

Kratos Receives \$3.9 Million in Follow-On Awards for Specialized Microwave Assemblies

Assemblies Are Utilized in U.S. Intelligence, Surveillance and Reconnaissance Aircraft

SAN DIEGO, Dec. 12, 2011 (GLOBE NEWSWIRE) -- <u>Kratos Defense & Security Solutions, Inc.</u> (Nasdaq:KTOS), a leading National Security Solutions provider, announced today its Herley Industries, Inc. subsidiary has received \$3.9 million in follow-on contract awards to provide high frequency switch assemblies for a U.S. customer. This award is the latest in a series of follow-on awards for an existing customer and program which total over \$12 million this year. The assemblies will be manufactured by Herley's operation in Israel and will be used for ongoing upgrades to a U.S. aircraft. No additional information is being provided due to customer and other sensitivities.

Richard F. Poirier, President of Herley, commented, "We are extremely pleased to win this critical follow-on award and to continue to provide Herley products to our most valuable customers. The Herley Israel operation's outstanding performance continues to build and strengthen our role supporting critical U.S. and International programs."

Herley Industries, Inc. is a leader in the design, development and manufacture of microwave technology solutions for the defense, aerospace and medical industries worldwide. Based in Woburn, MA, Herley has seven manufacturing locations and approximately 1000 employees. Additional information about the company can be found on the Internet at http://www.herley.com/.

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 3,900, 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 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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