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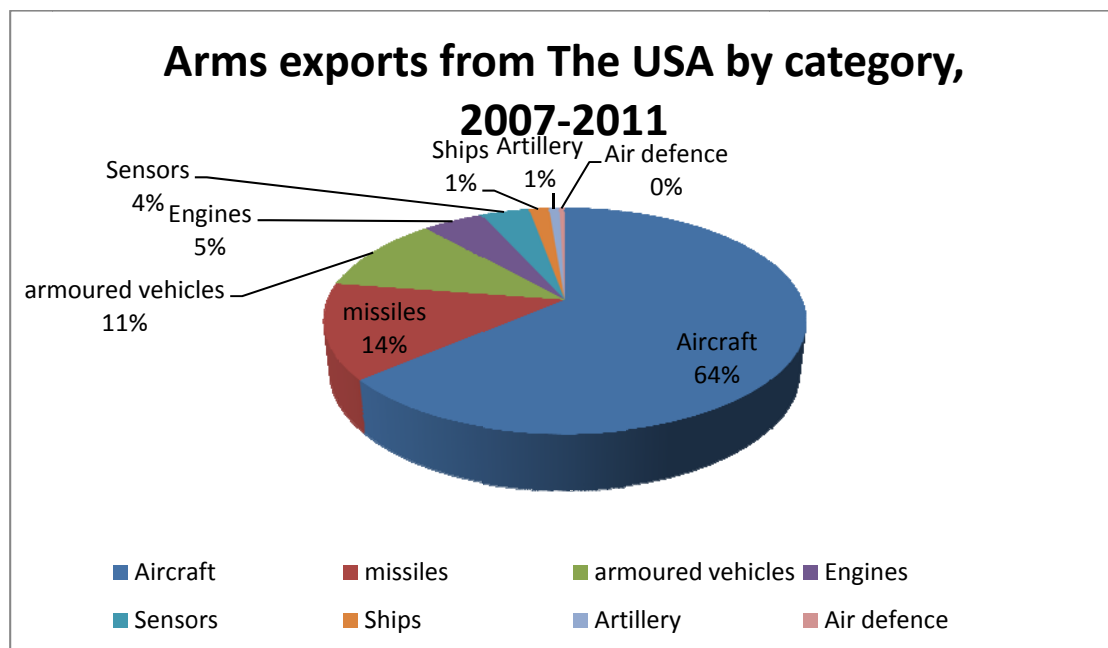
## USA Arms Sales for 2011, Efficiency in Diversity



The United States and Russia maintained their positions as the world's top exporters of major conventional weapons for 2011. They accounted for 30% and 24% of all exports, respectively. According to the Stockholm International Peace Research Institute (SIPRI) the volume of the USA's exports increased by 24% between 2002-2006 and 2007-11. The regions that received USA weapons were Asia (accounting for 45% of exports), followed by the Middle East (27%) and Europe (18%). According to the U.S. Defense Security Cooperation Agency (DSCA) sales under the government-to-government Foreign Military Sales (FMS) Program were \$28.3 billion, while sales executed by non-FMS cases managed under various security cooperation authorities were \$6.5 billion.

The top ten FMS customers for fiscal year 2011 were the Afghan Security Forces (\$5.4 billion); the Taipei Economic and Cultural Representative Office in the United States (\$4.9 billion); India (\$4.5 billion); Australia (\$3.9 billion); Saudi Arabia (\$3.5 billion); Iraq (\$2.0 billion); the United Arab Emirates (\$1.5 billion); Israel (\$1.4 billion); Japan (\$0.5 billion); and Sweden (\$0.5 billion).

The diversification of the geographical allocation of US exports is in accordance with the broad spectrum of exported items. Aircraft are the predominant area of exports for the period 2007-2011 as they made up 64% of the volume of US deliveries. The 2<sup>nd</sup> most important sector is that of missiles with 14% of the total volume of US deliveries, whereas other areas such as armoured vehicles, engines and sensors followed.



