

# Kratos Receives Over \$9 Million in New Contract Awards for Reset and Refurbishment of Aviation Maintenance Shelters

## **Total Aviation Maintenance Program Orders Now at \$22 Million**

SAN DIEGO, Jun 2, 2010 (GlobeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security, Information Technology, Assurance and Security Solutions provider, today announced that the Service, Maintenance, and Reset Business Unit of its Gichner Systems Group Division has received new contract awards in excess of \$9 million, for the reset and refurbishment of Aviation Maintenance shelters. Including these new awards, this ongoing reset program exceeds \$22 million in total orders.

The Aviation Maintenance Shop Set is a specialty maintenance facility, which Gichner is currently retrofitting, repairing, modifying and integrating with the necessary components to support the needs of our war fighters. These systems are comprised of a modified S-280 shelter product, each unit fully outfitted with all the required machinery, equipment and tools necessary for maintaining aircraft at the unit level, as well as 20 foot single side expandable ISO shelters which are integrated with the equipment required for performing intermediate and limited depot-level maintenance.

This reset and refurbishment program has been central to Gichner's expansion of its service and maintenance offerings, providing customers with added services and cost-effective solutions to their requirements. The volume of these orders, the expected total program size, and forecasted additional reset and refurbishment opportunities has permitted the opening of a 100,000 square foot facility solely dedicated to the provision of shelter services, maintenance and reset, and has greatly increased the expertise and craftsmanship that Gichner has to offer.

According to Scott Sarine, Gichner VP of Sales and Marketing, "The growth in the Service and Maintenance portion of our business has exceeded our expectations and affirms the decision to add this capability to our product and service offerings. We anticipate continued growth in this business area as equipment in need of repair and reset returns from Iraq and Afghanistan, and as our armed forces continue the expected long term transformation to a more mobile and expeditionary force. Furthermore, we take pride in the fact that our Service and Maintenance team is providing an important service by returning equipment to its original condition extending the service life of important military systems."

### About Gichner Systems Division of Kratos

Gichner Systems, the most recent addition to the Weapons Systems Solutions Division of Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), is a leading design, engineering, manufacturer and integrator of tactical and other shelters, products, solutions, modular containers, subsystems and support equipment for the U.S. military, its allies, and leading defense prime contractors. Gichner products protect military personnel as well as electronic and other systems from the environment during transport and operation in some of the world's harshest environments. Gichner provides turn-key systems that are "rack ready" for the installation of its customers' electronic systems and service, maintenance, reset and repair of existing shelter and containerized systems.

#### About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) provides mission critical engineering, IT services, strategic communications and war fighter solutions for the U.S. federal government and its allies, and for state and local agencies. Principal services include design, engineering, manufacturer and integrator of tactical and other shelters; C5ISR; 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 <a href="https://www.KratosDefense.com">www.KratosDefense.com</a>.

The Kratos Defense & Security Solutions, Inc. logo is available at <a href="http://www.globenewswire.com/newsroom/prs/?pkgid=3519">http://www.globenewswire.com/newsroom/prs/?pkgid=3519</a>

#### 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; 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 March 28, 2010, and in other filings made with the Securities and Exchange Commission.

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