S&P Global
Market Intelligence

Northrop Grumman Corporation NYSE:NOC

Morgan Stanley's 14th Annual Laguna Conference

Thursday, September 17, 2026 5:15 PM GMT

COPYRIGHT © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved

Table of Contents

Call Participants 3

Presentation 4

Question and Answer 5

COPYRIGHT © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved

Call Participants

EXECUTIVES

Kathy J. Warden
Chair, CEO & President

ANALYSTS

Kristine Tan Liwag
Morgan Stanley, Research Division

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Presentation

Kristine Tan Liwag
Morgan Stanley, Research Division

Hello. Good morning, everyone. I'm Kristine Liwag, Morgan Stanley's Head of Aerospace and Defense Equity Research. I'm very, very excited to host our next panel with Kathy Warden, Chairman and CEO of Northrop Grumman. Kathy, welcome.

Kathy J. Warden
Chair, CEO & President

Thank you, Kristine. It's great to be back with you.

Kristine Tan Liwag
Morgan Stanley, Research Division

So as you guys know, for important disclosures, please see the Morgan Stanley research disclosure website at www.morganstanley.com/researchdisclosures. If you have any questions, please reach out to your Morgan Stanley representative. So with that, Kathy, I'm very excited for you to come back here at Laguna. So maybe I'll pass it on to you for some opening remarks.

Kathy J. Warden
Chair, CEO & President

Yes. Well, let me start, too, with a couple of disclosures. First, I am likely to make forward-looking statements throughout the conversation, and those have inherent uncertainties and risks, so please refer to our SEC filings, which you can find on the Northrop Grumman website for a full list and discussion of those risks.

Just want to start by saying that we are in a very robust demand environment. When Kristine and I were together here a year ago, I believe I characterized it as the most robust I'd seen in the 20-plus years that I've been in the industry. And as I sit here today, that environment is translating into backlog and awards for our company not just in the United States, but with our allies around the globe. We have a record backlog once again. We continue to build on that backlog with franchise programs like the B-21 and Sentinel as they scale through development and into production, but we're also adding market share in munitions as they accelerate, and we grow our footprint on those weapons.

We are growing in national security space, which you know is becoming an increasing imperative for the U.S. and allies to not only have situational awareness in space, but to be able to conduct operations there, and that business is also growing double digits. So just a number of catalysts within our company and broad-based growth across all 4 of our operating segments.

We also, as we are shifting from more development work to more production work, seeing tailwinds to margin that come as we mature the products and are able to have the tailwinds of mix that we've talked about before. And international, as it grows, is also providing tailwinds to our margin profile. So as we execute the strategy that we have been executing for the last several years, we really are at a point where these catalysts in our business are starting to translate into more value creation through the decade. And I would say we are as optimistic as ever about the robust bipartisan support in the U.S. for national security spending, the fact that our programs are supported in the base budget that the President submitted to the Congress and that we are also seeing this robust international environment.
So with that backdrop, I know you want to explore several areas that I've just touched on in our portfolio. So I'll turn it back to you, Kristine.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Question and Answer

Kristine Tan Liwag
Morgan Stanley, Research Division

Thank you, Kathy. So maybe touching on the demand environment. You talked about the robust demand, but if we could pivot to the funding dynamics, right? The House and the Senate Armed Services Committee and the House of Appropriations Committee, they've each backed that $1.1 trillion budget for the fiscal year '27 base, and it's good to see that your programs are funded there. But that said, the reconciliation request, supplemental, and now we're in a continuing resolution. These are all areas of uncertainty for the funding levels. Can you talk about how much of Northrop's growth is driven by the base budget outlook versus the contingents and reconciliation? And how do we think about the risks to your business if the CR is extended for longer? And I think historically, it's around 90 to 100 days on average.

Kathy J. Warden
Chair, CEO & President

Yes. So our programs are largely supported in the base budget and fully funded there. They aren't split between base and reconciliation like some other areas. And so we see what is in reconciliation largely as upside to the outlook that we have been providing for the company's growth. And as we also look at the base budget and how well our programs are supported, it's an indication of that enduring and sustainable demand signal for those programs that they are included in base. Now we do believe that there is room for some of the reconciliation and supplemental priorities to be funded in addition to the base budget. But to your point, we think that's unlikely to happen in the near term. So again, having our programs in base will allow us to continue to fully execute those programs on their current profile.

