

Part I

Special Focus: Latvia

1. **Latvia to Buy 120 Combat Vehicles**
2. **Latvian International Cooperation and Presence: Latvia & NATO**
3. **Epicos “Industrial Cooperation and Offset Projects”**
4. **Customized design, modification and installation of an emergency braking system for tracked armored vehicles**
5. **Development of a field-deployable, compact weather station system**
6. **Epicos - Amazon**

Part II

Epicos Newsroom

1. **Etihad's profit up 48 pct to \$62 mln in 2013**
2. **Australia says no blank cheques for Qantas**
3. **IAG airlines group rebounds into 2013 net profit**
4. **Singapore Announces SGD12.56 Billion Defence Budget**
5. **Raytheon receives \$185 million contract modification on JPSS Common Ground System**

Latvia to Buy 120 Combat Vehicles



In the end of February, during the meeting of NATO defence ministers in Brussels (Belgium), the Latvian Defense Minister has signed a letter of intent with the British Defence Secretary P. Hammond regarding the cooperation on the mechanization project of the Latvian Land Force Infantry brigade. The two countries have committed to conclude a bilateral agreement on the purchase of 120 used and upgraded combat vehicles at the end of May 2014. The Latvian Minister of Defence Mr. Raimonds Vējonis stated that: "This is the first step in a long term project in National Armed Forces development and a significant investment in the strengthening of our defence capabilities. Due to the financial austerity the mechanization of Infantry brigade has been postponed for too long, but it is very important for the development of our army. It is a challenging task".

It is estimated that the 120 combat vehicles will cost 70 million euros. Part of the total sum (1.79 million euros) has already been allocated and it is planned for a further 12.27 million euros to be assigned in 2015 and 16.29 million euros in 2016.

The mechanization project started in 2012, with the process of choosing equipment. This was a gradual process consisted of several stages. At the end of 2013 Cabinet of Ministers (CM) made a decision to support the Land Force Infantry brigade development as one of the main priorities in the field of defence. The project is expected to last until 2020 and the total cost is estimated to be approximately 240 million Euros.

The project is considered to be of high priority as at the moment there is no equipment at the disposal of the Latvian army that would ensure safe movement of soldiers in the region of international operations.

Kyriazis Vasileios,
Epicos Newsletter Head Editor

Latvian International Cooperation and Presence: Latvia & NATO**Ministry of Defence
Republic of Latvia**

The constant development of the national defence abilities of Latvia, both on a national level and within the framework of collective defence is the main scope of the Latvian defence policy. Thus, the country is not only a consumer of security, but is also participating in international operations and promotes cooperation with its NATO and EU allies. Under this context in a meeting held in Brussels on February 26th, the Latvian Minister of Defence Mr. Raimonds Vējonis and NATO Secretary-General Mr. Anders Fogh Rasmussen discussed Latvian-NATO cooperation.

One of the topics discussed was the priorities that the new Latvian government set and the project aimed at the Latvian armed forces' development.

On the other hand Mr. Rasmussen raised the alliance's concerns about the ability of Latvia to meet its commitment to rising defense spending to 2 percent of GDP, as Latvia's current budget trends suggest that the target may not be met. Additionally, the NATO Secretary-General thanked the country for its contribution to the NATO-led multinational operation in Afghanistan and spoke highly about the country's initiative to create the NATO Strategic Communications Center of Excellence.

Finally, the two officials discussed about the developments in Afghanistan and Ukraine, as well as Latvia's contribution to the NATO-led airspace policing mission in the Baltics.

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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Customized design, modification and installation of an emergency braking system for tracked armored vehicles



A leading company in the design, development, manufacture and integration of turn-key systems and products, is proposing the development and installation of an EBS (Emergency Braking System) enabling the vehicle’s commander to stop the vehicle by a push of a button. The system can be used either on an existing platform (in the frame of an upgrade program) or in a new vehicle design, maximizing crew safety & survivability.

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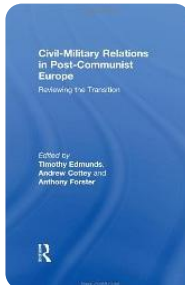
Development of a field-deployable, compact weather station system



A manufacturing company with significant experience in designing and developing environmental Meteorological Stations, and sensors for meteorological, hydrological and agro-meteorological applications is willing to expand its capabilities in the field of automated weather stations that can be rapidly deployed and used in diverse field operations.

