



## **Kratos Receives New Contract Awards to Support U.S. Army Expeditionary Requirements Valued Over \$11 Million**

SAN DIEGO, Oct 11, 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, a product group of Kratos' Weapons Systems Solutions Division, has received contracts to provide expeditionary Military Tricon containers to support the sustainment needs of U.S. armed forces. These products are designed to address the United States Military and other customers' rapidly deployable support requirements for warfighter operations. The combined amount of these recently received fully funded awards are valued in excess of \$11 million.

Under these contracts, CMCI will deliver 592 expandable Tricon container systems in support of Expeditionary Tricon Systems (ETS), which is a part of the U.S. Army's Force Provider System. Each of these containers will provide the structure necessary to support fielded kitchen, laundry, shower, and latrine requirements. In addition to the expandable Tricon containers, CMCI will also be providing 184 standard Tricon containers to be used as part of the Shower Water Reuse Systems (SWRS), a system designed to recycle valuable water in the field, as well as 72 refrigerated Tricon containers (Tricold), developed for modular food storage.

CMCI has been a part of the ETS program for more than 5 years and was the original developer of the specialized expandable containers/shelters used in the system. The containers have undergone evolutionary changes during this period and this order represents the latest version of these units.

Commenting on these contract awards, CMCI's Vice-President and General Manager Cody Baker said, "CMCI has worked closely with the U.S. Army and the system prime contractors for many years in support of this program. We are delighted to see the hard work come to fruition and we look forward to further developing these products for the U.S. war fighter."

CMCI's modular containers are currently deployed in support of coalition forces worldwide.

### About Kratos Charleston Marine Container

Charleston Marine Containers, Inc. is a Division of Gichner Systems Group, Inc. and Kratos Defense & Security Solutions, Inc.'s (Nasdaq:KTOS) Weapons Systems Solutions Division. CMCI is a leading design, engineering, 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) is a United States National Security Solutions provider. Kratos provides Mission Critical Products, Solutions and Services for United States National and Homeland Security. Principal areas of expertise include C4ISR; sensor development, unmanned system solutions and support, weapon systems upgrade and sustainment; design, engineering, manufacturing and integration of military products, tactical and other shelters; military weapon range operations; critical network engineering services; information assurance and cybersecurity solutions; security and surveillance systems; and critical infrastructure security system design, integration and operation. 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](http://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 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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