



Kratos Defense and Oklahoma Leaders Announce Future Production Home of XQ-58A Valkyrie, Celebrate Completion of First MQM-178 Firejet

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SAN DIEGO, April 17, 2019 (GLOBE NEWSWIRE) -- State and community leaders today joined Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) executives in Oklahoma City, Oklahoma, to unveil the first [MQM-178 Firejet](#) target drone aircraft produced at the new Kratos Unmanned Aircraft production facility. At the event, Kratos Defense CEO, Eric DeMarco, announced that the Oklahoma City production facility will also be the future home of the XQ-58A Valkyrie, which [successfully completed its maiden flight](#) on March 5, 2019.

Eric DeMarco, CEO of Kratos Defense & Security Solutions, Inc., said, "Kratos is excited to announce that Oklahoma will be the future home of the XQ-58A Valkyrie. Kratos and the state of Oklahoma share a commitment to supporting our armed forces. As our company continues to grow and develop and build high-performance, low-cost technologies like the Firejet and the Valkyrie, we are proud to be doing so here. Oklahoma's skilled workforce will help us keep America safe."

Kratos Defense & Security Solutions, Inc. is an industry leader in the rapid development, demonstration, and fielding of technology leading systems and products for National Security at an affordable cost. With primary customers including the United States Air Force, Navy, and Army, as well as foreign ally militaries, the Kratos Unmanned Systems Division opened this new production facility in [November 2018](#) to accommodate the existing and increasing demand for its newest line of high performance, jet-powered unmanned aerial tactical systems. Additionally, Kratos is currently under contract on multiple high-performance unmanned aerial target systems.

Steve Fendley, President of Kratos Unmanned Systems Division, said, "As demand for Kratos' target and tactical unmanned aerial systems continues to increase, so too does our need for additional and parallel production capacity. The Oklahoma facility provides us the added bandwidth necessary for sustained growth, and with the Firejet now in production here, achieves a key and exciting milestone. The Kratos team is grateful for the incredible support from the Oklahoma leaders and community that made this goal a reality in record time."

The Kratos Unmanned Aircraft production facility in Oklahoma City is home to production of Kratos' Tactical UAS and MQM-178 Firejet unmanned aerial target systems. The XQ-58A Valkyrie, a runway independent UAV capable of long-range flights at high-subsonic speeds developed in partnership with the Air Force Research Laboratory (AFRL), will also be produced at the facility. Kratos expects to employ more than 350 employees in Oklahoma in the high-skilled engineering, design, and manufacturing fields to support the production contracts for these aircraft.

Senator Jim Inhofe(R-OK) said, "Oklahoma has a highly-skilled workforce and an unwavering commitment to our men and women in uniform—a perfect match for Kratos. As this industry-leading company continues to pioneer new drone technologies for our military in our backyard, Oklahomans welcome their growth and will continue to be a partner in their success."

"I am glad to join with the Oklahoma City community to welcome Kratos Defense," said **Senator James Lankford** (R-OK). "Oklahoma is a national leader in aerospace and technology and an excellent home for the production of the unmanned Valkyrie and Firejet. We are grateful for Kratos' commitment to our national defense, and we welcome another great employer to the state."

"Oklahoma has a long legacy of aerospace innovation, and our highly skilled workforce stands ready to build upon this history with Kratos as one of our newest partners. Their technologies will undoubtedly have a significant, positive impact on both the security of our nation and the Oklahoma economy," said **Congressman Frank Lucas** (OK-3).

Congressman Tom Cole(OK-4) said, "Kratos is leading the industry in bringing high-tech value and affordability to national security. As home of the Firejet and now the Valkyrie, Oklahoma is proud to be playing a role in the next generation of technologies that will keep our homeland and our warfighters safe."

"Oklahoma has a proven workforce with the skills necessary to partner with a company like Kratos, which is leading the industry in the rapid development of cutting-edge national security technologies. We are thrilled to have them as an addition to our state's prominent aerospace industry," said **Congressman Markwayne Mullin** (OK-2).

Congressman Kevin Hern (OK-1) said, "Kratos' innovations will be the future of safety for the warfighter and the nation; Oklahomans are proud to be building them. I look forward to seeing this facility continue to benefit our economy and our armed forces."

"High-tech innovations like the Firejet and the Valkyrie need a high-tech workforce," said **Congresswoman Kendra Horn** (OK-5). "Oklahoma's 5th Congressional District is the ideal home for Kratos' expanding unmanned aerial systems production, and we are proud to partner with Kratos as the company continues to grow."

Governor Kevin Stitt(R-OK) said, "Oklahoma is proud to be home to a growing list of aerospace companies, who are continuing to bring high-skilled jobs to our highly patriotic and educated workforce. Kratos is a critical to our growth, and we are grateful that Kratos continues to invest in the Sooner State."

Today's announcement is the latest in a series of growth announced by Kratos in recent months, including the [acquisition of a new division—Kratos Turbine Technologies](#). The company also recently announced the expansion of facilities in Colorado Springs, Colorado, for Kratos' Space Communications products, and in Orlando, Florida, for the manufacturing of Training & Simulation Systems. These expansions are in addition to the opening of international offices in Saudi Arabia, Australia, and Singapore, allowing Kratos to capitalize on and meet the growing global demand for the company's advanced technologies.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS) develops and fields transformative, affordable technology, platforms and systems for United States National Security related customers, allies and commercial enterprises. Kratos is changing the way breakthrough technology for these industries are rapidly brought to market through proven commercial and venture capital backed approaches, including proactive research and streamlined development processes. Kratos specializes in unmanned systems, satellite communications, cyber security/warfare, microwave electronics, missile defense, hypersonic systems, training and combat systems. For more information go to www.KratosDefense.com.

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. 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. Although Kratos believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. 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 30, 2018, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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