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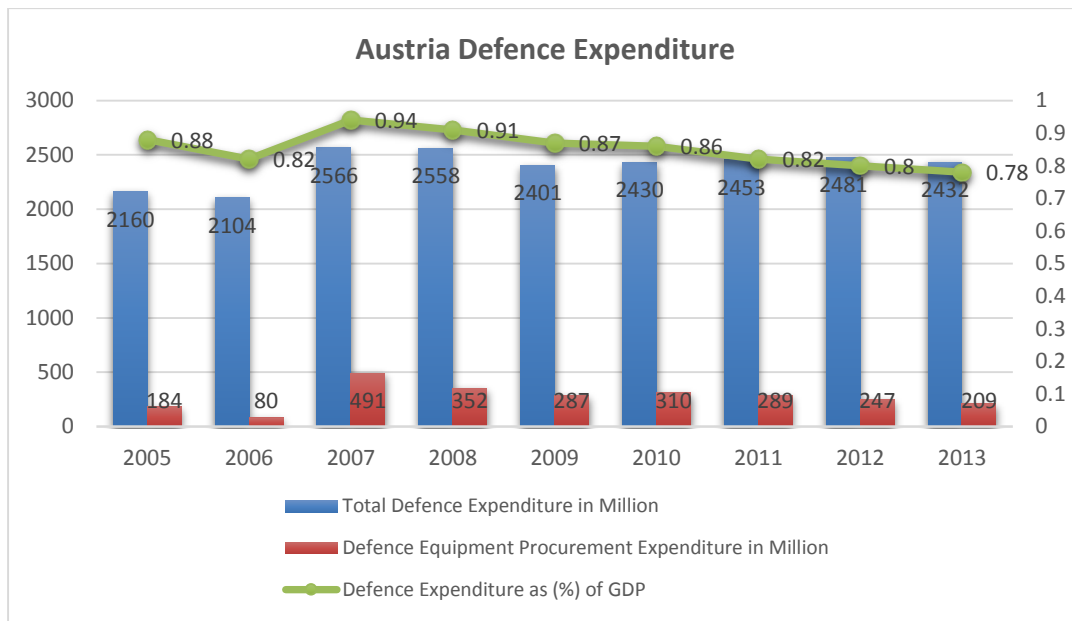
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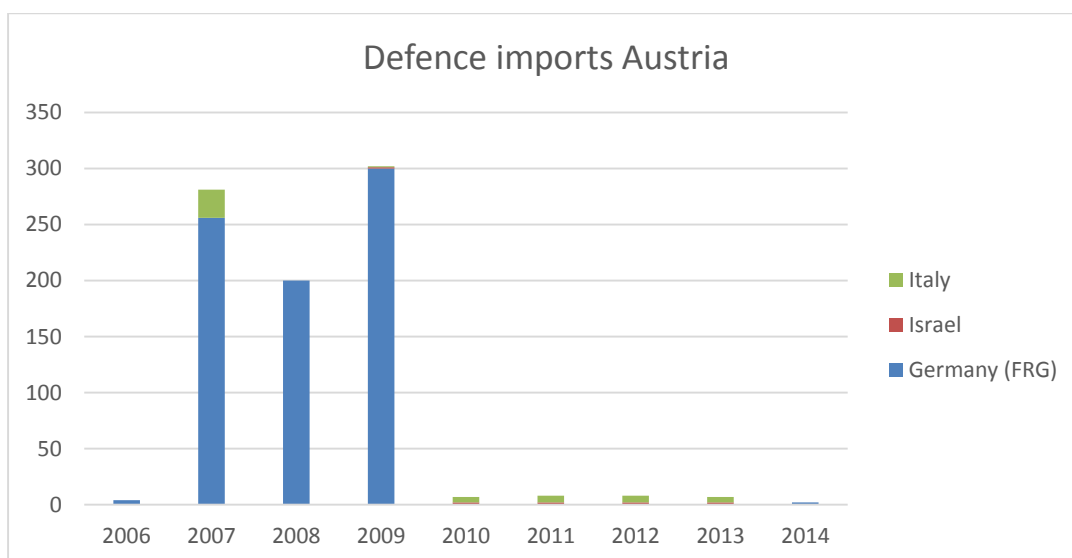
Austrian Defence Budget and Imports



Austrian defence budget is shrinking. According to EDA's data, the funds allocated in procuring defence equipment have been severely cut during the last years. It is indicative that in 2007 defence expenditure was 2.566 million EURO, whereas defence equipment procurement expenditure was 491 million. These numbers were cut to 2.432 million (total defence expenditure) and 209 million (defence equipment procurement expenditure). Defence expenditure was cut only by 124 million EURO or by approximately 5%, while defence equipment procurement expenditure was cut by 282 million or by approximately 57%.



