



## Kratos Awarded Foreign Military Sales Weapon Systems Task Valued At Approximately \$9.6 Million

### New Engineering Assignment Brings Total Task Order Funding to Approximately \$65 Million

SAN DIEGO, Dec 8, 2008 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading national defense, IT and security solutions provider, today announced the award to its Madison Research Division in Huntsville, Alabama of a new 18-month Engineering Assignment (EA) valued at approximately \$9.6 million. This fully-funded EA award for continued support of Foreign Military Sales (FMS) legacy weapon systems comes under the company's existing multi-year support task order with teammate ARINC Engineering Services, LLC. This is the largest fully-funded engineering assignment under this contract awarded to-date and brings the total funding of all tasks awarded to Kratos under this contract to approximately \$65 million.

"This award highlights the growth of one of our core capabilities and key differentiators as we continue our commitment to providing unparalleled weapon systems lifecycle support to our customers," said Richard Selvaggio, Senior Vice President of Kratos' Madison Research Division. "Our support of legacy weapon systems is a capability that is unique to Kratos and offers the opportunity for tremendous growth in the future."

Kratos continues to provide a full spectrum of critical engineering, systems analysis, integrated logistics support (ILS), fabrication, and manufacturing capability to support its FMS customers. These support efforts include the transition of new technology, reverse engineering, electronic circuitry and systems, materials, and components from the DoD and commercial sectors to solve obsolescence problems.

#### About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) provides mission critical engineering, IT services and war fighter solutions for the U.S. federal government and for state and local agencies. Principal services include C4ISR, weapon systems lifecycle support, military weapon range and technical services, network engineering services, advanced IT services, security and surveillance systems, and critical infrastructure design and integration. 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](http://www.KratosDefense.com).

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

#### About ARINC Engineering Services, LLC

ARINC Engineering Services, LLC is the wholly-owned defense contracting unit of ARINC Incorporated. ARINC Incorporated, a portfolio company of The Carlyle Group, provides communications, engineering and integration solutions for commercial, defense and government customers worldwide. Headquartered in Annapolis, Maryland with regional headquarters in London and Singapore, ARINC is ISO 9001:2000 certified. For more information, visit the web site at [www.arinc.com](http://www.arinc.com).

#### 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 revenues that will ultimately be derived from the AMCOM contract award and whether any additional work will be issued and the amount of revenues that will be derived from additional work, if it is issued. 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 work under the AMCOM contract will curtail, change or terminate; risks that the new business, if or when issued, may not have the scope of work anticipated by the Company; risks that the closing of the recently announced Digital Fusion acquisition will be delayed or that the conditions to closing will not be satisfied; risks that the integration of SYS or Digital Fusion will prove more costly, take more time, or be more distracting than currently anticipated; risks that the transaction will cause disruption of the Company's operations and distraction of its management; risks of adverse regulatory action or litigation; failure to ultimately settle ongoing 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 31, 2007, the Company's Quarterly Report on Form 10-Q for the period ended September 28, 2008, and in other filings made with the Securities and Exchange Commission.

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