

OCTOBER 20, 2026

THIRD QUARTER 2026 CONFERENCE CALL

KATHY WARDEN
Chair, Chief Executive Officer
and President

JOHN GREENE
Corporate Vice President
and Chief Financial Officer

Photo: Sentinel, vertically assembled

Forward-Looking Statements

This presentation and the information we are incorporating by reference, and statements to be made on the earnings conference call, contain or may contain statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “will,” “expect,” “anticipate,” “intend,” “may,” “could,” “should,” “plan,” “strategy,” “project,” “forecast,” “achieve,” “believe,” “estimate,” “guidance,” “outlook,” “trends,” “goals,” “confident,” “targeting,” “on track” and similar expressions generally identify these forward-looking statements.

Forward-looking statements include, among other things, statements relating to our future financial condition, results of operations and/or cash flows, including financial guidance, outlook, trends, expectations and other forward-looking statements for 2026 and beyond. Forward-looking statements are based upon assumptions, expectations, plans and projections that we believe to be reasonable when made, but which may change over time. These statements are not guarantees of future performance and inherently involve a wide range of risks and uncertainties that are difficult to predict. Specific risks that could cause actual results to differ materially from those expressed or implied in these forward-looking statements include, but are not limited to, those identified and discussed more fully in the section entitled “Risk Factors” in the Form 10-K for the year ended December 31, 2025, and from time to time in our other filings with the Securities and Exchange Commission (SEC). They include:

Industry and Economic Risks

- our dependence on the U.S. government for a substantial portion of our business
- significant delays or reductions in appropriations and/or for our programs, and U.S. government funding and program support more broadly, including as a result of a prolonged continuing resolution and/or government shutdown, and/or related to the global security environment or other global events
- significant delays or reductions in payments as a result of or related to a breach of the debt ceiling or a prolonged government shutdown
- the use of estimates when accounting for our contracts and the effect of contract cost growth and our efforts to recover or offset such costs and/or changes in estimated contract costs and revenues, including as a result of inflationary pressures, labor shortages, supply chain challenges, changes in trade policies and/or other macroeconomic factors, and risks related to management’s judgments and assumptions in estimating and/or projecting contract revenue and performance which may be inaccurate
- increased competition within our markets and bid protests
- continued pressures from macroeconomic trends, including on costs, schedules, performance and ability to meet expectations

Legal and Regulatory Risks

- investigations, claims, disputes, enforcement actions, litigation (including criminal, civil and administrative) and/or other legal proceedings
- changes in procurement and other laws, SEC, U.S. Department of War (DoW) and other rules and regulations, including changes through executive orders, contract terms and practices applicable to our industry, findings by the U.S. government as to our compliance with such requirements, more aggressive enforcement of such requirements and changes in our customers’ business practices and preferences globally
- the improper conduct of employees, agents, subcontractors, suppliers, business partners or joint ventures in which we participate, including the impact on our reputation and our ability to do business
- environmental matters, unforeseen environmental costs and government and third-party claims
- unanticipated changes in our tax provisions or exposure to additional tax liabilities

Business and Operational Risks

- cyber and other security threats or disruptions faced by us, our customers or our suppliers and other partners, including threats or disruptions from the use of artificial intelligence models capable of exploiting vulnerabilities to conduct or enhance cyber attacks, and changes in related regulations
- the performance and viability of our subcontractors and suppliers and the availability and pricing of raw materials, critical minerals and metals, chemicals, parts and components, particularly with inflationary pressures, increased costs, pricing changes, shortages in labor and financial resources, supply chain disruptions, and extended material lead times
- our ability to attract and retain a qualified and talented workforce with the necessary security clearances to meet our performance obligations
- our exposure to additional risks as a result of our international business, including risks related to global security and strategic alliances, geopolitical and economic factors, misconduct, suppliers, laws and regulations
- our ability to innovate, develop new products and technologies, progress and benefit from digital transformation and maintain technologies to meet the needs of our customers
- natural disasters, epidemics, pandemics and similar outbreaks and other significant disruptions
- products and services we provide related to hazardous and high risk operations, including the production and use of such products, which subject us to various environmental, regulatory, financial, reputational and other risks
- our ability appropriately to protect and exploit intellectual property rights

General and Other Risk Factors

- the adequacy and availability of, and ability to obtain, insurance coverage, customer indemnifications or other liability protections
- the future investment performance of plan assets, gains or losses associated with changes in valuation of marketable securities related to our non-qualified benefit plans, changes in actuarial assumptions associated with our pension and other postretirement benefit plans and legislative or other regulatory actions impacting our pension and postretirement benefit obligations
- changes in business conditions that could impact business investments and/or recorded goodwill or the value of other long-lived assets, and other potential future liabilities

You are urged to consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of forward-looking statements. These forward-looking statements speak only as of the date this presentation is first issued or, in the case of any document incorporated by reference, the date of that document. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

This presentation also contains non-GAAP financial measures. A reconciliation to the nearest GAAP measure and a discussion of the company’s use of these measures are included in this presentation.