Source: EDA Database



Source: Stockholm International Peace Research Institute (SIPRI)

According to the Stockholm International Peace Research Institute (SIPRI), in the period 2006-2014, Austria imported its defence equipment from only three countries, Germany, Israel and Italy.

Germany played an extremely important role in the defence Austrian imports which actually degrades the importance of the imports from Italy and Israel. It is indicative that Austria spent 816 million US dollars at constant (1990) prices, in procuring defence equipment from Italy, Israel and Germany. From this amount, 761 million were spent in German equipment. Nevertheless, we must take into consideration that for the years 2010-2013 Austria did not procure any equipment from Germany. Despite this fact Germany still has the lion's share in Austria's defence imports.

Aircraft were the predominant area of imports for the period 2006-2014 with a total amount of 750 US\$ m. at constant (1990) prices. The 2nd most important sector was that of the armored vehicles with 28 US\$ m. Other sectors, such as sensors, and missiles followed.

Kyriazis Vasileios,

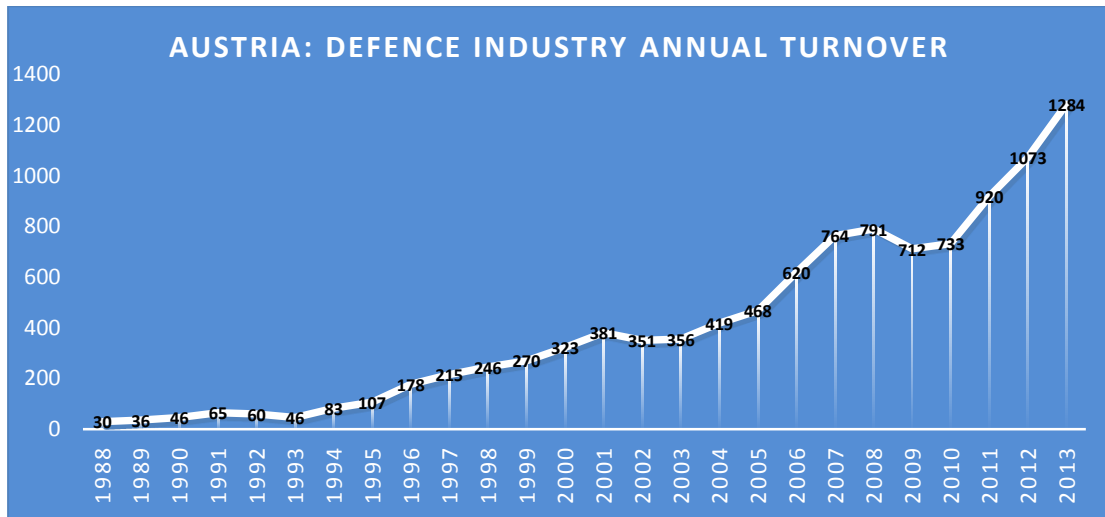
Epicos Newsletter Head Editor

Austrian Aeronautics and Defence Industry

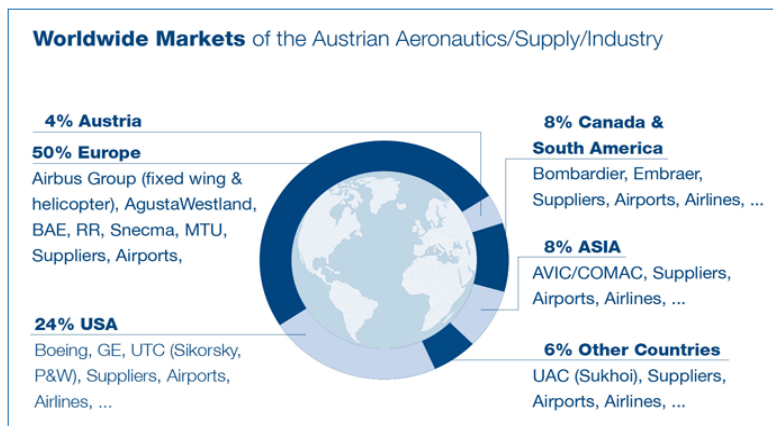


Nowadays, many Austrian companies are well established in the international aeronautics industry and its supply chains, most of them as specialised niche experts. More specifically, most of these companies are experts in composites (interiors & structures), metals & metal processing (Ti, Al, Mg), plastics, small aircraft & UAVs, engines, manufacturing technology, test equipment, communication, electronics, interiors and

various equipment. The Austrian aeronautics industry has grown rapidly. It is indicative that it boosted its annual turnover from 30 million Euros in 1988 to 1284 million Euros in 2013. In addition, the total number of employees is increased by an average of 10% per year. In 2013 Austrian aeronautic companies employed approximately 5000 people.



