

## Project Data Summary Sheet<sup>1</sup>

Project Number	LAND4503
Project Name	AH-64E APACHE ATTACK HELICOPTER
First Year Reported in the MPR	2023-24
Capability Type	Replacement
Capability Manager	Chief of Army
Government 1st Pass Approval	Dec 20
Government 2nd Pass Approval	Mar 22
Budget at 2nd Pass Approval	\$3,875.0m
Total Approved Budget (Current)	\$4,685.0m
2024–25 In-year Budget	\$572.5m
Complexity	ACAT II



### Section 1 – Project Summary

#### 1.1 Project Description

LAND4503 Phase 1 Armed Reconnaissance Helicopter (ARH) Replacement, now known as LAND4503 AH-64E Apache Attack Helicopter (referred to as LAND4503 throughout this document); will acquire the AH-64E Apache - a crewed, proven, mature and Off-the-Shelf armed helicopter that replaces the current ARH Tiger. The AH-64E Apache will provide an attack aviation effect, consisting of aviation reconnaissance, communications and networking, firepower and offensive support in a combined, integrated and interagency environment. The project will deliver 29 AH-64E Apache, ground support equipment, spares, ammunition, two Longbow Crew Trainers (LCT) (simulators), two high-fidelity maintenance/ground crew trainers and multiple other training devices and courseware. Two years of United States (US) Government Post-Production Support Services sourced through Foreign Military Sales (FMS) will enable initial sustainment activities and generation of the rate of effort required to achieve Initial Operational Capability (IOC). Workforce will primarily be transferred from the incumbent capability, utilising overseas and domestic training courses, until such time that all trades can be trained through sovereign solutions.

#### 1.2 Current Status

##### Cost Performance

###### In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was \$502.6m against FY 2024-25 budget of \$572.5m. The underspend is predominately due to lower than projected FMS disbursements.

###### Project Financial Assurance Statement

As at 30 June 2025, project LAND4503 has reviewed the project's approved scope and budget for those elements required to be delivered by Defence. Having reviewed the current financial and contractual obligations of Defence for this project, current known risks and estimated future expenditure, Defence considers, as at the reporting date, there is sufficient budget remaining for the project to complete against the agreed scope.

###### Contingency Statement

The project has not spent contingency in FY 2024-25.

##### Schedule Performance

The project conducted ship handling trials with a US Army AH-64E Apache in February 2023.

The project conducted product demonstration, test and user trials using a US Army AH-64E Apache in March 2025.

Achievement of Initial Materiel Release (IMR) remains on schedule, as does achievement of supporting certification activities.

The project is on track to achieve 2024 National Defence Strategy (NDS) informed IOC and Final Operational Capability (FOC) dates.

The project is acquiring a proven, mature and Off-The-Shelf helicopter and is not subject to Design Review.

The project is on track to receive deliveries of the first four AH-64E Apache helicopters. Subsequent deliveries are subject to production capacity and allocation by the US Government. At the time of this report, the US Government has not communicated a formal delivery schedule for 2026 and beyond.

<sup>1</sup>Notice to reader

In the 2024 Defence Integrated Investment Program LAND4503 Phase 1 Armed Reconnaissance Helicopter (ARH) Replacement was renamed to LAND4503 AH-64E Apache Attack Helicopter. The remainder of the report will refer to the project as LAND4503 AH-64E Apache Attack Helicopter.