The continuing resolution, of course, both the House and the Senate have agreed to extend funding through continuing resolution in early December. It is unlikely, we believe, that a budget will be passed at that time. So likely that the CR will be further extended. But this is something that our industry has become accustomed to.

It's not good for national security. We need timely appropriations. It does cost the government more when we have these extended periods of continuing resolution. But at the end of the day, as we look at our programs, we have the funding we need to continue to work and believe that's the case even into early next year.

Kristine Tan Liwag
Morgan Stanley, Research Division

That's really helpful, Kathy, thank you for the color. So on B-21, you've said that the Air Force's analysis of a larger B-21 program extending beyond 100 aircraft, it should conclude by year-end. So first, where does that stand now? Do you have indications of what the Air Force may be leaning towards? And then also separately, when we think about margins, Aeronautics margins moved up to 10.3% in Q2, and you've got a full year mid- to high 9% guidance for the segment. How much of that improvement is B-21-specific versus the mature production programs? What are the puts and takes in the Aeronautics segment when we think about margins?

Kathy J. Warden
Chair, CEO & President

Well, let me start with the B-21. We, of course, earlier this year, came to an agreement with the Air Force to accelerate the rate at which we are building the aircraft, and we are in the process of facilitizing to do that. That then positions the government to consider increasing the overall program of record, meaning how many aircraft they will buy as part of the program. And I don't want to get ahead of them. They are conducting that analysis now. I do expect them to share their conclusions with the Congress later this year, and of course, with all of us.

At the same time, to your point, we are progressing B-21 through development. We have also started low-rate initial production on the program, and I'm really pleased with the performance as is our customer, the U.S. Air Force, they continue to share very positive progress as the program is being tested and meeting its test points, which then positions us to move to producibility knowing that we have a design in this aircraft that delivers the capability that our Air Force needs. They also look at this as a multifunctional aircraft.

So originally, as part of the Triad, it was an aircraft that was designed to meet part of the nuclear triad mission, but it can do so much more. And that really is the basis for the Air Force now looking at their whole force structure and seeing the B-21 as a platform that

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

they can use for other missions. And so we feel that this program of record expansion is a reflection indeed of that long-term demand signal for the platform.

The AS portfolio, our Aeronautics segment, is performing exceptionally well on our mature production programs as well. So when you asked about the margin profile in that business, while the B-21 is doing well and in alignment with our estimate complete for the program, it is really those other mature production programs that are generating the higher-than-anticipated margins in the segment this year.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. And do you anticipate that these programs will continue to be a tailwind in the second half?

Kathy J. Warden
Chair, CEO & President

We do. So we had increased our segment level margin guidance, as you know, and we just continue to see that team step up and deliver.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Now moving to the multi-year and solid rocket motors, which is a topic du jour. So you've identified 10 multi-year agreements in total with roughly $10 billion of opportunity over the next 7 years. And you've also been qualified as the second source supplier for the solid rocket motors and the PAC-3. So as these definitize, how should we think about the opportunity set, how quickly can you move? What's the budget visibility and funding for these multiyears? And also, when can you provide more color regarding the 8 agreements beyond the PAC-3 and the THAAD?

Kathy J. Warden
Chair, CEO & President

So let me unpack the 10-part question around the 10-part munitions acceleration that we have. We have numerous opportunities in the munitions acceleration space. You noted PAC-3, and we are far along in discussions with Lockheed Martin as -- to being the solid rocket motor provider for a portion of their buy. And we first had to qualify, that is complete. Now we are in the process of ramping production and meeting increasingly higher targets for delivery. We are feeling very good about how that's progressing and simultaneously working our way through contract negotiations.

That is a model of what we are doing on a number of weapon systems. In some cases, we are looking to qualify as just a solid rocket motor provider. In others, we produce seekers, cases, nozzles, fuses, so we are really a multiproduct line contributor to munitions of all types and sizes. And so we are taking this opportunity to work with partners we have not worked with before, show them the products we have and define what our path is to gaining share on those weapons. There are 10 agreements, about 8 weapons that we are in active discussions with various clients on.

