



DENEL

INSIGHTS

Third Issue 2015



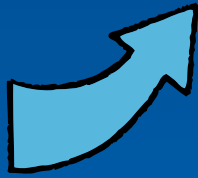
New Contracts
to Boost Denel's
Armoured
Vehicle Business

**Milestone
Agreement with UN,**
a Huge Benefit for
Mechem's Business

**Dubai Airshow an
Opportunity**
for Denel to Market its
Aerospace Capabilities

Denel Support
Enables Rapid
Growth of Enterprise

DENEL GROUP VALUES



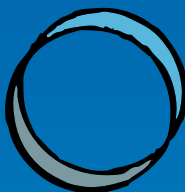
PERFORMANCE

WE EMBRACE OPERATIONAL EXCELLENCE.



INTEGRITY

WE ARE HONEST, TRUTHFUL AND ETHICAL.



INNOVATION

WE CREATE SUSTAINABLE INVESTMENT SOLUTIONS.



CARING

WE CARE FOR OUR PEOPLE, CUSTOMERS,
COMMUNITIES, NATIONS AND THE ENVIRONMENT.



ACCOUNTABILITY

WE TAKE RESPONSIBILITY FOR ALL OUR ACTIONS.

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Editor's Note

We would like to hear from you!

Denel Insights has been created as an external communication platform to keep you – our stakeholders – informed about the projects and developments within our Group. We would love to hear your comments and suggestions about stories that you would like us to update you on.

Please email your letter to the editor to pamm@denel.co.za, and include your name and contact details.

We look forward to hearing from you.

Pamela Malinda



Vuyelwa Qinga

“The members expressed their appreciation towards Denel and thanked our employees for the contribution they are making to the company’s success.”

Editor-in-Chief

Denel’s value to South Africa stretches way beyond its ability to provide the country’s defence and security forces with the products and systems they require to defend our borders and protect our citizens.

In recent years, Denel has increasingly grown into a high-technology company, a reservoir of skills, innovation and advanced capabilities. An overview of the dozen top achievements of the past year will give readers an insight into the range of our business and the value that we add to industry and society.

This issue of Denel Insights, however, also celebrates the quality of the people working for Denel in addition to our products and systems. We introduce you to the inspiring women who have succeeded in building careers in an industry that has long been male-dominated. A status that is about to change through our bold transformation plans.

We tell you about the achievements of a new generation of young engineers and artisans who are rising through the company’s ranks, innovators, problem-solvers and role models for other young people to access more opportunities through education.

These qualities inherent to Denel are increasingly being recognised by our clients and stakeholders. At our most recent meeting with the Portfolio Committee on Public Enterprises, Members of Parliament were highly complementary of the company’s performance and successful turnaround.

As we close the year, I wish you joy and peace during this festive season and a prosperous 2016.

Enjoy this edition of Denel Insights and, please, continue to give us your feedback.

Vuyelwa Qinga

Group Head: Corporate Communication & Public Affairs



The Denel Management team, appreciates the contribution you have made to our success this year. We extend out best wishes to your family over the festive season and wish you a prosperous New Year.



Zwelakhe Ntshepe

“2015 was a defining year for Denel in many respects. From a business perspective we have enjoyed one of our most successful 12 month periods yet.”

Year-end Message from the Acting Group CEO

2015 was a defining year for Denel in many respects. From a business perspective we have enjoyed one of our most successful 12 month periods yet. Revenue grew by 28% and our net profit increased to R270-million.

At governance level we welcomed the appointment of a new Board to provide strategic direction to the company during its tenure.

As 2015 comes to an end, this gives us an opportunity to thank our many stakeholders and partners within the broader defence sector for your continuing support to Denel. Our relationships are built on trust and a track record of delivery that has grown stronger through the years.

The future prospects for Denel look exceptionally bright. We have a strong order book that provides us with a six-fold cover on annual revenue. Our sales and marketing teams are pursuing new opportunities that will soon be confirmed into business. Morale in the company remains high and we have maintained the spirit of innovation that has always been the hallmark of Denel for many years.

We trust that you will continue to support Denel and its activities as we prepare to enter a new phase in our company's history.

May the Festive Season be joyful to you and your family.

