

First Quarter 2026 Conference Call

April 23, 2026

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Forward-Looking Statements

This presentation contains statements that, to the extent they are not recitations of historical fact, constitute forward-looking statements within the meaning of the federal securities laws, and are based on Lockheed Martin's current expectations and assumptions. The words "believe," "estimate," "anticipate," "project," "intend," "expect," "plan," "outlook," "scheduled," "forecast" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks and uncertainties. Actual results may differ materially due to factors such as: the company's reliance on contracts with the U.S. Government, which are dependent on U.S. Government funding and can be terminated for convenience, and the company's ability to negotiate favorable contract terms; budget uncertainty, the risk of future budget cuts, the impact of continuing resolution funding mechanisms, the debt ceiling and government shutdowns, and changing funding and acquisition priorities; risks related to the development, production, sustainment, performance, schedule, cost and requirements of complex and technologically advanced programs, including the F-35 program; planned production rates and orders for significant programs, compliance with stringent performance and reliability standards, and materials availability, including government furnished equipment and rare earth minerals; the timing of contract awards or contract definitization, decisions by government customers to impose contract terms following undefinitized contract actions, achievement of performance milestones, customer acceptance of product deliveries, and receipt of customer payments; the company's ability to recover costs under U.S. Government contracts, the mix of fixed-price and cost-reimbursable contracts and the risks inherent in preparing estimates for fixed-price contracts (particularly for complex and technologically advanced programs); customer procurement and other policies, laws, regulations and executive actions that affect the company and its industry, programs, future opportunities, and financial performance, including those relating to mission priorities, competing domestic and international spending, contracting terms (such as fixed-price requirements), acquisition process reforms, treatment of contractor performance issues, and contractor access to competitive opportunities; performance and/or financial viability of key suppliers, teammates, joint ventures (including United Launch Alliance), joint venture partners, subcontractors and customers; changes in economic, capital market and political conditions in the U.S. and globally; the impact of inflation and other cost pressures; government actions that restrict or prevent the sale or delivery of the company's products (such as delays in approvals for exports requiring Congressional notification); foreign policy and international trade actions taken by governments such as tariffs, sanctions, embargoes, export and import controls, buying preferences, and other trade restrictions; the company's success expanding into and doing business in adjacent markets and internationally and the risks posed by international sales, including potential effects from fluctuations in currency exchange rates; changes in non-U.S. national priorities and government budgets and planned orders; the competitive environment for the company's products and services; the company's ability to develop and commercialize new technologies and products, including emerging digital and network technologies and capabilities; the company's ability to benefit fully from or adequately protect its intellectual property rights; the company's ability to attract and retain a highly skilled workforce and the impact of work stoppages or other labor disruptions; cyber or other security threats or other disruptions faced by the company or its suppliers; the company's ability to implement and continue, and the timing and impact of, capitalization changes such as share repurchases, dividend payments and financing transactions, including as a result of presidential executive orders; the accuracy of the company's estimates and projections; changes in pension plan assumptions and actual returns on pension assets; cash funding requirements and pension annuity contracts and associated charges; realizing the anticipated benefits of acquisitions or divestitures, investments, joint ventures, teaming arrangements or internal reorganizations, and market volatility affecting the fair value of investments that are marked to market; the company's efforts to fund and increase production capabilities and the efficiency of its operations and improve the affordability of its products and services, including through digital transformation and cost reduction initiatives; the risk of an impairment of the company's assets, including the potential impairment of goodwill and intangibles; the availability and adequacy of the company's insurance and indemnities; compliance with laws, regulations, policies, and customer requirements relating to environmental matters; the impact of public health crises, natural disasters and other severe weather conditions on the company's business and financial results, including supply chain disruptions and delays, employee absences, and program delays; changes in accounting, U.S. or foreign tax, export or other laws, regulations, and policies and their interpretation or application, and changes in the amount or reevaluation of uncertain tax positions; and the outcome of legal proceedings, bid protests, environmental remediation efforts, audits, administrative reviews, government investigations or government allegations that the company has failed to comply with law, other contingencies and U.S. Government identification of deficiencies in its business systems. These are only some of the factors that may affect the forward-looking statements contained in this presentation. For a discussion identifying additional important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, see the company's filings with the U.S. Securities and Exchange Commission including, but not limited to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the company's most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q. The company's filings may be accessed through the Investor Relations page of its website, www.lockheedmartin.com/investor, or through the website maintained by the SEC at www.sec.gov. The company's actual financial results likely will be different from those projected due to the inherent nature of projections. Given these uncertainties, forward-looking statements should not be relied on in making investment decisions. The forward-looking statements contained in this presentation speak only as of the date of this presentation. Except where required by applicable law, the company expressly disclaims a duty to provide updates to forward-looking statements after the date of this presentation to reflect subsequent events, changed circumstances, changes in expectations, or the estimates and assumptions associated with them. The forward-looking statements in this presentation are intended to be subject to the safe harbor protection provided by the federal securities laws.