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**Civil-Military Relations in Post-Communist Europe: Reviewing the Transition, by Timothy Edmunds, Andrew Cottey, Anthony Forster**

The countries of the Central and Eastern Europe region inherited an onerous legacy in the area of Civil-Military relations: their armed forces were part of the communist party-state system and most were oriented towards Cold War missions; they were large in size and supported by high levels of defense spending; and they were based on universal male conscription. Central and eastern European states have thus faced a threefold civil-military reform challenge: establishing democratic and civilian control over their armed forces; implementing organizational reform to meet the security and foreign policy demands of the new era; and redefining military bases for legitimacy in society. This volume assesses the experience of Poland, Hungary, Latvia, Romania, Croatia, Serbia- Montenegro, Ukraine, and Russia. Collectively, these countries illustrate the way in which the interaction of broadly similar post-communist challenges and distinct national contexts has combined to produce a wide variety of different patterns of civil-military relations.

Russia's European Agenda and the Baltic States, by Janina Sleivyte

Russian foreign policy has become an increasing concern the last decade, together with Russia's relations with its former Soviet neighbours - but its relations with the Baltic States are particularly sensitive, given the Baltic membership of NATO and the EU and Russia's increasingly fractious relations with those institutions. This book discusses the development of Russia's approach to the new security architecture in Europe and assesses the prospects for a more active engagement of Russia in the Baltic Sea region and Europe as a whole. The book considers the full range of issues affecting security, including energy, economic relations; the special position of Russia's Kaliningrad enclave; and Russia's special interest in the Russian minorities in the former Soviet Baltic states.



Etihad's profit up 48 pct to \$62 mln in 2013

Etihad Airways, the fast-growing carrier of Abu Dhabi, said Monday it posted a 48 percent increase in its net profit last year, reaching \$62 million, as revenues surged 27 percent to \$6.1 billion.

"This marked the third successive year of net profitability, in the airline's tenth year of operation," said the carrier in a statement.

Net profit was up from \$42 million registered in 2012, said the company that operates an 89-plane fleet and serves 94 destinations. "This is another important step forward in our journey as a growing, commercially successful business," said Etihad's chief executive officer James Hogan.

"We have hit every financial target for each of the last seven years, bringing sustainable profitability to a business which has grown from just US\$300 million in revenues in 2005 to more than US\$6 billion today," he added.

Started in 2003, Etihad is expanding rapidly and has bought minor shares in several smaller carriers around the world as it competes with larger Gulf rivals Emirates and Qatar Airways.

It said last month that it has entered the final stage of an assessment whether to purchase a stake in Italy's debt-laden airline Alitalia.

Etihad owns 29 percent of Air Berlin, 40 percent of Air Seychelles, 19.9 percent of Virgin Australia and three percent of Aer Lingus.

It also owns a 24-percent stake in India's Jet Airways, and 33.3 percent in the Swiss carrier Etihad Regional, formerly known as Darwin Airline.

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

Australia says no blank cheques for Qantas

The Australian government insisted Tuesday there would be "no blank cheques" to bail out national carrier Qantas which admitted a plan to repeal legislation restricting foreign ownership was destined to fail.

The cabinet of conservative Prime Minister Tony Abbott on Monday evening said it would move to change a section of the Qantas Sales Act which limits foreign ownership to 49 percent to free up capital for the airline.

But with the Labor opposition and other minor parties making clear they will oppose the legislation in the upper house Senate over fears jobs will be sent offshore, the proposal is effectively redundant.

Qantas said the changes were doomed, adding that it needed help now after a Aus\$235 million (US\$210 million) loss in the six months to December 31 and a decision to slash 5,000 jobs.

"We have consistently said that removal of foreign ownership provisions that apply uniquely to Qantas is an important longer term objective to create a fair and free aviation market in Australia," it said in a statement.

"However, it is clear that such a move would have limited chance of passing through the Senate."

Qantas complains that is battling not only high fuel prices but fierce competition from subsidised rivals such as key domestic competitor Virgin Australia, which is majority-owned by state-run Singapore Airlines, Etihad and Air New Zealand.

"We need immediate action to address the imbalance that has been allowed to persist for almost two years -- namely Virgin's unlimited ability to access foreign capital from government-owned airlines to fund a loss-making strategy against Qantas," it said.

"If this proposal by the government to change the Qantas Sale Act is not passed, we would expect the government and the parliament to consider alternative measures to balance the unlevel playing field in Australian aviation."

But Canberra has ruled out a debt guarantee or line of credit as short-term help and Treasurer Joe Hockey refused to budge on Tuesday.

"We are not writing out blank cheques," he said, with the government taking a hardline on taxpayer handouts to business since coming to office last year.

"There is no money," he added. "There's nothing left in the bank to write out largesse to individual companies."

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

IAG airlines group rebounds into 2013 net profit

International Airlines Group rebounded into net profit last year, boosted by a strong performance from British Airways and Spanish budget carrier Vueling, it said on Friday.

