UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ________ to ________

Commission file number 001-34910

HUNTINGTON INGALLS INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**90-0607005**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4101 Washington Avenue Newport News, Virginia 23607
(Address of principal executive offices and zip code)

(757) 380-2000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	**HII**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 1, 2026, 39,404,029 shares of the registrant's common stock were outstanding.

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HUNTINGTON INGALLS INDUSTRIES, INC.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended March 31	
(in millions, except per share amounts)	**2026**	**2025**
Sales and service revenues		
Product sales	**$ 2,004**	$ 1,713
Service revenues	**1,095**	1,021
Sales and service revenues	**3,099**	2,734
Cost of sales and service revenues		
Cost of product sales	**1,741**	1,451
Cost of service revenues	**950**	889
Income from operating investments, net	**5**	13
General and administrative expenses	**258**	246
Operating income	**155**	161
Other income (expense)		
Interest expense	**(22)**	(28)
Non-operating retirement benefit	**53**	48
Other, net	**2**	6
Earnings before income taxes	**188**	187
Federal and foreign income tax expense	**39**	38
Net earnings	**$ 149**	$ 149
Basic earnings per share	**$ 3.79**	$ 3.79
Weighted-average common shares outstanding	**39.3**	39.3
Diluted earnings per share	**$ 3.79**	$ 3.79
Weighted-average diluted shares outstanding	**39.3**	39.3
Dividends declared per share	**$ 1.38**	$ 1.35
Net earnings from above	**$ 149**	$ 149
Other comprehensive income		
Change in unamortized benefit plan costs	**2**	1
Tax expense for items of other comprehensive income	**(1)**	—
Other comprehensive income, net of tax	**1**	1
Comprehensive income	**$ 150**	$ 150

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HUNTINGTON INGALLS INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

($ in millions)	March 31, 2026	December 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	**$ 216**	$ 774
Accounts receivable, net of allowance for expected credit losses of $3 million as of 2026 and $2 million as of 2025	**406**	339
Contract assets	**1,989**	1,758
Inventoried costs	**230**	219
Income taxes receivable	**278**	284
Prepaid expenses and other current assets	**98**	77
Total current assets	**3,217**	3,451
Property, plant, and equipment, net of accumulated depreciation of $2,799 million as of 2026 and $2,754 million as of 2025	**3,742**	3,726
Operating lease assets	**274**	267
Goodwill	**2,650**	2,650
Other intangible assets, net of accumulated amortization of $1,243 million as of 2026 and $1,222 million as of 2025	**673**	694
Pension plan assets	**1,586**	1,544
Miscellaneous other assets	**391**	417
Total assets	**$ 12,533**	$ 12,749
Liabilities and Stockholders' Equity		
Current Liabilities		
Trade accounts payable	**$ 692**	$ 556
Accrued employees’ compensation	**345**	443
Current portion of postretirement plan liabilities	**119**	119
Current portion of workers’ compensation liabilities	**219**	217
Contract liabilities	**822**	1,220
Other current liabilities	**505**	490
Total current liabilities	**2,702**	3,045
Long-term debt	**2,701**	2,700
Pension plan liabilities	**155**	155
Other postretirement plan liabilities	**195**	200
Workers’ compensation liabilities	**446**	442
Long-term operating lease liabilities	**230**	223
Deferred tax liabilities	**615**	572
Other long-term liabilities	**342**	339
Total liabilities	**7,386**	7,676
Commitments and Contingencies (Note 10)		
Stockholders’ Equity		
Common stock, $0.01 par value; 150,000,000 shares authorized; 53,962,478 shares issued and 39,377,769 shares outstanding as of 2026, and 53,826,236 shares issued and 39,241,527 shares outstanding as of 2025	**1**	1
Additional paid-in capital	**2,070**	2,087
Retained earnings	**5,577**	5,487
Treasury stock	**(2,449)**	(2,449)
Accumulated other comprehensive loss	**(52)**	(53)
Total stockholders’ equity	**5,147**	5,073
Total liabilities and stockholders’ equity	**$ 12,533**	$ 12,749

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HUNTINGTON INGALLS INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Three Months Ended March 31	
($ in millions)	**2026**	**2025**
Operating Activities:		
Net earnings	**$ 149**	$ 149
Adjustments to reconcile net cash used in operating activities:		
Depreciation	**55**	54
Amortization of purchased intangibles	**21**	25
Stock-based compensation	**21**	24
Deferred income taxes	**43**	(11)
Loss (gain) on investments in marketable securities	**3**	(3)
Other non-cash transactions, net	**3**	3
Change in		
Accounts receivable	**(67)**	(175)
Contract assets	**(231)**	(334)
Inventoried costs	**(11)**	(7)
Prepaid expenses and other assets	**7**	44
Accounts payable and accruals	**(338)**	(126)
Retiree benefits	**(45)**	(38)
Net cash used in operating activities	**(390)**	(395)
Investing Activities:		
Capital expenditures		
Capital expenditure additions	**(74)**	(67)
Grant proceeds for capital expenditures	**3**	—
Acquisitions of businesses	**—**	(133)
Proceeds from disposition of assets	**—**	1
Net cash used in investing activities	**(71)**	(199)
Financing Activities:		
Proceeds from line of credit borrowings	**15**	—
Repayment of line of credit borrowings	**(15)**	—
Dividends paid	**(54)**	(53)
Employee taxes on certain share-based payment arrangements	**(43)**	(14)
Other financing activities, net	**—**	(3)
Net cash used in financing activities	**(97)**	(70)
Change in cash and cash equivalents	**(558)**	(664)
Cash and cash equivalents, beginning of period	**774**	831
Cash and cash equivalents, end of period	**$ 216**	$ 167
Supplemental Cash Flow Disclosure		
Cash paid for interest	**$ 35**	$ 8
Non-Cash Investing and Financing Activities		
Capital expenditures accrued in accounts payable	**$ 13**	$ 16

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HUNTINGTON INGALLS INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

Three Months Ended March 31, 2026 and 2025 ($ in millions)	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance as of December 31, 2024	$ 1	$ 2,045	$ 5,097	$ (2,449)	$ (28)	$ 4,666
Net earnings	—	—	149	—	—	149
Dividends declared ($1.35 per share)	—	—	(53)	—	—	(53)
Stock-based compensation	—	12	(2)	—	—	10
Other comprehensive income, net of tax	—	—	—	—	1	1
Balance as of March 31, 2025	$ 1	$ 2,057	$ 5,191	$ (2,449)	$ (27)	$ 4,773
Balance as of December 31, 2025	$ 1	$ 2,087	$ 5,487	$ (2,449)	$ (53)	$ 5,073
Net earnings	**—**	**—**	**149**	**—**	**—**	**149**
Dividends declared ($1.38 per share)	**—**	**—**	**(54)**	**—**	**—**	**(54)**
Stock-based compensation	**—**	**(17)**	**(5)**	**—**	**—**	**(22)**
Other comprehensive income, net of tax	**—**	**—**	**—**	**—**	**1**	**1**
Balance as of March 31, 2026	**$ 1**	**$ 2,070**	**$ 5,577**	**$ (2,449)**	**$ (52)**	**$ 5,147**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HUNTINGTON INGALLS INDUSTRIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. DESCRIPTION OF BUSINESS

Huntington Ingalls Industries, Inc. ("HII" or the "Company") is a global, all-domain defense partner, building and delivering the world’s most powerful, survivable naval ships and technologies that safeguard America’s seas, sky, land, space, and cyber. HII is organized into three reportable segments: Ingalls Shipbuilding ("Ingalls"), Newport News Shipbuilding ("Newport News"), and Mission Technologies. For more than a century, the Company's Ingalls segment in Mississippi and Newport News segment in Virginia have built more ships in more ship classes than any other U.S. naval shipbuilder, making HII America's largest shipbuilder. The Mission Technologies segment develops integrated technology solutions and products that enable today's connected, all-domain force.

