

► DIVISION WEAPON & AMMUNITION

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Capacity building for ammunition production: Foundation stone laid at new Rheinmetall ammunition factory in Várpalota, Hungary

The foundation stone has been laid for the new Rheinmetall plant in Várpalota, Hungary, where ammunition for various systems will be produced by the joint venture Rheinmetall Hungary Munitions in cooperation with the Hungarian state. Production of 30mm-medium-calibre ammunition for the Lynx infantry fighting vehicle now being manufactured at the Rheinmetall plant in Zalaegerszeg is scheduled to start in 2024.

In a second phase, production capacity will be expanded and the product range widened to include other ammunition types. A longstanding strategic partner of Hungary, Rheinmetall AG will then be able to produce ammunition for the Leopard 2 tank and PzH 2000 self-propelled howitzer at the Várpalota plant. Both of these systems are used by the Hungarian Army. Part of the production is earmarked for the Hungarian armed forces, with some products destined for export.



Full production capacity will be reached in 2025. In addition, Rheinmetall also plans to conduct R&D in Várpalota.

The Group is thus systematically expanding its ammunition production capacity. It recently announced the acquisition of Spanish ammunition maker Expal, which will double its manufacturing capacity in this domain.

Rheinmetall also produces ammunition in Germany, Italy, Switzerland, South Africa, and Australia.

Rheinmetall is an important partner of Hungary, helping the country to achieve its strategic goals and develop its national defence industry. With this plant, Rheinmetall will be able to meet Hungary's future ammunition needs as well as the growing demand for ammunition from Germany's other partner countries. In addition to capital expenditure in Várpalota, Rheinmetall has been investing in extra production capacity and a development centre in Zalaegerszeg, where vehicle systems like the Lynx infantry fighting vehicle are being developed and produced, as well as in Szeged.

Furthermore, Rheinmetall announced in May 2022 that it would set up a joint venture with the 4iG Plc and the Hungarian state-owned company HM Electronics, Logistics and Property Management Plc (HM El Zrt.) to drive forward the

► Key facts

- Foundation stone laid for new Rheinmetall ammo plant in Várpalota, Hungary
- Production starts in 2024
- Focus on ammunition for Leopard 2 MBT and PzH 2000 self-propelled howitzer
- Factory will create 200 new jobs in Várpalota

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digitalisation of the Hungarian armed forces and selected NATO member states. Rheinmetall thus continues to expand its position in Hungary as a capable partner of the Hungarian armed forces. The core objective of the cooperation is to promote digitalisation of the Hungarian armed forces and other NATO countries in Central and Eastern Europe and to develop and supply the necessary digital equipment.

When it is complete, the factory in Várpalota will employ about 200 people. More workers will be needed as the plant grows.

"We need employees in our team with experience in production, quality assurance, purchasing, warehousing and logistics, plant maintenance and administration. We are also specifically looking for professionals who are trained and experienced in handling explosives and ammunition", declares plant CEO Michael Krebs.