

VT Halter Marine, Inc.

Cynthia Borries or Margaret Gambrell
(228) 896-0029

NORTHROP GRUMMAN

Jack Martin, Jr.
(410) 765-4441

VT Halter Marine and Northrop Grumman Team to Offer Objective Theater Support Vessel Solution for U.S. Army

GULFPORT, Miss., May 18, 2004 – VT Halter Marine Inc., a subsidiary of Vision Technologies Systems Inc., today announced it has teamed with Northrop Grumman Corporation's (NYSE: NOC) Electronic Systems sector to bid for the U.S. Army Tank-automotive and Armaments Command's (TACOM) Theater Support Vessel (TSV) project.

The TSV will support the Army's transformation goal of deploying a combat-ready brigade anywhere in the world within 96 hours and will reduce support requirements for large-scale, on-shore arrivals. The TSV will allow the Army to rapidly respond to crisis situations by arriving quickly and landing at ports that are too shallow or under-equipped for conventional vessels.

With the capacity to transport more than 350 troops plus gear, and the capability to load and unload troops and equipment in as little as 20 minutes, the TSV will cost half of the price of airlifts and will be able to deliver crew and cargo four times faster than current systems. On-board Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) capabilities will provide continuously updated information to the vessel and supported commander, allowing for mission and en route planning.

Prime contractor VT Halter Marine will lead the TSV proposal development and perform hull, electrical and mechanical design and fabrication of the ships, while Northrop Grumman will serve as lead systems integrator.

Boyd King, VT Halter Marine's CEO said, "Our goal is to design and build a Theatre Support Vessel specifically tailored to the U.S. Army's mission requirements by integrating commercial and military technologies, combining our experience, and leveraging our resources in a way that effectively supports the Army's transformation strategy."

Martin Simoni, Northrop Grumman's site director of Advanced Naval Platforms in Ocean Springs, Miss., said, "VT Halter Marine has a long-standing and successful relationship as a premier U.S. Army vessel supplier, and we are proud to team with them on this important program. Together, we aim to deliver the most capable and affordable TSV in the shortest time possible."

Northrop Grumman's Baltimore-based Electronic Systems sector is a world leader in the design, development, and manufacture of defense and commercial electronic systems, including radar, navigation systems, electronic warfare systems, precision weapons, airspace management systems, communications systems, space systems, marine and naval systems, government systems, and logistic services.

VT Halter Marine Inc., based in Miss., is a leader in the design and construction of small- to medium-sized ships in the United States. VT Halter Marine designs, builds and repairs a wide variety of ocean-going vessels such as patrol vessels, oil recovery vessels, oil cargo vessels, ferries, logistic support vessels and research ships. It is a subsidiary of Vision Technologies Systems Inc. (VTS), a provider of integrated engineering solutions, specializing in the fields of marine, aerospace, electronics and land systems. Headquartered in Alexandria, Va., VTS is located throughout North America. VTS offers a broad range of proven innovative services to both the commercial and government sectors.

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