



Kratos Receives New Hypersonic System Program Award with Total Potential Value of Approximately \$100 Million

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SAN DIEGO, Jan. 13, 2025 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq: KTOS), a technology company in Defense, National Security and Global Markets, announced today that it has recently received an approximate \$100 million total potential value hypersonic system program award. Approximately \$15 million of funding has been received by Kratos at contract award, with significant increased funding expected in the second half of Kratos fiscal year 2025. Under the new program contract award, Kratos will provide engineering, systems and hardware. Work related to the program will be performed at secure Kratos fabrication, manufacturing and system integration facilities. Due to competitive, security related and other considerations, no additional information will be provided.

Tom Mills, President of Kratos C5ISR Division, stated, "Kratos' reputation as the industry leader in delivering military quality hardware, products and systems at scale, was a key factor in the receipt of this new program award. The design, engineering and production of National Security related hardware, that must work every time, is hard, and I am proud of our entire organization's commitment to the United States and its allies' mil spec system requirements."

Eric DeMarco, Kratos President and CEO, said, "Kratos is the recognized industry leader in the rapid development and fielding of affordable hypersonic systems, including Erinyes and Zeus, tactical unmanned jet drone aircraft including Thanatos and Valkyrie, jet engines for aerial drones and missiles and related C5ISR hardware. At Kratos, it's products today, not PowerPoints of a hoped for, maybe someday system, at an unknown cost. Kratos warfighter and mission focused customers understand that "better is the enemy of good enough and ready to field today", while reducing development cost and saving money in today's increasing fiscally challenging environment."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS) is a technology, products, system and software company addressing the defense, national security, and commercial markets. Kratos makes true internally funded research, development, capital and other investments, to rapidly develop, produce and field solutions that address our customers' mission critical needs and requirements. At Kratos, affordability is a technology, and we seek to utilize proven, leading-edge approaches and technology, not unproven bleeding edge approaches or technology, with Kratos' approach designed to reduce cost, schedule and risk, enabling us to be first to market with cost effective solutions. We believe that Kratos is known as an innovative disruptive change agent in the industry, a company that is an expert in designing products and systems up front for successful rapid, large quantity, low-cost future manufacturing which is a value-add competitive differentiator for our large traditional prime system integrator partners and also to our government and commercial customers. Kratos intends to pursue program and contract opportunities as the prime or lead contractor when we believe that our probability of win (PWin) is high and any investment required by Kratos is within our capital resource comfort level. We intend to partner and team with a large, traditional system integrator when our assessment of PWin is greater or required investment is beyond Kratos' comfort level. Kratos' primary business areas include virtualized ground systems for satellites and space vehicles including software for command & control (C2) and telemetry, tracking and control (TT&C), jet powered unmanned aerial drone systems, hypersonic vehicles and rocket systems, propulsion systems for drones, missiles, loitering munitions, supersonic systems, space craft and launch systems, C5ISR and microwave electronic products for missile, radar, missile defense, space, satellite, counter UAS, directed energy, communication and other systems, and virtual & augmented reality training systems for the warfighter. For more information, 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 31, 2023, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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