

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant to Section 13 OR 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 25, 2005

VSE CORPORATION
(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation or Organization)

0-3676 54-0649263
(Commission File Number) (I.R.S. Identification Number)

2550 Huntington Avenue
Alexandria, Virginia 22303-1499
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (703) 960-4600

VSE CORPORATION

Item 2.02 Results of Operations and Financial Condition

Attached hereto as Exhibit 99.1 is a copy of the Registrant's news release dated April 26, 2005 announcing the consolidated financial results for the three months ended March 31, 2005.

Item 8.01 Other Events

Attached hereto as Exhibit 99.2 is a copy of the Registrant's news release dated April 25, 2005 announcing the award to the Registrant of a \$544 million indefinite delivery, indefinite quantity, cost-plus-award-fee contract from the U.S. Navy for services in support of U.S. Navy ships that are bought, sold, or otherwise transferred through the Foreign Military Sales (FMS) program to FMS customers.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit
Number

99.1 News Release, April 26, 2005 entitled "VSE Reports
First Quarter 2005 Results"

99.2 News Release, April 25, 2005 entitled "VSE Wins Ship
Transfer Contract"

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VSE CORPORATION

(Registrant)

Date: April 28, 2005

/s/ T. R. Loftus

T. R. Loftus
Senior Vice President and
Chief Financial Officer

Exhibit 99.1
VSE REPORTS FIRST QUARTER 2005 RESULTS

Revenues Up 55%, Earnings Up 84%

Alexandria, Virginia, April 26, 2005 - VSE Corporation (Nasdaq: VSEC) reported consolidated financial results for the three months ended March 31, 2005 and 2004, as follows:

VSE Corporation and Subsidiaries
Consolidated Statements of Income (unaudited)
(dollars in thousands, except share data)

	Three months ended March 31	
	2005	2004
Revenues, principally from contracts	\$ 65,919	\$ 42,609
Costs and expenses of contracts	63,755	41,462
Gross profit	2,164	1,147
Selling, general and administrative expenses	56	12
Interest (income), net	(19)	(19)
Income before income taxes	2,127	1,154
Provision for income taxes	823	446
Net income	<u>\$ 1,304</u>	<u>\$ 708</u>
Earnings per share:		
Basic	\$.57	\$.32
Diluted	.55	.31
Weighted average shares outstanding:		
Basic	2,279,326	2,216,216
Diluted	2,353,954	2,286,613

Financial Results

Commenting on the financial results, VSE Chairman, President and CEO/COO Don Ervine said, "VSE revenues and earnings for the first quarter of 2005 exceeded our expectations for the period, but are consistent with our forecast for continued growth in 2005. We expect our performance in 2005 to exceed our results for 2004, and the results for the first quarter give VSE a good start on that goal."

"Our funded backlog was about \$169 million at March 31, 2005, compared to about \$168 million at December 31, 2004, indicating we have more work to do to

- more -

VSE Corporation News Release (continued)

assure continued growth throughout 2005 and into 2006. We believe our prospects for growth are excellent, and we look forward to reporting on our progress as the year proceeds."

Award of BAV Contract

As previously announced, we are pleased to report that our bid to continue the FMS ship transfer work has been accepted by the U.S. Navy, and VSE's BAV Division has been awarded a new contract to continue the performance of this work for the next five years. The ceiling amount of this single award, cost-plus-award-fee, indefinite-delivery/indefinite-quantity contract is \$543,869,725.

As identified in other publicly available reports filed by VSE, such as the recently filed SEC Form 10-K for fiscal year 2004 and the 10-Qs VSE will file throughout 2005, the Company's interim financial results are subject to numerous performance and risk factors, some of which may be offsetting, and to timing differences, including the receipt of contract funding documents and award fee evaluations. VSE invites shareholders and others to refer to these public documents for additional detailed information on contract programs,

sources of funding, and results of operations to better understand the variations and trends in reported quarterly results.

VSE provides diversified services to the engineering, energy and environment, defense, and homeland security markets from more than 15 locations across the United States and around the world. For the fiscal year ended December 31, 2004, VSE reported consolidated revenues of \$216 million and earnings of \$3.4 million (\$1.49 per share diluted).

For more information on VSE services and products, please see the Company's web site at www.vsecorp.com or contact Len Goldstein, Director of Business and New Product Development at (703) 317-5202.

News Contact: C. S. Weber, CAO, (703) 329-4770

This news release contains statements which, to the extent they are not recitations of historical fact, constitute "forward looking statements" under federal securities laws. All such statements are intended to be subject to the safe harbor protection provided by applicable securities laws. For discussions identifying some important factors that could cause actual VSE results to differ materially from those anticipated in the forward looking statements in this news release, see VSE's public filings with the Securities and Exchange Commission.

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Exhibit 99.2
VSE Wins Ship Transfer Contract
New Pact Worth Up To \$544 Million

Alexandria, Virginia April 25, 2005 - VSE Corporation (Nasdaq: VSEC) reported today that it has been awarded a \$544 million cost plus award fee contract for services in support of U.S. Navy ships that are bought, sold, or otherwise transferred through the Foreign Military Sales (FMS) program to FMS customers.

VSE's BAV Division will continue to support the Navy's FMS program under this new, single award contract. The new contract, which has a one-year base period and four one-year options, replaces a similar ten-year contract awarded to VSE in 1995. The ship transfer contract awarded in 1995 has represented from 37 to 56% of annual VSE revenues each year since 1996. In 2004, ship transfer contract revenues of about \$113 million represented 52.3% of total VSE revenues for the year; however, future VSE revenues under this new indefinite-delivery/indefinite-quantity award cannot be predicted with certainty.

Since 1995, VSE has transferred 30 ships to foreign governments, and the Company is currently reactivating four ex-Kidd class guided-missile destroyers (DDGs) for transfer to Taiwan. Additionally, VSE actively supports eleven countries through the follow-on technical support requirements of the Navy FMS contract, providing training, maintenance, repair, and in-country infrastructure improvement assistance in support of transferred ships. Countries currently supported are Bahrain, Egypt, Japan, Mexico, Taiwan, Thailand, Turkey, Poland, Philippines, Morocco, and Spain.

VSE's BAV Division is part of the Company's International Group under the direction of Executive Vice President James M. Knowlton. Commenting on the award, Mr. Knowlton said, "We are proud to continue our support as part of the Naval Sea Systems Command FMS team. This work is important not only to our foreign customers, but to our Navy as well, as it creates critical interoperability with our allies in strategic parts of the world."

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