UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 10, 2019**

VSE CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation or Organization)

Delaware (State or Other Jurisdiction of Incorporation)	**0-3676** (Commission File Number)	**54-0649263** (IRS Employer Identification Number)

6348 Walker Lane **Alexandria, VA**	**22310-3226**
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

On January 10, 2019, VSE Aviation, Inc. (“VSE Aviation”), a wholly owned subsidiary of VSE Corporation (“VSE”), and VSE entered into a definitive Share Purchase Agreement (the “SPA”) to acquire two privately held aviation supply chain management companies, 1st Choice Aerospace Inc., a Florida corporation, and 1st Choice Aerospace Inc., an Ohio corporation, (collectively referred to herein as “1st Choice Aerospace”), by acquiring all of their outstanding common stock (the “Acquisition”). 1st Choice Aerospace, with operations in Florida and Kentucky, is a provider of component maintenance, repair and overhaul ("MRO") services for new generation and legacy commercial aircraft. On January 14, 2019, VSE filed a Current Report on Form 8-K with the Securities and Exchange Commission (the "SEC") disclosing the execution of the SPA and consummated the closing thereunder (the "Original Form 8-K").

This Current Report on Form 8-K/A amends Item 9.01 of the Original Form 8-K to provide the financial information required by Items 9.01(a) and 9.01(b) of Form 8-K that was not previously filed with the Original Form 8-K.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

The audited Statement of Assets Acquired and Liabilities Assumed (the “Audited Statement”) as of December 31, 2018 of 1st Choice Aerospace with respect to the Acquisition is filed as Exhibit 99.1 to this Current Report on Form 8-K/A.

Pursuant to a letter dated February 15, 2019 from the SEC’s Division of Corporation Finance, the SEC permitted VSE to provide the Audited Statement described above in lieu of the full financial statements of 1st Choice Aerospace for the purpose of complying with the requirements of Rule 3-05 and Article 11 of SEC Regulation S-X.

(b) Pro Forma Financial Information

The unaudited pro forma condensed consolidated balance sheet of VSE as of December 31, 2018 and unaudited pro forma condensed consolidated statement of income of VSE for the year ended December 31, 2018 are being filed as Exhibit 99.2 to this Form 8-K/A.

(c) Not applicable

(d) Exhibits

Exhibit Number	Description
23.1	Consent of Independent Certified Public Accountants
99.1	The Audited Statement of 1st Choice Aerospace Assets Acquired and Liabilities Assumed.
99.2	The unaudited pro forma condensed consolidated balance sheet of VSE as of December 31, 2018 and the unaudited condensed consolidated statement of income of VSE for the year ended December 31, 2018.

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 4, 2019

/s/ T. R. Loftus

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

Exhibit 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our report dated April 4, 2019, with respect to the combined statement of assets acquired and liabilities assumed of 1st Choice Aerospace Inc. (a Florida corporation) and 1st Choice Aerospace, Inc. (an Ohio corporation) as of December 31, 2018 included in the Current Report on Form 8-K/A of VSE Corporation dated April 4, 2019. We consent to the incorporation by reference of said report in the Registration Statements of VSE Corporation on Forms S-8 (File No. 333-195802, File No. 333-195803, and File No. 333-134285).

/s/ Grant Thornton LLP

Arlington, Virginia
April 4, 2019

Exhibit 99.1

1st Choice Aerospace Inc.
Combined Statement of Assets Acquired and Liabilities Assumed
As of December 31, 2018

Table of Contents

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors

1st Choice Aerospace Inc.

We have audited the accompanying combined statement of assets acquired and liabilities assumed of 1st Choice Aerospace Inc. (a Florida corporation) and 1st Choice Aerospace Inc. (an Ohio corporation) (collectively, the "Company"), as of December 31, 2018 and the related notes to the combined statement of assets acquired and liabilities assumed.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the combined statement of assets acquired and liabilities assumed in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined statement of assets acquired and liabilities assumed that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the combined statement of assets acquired and liabilities assumed based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined statement of assets acquired and liabilities assumed are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined statement of assets acquired and liabilities assumed and related notes thereon. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined statement of assets acquired and liabilities assumed, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined statement of assets acquired and liabilities assumed in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined statement of assets acquired and liabilities assumed and related notes thereon.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined statement of assets acquired and liabilities assumed referred to above present fairly, in all material respects, the combined assets acquired and liabilities assumed of the Company as of December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 of the combined statement of assets acquired and liabilities assumed, which describes that the accompanying statement was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in Form 8-K/A of VSE Corporation and are not intended to be a complete presentation of the financial position of the Company. Our opinion is not modified with respect to this matter.

