

PRESS RELEASE

10 September 2019

New UK joint venture by Rheinmetall and BAE Systems to debut at DSEI 2019

A new British military vehicle design, manufacturing and support joint venture will be unveiled at this year's Defence and Security Equipment International (DSEI) event in London, between September 10th and 13th.

The new company is known as Rheinmetall BAE Systems Land (RBSL) and was formed on July 1st 2019 between Rheinmetall Defence UK and BAE Systems' UK combat vehicle business. RBSL will sustain around 450 jobs across the UK and is well positioned for future growth.

The joint venture, headquartered in Telford in the West Midlands, intends to play a major role in manufacturing the Boxer 8x8 for the British Army's Mechanised Infantry Vehicle (MIV) programme and other strategic combat vehicle programmes, while also providing support to the British Army's in-service armoured vehicle fleets.

Regulatory approval for the joint venture was granted on June 13th 2019. **The Ministry of Defence welcomed the launch of the joint venture, saying:**

"This announcement is a clear vote of confidence in the UK's defence industry as a world-leader in designing, supplying and supporting military vehicles. This exciting venture clearly demonstrates how defence sits at the heart of the prosperity agenda. Its benefits will be felt in the West Midlands and across the UK defence supply chain, creating jobs, boosting exports and guaranteeing our technical skills base into the future."

RBSL will draw on Rheinmetall's broader military vehicle technologies combined with the additional capabilities and systems from the BAE Systems' UK combat vehicles business, such as Trojan, Terrier, Warrior, military bridging and the AS90 self-propelled artillery system. RBSL will have the potential to create hundreds of additional UK jobs at its sites in Telford, Bristol, Bovington and Washington (UK), as well as in the wider supply chain.

Peter Hardisty, formerly of Rheinmetall UK, has been appointed as Managing Director of the new company. He said:

"RBSL is a new business drawing on the significant strengths and expertise of both BAE Systems Land UK and Rheinmetall. Our employees in Telford, Bristol, Bovington and Washington (UK) have a valuable skill set and extensive experience in combat vehicle engineering. With new orders, we shall be able to sustain these capabilities and expand over the coming years, seeking new opportunities in the UK and overseas."

The new management team that will lead RBSL into the future also includes Carrie White as Finance Director and Phil Simon as Operations Director, both of whom join from BAE Systems.

Background information

Rheinmetall Defence is one of the world's leading makers of military vehicles and systems. In the United Kingdom the Group is already present in the form of Rheinmetall Defence UK and Rheinmetall MAN Military Vehicles UK. These two businesses are well-established suppliers to the British Ministry of Defence. They assist Her Majesty's Armed Forces in a number of areas, including vehicle systems, ammunition and technical support.

For many decades BAE Systems has been the UK's premier land systems manufacturer and source of technical support. BAE Systems companies have produced the Challenger 2 main battle tank, the Warrior infantry fighting vehicle as well as the Terrier combat engineering vehicle. The business is currently supporting the British Ministry of Defence and British Army in maintaining and upgrading the operational effectiveness of the UK's combat vehicles and systems. It has over 400 employees devoted to military vehicle systems, based in Telford, Bristol, Bovington and Washington (UK).

Excluded from the joint venture are activities of BAE Systems Land UK in the field of weapons and ammunition in Great Britain, as well as the CTAI joint venture business with Nexter.

For more information, please contact:

Oliver Hoffmann

Head of Public Relations

Rheinmetall AG

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

oliver.hoffmann@rheinmetall.com

Rachael Gordon

Deputy Director, Media

BAE Systems

03300 465301

rachael.gordon@baesystems.com

www.rbsl.com

@RH_BAES_Land

Stand S7-200

Ref: 003/2019