It is worth mentioning that the majority of products manufactured are exported. Moreover, arms exports are rather diversified in their geographical structure and range. The majority of exported items are channelled to Europe (50%). USA with 24%, Canada and Asia with 8% each follow.



Source: <https://www.aag.at/sector/facts/>

Austrian defence industry retains capabilities in several domains. The members of Austrian Defence and Security Industry (ASW) has capabilities in the following industrial domains:

- Weapons and Ammunition - 9
- Vehicles & Accessories - 33
- Personal Equipment - 15
- Communication Equipment - 14
- Engineering Equipment & Tools - 24
- Optical Equipment & Opto-Electronics - 13
- Test Equipment - 17
- Medical & Humanitarian Equipment - 9
- Engineering Services, Training, R&D - 33
- Demilitarisation, Deminig - 4
- Components Supplies - 24
- ICT, Software - 17
- Various Products & Services - 43

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...

[For Further Information Press Here](#)

Insensitive Munitions (FOXIT) use in warheads for smart underwater mines and torpedoes



A leading developer and manufacturer of explosives, is proposing the implementation of its fully IM (Insensitive Munitions) compatible warhead subsystem, to new generation, smart underwater mines and torpedoes.

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

Mail at: g-menexis@epicos.com

Body and Chassis manufacturing, using steel alloys technology for Light to Medium and Heavy (MRAP) Weight Armoured Wheeled Vehicles



A company with long standing experience in manufacturing of metallic (high strength and stainless steel) components and parts for the automobile industry, is willing to expand its activities in the manufacturing of Body & Chassis, using steel alloys technology, for a wide range of military vehicles, from Light to Medium Weight Armoured Wheeled Vehicles, up to heavy Mine Resistant Ambush Protected (MRAP) vehicles.

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

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News from our A&D Business Network



BAE Systems Team Awarded Development Contract for U.S. Marine Corps ACV 1.1 Program



The company, along with teammate IVECO Defence Vehicles, will deliver a solution that will be built from the ground up to be an amphibious vehicle and will provide significant capability improvements to satisfy the Marine Corps' current and future needs. "We are proud to continue our long history of providing the Marine Corps with superior

amphibious capabilities," said Deepak Bazaz, director of new and amphibious vehicles at BAE Systems. "Our vehicle was designed to be fully amphibious with exceptional ground mobility and protection. Our ACV solution will provide the Marine Corps with a mature, cost-effective solution with significant growth capacity."

The award is one of two EMD contracts issued. During this phase, BAE Systems will produce 16 prototypes that will be tested by the Marine Corps beginning in the third quarter of 2016. Work on the vehicles will take place at BAE Systems' facilities in Quantico, Virginia; San Jose, California; and York, Pennsylvania.

BAE Systems' ACV 1.1 solution is an advanced 8x8 open ocean-capable vehicle that is based on a platform developed by IVECO Defence Vehicles. It is equipped with a new 6-cylinder, 700HP power pack, which provides a significant power increase over the current Assault Amphibious Vehicle. The vehicle performs best in class mobility in all terrains and has a suspended interior seat structure for 13 embarked Marines, blast mitigating positions for a crew of three, and improved survivability and force protection over currently fielded systems. The team has conducted extensive risk mitigation testing and evaluation for swim, land mobility, and survivability capabilities that have proven the solution's capabilities.

BAE Systems has more than 70 years of experience designing and building amphibious vehicles and is a leading provider of combat vehicles, having produced more than 100,000 systems for customers worldwide. IVECO Defence Vehicles brings additional proven experience, having designed and built more than 30,000 multi-purpose, protected, and armored military vehicles in service today.

For Further Information [Click Here](#)

Saab Receives Order for Carl-Gustaf Ammunition



Defence and security company Saab has received an ammunition order from the Austrian Armed Forces for the Carl-Gustaf man-portable weapon system. Deliveries will take place during 2016-2017. The contract includes production and deliveries of ammunition for the Carl-Gustaf system, a modern and effective ground support weapon.

