

Kratos Awarded Training Data Products Contract With \$780 Million Ceiling Value by Naval Air Warfare Center Training Systems Division

SAN DIEGO, Sept. 24, 2012 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced that it has been awarded a contract for the Naval Air Warfare Center Training Systems Division's (NAWCTSD) Training Data Products Contract (TDPC), a Multiple Award Contract (MAC). The TDPC, inclusive of all awarded contracts and ordering periods, has a total value of \$780 million and an eight-year ordering period.

This multiple award contract was designed to provide the Naval Air Systems Command Team with a streamlined, quick reaction vehicle for the acquisition and life cycle support of Training Data Products (TDP) for its many customers across the U.S. Navy, Department of Homeland Security and Foreign Military Sales. Based on application of the formal Instructional Systems Development (ISD) process, the TDPC scope supports multiple functional areas aligned to all phases of the ISD process.

Kratos' award supports competing for task orders across all TDPC functional areas, including (1) Analysis, Design and Evaluation; (2) Development, Production and Implementation; and (3) Sustainment. The TDPC will accommodate self-paced training, group-paced training, dual-purpose training, blended training, learner assessments, and performance support systems. The scope of the TDPC MAC is intended to support training system ISD requirements of Naval Air Systems Command's Aviation Training Systems Program Office, as well as the four NAWCTSD Program Directorates: Aviation, Surface, Undersea, and Cross-Warfare/International.

"Kratos brings a highly experienced team with proven knowledge and demonstrated execution ability across the full spectrum of training development," said Dan Dunaway, Senior Vice President of Kratos Training Solutions. "Kratos has an extensive track record of providing advanced training solutions to the U.S. Navy as well as the other uniformed services. We look forward to applying this knowledge and experience to developing the next generation of training solutions to enhance the readiness and performance of our nation's Warfighters."

"This is a key contract vehicle for the Navy and other armed services and provides new opportunity for our training solutions across the Navy's aviation, surface, undersea, and cross-warfare domains," said Phil Carrai, President of Kratos Technology and Training Solutions. "This award builds on our other recent training-focused IDIQ awards, including NTPS and TSC III, placing Kratos in a dynamic position both to reach new customers and better serve our existing clients."

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 technically oriented work force of approximately 4,400. 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 national 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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