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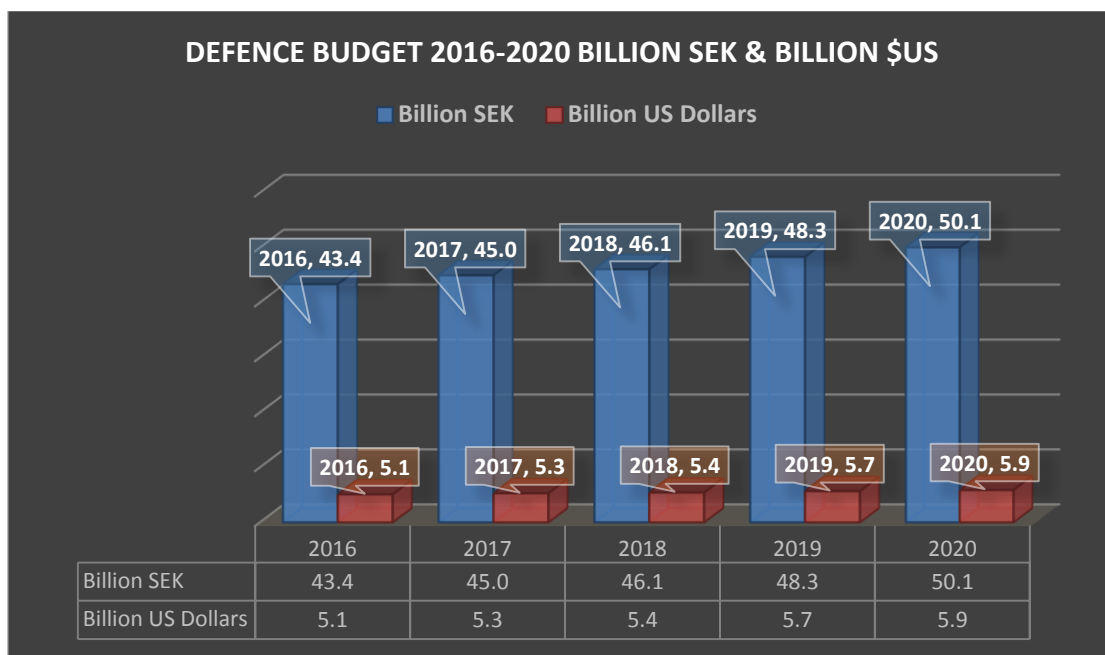
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Swedish Defence Budget and Future Acquisitions



According to Swedish government the total defence spending over 2016-2020 period will be 224 billion (SEK) Swedish Krona (approximately 26.4 billion US dollars). For the first time in more than two decades Swedish authorities decide to increase the defence budget. Armed forces will receive 17 billion SEK (approximately 2 billion US dollars) extra compared to the previous period (2011-2015). Swedish armed forces will try to provide, manage, prepare and employ defence capabilities that will match the needs of the country. The above will be mainly provided through the proper management, provision, preparedness and employment of defence capabilities that are in line with the domestic and global needs of Sweden.



Source: <http://www.government.se>

Regarding the provision of new equipment for the period 2015-2020 the land forces will receive new trucks, artillery, self-propelled mortars, bridge-layers, anti-tank weapons, new ground based short-range air defence systems and additional ammunitions. Additionally, a new ground based medium range air defence system will be acquired for one of the two air defence battalions.

The naval forces will receive a new SIGINT vessel. Additionally, midlife upgrades will be done on the two Gävle-class corvettes and on the two Gotland-class submarines. The Gävle-class corvettes will be upgraded with anti-submarine capabilities including sensors and command and control systems. Moreover, service life extension will be carried out on seven patrol boats, which will be also modified to include anti-submarine weapons. Likewise, four patrol boats will be refitted as sonar buoy boats and two Stockholm-class corvettes will be refitted as patrol ships. During the period, acquisition of a new anti-ship missile as well as a new light torpedo will begin. As it is clearly indicated by the upgrades/modifications described above

there will be a special focus towards upgrading the antisubmarine capabilities of the Swedish navy.

Finally, the Swedish Defence Commission suggested that the number of JAS 39E that will be procured should increase from previously planned 60 to 70. Additionally, the Swedish armed forces are studying the possibilities of future acquisition of new tactical air transport aircraft.

