



PRESS RELEASE

Global Combat Air Programme industry partners reach landmark agreement to deliver next generation combat aircraft

London, 13th December 2024 - BAE Systems (UK), Leonardo (Italy), and Japan Aircraft Industrial Enhancement Co Ltd (JAIEC), have reached an agreement to form a new company under a business joint venture for the Global Combat Air Programme (GCAP), subject to regulatory approvals.

The agreement builds on the strong trilateral government, defence, and industrial cooperation between the UK, Japan, and Italy on GCAP since it was established in December 2022.

The new joint venture will be accountable for the design, development and delivery of the next generation combat aircraft and will remain the design authority for GCAP for the life of the product, which is expected to go out beyond 2070.

BAE Systems, Leonardo, and JAIEC will each hold a 33.3% shareholding in the new joint venture: bringing together the combined strengths and expertise of three leading companies and marking a pivotal moment for the international aerospace and defence industry.

Roberto Cingolani, Leonardo Chief Executive Officer and General Manager, said: "This agreement is the result of an intensive journey made possible by pooling our mutual and shared experiences. This partnership not only enhances our technological capabilities but also reinforces our commitment to global security and innovation."

"Today, we are paving the way for the development of a new era in Aircraft Systems and Multi-domain scenarios, fostering long-term sustainable growth for the economies of the involved countries."

Charles Woodburn, BAE Systems Chief Executive, said: "Today's agreement is a culmination of many months working together with our industry partners and is testament to the hard work of everyone involved in this strategically important programme."

"The new business will bring together the significant strengths and expertise of the companies involved to create an innovative organisation that will lead the way in developing a next generation combat air system, creating long-term, high value and skilled jobs across the partner nations for decades to come."

Kimito Nakae, President of JAIEC said: "As we now embark upon the exciting and important journey towards the success of GCAP, I acknowledge that the way might not always be simple and straightforward."

"However, I believe that through continuing the strong spirit of trilateral cooperation and collaboration that we have fostered up to this point, we will not only deliver the GCAP on time but also at a level that exceeds all of our expectations."

The new joint venture will have operations and joint teams working in each of the partner nations. It will be headquartered in the UK, to ensure maximum alignment and collaboration with the GCAP International Government Organisation (GIGO) which will also be headquartered in the UK. Both

entities will work together to support cost-effective and timely programme delivery, including a 2035 aircraft in-service date.

GCAP is a hugely significant programme for the security and economic prosperity of each nation and, through effective knowledge and technology transfer, it will help to evolve and deliver important sovereign combat air capability in each nation for generations to come.

Notes to editors

- The joint venture is expected to be established by the middle of 2025.
- It will undertake the design and development of the GCAP aircraft and will subcontract the manufacturing and final assembly of the aircraft to BAE Systems, Leonardo, Mitsubishi Heavy Industries and the wider supply chain.
- The joint work of the programme is designed to maximise and grow industrial capability in each of the nations, with design, development, manufacturing and production elements evenly distributed among nations.
- The first CEO of the joint venture will be from Italy.

Media Gallery: <http://lnrdo.co/GCAP>

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