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Kratos Awarded Critical Infrastructure Security Contract With Total Potential Value of Approximately \$15 Million for Large Metropolitan Transportation System

SAN DIEGO, July 23, 2012 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that its Public Safety & Security Solutions (PSS) Division has recently received a new contract award for the design, engineering and deployment of a specialized security system for a major metropolitan transportation network. The specialized security system will utilize mobile surveillance elements and wireless technology, and will be integrated into a command and control system infrastructure. The contract includes a base award of approximately \$6 million, with a total potential value in excess of \$15 million if all system options are exercised. Due to specific customer related and other sensitivities and considerations, no additional information will be provided related to this contract award.

Ben Goodwin, President of Kratos' Public Safety & Security Solutions Division, said, "Public safety and security is our number one priority, and this surveillance and security system deployment is a critical element of this metropolitan agency's overall security strategy. All of Kratos and the entire PSS organization are proud to have been selected for this security and surveillance system deployment."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security technology business providing mission critical products, services and solutions 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, unmanned systems, cyber warfare, cybersecurity, information assurance, and critical infrastructure security. Kratos has primarily an engineering and technical oriented work force of approximately 4,400, many of whom hold an active National Security clearance, including Secret, Top Secret and higher. The vast majority of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are United States Federal Government agencies, including the Department of Defense, classified agencies, intelligence agencies and Homeland Security related agencies. 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

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 general economic conditions and cutbacks in government 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 25, 2011, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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