<b>Materiel Capability/Scope Delivery Performance</b> <p>LAND4503 will acquire 29 AH-64E Apaches with associated mission systems, support systems, ground support equipment, spares, training, technical data and publications, ammunition, technical assistance and field service representatives via a FMS Case with US Government. The project expects to meet the materiel capability requirements as expressed in the Materiel Acquisition Agreement (MAA) and in accordance with the requirements of the Technical Regulatory Authorities.</p>
<b>1.3 Project Context</b>
<b>Background</b> <p>LAND4503 will replace the ARH Tiger with the AH-64E Apache helicopter. The AH-64E Apache will deliver an integrated, more lethal and more effective attack aviation capability, as well as many new advanced capabilities for the Integrated Force.</p> <p>Pursuant to the Defence White Paper 2016, Defence directed LAND4503 in November 2018 to investigate options to present to Government to replace the ARH Tiger. LAND4503 sought expressions of interest from the market and conducted a thorough analysis on a number of options to modernise Australia's attack aviation capability. Defence informed the Government that the AH-64E Apache was the only platform that satisfied all of the evaluation criteria, was low risk, and available for delivery in the mid-2020s.</p> <p>In December 2020, Government granted First Pass approval for LAND4503. This approval directed Defence to return to Government for Second Pass approval for the AH-64E Apache to replace the ARH Tiger.</p> <p>Government Second Pass approval was granted in March 2022 for the acquisition of the AH-64E Apache from the US Army via FMS. In a subsequent submission to Government (July 2023), Defence was approved to relocate the 1st Aviation Regiment from Darwin to Townsville to coincide with the introduction of the AH-64E Apache, and to concentrate the Apache capability into a single operating node.</p> <p>A Smart Buyer workshop was completed for Gate 1 considerations in October 2019 to support development of the Project Execution Strategy in the lead up to Gate 1 Investment Committee. Guiding principles for the project were defined as proven, mature and Off-The-Shelf, and interoperability with the US Army. Environmental Scan and Strategic Development workshops considered key strategic drivers, and recommended a two-pass approval pathway. A Smart Buyer workshop was not completed for Gate 2 based on the compressed timeframe between Gate 1 and Gate 2 and the down-select to Apache at First Pass.</p>
<b>Uniqueness</b> <p>The AH-64E Apache will replace and build upon the attack aviation capabilities currently provided by the ARH Tiger. The new capabilities include advanced electronic systems, such as the Modernised Radar Frequency Interferometer, Fire Control Radar, Manned-Unmanned Teaming, command and control systems, and advanced aircraft survivability systems. LAND4503 will include Australian based Special Repair Activities to sustain the pilotage sensor, targeting sensor and radar.</p>
<b>Major Risks, Emergent Risks and Issues</b> <p>The project has retired the following risk in the last FY 2024-25:</p> <ul style="list-style-type: none"><li>Disrupted Fundamental Inputs to Capability (FIC) for Apache Capability.</li></ul> <p>The project is not managing any Very High or High emergent risks or issues.</p>
<b>Other Current Related Projects/Phases</b> <p><b>LAND 8111 - Artillery and Digital Terminal Control System.</b> Will deliver enhanced targeting and fire control capability across the battlespace through a technical refresh on software and hardware of which Apache will be a recipient weapon system.</p> <p><b>LAND4507 Phase 1 - UH-60M Black Hawk Utility Helicopter.</b> Has replaced the MRH90 Taipan with the UH-60M Black Hawk. The UH-60M Black Hawk and AH-64E Apache have an important linkage as they will form, along with CH-47F, the Army Aviation Task Group for the Integrated Force.</p> <p><b>LAND4502 Phase 1 and 2 CH-47F - Helicopter Program.</b> Funded the acquisition of additional CH-47 (Phase 1 and Phase 2) and construction of new facilities (Phase 2) for the CH-47F Chinook at RAAF Base Townsville. The AH-64E Apache will share these facilities when co-located at RAAF Base Townsville.</p> <p><b>DEF129 - Uncrewed Aerial Vehicles.</b> Will fund ongoing technical advancements/enhancements to replace and upgrade the Australian Defence Forces Uncrewed Aerial Systems to deliver and maintain an enhanced intelligence, surveillance and reconnaissance capability to the close combat force.</p> <p><b>SEA2048 - Amphibious Assault Ship (LHD).</b> LHD Capability Assurance Program will modify and modernise Royal Australian Navy LHD. Any modification to the LHD required to support AH-64E, its support, weapons or ammunition may need to be addressed through this project.</p> <p><b>LAND4140 - Land Command Systems.</b> LAND Command, Control, Communication and Computer (C4) modernisation will deliver the integrated, focussed force, land C4 capabilities required to realise directed long-range fires, littoral manoeuvre, and close combat tasks. The AH-64E will operate on the solutions delivered under LAND4140.</p>

