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Italy: Defence Exports, Efficiency in Diversity



The Italian Defence exports have been dramatically increased throughout the years. The result is that Italy got the 8th position in arms exports, during 2010-2014 according to the Stockholm International Peace Research Institute (SIPRI) a Swedish think tank. This actually delineates the fact that Italian companies have managed to establish themselves as some of the most important and trustworthy in the globe. Biggest markets for Italian industries are related with aircraft and ships.

During the period 2010-2014 the Italian exports reached the \$4.030 USD m. expressed at constant (1990) prices. Italy exported defence equipment in more than 80 countries.

Exports (expressed in US\$ m. at constant 1990 prices)

	2010	2011	2012	2013	2014	Total
UAE		3	3	316	43	364
India	12	306	12	6	11	346
Turkey	5	8	170	35	102	319
USA	80	80	80	16	48	304
Pakistan	50	60	57	91	10	268
Algeria	8	16		42	184	250

Source: SIPRI Publications, Arms Transfers Database

The five (5) first countries that imported Defence Equipment from Italy, based on the amount of funds allocated were: UAE, India, Turkey, USA, Pakistan and Algeria.

It is worth mentioning that Italian companies export a wide variety of defence equipment. Aircraft are the predominant area of exports for the period 2010-2014 covering the 41% of the total exported items. Ships are the second area of exports covering 25% of the total exports, whereas missiles and naval weapons followed with 8% and 7% respectively.

Kyriazis Vasileios,
Epicos Newsletter Head Editor



Italy - Qatar: Agreement on Operational Capability Development signed



International relations are highly complex due to the interconnection of a number of factors and actors. Therefore, Italy is deliberately trying to strengthen relations with several countries in order to mitigate the diverse effects such a complex environment may have. Under this notion, Italian Minister of Defence Mrs. Roberta Pinotti met with Gen. Hamad bin Ali Al Attiyah, Qatari Minister of Defence, with the purpose of strengthening cooperation between the two countries. The meeting must be considered as a part of a wider political and strategic framework aimed at strengthening bilateral relationships between Italy and Middle Eastern countries.

Within this context, the two Ministers have signed a Technical Agreement for the effective development of operational capabilities.

Talks also focused on the Libyan crisis. Minister Mrs. Pinotti expressed her hope that Qatar will cooperate in promoting stability in the country and at regional level.

Bilateral relations in the defence sector are included in the Inter-governmental Cooperation Agreement signed in 2010, and in force since 10 February 2014. Cooperation includes training and education in the sectors of air, maritime and helicopter transportation.

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](#)

Development of a tethered aerostat system for surveillance and reconnaissance purposes



A company with core competencies in Intelligence Surveillance & Reconnaissance (ISR), offering related consultancy services and training programs, wants to extend its business line with the development of a tethered aerostat system for reconnaissance and surveillance purposes. The company is seeking potential partners for the development, enhancement and/or marketing of the system.

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

Mail at: g-menexis@epicos.com

Design and manufacturing of customized injected parts for military applications



A company with long standing experience in the design, development and manufacturing of injected parts is willing to expand its activities in the direction of design and manufacturing of customized injected parts for military applications.

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

Mail at: g-menexis@epicos.com

News from our A&D Business Network**Harris Corporation Awarded \$29 Million Avionics Production Contract**

The U.S. Navy has awarded Harris Corporation a two-year, \$29 million full-rate production contract to provide key avionics components that will enhance flight crews' targeting capabilities on the U.S. Navy's and Australia's F/A-18 E/F Super Hornet fighter aircraft and EA-18G Growler electronic attack platform. The avionics are a critical part of the Distributed Targeting System which will significantly improve the aircraft's networking capabilities, enhance targeting precision and shorten the time from target sensing to shooting.

"The F/A-18 brings critical Navy fighter and electronic warfare capabilities for the U.S. and key allies such as Australia," said Ed Zoiss, president, Electronic Systems, Harris Corporation. "Upgrading the mission- and image-processing prowess of the platform will help ensure that it continues to be the primary fighter aircraft for the U.S. Navy."