Kristine Tan Liwag
Morgan Stanley, Research Division

And by the way, Kathy, I think from our Lockheed session earlier today, I mean, they're talking about 2x, 3x, 5x. I mean these are very high volume multipliers. So when you think about the CapEx requirements that you have to make, can you share your views on what kind of investments you have to do if these things materialize into definitive agreements?

Kathy J. Warden
Chair, CEO & President

Yes. Just to take you back a handful of years, you will recall that we acquired Orbital ATK in 2019. And as part of our getting into the weapons business in a more earnest way, we began to invest in that business. We were building out capacity because we saw the opportunity coming. We didn't see it at 3 or 4x. But we saw the opportunity to gain share on what's -- where Orbital ATK did not have a presence and that is Northrop Grumman, we had more to offer than just rocket motors.

And so that strategy has been in place for a while. We started the investment before we got on contract and what it has allowed us to do is come at these opportunities with a running start. We have built 2 additional plants where we can build solid rocket motors. We have 2 others that are nearing completion for production capacity. And that is what now we can bring to the table when we talk

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

to companies like Lockheed Martin about fulfilling this much higher demand signal that they've been given and it's opening their aperture to new suppliers like us. So it's really a win-win. And having made that investment is what got us to the table, now ramping through the facilities that we have is going to allow us to gain share over these next couple of years.

Kristine Tan Liwag
Morgan Stanley, Research Division

Very helpful color. So on Sentinel, Sentinel backlog grew to $7.6 billion in the last quarter. You've talked about targeting a milestone B by year-end. What's there left to do before you reach this milestone? And also, are there other milestones we should keep in mind before initial operating capability of Sentinel?

Kathy J. Warden
Chair, CEO & President

Yes. Largely, what has happened in the last 12 months is we've matured the design. The Air Force has made important decisions and selections around the operating model for this weapon system, and it has allowed us to move forward on all 3 segments of this weapon system. One, of course, is the missile itself, where just this week, we showed all of the missile stacked. So all the components of the missile are built, and we have integrated them for the first time. We are planning its first test next year in 2027, which is earlier than was anticipated. We are really working in close partnership with the Air Force to accelerate this program to the extent possible knowing how important that it is.

The other 2 components; constructing the missile silos and command and control for the weapon system are also progressing very well. And now it's really just about executing over these next few years to complete the development program, finish the testing and move into production in the 2030s.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Now Kathy, on Mission Systems, I'm going to be honest here. That's probably one of the hardest segments for analysts, and I'm sure the rest of The Street to model for Northrop Grumman. So can you share with us your vision, what is the strategic vision for Mission Systems? And then also, any color you could provide regarding revenue trajectory, margin trajectory, free cash flow profile of this segment would be really helpful.

Kathy J. Warden
Chair, CEO & President

It, I am sure, is one of the toughest portfolios to model because it, very much, is a product line business of microelectronics that go into all types of platforms from undersea to outer space. And we are often a supplier, not a prime. We develop things like radars, electronic warfare suites, communication suites, but then they go on to platforms in an integrated fashion. But the value that, that segment provides, it is our highest margin business. It has the highest return on invested capital because it's not one of our more capital-intensive businesses, but we do invest more in R&D in that business than any other. And we do that in conjunction, oftentimes, with partners. So other companies who are progressing the state of the art in microelectronics or working with partners to integrate those electronics onto their platforms.

And that has been a great source of value creation, not just for our shareholders, but as you look inside our company, we are vertically integrated in segments where microelectronics can make our platforms even more capable and we have the ability to inside the company, have that teaming and engineering integration.

So that is the value of the segment from a perspective of the company. For our customers, this really does give them the edge. Operating in the electronic spectrum is often times today the difference between survivability and range, things that are very important to our customers. So innovating in this segment is about giving the U.S. and the allies the capabilities they need to compete.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Thank you. Switching gears to Marine. So Marine Systems, especially nuclear propulsion for submarines, came up this quarter as a key growth driver. How big of a piece of Mission Systems could that become as those programs continue to ramp? And how should we think about Northrop Grumman in the Marine space? It's not typically where we think you guys are?

