



To all Digital Fusion Stakeholders:

I am very pleased to report on Digital Fusion's progress through the first quarter of 2008. We continue to focus on growing our customer base and increasing operational efficiency as the way to achieve our revenue and profit goals. The Company has experienced significant organic growth and we are more enthusiastic than ever about Digital Fusion's future. This growth has primarily been financed with cash flow from operations, and we continue to pay off debt and improve the balance sheet. Successful execution of our corporate strategy has led to very impressive results. It's an exciting time to be a member of the Digital Fusion Team, and I feel honored to lead the effort.

We have realigned operations to better execute and support our growth strategy, and better meet the mission-critical needs of our customers. We are poised to capitalize on market transitions underway as a result of the most recent Base Realignment and Closure (BRAC) round. A part of this realignment includes Mike Wicks taking on additional responsibilities as our Chief Operating Officer. Mike was the CEO and founder of Summit Research, a company Digital Fusion acquired in January 2005, and brings great entrepreneurial vision and energy to his new role.

Digital Fusion is maturing as a government services contractor and we continuously strive for process improvement in every aspect of our business. We have improved our business procedures and our corporate infrastructure, and we believe that this process improvement and refinement will lead to greater growth and profitability.

In the service business, your people are your most important asset and we continue to focus on providing the highest level of support for our employees. Employee morale and satisfaction are vital to the continued development of superior solutions for our customers and to the sustained success of the company. We continue to develop an exceptionally talented employee base to meet the demands of tomorrow by offering challenging work opportunities and fostering a corporate culture and work environment where employees are appreciated and rewarded.

Looking forward to the coming year, we remain focused on our key strategic objectives of expanding our customer base, growing our revenues and delivering superior services and products to our customers. If we achieve these objectives, Digital Fusion will grow and shareholder value will increase. We continue to focus on leveraging the synergies between our technical groups to better serve our current customers and to pursue new business opportunities. Our management team is committed to creating value for our shareholders and maintaining the highest standards of ethics and integrity in everything we do.

I want to close by thanking Digital Fusion's stockholders for your continued support; our board of directors for your thoughtful guidance and oversight; and every single Digital Fusion team member for the invaluable contributions you make to our continued success. It is our employee's continuing commitment to technical excellence and unsurpassed customer service that will ensure Digital Fusion's success and provides the greatest opportunity for increasing shareholder value.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Libutti".

Frank Libutti
Chairman of the Board of Directors
& Chief Executive Officer