

**Investor opposed to Babcock bid is selling VT shares**

The largest investor in VT Group has been selling shares in the defence contractor since the £1.2 billion takeover approach from Babcock International became public.

The Times

**Britain is facing £220m bill after pact to rescue Airbus project**

British taxpayers are expected to be hit with a £220 million bill for new military transport aircraft after the project ran over-budget and was severely delayed.

The Times

**Work on new £5bn aircraft carriers starts in Portsmouth**

Work has started in Portsmouth on the first of two new aircraft carriers which will help secure the jobs of about 1,500 shipyard workers. The government gave the go-ahead for the new HMS Queen Elizabeth and HMS Prince of Wales vessels in 2008.

BBC News

**India Expects 5-7% Increase in Defense Spending**

Indian Finance Minister Pranab Mukherjee will announce the 2010-2011 defense spending proposal Feb. 26, with a 5 percent to 7 percent budget increase expected, Defence Ministry sources said.

Defense News

**Pakistan Sounds Warnings Over India Buildup**

Pakistan warned Feb. 25 that India's huge military modernization program posed a serious threat to stability in a "nuclearized" South Asian region.

Defense News

**Iskander plans in NW Russia not linked to U.S. deployment in Europe**

Russia's newly appointed chief of Ground Forces denied on Thursday the country's plans to equip units in the northwestern military district with Iskander missiles later this year have anything to do with U.S. missile deployment in Europe.

RIA Novosti