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## **United States Navy and Pakistan Navy Agree to Ship Transfer**

Pakistan Committing to Fund Transfer for USS McInerney (FFG-8)

ALEXANDRIA, Va.-- VSE Corporation (Nasdaq GS: VSEC) recently hosted a meeting between the United States and Pakistan Navies to solidify an agreement for the transfer of the USS McInerney, which is scheduled to be decommissioned this summer.

Pakistan Navy Captain Abdul Rehman signed a Letter of Offer and Acceptance to initiate the ship transfer. Captain Rehman is assigned to the Embassy of Pakistan as Attache for Defense Procurement (Air Force/Navy). U.S. Navy Captain Chris Pietras represented the Naval Sea Systems Command in accepting the offer.

For VSE's Naval Ship Transfer and Repair Team, the agreement translates into a contract covering training responsibilities. VSE will support U.S. Navy training of the 248 Pakistani crew members, beginning this month, until the ship is officially transferred around the end of August. In the near future, VSE will develop a work package for approval by the Pakistan Navy. After the transfer, VSE will manage a shipyard industrial availability contract to make ship repairs that will extend its life. During the availability the VSE's Ship Training and Assistance Team (STAT) will provide hands on maintenance and operational training for the Pakistan crew.

In January 2011, the VSE STAT is scheduled to conduct underway training for the crew, with a final evaluation by the U.S. Navy Afloat Training Group on the ability of the Pakistan crew to operate the ship and equipment in a safe-to-sail manner. Afterwards, the crew will sail the ship home to Karachi, Pakistan. A small contingent of the VSE Transfer Assistance Team personnel will accompany the ship and provide additional underway training.

VSE CEO Maurice "Mo" Gauthier said, "Together, with our customers and the highly experienced and competent team we have assembled, we are confident that we will meet and exceed the requirements of this allied mission. We look forward to the challenge."

"Our expertise with training, equipment repair, and working in tandem with both the U.S. and Pakistan Navies will be a rewarding experience and great collaborative opportunity," added Mike Hamerly, President of International Group.

About VSE International Group

VSE International Group provides global engineering, industrial and logistics services. VSE

International Group also provides assistance to the U.S. Navy in executing its Foreign Military Sales Program for surface ships sold, leased or granted to foreign countries by providing program management, engineering, technical support, and logistics services for ship reactivations, transfers, and follow-on support. For more information about International Group's services please see the VSE Corporation website at [www.vsecorp.com](http://www.vsecorp.com) or contact Donald Babcock at (703) 329-4683.

#### About VSE

VSE is a diversified Federal Services company of choice with over 50 years of experience in solving issues of global significance with integrity, agility, and value. VSE is dedicated to making our clients successful by delivering talented people and innovative solutions for logistics, engineering, IT services, construction management and consulting. For additional information on VSE services and products, please see the Company's web site at [www.vsecorp.com](http://www.vsecorp.com) or contact Randy Hollstein, VSE Corporate Vice President of Sales and Marketing, at (703) 329-3206.

#### Safe Harbor

VSE encourages investors and others to review the detailed reporting and disclosures contained in VSE public filings with the Securities and Exchange Commission for further information and analysis of VSE's financial condition and results of operations. The public filings include additional discussion about the status of specific customer programs and contract awards, risks, revenue sources and funding, dependence on material customers, and management's discussion of short and long term business challenges and opportunities.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6274776&lang=en>

Source: VSE Corporation