



Kratos Awarded Single Award \$68.3 Million Contract to Build Next-Generation Hypersonic Materials Testing Center

October 23, 2025

Once Complete, Kratos' Arc Jet and Laser Facility's Multi-Domain Test Capability is Expected to Accelerate Hypersonic Materials Development for Decades, Advancing U.S. Defense Infrastructure

SAN DIEGO, Oct. 23, 2025 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq: KTOS), a technology company in defense, national security, and global markets, announced today that it has been awarded a contract through the Department of War's Industrial Base Analysis and Sustainment Program to design and build a state-of-the-art mid-tier arc jet and coupled fiber laser facility for hypersonic materials evaluation. Known internally to Kratos as Project Helios, the contract to Kratos for the leading technology facility has a total projected value of \$68.3 million.



Kratos Helios

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/889d1af5-3429-4469-8e96-38ceae43283d>

Once complete, the facility will address current critical gaps in U.S. Defense Industrial Base capabilities by providing essential testing infrastructure for thermal protection systems used in hypersonic vehicles. This capability will complement and enhance the national testing infrastructure, supporting all branches of the U.S. Armed Forces and Department of War and bridging the gap between low-fidelity screening solutions available across both industry and academia and the exquisite, large-scale arc jet facilities at government testing sites. Combining a 20-25 MW arc jet capability with a 200 kW fiber laser system, this innovative facility is expected to dramatically increase opportunities for material evaluation in support of both hypersonic and strategic national defense efforts.

"This new facility will provide a vital capability for advancing hypersonic technology development while alleviating the current testing bottleneck at existing facilities," said **Eric DeMarco, President and CEO of Kratos**. "Once the facility is complete, Kratos will offer more cost-effective and readily available testing options, with Kratos also helping accelerate the development of critical defense technologies. Project Helios is a recent example of Kratos' strategy to make the internal investment and rapidly bring a mission critical capability to the warfighter, while generating multi-year, long term value for all of our stakeholders. The demand for these unique testing capabilities is expected to continue for decades with the need for developing and advancing hypersonic related materials."

"We are excited to initiate the development of this cutting-edge facility that bridges current testing infrastructure gaps across the nation," said **Dave Carter, President of Kratos Defense and Rocket Support Services Division**. "Kratos continues to serve as a cornerstone of affordability, low cost, innovation and readiness in the national defense community. This facility underscores our dedication to proactively address high-priority defense requirements and meeting the technology development needs of each program."

"The team at Kratos SRE has a history of evaluating high-temperature materials that spans over 80 years," said **Ben Dempsey, Kratos SRE Vice President of Programs**. "Our experienced materials experts are excited to collaborate with the highly skilled facility design teams at North Wind and New Horizon 5 to make this new capability available to the defense sector for the evaluation and development of materials in extreme environments."

Key benefits include:

- **Material Development:** Serve as a natural bridge for material development, transitioning materials from laboratory experiments to fielded system applications more efficiently.
- **Advancement of National Defense:** Support critical needs for national defense through a comprehensive testing infrastructure.
- **Cost Reduction:** Increase throughput while significantly reducing overall program costs.
- **Collaboration & Innovation:** Demonstrates Kratos' commitment to addressing high-priority defense requirements and providing long-term value.

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 29, 2024, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

Press Contact:

Claire Cantrell
claire.cantrell@kratosdefense.com

Investor Information:

877-934-4687
investor@kratosdefense.com



Source: Kratos Defense & Security Solutions, Inc.

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