



## **Kratos Receives Multi-Million Dollar Award for M1A2 Abrams Main Battle Tank Maintenance Training Systems**

SAN DIEGO, Aug. 22, 2011 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it has received a new multi-million dollar contract award from CAE USA for M1A2 Abrams Battle Tank maintenance training systems. Under the subcontract award, Kratos will provide Hands On Trainers (HOTs) hardware to CAE USA under its contract with the Army's Program Executive Office for Simulation, Training and Instrumentation (PEO STRI) for the delivery of maintenance trainers for the M1A2 Abrams System Enhancement Package (SEP) Version 2 (V2) and the M1A1 Abrams Situational Awareness (SA) main battle tanks. Following final hardware/software integration and testing by CAE USA, the systems will be delivered to the Maneuver Center of Excellence at Fort Benning, GA, the U.S. Army Ordnance School at Fort Lee, VA and the Army National Guard Total Force Training Center at Gowen Field, ID. No additional information is provided due to customer specific and other considerations.

The M1A2 Abrams SEP V2 and M1A1 Abrams SA HOTs are both full fidelity trainers that provide a true-to-life environment for training and evaluating turret mechanics. The M1 Abrams trainers support all of the critical tasks necessary to train MOS (Military Occupational Specialty) maintenance specialists whose mission is to assure the performance and availability of these platforms.

The M1A2 Abrams SEP V2 and M1A1 Abrams SA are the latest version of the U.S. Army's trusted line of Abrams main battle tanks. Kratos has extensive, in-depth knowledge of the Abrams Main Battle Tank, the Bradley Fighting Vehicle and many other ground combat systems. The M1A2 Abrams SEP V2 and M1A1 Abrams SA will be in production for the U.S. Army at least through FY2013, with an additional modernization order currently scheduled for 2017. The life cycle expectancy for the Abrams Main Battle Tank is at least through 2025.

Phil Carrai, President of the Kratos Technology and Training Division, stated, "We are very pleased to work closely with CAE USA to assist the U.S. Army to ensure the readiness, reliability and operational effectiveness of the M1A2 Abrams SEP V2 and M1A1 Abrams SA. As a leading manufacturer for maintenance training systems for over 10 years, Kratos is an established partner for high performance training systems. Kratos has again been selected as a key partner of CAE USA for the delivery of high performance training systems for the Abrams and Bradley platforms."

The award comes on the heels of a recent announcement that Kratos received \$6.4 million in contract awards to support maintenance training for key U.S. Army Aviation platforms, including its full-fidelity Black Hawk Avionics Trainer (BHAT-M) for the M model of the UH-60.

Kratos provides numerous training solutions to the U.S. Army and other military services with a specific expertise in C5ISR and maintenance training solutions for mission critical Warfighter platforms such as the CH-47F Chinook, AH-64A Apache, M2/M3A2 ODS Bradley, M270 Multiple Launch Rocket System (MLRS) and M147 High Mobility Artillery Rocket System (HIMARS).

### **About Kratos Technology & Training Solutions, Inc.**

Kratos Technology & Training Solutions (KTTS) specializes in assuring the readiness, reliability and operational effectiveness of Warfighter and C5ISR systems by supplying Information Technology, Communications and lifecycle Training Solutions to its defense, government and commercial customers. KTTS helps organizations optimize their performance by improving training outcomes while reducing training time and costs, empowering a workforce that is fully equipped to maintain critical systems availability. Kratos defines, develops and delivers the optimal blend of media, from Computer-Based Training and game-based simulations to full-fidelity training devices, applying advanced workforce competency and instructional design capabilities so that organizations can meet and exceed mission performance goals. In Information Technology, KTTS develops, delivers and integrates products and services that assure the reliability, availability and security of mission-critical technology and communications 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 4,000, many 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](http://www.KratosDefense.com).

The Kratos Defense & Security Solutions, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3519>

### **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 funding, and cutbacks in government spending. 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.

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