



Madison Research Corporation, a Subsidiary of Kratos, Awarded Prime Contract to Provide Support to U.S. Missile Defense Agency (MDA)

SAN DIEGO, Oct 25, 2010 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, today announced that its Weapon Systems Solutions (WSS) Division, Madison Research Corporation, is one of five companies awarded a prime indefinite-delivery/indefinite-quantity (ID/IQ) contract valued up to \$1.6 billion to provide engineering support services to the U.S. Missile Defense Agency (MDA). This contract was awarded under the unrestricted, full and open solicitation for Missile Defense Agency Engineering and Support Services (MiDAESS). Under the five-year engineering and support services contract, Kratos and its team will provide Advisory and Assistance (A&AS) support for Systems Engineering (MDA/DE) and Test (MDA/DT).

Eric DeMarco, Kratos' President and CEO, said, "Needless to say I could not be prouder of the entire Kratos team and organization. Years ago our Company put together a specific strategy to compete for and win a MiDAESS prime contract, which included the acquisition of Digital Fusion approximately 20 months ago, and led by Richard Selvaggio, President of Kratos' Weapons Systems (WSS) Division. We have succeeded in this very important objective. We believe that this new Missile Defense Agency contract award could very well be another significant and transformational step for our Company as we continue to execute our strategy.

Richard Selvaggio, President of Kratos' WSS, said, "Kratos and our teammates bring a fully integrated team capable of addressing MDA's evolving A&AS needs for the next decade and beyond. We look forward to working with our highly respected teammates in support of MDA on such an important program supporting our National Defense."

Subcontractors supporting Kratos on the contract are: AJA, Inc.; Amtec Corporation; Anautics; Analytical Services, Inc (ASI); Business Technologies and Solutions, Inc. (BTAS); Cadre5 LLC; Creative Computing Solutions, Inc. (CCSi); CSSI, Inc.; DCS Corporation; Dynamics Research Corporation (DRC); Enterprise Information Services (EIS); Garud Technology Services, Inc.; GeoLogics Corporation; Glacier Technologies LLC; K4 Solutions, Inc.; KAYA Associates, Inc.; North Carolina Agricultural and Technical (A&T) State University; Northington Consulting LLC; PROJECTXYZ, Inc.; QNA/Westar; Quality Networks, Inc.; Quadrus Corporation; Scientific, Inc.; Southern Research Institute (SRI); Sullivan International Group, Inc.; Sygnetics, Inc.; Syneren Technologies Corporation; Systems Products and Solutions, Inc. (SPS); TASC; Tec-Masters, Inc.; Teksouth Corporation; Trideum Corporation; Unisys Corporation; VI Ventures LLC; WaveLink, Inc.; and WILLCOR, Inc.

The work will be performed in the National Capital Region; Colorado Springs, CO; Huntsville, AL; and various other U.S. locations.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a United States National Security Solutions provider. Kratos provides Mission Critical Products, Solutions and Services for United States National and Homeland Security. Principal areas of expertise include C4ISR, sensor development, unmanned system solutions and support, weapon systems upgrade and sustainment; design, engineering, manufacturing and integration of military products, tactical and other shelters; military weapon range operations; critical network engineering services; information assurance and cybersecurity solutions; security and surveillance systems; and critical infrastructure security system design, integration and operation. The Company is headquartered in San Diego, California, with resources located throughout the U.S. and at key strategic military locations. News and information are available at www.KratosDefense.com.

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

Notice Regarding Forward-Looking Statements

This news release contains certain forward-looking statements including, without limitation, expressed or implied statements concerning the Company's expectations regarding the amount of revenue that will ultimately be recognized under the contract described in this release. Such statements are only predictions, and the Company's actual results may differ materially. Factors that may cause the Company's results to differ include, but are not limited to: risks that the customer will curtail or delay the work under the contract; risks of adverse regulatory action or litigation; risks associated with debt leverage; risks that changes or cutbacks in spending by the U.S. Department of Defense may occur, which could cause delays or cancellations of key government contracts; failure to successfully consummate acquisitions or integrate acquired operations and competition in the marketplace which could reduce revenues and profit margins. The Company undertakes no obligation to update any forward-

looking statements. These and other risk factors are more fully discussed in the Company's Annual Report on Form 10-K for the period ended December 27, 2009, the Company's Quarterly Report on Form 10-Q for the period ended June 27, 2010, and in other filings made with the Securities and Exchange Commission.

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SOURCE: Kratos Defense & Security Solutions, Inc.

CONTACT: Kratos Defense & Security Solutions, Inc.

Press Contact:

Yolanda White

858-812-7302

Investor Information:

877-934-4687

investor@kratosdefense.com

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