## Section 2 – Financial Performance<sup>2</sup>

### 2.1 Project Budget (out-turned) and Expenditure History

L7 Project Budget (Out-timed) and Expenditure History			
Date	Description	\$m	Notes
Project Budget			
Dec 20	Original Approval (Government First Pass Approval)	22.0	1
Mar 22	Government Second Pass Approval	3,853.0	
	Total at Second Pass Approval	3,875.0	
Jun 25	Exchange Variation	810.0	2
Jun 25	Total Budget	4,685.0	
Project Expenditure			
Prior to Jul 24	Contract Expenditure – FMS Case AT-B-ULV	(314.4)	2
	Other Contract Payments/Internal Expenses	(34.5)	
		(348.9)	
FY to Jun 25	Contract Expenditure – FMS Case AT-B-ULV	(490.7)	3
	Other Contract Payments/Internal Expenses	(11.9)	
		(502.6)	
Jun 25	Total Expenditure	(851.5)	
Jun 25	Remaining Budget	3,833.5	
Notes			
1	This amount reflects funding approval at Government First Pass Approval.		
2	Other Contract Payment/Internal Expenses comprise of: External Service Providers (\$14.2m), purchase of maintenance training donor airframe – L7 training device (\$6.3m), purchase of ground training donor airframe – ground system training device (\$6.1m): risk reduction activities (\$4.6m), project administrative costs (\$1.4m), Apache training program costs (\$1.0m), legal costs (\$0.5m), and FMS Technical Assistance Case AT-B-ULL (\$0.4m).		
3	Other Contract Payment/Internal Expenses comprise of: External Service Providers (\$7.5m), Apache training program costs (\$2.4m), project administrative costs (\$1.0m), Direct Commercial Sales (\$0.6m) and Risk Reduction Activities (\$0.4m).		

### 2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	In-year Budget \$m	Explanation of Material Movements
268.6	555.2	572.5	<u>Portfolio Budget Statements (PBS) to Portfolio Additional Estimates Statements (PAES):</u> During FY 2024-25, the project is focussed on the induction of initial spare parts into the local supply chain, establishing local Apache support provisions, airworthiness certification and the implementation of sustainment FMS cases with the US Army. The variation is due to FMS activity forecast for FY 2024-25.  <u>PAES to In-year Budget:</u> The variation is due to FY 2025-26 PBS Foreign Exchange Rate update that occurred within the month of June 2025.
Variance \$m	286.6	17.3	Total Variance (\$m): 303.9
Variance %	106.7	3.1	Total Variance (%): 113.1

### 2.2B In-year Budget/Expenditure Variance

In-year Budget \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		(0.2)	Australian Industry	The variation is predominately due to lower than projected FMS disbursements. However, it is expected that the disbursements will catch up to the forecast over the next five FMS reporting periods.
		-	Foreign Industry	
		-	Early Processes	
		(1.4)	Defence Processes	
		(68.7)	Foreign Government Negotiations/Payments	
		-	Cost Saving	
		-	Effort in Support of Operations	
		-	Additional Government Approvals	
572.5	502.6	<b>(69.9)</b>	<b>Total Variance</b>	
		<b>(12.2)</b>	<b>% Variance</b>	

<sup>2</sup>Notice to reader

As per the JCPAA MPR Guidelines, financial figures in the PDSS have been rounded to one decimal point. Section 2 financial tables may include totals and percentages that are impacted due to the rounding of the original financial data.

2.3A Details of Project Major Contracts – Price

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature \$m	30 Jun 25 \$m			
FMS Case – AT-B-ULV	Apr 2022	3,363.7	4,072.1	Reimbursement (for FMS)	FMS	1
Notes						
1	Contract value at 30 June 2025 is based on actual expenditure as at 30 June 2025 and remaining US Dollar commitment is converted to Australian Dollars, using the current budget exchange rates, and includes adjustments for indexation (where applicable).					

2.3B Details of Project Major Contracts – Contracted Quantities and Scope

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 25		
FMS Case – AT-B-ULV	29	29	The project will deliver 29 Apache attack helicopters in the AH-64E Version 6 common configuration.	-
Major equipment accepted and quantities to 30 Jun 25				
No major equipment has been delivered nor accepted prior to 30 June 2025, as planned.				
Notes				
N/A	N/A			

2.4 Australian Industry Capability

Summary
The project has no contracted Australian Industry Capability (AIC) Plan/Schedule for its US Government FMS acquisition as the US Government arrangement does not include the contractual provisions or obligations for Australian Industry Content. However, the US Federal Acquisition Regulation mechanism of Customer Directed Sourcing has been sponsored by LAND4503, to facilitate a number of Australian businesses being awarded supply contracts for production parts. These components will be included in the assembly of Australia's Apache Helicopters under The Boeing Company Multi-Year II contract, and set conditions for Australian businesses to compete for global production opportunities.
Note
AIC Plans for contracts worth more than \$20 million are published on Defence's website.
The Boeing Company was incorrectly referred to as Boeing Defence Australia Ltd in the 2023-24 report. LAND4503 is not in contract with Boeing Defence Australia Ltd but through an FMS agreement with The Boeing Company. Any mention of Boeing Defence Australia in this Project Data Summary Sheet (PDSS) has been updated to The Boeing Company.

