



Mercury Systems Announces Defense Industry's First Trusted Microelectronics Capability for Edge Processing Architectures

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Full custom product lifecycle trust and assurance realized through advanced design, assembly and test capabilities housed in a secure DMEA-accredited facility

ANDOVER, Mass., March 05, 2019 (GLOBE NEWSWIRE) -- Mercury Systems, Inc. (NASDAQ: MRCY, www.mrcy.com) announced the defense industry's first trusted custom microelectronics capability targeting SWaP-constrained intelligent sensors for military applications using the resources of the Company's Defense Microelectronics Activity (DMEA)-accredited facility in Phoenix, Ariz. for design, assembly and test services. Although the Company provides a broad portfolio of digital microelectronics as standard product offerings, edge processing architectures for intelligent sensor and effector mission systems often require custom microelectronics designs to avoid compromises between SWaP, thermal management considerations and optimized system performance.



Mercury's custom microelectronics solutions deliver trust and assurance through advanced design, assembly and test capabilities housed in a secure DMEA-accredited facility.

While most commercial microelectronics suppliers continue to move design and manufacturing capabilities offshore, the defense industry faces increased challenges for long-term supply continuity of trusted microelectronics critical to the success of our military forces. This increases the risk of device alteration by adversaries from the earliest stages of product design through the end of full rate production. Mercury's custom microelectronics capability mitigates this risk by providing customers with a domestic and assured chain of custody deeply integrated throughout the entire product lifecycle, starting with the initial conceptual design, for both classified and unclassified programs.

"Our Advanced Microelectronics Center is proud to offer a one-stop, trusted source of design, assembly and test services for the most sophisticated custom microelectronics as an affordable alternative to conventional microelectronics suppliers whose business models fail to holistically integrate digital, radio frequency, and mixed-signal technologies," said Iain Mackie, Vice President and General Manager of Mercury's Microelectronics Secure Solutions group. "We have made substantial investments in our Phoenix, Ariz. facility to deliver authentic, high-performance devices manufactured using advanced microelectronics technologies."

With tightly integrated design and manufacturing resources, the Company has developed deep domain expertise spanning a broad range of capabilities ideally suited to custom microelectronics for defense applications:

- **Advanced packaging technologies with surface-mount, flip chip, and wire bond:** Military-grade, SWaP-optimized microelectronics manufactured and tested on a highly automated production line
- **2.5D and 3D packaging:** In addition to the Company's robust 2.5D & 3D packaging capabilities, commercialization of state-of-the-art chip-scale packaging technologies for defense applications using through silicon via (TSV) interconnections is expected within calendar year 2019
- **Thermal management:** Innovative design methodologies cool the most advanced processors and field-programmable gate array (FPGA) devices
- **Ruggedization:** Proven design strategies mitigate the effects of exposure to extreme temperature environments, mechanical shock, vibration and thermal shock common in military environments

- **Radio frequency (RF), microwave and mixed-signal:** Integration of analog and mixed-signal devices and circuitry, leveraging Mercury's world-class [RF](#) and [mixed-signal](#) engineering expertise
- **Scalable manufacturing:** Fully automated manufacturing floor with integrated material resource planning (MRP) system
- **Advanced testing protocols:** Automated, high-speed functional and environmental test capabilities to validate mission-specific performance requirements
- **Robust cybersecurity posture:** Protection of all design and manufacturing records with an active cybersecurity program based on the Center for Internet Security (CIS) critical security controls

Mercury is now engaging with customers on new custom microelectronics design opportunities for next-generation sensor and effector mission systems. For application assistance or additional information, please visit www.mrcy.com/custom-microelectronics or directly contact Mercury's application engineering team at custom.microelectronics@mrcy.com or (866) 627-6951.

Mercury Systems – Innovation That Matters®

Mercury Systems is a leading commercial provider of secure sensor and safety-critical processing subsystems. Optimized for customer and mission success, Mercury's solutions power a wide variety of critical defense and intelligence programs. Headquartered in Andover, 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 and follow us on [Twitter](#).

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 fiscal 2019 business performance and beyond and the Company's plans for growth and improvement in profitability and cash flow. You can identify these statements by the use of the words "may," "will," "could," "should," "would," "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 any U.S. Federal government shutdown or extended continuing resolution, 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 product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. Government's interpretation of, federal export contractor 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 cyber-security regulations and requirements, changes in tax rates or tax regulations, 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, 2018. 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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A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/0e196483-977a-45f5-9179-0d10a020a2a2>

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