War for the Future of Italian Defense: Indra Challenges Leonardo and Rheinmetall for Iveco Defence

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The defense vehicle division of Iveco (Iveco Defence), with revenues of 1.1 billion euros in 2024, is experiencing a period of great excitement. The sale of Iveco Defence Vehicles (Idv) has attracted a series of interests from European groups, prompting the company to evaluate non-binding offers from numerous competitors, including the Spanish giant Indra. However, the competition is strong and the race to acquire Idv promises to be complex, with the strategic interest of the Italian government also at stake.

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Iveco Defence: the Indra factor and other contenders

Indra, a Spanish company already active in the defense sector and a supplier to the Ministry of Defense in Madrid, has recently taken a step forward in the competition, aiming to expand its presence in the European defense market. It is not the first time that the Spanish group has approached an Italian company, as demonstrated by its previous interest in Cy4Gate, a cybersecurity company. According to sources close to the matter, Indra is ready to put a significant proposal on the table, but it will face tough competition from other entities.

Also in the running are Knds (Krauss-Maffei Wegmann and Nexter), leaders in the tank sector, the Czech Csg, owner of the Brescia-based Armi Perazzi, and especially the Italian-German consortium Leonardo-Rheinmetall. The latter represents one of the most significant offers, considering Iveco's involvement in supplying strategic components for armored vehicles produced by the industrial pair.

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The price issue and the intervention of the Golden Power

One of the key factors in the sale of Iveco Defence Vehicles will be the price. Iveco has set a target valuation of at least 1.5 billion euros, but some offers are approaching or exceeding this threshold. Competing companies, such as Knds and Csg, would be willing to go up to 2 billion, while Leonardo-Rheinmetall seem oriented towards a lower figure, hovering around 800 million, but with the possibility of reaching up to a billion.

However, the final decision will not depend solely on the price. The Italian government could intervene through the so-called "golden power," a protective tool that allows the State to block operations deemed harmful to national security. This aspect could favor the offer of the Leonardo-Rheinmetall consortium, which represents an important initiative for the renewal of the Italian fleet of armored vehicles and tanks.

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Strategic implications for the Italian defense industry

The acquisition of Iveco Defence Vehicles will have a significant impact on the European defense landscape, with particular attention to Italy, where the company is a strategic supplier for the Armed Forces. The sale is not just about a billion-dollar business, but a geopolitical and industrial game that could determine Italy's position in the context of European defense. Leonardo, with the support of Rheinmetall, could find itself playing a crucial role in the modernization of Italian armored vehicles, also helping to strengthen Italy's position in European industrial cooperation.

The race to acquire Iveco Defence Vehicles is becoming increasingly intense. With Indra entering the competition and the strong presence of Leonardo-Rheinmetall, the sale of this division could mark a decisive moment for the Italian and European defense industry. However, the presence of the golden power and strategic evaluations could still determine the final outcome, putting into play not only economic interests but also crucial political and industrial choices for the future of national defense.

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