

RTX's Raytheon Awarded \$250 Million Contract From MELCO for ESSM Block 2 Licensed Production



Contract represents the latest milestone in the companies' longstanding partnership

From RTX, June 24, 2025

TUCSON, Ariz. (June 24, 2025) – Raytheon, an RTX (NYSE: RTX) business, has been awarded a \$250 million contract from Japan's Mitsubishi Electric Corporation (MELCO) for ESSM Block 2 licensed production.

Under the Direct Commercial Sale contract, Raytheon will provide missile kits, parts, and components as well as technical support for missile production at MELCO in Japan.

“This innovative licensed production arrangement is the culmination of decades of partnership,” said Barbara

Borgonovi, president of Naval Power at Raytheon. "As Japan invests in this critical weapon system, it will strengthen their defense capabilities while reinforcing the vital security alliance between our nations."

Raytheon and MELCO have a longstanding partnership spanning over 50 years on critical defense programs. This contract represents the latest chapter in their collaborative relationship and allows Japan to enhance its domestic defense manufacturing and missile defense capabilities, while also strengthening the broader U.S.-Japan security partnership.

ESSM Block 2 is a short to medium-range, ship-launched, dual-mode, guided missile that has increased maneuverability and improved performance over its Block 1 predecessor. The newest variant reduces dependence on shipboard illumination and is integrated on a wide variety of combat systems and launchers, delivering improved performance in stressing marine environments, and has significant digital processing margin to keep pace with evolving threats through software improvements.

Japan is a customer nation of ESSM, which is managed by the NATO SEASPARROW Consortium composed of 12 nations.