

Billion-pound helicopter deal secures 3,300 British jobs, boosts battlefield kit and unlocks up to £15 billion in UK exports

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- Upgraded deal makes Yeovil the global centre for Leonardo's military helicopter production and exports, and sets up the UK as a leader for uncrewed and autonomous systems, a key frontier technology in the government's Defence Industrial Strategy.
- International orders for Leonardo's military helicopters built in Yeovil could see over £15 billion in exports over the next 10 years.

Thousands of skilled British jobs have been secured with a major helicopter deal that will boost the UK Armed Forces' battlefield kit and makes Britain Leonardo's global centre for military helicopter production and exports - worth a potential £15 billion over the next decade.

The £1 billion deal will also make Yeovil the centre of excellence for military helicopter autonomy, as the Ministry of Defence invests further in Proteus - the UK's first autonomous uncrewed air system which is built by Leonardo and recently undertook its first flight. The development of uncrewed and autonomous technology in the UK is at the heart of the government's Defence Industrial Strategy and could offer the opportunity to make platforms such as NMH optionally-crewed.

The new deal secured by the Government with Leonardo will provide the UK Armed Forces with 23 new medium-lift helicopters - which could work alongside uncrewed aircraft - and paves the path for future military international orders to be built in the UK, with an increased workshare for the UK above 40%. There are around 20 countries with requirements for new medium-lift helicopters. Together with Leonardo's other helicopters, international orders for NMH could generate over £15 billion in exports over the next 10 years.

The agreement secures the future of the UK's sovereign helicopter production and Leonardo's facility in Yeovil, Somerset, sustaining 3,300 jobs. This includes 650 people working directly on NMH and more involved with autonomous systems and providing ongoing support and manufacture of the Merlin and Wildcat helicopter fleets. With a UK supply chain of nearly 70 companies, the programme also secures sovereign defence skills and expertise for decades to come.

The deal represents a major investment into the UK's industrial base - a key pillar of delivery for the Defence Industrial Strategy and other growth driving sectors like Advanced Manufacturing and Digital and Technology.

Defence Secretary John Healey MP said:

This defence investment works for Britain on every level. It strengthens our Armed Forces, secures thousands of skilled British jobs, and sets up big export opportunities. It

is a major vote of confidence in British industry, British workers and British innovation.

This Government's broad deal makes Yeovil the proud home of Leonardo's global military helicopter production, building world-class helicopters for our forces and allies around the world for many years to come. It backs British jobs and security today and makes the UK a pace-setter in uncrewed, technology and innovation for tomorrow.

Chancellor Rachel Reeves said:

In an uncertain world we are backing Britain's world-class defence sector to both keep Britain safe and drive economic growth.

This historic partnership not only supports British jobs and security today, but positions the UK and its allies at the forefront of the next generation of defence and autonomous systems tomorrow.

The upgraded deal is the result of the government's commitment to a new partnership and new ways of working with industry as set out in the Strategic Defence Review and Defence Industrial Strategy - and makes the MOD's relationship with Leonardo even stronger.

In a major backing for Britain, the partnership will see the UK lead the world in helicopter innovation and autonomy, with Leonardo setting up Yeovil as a future centre of excellence for autonomous helicopters. Proteus which undertook its first flight at the end of January has demonstrated it can conduct a range of missions including anti-submarine warfare.

The agreement paves the path for future export orders of the AW149 helicopter to be built in the UK, significantly expanding the UK's workshare for the aircraft and growing the local workforce in the South West, with a potential to sustain 3,900 jobs - a 20% increase.

Nigel Colman, Managing Director of Helicopters UK, Leonardo said:

We welcome the decision to award the New Medium Helicopter contract to supply medium lift helicopters to the Ministry of Defence, as well as the continued investment in Proteus - our autonomous rotary wing uncrewed air system in development with the Royal Navy.

Leonardo is committed to providing the UK Armed Forces with a world-class medium lift helicopter based on our leading AW149 platform that will serve our military personnel for many years to come.

The Government's procurement of the AW149, as well as the continued investment in autonomy, will support more than 3,300 jobs in Yeovil, the Home of British Helicopters, as well as 12,000 across the UK supply chain.

As the nature of warfare changes, the war in Ukraine has highlighted the continued importance of helicopters on the battlefield - transporting forces, kit and capabilities in complex environments. The NMH is capable of operating in all environments in support of defence operations around the globe, from warfighting to humanitarian assistance and disaster relief efforts.

The AW149 NMH will deliver multiple rotary wing requirements using a single aircraft-type. This means that the platform will be able to undertake defence tasks that were previously delivered by three different aircraft types, streamlining our capabilities - improving efficiency and operational flexibility now and in the future.

The new deal delivers on the Strategic Defence Review and Defence Industrial Strategy - improving warfighting readiness, strengthening the UK's defence industrial base, and making defence as an engine for growth. The Ministry of Defence spends nearly £7 billion with the defence industry in the South-West, which supports more than 37,000 jobs.

The procurement is backed by the largest sustained increase in defence spending since the end of the Cold War - hitting 2.6% of GDP from 2027 with £270 billion this Parliament.

<https://www.gov.uk/government/news/billion-pound-helicopter-deal-secures-3300-british-jobs-boosts-battlefield-kit-and-unlocks-up-to-15billion-in-ukexports>