2. BASIS OF PRESENTATION

Principles of Consolidation - The unaudited condensed consolidated financial statements of HII and its subsidiaries have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and the instructions to Form 10-Q promulgated by the Securities and Exchange Commission ("SEC"). As used in the Notes to the Condensed Consolidated Financial Statements (Unaudited), the terms "HII" and "the Company" refer to HII and its subsidiaries. All intercompany transactions and balances are eliminated in consolidation. For classification of current assets and liabilities related to its long-term production contracts, the Company uses the duration of these contracts as its operating cycle, which is generally longer than one year. Additionally, certain prior year amounts have been reclassified to conform to the current year presentation.

These unaudited condensed consolidated financial statements include all adjustments of a normal recurring nature considered necessary by management for a fair presentation of the unaudited condensed consolidated financial position, results of operations, and cash flows and should be read in conjunction with the Company's audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Annual Report on Form 10-K").

The 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 management's long-standing practice to establish interim closing dates using a "fiscal" calendar, which requires the businesses to close their 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 only exists for interim periods within a reporting year.

Accounting Estimates - The preparation of the Company's unaudited condensed consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Estimates have been prepared on the basis of the most current and best available information, and actual results could differ materially from those estimates.

Fair Value of Financial Instruments - Except for the Company's long-term debt, the carrying amounts of the Company's financial instruments that are recorded at historical cost approximate fair value due to the short-term nature of the instruments and low credit risk associated with the respective counterparties.

The Company maintains multiple grantor trusts to fund certain non-qualified pension plans. These trusts were valued at $244 million and $249 million as of March 31, 2026, and December 31, 2025, respectively, and are presented within miscellaneous other assets on the unaudited condensed consolidated statements of financial position. These trusts consist primarily of investments in marketable securities, which are held at fair value within Level 1 of the fair value hierarchy.

The estimated fair values of the Company's total long-term debt as of March 31, 2026 and December 31, 2025 were $2,688 million and $2,730 million, respectively. The fair values of the Company's long-term debt were calculated based on recent trades of the Company's debt instruments in inactive markets, which fall within Level 2 of the fair value hierarchy.

3. ACCOUNTING STANDARDS UPDATES

Recently Adopted Guidance

There were no new Accounting Standards Updates (“ASU”) adopted during the three months ended March 31, 2026 that had a material impact on the Company’s consolidated financial statements.

Accounting Guidance Issued But Not Adopted as of March 31, 2026

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The new guidance requires, among other things, tabular and qualitative disclosure of disaggregated expense information that is included in certain expense line items presented on the consolidated statement of operations. The new guidance also requires that the total amount and definition of selling expenses be disclosed. The new guidance is effective on a prospective basis for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption and retrospective application permitted. The Company is currently evaluating the impacts of the new guidance on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. Among other targeted improvements, the new guidance amends existing software cost capitalization guidance by removing all references to software project development stages and providing criteria that clarify the threshold for software cost capitalization to begin. The new guidance is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. The new guidance may be applied on a prospective basis, retrospective basis, or modified basis for in-process projects. The Company is currently evaluating the impacts of the new guidance on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The new standard establishes authoritative guidance for the recognition, measurement, and presentation of a grant received by a business entity from a government, including guidance for a grant related to an asset and a grant related to income. The new guidance also amends certain existing disclosure requirements for government assistance provided to business entities. The new guidance is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods, with early adoption permitted. The new guidance may be applied on a modified prospective basis, modified retrospective basis, or full retrospective basis. The Company is currently evaluating the impacts of the new guidance on its consolidated financial statements.

Other accounting pronouncements issued but not effective until after December 31, 2026, are not expected to have a material impact on the Company's consolidated financial position, results of operations, or cash flows.

4. STOCKHOLDERS' EQUITY

Treasury Stock - In January 2024, the Company's board of directors authorized an increase in the Company's stock repurchase program from $3.2 billion to $3.8 billion and an extension of the term of the program to December 31, 2028. Repurchases are made from time to time at management's discretion in accordance with applicable federal securities laws. For each of the three months ended March 31, 2026 and 2025, the Company did not repurchase any shares. The cost of purchased shares is recorded as treasury stock in the unaudited condensed consolidated statements of financial position.

Dividends - The Company paid cash dividends totaling $54 million and $53 million for the three months ended March 31, 2026 and 2025, respectively.

Accumulated Other Comprehensive Loss - Other comprehensive income (loss) refers to gains and losses recorded as an element of stockholders' equity but excluded from net earnings. The accumulated other comprehensive loss was comprised of unamortized benefit plan costs of $52 million and $53 million as of March 31, 2026, and December 31, 2025, respectively.

The changes in accumulated other comprehensive loss by component for the three months ended March 31, 2026 and 2025, were as follows:

($ in millions)	Benefit Plans	Total
Balance as of December 31, 2024	$ (28)	$ (28)
Amounts reclassified from accumulated other comprehensive loss		
Amortization of prior service cost[1]	4	4
Amortization of net actuarial loss[1]	(3)	(3)
Net current period other comprehensive income	1	1
Balance as of March 31, 2025	$ (27)	$ (27)
Balance as of December 31, 2025	$ (53)	$ (53)
Amounts reclassified from accumulated other comprehensive loss		
Amortization of prior service cost[1]	**4**	**4**
Amortization of net actuarial loss[1]	**(2)**	**(2)**
Tax expense for items of other comprehensive income	**(1)**	**(1)**
Net current period other comprehensive income	**1**	**1**
Balance as of March 31, 2026	**$ (52)**	**$ (52)**

[1] These accumulated comprehensive loss components are included in the computation of net periodic benefit cost. See Note 11: Employee Pension and Other Postretirement Benefits. The tax expense recorded in stockholders' equity for the amounts reclassified from accumulated other comprehensive loss for the three months ended March 31, 2026 and 2025, was $1 million and less than $1 million, respectively.

5. EARNINGS PER SHARE

Basic and diluted earnings per common share were calculated as follows:

	Three Months Ended March 31	
(in millions, except per share amounts)	2026	2025
Net earnings	**$ 149**	$ 149
Weighted-average common shares outstanding	**39.3**	39.3
Net dilutive effect of stock awards	**—**	—
Dilutive weighted-average common shares outstanding	**39.3**	39.3
Earnings per share - basic	**$ 3.79**	$ 3.79
Earnings per share - diluted	**$ 3.79**	$ 3.79

Under the treasury stock method, the Company has excluded from the diluted share amounts presented above the effects of 0.3 million and 0.4 million Restricted Performance Stock Rights ("RPSRs") for the three months ended March 31, 2026 and 2025, respectively, and 0.1 million and 0.2 million Restricted Stock Rights ("RSRs") for the three months ended March 31, 2026, and 2025, respectively.