For the period beyond 2021 the following additional procurements and/or upgrades are planned:

- Training aircraft,
- Combat vehicles,
- Transport aircraft,
- Minesweeping vessels,
- Fixed telecommunications networks, and
- Anti-ship missiles.

Furthermore, it will be important to notice that Sweden will re-establish a permanent military presence on the island of Gotland for the first time in 10 years. According to Swedish media the government wants 150 troops to be stationed in the area.

Finally, another priority for Swedish authorities will be the deepening of the Finnish-Swedish bilateral cooperation. Through this cooperation, the two countries could jointly strengthen accountability for security and stability in the area.

Kyriazis Vasileios,
Epicos Newsletter Head Editor



Swedish Defence Industry



Sweden has a rather advanced industrial base compared to its population’s size and limited defence budget. The Swedish defence industrial base covers system integration of fighter aircraft, naval surface vessels, submarines and land platforms, as well as cost-efficient solutions in many subsystems such as ammunition, IT systems and sensors. Additionally, it is worth mentioning that the Swedish industry is the only one in Europe that is completely privately owned.

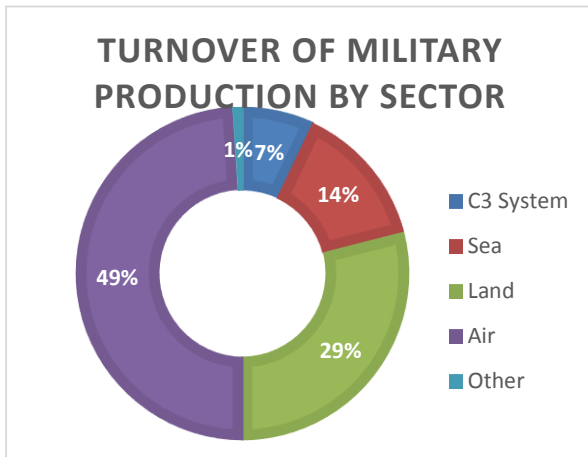
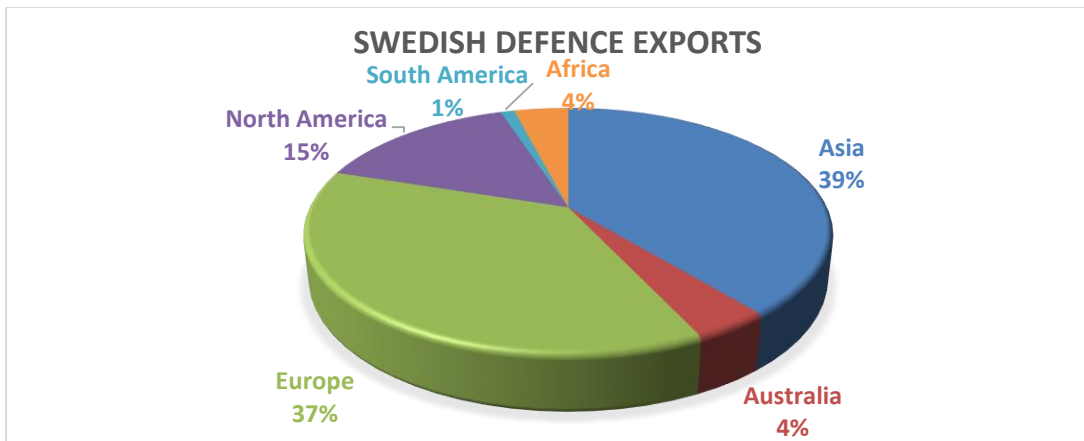


Figure 1 Source: <http://soff.se>

The total turnover of the member SOFF’s (Swedish Security & Defence Industry Association) companies’ security and defence related sales amounted to approximately 30 billion SEK (approximately 3.5 billion US dollars) in 2013. Additionally, Swedish defence industry directly employed 20.000 employees. Additionally, it is worth mentioning that exports represent 60% of total sales and that a considerable share of domestic sales are intra-industry sales, particular from SMEs to system integration companies.