/s/ Grant Thornton LLP

Arlington, Virginia
April 4, 2019

1st Choice Aerospace Inc.
Combined Statement of Assets Acquired and Liabilities Assumed
As of December 31, 2018
(in thousands)

Assets acquired		
Current assets:		
Cash and cash equivalents	$	796
Receivables		6,757
Inventories		7,271
Other current assets		382
Total current assets		15,206
Property and equipment		4,044
Other assets		333
Total assets acquired	**$**	**19,583**
Liabilities assumed		
Accounts payable	$	2,788
Accrued expenses and other liabilities		2,184
Total liabilities assumed	**$**	**4,972**
Net assets acquired	**$**	**14,611**

The accompanying notes are an integral part of the combined statement of assets acquired and liabilities assumed.

1st Choice Aerospace Inc.
Notes to Combined Statement of Assets Acquired and Liabilities Assumed
As of December 31, 2018

(1) Description of Transaction and Basis of Presentation

Description of Transaction

On January 10, 2019, VSE Aviation, Inc. (“VSE Aviation”), a wholly owned subsidiary of VSE Corporation (“VSE”), and VSE entered into a definitive Share Purchase Agreement (the “SPA”) to acquire two privately held aviation supply chain management companies, 1st Choice Aerospace Inc., a Florida corporation, and 1st Choice Aerospace Inc., an Ohio corporation, (collectively referred to herein as the “1st Choice Aerospace” or the "Company"), by acquiring all of their outstanding common stock (the “Acquisition”). The Company, with operations in Florida and Kentucky, is a provider of component maintenance, repair and overhaul ("MRO") services for new generation and legacy commercial aircraft.

As set forth in the SPA, VSE Aviation acquired all of 1st Choice Aerospace's outstanding common stock on January 10, 2019 for an initial purchase price of $112 million paid in cash at the closing of the Acquisition (the “Closing”). The purchase price is subject to certain other adjustments pursuant to the SPA, including in respect of 1st Choice Aerospace's closing net working capital. Also, VSE Aviation will be required to make additional purchase price payments consisting of up to $40 million, if certain “gross profit” (as defined in the SPA) financial targets are satisfied by 1st Choice Aerospace on a combined basis during 2019 and 2020.

Basis of Presentation

The accompanying financial statement is not a complete set of financial statements, but rather it presents the assets acquired and liabilities assumed in the acquisition of 1st Choice Aerospace as of December 31, 2018. In accordance with a request for relief granted by the Securities and Exchange Commission (“SEC”), the Combined Statement of Assets Acquired and Liabilities Assumed of 1st Choice Aerospace is provided in lieu of certain historical financial information of 1st Choice Aerospace required by Rule 3-05 and Article 11 of SEC Regulation S-X.

The accompanying Combined Statement of Assets Acquired and Liabilities Assumed has been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The combined accounts include the accounts and transactions of 1st Choice Aerospace, which represents two legal entities under common management and control, and therefore intercompany balances and transactions have been eliminated in combination.

(2) Summary of Significant Accounting Policies

The use of the terms “we” and “our” in the following sections is attributed to 1st Choice Aerospace.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and related disclosures. Actual results could differ from those estimates. Significant estimates affecting the Combined Statement of Assets Acquired and Liabilities Assumed include, but are not limited to, valuation of inventory and reserves for warranty obligations.

Cash and Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Allowance for Doubtful Accounts

Receivables are recorded at amounts earned less an allowance for doubtful accounts. We review our receivables regularly to determine if there are any potentially uncollectible accounts. We assess the adequacy of these reserves by considering general factors, such as the length of time individual receivables are past due and historical collection experience.

