



Kratos, Team Member to Prime Contractor Dynetics on DARPA Gremlins Program, Announces Second Successful Flight of X-61A Gremlin Air Vehicle

August 27, 2020

Air Vehicle Achieves Major Milestones During Flight, Advancing the Program

SAN DIEGO, Aug. 27, 2020 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS), a leading National Security Solutions provider, announced today that the second flight of the X-61A Gremlins Air Vehicle (GAV), which took place in July, was a major success, satisfying major technical and program milestones while significantly reducing risk. Gremlins is the Defense Advanced Research Projects Agency (DARPA) program intended to accelerate our Armed Forces' ability to perform aerial launch and recovery of multiple low-cost, highly reconfigurable, reusable Unmanned Aerial Systems (UASs). Dynetics, a Leidos Company, is the sole prime contractor leading this third phase of the DARPA program. Kratos is a primary member of the Dynetics team as the key contributor to the X-61A Gremlin Air Vehicle design, the airframe production lead, and a part of the flight test support team.

The Gremlins second flight test, completed in just over two hours, was conducted at Dugway Proving Ground near Salt Lake City, Utah. The ultimate program objective is to demonstrate aerial launch and recovery of multiple low-cost reusable UASs. For this second flight test, the entirety of the Gremlins Demonstration System – including GAVs, the launch and recovery system, airborne operator control station, and Gremlins Command, Control, and Communications system - was successfully demonstrated. A key highlight of this event included both formation flight with the C-130 aircraft and a second parachute recovery.

"We have taken a major step forward towards accomplishing airborne recovery, and we are ever so close to achieving it," said **Tim Keeter, program manager for the Dynetics Gremlins team**. "Our second GAV flown to date performed very well, which increases our confidence in the X-61A. And for the first time, we rendezvoused and flew in close formation with the recovery C-130 multiple times using the Gremlins Autonomous Docking System (GADS). Multiple captive tests were also conducted for the first time, with actively-controlled GAVs attached to the stabilized towed docking device. This demonstrated the ability of the recovery system to safely reel in and stow GAVs once they have docked. The data collected from these tests will provide the necessary information to perform final tuning of GADS."

Steve Fendley, President of Kratos Unmanned Systems Division, said, "We are truly thrilled about this milestone achievement in partnership with Dynetics and look forward to the remaining flight tests of the system in the coming months as it nears transition. As we continue demonstrating these advances, the reality of an airborne aircraft carrier gets closer; we are proud to be a part of it and support Dynetics and keen to build production Gremlin Air Vehicles to support the range of applications this capability enables."

Eric DeMarco, President and CEO of Kratos, said, "We look at Kratos' partnership with Dynetics as truly strategic in nature, and the Gremlins program is representative of the highly competitive, industry leading, technologically advanced affordable solutions we can provide to our customers. We are truly excited about the future prospects for Gremlins and the capability the entire Gremlins Program Team is bringing forward."

Kratos Unmanned Systems Division is a leading provider of high performance unmanned aerial drone and target systems for threat representative target missions to exercise weapon, radar, and other systems; and tactical aerial drone systems for strike/ISR and force multiplication missions.

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. At Kratos, affordability is a technology, and we specialize in unmanned systems, satellite communications, cyber security/warfare, microwave electronics, missile defense, hypersonic systems, training, combat systems and next generation turbo jet and turbo fan engine development. For more information, please visit 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 29, 2019, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

Press Contact:

Yolanda White
858-812-7302 Direct

Investor Information:

877-934-4687
investor@kratosdefense.com



Source: Kratos Defense & Security Solutions, Inc.