

BAE Systems Awarded \$1.7B Navy Contract for APKWS Laser-Guidance Kits



Contract enables production of tens of thousands of guidance kits for effective, cost-efficient precision strikes

Release From BAE Systems

HUDSON, N.H. – December 10, 2025 – The U.S. Navy has awarded BAE Systems a new five-year, indefinite delivery, indefinite quantity contract for [APKWS® laser-guidance kits](#) to equip U.S. armed forces with tens of thousands of additional low-cost precision munitions. The contract has a maximum value of \$1.7 billion, with an initial \$322 million order.

The new contract supports increased domestic and international demand, enabling the Navy to purchase APKWS guidance kits over a five-year period. The kits are available to all U.S. armed forces, as well as allies via foreign defense sales. The APKWS guidance kit completes the mission and controls the cost. APKWS kits are combat proven as an air-to-surface, surface-to-

surface, surface-to-air, and air-to-air munition.

“This award reinforces the value of proven and cost-efficient precision munitions, which have consistently demonstrated their effectiveness and versatility across multiple platforms and missions,” said Neeta Jayaraman, director of Precision Guidance and Sensing Solutions at BAE Systems. “The APKWS guidance kit provides advanced capabilities to our armed forces and foreign allies, and high-volume production ensures rapid and efficient delivery to the warfighter.”

APKWS guidance kits transform unguided 2.75-inch rockets into laser-guided rockets for precision strikes. Operators can use the combat-proven kit to engage a range of soft and armored stationary and moving targets, minimizing collateral damage. APKWS guidance kits [accurately strike air and ground targets](#), giving operators the ability to use them in a wide range of missions. The highly versatile kit can be fired by various platforms, including rotary- and fixed-wing aircraft, as well as unmanned aerial vehicles, static and mounted ground platforms, and maritime vessels.

The APKWS guidance kit is compatible with new and existing inventories of rocket motors, warheads, and fuzes. It requires minimal training to use in the field and has a simple, affordable maintenance concept, making it an efficient way to transform an unguided rocket into the precision munition of choice.

BAE Systems has been in full-rate production with its APKWS guidance kit for more than 12 years, allowing the U.S. armed forces and its allies to engage a variety of targets at a fraction of the cost of traditional munitions. BAE Systems leverages a robust supply chain and proven manufacturing capacity to deliver the guidance kit with speed and reliability.

APKWS laser-guidance kits are produced at BAE Systems’ state-

of-the-art manufacturing facilities in Hudson, New Hampshire and Austin, Texas.

For more information about APKWS guidance kits, visit: www.baesystems.com/apkws.