Kathy J. Warden
Chair, CEO & President

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Right. So we do provide propulsion systems for nuclear-class submarines. And as you know, this is a growing area. The business for us today is over $1 billion, but we do see it as a key growth driver as those platforms scale over the next decade in production. And we are working on increasing our rate of production to keep pace with the shipbuilders. We see this business as, again, a provider of a capability that is game-changing for the submarine. And even though we are not the prime integrator, our technology is very tightly integrated into the sub, and we have been a good partner in this business for decades. It's not one that we talk a lot about, as you said, but it is one that's very important to our nation and that our company has invested in to ensure that we stay at the leading edge.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. I mean just to confirm, right, the volumes that we're talking about, you're going from 1.3 ships to potentially 2 to 3, right? I mean, these are 2 to 3x volume increase.

Kathy J. Warden
Chair, CEO & President

I mean it's basically doubling, yes, yes.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. So on the national security space, in the second quarter, you talked about to over -- it's now 15% of total company revenue. You're tracking to more than $7 billion this year, growing high single digits with a backlog of above $16 billion. So what's driving this growth? And is it more space resiliency, it's about missile defense build-out? Is it restricted awards? And how durable is this? How should we think about the SDA tranches as they mature and start converting to more steady production? I know that's also a multipart question, but all national security space related.

Kathy J. Warden
Chair, CEO & President

Our national security space portfolio, as you said, growing rapidly because space is being recapitalized in every dimension, and it has become a war-fighting domain. So when you look at our space resiliency and space superiority portfolios, those are the fastest growing. We can't talk a lot about that because as you note, it is restricted and most of it classified work. But just think about everything that you would have in the air domain, everything you would need in the land domain, increasingly, as more countries are operating in space, you will also need in the space domain from surveillance to communications that are secured to satellites that can maneuver and operate in that contested environment.

So we are a company that is participating in that space and having great success. And that is what's fueling the growth. When you look at U.S. space budgets, they are yet another tipping point to high growth over the next several years, as outlined in this year's President's budget. So we see this is an enduring areas of space budgets have been growing consistently as one of the fastest elements of the U.S. national security budget. And this President's budget submission reflects that once again, and it's what gives us the optimism that we will continue to see the higher growth rates in that segment of our space business.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Thank you, Kathy. Switching gears to Golden Dome. And Golden Dome has evolved a lot in the last year. I think there's a lot of also discussion about funding for Golden Dome. But you're on the C2 team. You've been selected for the space-based interceptors. How should we think about Golden Dome as an opportunity? This seems to be an opportunity that's funded by the reconciliation budget. How much visibility do you have in terms of that budget growth? Do you think it gets funded? And also, how does this fit within the Northrop Grumman portfolio?

Kathy J. Warden
Chair, CEO & President

Golden Dome is a collection of programs, as you note, some of which are mature, already in production and an additional mission for those programs, basically. And so those are ones that we're going to be able to fulfill more quickly, get on contract and provide in the time frame that Golden Dome has to deliver initial operating capability by 2028. These are programs like fire control systems, think in our portfolio, IBCS, or radars in our portfolio, I think the G/ATOR radar that we developed for the Marine Corps. These are hot production lines, and we are just being asked to add quantities that then get contributed to a Golden Dome architecture.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

But there are other things like the Glide Phase Interceptor that we are developing that have a longer development timeline and will eventually become part of a Golden Dome architecture. There are satellites that we are building that were being contracted prior to Golden Dome being defined as an architecture but play essential roles in areas like missile tracking and missile warning to protect the homeland. So those programs are seeing increased demand that would contribute to Golden Dome and have Golden Dome as a source of funding. And then finally, there are things like space-based interceptors that we are also participating in that there's more of a technological leap to be made. We feel confident that the technology is maturing to where we can offer those capabilities, but we are in the development phase on those programs.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Now switching gears to a different topic, the new defense tech entrants. And I think this is also a focus for investors because if you look at valuation of Northrop Grumman stock and you look at private valuations of some of the defense tech companies. There seems to be an investor view that it's a net zero-sum game, either the new or the incumbents. How do you think about this evolving space? Where do you think Northrop fits in there? And how do you think about these new entrants and their evolving role into the ecosystem?