Inventories

Inventories are stated at lower of cost or net realizable value. We write-off excess and obsolete inventory based upon historical experience, sales trends, specific categories of inventory, and age of on-hand inventory. Our inventory primarily consists of commercial aviation engine accessories and parts.

Inventories at December 31, 2018 consists of the following (in thousands):

Aircraft engine accessories and parts, components and finished goods		6,617
Work in process		654
Total	$	7,271

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and includes $633 thousand of labor costs associated with the development of internally fabricated machinery and equipment. Labor costs incurred to develop internally fabricated equipment are capitalized and depreciated over the estimated useful lives of the equipment once placed in service. Depreciation is calculated using the straight-line method over the estimated economic lives of the assets, which range from two to 10 years for furniture, machinery and equipment.

Property and equipment at December 31, 2018 consists of the following (in thousands):

Machinery and equipment	$	4,005
Furniture, fixtures, and other		39
Total property and equipment	$	4,044

(3) Commitments and Contingencies

The Company's principal commitments consists of non-cancellable leases for its offices and warehouses. Rental expense associated with these leases is recognized on a straight-line basis with differences between expense recognized and contractual payments captured as deferred rent in accrued expenses and other liabilities on the accompanying Combined Statement of Assets Acquired and Liabilities Assumed. Such amount is not material as of December 31, 2018. The aforementioned leases are assumed by VSE Aviation as part of the aforementioned Acquisition on January 10, 2019 and related deferred rent will reset as part of the purchase price allocation.

The Company is from time to time subject to various claims, pending and threatened litigation or other legal proceedings, investigations and/or regulatory proceedings arising in the normal course of business, including, among others, those relating to product liability claims, employment matters, worker's compensation claims, contractual disputes, product warranty claims and alleged violations of various laws and regulations. The Company accrues for known individual matters using estimates of the most likely amount of loss where it believes that it is probable the matter will result in a loss when ultimately resolved and such loss is reasonably estimable. The Company is not aware of any existing matters that would have a material adverse effect on the Company's combined statement of assets acquired and liabilities assumed.

(4) Subsequent Events

Subsequent events have been evaluated through April 4, 2019, the date the Combined Statement of Assets Acquired and Liabilities Assumed was available to be issued. The Company is not aware of any subsequent events that would require recognition or disclosure in the accompanying Combined Statement of Assets Acquired and Liabilities assumed, except for the acquisition of the Company by VSE Aviation on January 10, 2019.

Exhibit 99.2

VSE Corporation and Subsidiaries
Unaudited Pro Forma Condensed Combined Financial Information

Table of Contents

Unaudited Pro Forma Condensed Combined Financial Statements

On January 10, 2019, VSE Corporation ("VSE") and its wholly owned subsidiary VSE Aviation, Inc. ("VSE Aviation") completed an acquisition of 1st Choice Aerospace Inc. ("1st Choice Aerospace"), two privately owned aviation companies with operations in Florida and Kentucky that provide component maintenance, repair and overhaul ("MRO") services and products for new generation and legacy commercial aircraft.

The unaudited pro forma statements of income for the year ended December 31, 2018 combines the historical consolidated statement of income of VSE for the year ended December 31, 2018 and historical unaudited statement of income of 1st Choice Aerospace for the year ended December 31, 2018. The unaudited pro forma condensed consolidated statements of income are presented as if VSE's acquisition of 1st Choice Aerospace (the "Acquisition") had occurred on January 1, 2018.

The historical consolidated financial information of VSE and the financial information of 1st Choice Aerospace have been adjusted in the unaudited pro forma financial statements to give effect to pro forma events that are (1) directly attributable to the Acquisition, (2) factually supportable and (3) with respect to the statements of income, expected to have a continuing impact on the combined results. The unaudited pro forma condensed consolidated financial information should be read in conjunction with the accompanying notes thereto. In addition, the unaudited pro forma condensed consolidated financial information was based on and should be read in conjunction with the historical audited consolidated financial statements for the year ended December 31, 2018 and the related notes of VSE included in its Annual Report on Form 10-K.

