

FREE BOOK FROM THE GLOCAL WORKSHOP

RHEINMETALL

From Rhenish Metallurgy to the Global Production
of Instruments of Death



*Portrait of an Exterminating Angel
at the Heart of Europe*

July 2026



Rheinmetall: From Rhenish Metallurgy to the Global Production of Instruments of Death

Portrait of an Exterminating Angel at the Heart of Europe

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“TEZCATLIPOCA” SERIES

Tezcatlipoca (a Nahuatl name literally meaning "Smoking Mirror") is a god in Aztec mythology. He is the most feared of all Aztec deities. He is the second of the four sons of Ometecuhtli and Omecihuatl, the parents of the four Tezcatlipocas: Xipe Totec (the Red Tezcatlipoca), Tezcatlipoca (the Black Tezcatlipoca), Quetzalcoatl (the White Tezcatlipoca), and Huitzilopochtli (the Blue Tezcatlipoca). Tezcatlipoca is associated with night, discord, war, hunting, kingship, time, providence, sorcerers, and memory. In a word: history — to which this collection is devoted.

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INTRODUCTION

The German ambition is clearly stated: “to make the Bundeswehr the most powerful army in Europe” (Olaf Scholz) and this, “whatever it takes” (Friedrich Merz). “Rearming Europe” means above all “Rearming Germany”. A key and driving element of this rearmament is the company Rheinmetall, born under the Second Reich (Empire), flourishing under the Third and rising to the firmament under the Fourth. One figure says it all: the company’s share price has risen from €60 in 2016 to €1,164 at the time of writing. Dividends per share paid to shareholders this year will be €11.50, compared with €8.10 last year. The turnover forecast for 2026 is expected to be 40 to 45% higher than in 2025, i.e. between €14 and €14.5 billion. The number of employees worldwide has risen from 23,000 in 2020 to 34,000 today, spread across 160 sites on four continents. In short, the sponsor of Borussia Dortmund (€20 million. *Read ‘[Finding a club, by monaznefer](#)’*) can proudly proclaim: “*Wir sind wieder wer*” [*We’re somebody again*], the self-satisfied slogan of the “German economic miracle” of the 1950s and 1960s. And this while focusing exclusively on military production, after having liquidated all its civilian production activities (mainly automotive). Gone are the days when Rheinmetall, following the two world wars of the 20th century, had for a time to reinvent itself by producing typewriters, calculators and tractors!

Rheinmetall (“Rhenish metal”) now has only the name left that is Rhenish. The Röchling family, which held 42% of the shares (€570 million), sold them in 2004, entrusting Goldman-Sachs and BNP Paribas with finding buyers [75 institutional investors, including Black Rock, The Vanguard Group, Bank of America, FMR LLC, and Norges Bank Investment Management], thus putting an end to 48 years of typically Rhenish “patient capitalism” and bringing the group into the world of dividend hunters, the “impatient capitalism” of stock-market financiers.

In this increasingly warlike European context, with Germany as the operational front-runner, it seemed appropriate to us to draw up a portrait of the group since its creation, from different angles, which we will present in ten parts over the coming days. We begin today with the history of the group since its founding in 1889.

Enjoy the read and let your anger turn into productive energy!

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I - History of the group

Rheinmetall: From Cannon King to Global Producer of Death - 137 Years of Bloody History

RHEINMETALL: FROM CANNON KING TO GLOBAL PRODUCER OF DEATH - 137 YEARS OF BLOODY HISTORY



1 FOUNDATION AND RISE IN THE GERMAN EMPIRE (1889–1914)





- 
Foundation: The company was founded on 13 April 1889 in Düsseldorf under the name 'Rheinische Metallwaren- und Maschinenfabrik Actiengesellschaft', at the initiative of the Hörder Bergwerks- und Hüttenverein.
- 
The 'cannon king' Ehrhardt: Under the leadership of the engineer Heinrich Ehrhardt, the factory developed rapidly. In 1896, the first quick-firing artillery gun with a recoil brake constituted a technological breakthrough that made Rheinmetall known worldwide.
- 
Expansion: In 1914, the workforce reached around 8,000 employees and Rheinmetall became the second-largest arms manufacturer in the German Empire after Krupp.

FIGURES & FACTS




- 
Founded: 13 April 1889
- 
Headquarters: Düsseldorf
- 
1896: first quick-firing artillery gun with recoil brake
- 
1914: about 8,000 employees
- 
2nd arms manufacturer in the German Reich

2 THE FIRST WORLD WAR (1914–1918)






- 
War economy: During the war, the company expanded massively. The number of employees rose from 8,000 in 1914 to almost 48,000.
- 
Production: Rheinmetall supplied enormous quantities of ammunition and artillery pieces to the front, which led to an almost fourfold increase in the built-up area of the Düsseldorf plant.

AT A GLANCE

- 
Workforce: from 8,000 (1914) to nearly 48,000
- 
Industrial area: almost quadrupled
- 
Main products: ammunition and artillery

3 CRISIS AND UPHEAVALS UNDER THE WEIMAR REPUBLIC (1919–1932)



- 
Treaty of Versailles: After the defeat of 1918, the Allies almost completely prohibited German arms production. Rheinmetall was forced to shift to civilian products: typewriters, locomotives, wagons, and agricultural machinery.
- 
Nationalisation: Faced with economic difficulties, the German state took control in 1925 via the holding company VIAG, the group's majority shareholder (around 52%). Rheinmetall thus effectively became a state-controlled company before 1933.
- 
Clandestine rearmament ("Black Reichswehr"): Despite the restrictions, Rheinmetall maintained its military expertise through covert operations. In 1929, the group founded an arms factory in Switzerland (Solothurn) and cooperated with a secret tank school in Kazan, in the Soviet Union, to test prohibited systems.




IMPORTANT FACTS

- 
Forced conversion to civilian products: typewriters, locomotives, wagons, and agricultural machinery
- 
1925: majority takeover by the German state (~52%)
- 
1929: arms factory in Switzerland (Solothurn)
- 
Secret tank school in Kazan

4 ARMAMENT GROUP OF THE NAZI REGIME (1933–1945)



Under National Socialism, Rheinmetall was deeply integrated into the Nazi regime. The group profited massively from the rearmament of the Wehrmacht and the war economy. During the Second World War, the group was de facto nationalised under the name Rheinmetall-Borsig AG and systematically exploited thousands of forced labourers and concentration-camp prisoners under inhuman conditions.

- 
Arms production: The group developed and produced machine guns, anti-aircraft guns (including the famous 8.8 cm Flak), and mortars for the Wehrmacht in large quantities.
- 
Forced labour: At the Unterlüß site, in the Lüneburg Heath, Rheinmetall exploited camps holding thousands of internees. Women from the Tannenberg satellite camp, dependent on Bergen-Belsen, were also forced to work in the arms factories.
- 
Historical reckoning: Since the late 1990s, the company has worked on documenting its past, notably its use of foreign and forced labour, although the critical examination of this history remains disputed.

AT A GLANCE


- 
De facto nationalisation (Rheinmetall-Borsig AG)
- 
Thousands of forced labourers and camp prisoners exploited
- 
Major arms supplier to the Nazi regime
- 
Critical historical work undertaken since the 1990s

5 FROM THE POST-WAR PERIOD TO TODAY

A. POST-WAR PERIOD AND REARMAMENT (1945–1960s)

- 
Production ban: After the war, the Allies first prohibited armaments production. The company returned to civilian activities, notably typewriters and agricultural machinery.
- 
New departure: In 1951, the group was reorganised and the Düsseldorf site was partially maintained while being reoriented toward light armaments.
- 
Bundeswehr: With the creation of the Bundeswehr in 1955 and West Germany's accession to NATO, Rheinmetall once again became an important supplier, notably with the Leopard 1 tank gun.

B. DIVERSIFICATION AND EXPANSION (1970s–2010s)

- 
Automotive pillar: To reduce dependence on military orders, the group acquired several automotive suppliers, including Pierburg and Kolbenschmidt.
- 
Technological leader: Rheinmetall developed the 120 mm smoothbore gun, which became the world standard for tanks such as the Leopard 2 and M1 Abrams.
- 
Criticism: From the 1980s onward, Rheinmetall became one of the symbols targeted by the pacifist movement and faced accusations linked to controversial arms exports.

C. THE "TURNING POINT" (SINCE 2022)

- 
Orders boom: The order book grew from 24.5 billion euros at the end of 2021 to more than 73 billion euros in 2024/25. Rheinmetall supplies ammunition, anti-aircraft systems, armoured vehicles, and repairs Leopard tanks for Ukraine.
- 
European autonomy: The group is expanding its capacities with new ammunition factories in Germany and Ukraine, and with drone production facilities in Ukraine.
- 
From "pariah" to partner: In political discourse, Rheinmetall is now presented as a key actor in Europe's security and defence pillar.

TODAY IN FIGURES

- 
Order book: from €24.5 bn (end of 2021) to more than €73 bn (2024/25)
- 
Main products: ammunition, anti-aircraft systems, tanks, electronics, vehicles
- 
Presence: active in Europe and worldwide
- 
Expansion of factories in Germany and Ukraine



CONCLUSION FROM 1889 TO TODAY

Rheinmetall has gone from the "cannon king" of the German Empire to a contemporary giant of armaments, through the Nazi war machine and the post-war crisis. With the 'turning point', the group is experiencing unprecedented growth — at the price of peace and human lives.

1. Foundation and Rise under the Empire (1889--1914)

Foundation: The company was founded on 13 April 1889 under the name “**Rheinische Metallwaaren- und Maschinenfabrik Actiengesellschaft**” in Düsseldorf, on the initiative of the Hoerder Bergwerks- und Hüttenverein (Hoerde Mining and Smelting Union a district of Dortmund, which later merged with other groups to form Hoesch AG, one of the giants of the German steel industry).



Heinrich Ehrhardt (1840-1928)

1. **The “King of Cannons” Ehrhardt:** Under the direction of the Thuringian engineer **Heinrich Ehrhardt**, the factory experienced rapid development. In 1896, the first rapid-fire cannon with tube recoil constituted a technological breakthrough that made Rheinmetall known throughout the world.
2. **Expansion:** By 1914, the workforce reached around 8,000 employees, and Rheinmetall became the second largest arms manufacturer in the German Empire, behind Krupp.

2. The First World War (1914-1918)

- **War economy:** During the war, the company expanded massively. The workforce rose to nearly **48,000**.

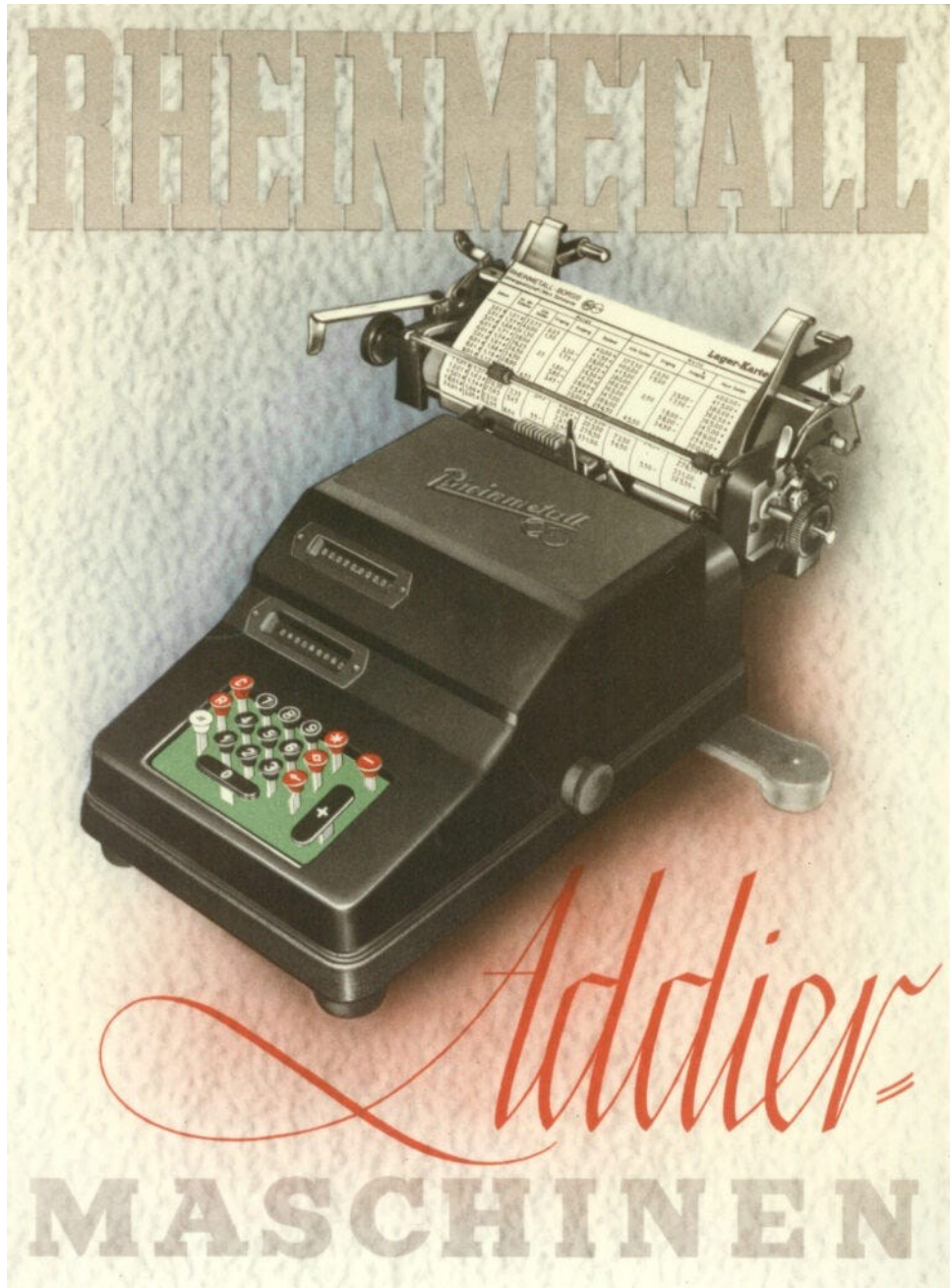
- **Production:** Rheinmetall supplied huge quantities of ammunition and artillery pieces to the front, leading to an almost fourfold increase in the built-up area of the Düsseldorf plant.

3. Crisis and Upheaval under the Weimar Republic (1919--1932)

- **Treaty of Versailles:** After the defeat of 1918, the Allies almost totally prohibited arms production in Germany. Rheinmetall was forced to turn to civilian products: **typewriters**, locomotives, steam ploughs and agricultural machinery were then manufactured.