Export successes have contributed to the industry being perceived as an attractive partner in international co-operation programs. Additionally, the export of defence products and/or services have heavily contributed towards the direction of keeping up the domestic industrial competence and capacity to maintain, develop and adapt the equipment of the Swedish Armed Forces. Europe and Asia with 37% and 39% of total exports respectively constitute the most important destinations of Swedish defence exports. North America and Australia follow.



Source: <http://soff.se>

Additionally one of the most important aspects of the Swedish Security & Defence industry is that it is research intensive. On average R&D constitute approximately 18% of total turnover, whereas Saab Group, by far the biggest defence company in the country, devotes 25% of its turnover to research and development (R&D).

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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Production of Metallic Parts for the Defence and Aeronautical Industry



military ground vehicle parts.

A company with significant experience in the production of metallic components and subassemblies for the automotive, electrical/electronic and domestic electrical equipment industry and association with companies involved in vehicles modification, painting and final assembly on Complete or Semi Knocked Down (CKD or SKD) basis is proposing the collaboration for establishment of a production line for manufacturing aeronautical and/or

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

Mail at: g-menexis@epicos.com

Provision and Installation of an Airborne Video Surveillance System, for Homeland Security applications, to a targeted country



A company excelling in the area of embedded systems and avionics, is willing to undertake the task of collaborating with a local partner, in a targeted country, for the provision and installation of its Airborne Video Surveillance System, to be used in Homeland Security (HLS) platforms (UAV, UGV, stationary posts). The system can be installed as stand-alone equipment, or integrated in a major HLS system.

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

Mail at: g-menexis@epicos.com

News from our A&D Business Network**The French Defense Procurement Agency orders seven additional Tiger HAD for the French Army Aviation**

The French Defense Procurement Agency (DGA) has ordered seven additional Tiger HAD attack helicopters, bringing to 67 the total number of Tigers that will eventually be operated by the French Army Aviation. The additional Tigers will be delivered in 2017-2018. "The French Army Aviation have put the Tiger to the test in multiple theatres and the aircraft has proved essential to the success of their missions," explained Guillaume Faury, President and CEO of Airbus Helicopters. "This additional order for seven Tiger HAD is a clear indication of its performance and we are proud to be able to support the French armed forces in their most demanding operations," he added.

Since July 2009, Tigers have been deployed continuously by the French Army in different areas, such as Afghanistan, Libya and Sahel. While deployments in Afghanistan and Libya have come to an end, Tigers are still supporting missions in Sahel where, despite the hostile operating conditions, the helicopter has shown a very high level of availability and logged more than 2,000 flight hours since the start of deployment in January 2013.

With its flat and narrow silhouette the Tiger HAD's advantages include low detectability, low vulnerability, high survivability, high agility and manoeuvrability making it the attack helicopter best adapted to both symmetric and asymmetric battlefields with unique capabilities whether for air-to-ground or air-to-air combat.

It is equipped with an extremely accurate 30mm turret cannon and a range of wing-mounted missiles and rockets together with a highly efficient electronic warfare system.

The Tiger HAD is also navalised and can be fully operated from sea, as was demonstrated in 2011 by the French Army Aviation operating off the Libyan coastline.

The Tiger is a key asset in any operation, whether for direct combat or escort missions. It can be deployed anywhere thanks to its robustness and simplicity of use. It is easy to maintain and does not require heavy infrastructure.

To date, Airbus Helicopters has delivered more than 120 Tiger helicopters to France, Germany, Spain and Australia and the aircraft has accumulated more than 68,000 flying hours.

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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For Further Information [Click Here](#)

BAE Systems Awarded U.S. Air Force Contract to Provide Radar Support Services



The U.S. Air Force has awarded BAE Systems a five-year contract to provide multiple agencies with a wide range of radar support services. The contract, for the Instrumentation Radar Support Program (IRSP), is valued at a total of \$278.5 million and will be incrementally obligated.

IRSP is a government-administered co-op program that BAE Systems has managed since 1985. It was established to provide support to several agencies with similar radar, telemetry, and optical tracking systems, as well as compatible missions. Today, IRSP supports more than 500 systems with work ranging from relatively simple logistical upgrades to complete depot-level overhauls.