Zwelakhe Ntshepe
Acting Group CEO

A Dozen Achievements – Top 12 Highlights of 2015:

- Establishment of **Denel Integrated Systems and Maritime** – extending the company's reach into command and control, cyber security and the maritime environments;
- Acquisition of **Denel Vehicle Systems** – formerly BAE Systems LSSA – strengthening the group's leadership in landward defence;
- Increasing DAe's **production rates** on the manufacturing of key components for the A400M;
- Launching the **Small African Regional Aircraft** – SARA – project in collaboration with local industry and the research community.
- Developing a modern version of the iconic **G6-52 artillery** system by Denel Land Systems;
- Introducing a plant renewal programme at **Denel PMP**
- Successfully completing the development of the **A-Darter** 5th generation air-to-air missile by Denel Dynamics;
- Completing the performance flight testing of the **Seeker 400** unmanned aerial vehicle system;
- Expanding **Mechem's camp management services** to international agencies and successfully completing various demining projects in Africa;
- Providing telemetry support to the European Space Agency and hosting an international defence day at the **Denel Overberg Test Range**;
- Fully integrating the commercial satellite programme into **Spaceteq**;
- Making good progress on the future roadmap for the **Rooivalk** combat support helicopter.

Accolades Keep Rolling in for Denel

Denel has joined the ranks of the “Top 500 Best-managed Companies” in South Africa in a recently released publication.

The annual survey is published by the leading business publication, Top Companies Media. A panel of judges evaluate both private sector and state-owned companies in the country according to strict selection criteria including, turnover, growth and expenditure on corporate social investment.

This big accolade for Denel, it comes close on the heels of it being named among the Top 100 Global Defence Companies in the annual ranking by international publication Defense News.

Strong Support for Denel Demonstrated in Parliament

Denel’s recent presentation to Parliament on its annual financial statements drew compliments from Members across the political spectrum.

The presentation, made to the Portfolio Committee on Public Enterprises, focused on Denel’s successful turnaround and the expectations that it will continue on its current growth path.

The Members of the Board and executives who met with parliamentarians said the future of the company is positive with an order book of more than R30-billion – triple the value of secured orders a few years ago and a six-fold annual revenue cover.

Denel is also pursuing a number of significant opportunities in the global markets. There is confidence that more than half of these opportunities will be concluded in the short-to medium-term. The order book is the highest in the company’s history and provides it with a stable platform for future growth, expansion and sustainability.

The existing order book is largely focused on Denel’s traditional strengths within the missiles, artillery, military vehicles, ammunition and aerostructures capabilities. In recent years the company has adopted a deliberate strategy to strengthen its leadership position in landward defence systems and mobilised infantry.

Members of Parliament were vocal in their commitment and support for Denel and conveyed appreciation to each and every employee for their contribution towards the company’s success.

The meeting with the Portfolio Committee confirmed Denel’s commitment to continue moving towards greatness.

Young Engineers Conquer the Systems at Annual Challenge

The skills and talents of Denel employees were recently on display when teams from three divisions participated in the Greatest Young Systems Engineer of the Year challenge.

The team from Denel Dynamics – Yoshlyn Naidoo, Elsabé Ebersohn, Purusha Naidoo and Jeff Joseph – emerged as the winners of the competition held over a two month period.

Purusha Naidoo was also named as the “Greatest Young Systems Engineer of 2015” by the team of evaluators.

The competition is organised by INCOSE SA Youth Outreach programme and the intention is to establish a proficiency in – and a love for – systems engineering. The participants are all engineers with fewer than three years of working experience.

Teams were given a business problem statement and then required to take this from the initial stages through to the exploratory research and concept stages.

One of the reasons why the team from Denel Dynamics came out on top was that they generated an implementations-free solution leaving the specialist engineer in the field with the options to determine the best solution to fit the specifications of the system.

Two other teams from Denel also participated in the inaugural event. Denel Land Systems was represented by Cameron Pillay, Gundo Phathela, Pooven Pillay and Sergio Pillay as well as another team consisting of Butana Mabunda, Marius Veldhuyzen van Zanten, Tebogobope and Vidhya Vallatt.

The teams made Denel proud and showed that the company has a rich core of capable, aspiring system thinkers in its ranks.



Teams presenting their final concepts



This contract for N35 is one of the largest received by Denel Vehicle Systems (DVS) in recent years and will provide work for two of the company's major divisions for the next 24 months.

New Contracts to Boost Denel's Armoured Vehicle Business

Denel Vehicle Systems has concluded a contract of more than R900-million with NIMR in the United Arab Emirates for the development and supply of advanced mine-protected vehicles.

This contract for N35 is one of the largest received by Denel Vehicle Systems (DVS) in recent years and will provide work for two of the company's major divisions for the next 24 months.

Zwelakhe Ntshepe, Group Executive Business Development says the new contract confirms Denel's leadership role in landward mobility and mine-protected vehicles. It is one of several contracts awarded to DVS since it joined the Denel Group earlier this year.

