



Third Quarter 2026 Earnings Conference Call

OCTOBER 22, 2026



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Forward-Looking Statements

This presentation and today's earnings call remarks contain 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; the timing of contract awards or contract definitization, the outcome of contract negotiations, 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; planned production rates and orders for significant programs, compliance with stringent performance and reliability standards, and materials availability, including government furnished equipment, rare earth minerals and microelectronics; performance and/or financial viability of key suppliers, teammates, joint ventures (including United Launch Alliance, for which the company has provided guarantees and expects to provide additional financial support), 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 develop and integrate artificial intelligence and autonomy technologies into its products and operations, its use of third-party AI providers, unintended performance of AI-enabled systems, and evolving laws, regulations and contract requirements governing AI and autonomous weapon systems; 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 ability to successfully integrate the Ultra Maritime business and realize synergies and other expected benefits of the transaction and the potential for disruption to its or Ultra Maritime's business, customer and supplier relationships; 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 and call remarks. 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 and call remarks speak only as of the date of its issuance. 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 and earnings call to reflect subsequent events, changed circumstances, changes in expectations, or the estimates and assumptions associated with them. The forward-looking statements in this presentation and call remarks are intended to be subject to the safe harbor protection provided by the federal securities laws.

Q3 2026 Financial Highlights

\$292B

Backlog

4x

Book-to-Bill Ratio*

\$20.7B

Sales

+11% Year-over-Year

\$2.2B

Segment Operating Profit*

10.8%

Segment Operating Margin*

\$7.97

Earnings Per Share

+15% Year-over-Year

\$3B

Free Cash Flow*

\$2.9B

Year-to-Date Capital
Expenditures and
Independent Research &
Development

\$2.4B

Year-to-Date Dividends Paid

*See Slide 12 for Definitions of Non-GAAP Measures and Other Performance Metrics.

2026 Outlook

(\$M), EXCEPT FOR EPS	JULY GUIDANCE	OCTOBER GUIDANCE	MIDPOINT Δ
Sales	\$79,750 - \$81,750	\$80,000 - \$82,000	+\$250
Segment Operating Profit*	8,500 - 8,700	8,575 - 8,675	+25
Total FAS / CAS Pension Adjustment	~1,365	~1,365	
Diluted EPS	~29.95 - 30.65	~30.35 - 30.75	+0.25
Cash From Operations	9,200 - 9,400	10,000 - 10,200	+800
Capital Expenditures	2,000 - 2,400	2,100 - 2,300	
Free Cash Flow*	\$7,000 - \$7,200	\$7,800 - \$8,000	+\$800

Increasing Full Year Outlook

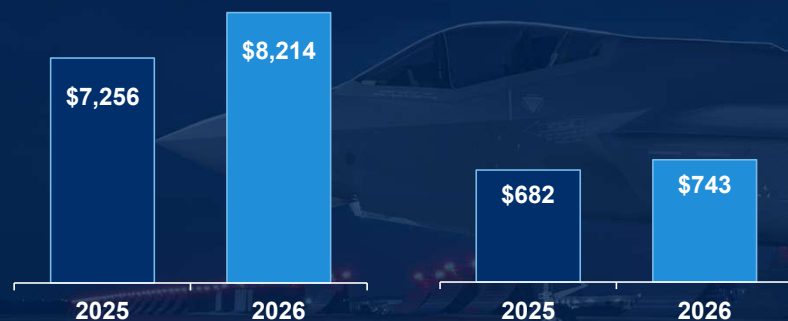
*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms and the company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

Aeronautics

Q3 RESULTS (\$M)

Sales

Operating Profit*



Sales +13%

- Higher F-35 production & sustainment volume
- C-130 pre-contract cost recovery
- Lower F-16 production volume & unfavorable profit adjustments