“Our employees average more than 20 years of experience in test range operations, maintenance, and system sustainment,” said DeEtte Gray, president of BAE Systems’ Intelligence & Security sector. “This team of experts understands the IRSP mission and how to design, develop, and deliver cutting edge instrumentation support.”

The company will provide serviceable components and subsystems for 28 test ranges with radar, telemetry, and optical tracking systems around the world. IRSP provides services across the U.S. Department of Defense, the U.S. Department of Energy, NASA, and at least seven foreign governments.

The work will be primarily performed at BAE Systems’ IRSP component repair facility in Fort Walton Beach, Florida, and is expected to be complete by December 31, 2020. The Air Force obligated an initial \$200,000 at the time of the award.

BAE Systems provides intelligence and security services to manage big data, inform big decisions, and support big missions. BAE Systems delivers a broad range of solutions and services including intelligence analysis, cyber operations, IT, systems development, systems integration, and operations and maintenance to enable the U.S. military and government to recognize, manage, and defeat threats. The company takes pride in supporting critical national security missions that protect the nation and those who serve.

For Further Information [Click Here](#)

**GA-ASI Delivers Final Two RQ-1 Predators to Italian Air Force**

General Atomics Aeronautical Systems, Inc. (GA-ASI), a leading manufacturer of Remotely Piloted Aircraft (RPA) systems, radars, and electro-optic and related mission systems solutions, today announced that the Italian Air Force (ItAF) has accepted delivery of two RQ-1 Predator® RPA systems, marking final deliveries of GA-ASI's Predator A product line.

"With the delivery of these aircraft, GA-ASI completes over two decades of delivering Predator A capabilities to the United States and allied countries," said Frank W. Pace, president, Aircraft Systems, GA-ASI. "Amassing over 2.1 million cumulative flight hours and featuring the highest Mission Capable Rate of any aircraft in the Air Force's inventory, Predators will continue to keep warfighters safe by equipping them with unparalleled situational awareness for many years to come."

The Italian Air Force is a leader in the utilization of Predator and MQ-9 RPA to support a wide range of Intelligence, Surveillance, and Reconnaissance (ISR) missions in Italy, over the Mediterranean, and in support of NATO operations. Italy is the first country in Europe to have achieved an RPA airworthiness certification. GA-ASI has been supplying the ItAF with these critical assets for more than a decade.

About GA-ASI

General Atomics Aeronautical Systems, Inc., an affiliate of General Atomics, delivers situational awareness by providing remotely piloted aircraft systems, radar, and electro-optic and related mission systems solutions for military and commercial applications worldwide. The company's Aircraft Systems business unit is a leading designer and manufacturer of proven, reliable RPA systems, including Predator A, Predator B/MQ-9 Reaper, Gray Eagle, the new Predator C Avenger®, and Predator XP.

It also manufactures a variety of state-of-the-art digital Ground Control Stations (GCS), including the next-generation Advanced Cockpit GCS, and provides pilot training and support services for RPA field operations. The Mission Systems business unit designs, manufactures, and integrates the Lynx® Multi-mode Radar and sophisticated Claw® sensor control and image analysis software into both manned and remotely piloted aircraft. It also focuses on providing integrated sensor payloads and software for Intelligence, Surveillance and Reconnaissance (ISR) aircraft platforms and develops high energy lasers, electro-optic sensors, and meta-material antennas. For more information, please visit www.ga-asi.com.

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Source: Epicos, General Atomics Aeronautical Systems, Inc.

SAAB Receives Order for Countermeasures Dispensers for Gripen

Defence and security company Saab has received an order from the Swedish Defence Materiel Administration (FMV) for the development and series production of countermeasures dispensers for the Gripen fighter. The order value amounts to SEK223 million.

The order supports development and series production of countermeasures dispensers for chaff and flares for Gripen E and C/D. This will enhance the defensive capabilities of the aircraft.

Work will begin in 2016 and will be completed in 2020. The order involves Saab's business areas Aeronautics, Electronic Defence Systems and Support and Services.

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Source: Epicos, Saab

Harris Corporation Receives \$66 Million in Tactical Radio Orders from Middle East Nation

Harris Corporation has received \$66 million in orders to provide a Middle East nation with Falcon III® wideband tactical radios and accessories as part of an overall communications modernization effort.