“The Carl-Gustaf is a world-leading weapon system which has repeatedly proven itself in the most demanding environments as a versatile, powerful tool for the infantry soldier,” says Torbjörn Saxmo, head of Saab business unit Ground Combat.

Saab’s Carl-Gustaf system has a long and distinguished service history all around the world. It has been successively modernised and enhanced to meet the changing requirements of its users. The Carl-Gustaf system is part of Saab’s wide range of battlefield weapons that deliver a flexible capability so that troops can remain agile and effective in any scenario.

For further information, please contact:

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Saab serves the global market with world-leading products, services and solutions within military defence and civil security. Saab has operations and employees on all continents around the world. Through innovative, collaborative and pragmatic thinking, Saab develops, adopts and improves new technology to meet customers’ changing needs.



CSC Confirms Agreement to Acquire Australia's UXC Limited

CSC today confirmed that it has entered into a binding Scheme of Implementation agreement to acquire the shares of UXC Limited, a leading IT services company based in Australia.

CSC will acquire 100 percent of the issued capital of UXC for a cash consideration of A\$ 1.22 per share. In addition, UXC will pay a franked dividend of A\$ 0.02 cash per share for the half year ending Dec. 31, 2015. The news follows a period of due diligence that began with an announcement by the two companies in early October.

Based on 345 million shares of UXC outstanding, the total value of the transaction would be approximately A\$ 427.6 million (US\$307.9 million) upon completion. The transaction is subject to approval by UXC shareholders, followed by the customary regulatory and court approvals for transactions of this type in Australia. The transaction timeline is expected to conclude by February 2016.

UXC is Australia's largest independent and publicly owned IT services company, with reported fiscal 2015 annual revenues of A\$ 686 million (US\$ 493.9 million) and nearly 3,000 employees. The company is a regional leader in enterprise application capabilities, including Microsoft Dynamics, SAP, Oracle and ServiceNow implementations.

"We look forward to the prospect of the UXC team joining CSC," said Mike Lawrie, CSC's president and CEO. "The addition of UXC would continue the process of rebalancing our offering portfolio and strengthening our global commercial business. UXC's application platform capabilities – combined with CSC's existing strengths in cloud, cyber, and big data – would enhance what the two companies already deliver to clients in the region."

A combined CSC-UXC would be among the region's largest IT service companies, based on revenues. The combination would offer an expanded client base and deeper industry expertise for both firms.

ABOUT CSC

CSC leads clients on their digital transformation journeys. The company provides innovative next-generation technology services and solutions that leverage deep industry expertise, global scale, technology independence and an extensive partner community. CSC serves leading commercial and international public sector organizations throughout the world. CSC is a Fortune 500 company and ranked among the best corporate citizens. For more information, visit www.csc.com.

Source: Epicos, CSC

CAE to provide U.S. Air Force with C-17/KC-135 Aeromedical Evacuation Training System

CAE today announced it received an order from ADS, Inc. on behalf of the U.S. Air Force through the Defense Logistics Agency (DLA) Tailored Logistics Support (TLS) program to provide the U.S. Air Force at Dobbins Air Reserve Base (ARB) with another Aeromedical Evacuation Training System.

CAE will provide a high-fidelity fuselage trainer representing both the C-17 transport and KC-135 tanker that can be used and configured for aeromedical evacuation missions. The fuselage trainer will include a motion system to replicate the vibrations and turbulence often encountered during flight, thus delivering a more immersive and realistic aeromedical training environment. Within the C-17/KC-135 fuselage trainer will be medical patient simulators provided by CAE Healthcare. The overall C-17/KC-135 Aeromedical Evacuation Training System provided by CAE will include courseware and curriculum, and following delivery CAE Healthcare will provide training support services and instruction.

"We are pleased to once again be working with ADS to provide the Air Force with another Aeromedical Evacuation Training System," said Ray Duquette, President and General Manager, CAE USA. "The combination of our experience providing training solutions for air mobility platforms and CAE Healthcare's world-class medical patient simulators demonstrates the unique training systems integration capabilities that CAE can deliver."

The C-17/KC-135 Aeromedical Evacuation Training System will be delivered in early 2017 and is the second aeromedical training solution to be developed by CAE. The company will soon deliver a C-130 Aeromedical Evacuation Training System to the U.S. Air Force at Dobbins ARB.

