



Kratos Awarded New \$16 Million Prime Contract by the U.S. Army Tank Automotive Command

SAN DIEGO, Aug 31, 2010 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, today announced that its Charleston Marine Containers, Inc. (CMCI) Business Unit in Charleston, South Carolina, has received a new \$16 million indefinite-delivery/indefinite quantity contract from the U.S. Army Tank Automotive Command (TACOM). The products and equipment to be delivered under the contract award include the Tricon I, Tricon II and Quadcon modular containers, and 20 foot ISO containers. The Charleston Marine Business is a part of Kratos' Weapons Systems Solutions Division.

The Tricon I is used extensively by the United States Armed Forces due to its unique and versatile specifications, and is utilized for equipment integrations, specialized security containers and various types of support facilities for the war fighter. The Tricon II is utilized as a transport and storage unit for the military, and also for mobile supply, parts stores, integration into systems and other applications. The Quadcon product is a unique and versatile mini-container specifically developed for use by the United States Armed Forces for a wide range of uses, including capital equipment housing and support, on-site storage and support for the war fighter and other applications.

Commenting on this contract award, CMCI's Vice-President and General Manager, Cody Baker, said, "CMCI has delivered thousands of containers to TACOM. They are a long standing important customer, and CMCI looks forward to the continued support of their mission."

CMCI's modular containers, products and equipment are currently deployed in support of coalition forces worldwide.

About Kratos Charleston Marine Container

Charleston Marine Containers, a division of Gichner Systems Group, is the most recent addition to the Weapons Systems Solutions Division of Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS). CMCI is a leading designer, engineer, manufacturer and integrator of modular intermodal and specialty container systems. CMCI products provide tough, flexible logistics solutions for the U.S. Military and its allies worldwide.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) provides mission critical products, services and solutions for United States National Security. Principal products, services and solution offerings relate to and support C5ISR, weapon systems sustainment, military weapon range operations and technical services, network engineering services, information assurance and cyber security solutions, security and surveillance systems, and critical infrastructure security system 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 that involve risks and uncertainties, 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; 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 27, 2009, the Company's Quarterly Report on Form 10-Q for the period ended June 27, 2010, and in other filings made with the Securities and Exchange Commission.

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