Kratos Receives $37.7 Million Skyborg Program Contract Award from USAF Advanced Aircraft Office

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SAN DIEGO, Dec. 08, 2020 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS), a leading National Security Solutions provider and industry-leading provider of high-performance, jet-powered unmanned aerial systems, announced today that Kratos has received a $37,771,577 award from the AFLCMC/WA Advanced Aircraft Program Executive Office for the Skyborg Delivery Order (DO) 2 contract to integrate, test, and deliver XQ-58A Valkyrie aircraft.

Steve Fendley, President of Kratos Unmanned Systems Division, said, "Kratos is excited to announce the receipt of the Skyborg DO 2 contract, meeting a long-term strategic objective. The Skyborg Program, one of three USAF Vanguard Programs, is focused on expanding the envelope of the application of unmanned aircraft use, particularly with respect to Artificial Intelligence. Kratos XQ-58A has been flying since March of 2019, approximately 30 months after aircraft conception, and was designed specifically for these applications and the ability to support missions from ISR to Strike in manned-unmanned teaming scenarios or in unmanned only mission sets. These capabilities are intended to substantially increase the effectiveness of our country's military mission sets, while at the same time reducing risk to the exquisite assets and manned elements—saving resources and, most importantly, lives."

The contract includes three phases of design, integration, and flight testing of the Kratos XQ-58A Valkyrie system, integrating multiple customer-defined mission payloads and customer-defined autonomy in coordination/cooperation with the Skyborg System Design Agent company, Leidos. Kratos currently works in partnership with Leidos' Dynetics on the Gremlins Program.

About Kratos Defense & Security Solutions
Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS) develops and fields transformative, affordable technology, platforms and systems for United States National Security related customers, allies and commercial enterprises. Kratos is changing the way breakthrough technology for these industries are rapidly brought to market through proven commercial and venture capital backed approaches, including proactive research and streamlined development processes. At Kratos, affordability is a technology, and we specialize in unmanned systems, satellite communications, cyber security/warfare, microwave electronics, missile defense, hypersonic systems, training, combat systems and next generation turbo jet and turbo fan engine development. For more information, please visit www.KratosDefense.com.

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 Kratos undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although Kratos believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. 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 29, 2019, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

Press Contact:
Yolanda White
858-812-7302 Direct

Investor Information:
877-934-4687
investor@kratosdefense.com

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