

Mercury Systems Launches CANGuard to Strengthen Automotive Data Security

Ground-breaking security software solution designed to protect vehicle data networks

CHELMSFORD, Mass., Jan. 30, 2017 (GLOBE NEWSWIRE) -- Addressing the need for tighter in-vehicle security, Mercury

Systems, Inc. (NASDAQ:MRCY) (<u>www.mrcy.com</u>), today announced the CANGuard[™] security suite, a unique software solution designed to protect automotive vehicle data networks. The Company also announced that it has entered into a licensing agreement with a leading automotive electronics manufacturer to enable the integration of CANGuard software into existing vehicle control units as well as future units.

Security breaches of in-vehicle onboard computers and networks are becoming more prevalent. Recent demonstrations range from remotely shutting down an engine to causing vehicle brakes to malfunction. Such attacks are enabled by the lack of built-in security for the vehicle's controller area network (CAN) bus—the technology linking most onboard computers. CAN has been a reliable workhorse for the automotive industry for decades, yet it was developed before the Internet, so its inventors never considered malicious remote actors having access to the bus. By compromising a network-enabled onboard computer, a sophisticated hacker can gain access to other critical vehicle systems via CAN, leading to the dangerous security breaches recently reported in the media.

"Security is paramount to the safe operation of an automotive vehicle, and there is no safety without security," said Scott Orton, Mercury's Vice President of Secure Processing Solutions. "Mercury's unique security intellectual property applied to automotive infrastructure denies malicious intrusion attempts from propagating to safety-critical vehicle functions."

At its core, the CANGuard suite is a security layer installed within an automotive computer (an 'ECU') attached to a vehicle's CAN bus. This security layer defends against nefarious actions by blocking malicious data traffic before it can have an impact on the target vehicle - and does so in a manner transparent to the ECU control programs. Unlike alternative solutions, such as bus monitoring or gateway firewalls, CANGuard software requires no architectural changes to the vehicle, nor additional hardware. The CANGuard solution can be applied on a per-ECU basis, retaining complete interoperability with non-CANGuard-aware ECUs. This enables the software to be retrofitted into various existing vehicles in addition to new designs.

For more information visit <u>www.mrcy.com/CANGuard</u>.

Mercury Systems — Innovation That Matters[™]

Mercury Systems (NASDAQ:MRCY) is a leading commercial provider of secure sensor and mission processing subsystems. Optimized for customer and mission success, Mercury's solutions power a wide variety of critical defense and intelligence programs. Headquartered in Chelmsford, Mass., Mercury is pioneering a next-generation defense electronics business model specifically designed to meet the industry's current and emerging technology needs. To learn more, visit www.mrcy.com.

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 acquisitions described herein. You can identify these statements by the use of the words "may," "will," "could," "should," "yould," "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 continued geopolitical 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, or in the U.S. Government's interpretation of, federal export control or procurement rules and regulations, market acceptance of the Company's products, shortages in components, production delays or unanticipated expenses due to performance quality issues with outsourced components, inability to fully realize the expected benefits from acquisitions and restructurings, or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies,

increases in interest rates, changes to export regulations, increases in tax rates, 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 June 30, 2016. 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.

Mercury Systems, CANGuard, and Innovation That Matters are trademarks of Mercury Systems, Inc. Other product and company names mentioned may be trademarks and/or registered trademarks of their respective holders.

Contact: Robert McGrail, Director of Corporate Communications Mercury Systems, Inc. +1 978-967-1366 / rmcgrail@mrcy.com