Section 3 – Schedule Performance

3.1 Design Review Progress


Review	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
N/A	N/A	N/A	N/A	N/A	N/A	1
Notes						
1	The project is acquiring a proven, mature and Off-The-Shelf helicopter and is not subject to Design Review.					

3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
Ship handling trials	US Army AH-64E Apache – preview test and evaluation	Dec 21	Feb 23	Feb 23	14	1
Maintenance training device acceptance	L7 training device and ground system training device – Acceptance Test and Evaluation (AT&E)	NFP	NFP	NFP	NFP	2
Longbow Crew Trainers acceptance (LCT)	LCT – AT&E	NFP	NFP	NFP	NFP	3
Capability Realisation and Validation Campaign (CRVC) 1	Demonstrate Apache in Land Environment	NFP	N/A	NFP	NFP	-
CRVC 2	Demonstrate Apache in Land Environment	NFP	N/A	NFP	NFP	-
First of class flight trials (FOCFT)	Australian AH-64E Apache – developmental test and evaluation	NFP	N/A	NFP	NFP	-

CRVC 3	Demonstrate Apache in Joint Air Environment	NFP	N/A	NFP	NFP	-
CRVC 4	Demonstrate Apache in Maritime Environment	NFP	N/A	NFP	NFP	-
<b>Notes</b>						
1	LAND4503 used US Army AH-64E Apache to conduct initial ship helicopter integration trials. This will support the schedule for FOCFT with Australian Apache. Original planned date cancelled due COVID-19 and associated travel restrictions.					
2	Maintenance training device production required a donor AH-64 airframe and sub-components. As Australia had not previously operated the AH-64, donor aircraft had to be sourced through a Government-to-Government agreement with the United Kingdom (UK) Ministry of Defence (MoD). This activity incurred a delay to the forecast production of the training devices as offered in the FMS case.					
3	The Boeing Company has indicated that they are experiencing supply chain challenges that increases their risk to construct and deliver Australia's AH-64E Apache and LCT in line with the agreed production schedule. At the time of this report, The Boeing Company has communicated a delay to the LCT production.					

### 3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	NFP	NFP	NFP	1
Initial Operational Capability (IOC)	NFP	NFP	NFP	1, 2
Final Materiel Release (FMR)	NFP	NFP	NFP	1
Final Operational Capability (FOC)	NFP	NFP	NFP	1, 2
Notes				
1	The Boeing Company has indicated that they are experiencing supply chain challenges that increases their risk to construct and deliver Australia's AH-64E Apaches in line with the agreed production schedule. At the time of this report, The Boeing Company has not communicated a revised production schedule. This may incur schedule delay to these milestones.			
2	The 2024 NDS review approved changes to IOC and FOC.			
<p style="text-align: center;"><b>Schedule Status at 30 June 2025</b> <b>Dates associated with capability realisation are NFP</b></p> 				

## Section 4 – Materiel Capability/Scope Delivery Performance

### 4.1 Measures of Materiel Capability/Scope Delivery Performance

Traffic Light Diagram: Percentage Breakdown of Materiel Capability/Scope Delivery Performance	
	<b>Green:</b> The project expects to meet the materiel capability requirements as expressed in the MAA and in accordance with the requirements of the Technical Regulatory Authorities.
	<b>Amber:</b> N/A
	<b>Red:</b> N/A
<b>Note</b>	
This Traffic Light Diagram represents Defence's expected capability delivery.	

