



Mercury Systems and Lockheed Martin sign memorandum of agreement to collaborate on sensor processing technology in Switzerland

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ANDOVER, Mass., May 10, 2022 (GLOBE NEWSWIRE) -- Mercury Systems Inc. (NASDAQ: MRCY, www.mrcy.com), a leader in trusted, secure mission-critical technologies for aerospace and defense, and Lockheed Martin (NYSE: LMT) announced they signed an agreement to collaborate on the development and manufacture of new sensor processing technologies at Mercury's Geneva, Switzerland facility for a wide variety of applications such as radar signal processing, multi-sensor data fusion, artificial intelligence and situational awareness. With a potential lifetime value of \$40 million, the contract supports Lockheed Martin's offset agreement with the Swiss government as part of Switzerland's planned procurement of 36 F-35A Lightning II aircraft related to the Air 2030 program.

Why It Matters:

This cooperation between Lockheed Martin and Mercury will help provide Switzerland and other nations with some of the most advanced airborne defense systems in the world. The local industry in western Switzerland will also benefit from new opportunities and additional market access in the long term.

"We are very excited to strengthen our collaboration with Lockheed Martin," said Paul Tanner, Mercury's vice president of international growth operations. "We believe this project will be important to Switzerland and its economy, as it benefits Swiss national security through military aerospace and defense use. Further, it will continue to support our international growth as well as strengthen our product capability. It's a great example of connecting cutting-edge commercial technology to defense, to address the A&D industry's rapidly changing mission-critical needs."

As part of this agreement, the companies will seek to bring the next generation of embedded processing technology to bear on safety-certifiable systems through the design, development, and manufacturing of complex products, purpose-built for the aerospace and defense industry to meet sensor processing requirements for a variety of fixed-wing and rotary-wing airborne platforms. This investment will also provide the highest levels of performance and functionality while still maintaining the ability to reach the most critical levels of DO-254 and DO-178C safety certification.

"We look forward to continue strengthening our commitment to Swiss industry while extending our longstanding relationship with Mercury Systems," said Patrick Nyfeler, managing director, Lockheed Martin Switzerland. "Together with Mercury, we intend to work closely with the Swiss government to select the best possible projects over the lifetime of this agreement, enhance Switzerland competitively in the global economy, creating jobs and enhancing local labor market skills well beyond the 10-year life of the contract."

Mercury envisions, creates, and delivers innovative technology solutions purpose-built to meet its customers' most pressing high-tech needs. For more information, visit mrcy.com or contact Mercury at (866) 627-6951 or info@mrcy.com.

About Lockheed Martin

Headquartered in Bethesda, Maryland, Lockheed Martin Corporation is a global security and aerospace company that employs approximately 114,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services.

Mercury Systems – Innovation That Matters®

Mercury Systems is a global commercial technology company serving the aerospace and defense industry. Headquartered in Andover, Mass., the company delivers trusted, secure open architecture processing solutions powering a broad range of mission-critical applications in the most challenging and demanding environments. Inspired by its purpose of delivering Innovation that Matters, By and For People Who Matter, Mercury helps make the world a safer, more secure place for all. To learn more, visit mrcy.com, or follow us on [Twitter](https://twitter.com/mrcy).

Forward-Looking Safe Harbor Statement

This press release contains certain forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, including those relating to the products and services described herein and to fiscal 2022 business performance and beyond and the Company's plans for growth, cost savings and improvement in profitability and cash flow. You can identify these statements by the use of the words "may," "will," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable," "potential," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include, but are not limited to, continued funding of defense programs, the timing and amounts of such funding, general economic and business conditions, including unforeseen weakness in the Company's markets, effects of epidemics and pandemics such as COVID, effects of any U.S. Federal government shutdown or extended continuing resolution, effects of continued geopolitical unrest and regional conflicts, competition, inflation, changes in technology and methods of marketing, delays in completing engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. Government's interpretation of, federal export control or procurement rules and regulations, changes in, or in the interpretation or enforcement of environmental rules and regulations, market acceptance of the Company's products, shortages in or delays in receiving components, production delays or unanticipated expenses due to performance quality issues with outsourced components, inability to fully realize the expected benefits from acquisitions, restructurings and value creation initiatives such as 1MPACT, or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, effects of shareholder activism, increases in interest rates, changes to industrial security and cyber-security regulations and requirements, changes in tax rates or tax regulations, changes to interest rate swaps or other cash flow hedging arrangements, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, unanticipated costs under fixed-price service and system integration engagements, and various other factors beyond our control. These risks and uncertainties also include such additional risk factors as are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended July 2, 2021. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking

statement to reflect events or circumstances after the date on which such statement is made.

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