Profits after tax stood at 122 million euros (\$167 million) last year, IAG said in a results statement. That contrasted with a net loss of 716 million euros in 2012.

Revenues grew 3.1 percent to 18.68 billion euros and fuel costs slid 2.5 percent to 5.95 billion euros, added the group, which also noted "huge progress" on the restructuring of its Iberia division.

Operating profit, or earnings before tax and one-off costs, stood at 770 million euros, compared with a loss of 23 million euros in 2012.

"In 2013, we strengthened the group by acquiring Vueling, embarking on Iberia's transformation and enhancing British Airways' revenue performance," said chief executive Willie Walsh.

"This has led to a strong financial recovery and return to profitability."

He added: "British Airways continued its solid revenue performance this year and we're seeing cost improvements, resulting in an operating profit."

At the same time, Iberia slashed its operating loss to 166 million euros compared with 351 million euros last time around.

"Iberia has made huge progress on cost control as its restructuring takes shape and great credit should be given to all those involved," Walsh said.

"The recent pay and productivity agreements between Iberia and its pilot and cabin crew unions are key to reducing the airline's costs further and providing the foundation for profitable growth."

The London-listed company also noted that Vueling was a "great asset" which added value to the group.

Looking ahead, IAG forecast that it would make "steady progress" this year towards its 2015 group operating profit target of 1.8 billion euros.

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

Singapore Announces SGD12.56 Billion Defence Budget

Singapore has announced a 2014 defence budget of SGD12.56 billion (USD9.93 billion), a 3.2% increase over spending in 2013, the government said on 21 February.

The allocation amounts to 22% of total annual government expenditure and about 3.3% of GDP. Both figures are in line with the country's long-term approach to defence spending, which is geared towards maintaining the Singapore Armed Forces' (SAF's) relative high degree of military capability.

While expenditure as a percentage of GDP is higher than the global average of around 2%, it remains significantly below the Singapore government's sanctioned cap of 6%. The reduction from 3.4% of GDP in 2013 to 3.3% in 2014 follows a general trend of decline with regards to this particular metric since 2009.

Source: Epicos

Raytheon receives \$185 million contract modification on JPSS Common Ground System

Raytheon Company (NYSE: RTN) received a \$185 million modification from NASA on its current Joint Polar Satellite System (JPSS) Common Ground System (CGS) contract, which is intended to increase the capability and capacity of National Oceanic and Atmospheric Administration's (NOAA) three satellites that support the JPSS mission through 2022.

JPSS is a polar-orbiting environmental satellite system and a collaborative program between NOAA and its acquisition agent NASA. The system tracks storms and weather events and provides images that can show changes in the earth's environment over time. Raytheon is the provider of the ground station acquiring the operational and scientific data from the program's satellites.

The current JPSS CGS contract is valued at \$1.7 billion, and this new modification adds key capabilities, including improved operational and data availability, faster data delivery, automated mission management and information assurance.

"Our customers' high consequence missions demand faster data they can trust," said Lynn Dugle, president of Raytheon Intelligence, Information and Services. "We have been developing these data delivery and information assurance capabilities as part of our commitment to providing common ground stations that can support multiple platforms."

Raytheon successfully completed the Block 2 Critical Design Review on January 17, confirming readiness to support the JPSS-1 satellite. Block 2 represents a complete architectural and technological refresh of JPSS CGS and a significant step in supporting the next generation of the program.

JPSS CGS supports multiple systems and provides data acquisition and global data routing for the Department of Defense's Defense Meteorological Satellite Program, the European Organization for the Exploitation of Meteorological Satellites' Meteorological Operational Satellite, the Japanese Space Exploration Agency's Global Change Observation Mission, the National Science Foundation and NASA's Space Communications and Navigation through cooperation agreements between NOAA and these partner agencies.

"JPSS CGS provides unprecedented global observation capability, and with this contract modification, we remain committed to the JPSS enterprise and mission," said Bill Sullivan, Raytheon's program director for JPSS CGS. "Leveraging a common, multi-mission ground system across national and international agencies is the most efficient and cost effective way to enhance operational weather data and improve global environmental observational capabilities."

About Raytheon

Raytheon Company, with 2013 sales of \$24 billion and 63,000 employees worldwide, is a technology and innovation leader specializing in defense, security and civil markets throughout the world. With a history of innovation spanning 92 years, Raytheon provides state-of-the-art electronics, mission systems integration and other capabilities in the areas of sensing; effects; and command, control, communications and intelligence systems, as well as cyber security and a broad range of mission support services. Raytheon is headquartered in Waltham, Mass. For more about Raytheon, visit us at www.raytheon.com and follow us on Twitter @Raytheon.

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