Mercury Awarded Subcontract for the U.S. Army's Next-Generation LTAMDS Radar System

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ANDOVER, Mass., Feb. 01, 2024 (GLOBE NEWSWIRE) -- Mercury Systems, Inc. (NASDAQ: MRCY, www.mrcy.com), a technology company that delivers mission-critical processing power to the edge, today announced it signed a three-year subcontract worth as much as $96 million with Raytheon, an RTX business, to deliver high-performance signal processing sub-systems for the U.S. Army's Lower Tier Air and Missile Defense Sensor (LTAMDS).

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Under the new production agreement, Mercury will deliver hardware to Raytheon for the next nine LTAMDS radars to support the U.S. Army and Poland, the first international LTAMDS customer.

In May 2023, Mercury completed the delivery of more than 160 hardware units for the first six LTAMDS radars, including signal data processor sub-systems, beamforming platforms, and ethernet switching hardware to fulfill its proof of manufacturing contract.

LTAMDS is the newest air and missile defense sensor that will operate on the Army's Integrated Air and Missile Defense network. It is a 360-degree, Active Electronically Scanned Array radar that provides significantly more capacity and capability against the wide range of advanced threats, including hypersonic missiles. Mercury developed an advanced, edge-ready processing solution for LTAMDS that will give U.S. and international forces an unparalleled strategic and tactical advantage on the battlefield.

Six Raytheon-built LTAMDS radars are advancing through integration and test activities simultaneously at multiple government and Raytheon test sites. A series of recent milestones validate the radar's performance and progression through developmental testing, including the recently completed contractor verification testing and tactical ballistic missile and cruise missile live fire tests. Formal testing continues in 2024.

"By leveraging many innovative, edge-ready technologies from the Mercury Processing Platform, Raytheon has developed a truly unrivaled air defense capability that will contribute to the safety and security of the United States and its allies around the world," said Mercury Chairman and CEO Bill Ballhaus. "As LTAMDS production ramps up in the coming years, it will become a strong driver of organic growth for the company."

Mercury Systems – Innovation that matters®
Mercury Systems is a technology company that delivers mission-critical processing power to the edge, making advanced technologies profoundly more accessible for today's most challenging aerospace and defense missions. The Mercury Processing Platform allows customers to tap into innovative capabilities from silicon to system scale, turning data into decisions on timelines that matter. Mercury's products and solutions are deployed in more than 300 programs and across 35 countries, enabling a broad range of applications in mission computing, sensor processing, command and control, and communications. Mercury is headquartered in Andover, Massachusetts, and has 24 locations worldwide. To learn more, visit mrcy.com. (Nasdaq: 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 Company's focus on enhanced execution of the Company's strategic plan under a refreshed Board and leadership team. You can identify these statements by 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 any U.S. federal government shutdown or extended continuing resolution, effects of geopolitical unrest and regional conflicts, competition, changes in technology and methods of marketing, delays in or cost increases related to completing development, 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, supply chain delays or volatility for critical components such as semiconductors, production delays or unanticipated expenses including due to quality issues or manufacturing execution issues, failure to achieve or maintain manufacturing quality certifications, such as AS9100, the impact of the COVID pandemic and supply chain disruption, inflation and labor shortages, among other things, on program execution and the resulting effect on customer satisfaction, inability to fully realize the expected benefits from acquisitions, restructurings, and execution excellence initiatives 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 and impacts from any cyber or insider threat events, changes in tax rates or tax regulations, such as the deductibility of internal research and development, changes to interest rate swaps or other cash flow hedging arrangements, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, which difficulties may be impacted by the termination of the Company's announced strategic review initiative, unanticipated challenges with the transition of the Company's Chief Executive Officer and Chief Financial Officer roles, including any dispute arising with the former CEO over his resignation, 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 June 30, 2023 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. 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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A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/b390dc72-e896-4026-9802-20c4ecc67ceb