



Kratos Defense & Security Solutions Awarded \$100 Million Contract to Provide Rocket Launch Services, Engineering Support and Cost Effective Rockets for the Department of Defense At White Sands Missile Range

Contract Supports Navy, Army and Air Force Research and Development Programs; Kratos' Proprietary Rocket Hardware Recognized

SAN DIEGO, Mar 28, 2008 (PrimeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading national defense and security solutions provider, today announced the award of a \$100 million indefinite-delivery/indefinite-quantity (IDIQ) prime contract to support the Department of Defense at the White Sands Missile Range in New Mexico. Under the contract, which has already begun issuing task orders to Kratos, the Company will provide rocket launch and engineering services and associated hardware for the Navy, Army, and Air Force related to advanced rocket, propulsion and national defense programs, with its partner ATK Mission Systems.

The contract includes a 5-year base period of performance valued at \$50 million and a 5-year option period valued at an additional \$50 million. Kratos will provide engineering and launch support services and proprietary rocket hardware in support of national defense programs. The contract was won by DTI/Rocket Support Services, a sector within the Haverstick Division of Kratos Government Solutions. DTI/RSS and Haverstick Consulting were acquired by Kratos in December, 2007. The contract provides a vehicle to continue the work DTI/RSS has been performing for the past several years, most notably in support of the successful Navy AEGIS Program.

"We are extremely pleased to be recognized for our high-quality work and our proprietary rocket hardware with the DoD at White Sands by receiving this follow-on contract," said Howard Bates President of the Haverstick Division of Kratos. "This contract highlights Kratos' commitment to excellence, cost-effective solutions and innovation, and provides us the opportunity to continue to grow as the premier provider of sounding rocket and suborbital missile defense testing & evaluation solutions."

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. Principle services include C5ISR, 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 throughout the U.S. and in 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.primenewswire.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 revenues the Company has estimated that it will receive under WSMR/IDIQ contract, including the duration of the contract, and these forward-looking statements involve risks and uncertainties. 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 concerning the actual amount of rocket and launch engineering services that the Company will perform under the contract; risks concerning the duration of the contract; risks involving delays in or questions over payments to the Company; 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; risks regarding failure to successfully consummate acquisitions or integrate acquired operations, which could reduce revenues and profit margins; risks associated with debt leverage, including the potential for the lender to declare an event of default based upon any of the events described in this release; and risks related to adverse regulatory action or litigation; risks associated with debt leverage. 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 30, 2007, and in other filings made with the Securities and Exchange Commission.

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