6. REVENUE

Disaggregation of Revenue

The following tables present revenues on a disaggregated basis:

($ in millions)	Three Months Ended March 31, 2026 Ingalls	Newport News	Mission Technologies	Intersegment Eliminations	Total
Revenue Type					
Product sales	$ 614	$ 1,364	$ 26	$ —	$ 2,004
Service revenues	108	301	686	—	1,095
Intersegment	3	—	36	(39)	—
Sales and service revenues	$ 725	$ 1,665	$ 748	$ (39)	$ 3,099
Customer Type					
Federal	$ 722	$ 1,665	$ 709	$ —	$ 3,096
Commercial	—	—	3	—	3
Intersegment	3	—	36	(39)	—
Sales and service revenues	$ 725	$ 1,665	$ 748	$ (39)	$ 3,099
Contract Type					
Firm fixed-price	$ 1	$ —	$ 103	$ —	$ 104
Fixed-price incentive	613	744	—	—	1,357
Cost-type	108	921	581	—	1,610
Time and materials	—	—	28	—	28
Intersegment	3	—	36	(39)	—
Sales and service revenues	$ 725	$ 1,665	$ 748	$ (39)	$ 3,099

($ in millions)	Three Months Ended March 31, 2025 Ingalls	Newport News	Mission Technologies	Intersegment Eliminations	Total
Revenue Type					
Product sales	$ 526	$ 1,160	$ 27	$ —	$ 1,713
Service revenues	107	236	678	—	1,021
Intersegment	4	—	30	(34)	—
Sales and service revenues	$ 637	$ 1,396	$ 735	$ (34)	$ 2,734
Customer Type					
Federal	$ 633	$ 1,396	$ 701	$ —	$ 2,730
Commercial	—	—	4	—	4
Intersegment	4	—	30	(34)	—
Sales and service revenues	$ 637	$ 1,396	$ 735	$ (34)	$ 2,734
Contract Type					
Firm fixed-price	$ —	$ 2	$ 97	$ —	$ 99
Fixed-price incentive	526	766	2	—	1,294
Cost-type	107	627	569	—	1,303
Time and materials	—	1	37	—	38
Intersegment	4	—	30	(34)	—
Sales and service revenues	$ 637	$ 1,396	$ 735	$ (34)	$ 2,734

($ in millions)	Three Months Ended March 31 2026	Three Months Ended March 31 2025
Major Programs		
Amphibious assault ships	**$ 345**	$ 332
Surface combatants and coast guard cutters	**377**	299
Other	**3**	6
Total Ingalls	**725**	637
Aircraft carriers	**881**	758
Submarines	**622**	516
Other	**162**	122
Total Newport News	**1,665**	1,396
All-domain operations and warfare systems	**492**	485
Global security, unmanned systems, and other	**256**	250
Total Mission Technologies	**748**	735
Intersegment eliminations	**(39)**	(34)
Sales and service revenues	**$ 3,099**	$ 2,734

As of March 31, 2026, the Company had $54.0 billion of remaining performance obligations. The Company expects to recognize approximately 40% of its remaining performance obligations as revenue through 2027, an additional 35% through 2029, and the balance thereafter.

Cumulative Catch-up Revenue Adjustments

The following table presents the effect of net cumulative catch-up revenue adjustments on operating income and diluted earnings per share:

($ in millions, except per share amounts)	Three Months Ended March 31 2026	Three Months Ended March 31 2025
Effect on operating income[1]	**$ 1**	$ —
Effect on diluted earnings per share (net of tax)	**$ 0.02**	$ —

[1] For the three months ended March 31, 2026, the effect of net cumulative catch-up revenue adjustments on operating income is materially consistent with the effect on revenue.

For the three months ended March 31, 2026, no individual favorable or unfavorable cumulative catch-up revenue adjustment was material to the Company's unaudited condensed consolidated statements of operations and comprehensive income.

For the three months ended March 31, 2025, cumulative catch-up revenue adjustments netted to zero, and did not have an effect on operating income or diluted earnings per share. The Company's Newport News segment experienced performance challenges in the construction of aircraft carriers and *Virginia* class (SSN 774) submarines. For the three months ended March 31, 2025, cumulative catch-up revenue adjustments included significant unfavorable performance adjustments on the *Enterprise* (CVN 80) and *Doris Miller* (CVN 81) construction contract and the *Virginia* class (SSN 774) submarine program, which were offset by contract incentives.

Contract Balances

The Company reports contract balances in a net contract asset or contract liability position on a contract-by-contract basis at the end of each reporting period. Net contract assets were comprised as follows:

($ in millions)	March 31, 2026	December 31, 2025
Contract assets	**$ 1,989**	$ 1,758
Contract liabilities	**822**	1,220
Net contract assets	**$ 1,167**	$ 538

The Company’s net contract assets increased $629 million from December 31, 2025 to March 31, 2026, primarily as a result of the timing of billings across programs on certain U.S. Navy contracts. The Company recognized revenue related to its prior year-end contract liabilities of $758 million and $552 million for the three months ended March 31, 2026 and 2025, respectively.

7. SEGMENT INFORMATION

The following tables present the Company's operating results by segment:

	Three Months Ended March 31, 2026				
($ in millions)	**Ingalls**	**Newport News**	**Mission Technologies**	**Intersegment Eliminations**	**Total**
Sales and Service Revenues					
Product sales	$ 614	$ 1,364	$ 26	$ —	$ 2,004
Service revenues	108	301	686	—	1,095
Intersegment	3	—	36	(39)	—
Total sales and service revenues	725	1,665	748	(39)	3,099
Segment Operating Income					
Income from operating investments, net	—	—	5	—	5
Less:					
Cost of sales and service revenues					
Product	531	1,179	24	—	1,734
Service	96	255	597	—	948
Intersegment	3	—	36	(39)	—
Other segment items	46	143	61	—	250
Total segment operating income	$ 49	$ 88	$ 35	$ —	172
Non-segment factors affecting operating income					
Operating FAS/CAS Adjustment					(9)
Non-current state income taxes					(8)
Total operating income					$ 155

($ in millions)	Three Months Ended March 31, 2025 Ingalls	Newport News	Mission Technologies	Intersegment Eliminations	Total
Sales and Service Revenues					
Product sales	$ 526	$ 1,160	$ 27	$ —	$ 1,713
Service revenues	107	236	678	—	1,021
Intersegment	4	—	30	(34)	—
Total sales and service revenues	637	1,396	735	(34)	2,734
Segment Operating Income					
Income from operating investments, net	—	—	13	—	13
Less:					
Cost of sales and service revenues					
Product	452	971	20	—	1,443
Service	90	193	604	—	887
Intersegment	4	—	30	(34)	—
Other segment items	45	147	54	—	246
Total segment operating income	$ 46	$ 85	$ 40	$ —	171
Non-segment factors affecting operating income					
Operating FAS/CAS Adjustment					(10)
Non-current state income taxes					—
Total operating income					$ 161

Sales transactions between segments are generally recorded at cost.

Other segment items consist of general and administrative expenses.

Other Financial Information

The following tables present the Company's capital expenditures, as presented to the chief operating decision maker, and depreciation and amortization by segment:

($ in millions)	Three Months Ended March 31 2026	2025
Capital Expenditures[1]		
Ingalls	**$ 10**	$ 14
Newport News	**57**	49
Mission Technologies	**3**	1
Total segment capital expenditures	**70**	64
Corporate	**1**	3
Total capital expenditures	**$ 71**	$ 67

[1] Net of grant proceeds for capital expenditures

($ in millions)	Three Months Ended March 31 2026	2025
Depreciation and Amortization		
Ingalls	**$ 20**	$ 20
Newport News	**35**	33
Mission Technologies	**20**	25
Total segment depreciation and amortization	**75**	78
Corporate	**1**	1
Total depreciation and amortization	**$ 76**	$ 79

Asset information by segment is not disclosed because it is not a key measure of performance used by the chief operating decision maker.

8. INCOME TAXES

The Company's earnings are primarily domestic, and its effective income tax rates on earnings from operations for the three months ended March 31, 2026 and 2025, were 20.7% and 20.3%, respectively.

