

Kratos Awarded Contract Valued at up to \$133 Million to Provide a Command and Control System for the United States Air Force

SAN DIEGO, Dec. 20, 2012 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it has been awarded a contract from the U.S. Air Force for the Command and Control System — Consolidated (CCS-C) Sustainment and Production Contract (CPASC) for current and future military communication satellites. \$17.5 million was awarded for the first year of the contract, and if all options are executed over the six-year period the total value of the contract will be \$133 million.

The CPASC contract enables a unified Command and Control (C2) capability for the 50th Space Wing's complete family of MILSATCOM satellite programs. By employing standards-based systems and an open architecture approach, the 50th Space Wing efficiently and cost-effectively supports legacy and emerging satellite platforms and programs.

For the past 10 years, Kratos has managed the CCS-C program, which is currently configured to support MILSATCOM satellites across four systems: the Defense Satellite Communications System (DSCS), Milstar, Wideband Global SATCOM (WGS) and the Advanced Extremely High Frequency (AEHF) system.

"As we move forward with the CCS-C program, we will continue to strive to lower cost and provide quality TT&C for the Air Force Space Command," said Robert Wright, Sr. Vice President for Federal Solutions, Kratos Technology & Training Division. "We look forward to working in close partnership with the Air Force to ensure CCS-C's operational readiness to execute the MILSATCOM program mission."

"This award demonstrates the trust the USAF has in Kratos' MILSATCOM products and services," said Phil Carrai, President of the Kratos Technology & Training Division. "CCS-C is imperative to keep our military communications intact, and Kratos is prepared to tackle any challenges that may arise to ensure the success of this mission."

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, cyber security, 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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