

NAVAIR Awards Kratos Additional \$59.3M for BQM-177A Subsonic Aerial Target Systems



BQM-177A Subsonic Aerial Target Systems
From Kratos Defense & Security Solutions, March 6, 2025

SAN DIEGO, March 06, 2025 (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 Kratos has received \$59,338,010 for an additional 70 BQM-177A Subsonic Aerial Target (SSAT) aircraft through the exercise of the contract option for Full Rate Production (FRP) Lot 6. When combined with the base award and exercise of FRP Lot 5, the resulting overall value of FRP Lots 4 through 6

totals \$177,702,962. Total contract value if the remaining option for Lot 7 is exercised at the maximum production quantity will be \$227,647,890.

Steve Fendley, President of Kratos Unmanned Systems Division, said, "Since the first Full Rate Production contract award in October 2020, the world has undergone impactful economic and political shifts creating significant production challenges across our industry and increased need for development, test, and training associated with our country's current and upcoming weapons systems. On behalf of all the dedicated men and women at Kratos, we will collectively continue to do our utmost to support our warfighters with this high-fidelity threat surrogate."

The majority of the work under this contract will be conducted in Kratos facilities in Sacramento, CA, and Fort Walton Beach, FL.