The combat-proven Super Hornet provides unequalled air dominance and precision strike capability. The EA-18G Growler, derived from the Super Hornet, is the U.S.' newest and most advanced airborne electronic attack platform. The Super Hornet and Growler programs support 60,000 jobs in the U.S. across 800 suppliers in 44 states, accounting for \$3 billion in annual economic impact.

About Harris Corporation

Harris provides advanced, technology-based solutions that solve government and commercial customers' mission-critical challenges. The company has approximately \$8 billion in annual revenue and about 23,000 employees — including 9,000 engineers and scientists — supporting customers in more than 125 countries. Learn more at harris.com.

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FINMECCANICA S.P.A. Entered Today with Hitachi LTD into an Amendment of the Sale and Purchase Agreement of its 40% Owned in ANSALDO STS S.P.A.



Finmeccanica informs that it has entered today with Hitachi Ltd into an Amendment of the Sale and Purchase Agreement of its 40% owned in Ansaldo STS S.p.A. as communicated to the market on February 24th. For the purpose of trying to

accelerating the closing procedure and in order to give certainty in setting the relevant date and in the interest of the parties, Ansaldo STS and the market, the Amendment provides that the shareholders' meeting of Ansaldo STS (that will be held as at the closing date) may be eventually held on October 1st already.

Upon request of Finmeccanica, its six designated directors have today resigned (as also been acknowledged by the Board of Directors of Ansaldo STS of today): such resignation are subject to the conditions precedent of the purchase agreement being satisfied and will be effective from the board replacement that will take place on the day of the shareholders meeting of Ansaldo STS (simultaneous to closing).

More specifically, the Amendment provides that:

- Should the conditions precedent be satisfied by September 18th, 2015, then the shareholders meeting will be held on first call on October 1st, 2015;
- Should the conditions precedent be satisfied by October 20th, 2015, then the shareholders meeting will be held on November 2nd, 2015 (as a continuation of the first call or on second call, as the case may be);
- Should the conditions precedent be satisfied by November 20th, 2015, then the shareholders meeting will be held on December 1st, 2015 (as a continuation of the second call or on third call, as the case may be);

Any other provisions of the Sale and Purchase Agreement remaining unchanged.

To the necessary extent, any mandatory communication and disclosure of the specific provisions of the Amendment Agreement would follow within the terms provided by the law.

Finmeccanica, based on the above, is requesting the call of the shareholders' meeting of Ansaldo STS for the dates as above.

Finmeccanica shall promptly disclose and update on the satisfaction of the condition precedents as they happen, in accordance with the Sale and Purchase Agreement as amended.



Lockheed Martin Receives \$1.5 Billion Missile Interceptor Deal

United States and allied military forces are set to upgrade key missile defense capabilities under a new \$1.5 billion contract for production and delivery of Patriot Advanced Capability-3 (PAC-3) missiles and PAC-3 Missile Segment Enhancement (PAC-3 MSE) missiles.

The contract includes PAC-3 and PAC-3 MSE interceptor deliveries for the U.S. Army, and Foreign Military Sales of PAC-3 interceptors, associated equipment and spares for the Republic of Korea, the Kingdom of Saudi Arabia, Qatar, Taiwan and the United Arab Emirates.

“The PAC-3 and the PAC-3 MSE interceptors are the most advanced, capable and reliable terminal air defense missiles in the world,” said Scott Arnold, Lockheed Martin’s vice president of PAC-3 programs. “As threats grow in complexity, these interceptors will continue to be in high demand to protect soldiers and citizens around the globe.”

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 with four additional nations – Kuwait, Qatar, South Korea and Saudi Arabia.

Building on the combat proven PAC-3, the PAC-3 MSE missile uses a two-pulse solid rocket motor that increases altitude and range to meet evolving threats.

About Lockheed Martin

Headquartered in Bethesda, Maryland, Lockheed Martin is a global security and aerospace company that employs approximately 112,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The Corporation’s net sales for 2014 were \$45.6 billion.