"We are delighted to work with NIMR, one of world's leading manufacturers of wheeled armoured vehicles," says Ntshepe. "There is a strong synergy between our companies and products and we are confident that we can, together, develop and improve the N35 to be among the best in its class."

The N35 – formerly known as the RG-35 – is an armoured vehicle with superior mine protection and combat capabilities and can be used in command, ambulance and recovery roles.

Ntshepe says the contract with NIMR follows on the awarding of several other contracts to Denel's landward defence business in recent months amounting to over R500m in total. These are:

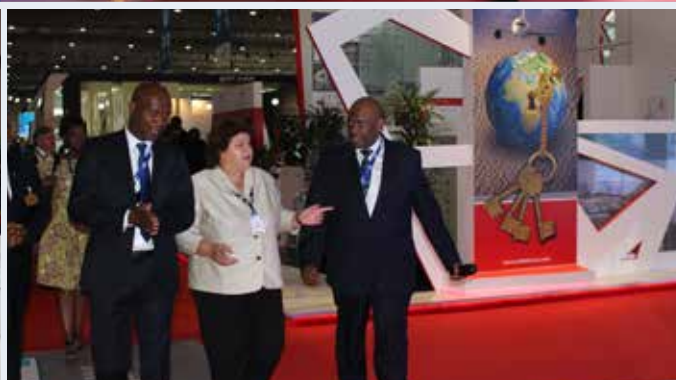
- The OMC division, within Denel Vehicle Systems specialises in wheeled armoured and mine-protected vehicles, received a development contract for the N35 from NIMR.
- A production contract for 24 RG-31 mobile mortar platform (MMP) vehicles. The contract includes vehicle manufacture and technical support and will be delivered in the next 12 months.
- Contracts from Armscor for maintenance of – and the supply of spares for both combat and support vehicles.
- The Gear Ratio division, within Denel Vehicle Systems is working on a contract from NIMR for the assembly of driveline components.
- A contract was also concluded with Steloy Castings for components used in the new Transnet electric locomotives.



Denel stand during the show



Mr Mxdisi Makhatini, deputy CEO of Denel Land Systems, South African ambassador in Oman, HE Mr C Pepani, Lt. Gen. Awad Mohammed Ahmed bin Auf, Minister of Defence in Sudan and Mr Johan van der Westhuizen, Marketer at Denel Land Systems.



Chairman of the Denel Board, Mr Daniel Mantsha, Minister of Public Enterprises, Ms Lynne Brown and Mr Zwelakhe Ntshepe, Acting Denel Group CEO

Dubai Airshow an Opportunity to Market our Aerospace Capabilities

Denel showcased its expanding capabilities in both the defence and civilian aerospace industry at the Dubai Airshow held in November.

The biennial event in the United Arab Emirates was an opportunity for Denel to market its products and technical abilities directly to defence and civilian decision-makers.

“Denel is a trusted name in this environment and the second largest defence company in the southern hemisphere. However, we also want to grow our participation in the civilian and commercial aerospace markets,” says Zwelakhe Ntshepe, the Group Executive: Business Development of Denel, “and the show was one of the opportunities to achieve this.”

Denel Aerostructures is responsible for important work packages on the Airbus A400M military airlifter and has signed an agreement with the European manufacturer to expand this into the civilian environment. This collaboration with Aerosud Aviation will enable the South African industry to jointly bid for larger scale manufacturing

work packages on Airbus commercial airliner programmes.

Ntshepe says Denel Aerostructures has demonstrated its capabilities to design, engineer and manufacture parts that meet the exacting demands of the global aerospace industry.

One of the products featured was a display of unmanned aerial vehicles (UAVs) designed and manufactured by Denel Dynamics. The Hungwe is a small tactical system that is ideally suited for clients looking for a cost-effective solution with advanced UAV capabilities.

Ntshepe says the Hungwe is exceptionally versatile and can be used in a wide variety of missions, including border patrols, anti-piracy operations, wildlife protection and search and rescue.

At the 2013 Show, Denel announced that its joint venture company, Tawazun Dynamics, was awarded a R5-billion contract from the United Arab Emirates Air Force for precision-guide munitions for its Mirage 2000 fighters.

EKURHULENI AEROTROPOLIS



Strong Support for Growth of Ekurhuleni Aerotropolis in Gauteng

Denel supports the development of an Aerotropolis in Ekurhuleni and its potential to transform the economy of the Gauteng City Region.