The predominant place that aircrafts have in US exports is highlighted by the fact that during 2011, the USA delivered (64) combat aircrafts, including (11) F-15Es to South Korea, (7) F-15SGs to Singapore, (9) F/A-18Es to Australia, (12) F-16Cs to Turkey and (16) F-16Cs to Morocco.



One of the latest notifications- thus potential sales of defence equipment- DSCA passed to the Congress was that of a possible Foreign Military Sale (FMS) to the United Kingdom of (20) F-117-PW-100 engines and associated equipment, parts, training and logistical support for an estimated cost of \$300 million. The notification was passed on March 7, 2012.

More specifically, The Government of the United Kingdom (UK) has requested the possible sale of (20) F-117-PW-100 engines, engine exchange kits, support equipment, Global Positioning Systems, communications equipment, spare and repair parts, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering, technical, and logistics support services, and all other related elements of program support. The prime contractor for this sale will be The Boeing Company. DSCA stated that there are no known offset agreements proposed in connection with this potential sale.

Kyriazis Vasileios,  
Epicos Newsletter Head Editor

## German Defence Exports



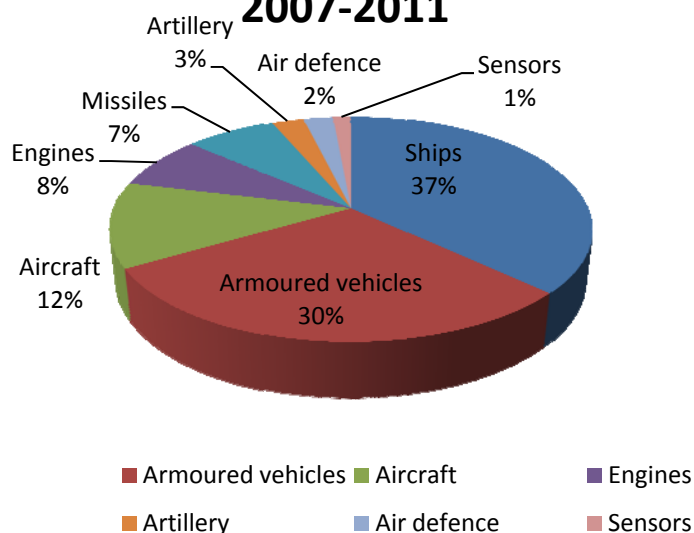
According to the Stockholm International Peace Research Institute (SIPRI) the volume of Germany's arms exports increased by over 37% between the periods 2002-2006 and 2007-11. The regions that received German weapons were Europe (accounting for 41% of exports), followed by Asia and Oceania (27%) and the Americas (12%). Greece was the largest

recipient of German exports in 2007-11, accounting for 13% of the volume of German exports of major weapons. Greece was followed from South Korea, South Africa, Turkey and Austria.

As it is clearly highlighted from the above, German arms exports are diversified in its geographical structure and range of exported items. More than (55) countries imported defence equipment from Germany, whereas, the five first countries, based on the amount of funds allocated (Greece, South Korea, South Africa, Turkey and Austria) represent three different continents, Europe (Greece, Austria and Turkey) Asia (and South Korea) and Africa (South Africa).

Additionally, Germany exports a broad spectrum of major conventional weapons. Ship vessels are the predominant area of exports for the period 2007-2011 with a total amount of 4362 US\$ m. at constant (1990) prices. The 2<sup>nd</sup> most important sector is that of armoured vehicles with 3484 US\$ m. at constant (1990) prices whereas other areas such as aircraft and engines follow. Ship vessels and armoured vehicles accounted for 67% of the total volume of German exports.

**Arms exports from Germany by category, 2007-2011**



Among the latest exports Germany completed during the period 2007-2011 were (6) MEKO-A100 frigates to Malaysia, (3) Type-214 submarines to South Korea, (2) Type-209 submarines to Turkey and a (1) Type-209/1200 submarine to Greece.