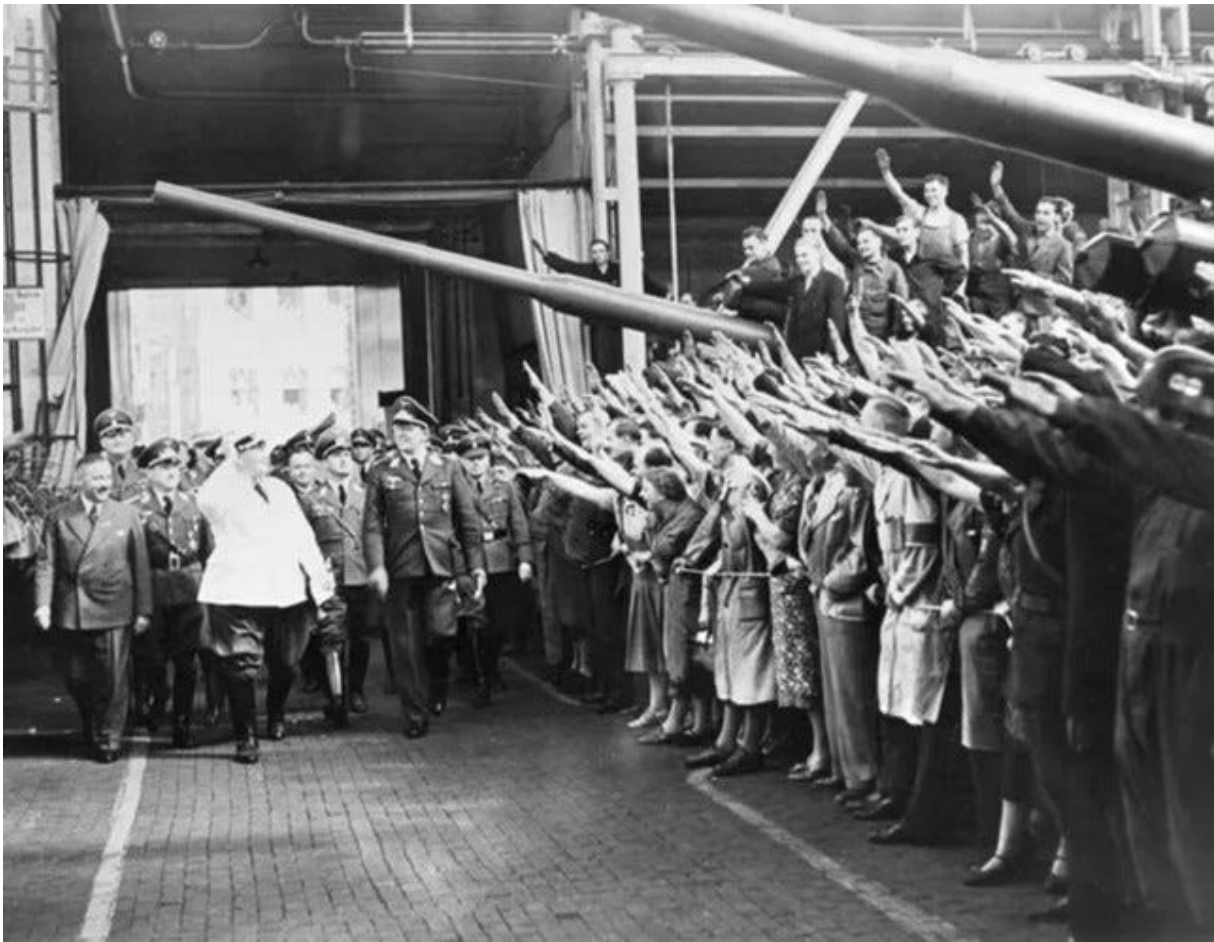
The "Modell 9", launched in 1929



Ten-key mechanical adding machine, produced in Sömmerda. The advertisement highlights its use for accounting and printing stock cards (Lager-Karten)

Nationalisation: Due to the difficult economic situation (in particular the French occupation of the Ruhr, to whose resistance the group's management provided support), the German Empire took back in 1925, via the holding company VIAG, the **majority of the group** (~52%). Rheinmetall was therefore already, before 1933, a state-owned group.

Secret rearmament ("Black Reichswehr"): Despite the bans, Rheinmetall maintained its technical expertise through circumvention transactions. Thus, in 1929, the company founded a **weapons factory in Switzerland (Solothurn)** and cooperated with a **secret tank school in Kazan in the Soviet Union**, in order to test prohibited weapons systems.



Minister Hermann Göring visits the Tegel plant in 1939

4. The Nazi Regime's "Rüstungskonzern" (Armaments Conglomerate)

Under National Socialism, Rheinmetall, as an armaments group, was deeply integrated into the Nazi regime. The company benefited massively from the rearmament of the Wehrmacht and the National Socialist war economy. During the Second World War, the group was de facto nationalised (under the name Rheinmetall-Borsig AG) and systematically resorted to thousands of forced labourers and concentration camp prisoners in inhuman conditions.

The main historical details in summary:

- **Arms production:** The group developed and produced for the Reich Ministry of War, among other things, machine guns, anti-aircraft guns (for example the famous 8.8-cm Flak) and mortars.
- **Forced labour:** At the Unterlüß production site alone, in the Lüneburg Heath, Rheinmetall ran camps housing thousands of prisoners. Women from the satellite camp of Bergen-Belsen, Tannenberg, were also forced to do forced labour in the armaments factories. The number of slaves who worked for the company is estimated at 300,000.
- **Treatment of the company's history:** The treatment of the company's Nazi past is sometimes criticised, although since the end of the 1990s, the group has been working to clarify this period, documents the use of foreign and forced labour and makes available corresponding [company history pages](#). Detailed and official documents on the company's chronology, particularly on the use of forced labour, can be consulted directly in the [Rheinmetall Historical Archives](#).



Hitler and Röchling, in Rügenwalde in 1943

5. The Post-War Period

After 1945, Rheinmetall experienced a turbulent history, moving from a land armaments company to a diversification strategy, up to its current rise as a central pillar of the so-called European defence policy.

A. The Post-War Period and Rearmament (1945--1960s)

- **Production ban:** After the war, the Allies prohibited any arms production. Rheinmetall tried in vain to turn to **civilian goods** such as typewriters or agricultural machinery.
- **New beginning:** In 1951, the group was reorganised and the Düsseldorf site was “artificially kept alive”, in anticipation of future rearmament.
- **Bundeswehr:** With the creation of the Bundeswehr (Federal Armed Forces) in 1955 and accession to NATO, Rheinmetall once again became a major supplier, for example for the cannon of the Leopard 1 main battle tank.

B. Diversification and Expansion (1970s--2010)

- **Civilian activity:** In order to reduce its dependence on public arms orders, the group increasingly acquired companies in the automotive sector (e.g. Pierburg, Kolbenschmidt).
- **Technology leader:** The group developed the **120 mm smoothbore cannon**, which became the world standard for Western main battle tanks (Leopard 2, M1 Abrams).
- **Criticism:** In the 1980s, Rheinmetall became an emblematic target of the peace movement and faced accusations concerning dubious arms exports.

C. The “Historic Turning Point” or “Change of Era” (Zeitenwende) (from 2022)

The Russian aggression against Ukraine has fundamentally transformed the group’s role:

- **Order boom:** The order book has risen from €24.5 billion (end of 2021) to over €73 billion (2024/25). Rheinmetall supplies ammunition, anti-aircraft defence systems (Skynex) and repairs **Leopard tanks for Ukraine**([link](#)).
- **European autonomy:** The group is massively expanding its capacities, in particular via new ammunition factories in Germany (Unterlüß) as well as tank factories directly in Ukraine.
- **From “dirty child” Schmutdellkind to partner:** In political discourse, Rheinmetall is now perceived as a guarantor of a “democracy capable of defending itself” and as a pillar of national security.



Inauguration of Rheinmetall's new artillery factory in Unterlüß, August 2025. From left to right: Ulrich Grillo, member of Rheinmetall's Supervisory Board, Carsten Breuer, Inspector General of the Bundeswehr, Mark Rutte, NATO Secretary General, Boris Pistorius, Federal Minister of Defence, Armin Papperger, CEO of Rheinmetall, Lars Klingbeil, Federal Minister of Finance

II - Group Structure

Following a major strategic reorganisation completed in early 2026, the Rheinmetall Group has reshaped its business structure to strengthen its position in the defence and critical technologies markets. Now organised around five divisions – including a new venture in the naval sector – the Group is posting sustained growth, driven by record order backlogs and solid industrial performance. This factsheet provides an overview of the key financial data, operational specialisations and major structural changes for each division, updated as of the first half of 2025 and the first months of 2026.

Vehicle Systems

Wheeled armoured vehicles (Boxer), tracked vehicles (Lynx KF41, Panther KF51) and logistic vehicles

- **2025 Revenue : €4.99 billion.**
- **Share of Group revenue : 50.2%** (largest division).
- **H1 2025 Performance** : Revenue of €1.9 billion (+46%), operating income of €179 million.
- **Order backlog (March 2026)** : €25.85 billion.

Weapon & Ammunition

Tank cannons (120 mm L/55), artillery, medium and large-calibre ammunition, solid propulsion.

- **2025 Revenue : €3.53 billion.**
- **Share of Group revenue : 35.5%.**
- **2025 Performance** : Growth of 27%, high operating margin of 29.3% (profit of €1.03 billion).
- **H1 2025 Performance** : Record revenue of €1.3 billion, operating income of €280 million (+36%).

Electronic Solutions

Active protection systems (StrikeShield), sensors, electronic warfare, lasers, battlefield digitisation.

- **Revenue (estimated based on H1 2025)** : ~€1.9 billion (annualised).
- **Share of Group revenue (estimated)** : ~19%.
- **H1 2025 Performance** : Revenue of €944 million (+46%), order intake up 231% to €9.98 billion.
- **Order backlog (H1 2025)** : €16.9 billion.

Since January 2026, the Electronic Solutions division has been split into two entities:

- Air Defence
- Digital Systems

A fifth division has been created: Naval Systems¹, marking Rheinmetall's entry into this field.

Power Systems – Being divested

Engine components, exhaust gas recirculation systems. The spin-off of this civil division is strategic.

- **2025 Revenue** : ~€2 billion.
- **Share of Group revenue** : ~20%.
- **Employees** : Approximately 6,250 people.
- **Status** : Being sold to the AEQUITA fund (closing expected end of 2026).
- **H1 2025 Performance** : Revenue down 7% to €987 million, operating income down 58% (€24 million).

Materials & Trade

Trading of components and subsystems, but a modest-sized division.

- **Revenue (2022 data)** : €743 million.
- **Share of Group revenue (estimated)** : ~7%.
- **Performance (2022 data)** : Operating income of €68 million (9.1% margin).

Structure of the Rheinmetall Group

Since a major reorganization, the Group is structured into five divisions.

1

VEHICLE SYSTEMS

(Vehicle Systems)

Wheeled (Boxer), tracked (Lynx KF41, Panther KF51) armoured vehicles and logistic vehicles.

<p>2025 REVENUE</p> <p style="font-size: 1.5em; font-weight: bold;">€ 4.99</p> <p>billion</p>	<p>SHARE OF GROUP REVENUE</p> <p style="font-size: 1.5em; font-weight: bold;">50.2%</p> <p>(largest division)</p>	<p>ORDER BOOK (March 2026)</p> <p style="font-size: 1.5em; font-weight: bold;">€ 25.85</p> <p>billion</p>
<p>PERFORMANCE – 1st HALF 2025</p>		
<p>Revenue</p> <p style="font-size: 1.2em; font-weight: bold;">€ 1.9 billion</p> <p>(+46%)</p>	<p>Operating result</p> <p style="font-size: 1.2em; font-weight: bold;">€ 179 million</p>	

2

WEAPON & AMMUNITION

(Weapons & Ammunition)

Tank guns (120 mm L/55), artillery, medium and large calibre ammunition, solid propulsion.

<p>2025 REVENUE</p> <p style="font-size: 1.5em; font-weight: bold;">€ 3.53</p> <p>billion</p>	<p>SHARE OF GROUP REVENUE</p> <p style="font-size: 1.5em; font-weight: bold;">35.5%</p>	<p>PERFORMANCE 2025</p> <p style="font-size: 1.5em; font-weight: bold;">+27%</p> <p>growth</p> <p style="font-size: 0.8em;">High operating margin</p> <p style="font-size: 1.2em; font-weight: bold;">29.3%</p> <p style="font-size: 0.7em;">(profit €1.03 billion)</p>
<p>PERFORMANCE – 1st HALF 2025</p>		
<p>Record revenue</p> <p style="font-size: 1.2em; font-weight: bold;">€ 1.3 billion</p>	<p>Operating result</p> <p style="font-size: 1.2em; font-weight: bold;">€ 280 million (+36%)</p>	

3

ELECTRONIC SOLUTIONS

(Electronic Solutions)

Active protection systems (StrikeShield), sensors, electronic warfare, lasers, battlefield digitization.

<p>REVENUE (EST.) (based on 1st half 2025)</p> <p style="font-size: 1.5em; font-weight: bold;">~€ 1.9 billion</p> <p>(annualized)</p>	<p>SHARE OF GROUP REVENUE (EST.)</p> <p style="font-size: 1.5em; font-weight: bold;">~19%</p>	<p>ORDER INTAKE – 1st HALF 2025</p> <p style="font-size: 1.5em; font-weight: bold;">€ 9.98 billion</p> <p>(+231%)</p>
<p>PERFORMANCE – 1st HALF 2025</p>		
<p>Revenue</p> <p style="font-size: 1.2em; font-weight: bold;">€ 944 million</p> <p>(+46%)</p>	<p>ORDER BOOK (1st HALF 2025)</p> <p style="font-size: 1.2em; font-weight: bold;">€ 16.9 billion</p>	

4

POWER SYSTEMS

(Power Systems)

DIVESTMENT IN PROGRESS

Components for engines, exhaust gas recirculation systems. The spin-off of this civil division is strategic.

<p>2025 REVENUE (EST.)</p> <p style="font-size: 1.5em; font-weight: bold;">~€ 2.0 billion</p>	<p>SHARE OF GROUP REVENUE (EST.)</p> <p style="font-size: 1.5em; font-weight: bold;">~20%</p>	<p>EMPLOYEES</p> <p style="font-size: 1.5em; font-weight: bold;">~6,250 people</p>
<p>STATUS</p> <p style="font-size: 0.8em;">Sale in progress to AEQUITA fund (closing expected end of 2026)</p>	<p>PERFORMANCE – 1st HALF 2025</p> <p>Revenue</p> <p style="font-size: 1.2em; font-weight: bold;">€ 987 million</p> <p>(-7%)</p>	<p>Operating result</p> <p style="font-size: 1.2em; font-weight: bold;">€ 24 million</p> <p>(-58%)</p>

5

MATERIALS & TRADE

(Materials & Trade)

Trade of components and sub-systems, a smaller division.

<p>REVENUE (2022)</p> <p style="font-size: 1.5em; font-weight: bold;">€ 743 million</p>	<p>SHARE OF GROUP REVENUE (EST.)</p> <p style="font-size: 1.5em; font-weight: bold;">~7%</p>	<p>PERFORMANCE (2022)</p> <p>Operating result</p> <p style="font-size: 1.5em; font-weight: bold;">€ 68 million</p> <p>(margin 9.1%)</p>
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i Figures may not add up due to rounding. Estimates are based on available information.



III- Rheinmetall's Financial and Strategic Balance Sheet (March 2026)

This document provides a financial and strategic overview of the Rheinmetall Group as **published on March 11, 2026**. It is evident that the group has seized the historic turning point of 2022 (*Zeitenwende*), when Russia attacked Ukraine. Rheinmetall is in the midst of a metamorphosis to become a global champion in the production of "defense" systems. The company is not merely benefiting from rising military budgets; it is reinventing its scope, investing massively in its industrial tools, and structuring itself to meet sustainable European demand. This is a radical transformation of its business model. The 2026 outlook confirms this momentum, despite temporary cyclical fluctuations at the beginning of the year.



Rheinmetall at the heart of the European war economy: profits, military orders, and industrial recovery under the banner of "defense."

1. OVERVIEW SINCE THE ZEITENWENDE (2022-2025)

Since Chancellor Scholz's historic speech, Rheinmetall has transformed into a central player in European "defense." Turnover nearly doubled between 2022 and 2025, rising from €6.4 billion to nearly €10 billion. Profitability improved significantly, and the order backlog exploded, reaching €64 billion at the end of 2025.

