



Kratos Awarded Space and Missile Defense Technology Development Contract Valued At \$43 Million

SAN DIEGO, Sep 21, 2009 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOSD), a leading national defense, IT and security solutions provider, today announced the award to its Digital Fusion Division in Huntsville, Alabama of a new 48-month contract with a ceiling of \$42.9 million and initial funding of \$12.9 million. This contract was awarded by the U.S. Army Space and Missile Defense Command (USASMD/Army Forces Strategic Command (ARSTRAT)) under their Broad Agency Announcement (BAA), a competitive solicitation to provide solutions for "New and Innovative Ideas for Space and Missile Defense Technology." This effort will advance basic and applied research efforts into advanced technology demonstration programs providing innovative technology solutions for space and missile defense systems.

"We are excited for this opportunity to assist SMD/ARSTRAT by developing innovative research solutions to help advance their critical strategic mission emerging technologies," said Stacey Rock, Senior Vice President of Kratos' Digital Fusion Division. "This contract will also provide an easily accessible vehicle for other government agencies to partner with SMD and Kratos-Digital Fusion to develop and implement future common technology concept requirements."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOSD) provides mission critical engineering, IT services and war fighter solutions for the U.S. federal government and for state and local agencies. Principal services include C4ISR, weapon systems sustainment, military weapon range operations and technical services, network engineering services, information assurance and cybersecurity solutions, security and surveillance systems, and critical infrastructure design and integration. The Company is headquartered in San Diego, California, with resources located throughout the U.S. and at 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.globenewswire.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 revenue that will ultimately be recognized under the contract described in this release. 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 that the customer will curtail or delay the work under the contract; risks of adverse regulatory action or litigation; failure to ultimately settle ongoing litigation; risks associated with debt leverage; 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; failure to successfully consummate acquisitions or integrate acquired operations and competition in the marketplace which could reduce revenues and profit margins. 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 29, 2008, the Company's Quarterly Report on Form 10-Q for the period ended June 28, 2009, and in other filings made with the Securities and Exchange Commission.

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