

Headline News

General Dynamics to Acquire Veridian Corp. for \$1.5 Billion

June 9, 2003

HOUSTON -- General Dynamics (NYSE: GD) will acquire Veridian in a transaction estimated at \$1.5 billion. General Dynamics will offer \$35 in cash for each outstanding Veridian share and will assume \$270 million of debt.

"This superb company significantly broadens our Information Systems and Technology group's customer base within the defense and intelligence arenas, and gives us a strong and well-established presence throughout our nation's federal, state and local emergency response communities," said Nicholas D. Chabraja, General Dynamics chairman and CEO. "Veridian has grown dramatically in the past 12 months, and we believe it will reach its full potential as part of General Dynamics. It has talented, innovative employees and a fine reputation as a leading provider of mission critical information-based systems, integrated solutions and services."

Veridian's capabilities include network security and enterprise protection; intelligence, surveillance and reconnaissance; knowledge discovery and decision support; information systems development and integration; chemical, biological and nuclear detection; network and enterprise management; and large-scale systems engineering expertise. More than 75 percent of Veridian's employees hold national security clearances.

David H. Langstaff, president and CEO of Veridian, said, "Veridian is known for its outstanding customer service, overall excellence, and the commitment and high standards our employees bring to their work every day. We have established a reputation for integrity and responsibility as we support the mission-critical needs of our national security customers. The acquisition by General Dynamics not only provides significant value for our shareholders, but it enables Veridian to become an even more significant force in its markets. We will be able to invest more aggressively in many of the innovative technologies and capabilities for which we are known, provide a stronger future for our employees as well as broader offerings to our customers, and continue to make a difference in areas that matter for our country."

Andrews & Kurth took Veridian public in a \$216 million IPO in June 2002 and advised it in its \$227 million purchase of Signal Corp. that September. Andrews & Kurth lawyers representing Veridian included Jim Baird, Kin Gill, and Scott Tallman for corporate and securities matters. Additional attorneys assisting in the deal were Mike Fremuth, Tom Perich and Randy Bryant.

Andrews & Kurth L.L.P., founded in 1902, is headquartered in Houston, has approximately 400 lawyers and additional offices in Austin, Dallas, The Woodlands, Los Angeles, London, New York and Washington D.C. The firm has an international clientele and broad industry experience, particularly in the areas of bankruptcy, energy, environmental, corporate, finance, technology, real estate, tax, litigation, labor, health care and many others.