2. CONSOLIDATED TURNOVER TREND (2022-2025)

The Group's consolidated turnover has grown very strongly since 2022 and 2025, having increased by 55% in three years.

- 2022: €6.4 billion
- 2023: €7.2 billion → +12.0%
- 2024: €7.7 billion → +7.5%
- 2025: €9.9 billion → +28.8%

3. KEY FINANCIAL INDICATORS FOR 2024 AND 2025

In the last known fiscal year, the operating margin improved to 18.5%, despite net income being temporarily affected by massive investments.

- Operating result (EBIT): from €1,478 million in 2024 to €1,841 million in 2025 → +33%
- Group operating margin: from 15.2% to 18.5%
- Group net income: from €717 million to €696 million → -3% (slightly down due to base effects and exceptional charges related to investments in 13 new plants and acquisitions)
- Dividend per share: from €8.10 to €11.50 → +42%
- Order backlog up 36% between 2024 and 2025, from €46.9 billion to €63.8 billion
- Cash flow from €1.7 billion to €2.3 billion.

4. DIVISIONAL PERFORMANCE IN 2025

Three historical divisions make up the group. Weapons & Ammunition is the most profitable, with an operating margin of 29%, and Electronic Solutions is the fastest-growing, with a 45% increase in turnover.

- **Vehicle Systems Division (armored and logistics vehicles):**
Truck deliveries and Boxer programs for the UK and Germany.
Turnover: €4,990 million → +32%
Operating margin: 11.7%
- **Weapons and Ammunition Division:**
Highest margin in the group, main customers Germany, NATO, and Ukraine.
Turnover: €3,530 million → +27%
Operating margin: 29.0%
- **Electronic Solutions Division:**
Exceptional growth thanks to the TaWAN program and Skyraenger and Skynex air defense systems.
Turnover: €2,500 million → +45%
Operating margin: 14.6%

NB. The total divisional turnover includes internal sales (intra-group) between the different Rheinmetall entities, while the Group's consolidated turnover (€9,935 million) only includes sales to external customers.

5. NEW DIVISIONAL STRUCTURE IN 2026

Since January 2026, the Electronic Solutions division has been split into two entities: **Air Defence** and **Digital Systems**, bringing the total number of divisions to four.

A fifth has been created, **Naval Systems**, marking Rheinmetall's entry into this domain. [[see note here](#)]

7. OUTLOOK FOR 2026

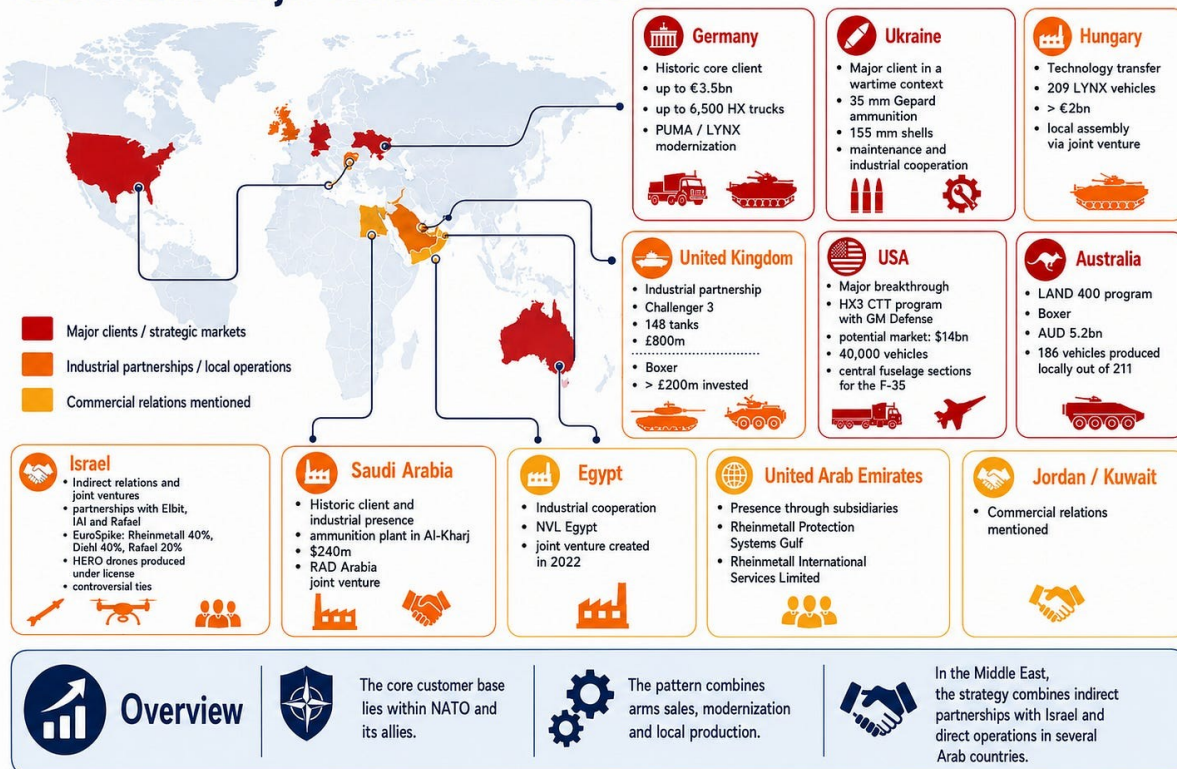
A slowdown was observed in the first quarter of 2026, with revenues below market expectations due to delivery delays. However, this appears to be cyclical, as management has confirmed its growth forecast for the year, with a 40 to 45% increase in turnover, expected to reach €14.0 to €14.5 billion, with an operating margin of around 19%. These forecasts are based on major contracts linked to the German government's investment plans, with a total package of €377 billion for "defense," of which more than €88 billion could benefit Rheinmetall.

8. INVESTMENTS, ACQUISITIONS, AND STRATEGIC REFOCUSING

- Refocusing on military production: the sale of the civil Power Systems division (components for internal combustion engines) is underway, with a buyer identified. The goal is to become a pure-play group in the defense industry.
- Expansion of production capacities: construction or expansion of 13 new plants in Europe, notably in Lithuania, Latvia, and Bulgaria, dedicated to ammunition and powder.
- Targeted artillery shell production capacity: 1.5 million shells per year by 2030.
- Recent acquisitions: acquisition of Muni Berka GmbH for ammunition storage and dismantling; acquisition of a majority stake in the Croatian robotics specialist DOK-ING for heavy ground drones.

IV - Rheinmetall's Main Customers

Rheinmetall: major clients and locations



Rheinmetall's clients are primarily NATO member states and allied nations, with major contracts covering armored vehicles, artillery, and ammunition. The Group is a central player in strengthening the warfighting capabilities of these countries, notably in response to ongoing conflicts.

Germany (Bundeswehr)

A historic client and central partner, the Bundeswehr is a pillar of Rheinmetall's activities. Recent contracts are massive:

- **Logistics Vehicles:** A colossal framework contract worth up to **€3.5 billion** for the supply of up to **6,500 trucks** from the HX family, with firm orders already in place for over 1,000 vehicles for 2025 alone.
- **Armored Vehicle Modernization:** Rheinmetall is the industrial partner for armored forces modernization programs, notably via the PUMA and LYNX infantry fighting vehicles (developed for German forces and for export).

NATO and Key Allies

Ukraine (Wartime Support)

Ukraine has become a major and urgent client:

- **Ammunition:** Massive deliveries of ammunition, including **35 mm** rounds for **Gepard** anti-aircraft guns and **155 mm** artillery shells.
- **Maintenance:** Rheinmetall has established a strategic cooperation with the Ukrainian military industry, laying the groundwork for local maintenance and joint production.

Hungary (Technology Transfer)

A leading strategic client for the **LYNX KF41**:

- **Historic Contract:** Order for **209 LYNX vehicles** (in 7 variants) worth over **€2 billion**, symbolizing a spectacular upgrade (replacing Soviet BMP-1s).
- **Technology Transfer:** Hungary received the first “Made in Germany” vehicles in 2022, and the **first locally assembled LYNX** was delivered in July 2024, under a joint venture 51% owned by Rheinmetall, creating a national industrial hub.

United Kingdom (Sovereignty and Modernization)

A strengthened partnership through a joint subsidiary (RBSL):

- **Challenger 3 Tank:** A **£800 million** program to modernize **148 tanks**, creating over 750 highly skilled jobs.
- **Boxer Vehicle:** Launch of production in Great Britain of the Boxer armored vehicle, with a high local content (75% of the supply chain British).
- **Investment:** Over **£200 million** invested in UK sites, including a new large-caliber gun factory.

USA (Major Breakthrough)

A rare case for a European group, Rheinmetall is making progress on the US market:

- **CTT Program:** In partnership with GM Defense, the Group delivered HX3 CTT tactical truck prototypes for the first phase of the program aimed at replacing the US Army’s fleet, a potential market worth **\$14 billion** for 40,000 vehicles.
- **F-35:** Rheinmetall also produces center fuselage sections for the F-35 fighter jet under an agreement with Lockheed Martin and Northrop Grumman.

Australia (LAND 400 Program)

Rheinmetall is a key player in the armored vehicle replacement program:

- **Boxer Reconnaissance Vehicle:** Named as the preferred bidder for a contract worth **A\$5.2 billion**, with local production of **186 vehicles** out of a total of 211, supporting Australian industry.

Other Markets

- **International Clientele:** Rheinmetall’s HX family trucks are used by over twenty countries, including the UK, Australia, New Zealand, Norway, Sweden, Austria, Singapore, Slovenia, Denmark, and Ukraine.
- **Middle East and Asia:** Traditional clients, notably for ammunition and air defense systems (guns, naval artillery mounts).

In summary, Rheinmetall’s clientele is broad, ranging from its historic European markets to significant breakthroughs in the United States and Asia-Pacific, with a major focus on supplying advanced ground systems and ammunition in a context of rising geopolitical tensions.

Rheinmetall’s presence in Israel and Arab countries manifests in two ways: indirect business relationships with Israel via joint ventures, and more direct industrial establishments in several key Arab countries.

The Complex Relationship with Israel

Rheinmetall maintains a notable commercial relationship with the Israeli defense industry, materializing in several ways:

- **Strategic Partnerships via Joint Ventures:** The Group collaborates closely with Israel's three largest defense manufacturers: **Elbit Systems**, **Israel Aerospace Industries (IAI)**, and **Rafael Advanced Defense Systems**. The primary goal is to produce and market Israeli technologies in European and NATO markets.
 - A key example is **EuroSpike GmbH**, a joint venture owned by Rheinmetall (40%), Diehl Defence (40%), and Rafael (20%), which produces Spike anti-tank missiles in Germany. This partnership has allowed countries like Spain and Slovenia to circumvent their embargoes on Israeli weapons by buying these German-made missiles.
 - Similarly, Rheinmetall produces the Israeli **HERO** suicide drones from UVision under license for the European market. In December 2025, a major contract worth several hundred million euros was signed to supply these drones to a NATO member state.

The buying country has not been officially disclosed. The identity of the NATO member state that placed this order remains confidential. According to Rheinmetall's press release and consistent sources, the client chose to remain anonymous. Published information indicates an order for several hundred systems, worth several hundred million euros, to be produced in Italy and delivered from 2026 onwards. Some sources suggest this client could be Germany, which plans to deploy such drones in 2027, but this is speculation and not official confirmation.

- **Indirect Implications and Controversies:** Several sources report potential deliveries of 120 mm tank ammunition, manufactured by Rheinmetall, to Israel via the German government. However, other reports indicate these deliveries were blocked or that the ammunition received was defective, making the situation unclear and without official confirmation.

We will return in detail to Rheinmetall and Israel in the 8th part of our report.

The Assertive Presence in Arab Countries

In Arab countries, Rheinmetall has opted for a strategy of local industrial establishment, targeting both national and regional markets:

- **Saudi Arabia:** A major historic client with a long-standing presence and growing investments.
 - The Group was involved in creating an ammunition factory in Al-Kharj, costing \$240 million, through its South African joint venture Rheinmetall Denel Munition (RDM).
 - More recently, the creation of **RAD Arabia Co.**, a joint venture with the MAZ Group, aims to localize the manufacturing, maintenance, and training for air defense systems, as part of the Kingdom's Vision 2030. Subsidiaries like *Rheinmetall Arabia Simulation and Training LLC* are also active locally.
- **Egypt:** Another important client. The German group established a joint venture in 2022 called **NVL Egypt** with local partners to develop capabilities in the naval sector.
- **United Arab Emirates:** The Group is present there with subsidiaries such as *Rheinmetall Protection Systems Gulf* and *Rheinmetall International Services Limited*.
- **Other Countries:** The company also maintains commercial relationships with other countries in the region, such as Jordan and Kuwait.

In summary, Rheinmetall's strategy in the Middle East is therefore twofold: on the one hand, industrial partnerships with Israeli companies targeting Western markets, and on the other, direct establishment in several Arab countries to produce military equipment locally.

V. Rheinmetall's Role in the ReArm Europe/Readiness 2030 Framework



Rheinmetall portrayed as an industrial octopus at the heart of European rearmament: ammunition, armoured vehicles, cross-border partnerships, public

The ReArm Europe plan (renamed READINESS 2030), presented by the European Commission in March 2025 and endowed with €800 billion, places Rheinmetall in an undisputed leadership position on the continent and elevates the group from the status of a mere supplier to that of an “army general staff architect.”

Before 2022, Rheinmetall was an equipment manufacturer. Today, it is the integrator that dictates current and future standards: in the short term, it absorbs budgets allocated to ammunition; in the medium term, it locks in armoured vehicle platforms; in the long term, it imposes its electronic and laser architectures.

Its dominance is such that other European industrial players (KNDS, Leonardo) are forced to cooperate with it on pain of being excluded from NATO-led tenders. Rheinmetall captures a disproportionate share of the €800 billion, not because it is the cheapest, but because it is the only one offering a fully intra-European supply chain (avoiding dependencies on the US, South Korea or Israel), which precisely matches the geopolitical DNA of “Readiness 2030.”

RHEINMETALL IN THE REARM EUROPE / READINESS 2030 FRAMEWORK



READINESS 2030

800 BILLION €

The European defense plan, with a budget of €800 billion, makes Rheinmetall the industrial leader of Europe's rearmament.

1 'AMMUNITION' PILLAR: VERTICAL INTEGRATION

- Mastery of propellant powder**
Control over the chemistry of explosives and propellants (acquisition of Expal).
- Modular factories**
New plants in Germany and Lithuania, deployable within 12 months.
- Record capacity**
700,000 rounds of 155 mm ammunition per year by 2027: European leader.



 Rheinmetall becomes Europe's 'powder banker'.

2 BATTLEFIELD ARCHITECTURE

Standardization from the bottom up

MGCS (long term)



VS

PANTHER KF51 (available now)



Boxer (wheeled)



VS

Lynx (tracked)



More than 70% common components

 Maximum interoperability, programs already operational.

3 CROSS-BORDER INTEGRATION

Industrial federalism

RBSL
RHEINMETALL BAE SYSTEMS LAND



Partnership with BAE Systems
→ Access to British programs (e.g. Challenger 3) and NATO markets.

LEORH



Alliance with Leonardo
→ Creation of a 'Euro-armor' vehicle based on the Panther KF51, assembled in Italy.

 Present in the key programs of all European countries.

4 BENEFICIARY OF BUDGET EXEMPTIONS

State-guaranteed cash flow

- German special fund**
€100 bn (Zeitenwende) + 10-year framework contracts (Puma, Leopard 2).
- European leverage effect**
EU co-financing (EDF, EDIRPA) → The EU finances R&D and the first batches; the states buy the long production runs.