The unaudited pro forma condensed consolidated financial statements are provided for informational purposes only and are not intended to represent what the actual results of operations or the financial position of VSE would have been had the Acquisition been completed as of the dates indicated. In addition, the unaudited pro forma condensed consolidated financial information does not purport to project the future financial position or operating results of VSE nor does it reflect any operational efficiency that may have been achieved if the Acquisition had occurred on January 1, 2018.

The unaudited pro forma condensed consolidated financial information has been prepared using the acquisition method of accounting which requires, among other things, the assets acquired and liabilities assumed to be recognized at their fair values as of the acquisition date. We believe that the fair values assigned to the assets acquired and the liabilities assumed, as reflected in the pro forma financial statements, are based on reasonable assumptions. However, all components of the purchase price allocation are considered preliminary. VSE's judgments used to determine the estimated fair value assigned to each class of assets acquired and liabilities assumed can materially impact the results of operations.

VSE Corporation and Subsidiaries
Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2018
(in thousands)

	VSE*	1st Choice Aerospace**	Adjustments		Pro Forma as Adjusted
Assets					
Current assets:					
Cash and cash equivalents	$ 162	$ 796			$ 958
Accounts receivables, net	60,004	6,757			66,761
Unbilled receivables, net	41,255	—	1,089	(1)	42,344
Inventories, net	166,392	7,271	(654)	(1)	173,009
Other current assets	13,407	382			13,789
Total current assets	281,220	15,206			296,861
Property and equipment, net	49,606	4,044			53,650
Intangible assets, net	94,892	—	63,000	(2)	157,892
Goodwill	198,622	—	60,010	(2)	258,632
Other assets	14,488	333			14,821
Total assets	$ 638,828	$ 19,583			$ 781,856
Liabilities and Stockholders' equity					
Current liabilities:					
Current portion of long-term debt	$ 9,466	$ —			$ 9,466
Accounts payable	57,408	2,788			60,196
Current portion of earn-out obligation	—	—	11,000	(3)	11,000
Accrued expenses and other current liabilities	37,133	2,184			39,317
Dividends payable	871	—			871
Total current liabilities	104,878	4,972			120,850
Long-term debt, less current portion	151,133	8,466	104,590	(4) (5)	264,189
Deferred compensation	17,027	—			17,027
Long-term lease obligations, less current portion	18,913	—			18,913
Earn-out obligation, less current portion	—	—	14,000	(3)	14,000
Deferred tax liabilities	18,482	—			18,482
Total liabilities	310,433	13,438			453,461
Stockholders' equity:					
Common stock	544	151	(151)	(6)	544
Additional paid-in capital	26,632	2,699	(2,699)	(6)	26,632
Retained earnings	301,073	3,295	(3,295)	(6)	301,073
Accumulated other comprehensive income	146	—			146
Total stockholders' equity	328,395	6,145			328,395
Total liabilities and equity	$ 638,828	$ 19,583			$ 781,856

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

*	As presented in VSE's annual report on Form 10-K for the year ended December 31, 2018.
**	Per 1st Choice Aerospace's unaudited historical balance sheet as of December 31, 2018.

Adjustments to the Unaudited Pro Forma Condensed Combined Balance Sheet:

(1)	To reflect the impact of the adoption and ongoing effects of the accounting treatment of ASC Topic 606.
(2)	To reflect the estimated fair value of acquired intangible assets and residual goodwill.
(3)	To reflect the Acquisition date fair value of the earn-out obligation.
(4)	To eliminate 1st Choice Aerospace's historical debt paid off at closing.
(5)	To reflect the borrowings from revolving loan facilities to fund the Acquisition.
(6)	To eliminate the historical additional paid-in capital and retained earnings of 1st Choice Aerospace.

VSE Corporation and Subsidiaries
Unaudited Pro Forma Condensed Combined Statement of Income
For the Year Ended December 31, 2018
(in thousands, except share and per share amounts)