Mr Victor Xaba, the Deputy Chief Executive of Denel Aerostructures says the growth of an 'airport city' – Aerotropolis – in Ekurhuleni will bring major benefits to industry and the high-tech manufacturing industry in the province.

Mr Xaba was one of the speakers at the conference on the Aerotropolis Masterplan hosted by the Ekurhuleni Metropolitan Municipality where the Premier of Gauteng, David Makhura, also delivered the keynote address.

The Denel campus in Kempton Park, next to the O.R. Tambo International Airport, has been identified as an anchor for the future growth of the Aerotropolis which seeks to stimulate economic development close to air transport hubs.

Denel Aerostructures is an advanced manufacturing enterprise which designs and produces parts for the Airbus A400M military airlifter, and shares a campus with Denel Aviation, which is the country's leading provider of maintenance, repair and overhaul (MRO) solutions to the South African Air Force.

The Denel Technical Academy, which trains artisans and technicians for the aerospace sector and Turbomeca Africa, a world leader in the manufacturing of gas turbines and gearboxes, are also located at the Denel campus.

Mr Xaba says the nucleus for the growth of a fully-fledged local aerospace industry is already available at the Denel campus. This can be a catalyst for growth in the broader aviation sector to revitalise the economy of Ekurhuleni.

"Denel is excited about the benefits that an Aerotropolis will bring to job creation, skills development and the future of high-tech engineering in Gauteng," he says. "The launch of the Aerotropolis Masterplan is another important step in reaching these objectives and Denel wants to be part of this pioneering initiative."

"The Denel campus in Kempton Park, next to the O.R. Tambo International Airport, has been identified as an anchor for the future growth of the Aerotropolis which seeks to stimulate economic development close to air transport hubs."



Learners during their paintball experience



Iconic Denel Products Offer Backdrop for Paintball Warriors

Cheetah fighter jets, Puma helicopters, armoured vehicles and artillery shells provided the backdrop for a unique weekend of paintball and simulated warfare hosted by Denel.

Paintball warriors crawled through helicopter hulls and took cover behind abandoned tanks while navigating the battlefield in the first ever Denel Combat Tournament.

A section of the Denel Land Systems Campus was turned into a paintball battlefield with decommissioned armoury used as obstacles and strategic hideouts.

More than 40 teams representing the defence industry participated in the first ever tournament. Team Golf, made up of colleagues from Denel Aviation and GAC Laser were crowned as the winners after a keenly fought battle in the finals with Team Echo from Denel Aerostructures and Execujet.

This was the first time that decommissioned military vehicles and aircraft were used to simulate battle ground conditions adding new dimensions to the sport of paintball, says Vuyelwa Qinga, the Group Head: Corporate Communications.

This was a great opportunity for Denel to network with other members of the defence family and to create greater awareness

about the products designed and manufactured by Denel and used by the SANDF.

Teams representing top names in the defence industry such as Truvelo, Selex, Thales, Aselsan and Armscor pitted their skills against teams from Denel and the SANDF during the day-long tournament in August.

“Learners from schools that benefit from Denel’s education enrichment programmes also had the opportunity to swap school uniforms for military fatigues and engage in a friendly game of paintball warfare.”

On the next day members of the public – from paintball die-hards to novices – engaged in combat at the same venue. The focus was on fun and battlefield strategy but it also enabled people to get a closer look at Denel’s products and receive information about the contribution the company is making to the South African high-tech manufacturing industry.

Learners from schools that benefit from Denel’s education enrichment programmes also had the opportunity

to swap school uniforms for military fatigues and engage in a friendly game of paintball warfare.

The activities on the battlefield were alternated by team-building exercises during which the learners designed and built defence industry products with Lego. Representatives from Denel spoke about the industry and career opportunities while the learners received copies of the recently published ‘Defence Technology Made Easy’ book.



Mr Julian Sithole and the Thuthuka Harness Solutions plant

Denel Support Enables Rapid Growth for Thuthuka

The success of Denel's Enterprise Development Programme is vividly illustrated in the growth of a small, black-owned company that is now poised for a breakthrough in a very specialised industry.

Thuthuka Harness Solutions has grown into an enterprise with a R14-million turnover through the support provided to it by Denel. The company that was on the verge of collapse in 2011 now employs 32 permanent staff members and is set for further growth.

Started by Julian Sithole in 2005 the company decided to focus its core business on the manufacturing of electronic harnesses and looms for the defence industry. Sithole presented a business plan to Carl Zeiss Optronics – now Airbus Defence – who agreed to outsource the manufacturing of the looms.

