

## ► DIVISION WEAPON AND AMMUNITION

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### **Bundeswehr contracts with Rheinmetall for several hundred thousand artillery shells; order worth around €1.3 billion**

The need to replenish stores of ammunition caused by the war in Ukraine is resulting in major artillery ammunition contracts for Rheinmetall.

The German Bundeswehr has just issued a large-volume order for service and practice artillery ammunition worth around €1.3 billion, including value added tax. Two contracts to this effect have now been signed at the Federal Office for Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw) in Koblenz.

Rheinmetall has been awarded a new framework contract for the supply of 155mm artillery ammunition, while an existing framework contract has been expanded. In all, the scope of delivery encompasses several hundred thousand shells of various types, including fuses and propelling charges. Set to run until 2029, the new framework contract represents potential order volume of around €1.2 billion, including VAT.

Furthermore, the Bundeswehr has expanded an existing framework agreement for DM121 ammunition. In addition to the framework contract cited above, this represents order volume of around €137 million, once again including VAT. The volume of the existing framework contract thus increases from €109 million to a total of €246 million, including VAT.

Featuring insensitive characteristics, the DM121 high-explosive shell is used for training and exercise purposes.

The first call-offs for service and practice ammunition from the framework contract cited above came as soon as the contract was signed. Delivery of shells worth €127 million (including VAT) is due take place shortly.

Ever since its foundation over 125 years ago, Rheinmetall has been a reliable partner of the artillery corps. Even today, the pressing and drawing process invented by company founder Heinrich Ehrhardt is used for producing modern artillery barrels. Rheinmetall's family of artillery ammunition includes, among other ordnance, the high explosive DM121, the DM125 smoke/obscurant shell, the DM121 SMARt search-fused round (jointly developed with Diehl Defence), as well as the RH68 practice version and the range-optimized RH1901 and RH1902 smoke/obscurant shells. The Group's product portfolio also encompasses the versatile Assegai family of 155mm artillery ammunition made by Rheinmetall Denel of South Africa. It includes insensitive munitions (IM), conventional high



### ► Key facts

- Framework contracts signed for 155mm artillery ammunition
- Several hundred thousand shells, fuses and propelling charges, potentially worth around €1.3 billion (incl. VAT)
- First call-off of shells worth around €127 million (incl. VAT); delivery to take place shortly
- Order underscores the customer's high trust in Rheinmetall's world-leading expertise in ammunition

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explosive (HE) rounds, as well as smoke/obscurant, illumination, infrared illumination, and other shells. With its boat tail (BT) and base bleed (BB) configurations, the Assegai family displays a ballistic equilibrium, ensuring that the entire ammunition spectrum can be used at its maximum effective range of approximately 40 kilometres. Under the framework contract, the Bundeswehr will be introducing the tried-and-tested Assegai ammunition family.

The latest orders underscore once again Rheinmetall's technological lead as a developer and producer of ammunition in Europe. Furthermore, the framework contracts will help to assure a secure supply of ammunition to the armed forces of Germany and other NATO nations, enabling better planning of production processes and optimum utilization of capacity. Moreover, thanks to assured long-term production of various types of ammunition during the lifetime of the contract, resulting in availability at short notice, the framework contract also offers logistical advantages to other 155mm artillery users. For Rheinmetall, the framework agreement means a basic level of capacity utilization at its ammunition production plants for years to come.