



Photos: Jan Čadil, Malcolm Hanes, Milan Nykodym, MEL

GRIPEN CZECH OFFSET PROGRAMME - 2010



CZECH GRIPEN OFFSET - CURRENT TRANSACTIONS - PARTNER DETAILS

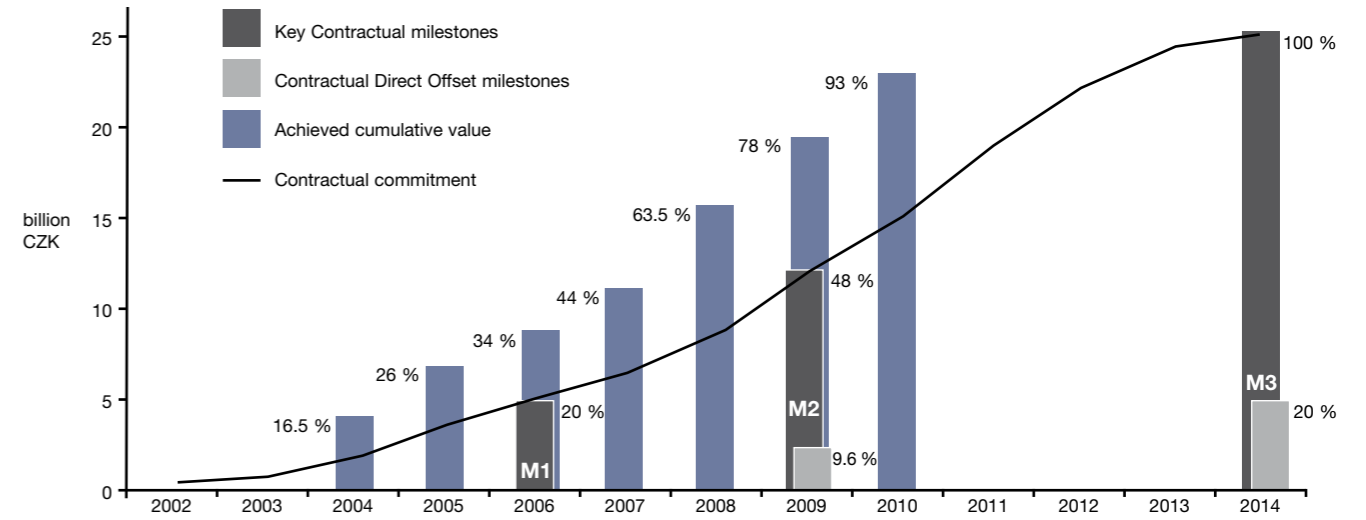
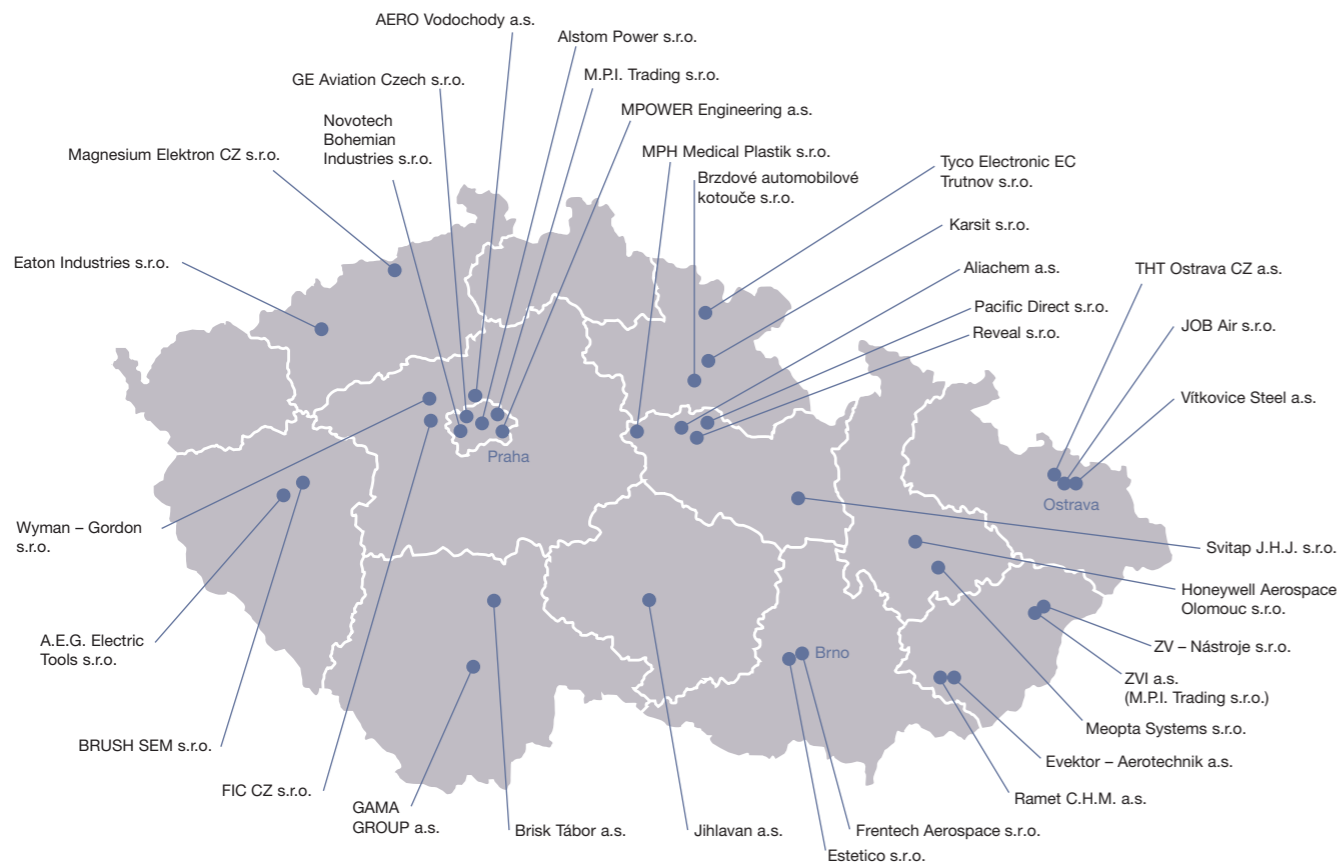
TRANSACTION NO.	CZECH PARTNER	ADDRESS	CONTACT PERSON	TELEPHONE
OF 170	Frentech Aerospace s.r.o.	Jarní 48, 614 00 Brno	Pavel Sobotka	+420 545 425 710
OF 181	THT Ostrava CZ a.s.	Mezinárodní letiště Ostrava, 742 51 Mošnov	Michal Kamas	+420 602 517 398
OF 205	Honeywell Aerospace Olomouc s.r.o.	Nádražní 50, 783 66 Hlubočky - Mariánské Údolí	Bryson Masters	+420 585 128 336
OF 263	Evektor - Aerotechnik a.s.	Letecká 1384, 686 04 Kunovice	Jaroslav Růžička	+420 572 537 202
OF 025	AERO Vodochody a.s.	U Letiště 374, 250 70 Odolena Voda	Michal Flidr	+420 255 763 123
OF 270	Ramet C.H.M. a.s.	Letecká 1110, P.O.BOX 23, 686 04 Kunovice	Bohuslav Malušek	+420 572 415 260
OF 272	AERO Vodochody a.s.	U Letiště 374, 250 70 Odolena Voda	Michal Flidr	+420 255 763 123
OF 228	AERO Vodochody a.s.	U Letiště 374, 250 70 Odolena Voda	Michal Flidr	+420 255 763 123
OF 278	AERO Vodochody a.s.	U Letiště 374, 250 70 Odolena Voda	Michal Flidr	+420 255 763 123