Enterprise Summary



Continued robust demand generated **book-to-bill ratio of ~1.5x** and record backlog of **\$110 billion**



Outstanding operational performance throughout portfolio drives **Q3 segment OM rate¹ of 12.1%**



Completed first vertical stack of full Sentinel Missile, **positioning program for first launch in 2027**



Added over **one million square feet** of manufacturing and engineering space in last three months



Increasing 2026 financial guidance² for segment operating income¹ and MTM-adjusted EPS¹

***Strategy delivers technology innovation, performance and balanced capital deployment,
resulting in durable and profitable growth***

1. Non-GAAP financial measure. See Appendix.

2. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.

Third Quarter 2026 Financial Highlights

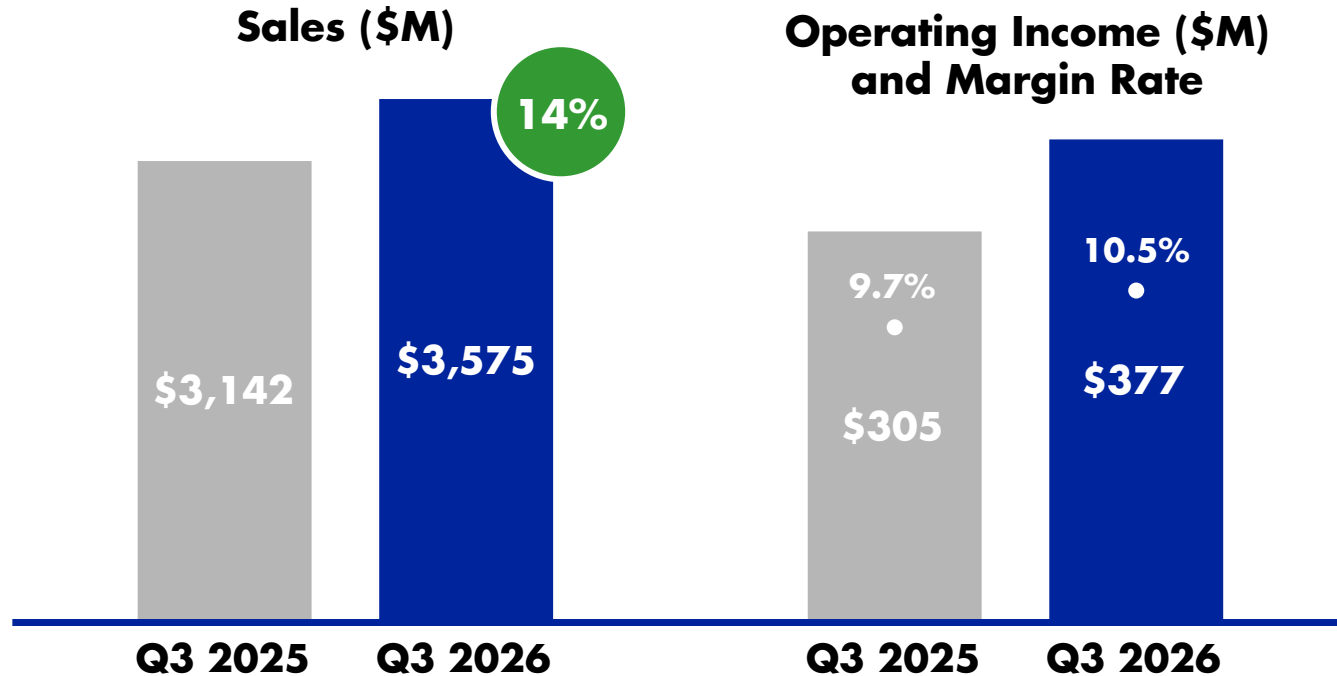
Three Months Ended September 30

<i>(\$M), except per share amounts</i>	2026	2025	▲%
Backlog	109,597	91,448	20%
Sales	11,122	10,423	7%
Segment Operating Income¹	1,345	1,277	5%
Segment Margin Rate¹	12.1%	12.3%	(20) bps
Diluted EPS	\$7.89	\$7.67	3%
Capital Expenditures	(306)	(301)	2%
Adjusted Free Cash Flow¹	1,810	1,256	44%