	VSE*	1st Choice Aerospace**	Adjustments		Pro Forma as Adjusted
Revenue:					
Products	$ 360,505	$ —	$ —		$ 360,505
Services	336,713	46,129	469	(7)	383,311
Total revenue	697,218	46,129	469		743,816
Operating costs and expenses:					
Products	303,881	—	—		303,881
Services	321,076	25,380	12,014	(7) (8)	358,470
Selling, general and administrative expenses	3,714	11,947	(12,646)	(8) (9)	3,015
Amortization of intangible assets	16,017	—	4,124	(10)	20,141
Total operating costs and expenses	644,688	37,327	3,492		685,507
Gain on sale of contract	1,700				1,700
Income (loss) from operations	54,230	8,802	(3,023)		60,009
Interest expense, net	8,982	427	3,621	(11)	13,030
Income before provision from income taxes	45,248	8,375	(6,644)		46,979
Provision for income taxes	10,168	40	349	(12)	10,557
Net income	$ 35,080	$ 8,335	$ (6,993)		$ 36,422
Net income per share:					
Basic	$ 3.23				$ 3.35
Diluted	$ 3.21				$ 3.33
Weighted-average number of shares used in per share amounts:					
Basic	10,876,201				10,876,201
Diluted	10,936,057				10,936,057

The accompanying notes are an integral part of
these unaudited pro forma condensed combined financial statements.

* As presented in VSE's annual report on Form 10-K for the year ended December 31, 2018.

** Per 1st Choice Aerospace's unaudited historical statement of income for the year ended December 31, 2018.

Adjustments to the Unaudited Pro Forma Condensed Combined Statement of Income:

(7)	To reflect the revenue recognition impact of the adoption and ongoing effects of the accounting treatment of ASC Topic 606.
(8)	To reflect the reclassification of $11,732 of certain operational costs of 1st Choice Aerospace from selling, general and administrative expenses to product costs to conform to VSE's income statement presentation.
(9)	To reflect the elimination of VSE and 1st Choice Aerospace acquisition related costs of $914.
(10)	To reflect the amortization of the preliminary fair values of acquired intangible assets for the year ended December 31, 2018.
(11)	To eliminate 1st Choice Aerospace’s historical interest expense and reflect estimated interest expense associated with borrowings from revolving loan facilities to fund the Acquisition.
(12)	To reflect the tax effects of the pro forma adjustments and the historical pre-tax income of 1st Choice Aerospace at the estimated effective income tax rate that would have been in effect had the Acquisition closed on January 1, 2018.

(1) Acquisition Transaction

On January 10, 2019, VSE Corporation ("VSE") and its wholly owned subsidiary VSE Aviation, Inc. ("VSE Aviation") completed an acquisition of 1st Choice Aerospace Inc. ("1st Choice Aerospace"), two privately owned aviation companies with operations in Florida and Kentucky that provide component maintenance, repair and overhaul ("MRO") services and products for new generation and legacy commercial aircraft.

The acquisition of 1st Choice Aerospace was accounted for under FASB Accounting Standards Codification Topic 805 (ASC 805),*Business Combinations*. The fair values of assets acquired and the liabilities assumed are based on preliminary estimates of fair values as of the acquisition date. Preliminary fair value estimates may change as additional information becomes available. There can be no assurance that the final determination will not result in material changes from these preliminary amounts.

Cash paid at closing included the purchase price of $112 million and an estimated net working capital adjustment of approximately $1 million. The total estimated acquisition consideration used in preparing the unaudited pro forma condensed consolidated financial statements is as follows (in thousands):

Cash consideration	$	113,056
Acquisition date fair value of earn-out obligation		25,000
Total consideration	$	138,056

(2) Preliminary Allocation of Purchase Price

We performed a preliminary allocation of purchase price to the net identifiable assets acquired based on their estimated fair values as of January 10, 2019, with the excess recognized as goodwill. The allocation of the purchase price shown in the table below is preliminary and subject to change based on finalizing our detailed valuations. We allocated the purchase price as follows (in thousands):

Description		Fair Value
Cash and cash equivalents	$	796
Accounts receivable		7,846
Inventories		6,617
Other current assets		382
Property and equipment		4,044
Intangibles - customer-related		55,000
Intangibles - trade name		8,000
Other assets		333
Current liabilities		(4,972)
Net identifiable assets acquired		78,046
Goodwill		60,010
Total consideration	$	138,056
Cash consideration	$	113,056
Acquisition date fair value of earn-out obligation		25,000
Total consideration	$	138,056

The value attributed to customer-related and trade name intangibles is being amortized on a straight-line basis over useful lives of 17 years and 9 years, respectively.