Furthermore in 1998, Spain procured (219) Leopard-2A6 Tanks from Germany. Deliveries were concluded in 2011. The total amount of the procurement was 1.9 billion Euros. The

contract included an offset obligation for the production of (189) Leopards in Spain.



Finally, Taiwan procured (90) MTU-4000 Diesel engine in order to use them in the KH-6 FAC guided-missile patrol boats. The total amount of the procurement reached 149 million dollars.

Germany is the third arms exporter in the world. A wide variety of defence equipment is exported to several different countries throughout the world. That diversity is definitely the most important factor, safely leading to the ascertainment that this trend will continue.

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 in 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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### Comprehensive military shooting training system based on optoelectronic technology.



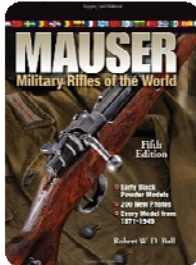
A company specializing in the design and manufacture of optoelectronic devices for a wide range of applications is proposing the implementation of small arm shooting training system for the armed forces. The system will comprise of training management facilities, training methods, related equipment and software in indoor and outdoor facilities (basic, range and field shooting). The system design is using a progressive method that also provides further instruction for training personnel and covers complete range of small arms.

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

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### **Mauser Military Rifles of the World, by Robert W.D. Ball**



The purpose of this book is to examine the significance of the Mauser rifle in the military and political histories of countries around the world. Mauser rifles have been, in all likelihood, the most widely used weapon system the world has ever seen. The author of this book turned to many collectors, curators, dealers in order to compile the information needed. Additionally, he had contacted military personnel from almost every country represented in this book. This book must be considered a must read for anyone interested in the history of one of the most important rifles of the world.

### **Studies in Military Geography and Geology, by Douglas R. Caldwell, Judy Ehlen, Russell S. Harmon**



In June 2003, the U.S. Military Academy at West Point, New York, hosted an international conference on military Geology and Geography. Papers presented at the conference comprise the contents of this book. A major strength of this book is the multi-disciplinary nature of the subject matter. It appeals to a broad range of interests and perspectives. The book also illustrates the amount of shared knowledge among the disciplines of geography, geology, and history. The study of the aforementioned subjects is conducted through analyses of historical battles at the operational and tactical levels, to the use of advanced technologies applied to present-day military problems.



*Epicos Newsroom***Boeing Celebrates Delivery of Japan Airlines' First Two 787 Dreamliners**

EVERETT, Wash., March 26, 2012 /PRNewswire/ -- Boeing (NYSE: BA) and Japan Airlines (JAL) today celebrated the delivery of the airline's first two 787 Dreamliners. JAL is the first airline to take delivery of a 787 powered by fuel-efficient General Electric GENx engines.

"Today is an important moment in our 60-year relationship with Japan Airlines as we celebrate the deliveries of not one, but two Dreamliners," said Jim Albaugh, president and CEO of Boeing Commercial Airplanes. "The 787 will provide the fuel-efficient airplane needed to serve Japan Airlines' growing international operations." The 787 Dreamliner is more efficient to operate and has lower fuel use compared with today's similarly sized airplanes because of use of light weight composites and advancements in systems, engines and aerodynamics.

"JAL will be the first airline to start new routes that have never been flown before by taking full advantage of the efficiencies of this aircraft, starting with Boston service next month and San Diego later this year," said Yoshiharu Ueki, president of Japan Airlines. "The 787 with GENx engines has the performance economics that JAL is looking for to ensure route profitability, and also the enhanced in-flight comfort that our customers will be delighted with." Japan Airlines ceremonially took possession of the 787 Dreamliner at a celebration with Japanese Taiko drummers and a dramatic airplane unveiling earlier this morning. Guests from Boeing, Japan Airlines and General Electric attended.