For Further Information [Click Here](#)

Source: Epicos, Lockheed Martin

NATO in 'strong solidarity' with Turkey against 'terrorism'

NATO Secretary General Jens Stoltenberg said Tuesday that the military alliance stood firmly by key member Turkey in the face of "terrible acts of terror" and instability along its southern border.

"NATO is following developments very closely and we stand in strong solidarity with our ally Turkey," Stoltenberg said at the opening of an emergency meeting of all 28 member states requested by Ankara.

"Terrorism in all its forms can never be tolerated or justified. It is right and timely that we hold this meeting today to address the instability on Turkey's doorstep and on NATO's border," Stoltenberg said.

Turkey, the alliance's only Muslim member and one of its most powerful, called for the meeting after a bloody attack it blamed on "terrorists" in the southern town of Suruc last week.

Stoltenberg made no comment about Turkey's decision to launch strikes against Islamic State jihadi fighters and Kurdish militants in Syria, in effect combining its campaigns against the Kurds and IS into a broad "war on terror" even though the two groups are themselves bitterly opposed.

The move has raised doubts over whether Turkey is more interested in limiting Kurdish capabilities in Syria and Iraq than in tackling IS.

Stoltenberg told the BBC on Sunday that "self-defence has to be proportionate" and it was expected that at Tuesday's meeting, Turkey will face close questioning over the apparent change in strategy.

NATO allies, led by the United States, have up to now seen Kurdish groups in Syria and Iraq as one of the most effective military options against IS.

Source: 2015 AFP, Agence France-Presse (AFP)

Hollande to decide on Russia warship deal 'in weeks'

French President Francois Hollande said on Monday that he would decide "in the coming weeks" whether or not to scrap a contentious contract to supply two warships to Russia.

The fate of the two Mistral helicopter carriers has plagued France-Russia ties for more than a year, following the decision by Paris to put the 1.2-billion-euro (\$1.3-billion) deal on ice as the West slapped sanctions on Moscow over its annexation of Crimea and alleged backing for separatist rebels in Ukraine.

"We have contractual obligations," Hollande told reporters on Monday, referring to the deal.

"We are in a discussion... which will require a decision that I have to take, and I will take in the coming weeks."

The first ship was due for delivery in 2014, while the second was to be delivered this year.

Russian President Vladimir Putin has played down the importance of the 2011 deal and claimed that Russia ordered them mostly to help the French shipyard.

The Kremlin strongman has, however, made clear Moscow would still like its money back.

According to Russian newspaper Kommersant, France has offered to terminate the Mistral contract and pay back 785 million euros to Moscow, provided Paris can re-export the vessels.

While Kommersant reported France is proposing to return only the cash that was paid so far on the deal, Russia would like to have other expenses reimbursed, such as training costs for the crews and building port infrastructure in Vladivostok, where the first of the two ships was to be based.

Source: 2015 AFP, Agence France-Presse (AFP)

Airbus Helicopters achieves Factory Acceptance for first “HATS” military training helicopter for Australia

Airbus Helicopters has achieved Factory Acceptance of HATS01, the first of fifteen helicopters of the H135 family (EC135 T2+) for the Helicopter Aircrew Training System (HATS) for the Australian Defence Force (ADF).

Boeing Defence Australia as the prime contractor for the new training system for the ADF, joined with representatives of the Royal Australian Navy and the Australian Army for a Factory Acceptance ceremony for the “ideal training platform for the next generation of Navy and Army pilots”.

Under the JP 9000 Phase 7 HATS project, a new joint helicopter training system for both Army and Navy aircrew will utilise the EC135 T2+ helicopters, along with flight simulators and a new flight-deck equipped sea-going training vessel.

“Airbus Helicopters is thrilled that Boeing and the Commonwealth of Australia have demonstrated their confidence in our product by accepting this first EC135 T2+, on time and on budget, as part of a world leading high tech helicopter aircrew training system for the ADF”, says Peter Harris, Head of Governmental Sales for Australia Pacific.

“Following contract signature in November of 2014, the first aircraft took to the skies on the 16th of January 2015, and is now accepted by the customer. The next steps involve training of initial Boeing and Commonwealth aircrews and technicians here in Donauwörth, before shipment to Australia in January 2016” said Harris.

