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Kratos' Third UTAP-22 Flight Exceeds Objectives, Successfully Performing All Primary and Alternate Test Points

Two Kratos Unmanned Aircraft Perform Mission in Continuous Collaborative Airborne Operations

SAN DIEGO, Dec. 21, 2015 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it has successfully performed the third flight demonstration of its Unmanned Tactical Aerial Platform (UTAP-22) on December 11, 2015, on the Navy test range at China Lake, CA. This mission demonstrated two UTAP-22 aircraft in continuous collaborative airborne operations through the tactical datalink while flying formation with one another, flying formation with a third UTAP (simulated) as the lead aircraft, lead-follow in semi-autonomous/autonomous modes, lead-follow in manual/autonomous modes, and multiple autonomous joins from several pre-join scenarios. Additionally, the Kratos UTAP-22 successfully coordinated semi-autonomous payload deployment, breaking formation to perform independently with a subsequent rejoin, and loyal/trusted wingman flight with one UTAP being flown as if it were a manned aircraft and the second UTAP-22 joining and sustaining autonomous formation. Throughout the mission multiple UTAP-22 were controlled by a single operator. Due to competitive and other considerations, certain other information related to the Kratos UTAP-22, including details of the Company's demonstration flights and aircraft performance characteristics are not being disclosed.

The Kratos UTAP-22 is a high performance unmanned jet aircraft designed specifically for tactical missions and tactical payload operations/delivery with key features focused on survivability in challenging and hostile environments. The results from this demonstration flight series validated the concept and technical readiness of Kratos' tactical UAVs with fighter like performance operating collaboratively with each other and collaboratively with manned aircraft. The Kratos technology is scalable, enabling multiple unmanned aircraft and manned aircraft to be deployed simultaneously without requiring an operator for each unmanned aircraft.

Jerry Beaman, President of Kratos Unmanned Systems Division, said, "The successful demonstration series is an unprecedented accomplishment and an important step towards our entry in the Tactical Unmanned Aerial Systems market. Manned/Unmanned teaming of tactical aircraft with a UAV capable of tactical speeds and maneuverability will provide the warfighter with an inexpensive force multiplier and unmanned wingman; an unprecedented capability."

Eric DeMarco, President and CEO of Kratos said, "This third successful flight of multiple Kratos UTAP-22's flying in continuous collaborative airborne operations and successfully exceeding all planned mission objectives concludes the initial development stage of Kratos tactical unmanned aerial system strategy. Over the past few years we have made a significant discretionary investment in the development of the Kratos UTAP-22 aircraft and the successful demonstration of its high performance and collaborative capabilities. Now that we have successfully demonstrated the Kratos UTAP-22 and specific key capabilities, for 2016 we will be significantly reducing the capital, IRAD, NRE, and other investments we have been making, and we will focus more on the customer and market aspects of our unmanned tactical strategy which to date related feedback has been very encouraging".

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized Technology Company providing mission critical products, solutions and services for United States National Security. 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 and Intelligence, Surveillance and Reconnaissance (C5ISR) systems, satellite communications, electronic warfare, unmanned systems, hypersonic systems, directed and high power energy systems, electromagnetic railgun, missile defense, cyber warfare, cybersecurity, information assurance, and critical infrastructure security. Kratos has primarily an engineering and technically oriented work force of approximately 3,000. Substantially all of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are National Security related agencies. News and information are available at 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, including

risks related to product failure, general economic conditions and cutbacks in 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 28, 2014, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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