Operating Profit* +9%

- Higher sales volume
- Unfavorable profit adjustments for F-16 & C-130

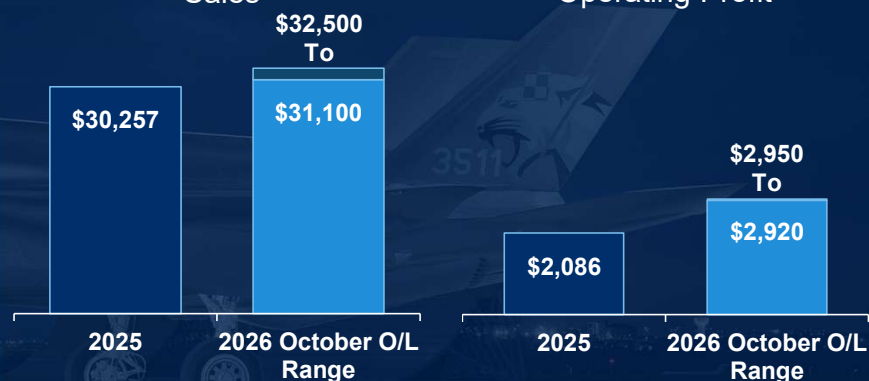
Image: F-35

*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms; and the Company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

FULL YEAR (\$M)

Sales

Operating Profit*



Sales +3 to 7%

- Higher F-35 sustainment volume
- Timing of awards for F-35

Operating Profit* +40 to 41%

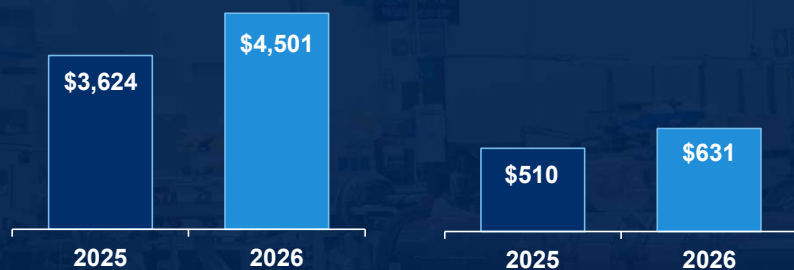
- Absence of prior year reach forward losses
- Production / sustainment mix

Missiles & Fire Control

Q3 RESULTS (\$M)

Sales

Operating Profit*



Sales +24%

- Higher PAC-3, THAAD, GMLRS, & PrSM production volume

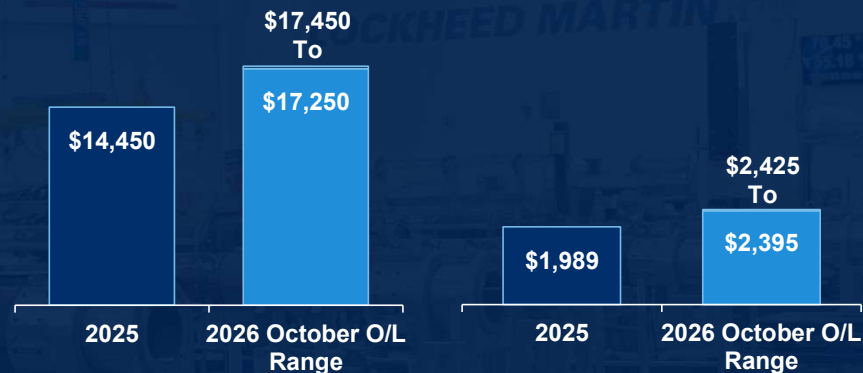
Operating Profit* +24%

- Higher volumes

FULL YEAR (\$M)

Sales

Operating Profit*



Sales +19% to 21%

- Higher PAC-3, THAAD, GMLRS, & PrSM production volume

Operating Profit* +20% to 22%

- Higher volumes
- Higher favorable profit adjustments

Image: PAC-3 MSE Production

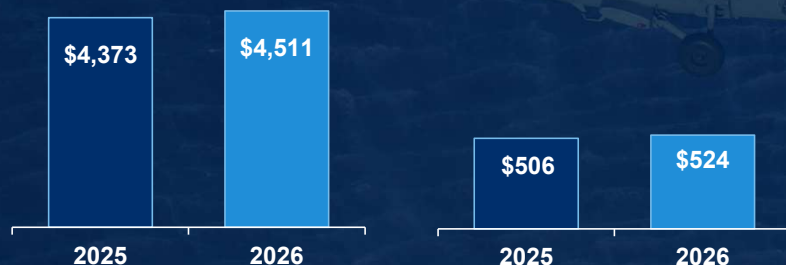
*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms; and the Company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