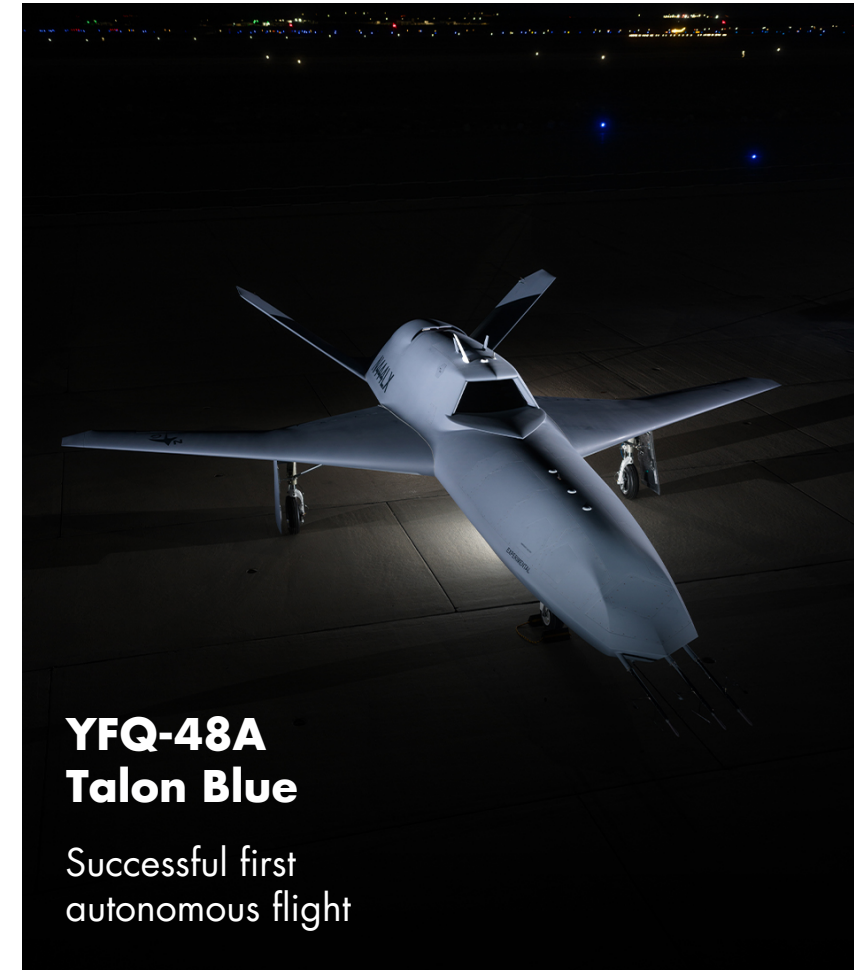


Disciplined portfolio execution driving strong financial performance and continued momentum

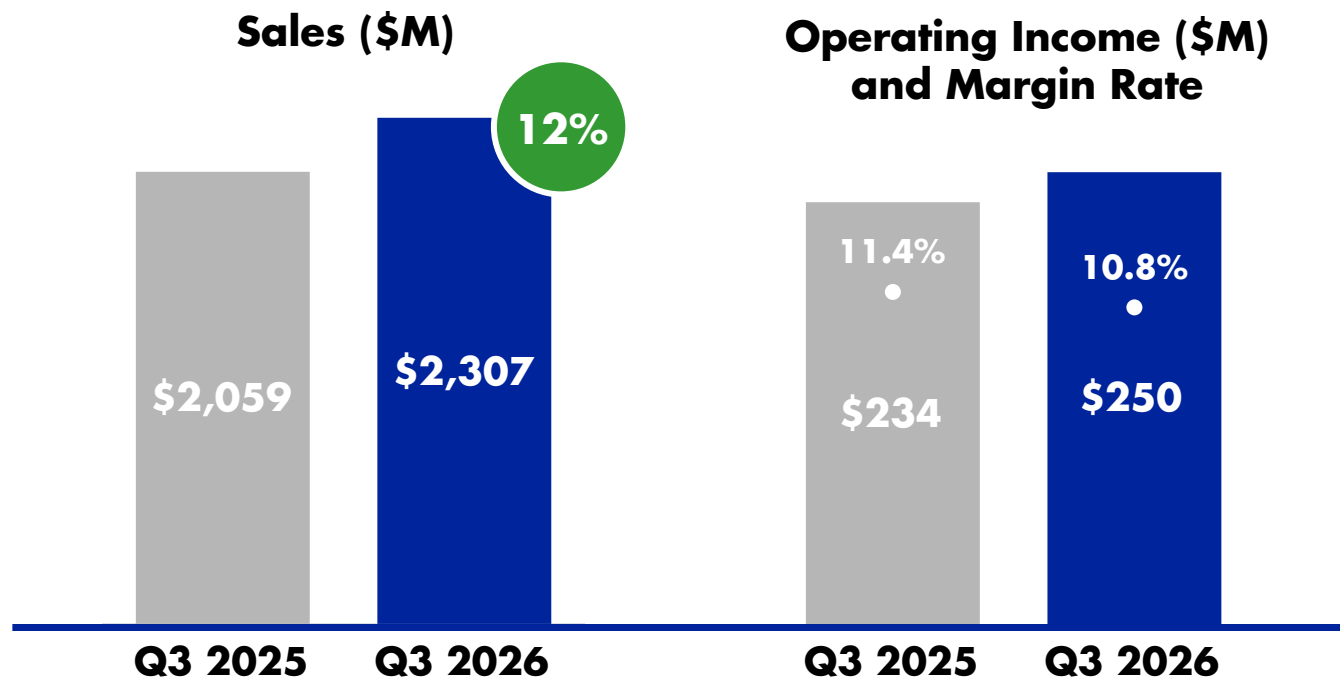
1. Non-GAAP financial measure. See Appendix.



