



Kratos Awarded \$3.2 Million in Navy Workforce Learning and Performance Contracts

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SAN DIEGO, Jan 5, 2010 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading provider of information technology, information assurance, public safety, and workforce performance services, today announced that it has been awarded three contracts valued at a total of \$3.2 million to support the U.S. Navy's next-generation IT workforce.

Mike Bennett, Vice President of Kratos Learning and Performance Solutions, said, "These critical mission areas represent key components of the Navy's future IT, network and cyber workforces. We are honored to be able to play a role in the successful execution of programs that will have such considerable impact on future readiness and performance."

In the first contract, Kratos will plan, design and implement an Overseas Contingency Operations (OCO) Specialized Skills Training solution for the Space and Naval Warfare Systems Command (SPAWAR). The project helps the Navy keep pace with manpower surge requirements and evolving C4ISR systems and missions. Kratos will develop processes and tools to identify skill gaps, document competency requirements, develop training content, prepare and deploy a mobile training team, measure the impact of the solution and support forward deployed forces with performance support materials.

In the second contract, Kratos will develop new information technology training courses supporting shore network administration for the Navy Center for Information Dominance (CID). Working under contract to Space and Naval Warfare Systems Command (SPAWAR) Atlantic, Kratos will design, develop and deliver a blended learning solution for the Navy's enlisted information technology (IT) workforce. Blended solutions are learning programs that combine a variety of delivery channels and media ranging from eLearning, Web 2.0 and simulations to traditional face-to-face instruction.

In the third contract Kratos, as a subcontractor to Scientific Research Corporation, is completing manpower and training analysis for the Next Generation Enterprise Network (NGEN) program supporting more than 750,000 users of the Navy's shore-based networks. Over the past year, Kratos has assisted the government with planning manpower, personnel and training (MPT) considerations for the multi-billion dollar program's acquisition strategy, including initial manpower estimates and development of enterprise training requirement. The NGEN program represents one component of the enterprise network for the Department of the Navy (DON). It involves transforming the DON networks into the future NNE in order to enhance network reliability, adaptability, security and warfighter support.

About Kratos Workforce Development Solutions

Kratos is a leading provider of Workforce Development, Performance and Learning solutions that help military, federal government and commercial organizations enhance their operational readiness and ability to compete. Specializing in custom solutions that bring out the best in high-performance teams, Kratos uses proven methodologies to define requirements, empower the workforce, assess key indicators of competency and performance and develop mastery-based learning curricula using blended technologies such as eLearning, simulations and Learning 2.0 techniques. Kratos Workforce Solutions customers within the DoD Market are the Naval Education & Training Command, Space and Naval Warfare Systems Command and several Navy Program Executive Offices. Across the Federal and Commercial Markets, our largest customers include the Internal Revenue Service, Mitsubishi, Volkswagen and Sony.

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 September 28, 2009, and in other filings made with the Securities and Exchange Commission.

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