OF 284	ZV - Nástroje s.r.o.	Jasenice 2094, 755 01 Vsetín	Ivan Juřica	+420 571 402 301
OF various	GE Aviation Czech s.r.o.	Beranových 65, 199 02 Praha 9	Zdeněk Soukal	+420 222 538 104
OF 063	Brzdové automobilové kotouče s.r.o.	Areál společnosti ČKD Motory, 501 02 Hradec Králové	Thomas Krosnar	+44 1202 715 050
OF 066	Magnesium Elektron Recycling CZ s.r.o.	Nádražní 214, 435 33 Louka u Litvínova	Emanuel Krysl	+420 478 019 011
OF 072	BRUSH SEM s.r.o.	tř. Edvarda Beneše 39/564, 301 00 Plzeň	Richard Karel	+420 378 210 789
OF 138	A.E.G. Electric Tools s.r.o.	Nýřany 1238, 330 23 Nýřany	Karel Žihla	+420 378 017 150
OF 155	Tyco Electronics EC Trutnov s.r.o.	Komenského 821, 541 83 Trutnov	Kamil Nosál	+420 499 909 555
OF 171	Eaton Industries s.r.o.	Karlovarská 5578, 430 01 Chomutov	Marcela Kordulíková	+420 474 313 100
OF 173	MPH Medical Devices s.r.o.	Pardubická 1570, 535 01 Přelouč	Pavel Diviš	+420 466 769 244
OF 206	Pacific Direct s.r.o.	Podleší 53, 534 01 Holice	Josef Tesařík	+420 466 681 701
OF 280	Estetico s.r.o.	Holasice 75, 664 61 Holasice	Jiří Dort	+420 544 120 511
OF 281	Reveal s.r.o.	Čeperka 306, 530 02 Pardubice	Pavčina Hand	+420 466 265 027