LEOPARD 2



PUMA

 Visibility and profitability over 10 to 15 years.

5 TECHNOLOGICAL SOVEREIGNTY

Civil-military dual use

- High-energy laser (Skyranger 30 HEL)**
Solution against drones, with civilian applications (energy, grids).
- Drones and electronic warfare**
Drones, sensors and jamming systems strengthen European armies' dependence.



SKYRANGER 30 HEL



 EU-funded dual-use R&D, durable technological advantage.

IN SUMMARY: WHY RHEINMETALL DOMINATES READINESS 2030

 INDUSTRIAL LEADER Unmatched and integrated production capacities.	 EUROPEAN PRESENCE Strategic partnerships in all key countries.	 STATE & EU SUPPORT Guaranteed funding, long-term financial visibility.	 INNOVATION & TECHNOLOGY Cutting-edge R&D in critical technologies.	 EUROPEAN SOVEREIGNTY Secures Europe's defense capabilities.
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Source: Document 'V- Place de Rheinmetall dans le dispositif ReArm Europe/Readiness 2030'



Summary of the five levers that place Rheinmetall at the heart of Readiness 2030: ammunition, armoured vehicles, European integration, budgetary guarantees and technological sovereignty.

1. “Munitions” Pillar: Vertical integration as a trump card

- **The propellant powder bottleneck:** In a high-intensity conflict (such as in Ukraine), the shortage of propellant powder and explosives is the limiting factor, far more than steel. Rheinmetall has understood that to produce 155 mm shells, one must master nitrocellulose chemistry.
- **The acquisition of Expal (Spain):** This purchase targets not only production lines but also historical patents for double-base powders and nitration capacities. This gives Rheinmetall exclusive access to production capacities outside Germany, thereby bypassing local administrative red tape.
- **New plants (Unterlüß and Lithuania):** The group is not simply expanding factories; it is building “modular plants” (in containers) that it can deploy within 12 months. This enables a production ramp-up to 700,000 shells per year by 2027 – a capacity greater than that of all its European competitors combined (Nammo, Nexter, BAE). It becomes Europe’s “powder banker”, without whom the Readiness 2030 plan is merely wishful thinking.

2. Battlefield Architecture: Standardisation from the bottom up

- **The MGCS vs. Panther KF51 duel:** Officially, Rheinmetall is a partner in the MGCS (with KNDS). Unofficially, the group is pushing its Panther KF51 as a “ready-to-use” alternative to the MGCS, which will not arrive before 2040. ReArm Europe, by facilitating joint procurement, creates a market for the Panther right now.
- **The Boxer and Lynx as “Lego bricks”:** The European plan promotes interoperability. The Boxer (wheeled) and Lynx (tracked) share more than 70% of their electronic components and powerpacks. In Italy, under the A2CS (Armored Infantry Combat System) programme with Leonardo, Rheinmetall imposes its Lynx as the reference chassis. This locks in the Italian market for 20 years, as any future evolution will have to be compatible with the technical standard imposed by Rheinmetall.

3. Cross-border integration: “Industrial federalism”

The European plan encourages strategic joint ventures. Rheinmetall is the champion of this model. It pursues a strategy of “multi-nationalisation” to absorb national budgets while meeting European criteria for industrial returns (offsets).

- **RBSL (Rheinmetall BAE Systems Land - UK):** By partnering with British BAE, Rheinmetall enters through the back door into the British Challenger 3 programme (it supplies the turret). This allows it to capture British funds outside the EU while using this plant to produce armoured bridge-layers for NATO.
- **LEORH (Leonardo-Rheinmetall):** This is the geopolitical masterstroke. By signing this agreement, Rheinmetall absorbs Leonardo’s armoured vehicle branch (the heir to Oto Melara). Objective: to create a “Euro-tank” (Italy’s future main battle tank) based on the Panther KF51, but assembled in Italy. This splits the European stage into two blocs: KNDS (France-Germany for the MGCS) and LEORH (Italy-Germany for the Panther). Rheinmetall exploits Franco-Italian rivalries to ensure that, regardless of which programme wins, its powertrain and fire-control system will equip both camps.

4. Beneficiary of budgetary exemptions: State-guaranteed “cash flow”

The national safeguard clause activated by ReArm Europe allows Germany to place massive orders without debt limits. The Bundeswehr’s €100 billion special fund (*Zeitenwende*), combined with European funds, guarantees outlets for 10 to 15 years for Rheinmetall’s high-end products.

- **The national safeguard clause:** In Germany, the “debt brake” (*Schuldenbremse*) is circumvented through the activation of Article 109 of the Basic Law in the event of a military threat. Concretely, the Zeitenwende special fund (€100 billion) is already budgeted. Rheinmetall has signed 10-year framework contracts for the maintenance of the Puma and Leopard 2, guaranteeing it a floor turnover (approx. €2.5 billion/year) independent of political uncertainties.
- **The European leverage effect:** ReArm Europe allows states to use European funds (via the EDF and EDIRPA) to co-finance group purchases. Rheinmetall structures its bids so that the EU pays for R&D and the first production batch, while states pay for the long series. This reduces its financial risk and allows it to invest in massive forging and foundry capacities (for the 130 mm cannons) without impacting its profitability.

5. Technological sovereignty: Civil-military duality as a bulwark

The plan finances dual-use R&D. Rheinmetall is investing heavily in the high-energy laser (Skyranger 30 HEL), drones and short-range air defence – sectors flagged as priorities by the EU in the European Defence Fund.

- **The high-energy laser (Skyranger 30 HEL):** This is not just a weapon; it is a mobile power plant. By mastering cooling and high-capacity battery power generation, Rheinmetall is filing patents usable for both combat drones and civilian smart electricity grids. ReArm Europe targets this sector because it is the only solution against low-cost drone swarms.
- **Drones and warfare electronics:** The Readiness 2030 plan requires open systems (OSD – Open Standard Digital). Rheinmetall has acquired AI start-ups (such as *Helsing* in part) to integrate autonomous decision-making capabilities into its turrets. This allows it to charge not for tonnes of steel but for software licences (OTA updates) over the lifespan of armoured vehicles, transforming its business model into that of a defence software publisher.

Synthesis: From supplier to “General Staff Architect”

Before 2022, Rheinmetall was an equipment manufacturer. Today, it is the integrator that sets the standards:

- It absorbs munitions budgets (short-term flow).
- It locks in armoured platforms (medium-term flow).
- It imposes its electronic and laser architectures (long-term flow).

Its dominance is such that other European industrial players (KNDS, Leonardo) are forced to cooperate with it on pain of being excluded from NATO tenders. Rheinmetall captures a disproportionate share of the €800 billion, not because it is the cheapest, but because it is the only one offering an entirely intra-European supply chain (avoiding US, South Korean or Israeli dependencies), which corresponds precisely to the geopolitical DNA of “Readiness 2030”.

The limit of this model: This concentration of capabilities on a single actor creates a “single point of failure”¹ risk. If a Rheinmetall plant is bombed or catches fire, 60% of European artillery capabilities collapse. The EU, by making Rheinmetall its champion, has knowingly accepted this systemic risk to gain immediate responsiveness.

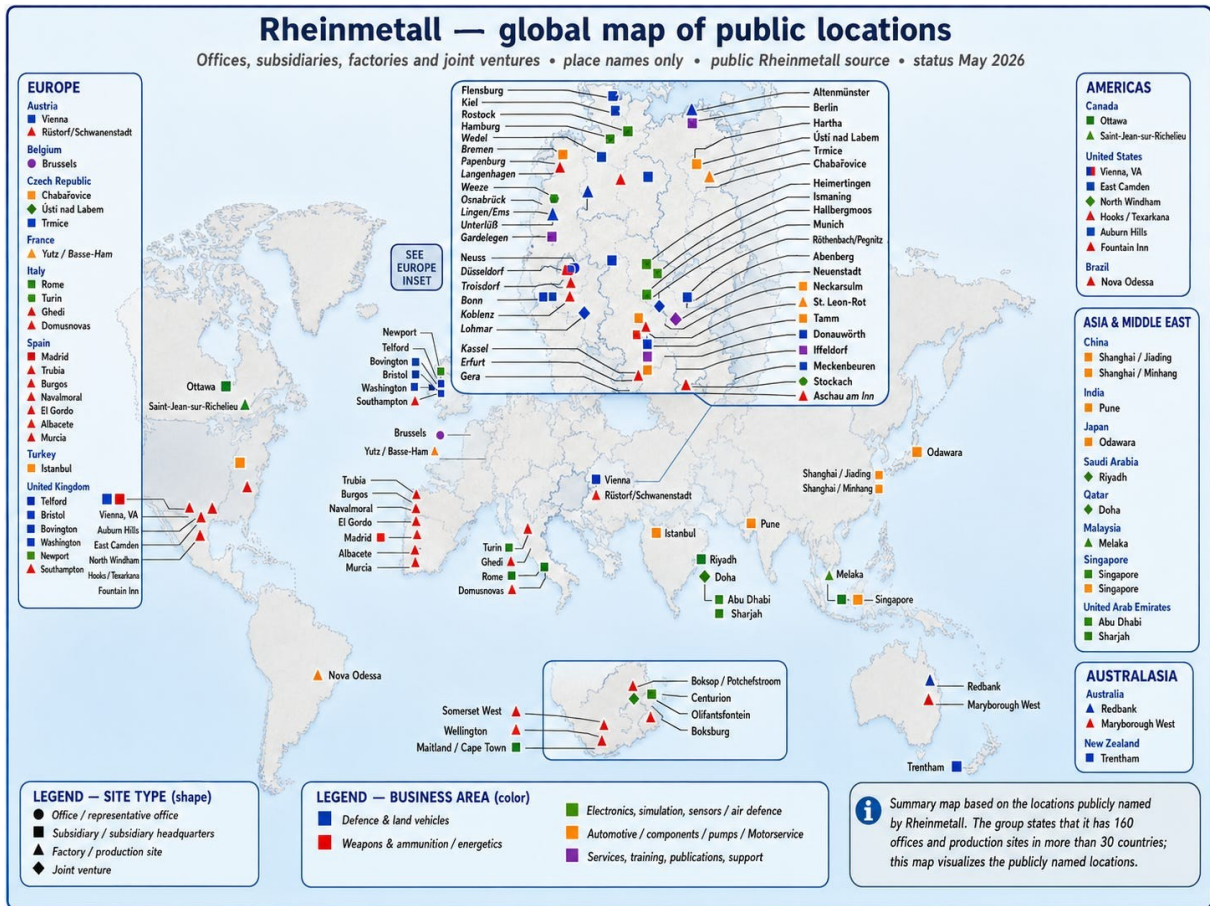
¹ A “single point of failure” designates a unique element whose failure causes the collapse of an entire system (= “putting all one’s eggs in the same basket”). In the case of Rheinmetall, this group has become this single link in the chain for European artillery. If its powder plant explodes, Europe loses 60 to 70% of its capacity to produce 155 mm shells. If a hacker paralyzes its onboard software, all Boxer and Lynx armoured vehicles spread across several countries become blind and immobile. If its specialised foundry for 130 mm cannons is damaged, the future Panther tank is delayed by two years. The EU is fully aware of this risk, but believes it has no choice. Before 2022, Europe had no large-scale production capacity whatsoever and relied entirely on the Americans, Israelis and South Koreans. It therefore prefers to have a concentrated capacity rather than zero capacity. In peacetime, a single plant is simpler and cheaper to finance, and in wartime, it is hoped that anti-aircraft shields will suffice to protect it. This is the risky bet of “putting all its eggs in the same basket” that Europe is currently making with Rheinmetall.

VI - All Rheinmetall production sites



With nearly 40,000 employees and some 160 sites recorded in more than 30 countries, Rheinmetall has established itself as one of the global pillars of the war economy. This sixth installment of the report maps the industrial footprint of the German-origin group now partly owned by those “vaterlandslosen Gesellen” [stateless companions] that are the sharks of finance (BlackRock & Co.): munitions factories, armored vehicles, defense electronics, joint ventures, and conversion sites. From Germany to Spain, from Ukraine to South Africa, the group’s numerous locations illustrate the rapid expansion of a military-industrial empire at the heart of European rearmament.

This document highlights the company’s strategic refocusing on armaments in 2026, materialized by the sale of its civilian automotive division (Pierburg) to the investment fund AEQUITA. It also assesses the social consequences of this transition for employees at the sites concerned, before mentioning citizen mobilizations and protests, particularly active in Berlin against the conversion of the Wedding factory into a munitions production site. (We will return to this in the 9th section of the report)

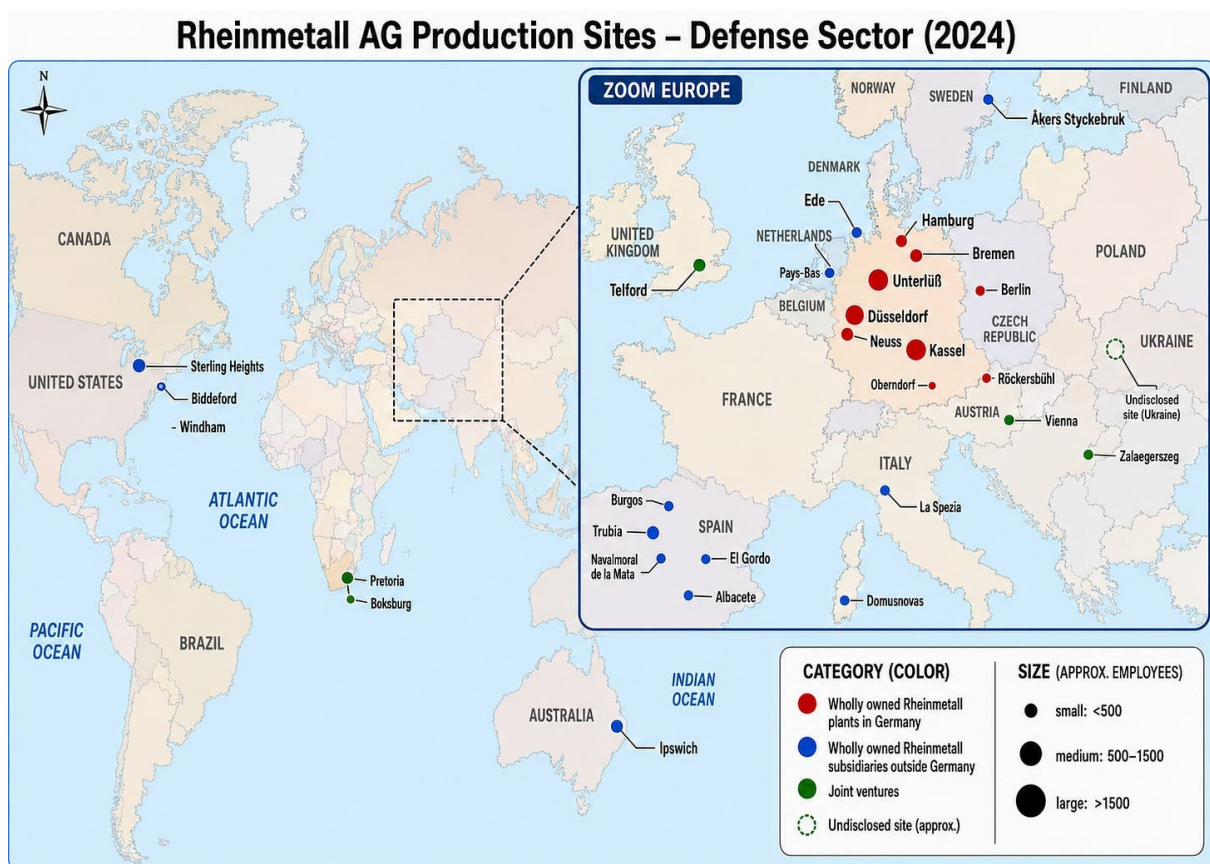


1. GERMANY (industrial heartland and R&D)

- Location: **Unterlüß** (Lower Saxony); Approx. employees: ~2,500 to 3,000; Type of production / Activity: Europe's largest munitions site. Production of tank shells (120 mm), artillery ammunition (155 mm), medium calibers (35 mm), propellant powder. New Werk Niedersachsen plant under construction to double capacity.
- Location: **Kassel** (Hesse); Approx. employees: ~1,500 to 2,000; Type of production / Activity: Center of excellence for wheeled armored vehicles. Final integration of the Boxer, logistics.
- Location: **Düsseldorf** (North Rhine-Westphalia); Approx. employees: ~3,000; Type of production / Activity: Headquarters, central R&D, administration, sales.
- Location: Hamburg; Approx. employees: ~500 to 800; Type of production / Activity: Optronics, sensors, high-energy lasers, naval fire control systems.
- Location: **Bremen**; Approx. employees: ~500; Type of production / Activity: Defense electronics, active protection systems (ADS), components for digitization.
- Location: **Neuss** (North Rhine-Westphalia); Approx. employees: ~600 to 800; Type of production / Activity: International logistics, military and civilian spare parts, service center.

