



Kratos Awarded \$8 Million Contract to Provide State-of-the-Art Security System for a Major U.S. Transportation Agency

SAN DIEGO, July 26, 2011 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it has been awarded an \$8 million contract to design, engineer, install and integrate a state-of-the-art security system, including a specialized camera system, for one of the largest public transportation agencies in the world. The critical infrastructure and public safety and security contract award was made through Kratos' wholly owned subsidiary, Henry Bros. Electronics, Inc. (HBE). Kratos has performed similar work for other major United States transportation agencies, where hundreds of cameras are integrated into a centralized security operations network or command and control center. This type of work can provide a specialized security and surveillance solution in a timely manner to support the needs of certain agencies, including local security agencies, to monitor certain areas in times of heightened security requirements, or for high profile transportation venues during a security sensitive event. This new contract award also requires the integration and connection of numerous security and communication elements at high priority and high profile locations in this transportation network to operation centers for a number of public agencies. Due to certain customer related and other sensitivities, no additional information will be provided.

Ben Goodwin, President of Kratos Public Safety & Security Solutions, stated, "Kratos|HBE has once again demonstrated our domain expertise in a high traffic, high visibility environment for the deployment of a security solution in a very challenging transportation environment. As seen in other Critical Infrastructure/Key Resources (CIKR) applications and our deployments of surveillance solutions for DOD training sites, Kratos|HBE has demonstrated our commitment to supporting our customers in demanding applications. We would also like to acknowledge the continued dedication of our deployment staff in these applications for the long hours in difficult working conditions. We are very proud to be part of this program to enhance the security of this region's transportation infrastructure."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security technology business providing mission critical products, services and solutions for United States National Security priorities. Kratos' core capabilities are sophisticated engineering, manufacturing and system integration offerings for National Security platforms and programs. Kratos' areas of expertise include Command, Control, Communications, Computing, Combat Systems, Intelligence, Surveillance and Reconnaissance (C5ISR), unmanned systems, cyber warfare, cyber security, information assurance, critical infrastructure security and weapons systems sustainment. Kratos has primarily an engineering and technical oriented work force of approximately 3,900, the majority of which hold an active National Security clearance, including Secret, Top Secret and higher. The vast majority of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are United States Federal Government agencies, including the Department of Defense, classified agencies, intelligence agencies and Homeland Security related agencies. News and information are available at 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, including, without limitation, risks related to contract performance, government spending, and cutbacks in government funding. 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 the Company undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. 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 26, 2010, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

CONTACT: Press Contact:

Yolanda White

858-812-7302 Direct

Investor Information:

877-934-4687

investor@kratosdefense.com



Source: Kratos Defense & Security Solutions, Inc.

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