CZECH GRIPEN OFFSET – THE STORY SO FAR

FACTS ABOUT GRIPEN OFFSET PROGRAMME

- The Programme runs from 14. 6. 2004 to 31. 12. 2014, i.e. little over 10 years.
- Offset obligation is 25.5 billion CZK which represents 130 % of the value of the lease payments for Gripen aircraft.
- All aspects of the Offset Programme are governed by the Agreement on the Programme of Industrial Cooperation ("Contract") which is a bilateral contract concluded between Gripen International and the Ministry of Defence of the Czech Republic ("MOD"). Czech offset legislation applies as well in the form of Minister of Industry and Trade Decree No. 19/2010 (www.mpo.cz).
- The Offset Programme is composed of individual offset transactions that are included into the Programme over the course of its life. As of 31. 12. 2010 there were 48 registered Gripen offset transactions, details of which are below.
- Offset as defined by the Contract and the legislation does not mean direct investment. Offset is either the value generated by the investment or it is export contracts for Czech companies or technology transfers that generate Czech revenues.
- Offset transactions values are confirmed annually in June for the previous calendar year. They are either the net export value generated in connection with new export contracts or net sales of goods or services created based on the investment.
- The Contract also stipulates what are the milestones that must be met over the course of the Offset Programme and also what are the penalties applied in the event of failure.
- MOD has the final power to approve or reject offset transactions and offset values within the Programme. The Ministry of Industry and Trade is the administrator and technical guarantor of the Offset Programme together with the multi-ministerial Offset Commission. Gripen International as submitter of offset transactions must prove causality.
- BAE Systems provides the Czech Offset delivery team and is contractually responsible to Gripen International for the timely delivery of the offset requirement.

The Gripen Offset Report shows the officially approved cumulative value as of 31. 12. 2010 as exceeding 23.74 billion CZK. This represents 93 % of the total offset obligation.



Total Offset Obligation: 25.545 billion CZK

- Milestone 1:** the achieved cumulative value of the Programme shall correspond to at least 20 % of the commitment
- Milestone 2:** the achieved cumulative value of the Programme shall correspond to at least 48 % of the commitment and the achieved cumulative value of Direct Transactions shall correspond to at least 9.6 %
- Milestone 3:** the achieved cumulative value of the Programme shall correspond to at least 100 % of the commitment and the achieved cumulative value of Direct Transactions shall correspond to at least 20 %