Harris will provide several configurations of its Falcon III® radios including the RF-7800H, a wideband HF tactical radio that delivers expanded data capabilities for long-range, beyond-

line-of-sight environments; the RF-7850M, for wideband, mobile ad-hoc networking; the RF-7800V, for expanded narrowband data capabilities; and the RF-5800H, a narrowband HF tactical radio that delivers data and voice capabilities for long-range, beyond-line-of-sight environments. The company also will supply vehicular systems, accessories and training services.

"Our multiband, multimission radios will provide secure voice and high-bandwidth data across extended ranges and a wide variety of missions," said Brendan O'Connell, president, Tactical Communications, Harris Communication Systems. "Harris continues to provide this customer with advanced tactical radio technology to aid their transition to wideband, networked communications."

About Harris Corporation

Harris Corporation is a leading technology innovator, solving our customers' toughest mission-critical challenges by providing solutions that connect, inform and protect. Harris supports customers in more than 125 countries, has approximately \$8 billion in annual revenue and 22,000 employees worldwide. The company is organized into four business segments: Communication Systems, Space and Intelligence Systems, Electronic Systems, and Critical Networks. Learn more at harris.com.

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Source: Epicos, Harris Communication Systems

Australia – CH-47F – Aircraft

The State Department has made a determination approving a possible Foreign Military Sale to Australia for CH-47F aircraft, related equipment and support. The estimated cost is \$180 million. The Defense Security Cooperation Agency delivered the required certification notifying Congress of this possible sale on December 18, 2015.

The Government of Australia has requested a possible sale of:

Major Defense Equipment (MDE):

- Three (3) CH-47F Chinook Helicopters

- Six (6) T55-GA-714A Aircraft Turbine Engines
- Three (3) Force XXI Battle Command, Brigade & Below (FBCB2)/Blue Force Tracker (BFT)
- Three (3) Common Missile Warning Systems (CMWS)
- Three (3) Honeywell H-764 Embedded Global Positioning/Inertial Navigation Systems
- Three (3) Infrared Signature Suppression Systems

This request also includes the following Non-Major Defense Equipment; AN/APX-123A Identification Friend or Foe (IFF) Transponders, Defense Advanced Global Positioning System (GPS) Receiver (DAGR), AN/ARC-201D SINCGARS Airborne Radio Systems, AN/ARC-220 High Frequency Airborne Communication Systems, AN/ARC-231(V)(C) Airborne VHF/UHF/LOS SATCOM Communications Systems, KY-100 Secure Communication Systems, KIV-77 Common IFF Cryptographic Computers, AN/AVS-6 Aviator's Night Vision Systems, AN/ARN-147 Very High Frequency (VHF) Omni Ranging/Instrument Landing System Receiver, AN/PYQ-10(C) Simple Key Loaders, AN/ARN-153 Tactical Airborne Navigation (TACAN) System, Spare Parts, Tools, Ground Support Equipment, Technical Publications, Contractor and U.S. Government Technical Services.

The total estimated value of MDE is \$105 million. The total overall estimated value is \$180 million.

This proposed sale will enhance the foreign policy and national security objectives of the United States by helping to improve the security of a strategic partner which has been, and continues to be an important force for political stability and economic progress within the Pacific region and globally.

The proposed sale of the CH-47F aircraft will improve Australia's heavy lift capability. Australia will use the enhanced capability to strengthen its homeland defense and deter regional threats. The CH-47F aircraft will replace Australia's retiring CH-47D aircraft. Australia will have no difficulty absorbing these aircraft into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be the Boeing Helicopter Company of Philadelphia, Pennsylvania. There are no known offset agreements at this time associated with this proposed sale.

Implementation of this sale will not require the assignment of any additional U.S. or contractor representatives to Australia.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

This notice of a potential sale is required by law and does not mean the sale has been concluded.

All questions regarding this proposed Foreign Military Sale should be directed to the State Department's Bureau of Political Military Affairs, Office of Congressional and Public Affairs, pm-cpa@state.gov.

For Further Information [Click Here](#)

Source: Defense Security Cooperation Agency

Russian Helicopters offers Iran Mi-171, Mi-171E, Ka-32A11BC and Ka-226T Helicopters

Russian Helicopters (part of State Corporation Rostec) attended the Trade and Industry: Russia – Iran 2015 exhibition and held discussions with representatives of Iranian state agencies and private companies to discuss prospects for the delivery of Mi-8/17, Ka-32A11BC, and Ka-226T helicopters.