Rotary & Mission Systems

Q3 RESULTS (\$M)

Sales

Operating Profit*



Sales +3%

- Higher radar and C2 programs volume

Operating Profit* +4%

- Profit adjustment for contracting matter resolution

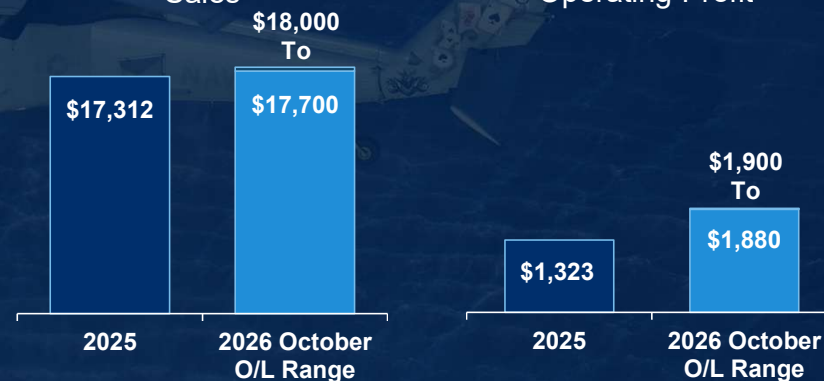
Image: MH-60 Seahawk

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FULL YEAR (\$M)

Sales

Operating Profit*



Sales +2 to 4%

- Higher undersea mission systems volume
- Higher Sikorsky helicopter volume
- Higher radar program volume

Operating Profit* +42 to 44%

- Absence of prior year reach-forward losses

Space

Q3 RESULTS (\$M)

Sales



Operating Profit*



Sales +4%

- Higher NGI & FBM volume
- Lower National Security sales due to program lifecycle on OPIR mission

Operating Profit*

- Comparable to Q3 2025

Image: Modular Payload Delivery System (MPDS)

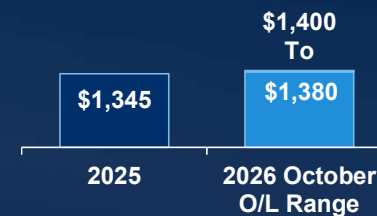
*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms; and the Company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

FULL YEAR (\$M)

Sales



Operating Profit*



Sales +7 to 8%

- Higher NGI & FBM volume

Operating Profit* +3 to 4%

- Portfolio mix
- Lower ULA equity earnings

Summary

DEFENSE TECHNOLOGY LEADER

- Integrating platforms, autonomous systems and AI-enabled command & control across every domain
- Bringing together the best available technologies to deliver capability at the pace of the threat

INNOVATION AT SPEED

- Advancing AI and autonomy from Vectis and AI piloted intercepts to MATRIX and AI-powered sensing
- Turning years of investment into new franchises in hypersonics, missile defense, and affordable mass

EXECUTION, PERFORMANCE, FINANCIALS

- Scaling munitions production to meet urgent demand, backed by multi-year agreements
- Consecutive guidance raises, accelerating growth, and higher earnings and free cash flow

Image: MORFIUS X-Rotor

*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms and the company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.



