



GE Aerospace and Kratos Partner on Small Affordable Engines

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Agreement covers development and production of small affordable engines for possible use in unmanned aerial systems, collaborative combat aircraft, and similar applications

FARNBOROUGH, United Kingdom, July 22, 2024 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq: KTOS), a technology company in Defense, National Security and Global Markets, today announced that GE Aerospace (NYSE:GE) and Kratos Turbine Technologies, a division of Kratos Defense & Security Solutions, Inc., signed a Memorandum of Understanding to partner on the development and production of small affordable engines that could potentially power unmanned aerial systems (UAS), collaborative combat aircraft, and similar applications.

The agreement, once finalized, will replace an existing joint development agreement and includes full-scale engine production. For the last year, GE Aerospace and Kratos have been working together on a small affordable engine. The engine initially was developed and ground tested by Kratos. Under the existing joint agreement, GE Aerospace and Kratos completed additional development efforts and are now conducting tests on the engine. The team plans to continue development on the current engine, which will undergo altitude testing next year at GE Aerospace's test cell in Evendale, Ohio.

Amy Gowder, President and CEO, Defense & Systems at GE Aerospace said, "Our defense customers have a growing interest in small affordable engines to meet their evolving mission requirements. Our initial collaboration has been very successful, and this agreement furthers our efforts in this new dynamic military segment."

Eric DeMarco, President & CEO of Kratos Defense & Security Solutions, Inc., said, "Kratos has made significant investments in the development of our family of small, low-cost jet engines for jet powered drones, missiles, and powered munitions that lead in technology and capability. We consider our relationship with GE Aerospace as invaluable based on our expectation and forecast for the potential future production of thousands of turbofan engines for multiple customers."

Each company brings unique expertise to the partnership. Kratos has more than 20 years of experience in the development and production of small affordable jet engines for UAS, drones, and missiles. GE Aerospace has more than 100 years of experience in the development and scaling up of high-volume production for jet engine programs for a seamless transition from development to production.

About GE Aerospace

GE Aerospace (NYSE: GE) is a global aerospace propulsion, services, and systems leader with an installed base of approximately 44,000 commercial and 26,000 military aircraft engines. With a global team of 52,000 employees building on more than a century of innovation and learning, GE Aerospace is committed to inventing the future of flight, lifting people up, and bringing them home safely. Learn more about how GE Aerospace and its partners are defining flight for today, tomorrow and the future at www.geaerospace.com.

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS) is a technology, products, system and software company addressing the defense, national security, and commercial markets. Kratos makes true internally funded research, development, capital and other investments, to rapidly develop, produce and field solutions that address our customers' mission critical needs and requirements. At Kratos, affordability is a technology, and we seek to utilize proven, leading edge approaches and technology, not unproven bleeding edge approaches or technology, with Kratos' approach designed to reduce cost, schedule and risk, enabling us to be first to market with cost effective solutions. We believe that Kratos is known as an innovative disruptive change agent in the industry, a company that is an expert in designing products and systems up front for successful rapid, large quantity, low cost future manufacturing which is a value add competitive differentiator for our large traditional prime system integrator partners and also to our government and commercial customers. Kratos intends to pursue program and contract opportunities as the prime or lead contractor when we believe that our probability of win (PWin) is high and any investment required by Kratos is within our capital resource comfort level. We intend to partner and team with a large, traditional system integrator when our assessment of PWin is greater or required investment is beyond Kratos' comfort level. Kratos' primary business areas include virtualized ground systems for satellites and space vehicles including software for command & control (C2) and telemetry, tracking and control (TT&C), jet powered unmanned aerial drone systems, hypersonic vehicles and rocket systems, propulsion systems for drones, missiles, loitering munitions, supersonic systems, space craft and launch systems, C5ISR and microwave electronic products for missile, radar, missile defense, space, satellite, counter UAS, directed energy, communication and other systems, and virtual & augmented reality training systems for the warfighter. For more information, 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 31, 2023, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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