

Kratos Receives \$57.6 Million Navy Contract for 70 BQM-177A Aerial Targets



Kratos BQM-177A shipboard Launch
March 18, 2024

SAN DIEGO, March 18, 2024 (GLOBE NEWSWIRE) – Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS), a Technology Company in the Defense, National Security and Global Markets and industry-leading provider of high-performance, jet-powered unmanned aerial systems, announced today that its Unmanned Systems Division has received a \$57,673,542 modification to a previously awarded firm-fixed-price contract.

This modification exercises options to procure full rate production Lot Five of the BQM-177A Surface Launched Aerial Targets to provide for the production and delivery of 70 BQM-177A Surface Launched Aerial Targets and 70 Rocket-Assisted Takeoff attachment kits, as well as associated technical and administrative data in support of weapons system

test, and evaluation and fleet training for the Navy.

Steve Fendley, President of Kratos Unmanned Systems Division, said, "It's exciting to be a major part of this critically important capability for the U.S. Navy with our BQM-177A Sub-Sonic Aerial Target (SSAT) aircraft system (target). The 177A continues to push the envelope delivering leading edge realistic threat-representative capabilities to support today's peer-level threat environment. We look forward to the increased production rate and continuing to evolve the system with our customer as the threats evolve."

Greg Crewse, Program Manager for the Navy's Aerial Targets program office (PMA-208), said, "In partnership with the Navy Aerial Targets program office, Kratos Defense and the BQM-177A Air Vehicle are true assets to the Navy and, together, we have the opportunity to engage in critical training exercises that will prepare our personnel to face a multitude of scenarios in a challenging, cost-effective test environment prior to engaging real-world threats, should the need arise. As recent real-world events have proven, these target presentations are growing ever more critical to prepare our warfighters to go into harm's way – and prevail."