Kratos Awarded High Energy Laser Task Order Valued at $32 Million

SAN DIEGO, Sept. 08, 2015 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS), a leading National Security Solutions provider, announced today that Digital Fusion Solutions, Inc., a subsidiary of Kratos' Defense & Rocket Support Services (DRSS) Division, has been awarded a $32 million task order under its U.S. Army Space and Missile Defense Command/Army Forces Strategic Command (USASMDC/ARSTRAT) Integrated Test and Analysis Contract (ITAC) Prime Contract. The task was initially funded at $7.0 million to assist SMDC with High Energy Laser (HEL) System Engineering, Integration, and Test Support. Kratos will provide systems engineering; software support; training; new development enhancements; and perform operations and maintenance (O&M) to ensure optimal operation during demonstration and testing of the HEL systems. DRSS provides products, solutions and services for critical United States National Security Programs including ballistic missile defense, hypersonics, electromagnetic railgun, directed energy and lasers and various combat systems.

Dave Carter, President of Kratos' DRSS Division, said, "We are very excited with this win because it enables us to expand our technical expertise in high energy lasers while continuing to work closely with our long-time valued customer, U.S. Army SMDC."

About Kratos Defense & Security Solutions
Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized Technology Company providing mission critical products, solutions and services 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 and Intelligence, Surveillance and Reconnaissance (C5ISR) systems, satellite communications, electronic warfare, unmanned systems, hypersonic systems, directed and high power energy systems, electromagnetic railgun, missile defense, cyber warfare, cybersecurity, information assurance, and critical infrastructure security. Kratos has primarily an engineering and technically oriented workforce of approximately 3,100. 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 include the proposed timing and expiration date of the Company's tender offer to repurchase the Notes. 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 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 28, 2014, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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