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Epicos Newsroom

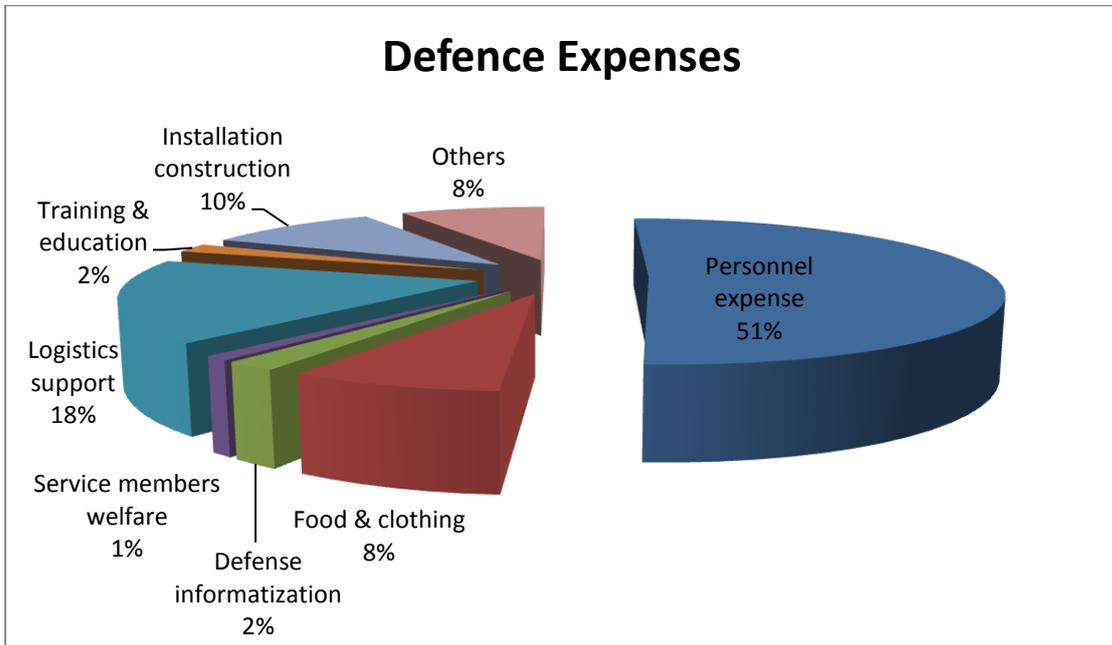
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Republic of Korea: Defence Budget



The Ministry of National Defence of Republic of Korea is deliberately trying to transform the national armed forces into an information and technology intensive military structure and raise the efficiency of national defense organization and management to match the standards of the changing security environment and future warfare requirements. In order to achieve this, a significant amount of funds have been allocated. Under this concept the total sum of military spending is projected to rise to 35,706 billion KRW (approximately 31.9\$ million) in 2014 from 34,345 billion (approximately 30.4\$ million) that it was in 2013 reaching a 3.5% increase. Nevertheless, the defence budget, as a percentage of the national Gross Domestic Product (GDP) remained unchanged to 2.53%.

From this amount 70.6% is allocated to maintenance programs and the remaining 29.5% to improvement programs. More analytically 36% of the maintenance programs will be allocated to personnel expenses, 5.5% to food and clothing, 1.4% to defence informatization, 0.7% to service members welfare, 12.7% to logistics support, 1.4% to training and education, 7% to installation and construction and 5.9% to other categories.



The country's authorities are deliberately trying to enhance the armed forces and in order to achieve this, a significant amount of funds are allocated in improving its capabilities, a fact that is depicted in the defence budget of 2014.

Kyriazis Vasileios,
Epicos Newsletter Head Editor

Republic of Korea and Peru aviation technology exchange

The Republic of Korea and Peru signed a Memorandum of Understanding (MoU) on the exchange of aeronautical technology. According to the Peruvian Air Force, the agreement of the technology transfer for the

acquisition of KAI KT-1, will allow the local construction of the fighter aircraft in a period of approximately ten years. The agreements also include the exploration of export sales in the region. Additionally, according to the Air Force of Peru, the country and the Republic of Korea will also exchange their experiences in the areas of operations, logistics, training, personnel, and accident prevention. The MoU was signed during the official visit of the deputy chief of the Korean Air Force Major General HyngChul Kim to Lima.

Among others, the delegation of the Republic of Korea visited the facilities of the SEMAN (Maintenance air wing of the Peruvian Air Force), where the majority of the country's KT-1s will be assembled. On November 6th 2012, KAI and the Peruvian Air Force signed a contract for 20 KT-1s (10 KT and 10 KA versions) including offset and technologies transfers. The amount of the contract is approximately US\$208 million. KAI will provide the first 4 airplanes by 2014 and the rest will be assembled at SEMAN (Maintenance air wing of the Peruvian Air Force).

The KAI KT-1 Woongbi (Hangul: KT-1 웁비) is a Korean single-engine turboprop, basic training aircraft. The KT-1 is the first completely indigenous Korean aircraft ever developed.