"This is an exciting collaborative effort with a long-term partner, and an example of the level of turnkey solutions that CAE can provide," said Dr. Robert Amyot, President of CAE Healthcare. "We will deliver not only patient simulators, specialized curriculum and instructional support, but also a highly realistic training environment."

Before delivery of the C-130 Aeromedical Evacuation Training System to Dobbins ARB in January 2016, CAE will be demonstrating it at the Interservice/Industry Training, Simulation, and Education Conference (I/ITSEC) to be held in Orlando, Florida from November 30 to December 3, 2015. The demonstration at I/ITSEC will feature the C-130 fuselage trainer equipped for the aeromedical mission along with medical patient simulators from CAE Healthcare, including iStan, Lucina and Caesar. I/ITSEC is the world's largest event dedicated to military simulation and training.

CAE's Aeromedical Evacuation Training Systems can be developed for a range of air mobility aircraft platforms. The comprehensive, integrated training system provides a realistic training environment that can be used to prepare aeromedical evacuation crews for pre-flight and emergency procedures as well as in-flight patient care.

About ADS

ADS Inc. is a leading solutions provider that proudly serves all branches of the U.S. Military, federal, state and local government organizations, law enforcement agencies, first responders, partner nations and the defense industry. The company focuses on solving customers' challenges through the largest product and service offerings, the broadest array of procurement and contract options, world-class support and logistics solutions and legendary customer service. To learn more, please visit the ADS website at www.adsinc.com.

About CAE

CAE is a global leader in delivery of training for the civil aviation, defence and security, and healthcare markets. The company designs and integrates the industry's most comprehensive training solutions, anchored by the knowledge and expertise of our 8,000 employees, their world-leading simulation technologies and a track record of service and technology innovation spanning seven decades. The company's global presence is the broadest in the industry, with 160 sites and training locations in 35 countries, including their joint venture operations, and the world's largest installed base of flight simulators. Each year, The company trains more than 120,000 civil and defence crewmembers, as well as thousands of healthcare professionals. www.cae.com

Source: Epicos, CAE

Austal Launches US Navy's Twelfth Littoral Combat Ship

Austal has launched the twelfth Independence-class Littoral Combat Ship, the future USS Omaha (LCS 12), at its state-of-the-art ship manufacturing facility in Mobile, Alabama, on Friday 20th November 2015. This marks the third ship Austal USA has launched this year.

"The successful launch of LCS 12 is evidence of the maturity and stability of this shipbuilding program," said Austal USA President Craig Perciavalle. "The completion of this milestone would not have been possible without the hard work and dedication of Austal's team of talented ship manufacturers in cooperation with the support of our suppliers."

LCS 12 will undergo final outfitting and testing before sea trials and delivery to the U.S. Navy. Omaha, a 127m Independence-class Littoral Combat Ship, is the fourth LCS Austal has launched as part of a \$3.5 billion 10-ship block buy contract. This Austal built and designed Independence-class LCS combines superior seakeeping, endurance, and speed with the volume and payload capacity needed to support emerging missions enabling rapid response to ever-evolving missions, technologies and future threats.

Six Littoral Combat Ships along with four Expeditionary Fast Transports (EPF) – previously known as Joint High Speed Vessels (JHSV) - are currently under construction in Austal's Mobile, Alabama facility. Austal has delivered three LCS and five EPF to the US Navy to date. The US Navy took delivery of the future USS Jackson (LCS 6) in late July and she will sail away

from Mobile in the coming weeks on her way to the Port of Gulfport, Mississippi to be commissioned. The future USS Montgomery (LCS 8) is preparing for acceptance sea trials in early 2016.

About Austal

Austal is a global defense prime contractor and a designer and manufacturer of defense and commercial ships. For more than 27 years Austal has been a leader in the design, construction and maintenance of revolutionary ships for governments, navies and ferry operators around the world. More than 255 vessels have been delivered in that time.

Ships

Defense vessels designed and built by Austal include combatants, such as the Littoral Combat Ship (LCS) and military high speed vessels for transport and humanitarian relief, such as the Expeditionary Fast Transport (EPF) (previously known as the Joint High Speed Vessel or JHSV) for the U.S. Navy and High Speed Support Vessel (HSSV) for the Royal Navy of Oman. Austal also designs, constructs, integrates and maintains an extensive range of patrol and auxiliary vessels for government agencies globally, including the Cape Class Patrol Boat Program for Australian Customs and Border Protection. Defense vessels are designed and constructed in Mobile, Alabama and in Henderson, Western Australia. Austal has been at the forefront of the high-speed ferry market since the early days of the industry. Our market-leading designs of high performance aluminum vessels have long been at the heart of Austal's research and development. Today, commercial ship construction is centered on our shipyard in Balamban, Philippines.

