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Kratos Receives Contract Award Valued At Up To \$10 Million to Deploy Specialized Security System at Petrochemical Industry Related Critical Infrastructure Site

SAN DIEGO, July 16, 2012 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it has recently received a multi-million dollar contract award to deploy a specialized security system at a petrochemical related critical infrastructure location. Kratos will design, engineer, deploy and integrate into a command and control infrastructure specialized and unique security elements to protect this important strategic location. This is a single award contract with a base contract value of approximately \$2 million and a total potential value of approximately \$10 million if all options associated with the award are exercised. Due to certain customer specific and other considerations, no further information will be provided relative to this contract award.

Ben Goodwin, President of Kratos' Public Safety & Security Solutions Division, said, "Kratos PSS routinely is entrusted by our customers to protect some of the most important critical infrastructure and strategic assets in this country. This contract award, which is specifically related to securing elements of the petrochemical industry, is unique in nature, and Kratos PSS is proud to have been selected to assist in the securing of this site."

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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