



## **Kratos Named as Alliant GSA Award Recipient**

### **\$50B Multiple Award IDIQ Contract Greatly Enhances Pursuit of Information Technology Programs**

SAN DIEGO, Apr 1, 2009 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading national security, information technology and public safety solutions provider, today announced that its subsidiary SYS Technologies has been named as an award recipient on the General Services Administration (GSA) Alliant ten year (five year base plus five year option) multiple award, Indefinite Delivery, Indefinite Quantity (IDIQ) contract with a ceiling value of \$50 billion.

The Alliant contract is designed to provide support in a variety of areas which are central to Kratos' business model, including information technology security, design, and support; modeling and simulation; and distance learning. The contract has the flexibility to award work on either a cost-plus, firm fixed price, or time & materials basis.

Howard Bates, President of Kratos Government Solutions, remarked "This is a very exciting and pivotal strategic, large business prime contract award for us. The scope of the contract vehicle will enable us to much more effectively market the complete breadth of expertise within our Information Technologies Solutions division, as well as our significant modeling and simulation capabilities. Now that Kratos has greatly enhanced its IT Solutions capabilities and past performance qualifications via several strategic acquisitions over the past two years, we will be able to use the Alliant contract vehicle to pursue broader, larger, and more complex opportunities in the federal IT market than we have in the past."

Phil Carrai, Executive Vice President of Kratos' Information Technology Solutions division, added "When we formed this division six months ago, we combined the knowledge, resources, and products from several of our acquired entities. This gave us an extraordinary concentration of capabilities in network management and operations, applications development and integration, network security, information assurance, distance learning, web 2.0, and content & knowledge management. The Alliant contract is the perfect vehicle for us to leverage our full range of capabilities on broader business opportunities with the U.S. government. It is a key win for us and we are all very excited about the substantial positive impact it will have on our future growth potential."

#### **About Kratos Defense & Security Solutions**

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) provides mission critical engineering, IT services and war fighter solutions for the U.S. federal government and for state and local agencies. Principal services include C4ISR, weapon systems sustainment, military weapon range operations and technical services, network engineering services, information assurance and cybersecurity solutions, security and surveillance systems, and critical infrastructure design and integration. The Company is headquartered in San Diego, California, with resources located throughout the U.S. and at key strategic military locations. 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**

This news release contains certain forward-looking statements that involve risks and uncertainties, including, without limitation, expressed or implied statements concerning the Company's expectations regarding future financial performance and anticipated revenues from the Alliant program. Such statements are only predictions, and the Company's actual results may differ materially. Factors that may cause the Company's results to differ include, but are not limited to: risks that the amount and timing of awards under the Alliant program will not meet the Company's expectations; risks that the integration of recently acquired businesses will prove more costly, take more time, or be more distracting than currently anticipated; risks of adverse regulatory action or litigation; risks associated with debt leverage; risks that our cost cutting initiatives will not provide the anticipated benefits; risks that changes or cutbacks in spending by the U.S. Department of Defense may occur, which could cause delays or cancellations of key government contracts; risks that changes may occur in Federal government (or other applicable) procurement laws, regulations, policies and budgets; risks relating to contract performance; changes in the competitive environment (including as a result of bid protests); failure to successfully consummate acquisitions or integrate acquired operations and competition in the marketplace which could reduce revenues and profit margins; risks that potential future goodwill impairments will adversely affect our operating results. The Company undertakes no obligation to update any forward-looking statements. These and other risk factors are more fully discussed in the Company's Annual Report on Form 10-K for the period ended December 28, 2008, and in other filings made with the Securities and Exchange Commission.

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