Kathy J. Warden
Chair, CEO & President

The word you use is the word I use, which is it is an ecosystem. And in this industry, we have been partnering with other companies that one day, you're a competitor and the next day, a collaborator because that's what we do to bring the best solution forward to the U.S. government. And when we do that, it really relies on an ecosystem. And we have grown and built the portfolio that we have today, not because Northrop Grumman has all the best ideas, but because we can partner well and bring teammates with us and we also can be a good partner and teammates.

That is not something that is defined by your size or how long you've been in the industry, it's defined by your performance. And so we have focused as a company on being a technology leader, bringing innovative technology to the ecosystem, being able to scale that technology so we can produce it quickly and in the quantities that make a difference for our customers, and we continue to have that role in the ecosystem.

New entrants will come. Some will succeed in doing that same thing, others will not. And our job is to vet our partners to make sure that we're bringing to our team, the companies that have real technical credibility and I feel like our company is very well positioned to do that because we have a strong engineering and technical pedigree in the company that both operates at the prime level, but also as a supplier where we deeply know the technologies that we build.

Kristine Tan Liwag
Morgan Stanley, Research Division

And so Kathy, I think for some of the new entrants, a lot of them are more on the lower-end type of portfolio and your portfolio historically is in the very, very high end. How do you think the demand environment changes? Do you think that the enduring demand for the high end persists? And where does Northrop want to be in that ecosystem?

Kathy J. Warden
Chair, CEO & President

I think what you heard a few years ago was a new discussion about affordable mass and how important that is for us as a nation to have a higher quantity of lower cost capabilities to complement the more exquisite systems that we have in the portfolio today. That is the case. It is not an either/or. And if you talk to policymakers and decision-makers in government, they acknowledge the vast majority of dollars will go to those more exquisite capabilities because they're necessary. They are the backbone of our strategic deterrent. They are what is providing differentiated capability when we go and conduct military operations around the globe, it's what makes them successful.

It's what makes us more capable than any country in the world to project power at a point of our choosing and successfully deliver on those operations. So you need that, but we would all agree you also don't need everything to utilize an expensive exquisite solutions. So it is an ecosystem of capability. And Northrop can produce both. And that's our focus and our goal.

We are not just the developer of exquisite. We can do affordable mass, and we have solutions that are proving that out in the battlefield today. Our differentiation is performance. If you contract with us, you will get a very capable system at the price point that's necessary to deliver the mass you need, and that's what we are focused on delivering.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Kristine Tan Liwag
Morgan Stanley, Research Division

Thank you, Kathy. On performance, you've described margin expansion as a 3-part story, performance, digital -- digital-driven cost efficiency, a mix shift towards fixed-price and more international work, which are better for mix. What do you see the most opportunity to expand in margins? How do you think about margin trajectory? And also, when we look back in the last quarter, you had some charges on the GEM 63XL program and also the SiAW. How mature are the risk retirements there? And could you foresee other additional charges on other programs as we go through the year?

Kathy J. Warden
Chair, CEO & President

So generally, the performance across the portfolio has been very solid. We are performing with net EAC adjustments to the positive, meaning more programs are outperforming the estimates than underperforming the estimates. And with a high development mix, we're quite proud of the segment operating performance that we have across the company.

Now with that said, when you are taking on technical risk, and I said, our differentiation is performance. We take on hard things, but then we figure out how to produce them. And once we do, we get the reward for having done so in the higher margins that come with those programs.

We are in the midst of development on several things, and we have encountered risks, but when you look net portfolio-wide, really pleased at where we are. Any given quarter, there might be a program event. But when you look holistically at the portfolio, performance is solid. For those 2 programs specifically, we are well into reviewing those as we do, I do every month, but we do financially once a quarter to ensure that our estimate completes are up to date. And we're feeling good about where those programs are. And when we look across the portfolio, as I said, still feel very good about performance.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Now on free cash flow, which is also a big area of investor focus. CapEx is running about 4.5% of revenue. And you said that for 2027 and also for 2028 and you've confirmed for 2026, $3.1 billion to $3.5 billion in free cash flow despite your higher B-21 spend. So how are you thinking about weighing incremental capacity investments right now, especially when we see such a large demand that aren't just your normal growth, but multiples of growth across the different vectors you've discussed versus returning cash to shareholders? And by the way, on that shareholder return, there seems to be an administration pushback there for defense contractors returning cash to shareholders. How do you balance the two? And then also, how do you think about -- and does that calculus change if you get the B-21 acceleration beyond the 100? And should you win the F/A-XX, like, how do we think about those dynamics?