"GE is proud that its GENx-1B engines will power JAL's Boeing's 787 Dreamliner," said Chuck Nugent, vice president and general manager of the GENx program at GE Aviation. "The GENx engine combines advanced technology and material to offer improved fuel efficiency, reduced emissions and less noise to benefit our operators."

The Boeing 787 Dreamliner is an all-new airplane featuring a host of technologies that provide exceptional value to airlines and unparalleled levels of comfort to passengers. It is the first mid-size airplane capable of flying long-range routes, enabling airlines to open new, non-stop routes preferred by the traveling public.

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Photo and caption are available here: <http://boeing.mediaroom.com>

**Source:** Epicos, Boeing



### Saab receives order from FMV regarding Gripen system

Defence and security company Saab has received an order amounting to 128 million kronor, approximately 14 million Euro, from FMV (the Swedish Defence Materiel Administration) for system maintenance regarding Gripen.

In accordance with the order from FMV, Saab will undertake continual maintenance and updates for the Gripen C/D in compliance with the Swedish Armed Forces' long-term planning for the Gripen system.

Saab will also maintain the Gripen C/D system's operational capability. The order includes technical support, product maintenance, flight testing and flight simulator operation to ensure the operational capability of the Gripen system.

The activities will be carried out during the second quarter of 2012.

Saab serves the global market with world-leading products, services and solutions ranging from military defence to civil security. Saab has operations and employees on all continents and constantly develops, adopts and improves new technology to meet customers' changing needs.

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The information is that which Saab AB is required to declare by the Securities Business Act and/or the Financial Instruments Trading Act. The information was submitted for publication on March 26 at 14:00 CET

**Source:** Epicos, Saab

### Harris Corporation Receives \$14.3 Million in Orders from Country in Middle East for Communications, Command and Control System

Harris Corporation (NYSE:HRS), an international communications and information technology company, has received \$14.3 million in orders to provide a transformational communications, command and control system to a country in the Middle East.

This country is acquiring the system, consisting of Falcon III tactical radios and accessories, to deliver wideband networking capabilities to its security forces. As part of the system, Harris will provide the customer with Falcon III® RF-7800M Multiband Networking Radios, RF-7800W High-Capacity Line-of-Sight Radios and RF-7800S Secure Personal Radios, along with networking components, accessories and spares.

"Harris is serving as a trusted partner in supplying the tactical communications and command and control capabilities for the security forces of this nation and across the world," said Brendan O'Connell, president, International Business, Harris RF

Communications. “Our world-class products, systems and in-country support form the basis for comprehensive mission-critical solutions that deliver secure voice, video and data to the battlefield.”

The system integrates a full suite of software-defined radios from the Harris Falcon III® RF-7800 family. This includes the lightweight RF-7800S, a soldier, body-worn radio for full-duplex voice and data communications over 2 kilometers; RF-7800M for wideband mobile ad-hoc networking, and RF-7800W High-Capacity Line-of-Sight Internet Protocol radio for high-speed backhaul data communications.

Harris RF Communications is the leading global supplier of secure radio communications and embedded high-grade encryption solutions for military, government and commercial organizations. The company's Falcon® family of software-defined tactical radio systems encompasses manpack, handheld and vehicular applications. Falcon III is the next generation of radios supporting the U.S. military's Joint Tactical Radio System (JTRS) requirements, as well as network-centric operations worldwide. Harris RF Communications is also a leading supplier of assured communications® systems and equipment for public safety, utility and transportation markets — with products ranging from the most advanced IP voice and data networks to portable and mobile single- and multiband radios.

#### About Harris Corporation

Harris is an international communications and information technology company serving government and commercial markets in more than 150 countries. Headquartered in Melbourne, Florida, the company has approximately \$6 billion of annual revenue and about 17,000 employees — including nearly 7,000 engineers and scientists. Harris is dedicated to developing best-in-class assured communications® products, systems, and services. Additional information about Harris Corporation is available at [www.harris.com](http://www.harris.com).

