



Kratos Team Awarded a Multi-Year C4ISR Contract in Excess of \$750 Million

Total Contract Potential Value Would Exceed \$1 Billion if All Contract Options Are Exercised

SAN DIEGO, Feb. 10, 2011 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) announced that its team has been awarded a multi-year contract to provide Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) services for a National Security customer. Under this IDIQ contract, the team can compete for task orders in excess of \$750 million for the installation, testing, evaluation and support of C4ISR-related equipment and systems. The term of the base contract is for approximately four years, with an additional two year period of performance if all options are exercised. The total potential value of the contract award would exceed \$1 billion if all contract options are exercised. Due to the nature of the customer and other sensitivities, no additional information was released.

"This new contract award is a crucial part of our corporate strategy to provide support for the installation, testing, evaluation and maintenance of mission-critical C4ISR systems. We have a long-standing history of providing C4ISR support to this customer, and we look forward to working with our prime contract partner in supporting this very important program and mission over the next several years," said Dave Carter, President of Kratos' Defense Engineering Services Division.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security 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 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 3,000, 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.

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. 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 27, 2009, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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