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VSE Increases Support Services Under U.S. Army Rapid Response (R2) Support Contract

New Contract Task Orders Total \$160.3 Million

ALEXANDRIA, Va.--

VSE Corporation (Nasdaq:VSEC) reported recent Rapid Response (R2) Support Contract task order awards of approximately \$160.3 million for the year 2007. The task orders require program management, systems engineering, integrated logistics, and technical services in support of various U.S. Army and U.S. Navy activities at multiple locations. With these awards for 2007, VSE's R2 Support Contract reached a milestone of over \$1 billion in task order awards.

VSE's Communications and Engineering Division has been awarded a number of new contract task orders under its Rapid Response (R2) Support Contract with the U.S. Army Communications-Electronics Command (CECOM), Fort Monmouth, New Jersey. One new 24-month task order represents potential VSE revenues of about \$21 million if all options are exercised. The new task order requires technical support services to U. S. Army Armaments Research, Development, and Engineering Center (ARDEC) Automated Test Systems. Work will be performed by VSE's subcontractor for this effort, Universal Technical Resource Services, Inc., and includes test program and evaluation support and configuration management. VSE also was awarded a contract task order of \$15.5 million in support of the U.S. Army Tank Automotive Command (TACOM) Watercraft Operational Support C4I/CEN on the LCU-2000. This work, including operational installation and testing and programmatic support, is being performed by a VSE R2 Support Contract subcontractor, L-3 Communications, Klein Associates.

VSE's Fleet Maintenance Division (FMD) has been awarded eight new contract task orders under the R2 Support Contract. The new task orders for 2007 support various U.S. Navy, U.S. Marine Corps, and Military Sealift Command programs and represent potential revenues of about \$57.6 million if all options are exercised over the next 24 months. FMD will be performing technical engineering support including program management, integrated logistics, and modernization for a variety of systems, including U.S. Navy Hospital Ships, Forces Surveillance Reconnaissance Systems, Material Handling Equipment Mobiles Support programs, and the USMC Systems Command Material and Readiness Management Systems.

Also under the R2 Support Contract, VSE reported that its Systems Engineering Division (SED) was awarded a new contract task order for its continuing support of the U.S. Marine Corps Corrosion Prevention and Control Program. SED will stand up Corrosion Assessment Teams, provide Field Service Representatives, and support controlled humidity protection and administrative storage techniques and facilities. This program has the potential value of \$47 million if all options and engineering assignments are exercised over the next 24-month period. VSE looks forward to continuing its support of USMC Corrosion Control projects to accomplish the important readiness tasks.

SED also was awarded a task order through the R2 Support Contract to provide the U.S. Army with technical data and engineering support for the Project Manager-Mobile Electric Power (PM-MEP) Program. This task order has a potential value of \$4 million over a four-year period. SED will provide technical data and engineering support relative to various families of military tactical equipment. The work will be performed by engineers and staff from VSE's System Engineering Division at multiple U.S. locations, including Fort Belvoir, Virginia.

Safe Harbor

This news release contains statements which, to the extent they are not recitations of historical fact, constitute "forward looking statements" under federal securities laws. All such statements are intended to be subject to the safe harbor protection provided by applicable securities laws. For discussions identifying some important factors that could cause actual VSE results to differ materially from those anticipated in the forward looking statements in this news release, see VSE's public filings with the Securities and Exchange Commission.

VSE provides diversified services to the engineering, energy and environment, defense, and homeland security markets from more than 20 locations across the United States and around the world. For the six-month period ended June 30, 2007, VSE reported consolidated revenues of \$280.3 million and earnings of \$6.2 million (\$1.27 per diluted share). For more information on VSE services and products, please see the Company's web site at www.vsecorp.com or contact Len Goldstein, Director of Business and New Product Development, at (703) 317-5202.

Source: VSE Corporation