For the three months ended March 31, 2026, the Company’s effective tax rate did not differ materially from the federal statutory corporate income tax rate of 21%.

The Company's unrecognized tax benefits increased by $3 million during the three months ended March 31, 2026. As of March 31, 2026, the estimated amounts of the Company's unrecognized tax benefits, excluding interest and penalties, were liabilities of $108 million. Assuming a sustainment of these tax positions, a reversal of $85 million of the accrued amounts would favorably affect the Company's effective federal income tax rate in future periods.

The Company recognizes interest and penalties related to unrecognized tax benefits as income tax expense. For the three months ended March 31, 2026, interest and penalties resulting from the unrecognized tax benefits noted above increased income tax expense by $2 million.

Non-current state income taxes include deferred state income taxes, which reflect the change in deferred state tax assets and liabilities and the tax expense or benefit associated with changes in state unrecognized tax benefits in the relevant period. These amounts are recorded within operating income. Current period state income tax expense is charged to contract costs and included in cost of sales and service revenues in segment operating income.

Internal Revenue Service ("IRS") Audits - The Company reached an agreement in principle with the IRS on the research and development tax credits for the 2016-2021 tax years in 2025. This resolution was submitted to the Joint Committee on Taxation for approval in March 2026. Also, in the first quarter of 2026, the IRS initiated an audit of the research and development tax credits claimed on the Company's filed returns for the 2022-2023 tax years. The Company believes that its unrecognized tax benefits are adequate and will cover the expected impact of the agreement with the IRS and any adjustments resulting from the IRS audit of the 2022-2023 research and development tax credits.

9. INVESTIGATIONS, CLAIMS, AND LITIGATION

The Company is involved in legal proceedings before various courts and administrative agencies, and is periodically subject to government examinations, inquiries and investigations. The Company accrues for losses associated with legal proceedings when, and to the extent that, loss amounts related to the legal proceedings are probable and can be reasonably estimated. The actual losses that might be incurred to resolve such legal proceedings may be higher or lower than the amounts accrued. The Company also provides footnote disclosure for matters for which a material loss is reasonably possible but a reserve has not been accrued because the likelihood of a material loss is not probable.

Antitrust Complaint - In October 2023, a class action antitrust lawsuit was filed against the Company and other defendants in the U.S. District Court for the Eastern District of Virginia. The lawsuit names several HII companies, among other companies, as defendants. The named plaintiffs generally allege that the defendant companies have adhered to a “gentlemen’s agreement” that prohibits any defendant from actively recruiting naval engineers from other defendants. The complaint seeks class certification, treble damages, and any other relief to which the plaintiffs are entitled. The District Court dismissed the lawsuit against all defendants in April 2024 on statute of limitations grounds without addressing the motions to dismiss filed by the defendants on other grounds. The Fourth Circuit Court of Appeals reversed the dismissal and remanded the case to the District Court for further proceedings. In November 2025, the District Court denied the defendants' remaining motions to dismiss the lawsuit. In March 2026, the Company reached agreement with the plaintiffs to resolve their claims. The Company has recorded a liability related to the agreement that is not material to the Company's consolidated financial position, results of operations, or cash flows.

Insurance Claim - In September 2020, the Company filed a complaint against 32 reinsurers in the Superior Court, State of Vermont, Franklin Unit, seeking a judgment declaring that the Company's business interruption and other losses associated with COVID-19 are covered by the Company's property insurance program. The Company also initiated arbitration proceedings against six other reinsurers seeking similar relief. In July 2021, the Vermont court granted the reinsurers’ motion for judgment on the pleadings, which would have ended the Company’s claim. The Company appealed the decision to the Vermont Supreme Court, which reversed and remanded the lower court’s decision in September 2022, allowing the Company’s claim to proceed. In 2025, the parties filed dispositive motions and await the court’s decision. The Company cannot at this time predict the outcome of this matter.

U.S. Government Investigations and Claims - Departments and agencies of the U.S. Government have the authority to investigate various transactions and operations of the Company, and the results of such investigations may lead to administrative, civil, or criminal proceedings, the ultimate outcome of which could be fines, penalties, repayments or compensatory, treble, or other damages. U.S. Government regulations provide that certain findings against a contractor may also lead to suspension or debarment from future U.S. Government contracts or the loss of export privileges. Any suspension or debarment would have a material effect on the Company because of its reliance on government contracts.

In 2024, the Company identified certain quality issues involving noncompliance with welding procedures at Newport News. The Company commenced an investigation and disclosed the matter to the U.S. Government. The Company continues to work with its U.S. Navy customer to evaluate the full extent of the matter and cannot at this time predict or reasonably estimate the ultimate outcome of this matter.

Asbestos Related Claims - HII and its predecessors-in-interest are defendants in a longstanding series of cases that have been and continue to be filed in various jurisdictions around the country, wherein former and current employees and various third parties allege exposure to asbestos containing materials while on or associated with HII premises or while working on vessels constructed or repaired by HII. In some instances, partial or full insurance coverage is available for the Company's liabilities. The costs to resolve cases during the three months ended March 31, 2026 and 2025, were not material individually or in the aggregate. The Company’s estimate of asbestos-related liabilities is subject to uncertainty because such liabilities are influenced by many variables that are inherently difficult to predict. Although the Company believes the ultimate resolution of current cases will not have a material effect on its condensed consolidated financial position, results of operations, or cash flows, it cannot predict what new or revised claims or litigation might be asserted or what information might come to light and can, therefore, give no assurances regarding the ultimate outcome of asbestos related litigation.

Other - The Company is party to various other claims, arbitrations, investigations, and other legal proceedings that arise in the ordinary course of business, including U.S. Government investigations and claims that could result in administrative, civil, or criminal proceedings involving the Company. The Company is a contractor with the U.S. Government, and such proceedings can therefore include False Claims Act allegations against the Company. Based on the information available to the Company to date, the Company believes that the resolution of these other claims, legal proceedings, and investigations will not have a material effect on its condensed consolidated financial position, results of operations, or cash flows. However, the Company cannot predict what new or revised claims, litigation, or other proceedings might be asserted or what information might come to light and can, therefore, give no assurances regarding the ultimate outcome of these matters.

10. COMMITMENTS AND CONTINGENCIES

Contract Performance Contingencies - Contract profit margins may include estimates of revenues for matters on which the customer and the Company have not reached agreement, such as settlements in the process of negotiation, contract changes, claims, and requests for equitable adjustment for unanticipated contract costs. These estimates are based upon management's best assessment of the underlying causal events and circumstances and recognized to the extent of expected recovery based upon contractual entitlements and the probability of successful negotiation with the customer. The Company believes its outstanding customer settlements will be resolved without material impact to its financial position, results of operations, or cash flows.

Environmental Matters - The estimated costs to complete environmental remediation are accrued when it is probable that the Company will incur such costs in the future to address environmental conditions at currently or formerly owned or leased operating facilities, or at sites where it has been named a Potentially Responsible Party by the Environmental Protection Agency or similarly designated by another environmental agency, and the related costs can be reasonably estimated by management. When only a range of costs is established and no amount within the range is more probable than another, the minimum amount in the range is accrued. Environmental liabilities are recorded on an undiscounted basis and are expensed or capitalized as appropriate. Capitalized expenditures, if any, relate to long-lived improvements in currently operating facilities. The Company does not record insurance recoveries before collection is probable. As of March 31, 2026 and December 31, 2025, the Company did not have any accrued receivables related to insurance reimbursements or recoveries for environmental matters.