In 2011, Thuthuka applied to become part of the Denel Dynamics Enterprise Development Programme and was duly accepted. Since then Denel Dynamics has provided assistance in a number of areas such as first article inspection, calibration of instruments,

specialist courses, technical skills transfers and upgrades to its business website.

A core element of the support has been to provide them with exposure and contacts within the broader defence and manufacturing sectors. They attended the Smart Procurement Conference, the Denel Aerospace, Defence and Maritime Conference and a number of other seminars aimed at small business development. In November, Sithole will participate in the Match Making Mission to The Netherlands.

Tawazun Dynamics, based in the United Arab Emirates, has identified Thuthuka as one of its future suppliers for harnesses and looms.

Since the start of the relationship Denel Dynamics has spent more than R2.2-million on the development of Thuthuka and the company has received business in excess of R25-million. Denel Properties has offered them 500 square metres of rental space, at a reduced rate, over an eight year period.

“Since the start of the relationship Denel Dynamics has spent more than R2.2-million on the development of Thuthuka and the company has received business in excess of R25-million.”

Denel Participates at SA Innovation Summit

Denel participated at the eighth South African Innovation Summit held at the Green Point Stadium in September. The aim of the exhibition was to inform young learners about technical career opportunities at Denel.

Giel Hugo, meteorologist at Denel Overberg Test Range, performed three scientific experiments using normal household products to attract learners to the Denel stand.

Some of the learners who displayed a keen interest in Denel received a “Defence Technology Made Easy” book. This book provides accessible information about defence technology and creates greater awareness of post-school opportunities that require maths, science and technology education.



Giel Hugo with learners during the summit

Clever Robot Detects Landmines to Save Lives

An innovative robot that can help to detect landmines and minimise the risks on lives now forms part of the Mechem ‘toolbox.’

Designed by electronic technicians, Selaelo Mojela and Isak Sokuwe the robot confirms Denel Land Systems’ leadership role in innovation in the field of demining services.

The robot also ensures that a more cost-effective demining solution is offered to clients. In the choice of the components of the robot Mojela and Sokuwe focused on options that can improve the business impact and result in cost- saving methods in the design.

The device has a basic camera installed that ensures the area in which it is operating is visible and the person controlling the device is able to monitor the movements of the device. It also has a Wi-Fi router, for wireless communication, that sends information signals to a laptop or tablet.

With its robust components and well thought-out features the new device will add to Mechem’s capabilities and reduce the risks to the lives of both humans and the company’s highly regarded sniffer dogs.



Selaelo Mojela and Isak Sokuwe presenting their latest invention

“An innovative robot that can help to detect landmines and minimise the risks on lives now forms part of the Mechem toolbox.”

Denel Products on Show in London

Denel's growing status in the global defence industry was on display in London in September when the South African technology company participated in the Defence and Security Equipment International (DSEi 2015).

Zwelakhe Ntshepe, Group Executive Business Development says Denel has expanded the range of its products and services and improved the capabilities of many of its systems since the last DSEi, the largest international defence exhibition in the world.

New acquisitions and the establishment of a new division, Denel Integrated Systems and Maritime enabled the group to move deeper into the command and control and cyber security environments. Denel is now listed among the top 100 defence companies in the world and the second largest in the southern hemisphere.

Denel has a strong global reputation in the landward defence environment with leading artillery products such as the G5, the Badger infantry combat vehicle developed for the South African Army and the Casspir mine-protected vehicle range. This position was strengthened with Denel's recent acquisition of BAE Systems Land Systems, a leading manufacturer of protected vehicles, rebranded as Denel Vehicle Systems.

"We now offer clients an integrated, turnkey solution from a landward perspective with our ability to manufacture all vehicle types, covering firepower, mobility and support," says Ntshepe.

The RG21 mine-protected vehicle was on display for the first time at DSEi. The 4x4 vehicle is designed to look less-aggressive than most military vehicles and is ideally suited to be utilised in internal security roles. However, it still provides all round protection against rifle fire and can withstand a 21kg blast under any wheel or a 14kg charge under the hull.

Denel Land Systems displayed its modular combat turret variants equipped with the locally-developed GI-30 rapid-fire CamGun and the M10 60mm breech-loading long-range mortar. The GI-30 has an effective range of 4 000 metres and can fire up to 100 round per minute.

The Personal Area Weapon – PAW – manufactured by Denel PMP is an ideal weapon for modern infantry units on the move, including paratroopers and Special Forces. It can be carried and fired by a single soldier and is most effective against high-value targets such as light-armoured vehicles, thin-skinned transport and machine gun nests.

