

Mercury Systems Announces Strategic Investment in Trusted Microelectronics Technology Innovation

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ANDOVER, Mass., Oct. 15, 2019 (GLOBE NEWSWIRE) -- Mercury Systems, Inc. (NASDAQ: MRCY, www.mrcy.com) announced today a \$15 million capital investment to expand its trusted custom microelectronics business, bringing cutting-edge commercial silicon technology to the Department of Defense (DoD). The technology is applicable to all defense platforms and programs and offers fast, affordable and secure and trusted chip-scale open system architecture (OSA) devices to accelerate future modernization efforts.

"This investment directly addresses the DoD requirement for made-in-USA microelectronics and equips the warfighter with a state-of-the-art military-grade product, leveraging the most advanced commercial technologies," said Mark Aslett, Mercury's President and CEO. "This is an expansion upon existing investments which began in earnest three years ago, following Mercury's acquisition of Microsemi's custom microelectronics business. Leveraging our proven expertise in the worlds of silicon integration, embedded security, and trusted manufacturing, we can act as the merchant supplier conduit between the commercial sector and the defense industry to deliver long-term, trusted supply continuity for our valued customers and the DoD," continued Aslett.

This initiative represents one of the first commercial applications of the Defense Advanced Research Projects Agency's (DARPA) Electronics Resurgence Initiative (ERI) and directly aligns with the ERI's stated goal of "creating a more specialized, secure, and heavily automated electronics industry that serves the needs of both the domestic commercial and defense sectors." Combined with Mercury's industry-leading 'defense-ready' processing capabilities for military and aerospace applications, the initiative extends the Company's strategy to further develop leading-edge technology and manufacturing capabilities in order to bring innovative products and services to valued aerospace and defense industry customers. As the first volume realization of a project of this kind, it reinforces Mercury's leadership in embedded security, high-performance RF, digital and mixed-signal microelectronics.

"This expansion sets the stage for the continued accelerating growth of game-changing chiplet technology integration and agile customization ideal for next-generation edge processing applications," said William Conley, Ph.D., Mercury's Senior Vice President and Chief Technology Officer. "We are proud to bring open standards architecture at chip-scale to the defense community and are uniquely equipped to generate industry-leading defense electronics at a rapid pace that delivers innovation that matters. This is testament to our commitment to innovation in chip-scale technologies. Chip scale will enable solutions that would normally be housed on a board or other large-scale system to now be miniaturized onto a single chip in a reliable, secure and trusted manner."

Critical to defense applications, Mercury has significant expertise in the defense industry and can integrate requisite security with proven silicon fingerprinting capabilities, cryptographic protection capabilities, ITAR requirements implementation and on-shore silicon integration. When combined with major industry initiatives, such as trusted manufacturing, this chip-scale integration is highly complementary to Mercury's longstanding expertise in system-scale processing capabilities. Now for the first time, a single company can provide chip-scale to system-scale processing solutions optimized for increased performance, reduced power and low latency to meet the rapid growth of massive data processing in edge computing applications such as artificial intelligence.

Mercury System's Thomas Smelker, Vice President and General Manager has an extensive background in developing advanced solutions in embedded defense computing and system security technologies and was recently appointed to lead these efforts with the Company's leadership team.

For more information, visit www.mrcy.com/nexgenmicro or contact Mercury at (866) 627-6951 or info@mrcy.com.

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.

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