**Source:** Business Wire, Harris Corporation

#### EU MPs back passenger data sharing deal with US

A key European Parliament panel backed on Tuesday a controversial agreement requiring airlines to transfer the personal data of passengers to US authorities, despite privacy fears in Europe.

The pact, if adopted by the full parliament next month, would replace a 2007 deal that has allowed the United States to receive information such as passenger names, credit card numbers and addresses for its anti-terrorism activities.

The new deal endorsed by the parliament's civil liberties committee, in a 31-22 vote, would allow the use of Passenger Name Record (PNR) data to prevent, investigate and prosecute terrorism and as well as transnational crimes.

Euro MP Sophie in 't Veld, the parliament's lead lawmaker on the bill, opposed the legislation and accused the United States of threatening to suspend visa-free travel for Europeans if the deal was rejected.

"Many colleagues - understandably - did not want to make this sacrifice. But it is highly regrettable that the fundamental rights of EU citizens have been bargained away under pressure," the Dutch liberal lawmaker said.

The United States has credited PNR data as a valuable tool in terror investigations, including on suspects in the 2010 Times Square bomb and the 2008 Mumbai attacks.

But Washington and the European Commission were forced to negotiate a new PNR agreement after the European Parliament refused to vote for the old deal in May 2010.

While the EU is debating whether to create its own PNR system for flights into and out of Europe, some officials and lawmakers criticise it as an intrusion into the privacy and civil liberties of citizens.

In 't Veld warned that the deal could give the United States leeway to use PNR data for other purposes, including immigration checks or public health.

The European Parliament's conservative groups backed the US deal in the committee vote, while liberals, greens and communists rejected it. The socialist bloc was divided.

"The importance of PNR data for our security cannot be underestimated. This agreement secures passengers' rights and safety, and it cements the crucial EU-USA security partnership," said Timothy Kirkhope, a British conservative MEP.

The new deal would allow the United States to sift through PNR data for 15 years for terrorism-related investigations. After that period the information must be deleted.

Under the deal, the personal data of a passenger sent to US authorities would become "anonymous" after six months, meaning that the person's name and contact information would be masked out but available in case of an inquiry.

The data would remain in an "active" database easily accessible to US officials for five years, and then move to a "dormant" database where stricter conditions for access would apply for the remaining 10 years.

The EU sealed a PNR deal with Australia last year that will allow Australia authorities to store the passenger data for five and half years, and another deal is being negotiated with Canada.

**Source:** 2012 AFP, Agence France-Presse (AFP)

#### **easyJet narrows interim loss forecast**

British no-frills airline easyJet said Monday that it still expects a first-half loss, but raised its guidance thanks to tight cost control, low disruption levels and the demise of rival groups.

The carrier said in a trading update that it expected to make a pre-tax loss of £110-120 million (\$174-190 million, 132-144 million euros) in the six months to the end of March.

However, that marked an improvement from the previous forecast for a shortfall of £140-160 million, and comes despite a £100-million jump in the company's fuel bill.

The low-cost firm, based at Luton airport north of London, had logged a pre-tax loss of £153 million in the first half of 2011.

Many airlines suffer losses over the autumn and winter period, which covers the seasonally slower months of the year.

"The strength of easyJet's network, focus on the customer, excellent operational performance, disciplined capital allocation and rigorous cost control combined with exceptionally low levels of disruption has meant that easyJet's financial performance ... is expected to exceed the guidance given" earlier this year, the group said in a statement.

"In a difficult environment for all airlines, improvements in revenue management combined with marketing and website initiatives have enabled easyJet to take advantage as weaker competitors have left the market over the last couple of months."

Chief executive Carolyn McCall added that the group expected the trading environment to remain "difficult".

**Source:** 2012 AFP, Agence France-Presse (AFP)