

Kratos Converts Russian T-72 Tank to Unmanned Operation

Unmanned Systems Division Installs Remote Control Kit in a T-72 Tank

SAN DIEGO, April 13, 2017 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that its Micro Systems, Inc. business unit, part of the Kratos Unmanned Systems Division (USD), has successfully converted a Russian T-72 Tank to operate unmanned.

Photos accompanying this announcement are available at	
http://www.globenewswire.com/NewsRoom/AttachmentNg/617cd9c0- 31e8-4764-923c-de8960c74731	×
http://www.globenewswire.com/NewsRoom/AttachmentNg/7aba15c3- dfad-4b78-b6df-0a97bd2471a6	
In response to a need by the U.S. Army for a tank target, Kratos/Micro Systems converted the T-72 to be controlled by its Army Ground Aerial Target Control System (AGATCS). AGATCS is a vehicle and datalink agnostic control systems that has been interfaced to a wide variety of U.S. Army air, ground, and sea surface target vehicles.	
Converting the T-72 presented a unique set of challenges not normally encountered with conventional vehicles. The dual tiller steering system required high levels of force and displacement. The	T-
operating environment was harsh as well, with high levels of vibration, temperature, and dust. Working together as an integrated team, personnel from Kratos/Micro Systems and the Army's Targets Management Office addressed and resolved these issues. Remote control was facilitated by the ability of AGATCS to control a wide variety of vehicles with highly disparate control requirements.	X A
Kevin Ferguson, Sr. VP of Kratos Micro Systems, said, "Micro Systems is proud to support the U.S. Army's Targets Management Office with new capabilities to provide highly threat representative target vehicles to support their efforts to develop capabilities to keep our homeland and warriors safe."	
About Kratos Defense & Security Solutions	Army
Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a mid-tier government contractor at the forefront of the Department of Defense's Third Offset Strategy. Kratos is a leading technology, intellectual property and proprietary product and solution company focused on the L	Jnited S

property and proprietary product and solution company focused on the United States and its allies' national security. Kratos is the industry leader in high performance unmanned aerial drone target systems used to test weapon systems and to train the warfighter, and is a provider of high performance unmanned combat aerial systems for force multiplication and amplification. Kratos is also an industry leader in satellite communications, microwave electronics, cyber security/warfare, missile defense and combat systems. Kratos has primarily an engineering and technically oriented work force of approximately 2,900. Substantially all 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

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. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements

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T-72 Tank
Army Ground Aerial Target Control System
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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. Although Kratos believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. 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, 2016, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

Press Contact:

Yolanda White

858-812-7302 Direct

Investor Information:

877-934-4687

investor@kratosdefense.com

Primary Logo

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