With a range of more than 10km the Mokopa precision-guided missile produced by Denel Dynamics is highly rated for its accuracy and explosive power. The missile is being integrated on the AgustaWestland Super Lynx 300 helicopter and recently completed a launch clearance trial.

Designed initially as an air-to-ground missile the latest versions of the Mokopa can now be fired from a variety of launch platforms such as land vehicles, shore battery installations and naval vessels.



Mr Mzwandile Radebe, Head of Intergovernmental and International Relations, Minister of Public Enterprises, Ms Lynne Brown and Mr Kgathatso Tlhakudi, acting Director General at the Department of Public Enterprise.



Minister of Defence, Ms Nosiviwe Mapisa-Nqakula and Minister of Public Enterprises, Ms Lynne Brown with officials from the Department of Defence visiting the Denel stand.



Denel stand during the DSEi show





Colin Singarum, Senior Executive: Business Development at Group responsible for Europe, North America and OECD (2nd from left) with Mechem Colleagues, Henry Matthyser; Jack Geldenhuys; Ashley Williams and Peter Faro.

Milestone Agreement with UN Benefits Mechem Business

Mechem has secured an exclusive long-term agreement with the United Nations to supply mine-protected vehicles for its peace-keeping operations in Africa.

The projected income for Denel over the two-year period is \$30-million dollars which will assure a steady flow of revenue to the company and open up possibilities for additional contracts.

Ashley Williams the General Manager of Mechem says the agreement with the UN confirms the confidence that the international community has in the quality of Denel's products and the trust in the company's ability to provide support services.

The agreement means that Mechem is now qualified to supply the vehicles to the UN's Office for Project Services when the requirements arise. Qualification means that Mechem does not have to draft and submit proposals for each individual bid.

A wide-range of Mechem's mine-protected vehicles, including Casspirs, ambulances and recovery trucks are included on the

list already approved by the UN. Ten Casspirs and five recovery vehicles will soon be delivered to UN operations in Sudan.

Williams says the agreement with the UN adds to Denel's global reputation in the demining environment and will have major benefits for the broader South African defence industry. A long-term agreement such as this will filter down to a range of suppliers that provides parts and spares used in the manufacturing of the vehicles.

Colin Singarum, senior marketing executive for the region says "this is a huge opportunity for Denel to showcase our quality and capabilities." The UN contract will have ripple effect beyond the initial period. Military personnel from various countries will become acquainted with Denel's products and this will help to strengthen the group's international profile.

"The projected income for Denel over the two-year period is \$30-million dollars which will assure a steady flow of revenue to the company and open up possibilities for additional contracts."

Training Links with Cameroon Grow Stronger

The first group of aviation technicians from Cameroon trained by Denel has started with practical on-the-job experience. Speaking at an awards ceremony for the 58 students who were enrolled at the Denel Technical Academy, Michael Kgobe, the CEO of Denel Aviation, said the company is extending its footprint on the African continent.

The awards function held at the Denel campus in Kempton Park was attended by the Chief of the SA Air Force, Lt Gen Fabian Msimang and of the Cameroon Air Force, Brig Gen Jean-Calvin Momha.

"We have the proven products, the systems and the technical resources to strengthen the capacity of African forces and a strong record of support to peace-keeping operations in various theatres on the continent," he said.



The Cameroonian students have successfully completed their theoretical training at the Denel Technical Academy (DTA) and will, eventually, be qualified as artisans and technicians in the aviation sector.

A second group of 62 students started their training in January. Kgobe said the extension of the training programme clearly demonstrates the confidence that African countries have in the quality of training provided by Denel and will open the doors to similar cooperation with more countries.

"The DTA is rapidly growing into a continent-wide institution of higher learning with a growing number of students from across Africa attending the courses we offer," said Kgobe.

"The DTA is rapidly growing into a continent-wide institution of higher learning with a growing number of students from across Africa attending the courses we offer."



Cameroon students with Senior Officials from the South African Air Force and Cameroon Air Force

Empowering a Girl Child to Fly High



Young Engineer from Aviation addressing learners at Thagaetala Secondary School

Denel Aviation's support for a rural school in Limpopo is enabling girl learners to consider careers in science and engineering so that they can contribute to the economic development of the country.

At a recent Women's Month event at the Thagaetala Secondary School in the Makurung village the young learners also received dignity packs to ensure that their school attendance is not interrupted by lack of basic essentials such as sanitary towels.

The village is confronted by extreme incidences of poverty caused by socio-economic factors ranging from the HIV pandemic, high levels of unemployment as well as child- and grandparents-headed homes.