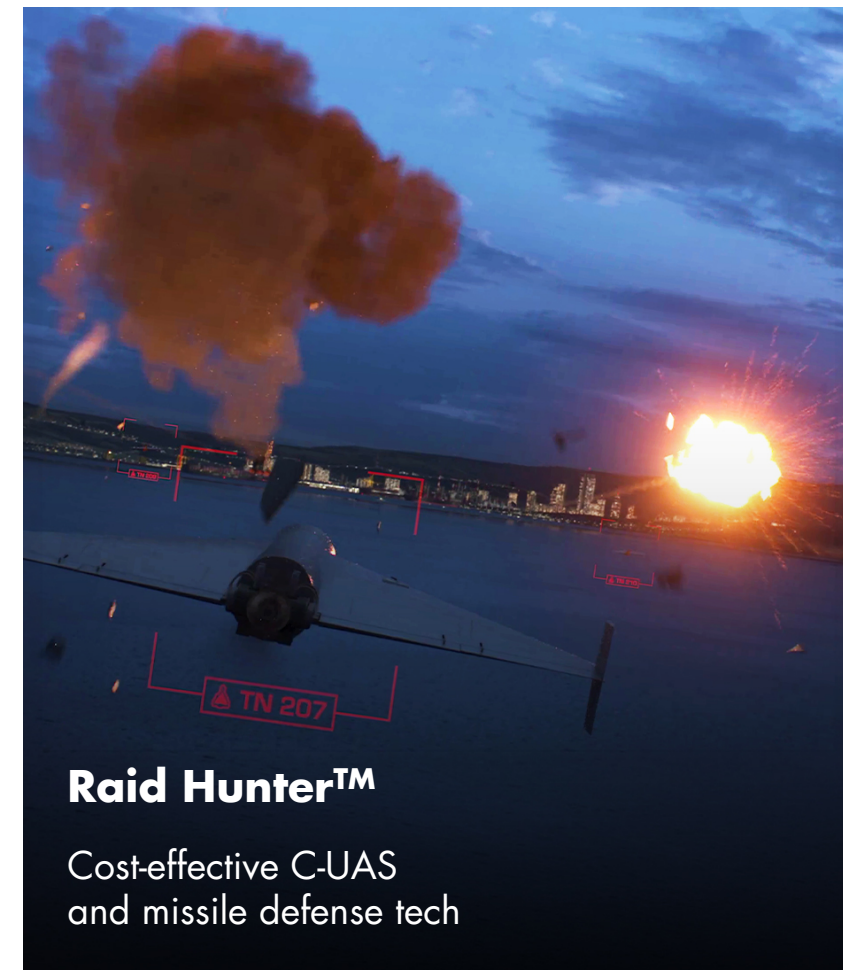
- Sales: higher F-35 volume, B-21 ramp and B-2 sustainment
- Margin: disciplined program execution across portfolio