Acquisition Transformation in Action

Partnering to Accelerate Munitions Production

Increasing & Accelerating Production

PAC-3: Triple / THAAD: Quadruple / PrSM: Quadruple

Enabling Long-Term Planning & Investment

\$8-9B through 2030 incl. \$2-3B of CapEx / Bolster Supply Chain / Improve Efficiency

Expanding Capacity & Developing Workforce

20+ New and/or Modernized Facilities in 5+ States / Develop Next Generation of Talent

Creating Long Term Value

Mid-Teens Five-Year Sales CAGR for MFC / Accretive Margins

Grounded by Key Tenets

Cash Neutral Investment Phases / Provisions for Inflation and Changes in Demand



PAC-3 MSE



PrSM



THAAD

1Q 2026 Financial Highlights

\$18.0B

Sales

\$1.8B

Segment Operating Profit*

10.1%

Segment Operating Margin*

\$6.44

Earnings Per Share

(\$291M)

Free Cash Flow*

\$511M

Capital Expenditures

\$458M

Research & Development

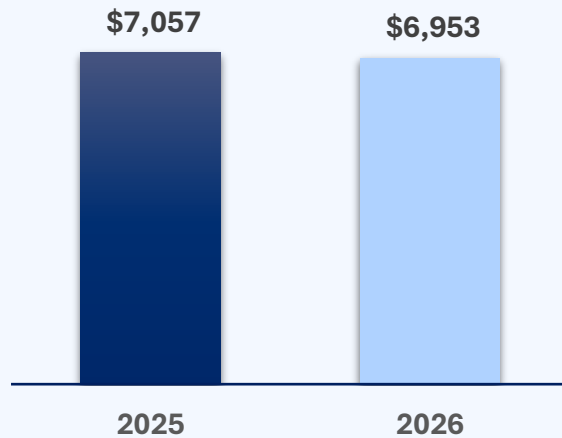
GPS III Launch



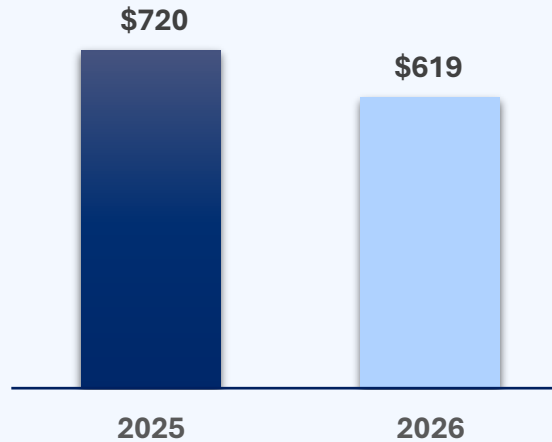
Aeronautics

First Quarter (\$M)

Sales



Operating Profit*



Sales: Decreased 1%

Lower volume on classified and F-16 programs, partially offset by increased volume on F-35 sustainment

Operating Profit: Decreased 14%

Net unfavorable profit adjustments this year and the absence of favorable profit adjustments on classified programs last year

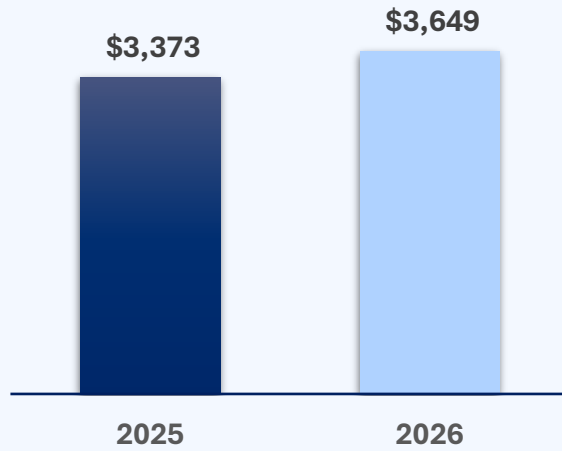
F-35 Refuels from KC-130



Missiles & Fire Control

First Quarter (\$M)

