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Optex Systems Awarded Multi Million Dollar U.S. Army Contract

RICHARDSON, TX--(MARKET WIRE)--May 11, 2009 -- Optex Systems (Optex) (OTC BB:OPXS.OB - News), a wholly owned subsidiary of Optex Systems Holdings, Inc., a leading manufacturer of optical sighting systems and assemblies primarily for Department of Defense applications, announced today it has been awarded a multi-year contract and first delivery order from the U.S. Army's Tank-Automotive and Armaments Command (TACOM) division, which, if all delivery orders are awarded, could be valued at approximately \$7.5 million. Under terms of the agreement, Optex Systems will deliver a range of technologically advanced laser protected periscopes.

The U.S. Army's TACOM division is one of the Army's largest weapon systems research, development, and sustainment organizations. Their mission is to provide and sustain mobility, lethality, and survivability for soldiers, other services, and our Allies through ground combat, automotive, marine and armaments technologies. With a workforce of over 18,000 worldwide, TACOM supports over 3,500 fielded systems and over 29,000 components that make those systems work. Specifically, TACOM's Rock Island's office, through which the award was granted, is responsible for the entire life cycle support of aircraft armament, small arms, field artillery, mortars, tools and training systems, tactical vehicles, light and heavy combat vehicles, watercraft, soldier/biological/chemical systems and deployment/support equipment.

Danny Schoening, COO of Optex Systems, commented, "Our entire organization is very excited about being awarded this multi-year contract by the U.S. Army's TACOM division. It's a testament to our dedication of providing superior mission critical components for the men and women in uniform who perform their jobs at the highest level of dependability and survivability." Mr. Schoening continued, "We have fulfilled the first phase of the order and have begun shipment of various types of our laser protected periscopes to TACOM. We look forward to further developing our relationship with TACOM."

ABOUT OPTEX SYSTEMS

Optex, which was founded in 1987, is a Richardson, Texas-based ISO 9001:2008 certified concern, which manufactures optical sighting systems and assemblies primarily for Department of Defense (DOD) applications. Optex Systems was previously a wholly owned subsidiary of Irvine Sensors Corp. On October 14, 2008, Optex Systems Inc. (Delaware) became an independent company and is now a wholly owned subsidiary of Optex Systems Holdings, Inc. Its products are installed on a majority of types of U.S. military land vehicles, such as the Abrams and Bradley fighting vehicles, Light Armored and Advanced Security Vehicles, and have been selected for installation on the Stryker family of vehicles. Optex also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex delivers its products both directly to the military services and to prime contractors. For additional information, please visit the

Company's website at www.optexsys.com.

Safe Harbor Statement

This press release and other written reports and oral statements made from time to time by the Company may contain so-called "forward-looking statements," all of which are subject to risks and uncertainties. You can identify these forward-looking statements by their use of words such as "expects," "plans," "will," "estimates," "forecasts," "projects" and other words of similar meaning. You can identify them by the fact that they do not relate strictly to historical or current facts. These statements are likely to address the Company's growth strategy, financial results and product and development programs. You must carefully consider any such statement and should understand that many factors could cause actual results to differ from the Company's forward-looking statements. These factors include inaccurate assumptions and a broad variety of other risks and uncertainties, including some that are known and some that are not. No forward-looking statement can be guaranteed and actual future results may vary materially.

The Company does not assume the obligation to update any forward-looking statement. You should carefully evaluate such statements in light of factors described in the Company's filings with the SEC, especially on Forms 10-K, 10-Q and 8-K. In various filings the Company has identified important factors that could cause actual results to differ from expected or historic results. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete list of all potential risks or uncertainties.