Denel Aviation started supporting the school in 2012. Before this intervention the school was experiencing challenges and the provincial government was planning to close it down, after dropping from an average of 1200 to 400 learner enrolment.

One of its former students Rahab Mononyane of Mapitsi Holdings who believed in the school and its potential decided to intervene with a programme that would involve corporates supporting the school and motivating the local community to prioritise education. At the time she was part of the Denel Aviation Enterprise Development programme and made a proposal for the company to assist.

Through this intervention, the school has now moved back to about 900 learners and the applications to join the school keep growing every year. During the 2014 academic year the school achieved an 89% matric pass rate which was an improvement from the 72% in 2013. The school has a good focus in maths, science and accounting and the team of teachers has displayed dedication to keep improving the standard.

DTA Opens Doors to Training Opportunities

Open Day at the Denel Technical Academy attracted more than 1 500 visitors with a keen interest in continuing their studies in engineering and aviation-related fields.

The annual event has grown into an important opportunity for the DTA to attract future students who have the aptitude for further studies and to market the range of fields and subjects offered by the Academy.

Rani Padayachee, the General Manager of the DTA says the visitors were taken on a guided tour through the various hangars at the Kempton Park Campus. Many of the current apprentices played an active role by explaining the nature of their trades and the work they are doing.

There was a strong representation from Technical High Schools and Technical Vocational Education and Training Colleges, the primary target groups that the DTA wants to reach during Open Day.

Padayachee says visitors showed a keen interest in the various trades offered by the DTA such as Aircraft Mechanics and Structures, Aircraft Electrical and Engineering and Mechanical Engineering.



DTA Open Day Visitors shown around the training facility



Denel Vehicle Systems Inspires Youthful Audience

“Pambuka shared his story with the community on the opportunity he received from the company that enabled him to complete his studies.”

The links between Denel Vehicle System and communities were recently strengthened when the company participated in a youth expo in the Nongoma-area of KwaZulu-Natal.

The day started with an information session conducted by invited beneficiaries from different companies who addressed pupils from high schools around the area. Denel Vehicle Systems was represented by Lwazi Pambuka, a mechanical engineer and Nkosinathi Dladla, an Electrical Engineer who completed their studies with bursaries provided by the company. They highlighted DVS's capabilities to the learners and introduced them to opportunities in the defence environment.

Pambuka shared his story with the community on the opportunity he received from the company that enabled him to complete his studies. The information session was followed by the official opening of the Prince Somcuba Primary School by the Deputy Minister of Public Enterprises Mr. Bulelani Magwanishe.



Deputy Minister of Public Enterprises, Bulelani Magwanishe handing over the six classrooms to community leaders



Learners attending the career expo and motivational talk

High praise for Mechem team in Mogadishu

The Mechem team in the Somali capital has earned exceptional praise from the European Union for the work they are doing to support stabilising operations in the region.

Mechem provides field facility services to a number of international agencies responsible for infrastructure, peace-building and mine action. The services provided range from facility management, catering and laundry, to trauma medicine and the training of drivers operating the company's mine-protected vehicles.

The quality of the service provided by the team in Mogadishu has prompted Ambassador Michele Cervone D'Urso, the head of the European delegation in Somalia to write a letter of appreciation to Stephan Smith, the Mechem country manager.

“I remain impressed and grateful for Mechem's outstanding efforts to provide excellent value for money for the EU staff that utilise the EU elements of the UN compound,” writes Mr D'Urso. He singles out the quality of food and the standard of cleaning and laundry services for their “attention to detail and outstanding commitment.”

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Preserving Denel's Living Heritage



This year's theme ***"Our Knowledge, Our Heritage: Towards Identification, Promotion and Preservation of South Africa's Living Heritage"*** saw us reflecting on Denel's Living Heritage:





Living Heritage

Did You Know?

Denel PMP's PAW20 Gun featured in the movie "Chappie"

Did You Know?

Denel Aerostructures is a Tier 1 supplier to Airbus for the A400M, the world's most advanced military airlifter

Did You Know?

Denel is in the Top 100 Global Defence Manufacturers, and The Second Largest in the Southern Hemisphere.

Did You Know?

Denel Dynamics has capability and sustainability as a one-stop missiles, UAVS and integrated systems powerhouse.

Did You Know?

Denel owns the world-class test facility, Denel Overberg Test Range, for the in-flight testing of advanced guided and aviation systems situated at the Southernmost tip of Africa.

Did You Know?

Denel Technical Academy offers training in Aviation and engineering related qualifications.

Did You Know?