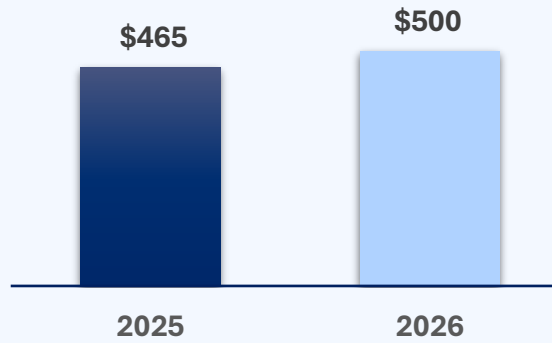
Sales



Sales: Increased 8%

Production ramp-up on PAC-3 and Tactical and Strike Missile programs

Operating Profit*



Operating Profit: Increased 8%

Higher sales volume

HIMARS equipped with PrSM



Rotary & Mission Systems

First Quarter (\$M)



Sales: Decreased 8%

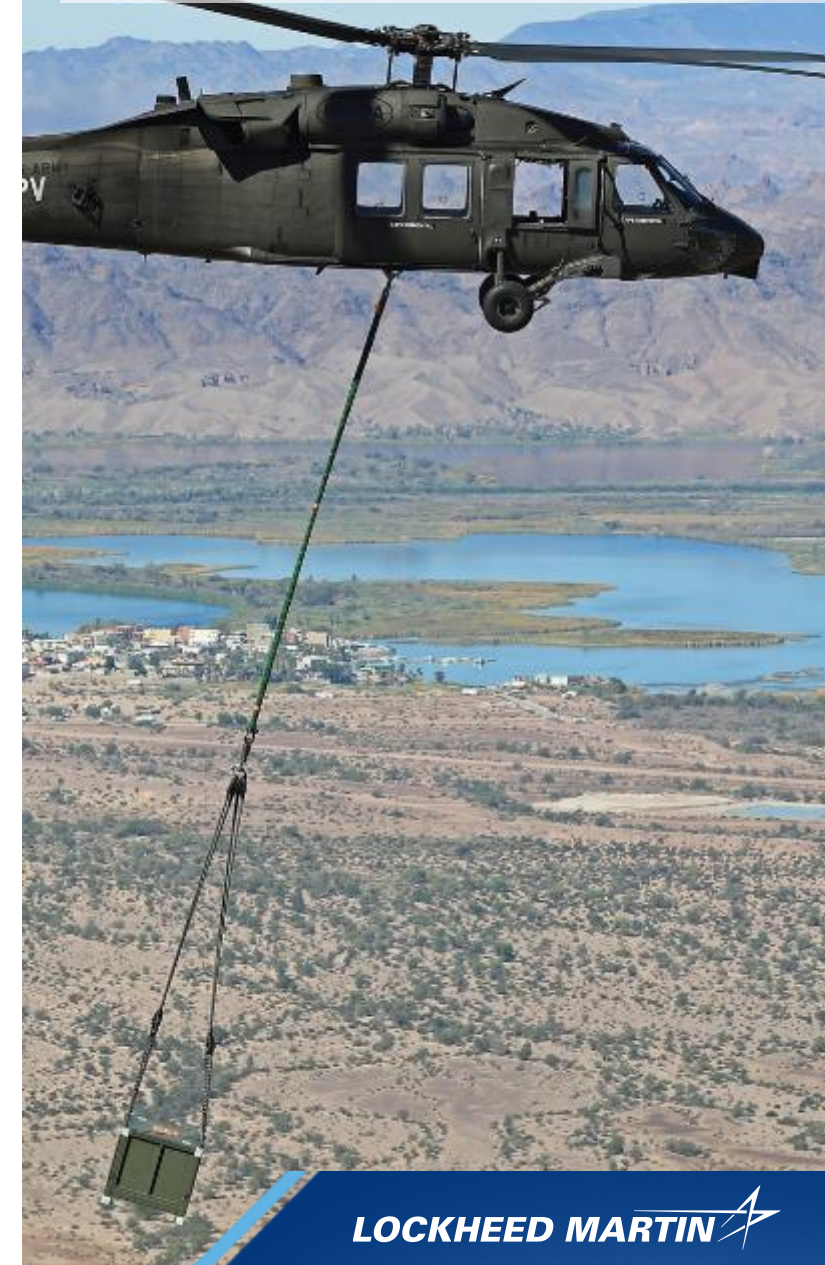
Lower volume on radar and Sikorsky programs



