

Securitas Electronic Security, Incorporated SES Division Headquarters 3800 Tabs Drive Uniontown, OH 44685 Lance A. (Tony) Byerly President & CEO

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June 11, 2018,

I am pleased to announce that our acquisition of Kratos Public Safety & Security (Kratos PSS or KPSS) has been successfully completed and KPSS is now officially part of Securitas Electronic Security, Inc. (SES), part of the Securitas family of businesses.

Securitas AB is approximately a \$10B leading global commercial security services provider, headquartered in Stockholm, Sweden, and founded in 1934. Securitas is an ideal strategic fit for KPSS, providing the scale, stability, focus and resources necessary to grow, innovate and reach even higher levels of customer satisfaction and performance in the years to come. In North America, Securitas is represented by six protective services: Manned Guarding, Mobile Guarding, Remote Guarding, Fire & Safety, Corporate Risk Management (aka Pinkerton), and Electronic Security (aka SES). By combining the SES and KPSS portfolio of electronic security services and Securitas' full portfolio of protective services, we solidify our position as the security industry's leader in North America.

Like Kratos PSS, SES is one of the top system integrators and alarm service providers and has received recognition from the security industry and our customers alike for the quality of our people, service and security solutions. As a full service security provider, SES operates two UL, Five Diamond monitoring centers; state-of-the-art Engineering Centers of Excellence; coast-to-coast field operations; the industry's leading online customer portal SecureStat; and regional offices in the U.S., Canada and Mexico. KPSS customers now have access to the combined company's robust offerings, expanded capabilities and enhanced technical competencies.

We are excited to welcome KPSS and its talented and experienced associates to the SES family. Although the KPSS name will transition over time, you will continue to receive the same outstanding customer service you have come to expect from Kratos. For the time being, there will be no changes in the way you interact with KPSS on a daily basis. Continue to use the same contact information for account management, sales, installation, service, alarm monitoring and billing.

As a valued customer, we will continue to provide ongoing communication as we bring together these two great companies under the SES brand. Please refer to the included "KPSS Customer Things to Know - Day 1" communication for additional information. Feel free to contact your account executive with any questions, or you may also reach SES at 1-855-331-0359 or at SecuritasES@securitases.com

You have my personal guarantee SES is committed to a smooth transition for all customers. Thank you for your business and we look forward to serving you in the years to come.

Best Regards,

Tony Byerly

Kratos PSS Customer Things to Know – Day 1

Closing of acquisition by Securitas



June 11, 2018

Welcome to Securitas Electronic Security, Inc. (SES)!

To assist you with the transition to SES, we have provided updates on key items regarding your account effective on "Day 1", the close date of SES acquiring Kratos Public Safety & Security (Kratos PSS or KPSS), a division of Kratos Defense & Security Solutions, Inc. (Kratos). We will provide ongoing communication about any changes to the information provided.

- Transition Support Kratos Defense & Security Solutions (Kratos) and Securitas have entered into a 12 month Transition Services Agreement (TSA) for various services and systems to ensure a seamless transition from KPSS to SES. As part of the TSA, Kratos will continue to provide certain support services on behalf of SES.
- Brand The Kratos Public Safety & Security (Kratos PSS) brand will transition to Securitas Electronic Security, Inc. (SES) over the next 12 months. Some minor rebranding will commence immediately with email, business cards, customer communication and website. Other, more significant, rebranding will start later this year, including: invoices, uniforms, photo ID badges, vehicles, facilities, decals and customer signage.
- Account Management Your existing account representative will remain the same.
- Contracts Contracts with KPSS have been assigned to SES as part of the acquisition. SES will honor all
 terms and conditions of existing customer contracts. New contracts with SES are not required at this time
 for currently contracted projects and recurring services.
- Installation At this time, there no immediate changes to KPSS installation teams, project management or processes. We are excited about the future, when we can provide expanded capabilities, enhanced solutions and additional technical resources as a combined company.
- Products & Solutions We are excited to provide a robust suite of the industry's leading technologies, products, solutions and recurring services. KPSS products and solutions will be combined with SES offerings.
- Service At this time, there are no immediate changes to KPSS service teams or processes; the same service technicians you relied on in the past will continue to service your account. We are excited about the future, when we will combine our service resources and technologies to provide best in class service repair, preventative maintenance and inspections. Please continue to use the current KPSS service phone number 1-866-225-6221 for service requests until further notice.
- Alarm Monitoring At this time, there are no immediate changes to your alarm monitoring services.
 Continue to use your current alarm monitoring center contact information. Your account information, including account numbers, authorized users, emergency contacts and other monitoring information will remain the same.
- Customer ePortal At this time, there are no immediate changes to the KPSS customer ePortal. Your user names, passwords and account information in the customer ePortal will not change. Please continue to access the portal at https://eportal.kratospss.com/. The functionality has not changed.
- **Billing** You will continue to receive KPSS invoices for the time being. Please continue to remit your payments to KPSS as usual until further notice. As we transition to SES branded invoices in the future, we will provide instructions on SES remittance. If your accounts payable department requires an immediate name change for remittance purposes, contact us at SEScustomersetup@securitases.com for assistance.
- For Questions -- Please contact your existing account executive or you can contact SES directly at <u>SecuritasES@securitases.com</u> or 1-855-331-0359.



Press Release

June 11, 2018

Securitas completes acquisition of Kratos Public Safety and Security division

Regulatory authorities have approved Securitas' acquisition of the division Kratos Public Safety and Security from Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS).

As disclosed on February 28, Securitas has agreed to acquire Kratos Public Safety and Security (KPSS), a top 10 system integrator in the United States. The purchase price is approximately MSEK 600 (MUSD 69) on a cash and debt-free basis. The acquisition is expected to be neutral to Securitas earnings per share in 2018 and 2019, and accretive as of 2020. The operation has annual sales of approximately MSEK 1 175 (MUSD 135) and includes 400 employees.

KPSS, which is to be combined with Securitas Electronic Security, Inc., aligns well with Securitas Electronic Security's current operations and strategic focus. The acquisition will expand Securitas' electronic security platform in the United States by strengthening field operation capabilities and adding local branch infrastructure with highly skilled employees. It supports Securitas' strategy of providing protective services across the entire Securitas North American customer base, and brings increased value to our customers.

The acquisition is consolidated in Securitas as of June 11, 2018.

This press release is also available at: www.securitas.com

Information:

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Securitas is a global knowledge leader in security. We base our protective services on customer-specific needs through different combinations of on-site, mobile and remote guarding, electronic security, fire and safety and corporate risk management. Everywhere from small stores to airports, our 345 000 employees are making a difference.