

Kratos Teams With SAIC for \$72 Million Multiple Award Contract to Provide Support Services to Space and Naval Warfare Systems Center Pacific

SAN DIEGO, May 2, 2012 (GLOBE NEWSWIRE) -- <u>Kratos Defense & Security Solutions, Inc.</u> (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it was on the Science Applications International Corporation (SAIC) (NYSE:SAI) winning team to provide Intelligence Surveillance Reconnaissance (ISR), Information Operations (IO), Systems Engineering, Software Development, and Test and Evaluation services to Space and Naval Warfare Systems Center Pacific (SSC Pacific). Kratos will provide systems engineering, software development, test and evaluation, and program management services in support of ocean surveillance systems. The five-year indefinite-delivery/indefinite-quantity contract includes a three-year base and two option years and a potential contract value of approximately \$72.6 million if all task orders and the option are exercised.

"Contract awards like this give Kratos the ability to grow our SSC Pacific presence and strengthen relationships with our customers. As always, we are very excited to support SSC Pacific and its mission," said Vic Wilson, Senior Vice President of Kratos' Engineering & Analysis Business Unit.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security technology business providing mission critical products, services and solutions for United States National Security priorities. Kratos' core capabilities are sophisticated engineering, manufacturing and system integration offerings for National Security platforms and programs. Kratos' areas of expertise include Command, Control, Communications, Computing, Combat Systems, Intelligence, Surveillance and Reconnaissance (C5ISR), satellite communication systems, unmanned systems, cyber warfare, cybersecurity, information assurance, critical infrastructure security and weapons systems sustainment. Kratos has primarily an engineering and technical oriented work force of approximately 4,100, many of whom hold an active National Security clearance, including Secret, Top Secret and higher. The vast majority of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are United States Federal Government agencies, including the Department of Defense, classified agencies, intelligence agencies and Homeland Security related agencies. News and information are available at <u>www.KratosDefense.com</u>.

The Kratos Defense & Security Solutions, Inc. logo is available at http://www.globenewswire.com/newsroom/prs/?pkgid=3519

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, including risks related to general economic conditions and cutbacks in government spending. 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. 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 25, 2011, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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