- Location: **Oberndorf** (Baden-Württemberg); Approx. employees: ~200; Type of production / Activity: R&D on small and medium caliber weapons (Mauser heritage).
- Location: **Berlin** (headquarters of Vehicle Systems Europe division); Approx. employees: ~300; Type of production / Activity: Engineering, armored vehicle program management.
- Location: **Rockensüßra** (Thuringia); Approx. employees: ~150; Type of production / Activity: Pyrotechnic components and testing, solid propellants.

Note: The civilian Power Systems sites (Neckarsulm, Berlin, etc.) are in the process of partial divestment and are not listed here. See at the end of the article.



2. EUROPE (outside Germany, Spanish State and Ukraine) – subsidiaries and joint ventures (JV)

- Country: **United Kingdom**; Location: Telford; Entity: RBSL (JV 55% Rheinmetall / 45% BAE Systems); Approx. employees: ~500 to 600; Type of production: Integration of British Boxers (MIV), modernization of Challenger 3 tanks.
- Country: **Hungary**; Location: Zalaegerszeg; Entity: Rheinmetall Hungary (JV with the Hungarian state); Approx. employees: ~300 to 400 (ramping up); Type of production: Production and assembly of the Lynx KF41 tracked armored vehicle for Hungarian forces.

- Country: **Italy**; Location: La Spezia / Domusnovas; Entity: RWM Italia (100% subsidiary); Approx. employees: ~300 to 400; Type of production: Production of aerial bombs (Mk 82/83/84), artillery and mortar shells, shell bodies.
- Country: **Austria**; Location: Vienna; Entity: Rheinmetall MAN Military Vehicles (JV with MAN); Approx. employees: ~200 to 300; Type of production: Highly mobile military logistics trucks (HX, SX).
- Country: **Sweden**; Location: Akers Styckebruk; Entity: Rheinmetall Nordic; Approx. employees: ~50 to 100; Type of production: Cast components for shells, shell bodies.
- Country: **Netherlands**; Location: Ede; Entity: Rheinmetall Defence Nederland; Approx. employees: ~150 to 200; Type of production: Assembly of short-range air defense systems (Skyranger), electronic integration.

3. Spanish State



Rheinmetall acquired Expal Systems in 2023. The acquisition took place in several stages, motivated by a context of high demand for munitions.

WHEN? November 2022: Signing of the acquisition contract with MaxamCorp, the seller of Expal.
 August 1, 2023: Official finalization of the transaction after regulatory approvals.

HOW? Price: Approximately 1.2 billion euros based on enterprise value. Integration: Expal Systems became Rheinmetall Expal Munitions, S.A.U., a 100% subsidiary. The 7 sites in Spain and the USA were retained.

WHY? Production capacity: Rapid access to additional production capacities, crucial in the face of high demand (particularly for Ukraine) and bottlenecks in Europe.

Portfolio expansion: Product complementarity, particularly in artillery, mortar ammunition, detonators and rocket propulsion systems.

Industrial strategy: Strengthen its position as a key supplier for NATO, secure its supply chain and acquire a strategic base in Spain.

Total headcount and per plant figures have evolved since the acquisition, with significant growth. At the time of the acquisition, Expal Systems employed 789 people in Spain and the USA. In 2026, Rheinmetall Expal employs 2,500 people in Spain. The Trubia plant has experienced explosive growth, going from 30 employees in 2021 to 420 in 2026. The Murcia site employed 427 people in 2025.

4 . UKRAINE (maintenance puis production)

- Localisation : **Ukraine** (site non divulgué précisément) ; Entité : Rheinmetall Ukrainian Defence Industry LLC (JV 51% Rheinmetall / 49% Ukroboronprom) ; Effectifs approx. : ~100 à 200 (démarrage) ; Type de production : Maintenance et réparation de véhicules blindés (Leopard, Marder). Phase 2 : production locale de Lynx et de munitions de 155 mm.

4. UKRAINE (maintenance then production)

- Location: **Ukraine** (site not precisely disclosed); Entity: Rheinmetall Ukrainian Defence Industry LLC (JV 51% Rheinmetall / 49% Ukroboronprom); Approx. employees: ~100 to 200 (start-up); Type of production: Maintenance and repair of armored vehicles (Leopard, Marder). Phase 2: local production of Lynx and 155 mm ammunition.

5. REST OF THE WORLD

- Country: **Australia**; Location: Ipswich (Queensland); Entity: Rheinmetall Defence Australia; Approx. employees: ~500 to 700; Type of production: Center of excellence for the LAND 400 program. Assembly and integration of the Boxer CRV for the Australian army.

- Country: **USA**; Location: Sterling Heights (Michigan), Biddeford (Maine), Windham (Maine); Entity: American Rheinmetall (US subsidiaries); Approx. employees: ~1,500 total; Type of production: Sterling Heights: US Army vehicle competition (OMFV), armored engineering. Maine: munitions plants (40 mm shells, medium caliber cartridges). Texarkana, Texas: workshop specialized in munitions dismantling and disposal services. 29 workers.

- Country: South Africa; Location: Pretoria, Boksburg; Entity: Rheinmetall Denel Munition (JV 51% Rheinmetall / 49% Denel); Approx. employees: ~800 to 1,200; Type of production: Global leader in medium and large caliber munitions, explosives, mortars. Important for non-NATO supply security.

- Country: **Algeria**; Location: Algiers; Entity: Rheinmetall-Algérie (local JV); Approx. employees: ~100 to 200; Type of production: Assembly of logistics vehicles and armored components for Algerian forces.

Disclaimer on headcount: Rheinmetall employs approximately 40,000 people in total across the group (defense + civilian). Defense alone accounts for approximately 15,000 to 18,000 direct employees spread across these sites. The figures above are site-by-site estimates based on announced recruitments, press releases and the age of the facilities. Headcounts are evolving very rapidly.

Pierburg industrial sites worldwide

Indicative map of the main Pierburg / Pierburg Pump Technology production sites



Locations based on the official Rheinmetall/Pierburg pages.

1	Neuss, Germany Pierburg GmbH / Lower Rhine Plant / Pierburg Pump Technology GmbH
2	Hartha, Germany Pierburg Pump Technology GmbH
3	Ústí nad Labem, Czech Republic Pierburg s.r.o.
4	Yutz, France Pierburg Pump Technology France S.à r.l.
5	Abadiano (Vizcaya), Spain Pierburg S.A.
6	Lanciano (Chieti), Italy Pierburg Pump Technology Italy S.p.A.
7	Livorno, Italy Pierburg Pump Technology Italy S.p.A., Livorno site
8	Fountain Inn, South Carolina, United States Pierburg US, LLC
9	Celaya, Guanajuato, Mexico Pierburg Pump Technology México S.A. de C.V.
10	Nova Odessa, Brazil KSPG Automotive Brazil Ltda., Pierburg Pump Technology division
11	Kunshan, Jiangsu, China Pierburg China Ltd. (Kunshan)
12	Shanghai (Baoshan), China Pierburg China Ltd.
13	Odawara, Kanagawa, Japan Pierburg Japan Corp.

The Pierburg situation

Rheinmetall's Pierburg subsidiaries are currently undergoing a major transition. The group, which is strategically refocusing on defense, has undertaken to sell its entire automotive division (Power Systems), of which Pierburg is the historic brand.

The global footprint of the Pierburg network

Pierburg is a global automotive supplier with an extensive industrial network. Production sites and research centers are distributed worldwide.

Region | Pierburg / Power Systems presence

Europe: Germany, Spain, Italy (Livorno, Turin, Lanciano), France (Basse-Ham), Czech Republic

Americas: Mexico, Brazil, USA

Asia: China (Shanghai, Kunshan), Japan, South Korea, India

This activity represents approximately 40 sites and more than 10,000 employees.

The sale of the division: towards a new owner

To understand the future of the Pierburg subsidiaries, the key point is as follows: the Power Systems division was sold in 2026.

- The buyer: The Munich-based investment fund AEQUITA was chosen to take over the entire Power Systems division.
- The status of the process: The transaction, announced in June 2026, is currently being finalized, with closing expected by the end of the year. Finalization is still subject to regulatory approvals.

This sale concerns all Pierburg sites, including those in Spain and Italy.

An uncertain future for employees

The sale of the division has raised strong concerns among employees, who fear for their jobs.

- **Social concerns:** The announcement created a climate of uncertainty in several plants, particularly in Basse-Ham, France, where employees threatened to strike to obtain guarantees. In Italy, trade unions also demanded to be involved in the process.

- **Guarantees from the buyer:** To allay fears, AEQUITA committed to maintaining headcount and continuing to operate the group's historic brands. This commitment was received with relief, particularly at the Basse-Ham site.

- **On the Italian side, the matter concerns in particular the sites of Livorno, Lanciano and Turin, involving more than 350 workers. The unions denounce the absence of written and binding guarantees for the Italian sites, unlike the guarantees mentioned for Germany. The situation is all the more sensitive given that Pierburg Italia has already experienced years of difficulties, with use of social safety nets on certain sites. In Livorno, the unions stress that the plant is approaching this transition from a fragile position and needs a genuine industrial plan, not mere statements of principle. Social mobilization therefore continued after the announcement of the sale, with strikes and demands for the matter to be reopened at the Italian Ministry of Enterprises and Made in Italy. Regulatory finalization is expected in the 4th quarter of 2026, so the effective participation of AEQUITA in the negotiation tables is awaited, and above all the development — or not — of a written agreement equivalent to the guarantees demanded by the unions for the Italian sites.**



Livorno, November 27, 2025, two-hour strike: "Less talk, more guarantees"

The political dimension in Europe

The divestment of this division has also attracted the attention of European institutions, particularly because of its potential impact on employment and industrial know-how in 2026 to examine the consequences of this sale.

In summary, the Pierburg subsidiaries are therefore no longer at the heart of Rheinmetall's strategy and will pass under the control of an investment fund. The long-term future of the sites and jobs will now depend on the industrial plan that AEQUITA will implement.



Call from the Alliance against arms production for 3 days of action in Berlin from July 10 to 12, 2026: "End wars. Stop Rheinmetall. No arms production in Berlin"]

Wedding

A district of Berlin where a Rheinmetall factory is undergoing major transformation, the Wedding site is today the symbol of Germany's industrial and political upheavals. The promises of job preservation are indeed clashing with fierce opposition to the militarization of the economy and society. [Details in our forthcoming 9th section, Mobilizations against Rheinmetall].

A historic conversion: from automotive to armaments

The Wedding site, historically occupied by the Pierburg factory, is becoming Rheinmetall Waffen Munitions GmbH.

- **The reason for the change:** In the face of the deep crisis in the automotive industry and declining orders, Rheinmetall deemed this conversion essential to save the site's jobs. The transformation is part of the group's overall strategy of refocusing on defense and benefiting from Germany's military "Zeitenwende" (historic turning point).
- **The new production:** The plant will produce mechanical components for artillery ammunition (notably 155 mm caliber shell casings), but without using explosive substances on site. Large-scale production was initially planned for mid-2026, but technical problems (notably with the workshop floors) and administrative burdens have caused delays.
- **Headcount:** The site employs approximately 345 people. The vast majority (293 employees) are being transferred to the new entity, while a development team (40 people) remains at Pierburg. The switch to arms production is presented by the works council as a means of securing jobs for five years and beyond.

A neighborhood and a society divided

The conversion of the site has sparked very contrasting reactions:

- **Support:** The works council and a large part of the workforce see this transformation as a lifeline in the face of the site's potential bankruptcy.
- **Massive protest:** This decision has given rise to a powerful citizen and activist movement. The "Berliner Bündnis gegen Waffenproduktion" (Berlin Alliance against Arms Production), which brings together around thirty organizations, is very active. Protest actions are numerous and varied: blockades of entrances, roof occupations, red paint projections symbolizing blood.
- **Hot-button context:** Criticism is all the more fierce as Rheinmetall is accused of supplying weapons to Israel, which protesters denounce as complicity in the war against Gaza. Direct blockade actions in front of the factory took place in April 2026 to protest this involvement. Tensions are palpable, even leading to an armed police intervention at the site in May 2026.

VI-Rheinmetall's offensive products: a small catalog of tools of death



This “catalogue”, taken from Rheinmetall’s official communications, inventories what the arms industry presents as technological “solutions”. But for those who view the world from the perspective of war victims, these “products” have another name: tools of death designed to kill farther, faster, with surgical precision that only makes the efficiency of massacre colder.

Airburst grenade launchers capable of mowing down troops at 900 metres, kamikaze drones turned into autonomous hunting machines, artillery shells produced at a rate of 1.5 million per year: this is not the catalogue of a harmless industry, but the industrial machinery of an arms race that fuels conflicts, feeds proxy wars, and makes billions of euros in profit on blood spilled across the globe.

While humanitarian needs explode and civilian populations pay the heavy price of bombardments and occupations, Rheinmetall posts stock market records and production rates whose only horizon is endless war. The company boasts of its international partnerships: they are nothing but links in a global chain of death, where every contract signed with a state is a foretold bereavement for families here and elsewhere.

This document deserves to be read, not to admire the technology, but to denounce the logic that underpins it: that of a military-industrial complex that thrives on conflict and which, in the name of “defence”, prepares and normalises the offensive, wherever economic and strategic interests command it. For all technical terms, see the glossary below.

Rheinmetall's Offensive Products

Synthetic overview

1 Portable and infantry weapon systems



1) SSW40 (Squad Support Weapon)



- 40 mm
- 900 m
- 2026

Automatic 40 mm grenade launcher, presented as the world's most compact and lightest. Combines assault-rifle handling with an effective range of 900 m. Airburst firing capability: anti-drone and anti-infantry. Series production scheduled for 2026.

Entrée en production en série : 2026.

2) Hand grenades



Complete range of offensive and defensive grenades. Clients cited:

Clients cited: Netherlands and Estonia.

2 Artillery and large-calibre ammunition

Rheinmetall is presented as one of the world leaders in ammunition production, with capacities expanding strongly.



1) Artillery ammunition (155 mm)



Artillery shells, including the well-known 155 mm calibre. Production target: 1.5 million shells per year by 2030.

par an d'ici 2030.