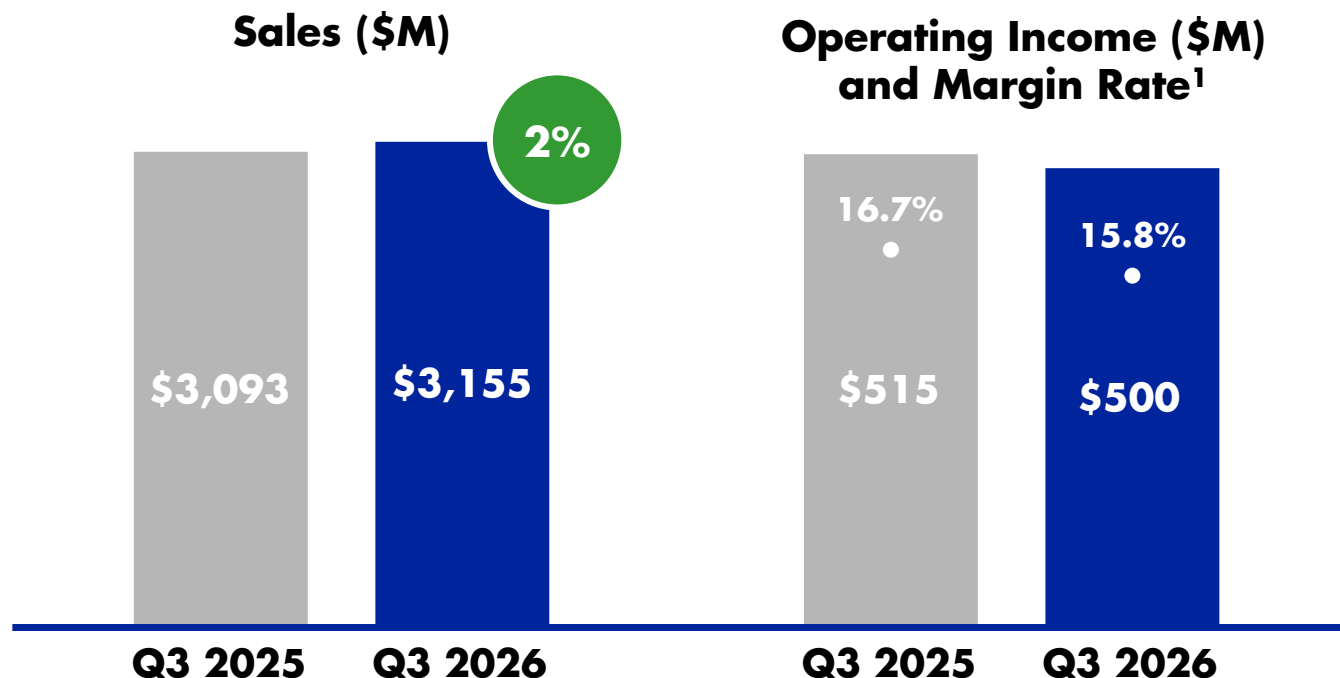
Diverse portfolio mix of innovative development, mature production and sustainment



- Sales: Sentinel ramp, increased munitions and missile volume
- Margin: stable program performance, contract mix



Progressing Sentinel, scaling missile capacity and rapidly delivering new solutions

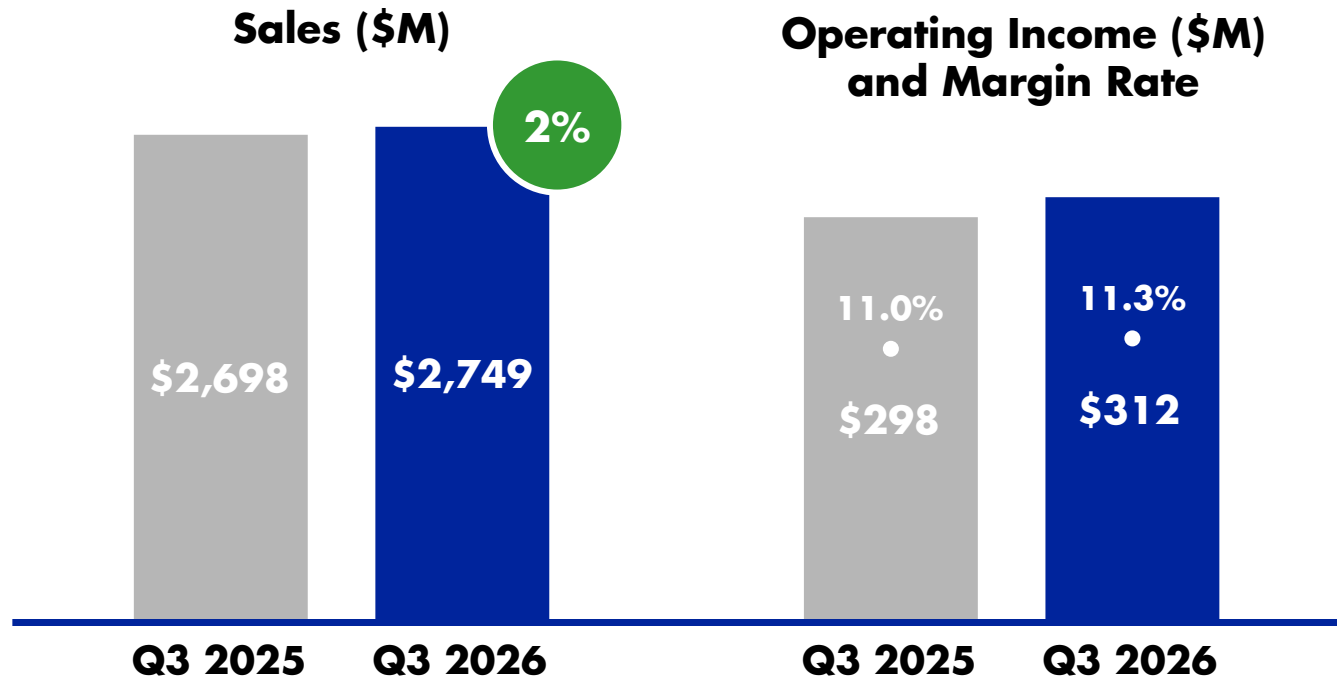


- Sales: increased restricted airborne radar and marine systems volume
- Margin: consistently strong program performance driving results



Advanced technologies deliver sustained high margin sales growth

1. Prior year operating income includes a \$68M favorable EAC adjustment in the restricted advanced microelectronics portfolio.

