



PROCEED
WITH
CERTAINTY

AeroVironment and Kratos Team to Demonstrate Integrated High-Performance Tactical UAS and Tactical Missile System Capabilities

May 7, 2019

- Strategic teaming and collaboration between market leaders in their respective fields to demonstrate low-cost, flexible intelligence, surveillance, reconnaissance and precision strike in near-peer denied combat environments
- AeroVironment tube-launched small unmanned aircraft and tactical missile systems to be integrated with Kratos high-speed, low-cost attritable drones to dramatically enhance situational awareness and system effectiveness
- High-speed, larger unmanned aircraft will enable delivery of small, highly autonomous systems across significant distances in denied environments at coordinated times and locations

WASHINGTON--(BUSINESS WIRE)--May 7, 2019-- **Sea Air Space** – [AeroVironment, Inc.](#) (NASDAQ: AVAV), the leader in unmanned aircraft systems (UAS) and tactical missile systems (TMS), and [Kratos Defense & Security Systems, Inc.](#) (NASDAQ: KTOS) [Unmanned Systems Division](#), the leader in high-speed, tactical drone targets and unmanned aircraft, today announced a new strategic relationship to develop and demonstrate highly integrated and operationally effective multi-domain unmanned system solutions for near-peer, denied environments.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20190507005338/en/>



AeroVironment's Switchblade © Tactical Missile System (Photo: AeroVironment, Inc.)

“AeroVironment’s small unmanned aircraft systems and tactical missile systems have transformed the way ground forces train, equip, plan and operate to deliver battlefield superiority,” said **Trace Stevenson**, vice president and deputy general manager of AeroVironment’s UAS business. “Working with Kratos, an innovative host aircraft partner, together we are developing and will demonstrate the integration of tube-launched UAS and tactical missile systems into long-range, high speed and low cost unmanned

systems for their transport and delivery into near-peer, denied environments.”

“With sufficient onboard autonomy, sensors, payloads and an integrated system design, we aim to demonstrate the deployment of large quantities of smart systems that overwhelm and disable enemy systems, while bending the cost curve to make it financially prohibitive for unfriendly nations to challenge our armed forces,” Stevenson added.

“Kratos and AeroVironment offer complementary capabilities while sharing an intense focus on disruptive and affordable unmanned aircraft solutions for the DoD,” said **Steve Fendley**, president of Kratos Unmanned Systems Division. “Deploying AeroVironment’s tube-launched UAS and tactical missiles from Kratos’ highly survivable, long-range jet UAS creates an exciting opportunity to substantially increase the effectiveness and stand-off range of our existing technologies. Using internal funding, Kratos rapidly developed and demonstrated the Mako Tactical UAS in 2015, proving the speed advantage of the internal funding approach. By teaming together and investing in this capability in support of the American warfighter, Kratos and AeroVironment seek to further enhance our nation’s defenses with an affordable, comprehensive mission solution that will be ready in months, not years.”

Kratos and AeroVironment’s first collaborative project is designed to demonstrate the ability to launch, communicate with, and control a small, tube-launched loitering aircraft from a larger runway-independent unmanned aircraft. The overall system-of-system effectiveness will be evaluated for its ability to coordinate the effects of the smaller AeroVironment systems, relay useful information back to the Kratos mothership, and either pass information back to a ground control station or act upon that information to modify mission taskings.

Please visit the AeroVironment booth at Sea Air Space, National Harbor, Maryland.

Sea Air Space Booth Number AeroVironment #2709

About AeroVironment, Inc.

AeroVironment (NASDAQ: AVAV) provides customers with more actionable intelligence so they can proceed with certainty. Based in California, AeroVironment is a global leader in unmanned aircraft systems and tactical missile systems, and serves defense, government and commercial customers. For more information visit www.avinc.com.

About Kratos Defense & Security Systems, Inc.

Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS) develops and fields transformative, affordable technology, platforms and systems for

United States National Security related customers, allies and commercial enterprises. Kratos is changing the way breakthrough technology for these industries are rapidly brought to market through proven commercial and venture capital backed approaches, including proactive research and streamlined development processes. Kratos specializes in unmanned systems, satellite communications, cyber security/warfare, microwave electronics, missile defense, hypersonic systems, training, combat systems, and next generation turbo jet and turbo fan engine development. For more information go to www.KratosDefense.com. More information on Kratos Unmanned Systems Division can be found at www.KratosUSD.com.

Safe Harbor Statement

Certain statements in this press release may constitute "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from those expressed or implied. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, our ability to perform under existing contracts and obtain additional contracts; changes in the regulatory environment; the activities of competitors; failure of the markets in which we operate to grow; failure to expand into new markets; failure to develop new products or integrate new technology with current products; and general economic and business conditions in the United States and elsewhere in the world. For a further list and description of such risks and uncertainties, see the reports we file with the Securities and Exchange Commission. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.

For additional media and information, please follow us at:

Facebook: <http://www.facebook.com/aerovironmentinc>

Twitter: <http://www.twitter.com/aerovironment>

LinkedIn: <https://www.linkedin.com/company/aerovironment>

YouTube: <http://www.youtube.com/user/AeroVironmentInc>

Instagram: <https://www.instagram.com/aerovironmentinc/>

View source version on businesswire.com: <https://www.businesswire.com/news/home/20190507005338/en/>

Source: AeroVironment, Inc.

AeroVironment, Inc.

Steven Gitlin

+1 (805) 520-8350

pr@avinc.com

Mark Boyer

For AeroVironment, Inc.

+1 (310) 229-5596

mark@boversyndicate.com

Kratos Defense & Security Systems, Inc.

Yolanda White

+1 (858) 812-7302

investor@kratosdefense.com

Claire Burghoff

For Kratos Defense & Security Systems, Inc.

+1 (314) 210-1287

mcburghoff@cgagroup.com