Kyriazis Vasileios,
Epicos Newsletter Head Editor



Epicos "Industrial Cooperation and Offset Projects"



Epicos "Industrial Cooperation and Offset Projects" provides a unique set of online tools enabling the structure, identification and implementation of comprehensive Offsets programs, through a searchable database. By introducing different offset projects and ideas proposed by local A&D industry it ensures the optimum cost for Prime Contractors and reassures that the priorities of local industry are fully met...

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Climbing training simulator for special operations forces



A company is proposing the development and installation of a complete climbing training simulator, to be used for simulating training on individual climbing skills and methods. The climbing training simulator will be used by Special Forces, as well as emergency rescue teams supporting reliable and secure simulation of several different operational scenarios.

[For Further Information Contact our ICO Department](#)

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Development of an advanced Dynamic Noise Reduction (DNR) algorithm for hands-free communication devices used in mixed noise environments



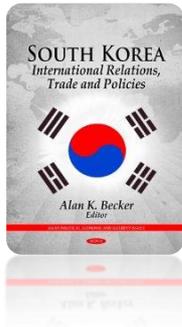
A leading technology provider, designer and manufacturer of hands-free communication solutions for demanding use, is proposing the development of a universal Dynamic Noise Reduction (DNR) algorithm to be used in several hands-free communication devices, applied in several military and homeland security applications.

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South Korea: International Relations, Trade and Policies (Asian Political, Economic and Security Issues), Alan K. Becker



Since late 2008, relations between the United States and South Korea have been arguably at their best state in decades. By the middle of 2010, in the view of many in the Obama Administration, South Korea had emerged as the United States' closest ally in East Asia. This book examines U.S.-South Korea relations; the EU-South Korea Free Trade Agreement and its implications for the United States; the issues surrounding the U.S.-South Korea beef dispute; the Kaesong North-South Korean Industrial complex and major policy considerations for the U.S.; and, South Korean cooperation in the world nuclear energy market.

Economics of War and Peace: Economic, Legal, and Political Perspectives (Contributions to Conflict Management, Peace Economics and Development) ... Management Peace Economics and Development), by Benjamin E. Goldsmith, Jurgen Brauer



"Economics of War and Peace: Economic, Legal, and Political Perspectives" brings together recent, cutting-edge research on economic factors affecting peace and war. This important area of continuing research was the focus of an international conference held at the University of Sydney in June 2009 and these chapters are partly drawn from among the best contributions to that meeting. The book weaves together threads from a number of themes in current research including new theoretical perspectives on the economic foundations of peace, violence and war within countries, connections between international trade and inter-state conflict, and the role of legal/institutional factors in international and internal conflict.



Tigerair buys 37 Airbus A320neo, option for 13 more

Singapore budget carrier Tigerair said Monday it will buy 37 Airbus A320neo planes valued at \$3.8 billion, enabling the airline to cut fuel costs and fly to new, more distant destinations.

Tigerair, which is 40 percent owned by Singapore Airlines, said in a statement it also has the option to buy up to 13 additional aircraft and to convert the A320neo planes to the bigger A321neo model.

Delivery of the fuel-efficient planes will start from 2018 through to 2025, the airline said in a statement.

As part of the deal, Tigerair's existing order for nine A320s, which were part of a bigger 2007 order, will be cancelled. The planes were to have been delivered this year and in 2015.

The statement said the planes will be powered by Pratt & Whitney's PW1100G-JM engines.

The carrier said the A320neo, which will replace the A320ceo, has a longer flight range "which will enable Tigerair to fly to new and promising destinations".

It also said the combination of the Pratt & Whitney engines and the large "sharklet" wing-tips would deliver 15 percent greater fuel efficiency compared with the current generation of the A320ceo.

"This translates into an estimated Sg\$40 million in savings annually, based on the current fleet's fuel expenditure," Tigerair said.

The new orders come after the airline reported a net loss of Sg\$118.5 million (\$93 million) for the three months ended December 2013, owing to tough competition in Asia's budget carrier sector.

"We have re-calibrated our strategy and taken the necessary steps to reposition Tigerair for a brighter future," said Tigerair Group chief executive Koay Peng Yen.

"This deal effectively dissipates some concerns over a potential capacity overhang in the next couple of years. It also allows us to continue building on our leadership position in budget travel at a measured pace."

The carrier said that although the deal is valued at \$3.8 billion based on catalogue prices, the negotiated price "was significantly lower".

Source: 2014 AFP, Agence France-Presse (AFP)

Romania says NATO should reposition forces

Romania's president said Monday NATO should reposition its forces after Russia's annexation of Crimea.

Traian Basescu said he would discuss the crisis in Ukraine, which shares a border with Romania, with world leaders meeting in The Hague.

He will stress "the need to reposition NATO's military resources following the military activities of the Russian Federation over the past months," he told reporters.

NATO's top commander said Sunday there was a "very sizeable" Russian troop presence on the Ukrainian border and warned of a possible incursion into the Moscow-backed separatist territory of Transdniestr.