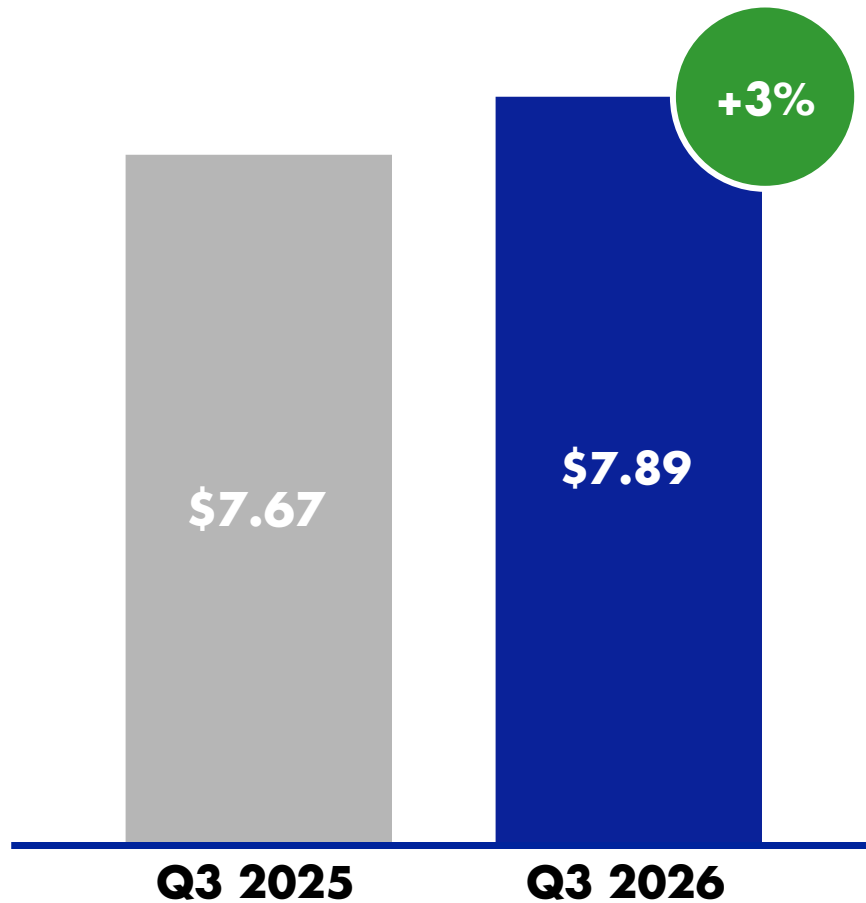


- Sales: continued growth on National Security Space programs
- Margin: solid program execution supports competitive margin rates



Differentiated National Security Space technology delivering durable growth

Q3 Diluted EPS Bridge



Q3 2025	\$7.67
Segment Performance	0.43
Federal Tax Rate	0.32
Marketable Securities	(0.50)
Net Pension ¹ and Other	(0.03)
Q3 2026	\$7.89

Outstanding segment operating performance across portfolio drives EPS growth

1. Net Pension tax effected on a 21% federal statutory tax rate and a 5.25% blended state tax rate.
Note: Year over year benefit from share reduction embedded in individual items, tax effected at 21%.

2026 Company Level Guidance¹

(\$M), except per share amounts	As of 10/20/2026
Sales	\$43,750 – \$44,250
Segment operating income²	\$4,940 – \$5,040 Prior: \$4,850 – \$5,000
MTM-adjusted EPS²	\$29.35 – \$29.75 Prior: \$28.60 – \$29.10
Adjusted free cash flow²	\$3,100 – \$3,500

Building on performance and momentum

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.

2. Non-GAAP financial measure. See Appendix.

2026 Segment Guidance¹

As of 10/20/2026

	Sales (\$B)	OM Rate %
Aeronautics Systems	~\$14	High 9% Prior: Mid to High 9%
Defense Systems	Mid to High \$8	~10%
Mission Systems	High \$12	Mid 15% Prior: ~15%
Space Systems	~\$11	Low 10%
Intersegment Eliminations	~(\$2.7)	Mid 13%

Updated segment guidance¹ reflects excellent program execution at AS and MS

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.

2027 Outlook as of 10/20/2026¹

- Premier portfolio of leading franchise programs
- Sales growth of 5% to 7%³ with further acceleration in 2028
- Segment operating margin rate² expansion of 10 to 20 basis points³
- Adjusted free cash flow² range of \$3.3 to \$3.7 billion

Enduring strategy and adaptive approach delivering long-term value

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.

2. Non-GAAP financial measure. See Appendix.

3. 2027 sales growth and segment operating margin rate expansion compared to midpoint of company guidance as of 10/20/2026.

