

Lockheed Martin Corporation
Consolidated Statements of Earnings¹
(unaudited; in millions, except per share data)

	Quarters Ended	
	March 30, 2025	March 31, 2024
Sales	\$ 17,963	\$ 17,195
Operating costs and expenses	(15,640)	(15,202)
Gross profit	2,323	1,993
Other income, net	49	36
Operating profit	2,372	2,029
Interest expense	(268)	(255)
Non-service FAS pension (expense) income	(98)	16
Other non-operating income, net	30	45
Earnings before income taxes	2,036	1,835
Income tax expense	(324)	(290)
Net earnings	\$ 1,712	\$ 1,545
Effective tax rate	15.9%	15.8%
Earnings per common share		
Basic	\$ 7.30	\$ 6.42
Diluted	\$ 7.28	\$ 6.39
Weighted average shares outstanding		
Basic	234.4	240.7
Diluted	235.3	241.6
Common shares reported in stockholders' equity at end of period	233	239

¹ The company closes its books and records on the last Sunday of the calendar quarter to align its financial closing with its business processes, which was on March 30, for the first quarter of 2025 and March 31, for the first quarter of 2024. The consolidated financial statements and tables of financial information included herein are labeled based on that convention. This practice only affects interim periods, as the company's fiscal year ends on Dec. 31.

Lockheed Martin Corporation
Business Segment Summary Operating Results
(unaudited; in millions)

	Quarters Ended		% Change
	March 30, 2025	March 31, 2024	
Sales			
Aeronautics	\$ 7,057	\$ 6,845	3%
Missiles and Fire Control	3,373	2,993	13%
Rotary and Mission Systems	4,328	4,088	6%
Space	3,205	3,269	(2%)
Total sales	\$ 17,963	\$ 17,195	4%
Operating profit			
Aeronautics	\$ 720	\$ 679	6%
Missiles and Fire Control	465	311	50%
Rotary and Mission Systems	521	430	21%
Space	379	325	17%
Total business segment operating profit	2,085	1,745	19%
Unallocated items			
FAS/CAS operating adjustment	379	406	
Intangible asset amortization expense	(64)	(61)	
Other, net	(28)	(61)	
Total unallocated items	287	284	1%
Total consolidated operating profit	\$ 2,372	\$ 2,029	17%
Operating margin			
Aeronautics	10.2%	9.9%	
Missiles and Fire Control	13.8%	10.4%	
Rotary and Mission Systems	12.0%	10.5%	
Space	11.8%	9.9%	
Total business segment operating margin	11.6%	10.1%	
Total consolidated operating margin	13.2%	11.8%	

Table 2

Lockheed Martin Corporation
Consolidated Balance Sheets
(in millions, except par value)

	March 30, 2025	Dec. 31, 2024
Assets	(unaudited)	
Current assets		
Cash and cash equivalents	\$ 1,803	\$ 2,483
Receivables, net	2,024	2,351
Contract assets	14,677	12,957
Inventories	3,599	3,474
Other current assets	698	584
Total current assets	<u>22,801</u>	<u>21,849</u>
Property, plant and equipment, net	8,713	8,726
Goodwill	11,076	11,067
Intangible assets, net	1,952	2,015
Deferred income taxes	3,568	3,557
Other noncurrent assets	8,559	8,403
Total assets	<u>\$ 56,669</u>	<u>\$ 55,617</u>
Liabilities and equity		
Current liabilities		
Accounts payable	\$ 3,821	\$ 2,222
Salaries, benefits and payroll taxes	2,391	3,125
Contract liabilities	9,375	9,795
Current maturities of long-term debt	1,643	643
Other current liabilities	3,957	3,635
Total current liabilities	<u>21,187</u>	<u>19,420</u>
Long-term debt, net	18,661	19,627
Accrued pension liabilities	4,815	4,791
Other noncurrent liabilities	5,323	5,446
Total liabilities	<u>49,986</u>	<u>49,284</u>
Stockholders' equity		
Common stock, \$1 par value per share	233	234
Additional paid-in capital	—	—
Retained earnings	14,773	14,551
Accumulated other comprehensive loss	(8,323)	(8,452)
Total stockholders' equity	<u>6,683</u>	<u>6,333</u>
Total liabilities and equity	<u>\$ 56,669</u>	<u>\$ 55,617</u>

Table 3

Lockheed Martin Corporation
Consolidated Statements of Cash Flows
(unaudited; in millions)

	Quarters Ended	
	March 30, 2025	March 31, 2024
Operating activities		
Net earnings	\$ 1,712	\$ 1,545
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation and amortization	397	351
Stock-based compensation	60	61
Deferred income taxes	(34)	(77)
Changes in assets and liabilities		
Receivables, net	327	(125)
Contract assets	(1,720)	(867)
Inventories	(125)	(146)
Accounts payable	1,680	1,301
Contract liabilities	(420)	(445)
Income taxes	339	341
Qualified defined benefit pension plans	111	(1)
Other, net	(918)	(303)
Net cash provided by operating activities	1,409	1,635
Investing activities		
Capital expenditures	(454)	(378)
Other, net	24	6
Net cash (used for) investing activities	(430)	(372)
Financing activities		
Issuance of long-term debt, net of related costs	—	1,980
Repurchases of common stock	(750)	(1,000)
Dividends paid	(796)	(780)
Other, net	(113)	(115)
Net cash (used for) provided by financing activities	(1,659)	85
Net change in cash and cash equivalents	(680)	1,348
Cash and cash equivalents at beginning of period	2,483	1,442
Cash and cash equivalents at end of period	\$ 1,803	\$ 2,790

Table 4

Lockheed Martin Corporation
Selected Financial Data
(unaudited; in millions)

	2025 Outlook	2024 Actual
Total FAS (expense) income and CAS cost		
FAS pension (expense) income	\$ (445)	\$ 2
Less: CAS pension cost	<u>1,570</u>	<u>1,684</u>
Total FAS/CAS pension adjustment	\$ 1,125	\$ 1,686
 Service and non-service cost reconciliation		
FAS pension service cost	\$ (50)	\$ (60)
Less: CAS pension cost	<u>1,570</u>	<u>1,684</u>
FAS/CAS pension operating adjustment	<u>1,520</u>	<u>1,624</u>
Non-service FAS pension (expense) income	<u>(395)</u>	<u>62</u>
Total FAS/CAS pension adjustment	\$ 1,125	\$ 1,686

Table 5

Lockheed Martin Corporation
Other Financial and Operating Information
(unaudited; in millions, except for aircraft deliveries and weeks)

	March 30, 2025	Dec. 31, 2024
Backlog		
Aeronautics	\$ 57,476	\$ 62,763
Missiles and Fire Control	40,637	38,783
Rotary and Mission Systems	39,113	38,117
Space	35,748	36,377
Total backlog	\$ 172,974	\$ 176,040

	Quarters Ended	
	March 30, 2025	March 31, 2024
Aircraft Deliveries		
F-35	47	—
F-16	4	3
C-130J	1	4
Government helicopter programs	9	13
Commercial helicopter programs	1	—

	2025	2024
Number of Weeks in Reporting Period¹		
First quarter	13	13
Second quarter	13	13
Third quarter	13	13
Fourth quarter	13	13

¹ Calendar quarters are typically comprised of 13 weeks. However, the company closes its books and records on the last Sunday of each month, except for the month of Dec., as its fiscal year ends on Dec. 31. As a result, the number of weeks in a reporting quarter may vary slightly during the year and for comparable prior year periods.