relates to a recent order for 66mm screening smoke munitions. As a result, the current volume of incoming orders under these framework contracts now comes to \$33.0 million (€24.2 million). Future ammunition purchases will also be booked as incoming orders in the respective fiscal year.

The Rheinmetall Group is globally leading supplier of both smoke/obscurant agents and 40mm ammunition. It covers the complete spectrum in both fields, furnishing components and systems to security services and armed forces around the world. Besides 40mm low-velocity and high-velocity ammunition, Rheinmetall is pushing ahead with the development of a family of future-oriented 40mm medium-velocity ammunition. Moreover, the Group also supplies 40mm weapon systems and fire control technology. The 40mm ammunition ordered by the US military will be produced at the American Rheinmetall Munitions plant in Camden, Arkansas, with the first deliveries scheduled to take place in mid FY 2015. Production of the 66mm grenades ordered by both the USMC and the US Navy will take place at the Rheinmetall factory in Neuenburg, Germany.

Advanced infantry training with the M1110 40 x 46mm day/night cartridge

The M1110 is the world's first 40 x 46mm low-velocity (LV) cartridge specially designed to enable infantry forces to conduct live fire training at night. The projectile of the M1110 contains two distinct chemiluminescent marking agents made by Cyalume Technologies which together are able to mark the impact point of the fired projectile with a signature that is visible at day and at night, either with the naked eye

or night vision devices. It thus eliminates the need for high explosive rounds in order to observe the impact point. This low-cost, night marking capability was developed for the US Marine Corps (USMC), and allows Marine infantry units to train during all weather and all range conditions, since the non-toxic, environmentally safe marking payloads of the M1110 contain no energetic or flammable materials that could create an unexploded ordnance hazard or a range fire.

The M1110 has already been qualified for US military service by the Marine Corps and will be manufactured using only American parts and American labour.

Enhanced screening and obscuration with the 66mm smoke grenade

Rheinmetall's family of 66mm smoke grenades are the world's most advanced screening and obscuration munition for vehicle protection. Already in service with militaries all over the world, including the US (as the MK 1 MOD 0), the UK (as the L82A1) and a number of other NATO countries (as the 66mm MASKE), the Rheinmetall 66mm vehicle-launched smoke grenade uses an innovative and proprietary composition of red phosphorus (RP) to provide effective and long-lasting screening effects in both the visual and infrared bands. The Rheinmetall 66mm vehicle-launched grenade produces a visible and infrared smokescreen that protects combat vehicles from observation and subsequent targeting by laser illuminators, targeting devices and rangefinders. Consequently, the probability of damage or loss due to hostile action is decreased, as sensor-guided weapons – particularly anti-tank guided missiles – are rendered less effective against any combat vehicle protected by the smokescreen produced by the Rheinmetall 66mm grenade.

The US government has awarded two contracts to ARM for Rheinmetall 66mm smoke grenades. For the first award, the USMC will be ordering additional quantities of the MK 1 MOD 0 version of the 66mm grenade, a grenade that is already qualified and in-service with the Marines.

The second contract was awarded by the Department of the Navy, and will encompass work on a new version of the MK 1 66mm grenade specifically designed to be deployed and function over water. This new version of the grenade uses a slightly modified MK 1 design that carries an RP formula optimized for screening small boats operating in “brown water” and littoral environments.

For more information, please contact:

Oliver Hoffmann

Head of Public Relations

Rheinmetall AG

Tel.: +49-(0)211-473 4748

oliver.hoffmann@rheinmetall.com