Mechem is world leader in humanitarian demining and a valued partner in United Nations (UN) efforts to combat the scourge of landmines.

Did You Know?

Denel Kempton Park facility was used to film the Hollywood Blockbuster movie "Chappie"

Did You Know?

Denel is one of South Africa's Top 5 Best Managed Companies in the Aerospace and Defence Sector.

Did You Know?

The Rooivalk combat support helicopter was designed, developed and manufactured by Denel for the South African Air Force.



Celebrating Pioneering *Women in Words* and Pictures

The contributions of women to the growth of Denel and their role in South Africa's high-tech defence industry have been celebrated through a distinctive photographic exhibition.

Denel's facilities at its campuses across South Africa were turned into "art galleries" with photographs of female staff members adorning the shop floors and office corridors.

"We showcased the talented women within the Denel Group and highlighted their achievements in an industry that is often perceived to be male-dominated," says Vuyelwa Qinga the Group Head Corporate Communications.

"Over the past 21 years Denel has made great strides to appoint and retain female employees in positions across the group," says Qinga. The exhibition honours women working at all levels in the Denel, from support staff to administrative personnel to a new generation of professional engineers, artisans and administrators that have joined the group in recent years.

"We are honouring the many women who have been with Denel since before the democratic transition in 1994 as well as those who now occupy positions of power that no women would have dared to even dream about in years gone by," says Qinga.

Women now comprise almost a quarter of employees at Denel and 16.5% of the Group's executives and managers are female. The group has policies in place to ensure women-owned SMMEs are allocated more work packages within Denel's supply chain.



Each of the divisions within Denel nominated women to represent their colleagues within the broader workforce. Their photographs and accompanying quotes were unveiled at Women's Month celebrations and then displayed in visible areas at the campuses.

Qinga says the campaign demonstrates Denel's commitment to transformation and skills development and its intentions to attract more women and young people with critical and scarce skills to the defence industry.

Martha Phanyane is a fitter and turner at Denel PMP who joined the ammunitions manufacturer as an apprentice in 2010. "I have been given great opportunities to get experience and improve my skills. I call on other women to take up the opportunities presented by Denel," she says.

The Chief Project Manager for unmanned aerial vehicle systems, **Chumile Simelane**, says the combination of top quality technology and people make Denel Dynamics a stimulating work environment. "It is an honour to be making great strides in a male-dominated industry."

Heilet van der Berg an aircraft mechanic at Denel Aviation says there have been noticeable changes at the company since she joined in 2009. "My journey at Denel has been a great one," she says. "It has helped me to realise my capabilities and enabled me to achieve."

Miriam Ramatso joined Denel Land Systems in 1988 as a machine operator. The company gave her the opportunity to qualify as an artisan and she currently serves as production supervisor. "I like working at Denel", she says. "It has helped me to grow as a person and in my career."



Out and About in Society

Denel's participation in two national events underlines the groups growing reputation as an important public asset that offers opportunities for growth to society.

- Women in Aviation recognises the top female performers in this field and celebrates leadership, innovation and vision that help to shape the role of women within the private and public sectors.

The winner of the category sponsored by Denel was Refilwe Ledwaba, a helicopter and fixed- wing pilot at the South African Police Service. She is also the founder of SA Women in Aviation &

Aerospace Industry, a network devoted to make careers in aviation accessible to women through mentorship and educational support.

Ten women from across the Denel Group attended the event as part of Women's Month celebrations.

- At the Smart Procurement event hosted at the Gallagher Convention Centre Denel exhibited some of its products to provide suppliers with an overview of what is required within the group's supply chain.



Denel Insights Feedback Questionnaire

As we seek to continuously improve our communication with you, we would like to hear your views on our newsletter, Denel Insights:

Please take a few minutes to fill in the questionnaire below:

Question	Yes	No
1. What is your level of interest in Denel Insights' newsletter? <input type="checkbox"/> Very High <input type="checkbox"/> Somewhat High <input type="checkbox"/> Not Very High <input type="checkbox"/> Not at all High <input type="checkbox"/> Undecided		
2. Are you satisfied are you with the overall content?		
3. Is the content relevant to your needs?		
4. Are you satisfied with the layout of the newsletter?		
5. How satisfied are you with the quality of the writing?		

Question	Yes	No
6. How satisfied are you with the quarterly distribution of Denel Insights newsletter?		
7. What, if any, information would you like to see included in the newsletter in future?		
8. Overall, how satisfied are you with the Denel Insights newsletter?		

Please add any other suggestions/comments below:

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Thank you, please return to: pamm@denel.co.za



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