



Kratos Receives \$40 Million Prime Contract Award to Support Critical C4I for Space and Naval Warfare Systems Center, Pacific

SAN DIEGO, Jan. 23, 2012 (GLOBE NEWSWIRE) -- [Kratos Defense & Security Solutions, Inc.](#) (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that it was awarded a prime contract to provide engineering and technical services for critical Command, Control, Communications, Computers, and Intelligence (C4I) Programs for the Space and Naval Warfare Systems Command (SPAWAR) Systems Center, Pacific (SSC PAC). Under the multi-year, multiple award contract, Kratos has the opportunity to compete to provide a variety of services and solutions including: Test and Evaluation (T&E) support, Independent Verification and Validation (IV&V), Configuration Management (CM), Software Quality Assurance (QA), and web site maintenance. The contract has a potential \$40 million value and has a 12 month base period with four 12 month options.

"Kratos is pleased to have the opportunity to continue to support SSC-Pacific's mission. We are honored to assist SSC Pacific Code 532 in their efforts to ensure the quality of C4I products being operationally fielded," said Vic Wilson, Senior Vice President of Kratos' Engineering & Analysis Business Unit.

Dave Carter, President of Kratos Defense Engineering Solutions, added, "SPAWAR and SSCPAC represent some of Kratos' valued, long-term customers. We're pleased to have the opportunity to continue to execute our strategy to expand our support for C4I systems throughout the U.S. Fleet."

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 priorities. 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, critical infrastructure security and weapons systems sustainment. Kratos has primarily an engineering and technical oriented work force of approximately 4,000, the majority 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 26, 2010, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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