The Company’s environmental liability accruals do not include any litigation costs related to environmental matters, nor do they include amounts recorded as asset retirement obligations. Management estimates that as of March 31, 2026, the probable estimable future cost for environmental remediation is not material. Although management cannot predict whether new information gained as remediation progresses or the Company incurs additional remediation obligations will materially affect the estimated liability accrued, management does not believe that future remediation expenditures will have a material effect on the Company's consolidated financial position, results of operations, or cash flows.

Financial Arrangements - In the ordinary course of business, HII uses letters of credit issued by commercial banks to support certain leases, insurance policies, and contractual performance obligations, as well as surety bonds issued by insurance companies principally to support the Company's self-insured workers' compensation plans. As of March 31, 2026, the Company had $11 million in issued but undrawn letters of credit and $368 million of surety bonds outstanding.

U.S. Government Claims - From time to time, the U.S. Government communicates to the Company potential claims, disallowed costs, and penalties concerning prior costs incurred by the Company with which the U.S. Government disagrees. When such preliminary findings are presented, the Company and U.S. Government representatives engage in discussions, from which the Company evaluates the merits of the claims and assesses the amounts being questioned. Although the Company believes that the resolution of any of these matters will not have a material effect on its consolidated financial position, results of operations, or cash flows, it cannot predict the ultimate outcome of these matters.

Collective Bargaining Agreements - Of the Company's approximately 44,000 employees, 45% are covered by a total of 13 collective bargaining agreements. Newport News has three collective bargaining agreements covering represented employees, which expire in February 2030, December 2030 and April 2031. Ingalls has five collective bargaining agreements covering represented employees, all of which expire in March 2031. Mission Technologies has a total of 80 employees covered by five collective bargaining agreements, which expire in September 2026, December 2027, September 2028, and two that expire in August 2027.

Collective bargaining agreements generally expire after three to five years and are subject to renegotiation at that time. The Company believes its relationship with its employees is satisfactory.

Purchase Obligations - Periodically the Company enters into agreements to purchase goods or services that are enforceable and legally binding on the Company and specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum, or variable price provisions; and the approximate timing of the transaction. These obligations are primarily comprised of open purchase order commitments to vendors and subcontractors pertaining to funded contracts.

11. EMPLOYEE PENSION AND OTHER POSTRETIREMENT BENEFITS

The Company provides eligible employees defined benefit pension plans, defined contribution benefit plans, and other postretirement benefit plans.

The costs of the Company's defined benefit pension plans and other postretirement benefit plans for the three months ended March 31, 2026 and 2025, were as follows:

	Three Months Ended March 31			
	Pension Benefits		Other Benefits	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Components of net periodic benefit cost				
Service cost	**$ 21**	$ 22	**$ 1**	$ 1
Interest cost	**85**	84	**4**	4
Expected return on plan assets	**(144)**	(137)	**—**	—
Amortization of prior service cost (credit)	**4**	4	**—**	—
Amortization of net actuarial loss (gain)	**1**	—	**(3)**	(3)
Net periodic benefit (income) cost	**$ (33)**	$ (27)	**$ 2**	$ 2

The Company made the following contributions to its defined benefit pension plans and other postretirement benefit plans for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31	
($ in millions)	**2026**	**2025**
Pension plans		
Discretionary		
Qualified	**$ 1**	$ —
Non-qualified	**3**	4
Other benefit plans	**10**	9
Total contributions	**$ 14**	$ 13

For the year ending December 31, 2026, the Company expects its cash contributions to its qualified defined benefit pension plans to be approximately $2 million, all of which will be discretionary.

12. STOCK COMPENSATION PLANS

During the three months ended March 31, 2026 and 2025, the Company issued new stock awards as follows:

Restricted Performance Stock Rights - For the three months ended March 31, 2026, the Company granted approximately 0.1 million RPSRs at a weighted average share price of $435.58. These rights are subject to cliff vesting on December 31, 2028. For the three months ended March 31, 2025, the Company granted approximately 0.2 million RPSRs at a weighted average share price of $168.81. These rights are subject to cliff vesting on December 31, 2027. All of the RPSRs are subject to the achievement of performance-based targets at the end of the respective vesting periods and will ultimately vest between 0% and 200% of grant date value.

Compensation Restricted Stock Rights - For the three months ended March 31, 2026, the Company granted approximately 0.1 million compensation RSRs at a weighted average share price of $435.58. For the three months ended March 31, 2025, the Company granted approximately 0.1 million compensation RSRs at a weighted average share price of $168.81. These rights vest 33 1/3% upon each of the first, second, and third anniversaries of the grant date.

Retention Restricted Stock Rights - Retention stock awards are granted to key employees primarily to incentivize continued employment with the Company. For the three months ended March 31, 2026, the Company did not grant any retention stock awards. For the three months ended March 31, 2025, the Company granted approximately 1,300 retention RSRs at a weighted average share price of $189.40, with cliff vesting one to two years from the grant date.

The Company also received transfers of stock awards from employees in satisfaction of tax withholding obligations associated with the vesting of stock awards during the period. Because the stock awards are surrendered in lieu of payments of cash to settle tax obligations and the stock is not issued, the Company does not account for these transfers as treasury stock.

Stock award activity for the three months ended March 31, 2026, and 2025, was as follows:

	Stock Awards (in thousands)	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (in years)
Outstanding at December 31, 2024	550	$ 221.59	1.0 year
Granted	301	169.05	
Adjusted due to performance	16	169.05	
Vested	(191)	215.19	
Forfeited	(4)	288.33	
Outstanding at March 31, 2025	672	$ 199.42	1.6 years
Outstanding at December 31, 2025	663	$ 199.43	1.0 year
Granted	**116**	**434.34**	
Adjusted due to performance	**22**	**434.34**	
Vested	**(235)**	**214.13**	
Forfeited	**(8)**	**204.33**	
Outstanding at March 31, 2026	**558**	**$ 242.54**	**1.4 years**

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

Our Business

Huntington Ingalls Industries, Inc. ("HII", "we", "us", or "our") is a global, all-domain defense partner, building and delivering the world's most powerful, survivable naval ships and technologies that safeguard America's seas, sky, land, space, and cyber. For more than a century, our Ingalls Shipbuilding segment ("Ingalls") in Mississippi and Newport News Shipbuilding segment ("Newport News") in Virginia have built more ships in more ship classes than any other U.S. naval shipbuilder, making us America's largest shipbuilder. Our Mission Technologies segment develops integrated technology solutions and products that enable today's connected, all-domain force. Headquartered in Newport News, Virginia, we employ approximately 44,000 people domestically and internationally.

We conduct most of our business with the U.S. Government, primarily the Department of War. As prime contractor, principal subcontractor, team member, or partner, we participate in many high-priority U.S. defense programs. Ingalls includes our non-nuclear ship design, construction, repair, and maintenance businesses. Newport News includes all of our nuclear ship design, construction, overhaul, refueling, and repair and maintenance businesses. Our Mission Technologies segment provides a wide range of services and products, including command, control, computers, communications, cyber, intelligence, surveillance, and reconnaissance systems and operations; the application of artificial intelligence and machine learning to battlefield decisions; defense and offensive cyberspace strategies and electronic warfare; unmanned autonomous systems; live, virtual, and constructive training solutions; platform modernization; and critical nuclear operations.

The following discussion should be read along with the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, as well as our Annual Report on Form 10-K for the year ended December 31, 2025 (our "2025 Annual Report on Form 10-K").

Business Environment

Against a backdrop of heightened geopolitical tension and domestic policy realignment, we continue to see uncertainty in the economy, our industry, and our company. Our customers, suppliers, and subcontractors continue to face challenges. We cannot predict how long these challenges will continue, whether these challenges will change over time, or whether our actions to address these challenges will be successful.