Disciplined Strategic Execution



Historic global demand environment translating to record company backlog



Durable portfolio intentionally and continuously shaped to align with top defense priorities



Leader in advanced technology, developing the world's most important capabilities



Building the capacity to deliver scalable solutions with speed and precision



Consistent, balanced, and disciplined capital deployment priorities

Appendix



2026 Supplemental Guidance¹

(\$M)	As of 10/20/2026
Total Net FAS/CAS pension adjustment²	~\$700
Unallocated corporate expense:	
Intangible asset amortization and PP&E step-up depreciation	~\$(65)
Other items	~\$(300) Prior: ~\$(280)
Operating income	\$4,610 – \$4,710 Prior: \$4,540 – \$4,690
Interest expense	~\$(640) Prior: ~\$(620)
Effective tax rate %	~13% Prior: Mid 14%
Weighted-average diluted shares outstanding, in millions	Mid 142
Capital expenditures	~\$1,850

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.

2. Total Net FAS/CAS pension adjustment is presented as a single amount and includes \$245 million of expected CAS pension expense and \$210 million of FAS pension service expense, both of which are reflected in operating income. Non-operating FAS pension benefit of \$665 million is reflected below operating income, and the total net FAS/CAS pension adjustment is \$700 million.

Portfolio Well Supported in FY27 U.S. Base Budget Request

Key Program Area	Role on Program	2026 % of Total Company Sales ^{1,2}	FY27 U.S. Base Budget Request ³
National Space Security	Mix	>15%	
B-21	Prime	~10%	
F-35 (Center Fuselage / Sensors / Comms)	Sub	~10%	
Weapons Portfolio	Mix	~8%	
Sentinel	Prime	~7%	
E-2D	Prime	~4%	
Autonomous ISR (Triton / Global Hawk)	Prime	~4%	
Marine Programs	Sub	~3%	
EW Systems (SEWIP / IVEWS / IRCM)	Mix	~3%	
TACAMO	Prime	~2%	
IBCS	Prime	~2%	

Funding Legend

- Fully Funded
- Mostly Funded
- Approx. Half Funded
- Partially Funded

Deliberately built and continuously shaped portfolio aligned with strategic priorities

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.
2. Inclusive of international and restricted sales. Remaining sales primarily consist of other restricted programs, international, and commercial. Largest remaining unrestricted prime programs fully funded.
3. The graphics shown reflect the U.S. base budget share of total FY27 funding request, excluding classified and international program funding.

2027 Net Pension Income Sensitivities (\$M)

		Asset Returns					
		FAS ^{2,3}	1.5%	3.0%	4.5%	6.0%	7.5%
↑ Discount Rate Change⁵ ↓	0 bps	370	400	435	470	500	
	25 bps	340	375	410	440	475	
	50 bps	315	350	380	415	450	
	75 bps	290	320	355	390	420	
	100 bps	265	300	330	365	400	
	CAS ⁴	140	110	100	90	85	
Current estimates ¹ as of 9/30/2026 inclusive of updated 2026 projections		Prior estimates ¹ as of 1/27/2026 inclusive of demographic update					

**Current
estimates¹ as
of 9/30/2026
inclusive of
updated 2026
projections**

**Prior
estimates¹ as
of 1/27/2026
inclusive of
demographic
update**

Net pension estimates¹ for 2027 have declined compared to initial estimates¹ as of 1/27/2026

1. See the company's third quarter earnings release for a description of the underlying assumptions, judgments and factors that can affect the company's ability to achieve guidance or meet expectations.
2. Net FAS pension income includes FAS pension service expense (that is a component of operating earnings) and non-operating FAS pension benefit, assumes holding all other pension assumptions constant.
3. FAS Estimates as of 9/30/2026 of \$265 million highlighted above include FAS pension service expense of \$175 million, and \$440 million of non-operating FAS pension benefit.
4. CAS costs not directly impacted in the short term by changes in the discount rate, assumes holding all other pension assumptions constant.
5. Change in discount rate compared to our original guidance provided on 1/27/2026 of 5.58%. Discount rate and cash balance credit rate assumption movements are assumed to be partially linked.

2026 Working Days

<i>Number of Days in Reporting Period¹</i>	2026	2025
First Quarter	61	62
Second Quarter	64	64
Third Quarter	63	63
Fourth Quarter	63	62
Full Year	251	251

1. Quarterly information is labeled using a calendar convention; that is, first quarter is consistently labeled as ending on March 31, second quarter as ending on June 30 and third quarter as ending on September 30. It is the company's long-standing practice to establish actual interim closing dates using a "fiscal" calendar, in which we close our books on a Friday near these quarter-end dates in order to normalize the potentially disruptive effects of quarterly closings on business processes. This practice is only used at interim periods within a reporting year.

