Kratos, USAF Further Advance Capabilities in Successful XQ-58A Valkyrie Block 2 Flight Focused on Operational Aspects

November 3, 2022

SAN DIEGO, Nov. 03, 2022 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS), a leading National Security Solutions provider and industry-leading provider of high-performance, jet-powered unmanned aerial systems, announced today that it has recently completed a successful flight of its production XQ-58A Valkyrie aircraft for the Block 2 Valkyrie Maturation Program. The program team includes the Air Force Research Laboratory (AFRL), Yuma Proving Ground, and Kratos.

True Runway Independent Launch System is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/ae1a3255-67a3-411a-a62f-b27d1e5b2827

The test flight performed at Yuma Proving Ground proved XQ-58A's extended capabilities by flying longer, higher, at a heavier mission weight, and at a longer range than the platform has previously been approved for (based on prior government range limitations) and demonstrated. This flight was conducted with another of the Block 2 Valkyrie aircraft produced in the company-initiated 12-lot build and was the first flight for this tail number.

Runway Independence Supporting ACE, Survivability, Distributed Operations is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/390f994d-7343-4ab4-8b0e-dd67ee372fb5

The flight was conducted with and demonstrated encrypted communications with redundant radios/communications (“comms”) packages for range and operational missions remote from government ranges. For the final test point, the aircraft navigated to the landing site in a simulated loss of communications scenario. It landed within the target zone, demonstrating key autonomous capability for the end of mission phase of flight and recovery of the aircraft without RF comms. This capability will help mitigate the possibility of enemy detection and tracking of RF comms emissions as the system returns to “base”.

Valkyrie flying since 2019,

longest tenure in Attritable Class, continually evolving and maturing is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/ad4570a8-2789-44f8-b285-12533a84ae6a

This flight test was a key milestone in Kratos' support of AFRL's Autonomous Collaborative Enabling Technologies (ACET) portfolio. ACET is focused on developing Autonomous Collaborative Platforms (ACP) such as Collaborative Combat Aircraft (CCA). The advanced capabilities proven on this flight make the XQ-58 ready for future ACP experimentation.

Parachute recovery supports ACE, keeps runways available for manned operations is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/cbbd4821-7caf-4e9f-88c0-622673fa3d08

Steve Fendley, President of Kratos Unmanned Systems Division, said, "The Kratos/AFRL team is pushing the envelope in these truly uncharted waters, continuing to evolve the capability and drive affordability in the CCA class where mission capability and effectiveness is achieved through a combination of individual and distributed CCA capability plus mass of aircraft. Wargames and analyses consistently report that mass is *the* solution to enable winning in today's conflict arena and that a lower count of exquisite systems consistently fails. Kratos is laser-focused on the disruptive, affordable (enabled by simple and elegant) solution set."

The XQ-58A Valkyrie was initially developed in cooperation with AFRL on the Low Cost Attritable Strike Demonstrator (LCASD) Program with multiple follow-on programs and projects for several customers and applications. These multiple program applications continue with the Block 2 Valkyrie Maturation Program and other programs related to production, specific mission applications, and operational development of the XQ-58A family of affordable, high-speed, tactical UAVs.

Eric DeMarco, President and CEO of Kratos Defense & Security Solutions, said, "While I appreciate the digital simulations and modeling we read about regularly, I am convinced that, much like how our target system aircraft support military training and weapons development with actual flights and shots, Kratos' regular and envelope-pushing development flights and mission preparation flights are what will ultimately deter our enemies and enhance the readiness of our military. The USAF/Kratos Made-in-America Valkyrie is the right system, at the right price, at the right time, and we stand ready with active production lines and a family of low cost, high performance, jet drone systems to provide affordable mass to the U.S. and its Allies today. At Kratos, affordability is a technology. We are moving at the speed of relevance and are disrupting the existing defense procurement model by providing rapidly developed, innovative systems, rather than simply PowerPoints, renditions, or models with unknown ultimate cost, performance, and delivery dates to transform our country's procurement model to address today's real-world threats."

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, small to mid-sized jet engines and technology, 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 26, 2021, 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.

True Runway Independent Launch System

True Runway Independent Launch System

Runway Independence Supporting ACE, Survivability, Distributed Operations

Runway Independence Supporting ACE, Survivability, Distributed Operations

Valkyrie flying since 2019, longest tenure in Attritable Class, continually evolving and maturing

Valkyrie flying since 2019, longest tenure in Attritable Class, continually evolving and maturing

Parachute recovery supports ACE, keeps runways available for manned operations

Parachute recovery supports ACE, keeps runways available for manned operations