2) Tank ammunition (120 mm)



Including EKE (Enhanced Kinetic Energy) ammunition, developed as part of a joint programme with the United Kingdom.

avec le Royaume-Uni.

3) Medium-calibre ammunition



Shells for 20 mm to 40 mm cannons, including airburst munitions for naval and air defence. Targeted production: 4 million units per year by 2030.

par an d'ici 2030.

3 Precision and autonomous strike systems

3



1) Loitering munitions (HERO)

Range of kamikaze drones offered in collaboration with Uvision and produced in Italy. Gamme de drones kamikazes proposée en collaboration avec Uvision et produite en Italie.



HERO 30

Light, portable model for infantry.



HERO 120

Medium-sized model for precision attacks against armoured vehicles.



HERO 400

Medium/long-range model for striking fortified positions.

portée pour frapper des

2) FV-014 Loitering Munition System (LMS)

2) FV-014 Loitering Munition System (LMS)

System presented as a key piece of the "sensor-to-shooter" approach. Combines reconnaissance and precision strike. Range up to 100 km. Endurance: 70 minutes.



70 minutes

Airborne platforms and systems

4 1) Oerlikon Mk3 Revolver Gun (35 mm)



Flagship component of the Skynex air-defence system. Usable for defensive missions but also as an offensive system against ground targets.



Rate of fire: 1,000 rounds/minute.

Cadence : 1 000

2) Containerised drone launch system



Modular system allowing transport and simultaneous launch of up to 18 kamikaze drones from a container, sharply increasing firepower in an operational theatre.

18 drones

KEY FIGURES



Portable and infantry weapon systems

- **SSW40 (Squad Support Weapon)** : 40 mm automatic grenade launcher, the world's most compact and lightest. It combines the handling of an assault rifle with an effective range of 900 metres and airburst capability (anti-drone and anti-infantry). It entered serial production in 2026.
- **Hand grenades** : Rheinmetall supplies a complete range of grenades, including offensive and defensive models, to customers such as the Netherlands and Estonia.

Artillery and large-calibre ammunition

The group is one of the world leaders in ammunition production, with strongly expanding production capacities.

- **Artillery ammunition (155 mm)** : Artillery shells, including the famous 155 mm calibre, with a target production capacity of 1.5 million shells per year by 2030.
- **Tank ammunition (120 mm)** : Notably the EKE (Enhanced Kinetic Energy) round, developed as part of a joint programme with the United Kingdom.
- **Medium-calibre ammunition** : Shells for cannons from 20 mm to 40 mm, including airburst ammunition for naval and air defence. Production of this type of ammunition is expected to reach 4 million units per year by 2030.

Precision and autonomous strike systems

- **Loitering Munition – HERO** : A range of kamikaze drones offered in collaboration with UVision and produced in Italy.
 - **HERO 30** : Lightweight, portable model for infantry.
 - **HERO 120** : Medium-sized model for precision attack against armoured vehicles.
 - **HERO 400** : Medium/long-range model to strike fortified positions.
- **FV-014 Loitering Munition System (LMS)** : Another loitering munition system, presented as a key system of the "sensor-to-shooter" approach. It combines reconnaissance and precision strike capabilities, with a range of up to 100 km and an endurance of 70 minutes.

Airborne platforms and systems

- **Oerlikon Revolver Cannon Mk3 (35 mm)** : Centrepiece of the Skynex air defence system, this cannon can be used for defence missions but also as an offensive weapon system against ground targets, with a rate of fire of 1,000 rounds per minute.
- **Container-based drone launch system** : A modular system allowing the transport and simultaneous launch of up to 18 kamikaze drones (loitering munitions) from a container, considerably increasing the available firepower on a theatre of operations.

Glossary

Airburst – Operating mode of a projectile that explodes in the air, at a predefined height or distance, rather than on ground impact. The airburst detonation scatters fragments over a wide area, making it possible to hit entrenched targets (trenches, walls) or drones with increased efficiency.

Artillery (155 mm) – Artillery pieces (howitzers, cannons) using 155 mm calibre shells, NATO standard. Rheinmetall is one of the world's leading producers of these munitions, with a massive production target (1.5 million shells per year by 2030).

Rate of fire – Number of rounds a weapon can fire per unit of time (generally per minute). For example, the Oerlikon Mk3 reaches 1,000 rounds per minute.

Calibre – Internal diameter of a firearm barrel, expressed in millimetres (mm). It determines the type of ammunition used. Examples in the document: 40 mm (grenade launcher), 120 mm (tank ammunition), 155 mm (artillery).

Kamikaze drone – Common nickname for loitering munitions (see *Loitering Munition*). This is a drone equipped with an explosive charge that self-destructs upon impact with the target.

EKE (Enhanced Kinetic Energy) – Enhanced kinetic energy tank round, developed as part of a joint programme between Rheinmetall and the United Kingdom. Designed to penetrate the thickest armour through high velocity and increased penetration.

FV-014 Loitering Munition System (LMS) – Loitering munition system offered by Rheinmetall, combining reconnaissance and precision strike. Range up to 100 km, endurance of 70 minutes.

HERO – Range of loitering munitions (kamikaze drones) developed in collaboration with UVision and produced in Italy. It includes several models:

- **HERO 30** : lightweight, portable for infantry.
- **HERO 120** : medium-sized, for precision attack against armoured vehicles.
- **HERO 400** : medium/long-range, to strike fortified positions.

Automatic grenade launcher – Infantry weapon capable of firing grenades rapidly and repeatedly. The SSW40 is presented as the world's most compact and lightest.

Loitering Munition – Flying device (drone) equipped with an explosive charge, which can “loiter” over an area for a certain time before being guided to its target, which it destroys by crashing into it. Also known as a “kamikaze drone”.

Mk3 – Oerlikon Revolver Cannon – Rotating 35 mm calibre cannon, centrepiece of the Skynex air defence system. Although designed for defence, it can also be used offensively against ground targets, with a rate of fire of 1,000 rounds per minute.

Medium-calibre ammunition – Shells for cannons from 20 mm to 40 mm, used particularly for naval and air defence. Rheinmetall plans to produce 4 million units per year by 2030, including airburst versions.

Loitering Munition – See *Loitering Munition*.

Effective range – Maximum distance at which a weapon can engage a target with satisfactory accuracy and lethality. Example: 900 metres for the SSW40.

Sensor-to-shooter – Military concept designating the chain from target detection (by sensors, drones, etc.) to target engagement (by a weapon system). The FV-014 loitering munition systems illustrate this approach, integrating reconnaissance and strike into a single device.

Skynex – Short-range air defence system developed by Rheinmetall, whose centrepiece is the Oerlikon Mk3 cannon.

SSW40 (Squad Support Weapon) – 40 mm automatic grenade launcher, the world's most compact and lightest according to Rheinmetall. It combines the handling of an assault rifle, an effective range of 900 metres, and airburst capability (anti-drone and anti-infantry). Entered serial production in 2026.

Container-based drone launch system – Modular module allowing the transport and simultaneous launch of up to 18 kamikaze drones (loitering munitions) from a container, considerably increasing the deployable firepower on a theatre of operations.

VIII- Rheinmetall and Israel: A Relationship of “Co-opetition”



Rheinmetall, a history with two faces: from the forced labour of Jewish deportees in the Nazi war industry to the contemporary supply of weapons and military technologies to the Israeli army.

We are addressing one of the most monstrous aspects of the Rheinmetall Group. Here is a company that was at the center of the Nazi regime's war apparatus, cooperating on all levels and in every way with the state that justifies its 80 years of illegitimate war activity by the very catastrophe to which this same company contributed, exploiting, among other things, thousands of Jewish deportees – the very people whose heritage the State of Israel claims. In short, the page was turned – and quickly – to return to *business as usual*. Rheinmetall is a conglomerate responsible for crimes against humanity and war crimes, and all its living leaders, including the well-paid union representatives in the co-determination and supervisory bodies, should answer before human justice (It is not forbidden to dream). [We will return in the 10th and final section of this dossier to the question of compensation claims made by Jewish survivors of slavery under the heel of Rheinmetall].

Here is a detailed dossier on the relations between Rheinmetall and Israel, covering history, sales, purchases, technological cooperations, and controversies.

RHEINMETALL AND ISRAEL: A RELATIONSHIP OF "COOPETITION"

An old, pragmatic and strategic relationship: German industrial power + Israeli innovation in the service of modern armed forces.

1 HISTORY OF RELATIONS (1960s–2000)

1960s–1970s
 First discreet contacts between West Germany and Israel after 1945. Rheinmetall supplied guns and mechanical components for Israeli tanks, notably for the development of the Merkava tank (powertrain units via MTU).

1980s–1990s
 Growing technical cooperation in electronics, optronics and protection systems. Clear complementarity: German industry + the IDF's operational experience.

1990s–2000s
 Relations deepen. Rheinmetall seeks to integrate Israeli electronic systems into its armored platforms for export.



2 RHEINMETALL SALES TO ISRAEL

2023–2024 GAZA WAR
 The German government gave Rheinmetall tacit approval to deliver components for tank ammunition and propellant powder to Israel via European subsidiaries. Exact volume: "classified".

2010–2020
 Regular deliveries of casings, mortar shells, and mechanical parts for Israeli forces.

Rheinmetall supplied naval guns and remote weapon systems for the Israeli navy.

LEGAL CONTROVERSIES
 In 2024, NGOs (ECCHR, Oxfam) tried to block export licenses to Israel before German courts, arguing there was a risk of violations of humanitarian law in Gaza. The government defended some authorizations while suspending others.

3 PROCUREMENT AND TECHNOLOGICAL COOPERATION (FROM ISRAEL TO RHEINMETALL)

	Technology: TROPHY (APS)	Partner: RAFAEL ADVANCED DEFENSE SYSTEMS	Integration: Equipped on the Panther KF51 and Lynx KF41, and proposed to modernize Leopard 2 tanks in Europe.	
	Technology: SPIKE (anti-tank missiles)	Partner: RAFAEL ADVANCED DEFENSE SYSTEMS	Integration: Spike LR2 mounted on Lynx remote turrets and offered to the German army.	
	Technology: Sensors and optronics	Partner: ELBIT SYSTEMS / EL-OP Elbit Systems	Integration: Sights, thermal cameras and fire-control systems integrated into Boxer, Puma, etc.	
	Technology: Drones & loitering munitions	Partner: UVISION / IAI UVISION Smart Loitering Systems	Integration: Hero loitering munitions (Hero-120, Hero-400) adapted to European requirements.	
	Technology: Laser air defense (HEL)	Partner: RAFAEL / ELBIT RAFAEL Elbit Systems	Integration: Technology exchanges in the development of the Skyranger 30 HEL. Israeli optical components tested.	

4 JOINT VENTURES AND FORMAL AGREEMENTS

EUROSPIKE GmbH

RHEINMETALL ELECTRONICS 20% | DIEHL Defence 40% | RAFAEL ADVANCED DEFENSE SYSTEMS 40%

Purpose: Production and marketing of the Spike missile system in Europe.
 Headquarters: Röthenbach, Germany

FRAMEWORK AGREEMENT RAFAEL – RHEINMETALL (2023–2024)

RHEINMETALL LANDSYSTEMS | RAFAEL ADVANCED DEFENSE SYSTEMS

Purpose: Long-term strategic partnership to integrate Trophy on German platforms and for European export.
 Objective: Create a partial production chain in Germany.

UVISION – RHEINMETALL (2024)

UVISION Smart Loitering Systems | RHEINMETALL

Purpose: Memorandum of understanding for the European production of Hero loitering munitions (Hero-120, Hero-400) for NATO forces.

5 SUMMARY AND STRATEGIC IMPLICATIONS

- Open reliance on electronics:** Rheinmetall draws on Israel's lead in electronics, sensors and protection systems.
- Production in Europe:** The goal is to transfer and produce locally in order to bypass export restrictions and secure supply chains.
- Competitive advantage:** Systems integrating Israeli technologies are more attractive for export in a highly competitive global market.
- Political sensitivity:** The relationship is under constant scrutiny in Germany and the EU, especially regarding use in Gaza.
- Shared vision:** The two countries share similar security concerns and a culture of innovation shaped by real conflicts.

IN ONE SENTENCE
 " Rheinmetall and Israel are neither mere customers nor mere suppliers, but strategic industrial partners that complement each other in order to dominate the battlefields of the 21st century. "

Sources: Media (Spiegel, ZDF, etc.), public reports, press releases from Rheinmetall, Rafael, Elbit, UVISION (2010–2024)

Data updated: May 2024

Infographic "Rheinmetall and Israel: a relationship of "coopetition" – history, arms sales, technology transfers (Trophy, Spike, Elbit, Hero) and German-Israeli joint ventures, updated May 2024.

1. History of Relations (1960s-2000s)

The links between Rheinmetall and the Israeli war industry are long-standing and based on a logic of complementarity: Germany brings its industrial power and armored vehicle production capabilities, while Israel excels in electronics, sensors, and active protection systems, nourished by the constant operational experience of the IDF, the “most moral army in the Middle East” or even “in the world.”

- **1960s-1970s:** The first contacts date back to discreet military-technical cooperation between West Germany and Israel after the defeat of Nazi Germany and the birth of the State of Israel. Rheinmetall supplied cannons and mechanical components for Israeli tanks (notably in the development of the Merkava tank, for which Germany transferred propulsion group technologies, although this went more through MTU, the German subsidiary of Rolls-Royce (which supplied the **MTU MT-883**, a liquid-cooled V12 diesel engine with 1,500 hp), than through Rheinmetall at the time).
- **1990s-2000s:** Deepening of ties. Rheinmetall seeks to integrate Israeli electronic systems onto its armored platforms for export.

2. Rheinmetall's Sales to Israel

Direct arms sales to Israel are a politically very sensitive issue in Germany, especially since the war against Gaza in 2023-XXXX. The German government has oscillated between approvals and restrictions.

- 2023-2024 (Gaza War)

According to media reports (Spiegel, ZDF), the Scholz government tacitly approved Rheinmetall's delivery of components for tank ammunition and propellant powder to Israel via European subsidiaries, despite international judicial proceedings. The exact volume is classified as “secret”.

- 2010-2020: Regular deliveries of casings, mortar shells, and mechanical parts for Israeli forces.
- Rheinmetall has supplied naval guns and remote-controlled weapon stations for the Israeli navy.

Legal Controversies: In 2024, NGOs (ECCHR, Oxfam) attempted to block Rheinmetall's export licenses to Israel before German courts, arguing the risk of violations of international humanitarian law in Gaza. The government defended certain authorizations while suspending others.

3. Purchases and Technological Cooperations (from Israel to Rheinmetall)

This is the core of the relationship: Rheinmetall buys or integrates under license cutting-edge Israeli technologies to offer them on the European and global markets.

- **Israeli Technology:** Trophy – Active Protection System (APS); **Israeli Partner:** Rafael Advanced Defense Systems; **Rheinmetall Integration:** This is the most publicized collaboration. Rheinmetall signed an agreement with Rafael to market and produce the Trophy system in Europe. It equips the Panther KF51 tank, the Lynx KF41, and has been proposed for the modernization of the Leopard 2 in Europe. Key components (Elta radars, countermeasures) remain supplied by Rafael.
- **Israeli Technology:** Spike – Anti-Tank Guided Missiles; **Israeli Partner:** Rafael; **Rheinmetall Integration:** Rheinmetall integrates the Spike missile onto its remote-controlled weapon stations. The Spike LR2 system is mounted on the new Lynx infantry fighting vehicle and offered to the German army. Integration is done via EuroSpike, a joint venture in which Rheinmetall is a partner.

