

Kratos Awarded \$2.7 Million Army Video Surveillance and Security Contract

Award Extends Kratos' 3-Year Video Surveillance/CCTV Installation and Maintenance Responsibilities for An Additional 5 Years, Including Options

SAN DIEGO, Jul 20, 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 Public Safety and Security segment has won a 5-year follow-on contract at a major Army base for video security system integration, maintenance, equipment and services valued at more than \$2.7 million.

One key focus area under this IDIQ contract will be the use of specialized video cameras including video analytics software, to capture, recover, and compare license plate information against tag alert databases to assist base security personnel in identifying unauthorized vehicles, in the determination of whether a vehicle-of-interest has left the base, and other information.

"We are very pleased that we are able to continue and expand our strong relationship with the U.S. Army in support of their mission-critical, base-wide video security needs," said Ben Goodwin, President of Kratos' Public Safety and Security segment. "We have spent the last 3 years understanding our customers' unique security requirements, and we are looking forward to using that experience to expand their video surveillance capabilities, including enhanced IP and video analytics technologies, and to reaffirming their confidence in our expertise and reputation."

Kratos' Public Safety and Security segment provides specialized expertise in the areas of physical integrated security and building automation, including access control, identity management, biometrics, surveillance, and perimeter protection.

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.

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 including, without limitation, expressed or implied statements concerning the Company's expectations regarding the amount of revenue that will ultimately be recognized under the contract described in this release. 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 customer will curtail or delay the work under the contract; risks of adverse regulatory action or litigation; failure to ultimately settle ongoing 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 29, 2008, the Company's Quarterly Report on Form 10-Q for the period ended March 30, 2009, and in other filings made with the Securities and Exchange Commission.

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