Defense Spending Environment – The fiscal year 2026 budget cycle concluded with the passage of the Consolidated Appropriations Act, 2026, signed into law February 3, 2026. The fiscal year 2026 defense appropriations bill includes continued incremental funding for *Enterprise* (CVN 80) and *Doris Miller* (CVN 81), along with advance procurement for *William J. Clinton* (CVN 82); continued funding for the RCOH of USS *John C. Stenn*is (CVN 74); funding for the *Virginia* class (SSN 774) and *Columbia* class (SSBN 826) submarine programs; advanced procurement for the *Arleigh Burke* class (DDG 51) destroyer program, including additional funding for shipyard infrastructure and wage enhancements; and funding for long-lead-time materials for the new FF(X) frigate program. Additionally, the bill provides funding for the Maritime Industrial Base to invest in critical areas including supplier capacity and capability, strategic outsourcing, workforce training, and technology and infrastructure.

On April 3, 2026, the Trump Administration released the President's topline recommendations on funding levels for fiscal year 2027. The proposed budget recommends $60.2 billion in discretionary funding for the shipbuilding construction account and an additional $5.6 billion in mandatory funding, for a total of $65.8 billion for shipbuilding procurement. Included in the discretionary request is funding for one *Columbia* class (SSBN 826) submarine, two *Virginia* class (SSN 774) submarines, one *Arleigh Burke* class (DDG 51) destroyer, one *San Antonio* class (LPD 17) amphibious transport dock ship, one *America* class (LHA 6) amphibious assault ship, and the first FF(X) frigate. The fiscal year 2027 budget request continues funding *Gerald R. Ford* class (CVN 78) aircraft carriers and aircraft carrier refueling programs, and provides initial advance procurement funding for the lead ship of the *Trump* class (BBG(X)) battleship program. The fiscal year 2027 budget request also reflects increased investments in capability enablers including unmanned surface and underwater vehicles.

Global Geopolitical and Economic Environment – The global geopolitical and economic environment continues to be impacted by uncertainty, heightened geopolitical tensions, and instability. Geopolitical relationships continue to change, and the U.S. and its allies face a global security environment that includes threats from state and non-state actors, including major global powers, as well as terrorist organizations, emerging nuclear tensions, diverse regional security concerns, and political instability. These global threats persist across all domains, from undersea to space to cyber, and the global market for defense products, services, and solutions is driven by these complex and evolving security challenges. In addition, changes in the global economic environment, including changes in international trade policies, including those imposing tariffs, could further impact the global market for defense products. Our current operating environment exists in the broader context of political and socioeconomic priorities and reflects, among other things, the continued impact of and uncertainty surrounding geopolitical tensions, financial market volatility, inflation, trade policy, and a challenging labor market.

For further information on our business environment, see the Business Environment section under Management’s Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 of our 2025 Annual Report on Form 10-K.

Critical Accounting Policies, Estimates, and Judgments

As discussed in our 2025 Annual Report on Form 10-K, we consider our policies relating to the following matters to be critical accounting policies and estimates:

- Revenue recognition;
- Retirement related benefit plans; and
- Workers' compensation.

As of March 31, 2026, there had been no material changes to the foregoing critical accounting policies, estimates, and judgments since December 31, 2025.

Program Descriptions

For convenience, a brief description of certain programs discussed in this Quarterly Report on Form 10-Q is included in the Glossary of Programs in this section.

CONSOLIDATED OPERATING RESULTS

The following table presents selected financial highlights:

	Three Months Ended March 31		2026 vs. 2025	
($ in millions)	2026	2025	Dollars	Percent
Sales and service revenues	**$ 3,099**	$ 2,734	$ 365	13 %
Cost of product sales and service revenues	**2,691**	2,340	351	15 %
Income from operating investments, net	**5**	13	(8)	(62)%
General and administrative expenses	**258**	246	12	5 %
Operating income	**155**	161	(6)	(4)%
Other income (expense)				
Interest expense	**(22)**	(28)	6	21 %
Non-operating retirement benefit	**53**	48	5	10 %
Other, net	**2**	6	(4)	(67)%
Federal and foreign income taxes	**39**	38	1	3 %
Net earnings	**$ 149**	$ 149	$ —	— %

Operating Performance Assessment and Reporting

We manage and assess the performance of our business based on our performance on individual contracts and programs using the financial measures referred to below, with consideration given to the Critical Accounting Policies, Estimates, and Judgments referred to in this section. Our portfolio of long-term contracts is largely flexibly-priced. Therefore, sales tend to fluctuate in concert with costs across our large portfolio of active contracts, with operating income being a critical measure of operating performance. Under the Federal Acquisition Regulation rules that govern our business with the U.S. Government, most types of costs are allowable, and we do not focus on individual cost groupings, such as cost of sales or general and administrative expenses, as much as we do on total contract costs, which are a key factor in determining contract operating income. As a result, in evaluating our operating performance, we look primarily at changes in sales and service revenues, as well as operating income, including the effects of significant changes in operating income as a result of changes in contract financial estimates and the use of the cumulative catch-up method of accounting in accordance with GAAP. This approach is consistent with the long-term life cycle of our contracts, as management assesses the bidding of each contract by focusing on net sales and operating profit and monitors performance in a similar manner through contract completion. Consequently, our discussion of business segment performance focuses on net sales and operating profit, consistent with our approach for managing our business.

Sales and Service Revenues

Period-to-period revenues reflect performance under new and ongoing contracts. Changes in sales and service revenues are typically expressed in terms of volume. Unless otherwise described, volume generally refers to increases (or decreases) in reported revenues due to varying production activity levels, delivery rates, or service levels on individual contracts. Volume changes will typically carry a corresponding income change based on the profit margin rate for a particular contract.

Sales and service revenues for the three months ended March 31, 2026, increased $365 million, or 13%, compared to the same period in 2025, primarily due to higher volumes at Newport News, Ingalls, and Mission Technologies.

Net Cumulative Catch-up Revenue Adjustments

For the three months ended March 31, 2026 and 2025, favorable and unfavorable cumulative catch-up revenue adjustments were as follows:

	Three Months Ended March 31	
($ in millions)	**2026**	**2025**
Gross favorable adjustments	**$ 66**	$ 80
Gross unfavorable adjustments	**(65)**	(80)
Net adjustments	**$ 1**	$ —

See Note 6: Revenue and Segment Operating Results in this section for additional information on our net cumulative catch-up revenue adjustments.

Cost of Product Sales and Service Revenues

Cost of sales for both product sales and service revenues consists of materials, labor, and subcontracting costs, as well as an allocation of indirect costs for overhead. We manage the type and amount of costs at the contract level, which is the basis for estimating our total costs at completion of our contracts. Unusual fluctuations in operating performance driven by changes in a specific cost element across multiple contracts are described in our analysis.

Refer to Segment Operating Results and Product and Service Revenues and Cost Analysis in this section for details related to cost of sales for both product sales and service revenues.

Income from Operating Investments, Net

The activities of our operating investments are closely aligned with the operations of the segments holding the investments. We therefore record income related to earnings from equity method investments in our operating income.

Refer to Segment Operating Results in this section for details related to income from operating investments.

General and Administrative Expenses

In accordance with industry practice and the regulations that govern the cost accounting requirements for government contracts, most general and administrative expenses are considered allowable and allocable costs on government contracts. These costs are allocated to contracts in progress on a systematic basis, and contract performance factors include this cost component as an element of cost.

General and administrative expenses for the three months ended March 31, 2026 increased $12 million from the same period in 2025, primarily due to higher non-current state income taxes and higher overhead costs.