Kathy J. Warden
Chair, CEO & President

Well, our strategy has remained to first invest when we see good opportunities where that investment can translate into long-term demand and profitable returns. And so we are going to continue to do that. We have signaled that over the next couple of years, we expect CapEx to remain elevated around 4.5% of sales, and that reflects the investment that we've committed to in B-21, many of the other areas that I've outlined over the last half hour of growth that we see in things like national security space, munitions acceleration. We are continuing to pursue new business. So to the extent that a new large franchise program comes into the portfolio, that is an area we would invest in. But with that said, we are also seeing tailing off of investments needed because of the facilitation that we've been doing over the last 3 to 5 years in many of these areas. And so we naturally see that 4% to 4.5% range that we've been operating in as supportive for our growth agenda in the company.

And when we no longer see a robust demand environment, we would, obviously, modulate that as we've done in the past. We, though, are continuing to focus on paying competitive dividend. And to the extent that then we have capital left over, would return that to shareholders. So the strategy has not changed.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. On international, you've set a goal of a $10 billion of -- growing -- you're doubling your annual international sales to $10 billion by 2031. But when we look at orders you've gotten, I mean, even in this quarter alone, you have the Kuwait IBCS authorization.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

You've got the new Australia solid rocket motor facility. NATO seems to be interested in Triton. Where is that $10 billion weighted? And could you potentially see the demand exceeding that target that you've provided?

Kathy J. Warden
Chair, CEO & President

We could see it exceeding. Munitions is the top, probably 1, 2 and 3, where we see growth, tactical missiles and ammunition inclusive of what we would provide for Counter-UAS support. And so that area we expect to be the fastest growing for our international portfolio, but also areas like command and control, understanding the battle space. We see our Aeronautics platforms being extended in production largely through international orders, that's E-2D, Triton, for instance. So it's broad-based, but the areas of highest growth are dealing with the regional conflicts that we see, the restockpiling of munitions and just the preparation of the battle space for regional conflict.

Kristine Tan Liwag
Morgan Stanley, Research Division

Great. Well, thank you very much for your time, Kathy. And before we end, I'd like to hear, do you have any closing remarks, and please don't scare us too much?

Kathy J. Warden
Chair, CEO & President

No, I wouldn't. Look, our portfolio is positioned to stay at the leading edge, and that is for the benefit of our customers so that they have what they need to be successful in conducting their operations. And while we are seeing this as a very robust demand environment, we continuously are investing in this company to make sure that we keep the technological edge for the U.S. and our allies. We are proud to be part of missions like strategic deterrence, and bringing our military home safely, but also in peacetime to support the understanding of the geopolitics and what's happening around the world so that we are best informed as a nation and best protected. And I can't say enough about the Northrop Grumman employees, the men and women who come to work every day serving that mission. So thanks for giving me the opportunity to do that.

Kristine Tan Liwag
Morgan Stanley, Research Division
Well, thank you very much, Kathy. This concludes our presentation with Northrop Grumman.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Copyright © 2026 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

These materials have been prepared solely for information purposes based upon information generally available to the public and from sources believed to be reliable. No content (including index data, ratings, credit-related analyses and data, research, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Global Market Intelligence or its affiliates (collectively, S&P Global). The Content shall not be used for any unlawful or unauthorized purposes. S&P Global and any third-party providers, (collectively S&P Global Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Global Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON "AS IS" BASIS. S&P GLOBAL PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Global Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages. S&P Global Market Intelligence's opinions, quotes and credit-related and other analyses are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P Global Market Intelligence may provide index data. Direct investment in an index is not possible. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Global Market Intelligence assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P Global Market Intelligence does not act as a fiduciary or an investment advisor except where registered as such. S&P Global keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions of S&P Global may have information that is not available to other S&P Global divisions. S&P Global has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P Global may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P Global reserves the right to disseminate its opinions and analyses. S&P Global's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P Global publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.
© 2026 S&P Global Market Intelligence.