



News Release

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For Immediate Release

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ATK TO ACQUIRE SPACE SYSTEMS COMPANY -- PSI GROUP

ACQUISITION POSITIONS ATK FOR CONTINUED GROWTH

Minneapolis, July 12, 2004 - ATK (NYSE: ATK) has agreed in principle to acquire the PSI Group, which includes Pressure Systems Inc., Programmed Composites Inc., and Able Engineering Company, Inc. PSI Group is the nation's leading manufacturer of satellite components and propellant tanks. PSI provides mission-critical components for the emerging needs of the U.S. military, including next-generation global positioning, navigation and communication satellites. The acquisition will strengthen ATK's core space-based capabilities by increasing the company's content on missions, thereby expanding market opportunities.

Pending federal regulatory review and approval, the acquisition, which will be accretive to earnings, is expected to close in mid-August.

Headquartered in Commerce Calif., PSI has annual revenues of approximately \$100 million and employs 350 people. With its focus on state-of-the art technologies, PSI will join ATK's Advanced Propulsion and Space Systems (APSS) group. Don Shaffer, group vice president, APSS, said PSI's capabilities strengthen the company's portfolio as a system level integrator for satellite structures and other spacecraft.

"The acquisition enhances our ability to provide the most advanced space systems in the world," said Shaffer. "Combined with ATK's existing composite and propulsion technologies, we are well positioned to capture emerging opportunities in spacecraft integration and satellite technology."

PSI is the world's largest provider of pressure tanks for satellites and launch vehicles. It is also a leader in the development of deployable, telescoping booms for launch and recovery of space hardware. Its solar array substrate capability, unmatched in the industry, is critical to power generation throughout a spacecraft's life. In addition, PSI is an industry leader in manufacturing composite satellite bus structures, panels, and reflectors for space-based applications. New York-based Windward Capital Partners is the majority owner of the PSI Group.

ATK is a \$2.4 billion advanced weapons and space systems company employing 13,100 people in 23 states. News and information can be found on the Internet at www.atk.com.

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