

Mercury Computer Systems Delivers on Aegis Weapon System Upgrade for Lockheed Martin

Mercury provides extreme processing and I/O capability with current- and next-generation COTS multicomputing for the Lockheed Martin Signal Processor upgrade programs

CHELMSFORD, Mass., June 18 /PRNewswire-FirstCall/ -- Mercury Computer Systems, Inc. (NASDAQ: MRCY), a leading provider of embedded, high-performance computing systems and software for image, sensor, and signal processing applications, announced it delivered on an initial order and received a follow-on order from Lockheed Martin (NYSE: LMT) for the Aegis Weapon System upgrade.

In February 2009, Lockheed Martin was awarded a \$78.6 million production contract from the U.S. Navy to provide the next evolution of hardware for the Aegis Modernization and Aegis Ballistic Missile Defense (BMD) programs. Developed by Lockheed Martin, the Aegis Weapon System is the only operational sea-based radar and weapon system capable of simultaneous warfare against air, surface, subsurface and land targets.

Mercury is delivering on an order for its next-generation Ensemble[™] 7100 components and systems, which will be integrated on both land and ship sites for the Multi-Mission Signal Processor (MMSP) upgrade, which is a key component to provide ballistic missile defense capability to Aegis-equipped destroyers undergoing modernization beginning in 2012.

In addition, a recent follow-on order calls for Mercury to provide PowerStream[®] 7000 production systems for the first two ships in the Aegis Ballistic Missile Defense Signal Processor (BSP) 4.0.1 upgrade, which is now undergoing testing for existing Aegis BMD-capable cruisers and destroyers. Both the PowerStream 7000 and next-generation Ensemble 7100 systems provide extreme processing power in harsh, confined environments. Mercury will also provide integration services for the upgrades.

According to Lockheed Martin, the BSP and MMSP upgrades will be installed on up to nine ships per year. The BSP upgrade will deliver a leapfrog performance capability from current capability, while the MMSP upgrade will help to set the stage for implementation of a single commercial off-the-shelf (COTS) architecture.

"The Aegis Ballistic Missile Defense Signal Processor and Multi-Mission Signal Processor will provide fleet commanders with a great leap in capability to detect, track and target ballistic missile targets," said Allan Croly, Lockheed Martin's director of Naval Radar Programs. "Mercury's PowerStream 7000 and Ensemble 7100 support operational upgrades in the near term, and provide a software migration path to the industry-standard Linux operating system and the Navy's open architecture objective."

"With the deep expertise of our engineering team, and our powerful COTS-based multicomputing technology, which is unmatched in I/O and processing bandwidth, we'll help enable Lockheed Martin to maintain an aggressive implementation schedule for these critical performance upgrades," said Didier Thibaud, Senior Vice President and General Manager of Advanced Computing Solutions at Mercury.

For more information on Mercury's innovative solutions for next-generation warfare, visit www.mc.com/defense, or contact Mercury at (866) 627-6951 or at info@mc.com. For more information on the Aegis Weapon System, visit http://www.lockheedmartin.com/products/AegisWeaponSystem/.

Mercury Computer Systems, Inc. - Where Challenges Drive Innovation™

Mercury Computer Systems (www.mc.com, NASDAQ: MRCY) provides embedded computing systems and software that combine image, signal, and sensor processing with information management for data-intensive applications. With deep expertise in optimizing algorithms and software and in leveraging industry-standard technologies, we work closely with customers to architect comprehensive, purpose-built solutions that capture, process, and present data for defense electronics, homeland security, and other computationally challenging commercial markets. Our dedication to performance excellence and collaborative innovation continues a 25-year history in enabling customers to gain the competitive advantage they need to stay at the forefront of the markets they serve.

Mercury is based in Chelmsford, Massachusetts, and serves customers worldwide through a broad network of direct sales offices, subsidiaries, and distributors.

Headquartered in Bethesda, Md., Lockheed Martin is a global security company that employs about 146,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The corporation reported 2008 sales of \$42.7 billion.

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 orders from Lockheed Martin, or the PowerStream 7000 and Ensemble 7100 systems, intellectual property, or integration services provided to Lockheed Martin. You can identify these statements by our use of the words "may," "will," "should," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," 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, general economic and business conditions, including unforeseen weakness in the Company's markets, effects of continued geo-political unrest and regional conflicts, competition, 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, continued funding of defense programs, the timing of such funding, changes in the U.S. Government's interpretation of federal procurement rules and regulations, market acceptance of the Company's products, shortages in components, production delays due to performance quality issues with outsourced components, inability to fully realize the expected benefits from acquisitions or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, and difficulties in retaining key customers. 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, 2008. 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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