Basescu warned last week that Moscow would not stop after annexing Crimea and called on Western allies to be prepared for Russia's "next step."

Ukraine's leaders meanwhile have voiced fears Russia could invade its eastern industrial heartland.

Source: 2014 AFP, Agence France-Presse (AFP)

Oman to privatise airline, telecoms company

Oman plans to privatise its loss-making national carrier Oman Air and continue selling chunks of telecoms company Omantel to local investors, Finance Minister Darwish al-Balushi said Thursday.

Both operations would come be part of a broader plan of privatising some 60 companies in which the state holds an interest, he said. As a first step, Oman Air will be broken up into three companies -- one for freight, one for ground services and one for passengers.

"A decision on privatisation will be taken subsequently in light of the results at each of the companies," said Balushi, who is also chairman of the airline. In 2012, Oman Air's loss narrowed to 97 million rials (\$251.2 million/182.4 million euros) from \$285 million a year earlier.

Turning to Omantel, in which the government holds a 70 percent stake, Balushi said the plan is to offer 9.5 percent to Omani investors on March 27. That would be on top of an equivalent amount sold in February. The sale of the combined 19 percent of the company is expected to generate 140 million rials for the public coffers.

Source: 2014 AFP, Agence France-Presse (AFP)

Rheinmetall sees 'significant' growth in 2014

Rheinmetall, the German defence technology group, said Wednesday it expects higher sales and an improvement in earnings in 2014 after the difficult market environment hit profits last year.

"Following a year of transition during 2013 that was dominated by a series of measures to improve structures and increase cost efficiency, Rheinmetall expects growing consolidated sales and significant earnings improvements in 2014," the company said in a statement.

Group sales were forecast to reach 4.8-4.9 billion euros (\$6.7-6.8 billion) this year after falling 2.0 percent to 4.613 billion euros in 2013.

Underlying or operating profit would amount to 232-240 million euros in 2014 compared with 112 million euros last year.

On its bottom line, Rheinmetall saw after-tax profit slump 83 percent to 29 million euros in 2013.

That has led management to propose cutting the dividend payout to shareholders to just 0.40 euros per share for 2013 from 1.80 euros per share previously.

"Our firm target, once our strategy programme is concluded in 2015, is to return to the dividend level of the years before the restructuring," chief executive Armin Papperger insisted.

Rheinmetall is active both in the car parts and defence sectors, and its defence division "was faced with a difficult market environment," it said.

"Declining defence spending worldwide curbed the sector's sales performance," the company said.

By contrast, its automotive division fared better.

"The strong presence in important growth markets and the regulatory trends toward more environmentally friendly mobility drove the automotive sector's sales," Rheinmetall said.

According to a report in the local daily Neue Osnabruecker Zeitung, Rheinmetall is building a military training centre in Russia for Russian troops.

Quizzed about the report, a company spokesman said merely that Rheinmetall expected to meet its contractual obligations with Russia.

Source: 2014 AFP, Agence France-Presse (AFP)

General Dynamics Awarded \$26 Million by Lockheed Martin for Continued Work on U.S. Air Force Global Positioning System III Program

General Dynamics Advanced Information Systems, a business unit of General Dynamics (NYSE: GD), was recently awarded a \$26 million contract from Lockheed Martin to support the U.S. Air Force Global Positioning System (GPS) III Network Communications Element (NCE). The Air Force's next-generation GPS III satellites will improve position, navigation and timing services and provide advanced anti-jam capabilities yielding superior system security, accuracy and reliability.

"We bring more than a half-century of experience in the spacecraft communications and navigation domain to this program," said Kirstan Rock, vice president and general manager of Intelligence, Surveillance and Reconnaissance at General Dynamics Advanced Information Systems. "We look forward to continuing working with Lockheed Martin to deliver high-quality, reliable and affordable solutions to the Air Force to advance their mission."

General Dynamics is already under contract with Lockheed Martin to produce the NCE for the first four GPS III space vehicles (SV01-SV04), as well as for the procurement of long lead material for the second set of four space vehicles (SV05-SV08). This follow-on contract provides General Dynamics with the funding to complete the NCE for SV05 and SV06. General Dynamics' NCE components provide the communications functions for the GPS III satellites, including the ground-to-space command and control channel, the space-to-space inter-satellite channel and the command and telemetry communications channels within each satellite. NCE components have been delivered for SV01 and SV02. The NCEs for SV03 and SV04 are scheduled for delivery by June 2014.

GPS III is a critically important program for the U.S. Air Force, affordably replacing the aging constellation of GPS satellites currently in orbit. Compared to prior GPS vehicles, GPS III satellites will deliver three times better accuracy, provide up to eight times more powerful anti-jamming capabilities and include enhancements that extend spacecraft life 25 percent further. GPS III-series satellites also will carry a new civil signal designed to be interoperable with other international global navigation satellite systems, enhancing civilian user connectivity.

For more information about General Dynamics Advanced Information Systems, please visit www.gd-ais.com.

More information about General Dynamics is available at www.generaldynamics.com

Source: PR Newswire Association LLC, General Dynamics Advanced Information Systems