Kratos Defense & Security Solutions, Inc. Prices Public Offering of Common Stock

February 26, 2026

SAN DIEGO, Feb. 26, 2026 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (“Kratos”) (NASDAQ: KTOS), a Technology, Hardware, Products, System and Software Company addressing the Defense, National Security and Commercial Markets, today announced the pricing of an underwritten offering of 14,285,714 shares of its common stock at a public offering price of $84.00 per share pursuant to an effective shelf registration statement filed with the Securities and Exchange Commission (the “SEC”). The net proceeds to Kratos from the offering, after deducting underwriting discounts and commissions, are expected to be approximately $1,172,999,977. Kratos has also granted the underwriters a 30-day option to purchase up to an additional 2,142,857 shares of common stock. All of the shares in the offering are to be sold by Kratos. The offering is expected to close on March 2, 2026, subject to customary closing conditions.

Kratos expects to use the net proceeds of the offering (i) to continue to make important capital expenditures to scale operations and meet the growing demands of The Department of War and our National Security customers with respect to existing programs, recently awarded contracts and new opportunities, (ii) to continue to invest in new product, system and software product development, including building and being first to market with National Security Systems, including in coordination with our customers and partners, (iii) to strengthen the Company's balance sheet to allow us to be responsive to anticipated contract awards from our large, strategic pipeline of opportunities, (iv) to fund the recent acquisition of Nomad, pending acquisition of Orbit and select future strategic M&A opportunities, and (v) for general corporate purposes, including to pay fees and expenses in connection with the offering.

Baird, Raymond James, RBC Capital Markets and Truist Securities are acting as joint book-running managers for the offering.

The securities described above are being offered pursuant to an automatic shelf registration statement on Form S-3ASR (File No. 333-293786) that was previously filed by Kratos with the SEC and automatically became effective upon filing on February 26, 2026. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, these securities, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale is not permitted.

The offering will be made only by means of a prospectus supplement and the accompanying prospectus. The preliminary prospectus supplement and accompanying prospectus describing the terms of the offering have been filed with the SEC and a final prospectus supplement will be filed with the SEC. Copies of the final prospectus supplement and accompanying prospectus relating to the offering may be obtained, when available, from Robert W. Baird & Co. Incorporated, 777 E. Wisconsin Avenue, Milwaukee, Wisconsin 53202, by telephone at (800) 792-2473, or by email at syndicate@rwbaird.com, Raymond James & Associates, Inc., 880 Carillon Parkway, St. Petersburg, FL 33716, by telephone at (800) 248-8863, or by email at prospectus@raymondjames.com, RBC Capital Markets, LLC, 200 Vesey Street, New York, New York 10281, by telephone at (877) 822-4089, or by email at equityprospectus@rbccm.com, and Truist Securities, Inc., 740 Battery Ave. SE, 3rd Floor, Atlanta, Georgia 30339, Attention: Equity Capital Markets or by email at TruistSecurities.prospectus@Truist.com. Electronic copies of the final prospectus supplement and accompanying prospectus will also be available on the SEC’s website at www.sec.gov.

About Kratos Defense & Security Solutions
Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS) a technology, hardware, 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 relevant 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 the 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 our probability of win 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 probability of win 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, command, control, communication, computing, combat, intelligence surveillance and reconnaissance (C5ISR) and microwave electronic products for missile, radar, air defense, missile defense, space, satellite, counter unmanned aircraft systems (CUAS), directed energy, communication and other systems, and virtual & augmented reality training systems for the warfighter.

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. Such statements relate to a variety of matters, including, without limitation, Kratos' expectations regarding the sale of shares of its common stock in the proposed public offering, use of the expected proceeds from the proposed public offering and other statements that are not purely statements of historical fact. 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 including, but not limited to: risks and uncertainties related to market conditions, the satisfaction of customary closing conditions related to the proposed public offering, and general economic factors. There can be no assurance that Kratos will be able to complete the proposed public offering on the anticipated terms, or at all. 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 28, 2025 and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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