Boeing’s HATS Program Manager James Heading said that during 2015 the Boeing team have been conducting engineering evaluations and ground and flight test activities and have been fully satisfied with the results.

“By partnering with Airbus Helicopters on this important program, Boeing Defence Australia is confident of meeting our requirements towards the Commonwealth for providing a mature and cost effective platform that meets training, technical and safety requirements and the future needs of the Australian Defence Force,” said Heading.

The EC135 T2+ is a consummate military training helicopter, offering a glass cockpit with high visibility, a multi-axis auto-pilot, the performance and safety of a twin-engine helicopter replacing current single types, plus other advanced technologies to help instructors perform training missions safely and provide the ADF with the flexibility to undertake additional missions.

The more than 1,200 H135 helicopters now delivered have clocked up over three million flight hours world-wide. The helicopter is part of successful training systems in Germany, Switzerland, Spain and Japan, and is in service in Australia with the Victorian and New South Wales police forces.

About Airbus Helicopters

Airbus Helicopters is a division of Airbus Group. The company provides the most efficient civil and military helicopter solutions to its customers who serve, protect, save lives and safely carry passengers in highly demanding environments. Flying more than 3 million flight hours per year, the company's in-service fleet includes some 12,000 helicopters operated by more than 3,000 customers in 152 countries. Airbus Helicopters employs more than 23,000 people worldwide and in 2014 generated revenues of 6.5 billion Euros. In line with the company's new identity, fully integrated into Airbus Group, Airbus Helicopters has renamed its product range replacing the former "EC" designation with an "H".

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Source: Epicos, Airbus Helicopters

Finmeccanica: contract to provide a “Low Level Radar” System for air surveillance and defence to Qatar

Finmeccanica-Selex ES will supply to the Qatar Armed Forces an air surveillance and defence system to safeguard the airspace of the Country. The contract, worth some hundreds of millions euro, has been signed today in Doha, at the presence of Mrs Roberta Pinotti, Italy Minister of Defence, Major General Hamad Bin Ali Al Attiyah, Qatar Minister of State for Defence Affairs, and Mauro Moretti, CEO of Finmeccanica.

“We are deeply proud of this success”, said Mauro Moretti, adding: “air defence and surveillance systems are fundamental for a nation and Qatar has selected Finmeccanica to provide this strategic asset. The trust that has been placed on us will drive an even stronger commitment from Finmeccanica in this strategic region”.

This contract is the result of an intensive competitive selection process which confirmed the superior performance and operational capabilities of the KRONOS radar against its competitors. The contract includes ground-based radars, in fixed and mobile configurations, and associated networked command and control centers. The award of this significant contract is only the latest of a successful series of commercial achievements in the last years since the market launch of the KRONOS radar family.

KRONOS is a multi-mission, AESA (Active Electronically Scanned Array), family of radar for strategic Surveillance and tactical Air Defence, designed to protect vital, civil and military assets and expeditionary forces through immediate detection and accurate tracking of all air targets, flying from very low to high altitude.

To date, 25 KRONOS radar systems have been delivered to international customers and are operational, on land or at sea, demonstrating their capacity on the field, standalone or integrated with legacy command and control systems and/or SAM weapon systems.

Finmeccanica is Italy’s leading manufacturer in the high technology sector and ranks among the top ten global players in Aerospace, Defence and Security. Listed on the Milan Stock Exchange (FNC IM; SIFI.MI), in 2014 Finmeccanica generated revenues of 14.6 billion Euro. With 273 locations and production facilities in 20 countries, Finmeccanica is a multinational and multicultural group which boasts a significant presence in four markets: Italy, the United Kingdom, the U.S. and Poland.

Finmeccanica’s core business activities are in the following sectors: Helicopters (AgustaWestland), Defence Electronics and Security (Selex ES, DRS Technologies), Aeronautics (Alenia Aermacchi). The company also has a significant position in Space (Telespazio, Thales Alenia Space), Defence Systems (OTO Melara, WASS, MBDA) and Transportation (Ansaldo STS, AnsaldoBreda).

Source: Epicos, Finmeccanica