Operating Income

We consider operating income an important measure for evaluating our operating performance, and, consistent with industry practice, we define operating income as revenues less the related costs of producing the revenues and general and administrative expenses.

Segment Operating Income

We internally manage our operations by reference to "segment operating income," which is a non-GAAP measure and is defined as operating income before the Operating FAS/CAS Adjustment and non-current state income taxes, neither of which affects contract performance. Segment operating income is a measure we use to evaluate our core operating performance as it reflects the aggregate performance results of contracts within a segment. When analyzing our operating performance, investors should use segment operating income in addition to, and not as an alternative for, operating income or any other performance measure presented in accordance with GAAP. We believe segment operating income reflects an additional way of viewing aspects of our operations that, when viewed with our GAAP results, provides a more complete understanding of factors and trends affecting our business. We believe the measure is used by investors and is a useful indicator to measure our performance. Because not all companies use identical calculations, our presentation of segment operating income may not be comparable to similarly titled measures of other companies.

Changes in segment operating income are typically expressed in terms of volume, as discussed in Sales and Service Revenues above, or performance. Performance refers to changes in contract profit margin rates. These changes typically relate to profit recognition associated with revisions to estimated costs at completion ("EAC"), which reflect improved or deteriorated operating performance on that contract. Operating income changes are accounted for on a cumulative to date basis at the time an EAC change is recorded. Segment operating income may also be affected by, among other things, contract performance, inflationary pressures on our supply chain, the effects of workforce stoppages and other labor-related shortfalls, the availability of raw materials, the effects of natural disasters such as hurricanes, resolution of disputed items with the customer, recovery of insurance proceeds, and other discrete events. At the completion of a long-term contract, any originally estimated costs not incurred or reserves not fully utilized, such as warranty reserves, could also impact contract earnings. Where such items have occurred and the effects are material, a separate description is provided. Refer to Segment Operating Results in this section for activity within each segment.

The following table reconciles operating income to segment operating income:

	Three Months Ended March 31		2026 vs. 2025	
($ in millions)	**2026**	**2025**	**Dollars**	**Percent**
Operating income	**$ 155**	$ 161	$ (6)	(4)%
Operating FAS/CAS Adjustment	**9**	10	(1)	(10)%
Non-current state income taxes	**8**	—	8	— %
Segment operating income	**$ 172**	$ 171	$ 1	1 %

FAS/CAS Adjustment and Operating FAS/CAS Adjustment

The FAS/CAS Adjustment reflects the difference between expenses for pension and other postretirement benefits determined in accordance with GAAP ("FAS") and the expenses for these items included in segment operating income in accordance with U.S. Cost Accounting Standards ("CAS"). The Operating FAS/CAS Adjustment excludes the following components of net periodic benefit costs: interest cost, expected return on plan assets, amortization of prior service cost (credit) and actuarial loss (gain), and settlement and curtailment effects.

The components of the Operating FAS/CAS Adjustment were as follows:

	Three Months Ended March 31		2026 vs. 2025	
($ in millions)	**2026**	**2025**	**Dollars**	**Percent**
FAS benefit	**$ 31**	$ 25	$ 6	24 %
CAS cost	**13**	13	—	— %
FAS/CAS Adjustment	**44**	38	6	16 %
Non-operating retirement benefit	**(53)**	(48)	(5)	(10)%
Operating FAS/CAS Adjustment expense	**$ (9)**	$ (10)	$ 1	10 %

The Operating FAS/CAS Adjustment was a net expense of $9 million and $10 million for the three months ended March 31, 2026 and 2025, respectively. The favorable change in the Operating FAS/CAS Adjustment was primarily driven by higher asset returns in 2025.

Non-current State Income Taxes

Non-current state income taxes include deferred state income taxes, which reflect the change in deferred state tax assets and liabilities, and the tax expense or benefit associated with changes in state unrecognized tax benefits in the relevant period. These amounts are recorded within operating income. Current period state income taxes are charged to contract costs and included in cost of sales and service revenues in segment operating income.

Non-current state income tax expense was $8 million for the three months ended March 31, 2026, compared to a non-current state income tax expense of less than $1 million for the three months ended March 31, 2025. The unfavorable change in non-current state income taxes was driven by an increase in deferred state income tax expense, primarily attributable to a change in net capitalized research and development expenditures and a change in state unrecognized tax benefits for the prior period.

SEGMENT OPERATING RESULTS

Our discussion of business segment performance focuses on sales and service revenues and operating income, consistent with our approach for managing our business. We are aligned into three reportable segments: Ingalls, Newport News, and Mission Technologies.

The following table presents segment operating results:

	Three Months Ended March 31		2026 vs. 2025	
($ in millions)	**2026**	**2025**	**Dollars**	**Percent**
Sales and Service Revenues				
Ingalls	**$ 725**	$ 637	$ 88	14 %
Newport News	**1,665**	1,396	269	19 %
Mission Technologies	**748**	735	13	2 %
Intersegment eliminations	**(39)**	(34)	(5)	(15)%
Sales and service revenues	**$ 3,099**	$ 2,734	$ 365	13 %
Operating Income				
Ingalls	**$ 49**	$ 46	$ 3	7 %
Newport News	**88**	85	3	4 %
Mission Technologies	**35**	40	(5)	(13)%
Segment operating income	**172**	171	1	1 %
Non-segment factors affecting operating income				
Operating FAS/CAS Adjustment	**(9)**	(10)	1	10 %
Non-current state income taxes	**(8)**	—	(8)	— %
Operating income	**$ 155**	$ 161	$ (6)	(4)%

Key Segment Financial Measures

Refer to Consolidated Operating Results in this section for details related to sales and service revenues and segment operating income.

Net Cumulative Catch-up Revenue Adjustments by Segment

For the three months ended March 31, 2026 and 2025, net cumulative catch-up revenue adjustments by segment were as follows:

	Three Months Ended March 31	
($ in millions)	**2026**	**2025**
Ingalls	**$ (3)**	$ —
Newport News	**(9)**	(6)
Mission Technologies	**13**	6
Net adjustments	**$ 1**	$ —

See Note 6: Revenue and Consolidated Operating Results in this section for additional information on our net cumulative catch-up revenue adjustments.

Ingalls

($ in millions)	Three Months Ended March 31 2026	Three Months Ended March 31 2025	2026 vs. 2025 Dollars	2026 vs. 2025 Percent
Sales and service revenues	**$ 725**	$ 637	$ 88	14 %
Segment operating income	**49**	46	3	7 %
As a percentage of segment sales	***6.8 %***	*7.2 %*		

Sales and Service Revenues

Ingalls revenues, including intersegment sales, for the three months ended March 31, 2026, increased $88 million, or 14%, from the same period in 2025, primarily driven by higher volumes in surface combatants.

Segment Operating Income

Ingalls segment operating income for the three months ended March 31, 2026, was $49 million, compared to segment operating income of $46 million for the same period in 2025. The increase was primarily driven by higher volumes in surface combatants, partially offset by lower performance in amphibious assault ships.

Newport News

($ in millions)	Three Months Ended March 31 2026	Three Months Ended March 31 2025	2026 vs. 2025 Dollars	2026 vs. 2025 Percent
Sales and service revenues	**$ 1,665**	$ 1,396	$ 269	19 %
Segment operating income	**88**	85	3	4 %
As a percentage of segment sales	***5.3 %***	*6.1 %*		

Sales and Service Revenues

Newport News revenues, including intersegment sales, for the three months ended March 31, 2026, increased $269 million, or 19%, from the same period in 2025, primarily driven by higher volumes in aircraft carriers, submarines, and naval nuclear support services.