Operating Profit: Decreased 19%

IP license cost recoveries in 2025 that did not recur, and unfavorable profit adjustments at Sikorsky

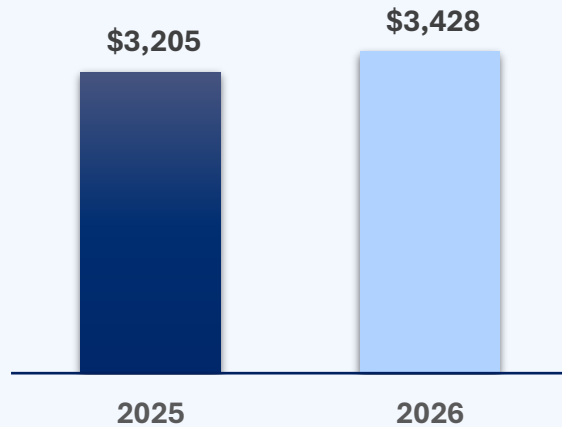
Delivery of First MATRIX™-enabled Autonomous BLACK HAWK®



Space

First Quarter (\$M)

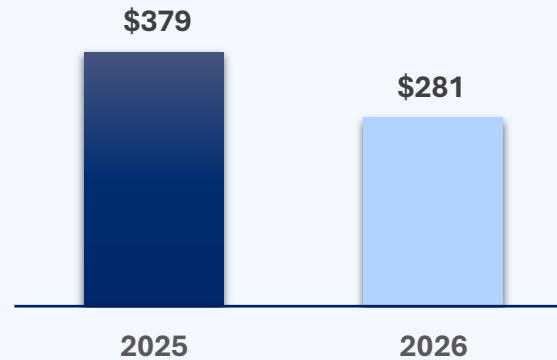
Sales



Sales: Increased 7%

Higher volume on Fleet Ballistic Missile and Next Generation Interceptor programs

Operating Profit*



Operating Profit: Decreased 26%

Absence of favorable program completion events on commercial civil space programs in 2025, partially offset by higher sales volume

Artemis II Launch



Outlook

(\$M), Except for EPS	2026 Outlook
Sales <i>YoY Growth</i>	\$77,500 - \$80,000 <i>+5%</i>
Segment Operating Profit*	8,425 - 8,675
Total FAS/CAS Pension Adjustment	~1,365
Diluted EPS	29.35 - 30.25
Cash from Operations	9,150 - 9,450
Capital Expenditures	2,500 - 2,800
Free Cash Flow*	6,500 - 6,800

Reaffirming Full Year Guidance

*See Chart 11 for Definitions of Non-GAAP Measures and Other Performance Metrics
See the company's first quarter earnings release for a description of the assumptions on which the 2026 Outlook is based

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Definitions of Non-GAAP Measures

Non-GAAP Financial Measures Disclosure

This presentation, and today's conference call remarks, contain non-Generally Accepted Accounting Principles (GAAP) financial measures (as defined by SEC Regulation G). While management believes that these non-GAAP financial measures may be useful in evaluating the financial performance of Lockheed Martin, this information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP. In addition, the company's definitions for non-GAAP financial measures may differ from similarly titled measures used by other companies or analysts.

Free Cash Flow (non-GAAP)

Free cash flow is a non-GAAP financial measure that we define as cash from operations less capital expenditures. Our capital expenditures are comprised of equipment and facilities infrastructure and information technology (inclusive of costs for the development or purchase of internal-use software that are capitalized). We use free cash flow to evaluate our business performance and overall liquidity. While management believes that free cash flow as a non-GAAP financial measure may be useful in evaluating our financial performance, it should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP and may not be comparable to similarly titled measures used by other companies

<u>\$M</u>	<u>1Q26 Results</u>	<u>2026 Outlook</u>
Cash from Operations (GAAP)	220	9,150 - 9,450
<u>Capital Expenditures</u>	<u>(511)</u>	<u>(2,500) - (2,800)</u>
Free Cash Flow (non-GAAP)	(291)	6,500 - 6,800

Segment Operating Profit and Margin (non-GAAP)

Segment Operating Profit represents operating profit from the company's business segments before unallocated income and expense. This measure is used by the company's senior management in evaluating the performance of the company's business segments and is a performance goal in the company's annual incentive plan. The table below reconciles Business Segment Operating Profit to Consolidated Operating Profit. Business Segment Operating Margin is calculated by dividing Segment Operating Profit by Sales. For 2023 forward, intangible asset amortization expense will be reclassified from segment operating profit into unallocated items.