- Israeli Technology: Sensors and Optronics; Israeli Partner: Elbit Systems / El-Op; Rheinmetall Integration: Rheinmetall buys or co-develops gunner sights, thermal cameras, and fire control systems with Elbit. The Boxer and Puma vehicles use optronic components from this collaboration.
- Israeli Technology: Reconnaissance Drones and Loitering Munitions; Israeli Partner: UVision / IAI; Rheinmetall Integration: Rheinmetall collaborates with UVision on Hero loitering munitions. An agreement was signed to produce and adapt these suicide drones for European needs under the Rheinmetall brand.
- Israeli Technology: Laser Air Defense (HEL); Israeli Partner: Rafael / Elbit; Rheinmetall Integration: In the development of the Skyranger 30 HEL (High-Energy Laser), Rheinmetall has exchanged technologies with Rafael, which is developing the Iron Beam system in Israel. Although Rheinmetall insists on its technological sovereignty, the two programs observe each other, and Israeli optical components have been tested.

4. Joint Ventures and Formal Agreements

- Entity: EuroSpike GmbH; Partners: Rheinmetall Electronics (20%), Diehl Defence (40%), Rafael (40%); Purpose: Production and marketing of the Spike missile in Europe. Headquarters in Röthenbach, Germany.
- Entity: Rafael-Rheinmetall Framework Agreement (2023-2024); Partners: Rheinmetall Landsysteme & Rafael; Purpose: Long-term strategic partnership for integrating Trophy onto German platforms and for European export. Aim to establish a partial production chain in Germany.
- Entity: UVision – Rheinmetall (2024); Partners: UVision Air (Israel); Purpose: Memorandum of Understanding for the European production of Hero loitering munitions (Hero-120, Hero-400) for NATO forces.

5. Synthesis and Strategic Implications

- **Acknowledged Dependence on Electronics:** Rheinmetall, the European champion of heavy mechanics (tanks, cannons), deliberately relies on the Israeli ecosystem for onboard electronics. This allows Germany to access combat-proven technologies without bearing the development costs.
- **Circumvention of Embargoes:** The structure of joint ventures (like EuroSpike) and license production in Germany allows Israel to sell its technologies to countries that might have political reservations about buying directly from Tel Aviv (e.g., some customers in the Middle East or Eastern Europe approached by Rheinmetall).
- **Political-Moral Tensions:** The war against Gaza has placed these relations under intense scrutiny. The German government must navigate between its “reason of state” (“support for Israel’s security”) and compliance with international humanitarian law. Rheinmetall finds itself on the front line of this debate, with its CEO Armin Papperger having publicly defended the continuation of authorized deliveries while strictly adhering to the licenses of the German Federal Security Council.
- **Competition-Cooperation:** On the export market, Rheinmetall (via its products integrating Israeli electronics) can sometimes compete directly with Israeli platforms (like the Merkava or Eitan offered for export), creating a complex situation of “co-opetition.”

In summary, the Rheinmetall-Israel relationship is a **leading technological partnership**, vital for the competitiveness of German armored vehicles in terms of active protection and missiles, but

which exposes the company to increasing legal and reputational risks in the context of the Israeli-Palestinian conflict.

Yidishe versye fun dem titlbild

RHEINMETALL
EYN GESHIKHT, TSVEY ZAYTEN

RHEINMETALL
NUTZENDIK YIDISHE DEPORTIRTE

TSVEYTE VELTKRIG
1939-1945

Kriegsproduktion
Für Führer und Vaterland

Forst forcederte arbeyt in Rheinmetall-fabriken.
Tausntende yidishe deportirte
ausgenutzt far der nazi vark-mashine.
PROFIT IBER SUFFEREN.

VS

RHEINMETALL
LIFERNDIK DYE ISRAELISHE ARMEYE

HAYNT
2023-2024

Tankes, munitsye, elektronishe sistemas,
avangarde-tekhnologyes.
Rheinmetall ryst ayin a stötte
dye israelishe armeye.
PROFIT IBER KRIG.

AYN ZELBE LOGIK. AYN ZELBE FIRNEN. AYN ZELBE BIZUN FUR MENSCHNLEKHES LEBN.

Raynmetal, a geshikhte mit tsvey ponimer: fun der getsvungener arbet fun yidishe deportirte in der natsisher milkhome-industrie biz der hayntiker tsushtelung fun vofn un militerishe tekhnologiyes tsu der yisroeldiker armey.

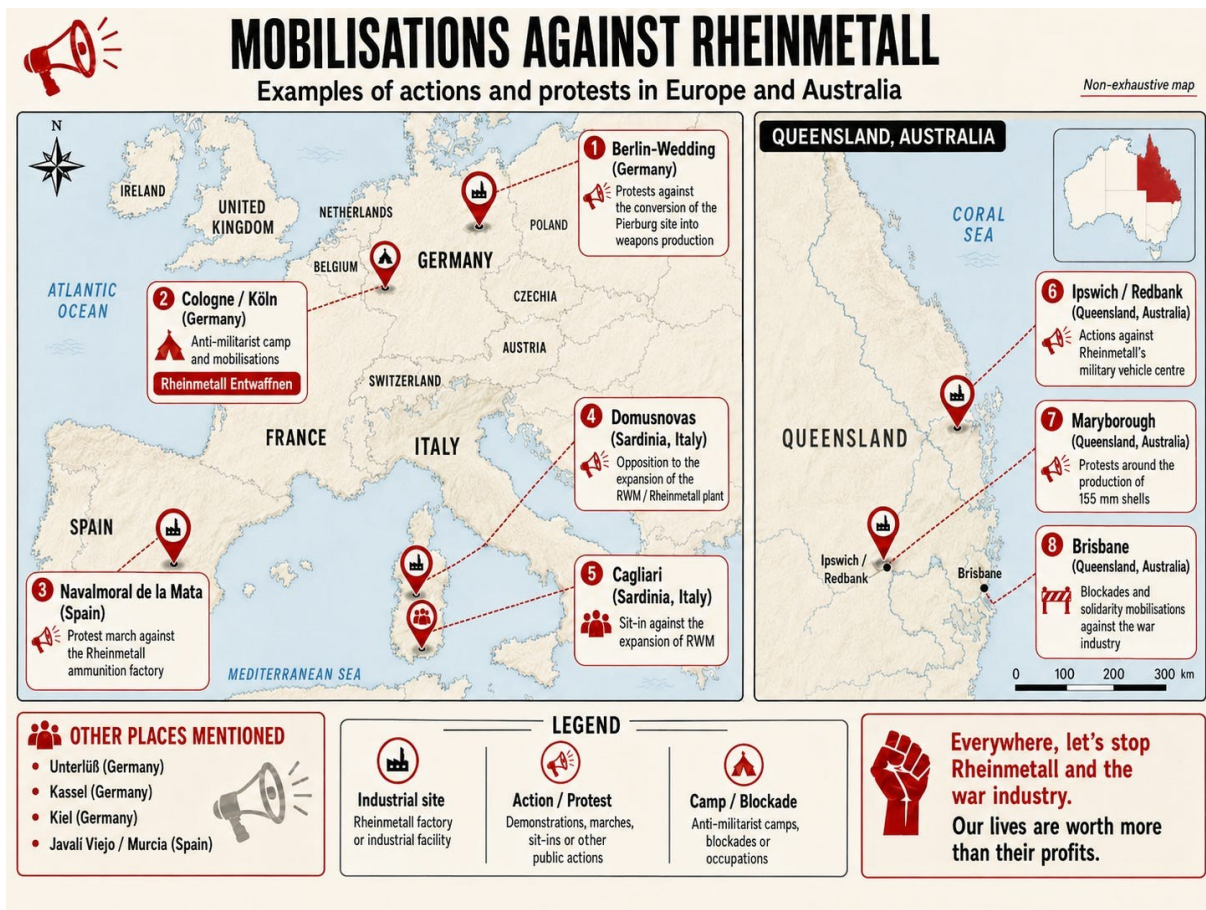
IX- Mobilisations against Rheinmetall

Civil Society in Action in Berlin-Wedding, Navalmoral de la Mata, Domusnovas, Ipswich, and Maryborough (Queensland)



Facing the Rheinmetall octopus, a tentacular giant of the war industry, activists from five continents unite to sever the arms of the military-industrial machine and free the world from its grip.

A historical search for social conflicts at or around Rheinmetall yields meagre results. In the 137 years of the company's German existence and through 5 regimes (Empire, Weimar, Nazism, Post-war FRG/GDR), we have not found any trace of a single strike by workers against war production. Two wildcat workers' strikes for wages, worker status and against Stalino-Prussian bureaucracy took place in 1953 and 1956 in the nationalised Rheinmetall factories in the GDR, and in the West, only traditional trade union movements related to the renewal of collective agreements are reported. In general, the position of the trade unions seems, with a few exceptions, to boil down to "You have to make a living somehow."



Germans are on the move

On the side of German civil society, the traditional Easter marches for disarmament organised by the first post-war pacifist movement in the FRG from 1959 onwards had, to our knowledge, to wait until 2026 to target a Rheinmetall factory, in Unterlüß, in the Lüneburg Heath (150 participants). But the new generation engaged against imperial wars, from Yemen to Gaza, has in the last two years (finally) targeted Rheinmetall, mainly in the Rhineland and Berlin: “Disarm Rheinmetall” camp with 2,000 participants in Cologne in August 2025, demonstration near the villa of the Rheinmetall CEO in the select Dortmund suburb of Meerbusch and, last but not least, the ongoing campaign in Berlin-Wedding. There, Rheinmetall is converting its subsidiary Pierburg from producing automotive parts to manufacturing 45 kg artillery shells.

This location has been the target of multiple protest actions, mainly by pacifist and pro-Palestinian activists.

- **Blockade actions:** The group “Peacefully Against Genocide” has carried out several punchy actions. In April 2026, demonstrators blocked the entrance to the site for hours by gluing their hands to the ground, accusing Rheinmetall of complicity in genocide due to arms deliveries to Israel. The group promised to continue the actions.
- **Arrests and protests:** In May 2026, a heavy-handed police intervention, where officers pointed their weapons at peaceful demonstrators, caused dismay.
- **Local opposition:** Approximately 1,500 people protested against this project in 2025
- **Background to the opposition:** Activists believe that arms production at this location, whereas it was previously a car parts factory, makes the neighbourhood less safe and turns it into an “enemy”

target in the event of war. They are trying to raise awareness among residents and employees about their cause.

Around thirty organisations have come together in a Berlin Alliance against Arms Production (Berliner Bündnis gegen Waffenproduktion, BBGW). Their next action will take place from 10 to 12 July. Programme here: [Wedding ohne Waffen! Gemeinsam gegen Krieg! – Aktionstage 10.–12. Juli 2026](#).



[Wedding without weapons - Together against war. Days of action from 10 to 12 July](#)

The other two fronts of struggle in Europe are in the Spanish State and Italy

In the Spanish state, Rheinmetall took over the Spanish explosives and ammunition manufacturer Expla Systems in 2023 for 1.2 billion euros, in whose factories it produces a large part of its explosives and ammunition. Mobilisations have taken place in Extremadura and Murcia. Read here: [Demonstration in Extremadura Against Rheinmetall Death Factory: A Universal Message](#)



In Italy, it's happening in Sardinia, this island of which the publisher Feltrinelli dreamed of making the Cuba of the Mediterranean. Far from that, it has become, along with Sicily, one of the key pieces of the NATO-warrior apparatuses. Spotlight on Domusnovas.

Domusnovas, Sardinia: “Bombs or Hunger”



The Domusnovas factory site in the idyllic setting of Sulcis (*Maurreddia* in Sardinian), in the southwest of the island.

The Rheinmetall factory in Domusnovas, Sardinia (Italy), is the scene of a heated controversy. This primarily pits local authorities, who are concerned about the impact of arms production, against local residents who fear for their economic survival, in a context of high political tension.

Here is the current situation, as of 16 June 2026:

- Context and nature of protests: Regular mobilisations take place against the presence of the RWM Italia plant, often organised by solidarity committees with Palestine. Activists denounce arms production whose profits “fly away abroad”, to Germany and Israel. They also accuse the plant of not bringing real development to the region.
- A conflict against a backdrop of economic crisis: The position of the inhabitants is radically different. The Sulcis region is one of the poorest in Italy, and the RWM plant, which employs around 216 people on permanent contracts (with prospects of hundreds more hires), is seen as one of the few means of subsistence. The mayor of Domusnovas sums up this dilemma: “Either bombs or hunger”. Residents strongly oppose any closure, seeing no economic alternative.
- An institutional tug-of-war: The dispute has also played out at the political level. The factory had carried out expansion work that required environmental authorisation. The Sardinia Region, led by Alessandra Todde, expressed reservations, particularly on the ethics of arms production, which created a conflict with the Italian government, which is favourable to the activity.

The TAR (Regional Administrative Court) gave the Region 60 days to decide.

Faced with the Region's silence, the Ministry of the Environment finally authorised the full operational status of the site in February 2026, a move supported by the Minister of Enterprises who sees it as a "concrete signal of attention for the economic restart of Sulcis". This allows for the stabilisation of hundreds of jobs and the creation of new ones.

• **A strong symbol: drone production.** To heighten tensions, Rheinmetall announced in October 2025 the production of Hero combat drones (manufactured in collaboration with an Israeli company) in its Sardinian factories, for orders exceeding 200 million euros. This project, combining economic and ethical issues, makes the controversy all the more acute.

To summarise, in Domusnovas, the conflict is much deeper than a simple strike: it is a fundamental opposition between local economic survival, national industrial policy, and ethical considerations regarding the arms trade.

Below is an article by the Rome correspondent for the Parisian weekly *Le Point*



“Let’s disarm Rheinmetall!”

“Producing death or dying of hunger”: tug-of-war over a “kamikaze drone” factory in Sardinia

The company RWM, a subsidiary of the German giant Rheinmetall, wants to expand its activity, with the support of the Meloni government. But on the island, the anti-militarist opposition is organising.

From our correspondent in Rome, [Quentin Raverdy, Le Point](#), 12/11/2025

A small remote area of Sardinia is at the forefront of modern warfare. In the mountains of Sulcis, in the south-west of the island, the company RWM Italia has launched the production of “loitering munitions”, also known as “kamikaze drones”: new key pieces of 2.0 conflicts.

In the catalogue of this subsidiary of Rheinmetall, the German arms giant, we find the Hero 30 model (which today equips the transalpine special forces), the 120 usable against armoured vehicles, or the 400 capable of attacking fortified positions.

Business seems to be going well, with some 200 million euros already booked on the order books, from eight European countries, members and non-members of NATO, the group announced in a statement in October. A sign, Rheinmetall continues, that the company has fully understood the “growing importance” of loitering munitions and “has reacted to this development”.

A business that is so booming that the manufacturer, established in Sardinia since 2010 where it produces ammunition (notably intended for Ukraine at war), aims to expand its island facilities. At stake is the maintenance of the 350 existing contracts and the hiring of 250 new employees. A tempting offer for this former mining area, now relegated to the bottom of Italian economic rankings, but far from unanimous in a region known for its anti-militarist commitments.

The defence sector, a heavyweight in Sardinia

It must be said that Sardinia alone hosts more than 65% of the Italian military domain and the defence sector still holds a certain weight there: “It is the largest employer on the island”, an Italian Defence Minister assured about ten years ago.

