

### **VT HALTER MARINE WINS US\$165M CONTRACT TO BUILD 4<sup>TH</sup> FAST MISSILE CRAFT**

**Bringing total project value to US\$807m**

**Pascagoula, MS, 29 March, 2010** – VT Halter Marine Inc. (VT Halter Marine), a subsidiary of VT Systems Inc. (VT Systems), today announced that it has secured an undefinitized contract in excess of US\$165m with the US Navy for a fourth Fast Missile Craft (FMC) for the Egyptian Navy. This most recent contract brings the total value for the FMC project to approximately US\$807m. Work on this fourth FMC will commence by mid 2011 and delivery is expected by end of 2013. VT Halter Marine has begun construction on the first FMC which it expects to deliver by mid 2012.

VT Halter Marine announced on 1 December 2005 that it had secured the initial Phase I functional design contract for approximately US\$29m. Two subsequent contract modifications were awarded in November 2006 and June 2007 respectively for procuring the FMC project's long lead items which added US\$206.5m to the contract. Subsequent changes in the scope of work further increased the Phase I contract value to US\$249.2m. With the award of Phase II of the FMC project in September 2008, the total contract value awarded to VT Halter Marine for the first three FMCs amounted to US\$642m. This latest US\$165m contract reflects non-recurring cost reductions from the first three vessels contracted earlier and government furnished equipment which was previously provided by VT Halter Marine.

The FMC is designed to perform coastal patrol, surveillance, interdiction, surface strike and naval battle group support for the 21st century. The vessels will allow the Republic of Egypt to maintain the security of its coastal regions for both itself and friendly countries, while denying access to the areas by any potential adversaries. Each vessel will be approximately 62m in length and will incorporate ship signature control technology. High speed and maneuverability are two of the ship's primary assets to fulfill these roles. The vessels will also incorporate numerous combat system assets and electronic sensors, equipping the vessels with capabilities in anti-aircraft, anti-surface and electronic warfare.

*"Halter Marine is proud to partner with the US Navy in the construction of a fourth state-of-the-art FMC vessel, contributing towards the US Government's maritime strategy which helps to secure partners around the world."*

**~Bill SKINNER  
Chief Executive Officer, VT Halter Marine**

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**VT Halter Marine**, the marine operations of VT Systems, is based in Pascagoula, Mississippi and is a leader in the design and construction of 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 survey vessels. Please visit [www.vthaltermarine.com](http://www.vthaltermarine.com).

**VT Systems** is a diversified company providing solutions to the commercial and government markets in the aerospace, electronics, land systems and marine sectors. VT Systems products and services include aircraft inspection, maintenance and modification; software solutions in training and simulation; satellite-based IP communications technology; network solutions that integrate data, voice and video; rugged computers and computer peripheral equipment; specialized truck bodies and trailers; weapons and munitions systems; road construction equipment; and shipbuilding. Headquartered in Alexandria, Va., VT Systems operates globally and is a wholly owned subsidiary of ST Engineering. Please visit [www.vt-systems.com](http://www.vt-systems.com).

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