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VSE Corporation's Aviation Subsidiary Wins New U.S. Government Work

Prime Turbines Awarded a U.S. Department of State Contract

CARROLLTON, Texas--(BUSINESS WIRE)-- Prime Turbines, LLC, a subsidiary of VSE Aviation, Inc. ("VSE Aviation"), has been selected to support the United States Department of State (DoS), Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation for the repair, overhaul and modification of T53-L-703 engines. The single award Indefinite Delivery/Indefinite Quantity (IDIQ) contract has a five (5) year period of performance and supports a fleet of eighty-five (85) UH-1H "Huey" Helicopters. The maximum ceiling for the contract is \$16.6 million.

The DoS Program provides aviation support for the eradication and interdiction of illicit drugs, training of contractor and host national personnel, embassy support, movement of personnel and equipment, reconnaissance, personnel recovery, medical evacuation, security of personnel and equipment, and ferrying of aircraft.

"The work will be performed at our Prime Turbines, Mesa, AZ facility, which is a Honeywell authorized engine overhaul/repair and FAA Diamond Award facility," said Paul Goffredi, VSE Aviation's President and COO. "This facility exemplifies the high level of professionalism and quality we bring to the aviation industry."

VSE Corporation ("VSE") established VSE Aviation and acquired Prime Turbines and three other aviation operating companies in 2015.

"We are pleased by VSE Aviation's first award as prime contractor supporting a federal government customer," said VSE CEO Maurice "Mo" Gauthier. "This opportunity is consistent with our strategy to bring the mature capabilities of our acquired subsidiaries into new markets and expands our fleet sustainment competencies."

About Prime Turbines

Prime Turbines, LLC is a subsidiary of VSE Aviation, Inc., a VSE Corporation company. Locations for Prime Turbines include: Dallas, Hyannis, Phoenix, Pittsburgh and Germany. For additional information regarding Prime Turbines services and products, please see the Company's web site at www.primeturbines.com or contact Karen Goode at 972-406-2153.

About VSE

Established in 1959, VSE is a diversified products and services company providing logistics solutions with integrity, agility, and value. VSE is dedicated to making our federal and commercial clients successful by delivering innovative solutions for vehicle, ship, and aircraft sustainment, supply chain management, platform modernization, mission enhancement, and program management, and providing energy, IT, and consulting services. For additional information regarding VSE services and products, please see the Company's web site at www.vsecorp.com or contact Christine Kaineg, VSE Investor Relations, at (703) 329-3263.

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