Systems

Austal has expertise in integrating complex systems into its ships, including ride control, ship management, and communication, sensors and weapon systems.

Support

Austal provides a wide range of support services, including through life support, integrated logistics support, vessel sustainment and systems support. These services are delivered through our global support network in the USA, Australia, Asia and the Middle East together with partner shipyards worldwide.

FURTHER INFORMATION

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For Further Information [Click Here](#)

Source: Epicos, Austal

Boeing, BOC Aviation Announce Order for 22 737s

Boeing and BOC Aviation, announced an order for 22 737 airplanes, building on the leasing company's existing order book to fulfil customer demand. The order, consisting of 11 Next-Generation 737-800s and 11 737 MAX 8 airplanes, will be posted to Boeing's Orders and Deliveries website once finalized.

"This order demonstrates our continued confidence in the Next Generation 737 aircraft for its proven high performance, reliability and asset value," said Robert Martin, managing director and chief executive officer of BOC Aviation. "The Next Generation 737 economics are very attractive to our customers. With the 737 MAX, we are investing in new technology aircraft to meet our customers' long-term fleet planning requirements." In addition to today's announcement, BOC Aviation has ordered 167 737 airplanes, including 50 737 MAXs and 16 777s.

"BOC Aviation has played an important role in the success of the 737 program and we're delighted they have again put their confidence in Boeing and the 737 family," said Dinesh Keskar, senior vice president, Asia Pacific and India Sales, Boeing Commercial Airplanes. "This new order, on top of the 2014 order for 80 737s, is proof of BOC Aviation's leading position in the leasing market, providing its customers with the most reliable and fuel-efficient single-aisle airplanes."

The 737 MAX incorporates the latest technology CFM International LEAP-1B engines, Advanced Technology winglets and other improvements to deliver the highest efficiency, reliability and passenger comfort in the single-aisle market. The new single-aisle airplane will deliver 20 percent lower fuel use than the first Next-Generation 737s and the lowest operating costs in its class – 8 percent per seat less than its nearest competitor.

BOC Aviation is a leading global aircraft leasing company with a portfolio of 253 owned and managed aircraft operated by 59 airlines worldwide in 29 countries, with commitments to acquire 203 aircraft, as of 30 September 2015. BOC Aviation, owned by Bank of China, is based in Singapore with offices in Dublin, London, Seattle and Tianjin.

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Source: Epicos, Boeing

PAC-3 Missile Intercepts Target in Flight Test

A Lockheed Martin PAC-3 Missile successfully intercepted an incoming target on Thursday, Nov. 19, as part of a U.S. Army-led missile defense flight test at White Sands Missile Range, New Mexico.

The PAC-3 interceptor successfully detected, tracked and intercepted a Patriot-as-a-Target (PAAT), which is a legacy Patriot missile modified to represent a tactical ballistic missile common in today's operational environment.

"The PAC-3 Missile continues to demonstrate its reliability in the field, and it remains the only combat proven hit-to-kill interceptor in the world," said Scott Arnold, vice president of PAC-3 programs at Lockheed Martin Missiles and Fire Control. "As global threats escalate, we expect PAC-3 interceptors to continue serving as a critical defense layer in the protection of soldiers, citizens and infrastructure."

Two in One:

The intercept is the second successful PAC-3 test in just under one week. On Thursday, Nov. 12, a PAC-3 also intercepted an airborne target as part of the U.S. Army's Integrated Air & Missile Defense Battle Command System (IBCS) fight test at White Sands.

The PAC-3 Missile is a high-velocity interceptor that defends against incoming threats including tactical ballistic missiles, cruise missiles and aircraft using hit-to-kill technology. PAC-3 currently provides missile defense capabilities for six nations – the U.S., the Netherlands, Germany, Japan, United Arab Emirates and Taiwan; and Lockheed Martin is on contract for PAC-3 with four additional nations – Kuwait, Qatar, South Korea and Saudi Arabia

About Lockheed Martin

Headquartered in Bethesda, Maryland, Lockheed Martin is a global security and aerospace company that – with the addition of Sikorsky – employs approximately 126,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services.

For Further Information [Click Here](#)

Source: Epicos, Lockheed Martin