Appendix I: 2026 Segment Outlook Details

2026 OUTLOOK (\$M)		
JULY GUIDANCE	SALES	SEGMENT OPERATING PROFIT*
AERO	\$31,700 – \$32,700	\$3,000 – \$3,080
MFC	16,500 – 16,900	2,300 – 2,350
RMS	17,700 – 18,100	1,860 – 1,890
SPACE	13,850 – 14,050	1,340 – 1,380
LM Total	\$79,750 – \$81,750	\$8,500 – \$8,700

2026 OUTLOOK (\$M)		
OCTOBER GUIDANCE	SALES	SEGMENT OPERATING PROFIT*
AERO	\$31,100 – \$32,500	\$2,920 – 2,950
MFC	17,250 – 17,450	2,395 – 2,425
RMS	17,700 – 18,000	1,880 – 1,900
SPACE	13,950 – 14,050	1,380 – 1,400
LM Total	\$80,000 – \$82,000	\$8,575 – \$8,675

*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms and the company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

Appendix II: Definitions of Non-GAAP Measures and Other Performance Metrics

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 the company defines as cash from operations less capital expenditures. The company's 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). The company uses free cash flow to evaluate its business performance and overall liquidity. While management believes that free cash flow as a non-GAAP financial measure may be useful in evaluating the company's 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>3Q26 Results</u>	<u>2026 Outlook</u>
Cash from Operations (GAAP)	3,438	10,000 - 10,200
Capital Expenditures	(439)	2,100 - 2,300
Free Cash Flow (non-GAAP)	2,999	7,800 - 8,000

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.

<u>\$M</u>	<u>3Q 2026</u>			<u>3Q 2025</u>			<u>2026 Outlook</u>		
	Sales	Profit	Margin	Sales	Profit	Margin	Sales	Profit	Margin
Business segment operating profit (non-GAAP)	20,711	2,229	10.8%	18,609	2,029	10.9%	~80,000 - 82,000	~8,575 - 8,675	10.6%
FAS/CAS operating adjustment		421			380			~1,685	
Intangible asset amortization expense		(49)			(70)			~(200)	
Impairment and other charges		-			-			-	
Other, net		(158)			(59)			~(540)	
Total Unallocated Items		214			251			945	
Consolidated operating profit (GAAP)	20,711	2,443	11.8%	18,609	2,280	12.3%	~80,000 - 82,000	~9,520 - 9,620	11.8%

Book-to-Bill Ratio

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

Appendix III

Pension (\$M)	2025 Actual	2026 Outlook
Total FAS Expense and CAS Cost		
FAS Pension Expense	\$ (924)	\$ (370)
Less: CAS Pension Cost	1,568	1,735
Net FAS/CAS Pension Adjustment	\$ 644	\$ 1,365
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)
Net FAS/CAS Pension Adjustment	\$ 644	\$ 1,365

*See Slide 15 for Acronyms and the company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

Appendix IV

2026 Outlook (October 2026)	(\$M), EXCEPT FOR EPS
Sales	\$80,000 - \$82,000
Segment Operating Profit*	8,575 - 8,675
Segment Margin*	10.6%
FAS / CAS Operating Adjustment**	~1,685
Other, net	~(540)
Consolidated Operating Profit	9,520 - 9,620
Net-Operating FAS Pension Expense**	~(320)
Interest Expense	~(1,090)
Effective Tax Rate	~15.6%
Diluted EPS	30.35 – 30.75
Pension Contribution	\$0

*See Slide 12 for Definitions of Non-GAAP Measures; Slide 15 for Acronyms and the company's third quarter earnings release for a description of the assumptions on which the 2026 Outlook is based.

**See Slide 13 for Pension Detail.

Appendix V

ACRONYMS

C2 – Command and Control

CAS – Cost Accounting Standards

EPS – Earnings Per Share

FAS – Financial Accounting Standards

FBM – Fleet Ballistic Missile

GAAP – Generally Accepted Accounting Principles

GMLRS – Guided Multiple Launch Rocket System

LM – Lockheed Martin

MFC – Missiles and Fire Control

MPDS – Modular Payload Delivery System

MSE – Missile Segment Enhancement

NGI – Next Generation Interceptor

O/L – Outlook

OPIR – Overhead Persistent Infrared

PAC-3 – Patriot Advanced Capability-3

PrSM – Precision Strike Missile

RMS – Rotary and Mission Systems

THAAD – Terminal High Altitude Area Defense

ULA – United Launch Alliance