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Initial Materiel Release (IMR)	All of the materiel to support collective training to achieve IOC. The major components include: minimum of four, up to six AH-64E Apache aircraft, one LCT, aircraft ammunition, aircraft support equipment, ground support equipment, aircraft spares and fly away maintenance kits.  Forecast date for IMR are NFP.	Not yet Achieved
Initial Operational Capability (IOC)	Land-based deployable Apache troop including all FIC in place with trained and qualified aircrew, maintenance, and ground crew support staff, including Industry to support a deployment of AH-64E.  Forecast date for IOC are NFP.	Not yet Achieved
Final Materiel Release (FMR)	All of the materiel for collective training to achieve FOC. The major components include: 29 AH-64E Apaches, two LCT, two maintenance training devices, aircraft ammunition, aircraft support equipment, ground support equipment, aircraft spares, fly away maintenance kits, Special Repair Activities, purpose built facilities in Townsville and a mature Australian based Apache training system.  Forecast date for FMR are NFP.	Not yet Achieved
Final Operational Capability (FOC)	FOC is defined as a deployable Apache Squadron that can support combat operations for the Integrated Force. The Apache Squadron is able to be based from, and operate within the land and maritime domain. The Apache Regiment can form a deployable headquarters to control an Aviation Task Group.  Forecast date for FOC are NFP.	Not yet Achieved

Section 5 – Major Risks, Emergent Risks and Issues

5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)		
Ref#	Description	Remedial Action
1	An aggregation of multiple medium and low risks that relates to LAND4503 united being unable to deliver the fusion of FIC elements necessary to support the introduction into service and allow for enduring sustainment of the AH-64E Apache capability. The main themes are facilities, personnel, major systems and support. If these subordinate risks become issues, they will impact collective training, industry and, command and management FIC and result in delayed operational milestones.	Sufficient work has been done to strengthen the identification and management of subordinate child risks such that the aggregated risk is not required.  The project has retired this risk in the last FY 2024-25. This risk will be removed from next year's Major Projects Report.

5.2 Emergent Risks

Emergent Risks (risk not previously identified, or has increased in rating, which have emerged during 2024–25)		
Ref#	Description	Remedial Action
N/A	N/A	N/A

5.3 Major Project Issues

Ref#	Description	Remedial Action
N/A	N/A	N/A

Section 6 – Lessons

6.1 Key Lessons

In line with Defence Instructions and Capability Acquisition and Sustainment Group (CASG) Lessons policy, the project conducts scheduled reviews of its captured lessons information (including any observations, insights and/or lessons identified) as well as lessons information contained within the Defence Lessons Repository. The project has captured four lessons. The two project strategic lessons and the two project level lessons (non-strategic) are listed below.		
Strategic Lessons Description		Categories of Systemic Lessons
Strategic Lesson Type – Observation. LAND4503 sought to build FMS knowledge by seeking briefings and mentoring from previous CASG projects that acquired similar major systems. LAND4503 received the most comprehensive brief from AIR9000 Phase 8, as it had recently acquired a US helicopter (MH-60R) through a FMS case. Though similar, the US Navy acquisition system has nuanced differences to the US Army system. As such, there were FMS actions that were not required for AIR 9000 Phase 8 but were critical steps for LAND4503. It was also subsequently identified by		Program, Project & Product Management

the Project Team that the US Air Force acquisition system is more aligned to the US Army system. LAND4503 should have invested more time seeking briefings and insights from other projects that acquired major systems from the US Army via FMS.	
Strategic Lesson Type – Observation. LAND4503 is acquiring the AH-64E Apache from the US Army through FMS. To support this, the Project has a Residential Project Team in Huntsville, Alabama, in the vicinity of key US Army stakeholders. Over time, the Project has developed links with the UK MoD, which is well into the process of acquiring the AH-64E Apache, to provide additional feedback on some elements of FIC – mainly individual training, industry support, organisation and some material. Similarly, The Netherlands AH-64E Apache Project is approximately three years ahead of LAND4503, and has become an excellent source of information and insights. Although the Australian Army has placed embeds in British Army Apache units, and the Project has embedded an Executive Level 1 member in the UK Apache Delivery Team, there is a lack of liaison and direct reporting back to the Project. CASG should consider placing additional liaison personnel into other customer nations acquiring the same equipment, particularly those who are three to five years ahead of our own projects.	Program, Project & Product Management
<b>Project Level Lessons (non-strategic) Description</b>	<b>Categories of Systemic Lessons</b>
Project level lesson. Improve future FMS projects by creating multiple small FMS cases.	Program, Project & Product Management
Project level lesson. Conduct cost profile deep dive for CASG FMS projects.	Program, Project & Product Management

## Section 7 – Project Structure

### 7.1 Project Structure as at 30 June 2025

Unit	Name
Division	Joint Aviation Systems Division
Branch	Army Aviation Systems Branch