<u>\$M</u>	<u>1Q 2026</u>			<u>1Q 2025</u>			<u>2026 Outlook</u>		
	<u>Sales</u>	<u>Profit</u>	<u>Margin</u>	<u>Sales</u>	<u>Profit</u>	<u>Margin</u>	<u>Sales</u>	<u>Profit</u>	<u>Margin</u>
Business segment operating profit (non-GAAP)	18,021	1,823	10.1%	17,963	2,085	11.6%	~\$77,500 - \$80,000	~\$8,425 - \$8,675	~10.9%
FAS/CAS operating adjustment		421			379			~1,685	
Intangible asset amortization expense		(50)			(64)			~(200)	
Severance and other charges		-			-			-	
Other, net		(131)			(28)			~(475)	
Total Unallocated Items		240			287			1,010	
Consolidated operating profit (GAAP)	18,021	2,063	11.4%	17,963	2,372	13.2%	~\$77,500 - \$80,000	~\$9,435 - \$9,685	~12.1%

Book-to-Bill Ratio

The ratio of orders received to sales recorded for a specified period

Appendix I – Guidance Detail

2026 Outlook	(\$M), Except for EPS
Sales	\$77,500 - \$80,000
Segment Operating Profit*	\$8,425 - \$8,675
Segment Margin*	10.9%
FAS/CAS Operating Adjustment**	~\$1,685
Other, net	~(\$675)
Consolidated Operating Profit	\$9,435 - 9,685
Net-Operating FAS Pension Income**	~(\$320)
Interest Expense	~(\$1,105)
Effective Tax Rate	~16.5%
Diluted EPS	\$29.35 - 30.25
Pension Contribution	\$0

*See Chart 11 for Definitions of Non-GAAP Measures

**See Chart 14 for Pension Detail

See the company's first quarter earnings release for a description of the assumptions on which the 2026 Outlook is based

Appendix II – Business Area Guidance

(\$M)	Sales	Segment Operating Profit*
AERO	\$30,500 – 31,500	\$2,975 – 3,075
MFC	\$16,100 – 16,900	\$2,235 – 2,315
RMS	\$17,400 – 17,800	\$1,830 – 1,870
SPACE	\$13,500 – 13,800	\$1,385 – 1,415
LM Total	\$77,500 – 80,000	\$8,425 – 8,675

*See Chart 11 for Definitions of Non-GAAP Measures
See the company's first quarter earnings release for a description of the assumptions on which the 2026 Outlook is based

Appendix III - Pension

	2025	2026
	<u>Actual</u>	<u>Outlook</u>
Total FAS (expense) and CAS costs		
FAS pension (expense)	\$ (924)	\$ (370)
Less: CAS pension cost	\$ 1,568	\$ 1,735
Total FAS/CAS pension adjustment	<u>\$ 644</u>	<u>\$ 1,365</u>
 Service and non-service cost reconciliation		
FAS pension service cost	\$ (50)	\$ (50)
Less: CAS pension cost	\$ 1,568	\$ 1,735
FAS/CAS operating adjustment	\$ 1,518	\$ 1,685
Non-operating FAS pension (expense)	\$ (874)	\$ (320)
Total FAS/CAS pension adjustment	<u>\$ 644</u>	<u>\$ 1,365</u>

*See Chart 15 for Acronyms

See the company's first quarter earnings release for a description of the assumptions on which the 2026 Outlook is based

Appendix IV

Acronyms

GAAP – Generally Accepted Accounting Principles	PrSM – Precision Strike Missiles
EPS – Earnings per Share	ULA – United Launch Alliance
FAS – Financial Accounting Standards	SRM – Solid Rocket Motor
CAS – Cost Accounting Standards	GPS – Global Positioning Satellite
MFC – Missile and Fire Control	C2BMC – Command and Control, Battle Management, and Communication
RMS – Rotary and Mission Systems	UAS – Unmanned Aerial Systems
TSM – Tactical & Strike Missiles	ERP – Enterprise Resource Planning
IAMD – Integrated Air & Missile Defense	FBM – Fleet Ballistic Missile
HIMARS – High Mobility Artillery Rocket System	NGI – Next Generation Interceptor
JASSM – Joint Air-to-Surface Standoff Missile	
LRASM – Long Range Anti-Ship Missile	
PAC-3 – Patriot Advanced Capability 3	
THAAD – Terminal High Altitude Area Defense	