



Kratos Receives \$35 Million Sole-Source USAF IDIQ Contract for Subscale Aerial Target Spares

September 19, 2019

SAN DIEGO, Sept. 19, 2019 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that the U.S. Air Force awarded Kratos Unmanned Systems Division a \$35,000,000 firm-fixed-price contract for Air Force Subscale Aerial Target peculiar spares. Work will be performed at Sacramento, California, and is expected to be complete by March 30, 2024. This award is the result of a sole source acquisition. Fiscal 2019 operations and maintenance funds in the amount of \$185,606; and fiscal 2019 aircraft procurement funds in the amount of \$35,255 are being obligated at the time of award. The Air Force Life Cycle Management Center, Eglin Air Force Base, Florida, is the contracting activity (FA8678-19-D-0001).

Kratos is a leading provider of high performance unmanned aerial drone systems for threat representative target missions to exercise weapon, radar, and other systems; and tactical aerial drone systems for strike/ISR and force multiplication missions. Work under this contract award will be performed at the Kratos Unmanned Systems Division facilities in Sacramento, California.

Steve Fendley, President of Kratos Unmanned Systems Division, said, "This welcomed announcement accompanies a week of successful meetings with our Air Force partners at the Air Force Association's Air, Space & Cyber Conference. Kratos looks forward to continuing to support the U.S. Air Force on this important contract and other current and future opportunities."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS) develops and fields transformative, affordable technology, platforms and systems for United States National Security related customers, allies and commercial enterprises. Kratos is changing the way breakthrough technology for these industries are rapidly brought to market through proven commercial and venture capital backed approaches, including proactive research and streamlined development processes. Kratos specializes in unmanned systems, satellite communications, cyber security/warfare, microwave electronics, missile defense, hypersonic systems, training, combat systems and next generation turbo jet and turbo fan engine development. For more information go to www.KratosDefense.com.

Notice Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of Kratos and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Kratos undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although Kratos believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Kratos in general, see the risk disclosures in the Annual Report on Form 10-K of Kratos for the year ended December 30, 2018, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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Source: Kratos Defense & Security Solutions, Inc.