

Kratos Successfully Performs Demonstration and Test Flights With High Performance Unmanned Aerial Drone and Target Systems, Including One of the Company's Newest Platforms

Series of Successful Flights Included Missile and Radar System Engagements and Countermeasure Deployment

SAN DIEGO, Dec. 16, 2014 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that its Unmanned Systems Division (KUSD) has recently successfully completed a number of test and demonstration flights of two models of the Company's high performance unmanned aerial drone and target system platforms. The multiple flight missions were performed at a government range facility and included a number of high performance, high and low altitude maneuvers, the deployment of countermeasure systems, tow target systems and the engagement of missile and radar system assets. The recent flights also included the successful demonstration of certain new capabilities for one of Kratos' newest high performance aircraft, including the deployment of towed target systems. The successful flights were attended by a number of government and customer personnel, including potential new international customers. KUSD is a leading provider of unmanned aerial drone and target systems, which are designed to represent certain of the United States and its allies' potential peer or near peer adversaries' most sophisticated manned and unmanned aircraft, missile system and other threats. KUSD is also a leading provider of unmanned aerial, unmanned ground and unmanned seaborne vehicle command, control and communication systems, avionics, flight termination systems and electronics.

Jerry Beaman, President of KUSD, said, "Our entire organization is proud to have successfully participated in and executed these recent test and demonstration flights with certain of our highest performance unmanned aerial drone and target system platforms, including one of Kratos' newest type of aircraft. We believe that these successful flights, in addition to satisfying existing customer requirements, will result in a number of new opportunities for our Company, including several with potential new international customers."

Eric DeMarco, President and Chief Executive Officer of Kratos Defense & Security Solutions, said, "These recent successful flights of our high performance unmanned aircraft represent important progress for our Company's unmanned systems initiative. Additionally, we recently received a number of important unmanned drone or target system contract awards, including with the U.S. Air Force, representing one of the most important customers and programs for our Company, and our new unmanned combat aerial system (UCAS) or unmanned tactical aerial platform (UTAP) remains on track for test and demonstration flights in the second half of 2015."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security 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 Systems, Intelligence, Surveillance and Reconnaissance (C5ISR), satellite communication systems, electronic warfare, unmanned systems, missile defense, cyber warfare, cybersecurity, information assurance, and critical infrastructure security. Kratos has primarily an engineering and technically oriented work force of approximately 3,600. 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 29, 2013, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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