



Kratos Receives Approximately \$400 Million in New Funding for Hypersonic System and Other Programs

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SAN DIEGO, July 14, 2026 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq: KTOS), a technology company specializing in defense, national security, and global markets, today announced that it has recently received approximately \$400 million in funding from the Department of War (DoW) related to certain hypersonic system and other National Security related programs. Kratos is an industry leader in the engineering, development, production and integration of hypersonic systems, flight vehicles, solid rocket motors and other high-speed systems and vehicles.

Dave Carter, President of Kratos' Defense and Rocket Support Services Division, said, "Kratos is a leader in high-speed National Security Systems, including ballistic missile targets, flight test vehicles and recently, tactical systems, where Kratos' rapid design, engineering, development, flight and fielding capabilities of systems that can be mass produced at low-cost points are clear differentiators for our Company. Kratos' new Nemesis and Kraken initiatives are recent examples of Kratos' industry leading vision in the high speed systems area, and we are expecting additional important hypersonic related awards in the coming months."

Eric DeMarco, President and CEO of Kratos, said, "Beginning in June and both increasing and accelerating into July, Kratos is seeing significant funding from the DoW, which is expected to accelerate our organic growth rate, increase our operating cash receipts, while reducing our customer receivables, inventory and assets where Kratos had previously "leaned forward" to ensure we met or exceeded our customers schedule related and other expectations. Kratos is an industry leading defense technology company, focused on fielding affordable, relevant systems for the Department of War, while generating organic growth, increased margins and an acceptable rate of return on our investments, with a target of significant future cash flow generation."

Kratos remains at the forefront of hypersonic and advanced technology development and testing, providing affordable, high-performance solutions to meet the needs of the U.S. military and allied nations. Kratos is the only company delivering both propulsion and flyer systems, which includes Kratos' low cost [Erinyes Hypersonic Flyer](#), Dark Fury, [Zeus and Oriole Solid Rocket Motors](#), along with other Kratos systems and technologies. Kratos provides unmatched innovation, disruptive capabilities, mission responsiveness and affordability to our customers across our portfolio of systems.

Work under the hypersonic system programs will be performed at secure Kratos facilities and government locations. Due to security, competitive and other considerations, no additional information will be provided related to these programs.

For more information on Kratos and its hypersonic programs, visit www.kratosdefense.com.

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, advanced 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 and follow Kratos on [LinkedIn](#) and [X](#).

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 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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