TRANSACTION NO.	CZECH PARTNER	TRANSACTION TITLE	CATEGORY	ACHIEVED CUMULATIVE VALUE OF THE TRANSACTION IN CZK AS OF 31. 12. 2010
OF 012	Jihlavan a.s.	Delivery of hydraulic components of actuators for Gripen	Direct	19,200,000
OF 071	Aliachem Benelux	Export of nitro-cellulose	Direct	68,500,000
OF 156	Vitkovice Steel, a.s.	Export of naval steel	Direct	234,400,000
OF 170	Frentech Aerospace s.r.o.	Delivery of parts for Eaton Aerospace	Direct	5,700,000
OF 175	JOB Air s.r.o.	Maintenance of the aircraft SAAB 340, SAAB 2000	Direct	16,600,000
OF 181	THT Ostrava CZ a.s.	Export of fluid tubes	Direct	9,100,000
OF 182	Evektor s.r.o.	Design and manufacture of interior for the aircraft M101	Direct	15,900,000
OF 203	Svitap J.H.J. s.r.o.	Supply of mobile head quarters	Direct	100,000
OF 204	M.P.I. Trading s.r.o.	Manufacture and delivery of parts for BlightER radar 200	Direct	600,000
OF 205	Honeywell Aerospace Olomouc s.r.o.	Manufacture and export of aerospace parts	Direct	97,300,000
OF 240	Meopta Systems s.r.o.	Export of precision components for aerospace industry	Direct	100,000
OF 263	Evektor - Aerotechnik a.s.	Support of the central marketing and distribution centre in USA	Direct	32,000,000
OF 025	AERO Vodochody a.s.	Assembly and manufacture of S-76 helicopters	Direct	2,520,000,000
OF 270	Ramet C.H.M. a.s.	Supply of radar systems to Kazakhstan	Direct	297,000,000
OF 272	AERO Vodochody a.s.	Production and delivery of pylons for Gripen Aircraft	Direct	81,200,000
OF 228	AERO Vodochody a.s.	Production and delivery of centerplane for the C27J aircraft	Direct	296,600,000
OF 278	AERO Vodochody a.s.	Transfer of "Lean Technology"	Direct	10,000,000
OF 284	ZV - Nástroje s.r.o.	Supply of tools and test fixtures	Direct	700,000
OF various	GE Aviation Czech s.r.o.	Export of aircraft engines and aviation components	Direct	296,400,000
OF 044	PSJ Novotech s.r.o.	Export of forging equipment to Saudi Arabia	Indirect	189,500,000
OF 063	Brzdové automobilové kotouče s.r.o.	Brake disc foundry	Indirect	2,811,000,000
OF 066	Magnesium Elektron Recycling CZ s.r.o.	Magnesium recycling facility	Indirect	1,401,000,000
OF 072	BRUSH SEM s.r.o.	Production of power generation equipment	Indirect	6,894,000,000
OF 121	FIC CZ s.r.o.	Production of PC	Indirect	2,131,000,000
OF 138	A.E.G. Electric Tools s.r.o.	Manufacture of electric tools	Indirect	1,223,000,000
OF 142	BRISK Tábor a.s.	Export of spark plugs	Indirect	10,500,000
OF 152	Karsit s.r.o.	External delivery for Autoliv Mekan	Indirect	32,900,000
OF 153	Karsit s.r.o.	External delivery for GGP Sweden	Indirect	270,000,000
OF 155	Tyco Electronics EC Trutnov s.r.o.	Electronic components facility in Trutnov	Indirect	1,364,500,000
OF 158	Wyman - Gordon s.r.o.	Production and delivery of semi-products and forgings	Indirect	9,300,000
OF 171	Eaton Industries s.r.o.	Eaton automotive plant	Indirect	1,461,000,000
OF 172	GAMA Group a.s.	Supply of medical components to Smiths Medical	Indirect	49,500,000
OF 173	MPH Medical Plastik s.r.o.	Supply of medical components to Smiths Medical	Indirect	80,600,000
OF 180	Alstom Power	Delivery of the boilers for a power plant in Saudi Arabia	Indirect	411,400,000
OF 206	Pacific Direct s.r.o.	Production and export of hotel guest toiletries	Indirect	870,000,000
OF 280	Estetico s.r.o.	Exhibition services	Indirect	9,700,000
OF 281	Reveal s.r.o.	Exhibition services	Indirect	17,300,000
OF various	MPOWER Engineering a.s.	Delivery of pressure valves and fittings	Indirect	501,500,000
Total				23,740,000,000