Non-GAAP Financial Measures Disclosure: This presentation contains non-GAAP (accounting principles generally accepted in the United States of America) financial measures, as defined by SEC Regulation G and indicated by a footnote in this presentation. Definitions for the non-GAAP measures are provided below and reconciliations are provided in this presentation, except that reconciliations of forward-looking non-GAAP measures are not provided because the company is unable to provide such reconciliations without unreasonable effort due to the uncertainty and inherent difficulty of predicting the occurrence and financial impact of certain items, including, but not limited to, the impact of any mark-to-market pension adjustment. Other companies may define these measures differently or may utilize different non-GAAP measures.

MTM-adjusted EPS: Diluted earnings per share excluding the per share impact of MTM benefit (expense) and related tax impacts. This measure may be useful to investors and other users of our financial statements as a supplemental measure in evaluating the company's underlying financial performance by presenting the company's diluted earnings per share results before the non-operational impact of pension and OPB actuarial gains and losses.

Segment operating income and segment operating margin rate: Segment operating income and segment operating margin rate (segment operating income divided by sales) reflect the combined operating income of our four segments less the operating income associated with intersegment sales. Segment operating income includes pension expense allocated to our sectors under FAR and CAS and excludes FAS pension service expense and unallocated corporate items. These measures may be useful to investors and other users of our financial statements as supplemental measures in evaluating the financial performance and operational trends of our sectors. These measures should not be considered in isolation or as alternatives to operating results presented in accordance with GAAP.

Organic sales: Total sales excluding sales attributable to the company's former training services business. This measure may be useful to investors and other users of our financial statements as a supplemental measure in evaluating the company's underlying sales growth as well as in understanding our ongoing business and future sales trends by presenting the company's sales adjusted for the impact of the divestiture.

Adjusted free cash flow: Net cash provided by or used in operating activities, less capital expenditures, plus proceeds from the sale of equipment to a customer (not otherwise included in net cash provided by or used in operating activities) and the after-tax impact of discretionary pension contributions. Adjusted free cash flow includes proceeds from the sale of equipment to a customer, if any, as such proceeds were generated in a customer sales transaction. It also includes the after-tax impact of discretionary pension contributions, if any, for consistency and comparability of financial performance. This measure may not be defined and calculated by other companies in the same manner. We use adjusted free cash flow as a key factor in our planning for, and consideration of, acquisitions, the payment of dividends and stock repurchases. This non-GAAP measure may be useful to investors and other users of our financial statements as a supplemental measure of our cash performance, but should not be considered in isolation, as a measure of residual cash flow available for discretionary purposes, or as an alternative to operating cash flows presented in accordance with GAAP.

Non-GAAP Reconciliations

Segment Operating Income and Margin Rate

(\$M)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	2026	2025
Total sales	\$11,122	\$10,423	\$31,879	\$30,242
Operating income	\$1,269	\$1,242	\$3,354	\$3,240
Operating margin rate	11.4%	11.9%	10.5%	10.7%
<i>Reconciliation to segment operating income:</i>				
FAS/CAS operating adjustment	\$(15)	\$(67)	\$(29)	\$(193)
Unallocated corporate expense:				
Gain on sale of training services business	—	—	—	(231)
Training services divestiture – unallowable state taxes and transaction costs	—	—	—	20
Intangible asset amortization and PP&E step-up depreciation	13	21	51	63
Other unallocated corporate expense	78	81	199	165
Unallocated corporate expense	\$91	\$102	\$250	\$17
Segment operating income	\$1,345	\$1,277	\$3,575	\$3,064
Segment operating margin rate	12.1%	12.3%	11.2%	10.1%

Non-GAAP Reconciliations

Adjusted free cash flow

	Three Months Ended September 30		Nine Months Ended September 30	
<u>(\$M)</u>	2026	2025	2026	2025
Net cash provided by operating activities	\$1,745	\$1,557	\$1,369	\$860
Capital expenditures	(306)	(301)	(775)	(788)
Proceeds from sale of equipment to a customer	371	—	371	—
Adjusted free cash flow	\$1,810	\$1,256	\$965	\$72

Non-GAAP Reconciliations

Organic Sales

	Total Company					
	Three Months Ended September 30			Nine Months Ended September 30		
(\$M)	2026	2025	% Change	2026	2025	% Change
Sales	\$11,122	\$10,423	7%	\$31,879	\$30,242	5%
Less: Training services sales	—	—		—	(112)	
Organic Sales	\$11,122	\$10,423	7%	\$31,879	\$30,130	6%

	Defense Systems					
	Three Months Ended September 30			Nine Months Ended September 30		
(\$M)	2026	2025	% Change	2026	2025	% Change
Sales	\$2,307	\$2,059	12%	\$6,299	\$5,855	8%
Less: Training services sales	—	—		—	(112)	
Organic Sales	\$2,307	\$2,059	12%	\$6,299	\$5,743	10%