The company RWM Italia has long been a regular target of pacifist demonstrations, revived recently with the expansion project of this “death factory”, as denounced in the processions. An opposition all the stronger as the production of “kamikaze drones” is carried out in partnership with the Israeli defence firm UVision Air: the last straw for a part of the Sardinian population particularly sensitive to the Palestinian cause and the fate of Gaza. Especially since, a few years earlier, the RWM site had already been singled out after revelations that Saudi Arabia had used munitions made in Sardinia against (military and civilian) targets in Yemen.

Opponents also do not spare the public authorities, accused of having abandoned local communities to an untenable dilemma: “Producing death or dying of hunger”, we hear in a report by the channel La7. In Domusnovas, in the Sulcis area, the mayor Isangela Mascia knows that the departure of the manufacturer would deal a fatal blow to the town: “If RWM closed, unemployment would explode. There is no immediate alternative in the area. No one is happy to produce weapons but you have to face reality,” she confided in an interview.

CARRIERA IN ITALIA

<https://www.rheinmetall.com/it/carriera/carriera-in-tutto-il-mondo/italia>

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RWM advertisement in search of fresh flesh.

RWM Italia still awaiting green light for expansion project

While the production sites are running at full capacity at the time of the European rearmament race, the green light for the expansion project is still pending. The procedure has been initiated by RWM for over three years now, but no white smoke has yet been seen at the headquarters of the regional government, led by the centre-left.

Enough to fray the nerves of Giorgia Meloni's executive, which has promised its full military support to the Ukrainians and full employment to the Italians. The governor Alessandra Tosse (enrolled in the anti-system Five Star Movement) is accused of dragging her feet. To the point where the arms company decided to take the matter to the island's administrative court, which gave Cagliari until mid-December to decide. The local majority, for its part, assures that it wants first to examine in detail the requests made by opponents and associations highlighting possible environmental risks and violations of legal procedures.

Melonian MP of Brothers of Italy, Salvatore Deidda, decries the "ideological" and "demagogic" position of the local authorities, which risks giving the island "a reputation for hostility towards industry and economic development". Drone production is an opportunity not to be missed, he assures on his social networks: "If they are not produced in Sardinia, they will be produced in the rest of Italy or in other factories around the world."

For the CGIL, the country's largest trade union, Meloni's right-wing now only has eyes for the defence sector and RWM. Southern Sardinia is not lacking in companies in crisis, it is recalled. For them, "the government does not make concrete industrial proposals but only suggests a dangerous shortcut: entrusting the economic prospects of Sulcis to the war economy and the increase in arms production," denounces the Sardinian trade union section.

UPDATE JUNE 2026 (FG)



“THE BOMB FACTORY STOPS

Yesterday, 27 May 2026, the Regional Administrative Court (TAR) of Cagliari postponed its decision regarding the appeal filed by various organisations, including USB Sardegna, Italia Nostra Sardegna, the Committee for the Reconversion of RWM, A Foras, etc. Correction: production is blocked only in the part of the company concerned by the extension; the rest of the factory continues its normal production. It is also for this reason that it is important to continue the struggle in ever greater numbers and to demand an immediate halt to all PRODUCTION! The fight continues—we won't stop!”

Protests against Rheinmetall in Australia



Protest actions are mainly focused on the two production sites in Queensland, in connection with the company's role in the war industry.

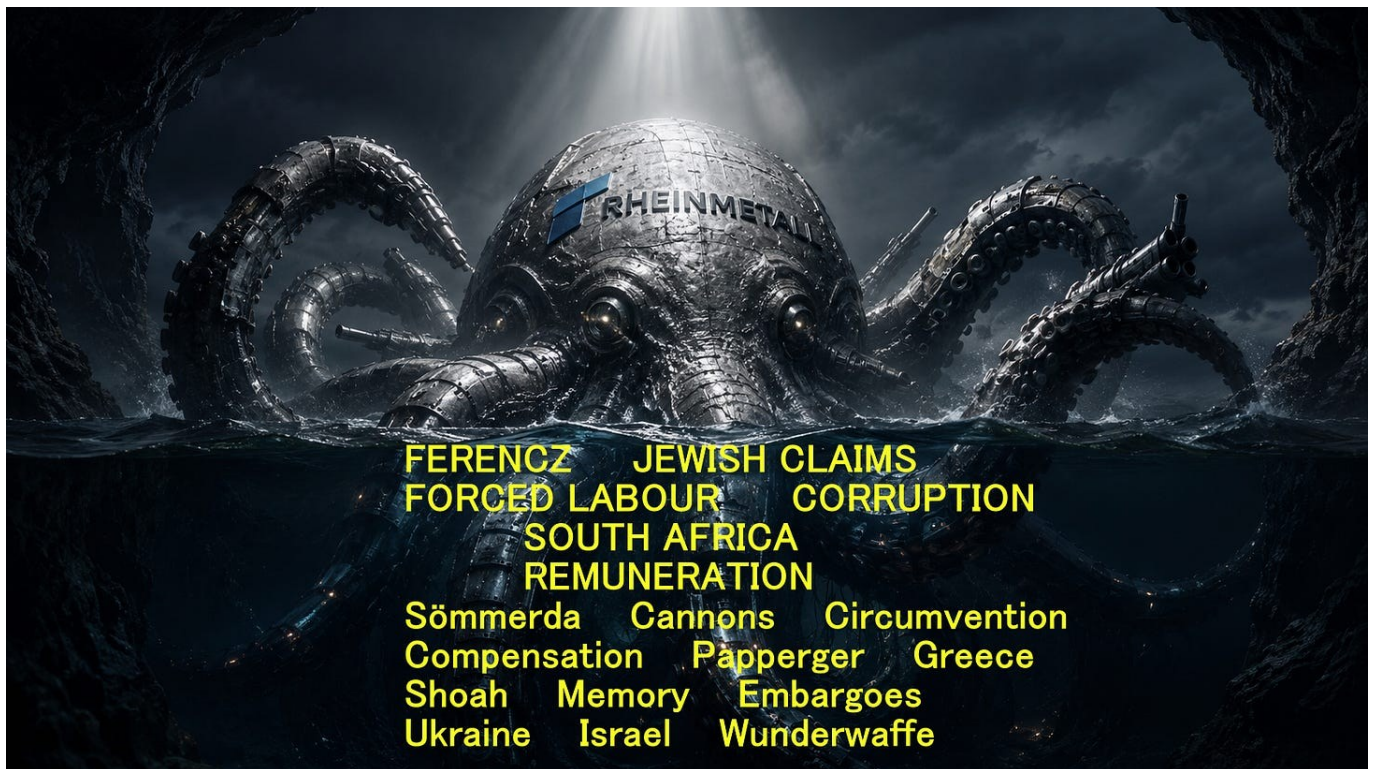
Sites concerned: The protests mainly target two factories in Queensland: the MILVEHCOE (Military Vehicle Centre of Excellence) at Redbank (Ipswich) and the Rheinmetall NIOA Munitions (RNM) ammunition plant at Maryborough.

- **Nature of protests:** The actions are carried out by pacifist and pro-Palestinian activists. In October 2023, activists set up a memorial in front of the Ipswich plant to denounce Rheinmetall's role in the "slow genocide" committed by the Indonesian army in West Papua, which led to legal proceedings. In December 2024, a demonstration took place in front of the Maryborough plant to denounce the supply of 155 mm artillery shells used in the Gaza conflict.
- **Blockade actions:** Another type of action occurred during the "Land Forces Weapons Expo" fair in Brisbane in 2021, directly targeting companies in the sector, including Rheinmetall. Demonstrators entered the fairgrounds and chained themselves to a tank exhibited by the group. Protests had already taken place in front of the fair for several days.



“Hey, I'm David. I'm here at Rheinmetall in Brisbane. Rheinmetall make weapons that are used against West Papuans. That's the Indonesian military. I went inside the factory and started wheat pasting on the entrances of the building. And I was shoved and dragged along. But I definitely reminded the people, everyone there I could speak to, that West Papuans are our closest neighbours. And I asked them to think about the West Papuan people and the fact that Rheinmetall is making these weapons that are used against West Papuan people.”

X – Bonus : insights into some of the octopus's blind spots



SUMMARY

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8. Strategy of “new domestic markets”
9. Sales to authoritarian regimes

Corruption in Greece (2012/2014)

Rheinmetall was fined €37 million for paying bribes to officials at the Greek Ministry of Defence. The aim was to win a €150 million contract for an air defence system. Its subsidiary *Rheinmetall Defence Electronics* was specifically involved in this active bribery case, which resulted in a total fine of approximately \$45.7 million. This conviction illustrates the

methods used by the company to secure lucrative public contracts, in disregard of ethical and legal rules.

Illegal cartel in Spain (2024)

In 2024, Rheinmetall was sanctioned by the Spanish authorities for anti-competitive practices, receiving a fine of \$14 million. This case adds to a series of convictions for collusion, demonstrating a corporate culture tolerant of illegal price-fixing.

Jewish Claims

This chapter brings together all the events related to the campaign led by Ben Ferencz against Rheinmetall to obtain compensation for Jewish survivors of forced labour.

Background and legal deadlock

In the 1950s and early 1960s, Ben Ferencz, acting on behalf of the *Conference on Material Claims Against Germany* (Claims Conference), attempted to obtain financial compensation from major German companies. While some companies like Krupp or Siemens gave in, Rheinmetall categorically refused, describing the survivors' demands as a "song of hate" (*Hassgesang*). In 1963, the German Federal Court of Justice dashed the victims' legal hopes by rejecting class actions on the grounds that such claims had to await a final peace treaty. With no legal recourse left, Ferencz changed his strategy in 1965.

Rheinmetall's historical denials

To evade its obligations, Rheinmetall argued that it was not the legal successor of Rheinmetall-Borsig AG, the company that had employed forced labourers during the war. Following the partial privatisation of 1956, the new owners claimed they had neither employed forced labourers nor benefited from their exploitation. Moreover, the executives of the Nazi era were no longer with the company. In 1964, the German Federal Court of Justice sided with the company, ruling that individual claims had to await a peace treaty. These legal arguments, though technically valid, were perceived as a moral evasion and fuelled the indignation of the survivors.

The Pentagon contract (1965)

In 1965, the Pentagon was about to sign a massive \$150 million contract with Rheinmetall for the acquisition of HS 820 cannons for the US Army. Ferencz seized this opportunity to block the deal. He alerted several members of Congress, denouncing the fact that US taxpayers' money would enrich a company that still refused to pay its moral debts to Holocaust survivors. He also allied himself with the mayor of Springfield (Massachusetts), a city home to a competing arms factory, to denounce the award of public funds to a foreign company with a criminal past.

Ben Ferencz's pressure campaign

Ben Ferencz, a former Nuremberg prosecutor, orchestrated a fierce political and media pressure campaign in 1965. He mobilised Congress, alerted the media and allied himself with local economic interests to put pressure on the Pentagon. He won the support of Congressmen Celler and Bingham, the B'nai B'rith lodge and the mayor of Springfield.

Letters and telegrams flooded the Pentagon and the State Department. The press, including the New York newspaper *Aufbau**, denounced the “übel beleumdeten Rheinmetall-Konzern” (the notorious Rheinmetall group) and its “störrisches Verharren im Nazi-Ungeist” (obstinate persistence in the Nazi spirit).

**Aufbau: Historical New York newspaper of the German-speaking Jewish diaspora (1934-2004). Hannah Arendt, Albert Einstein, Thomas Mann and Stefan Zweig contributed to it.*

Julius Klein’s counter-attack

Panicked at the prospect of losing the Pentagon contract, Rheinmetall hired Julius Klein, a retired US general and former commander of the *Jewish War Veterans of the USA*, to manage its public relations. Klein tried to discredit Ferencz by accusing him of acting out of financial self-interest and in an unethical manner. This communications strategy, aimed at turning public opinion against the accuser, failed in the face of Ferencz’s determination.

The 1966 agreement

Ferencz’s campaign created such a political scandal in Washington that the West German Defence Minister, Kai-Uwe von Hassel, and the Pentagon authorities eventually intervened directly. Faced with the imminent risk of losing the contract, Rheinmetall’s management capitulated. In April 1966, the company signed an agreement with the *Claims Conference* and agreed to pay \$625,000 (about 2.5 million marks at the time) to compensate the survivors, in particular the 1,200 Jewish women from the Sömmerda plant. Although Ferencz considered the sum derisory compared to the company’s profits, this campaign remained a textbook case showing how economic pressure and political activism can force multinationals to account for their actions.

Lack of transparency (2022)

In 2022, Rheinmetall was fined €150,000 in Germany for violating investor protection rules, having failed to properly disclose certain financial information. This failure, though modest compared to other scandals, reveals a tendency towards opacity and disregard for legal obligations in corporate governance.

Partnership with Hungary

Rheinmetall has set up production plants in Hungary, despite criticism over the democratic backsliding and pro-Russian stance of the Orbán government. This establishment allows the company to circumvent Germany’s strict export restrictions and gain easier access to Eastern European markets, including conflict zones. This strategic choice reinforces the company’s dependence on authoritarian regimes and raises ethical questions about its international partnerships.

Remuneration of executives (2025)

In 2025, the total remuneration of Rheinmetall’s executive board members reaches record highs:

- **Armin Papperger** (CEO): approximately €8.4 million.
- **Klaus Neumann**: approximately €1.814 million.

- **Dr. Vera Saal** (joined in September 2025): approximately €543,000 (pro-rata).
- **René Gansauge**: approximately €2.022 million.

These amounts include base salary, annual bonus (STI) and long-term incentive (LTI). As pre-tax profit and operating free cash flow reached 220% of targets, the short-term bonus was triggered. A new tranche of virtual shares was allocated under the long-term plan, with payment scheduled after the 2028 financial year. These sharply rising remuneration levels contrast with the derisory sums paid to forced labour survivors in 1966.

As the owner of 160,000 shares, CEO Papperger holds a portfolio estimated at approximately €300 million (fluctuating with the share price).

Sales to authoritarian regimes

Rheinmetall has been criticised for arms deliveries to countries such as Egypt and Saudi Arabia via its South African joint venture RDM. Links have been established between Rheinmetall subcontractors and airstrikes in Yemen carried out by the Saudi-led coalition. These sales, made possible by bypassing national regulations, have contributed to armed conflicts and caused civilian casualties, raising serious questions about the company's ethical responsibility.

South Africa: Circumventing embargoes

Rheinmetall's South African subsidiary, RDM (Rheinmetall Denel Munition), is regularly accused of circumventing international and national laws by re-exporting ammunition to conflict zones such as Ukraine and Israel. Founded in 2008 under the supervision of former minister Mosiuoa Lekota (later indicted for fraud), the plant is 51% owned by Rheinmetall and 49% by the state-owned company Denel – a split that gives the Germans full control. Investigations reveal that shells produced in South Africa are shipped via warehouses in Germany and Hungary to warring countries, violating South African law prohibiting re-export to conflict zones. A Pentagon report mentions South Africa as a country increasing its shell production for Ukraine within the Ukraine Defence Contact Group (UDCG), although Pretoria is not officially a member and maintains a neutral position in the conflict. RDM had already been involved in deliveries to Yemen before South African laws were tightened in 2019. Rheinmetall's profits jumped by 120% during the wars in Ukraine and Gaza. In the face of these failings, local voices, including the Economic Freedom Fighters party, are calling for arrests and a reform of arms export controls.

Strategy of “new domestic markets”

To become less dependent on Germany's strict export regulations, Rheinmetall has developed an internationalisation strategy by setting up operations in countries such as South Africa, Hungary and the USA. This strategy has significantly boosted sales but has been criticised because it allows the company to circumvent German laws on arms export controls. By producing locally in jurisdictions with laxer regulations, the company can deliver weapons to authoritarian regimes or conflict zones without needing approval from the German federal government.