



Kratos Defense & Security Solutions Identifies Issues Related to Institutional Shareholders' Recent 13-F Filings as a Result of Company Name Change; Several Institutional Holdings Inaccurately Reported as Liquidated

SAN DIEGO, Nov 20, 2007 (PrimeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) (formerly Wireless Facilities, Inc.), a leading national defense and security solutions provider, announced today that 13-F regulatory reports recently filed by several of Kratos' institutional shareholders and provided to the Securities and Exchange Commission (SEC) for the quarter ended September 30, 2007 have mistakenly omitted the respective firms' holding of Kratos stock. The omission has resulted in the inaccurate reporting that a number of large institutional investors have liquidated their investment, although they have not. Verbal confirmation with several large shareholders, including the State of Wisconsin Investment Board and others, confirmed ongoing ownership of Kratos' stock, despite each firm's SEC filings indicating otherwise.

The situation appears to be the result of the company's name change from Wireless Facilities, Inc. to Kratos Defense & Security Solutions, announced on September 13, 2007 and effective as of September 17, 2007. At that time, the Company was assigned a new corporate CUSIP number, which is an individual identification number used to compile stock holdings of institutional investors. On a quarterly basis, an aggregate list of CUSIP numbers is generated and distributed to the institutional investment community, most recently on September 15, 2007, to report their holdings. As a result of the corporate name change taking place at the same time this aggregate list was being compiled, Kratos' new corporate name and CUSIP were inadvertently omitted on the SEC's quarter-end report. This omission resulted in several firms not reporting a holding of Kratos stock for the quarter ended September 30, 2007 despite their continued ownership of the stock.

Kratos received a number of inquiries related to its institutional ownership, and the Company quickly identified the CUSIP omission through verification with several of its large shareholders of their continued investment.

Institutional shareholders that are required to file quarterly 13-F filings are not obligated to report ownership in public companies that are not included on the formal SEC CUSIP list. As a result, current institutional investors were not required to report holdings in Kratos for the most recent filing period which ended on September 30, 2007. Kratos is in the process of contacting additional institutional shareholders which appear to have not reported stock ownership during the quarter ended September 30, 2007 to request the firms file an amended 13-F with the SEC. It must be noted that these institutional investors are not required to provide an amended holding during this time period. Representatives at the SEC confirmed that the proper CUSIP identification for Kratos will be available to institutional investors during the next filing period ending December 31, 2007.

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. Principle services include C4ISR, weapon systems lifecycle support, military weapon range and technical services, network engineering services, advanced IT services, security and surveillance systems, and critical infrastructure design and integration. The Company is headquartered in San Diego, California, with resources throughout the U.S. and in key strategic military locations. News and information are available at www.KratosDefense.com.

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

Notice Regarding Forward-Looking Statements

This news release contains certain forward-looking statements including, without limitation, expressed or implied statements concerning the Company's expectations regarding the timing of closing of the Haverstick acquisition, anticipated benefits to be realized from the Haverstick acquisition, actions the Company is taking to normalize the business to align with its new size and to reduce expenses related to its accounting, legal and employee-related insurance costs, facility costs, Directors & Officers insurance, and other non-recurring fees associated with winding down disposed businesses, expectations regarding future financial performance, contract awards and option exercises, cash flows and/or market developments that involve risks and uncertainties. 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 closing of the Haverstick transaction will be delayed or that the conditions to closing will not be satisfied; risks that funding for the Haverstick transaction is unavailable or delayed because KeyBanc is not satisfied with the results of its due diligence investigation; risks that the anticipated benefits of the Haverstick acquisition will not be achieved; risks that the integration of Haverstick or other potential acquisition targets will

prove more costly, take more time, or be more distracting than currently anticipated; risks that customers will not exercise options under existing and recently-awarded contracts; risks that the recent divestitures and change in business focus will cause disruption of the Company's operations and distraction of its management; risks that the Company's name change will cause disruption to individual and/or institutional shareholders; risks of adverse regulatory action or litigation; risks associated with debt leverage; 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; failure to successfully consummate acquisitions or integrate acquired operations and competition in the marketplace which could reduce revenues and profit margins. 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 31, 2006, the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2007, and in other filings made with the Securities and Exchange Commission.

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