The company met with the Iran Aviation Industries Organisation (IAIO), the state body that is responsible for Iran's aviation industry. IAIO is responsible for directing five aviation companies – SAHA, HESA, IHSRC, GHODS and the Shahid Basir Industry – which, together are the mainstays of Iran's aviation industry.

Meetings were also held with representatives of Iranian private companies Fanavaran Asemani, PARS Aviation Service and Interavia. Talks covered the prospects for helicopter delivery, and the opportunities for developing after-sales service provision for Russian-made aircraft, which would include modernisation, spare parts supply, repair work and also training Iranian specialists.

“Iran's economy has developed rapidly in recent years, and the upcoming lifting of international economic sanctions will deliver further impetus for the acceleration of this development. Given the existing highways infrastructure in the regions, demand for helicopters among various agencies, and Iran's potential, cooperation on the delivery of Russian-made helicopters is sure to expand,” Russian Helicopters' Deputy CEO Alexander Shcherbinin, said. “Russian Helicopters possesses the production capacity needed to meet Iran's needs for modern helicopters in the shortest possible time.”

At the exhibition in Tehran, Russian Helicopters also held talks with representatives of the Red Crescent Society of the Islamic Republic of Iran to discuss deliveries of the Ka-226T helicopter.

The Ka-226T is distinguished by its enhanced manoeuvrability and power-to-weight ratio, and is equipped with the latest avionics suite. It is easy to manoeuvre in densely built up urban locations and mountainous areas. It is a compact model with no tail rotor, which means that it does not need much space for landing. The helicopter produces very little noise and meets the latest ecological requirements. In May 2015 India's Defence Acquisition Council, comprising Indian Cabinet ministers, approved a major deal to acquire helicopters including the Ka-226T for the Indian armed forces, on a no-tender basis. The Ka-226T was tested in conditions that matched India's mountainous terrain and hot climate, clearly demonstrating its superiority over its competitors. In particular, the helicopter flew easily across mountains at altitudes of over 7,500 metres – significantly higher than the organisers of the tender had requested.

The Mi-171 helicopter can transport up to 26 passengers in permanent seats or up to 37 with additional foldaway seats. The Mi-171 has a maximum payload of 4,000kg in the transport cabin. It can be used for search and rescue missions as well as fire-fighting operations, and to lift, load, and unload during flight.

The multirole Ka-32A11BC helicopter is designed for special search and rescue operations, building tall structures, transporting cargo internally and on an external sling, logging, medevac and complex fire-fighting missions, as well as use on patrol and to provide support during special operations.

Russian Helicopters, (part of State Corporation Rostec), is one of the global leaders in helicopter production and the only helicopter design and production powerhouse in Russia. Russian Helicopters was founded in 2007 and is headquartered in Moscow. The company comprises five helicopter production facilities, two design bureaus, a spare parts production and repair facility, as well as an aftersale service branch responsible for maintenance and repair in Russia and all over the world. Its helicopters are popular among Russian ministries and state authorities (Ministry of Defence, Ministry of Internal Affairs, Emergency Control Ministry), operators (Gazpromavia, UTair), major Russian corporations. In 2014 its IFRS revenues increased 22,8% to RUB 169,8 billion. Deliveries reached 271 helicopters.

State Corporation Rostec is a Russian corporation founded in 2007 for the purpose of promoting the development, production and export of hi-tech civilian and military industry products. It comprises 700 organisations, nine of which have now been formed as holding companies of the military-industrial complex, five of them are involved in civil industries and 22 are directly controlled. Rostec's portfolio includes recognised brands such as Avtovaz, Kamaz, Russian Helicopters, and VSMPO-AVISMA. Rostec's organisations are located in 60 constituent entities of the Russian Federation and supply their products to the markets of more than 70 countries. The revenue of Rostec in 2014 amounted to RUB 964.5 billion. The tax deductions into the treasuries at all levels exceeded RUB 147.8 billion.

For Further Information [Click Here](#)

Source: Epicos, Russian Helicopters