Segment Operating Income

Newport News segment operating income for the three months ended March 31, 2026, was $88 million, compared to segment operating income of $85 million for the same period in 2025. The increase was primarily driven by the higher volumes described above, partially offset by contract adjustments and incentives in 2025 in the *Virginia* class (SSN 774) submarine program and lower performance in aircraft carrier construction.

Mission Technologies

($ in millions)	Three Months Ended March 31 2026	Three Months Ended March 31 2025	2026 vs. 2025 Dollars	2026 vs. 2025 Percent
Sales and service revenues	**$ 748**	$ 735	$ 13	2 %
Segment operating income	**35**	40	(5)	(13)%
As a percentage of segment sales	***4.7 %***	*5.4 %*		

Sales and Service Revenues

Mission Technologies revenues, including intersegment sales, for the three months ended March 31, 2026, increased $13 million, or 2%, from the same period in 2025, primarily due to higher volumes in All-Domain Operations, Unmanned Systems, and Global Security, partially offset by lower volumes in Warfare Systems.

Segment Operating Income

Mission Technologies segment operating income for the three months ended March 31, 2026, was $35 million, compared to segment operating income of $40 million for the same period in 2025. The decrease was primarily due to lower equity income from nuclear and environmental joint ventures, partially offset by higher performance in Warfare Systems.

PRODUCT AND SERVICE REVENUES AND COST ANALYSIS

The following tables present segment sales and service revenues and segment cost of sales and service revenues by both product and service:

	Sales and Service Revenues				Segment Cost of Product Sales and Service Revenues			
($ in millions)	Three Months Ended March 31		2026 vs. 2025		Three Months Ended March 31		2026 vs. 2025	
Segment Information	**2026**	**2025**	**Dollars**	**Percent**	**2026**	**2025**	**Dollars**	**Percent**
Ingalls								
Product	**$ 614**	$ 526	$ 88	17 %	**$ 531**	$ 452	$ 79	17 %
Service	**108**	107	1	1 %	**96**	90	6	7 %
Intersegment	**3**	4	(1)	(25)%	**3**	4	(1)	(25)%
Total Ingalls	**725**	637	88	14 %	**630**	546	84	15 %
Newport News								
Product	**1,364**	1,160	204	18 %	**1,179**	971	208	21 %
Service	**301**	236	65	28 %	**255**	193	62	32 %
Total Newport News	**1,665**	1,396	269	19 %	**1,434**	1,164	270	23 %
Mission Technologies								
Product	**26**	27	(1)	(4)%	**24**	20	4	20 %
Service	**686**	678	8	1 %	**597**	604	(7)	(1)%
Intersegment	**36**	30	6	20 %	**36**	30	6	20 %
Total Mission Technologies	**748**	735	13	2 %	**657**	654	3	— %
Segment Totals								
Product	**$ 2,004**	$ 1,713	$ 291	17 %	**$ 1,734**	$ 1,443	$ 291	20 %
Service	**1,095**	1,021	74	7 %	**948**	887	61	7 %
Total Segment[(1)]	**$ 3,099**	$ 2,734	$ 365	13 %	**$ 2,682**	$ 2,330	$ 352	15 %

[(1)] Operating FAS/CAS Adjustment is excluded from segment cost of product sales and service revenues.

Product Sales and Segment Cost of Product Sales

Product sales for the three months ended March 31, 2026, increased $291 million, or 17%, from the same period in 2025, primarily due to higher volumes in aircraft carriers and submarines at Newport News, and surface combatants at Ingalls.

Segment cost of product sales for the three months ended March 31, 2026, increased $291 million, or 20%, compared with the same period in 2025, primarily due to the higher volumes described above.

Service Revenues and Segment Cost of Service Revenues

Service revenues for the three months ended March 31, 2026, increased $74 million, or 7%, from the same period in 2025, primarily due to higher volumes in naval nuclear support services and aircraft carriers at Newport News, and higher volumes in All-Domain Operations at Mission Technologies.

Segment cost of service revenues for the three months ended March 31, 2026, increased $61 million, or 7%, compared with the same period in 2025, primarily due to the higher volumes described above.

OTHER FINANCIAL INFORMATION

Interest Expense

Interest expense for the three months ended March 31, 2026, was $22 million, compared with $28 million for the same period in 2025. The decrease in interest expense was driven by a decrease in outstanding long-term debt from the prior period.

Non-Operating Retirement Benefit

The non-operating retirement benefit includes the following components of net periodic benefit costs: interest cost, expected return on plan assets, amortization of prior service cost (credit) and actuarial loss (gain), and settlement and curtailment effects.

For the three months ended March 31, 2026, the non-operating retirement benefit was $53 million, compared with $48 million for the same period in 2025. The favorable change in the non-operating retirement benefit was primarily driven by higher asset returns in 2025.

Other, Net

Other, net income for the three months ended March 31, 2026, was $2 million, compared with other, net income of $6 million for the same period in 2025. The decrease in other, net income was primarily driven by an increase in unrealized losses on investments.

Federal and Foreign Income Taxes

Our effective income tax rates on earnings from operations for the three months ended March 31, 2026 and 2025, were 20.7% and 20.3%, respectively.

For the three months ended March 31, 2026, our effective tax rate did not differ materially from the federal statutory corporate income tax rate of 21%.

In January 2026, the Organization for Economic Co-operation and Development issued administrative guidance on Pillar Two’s 15% global minimum tax, including a “side-by-side" ("SbS") system with permanent and temporary safe harbors. The U.S. is recognized as a qualified SbS regime, which effectively alleviates U.S. based multi-national companies from top-up tax collectible under Pillar Two. We expect that the SbS system or other transitional safe harbor provisions will be broadly applicable to our international operations and, accordingly, do not expect Pillar Two to have a material impact on our effective tax rate, consolidated results of operations, financial position, or cash flows.

BACKLOG

Total backlog as of March 31, 2026, and December 31, 2025, was $54.0 billion and $53.1 billion, respectively. Total backlog includes both funded backlog (firm orders for which funding is contractually obligated by the customer) and unfunded backlog (firm orders for which funding is not currently contractually obligated by the customer). Backlog excludes unexercised contract options and unfunded indefinite delivery/indefinite quantity orders. For contracts having no stated contract values, backlog includes only the amounts committed by the customer as of March 31, 2026 and December 31, 2025, respectively.

The following table presents funded and unfunded backlog by segment as of March 31, 2026, and December 31, 2025:

	March 31, 2026			December 31, 2025		
($ in millions)	**Funded**	**Unfunded**	**Total Backlog**	**Funded**	**Unfunded**	**Total Backlog**
Ingalls	**$ 15,775**	**$ 2,477**	**$ 18,252**	$ 14,925	$ 2,856	$ 17,781
Newport News	**14,523**	**15,949**	**30,472**	15,337	14,588	29,925
Mission Technologies	**1,672**	**3,637**	**5,309**	1,723	3,710	5,433
Total backlog	**$ 31,970**	**$ 22,063**	**$ 54,033**	$ 31,985	$ 21,154	$ 53,139

We expect approximately 21% of the $53.1 billion total backlog as of December 31, 2025, to be converted into sales in 2026. U.S. Government orders comprised substantially all of the backlog as of March 31, 2026 and December 31, 2025.

Contract Awards

The value of new contract awards during the three months ended March 31, 2026, was approximately $4.0 billion, primarily driven by awards at Newport News and Ingalls.

LIQUIDITY AND CAPITAL RESOURCES

We seek to efficiently convert operating results into cash for deployment in operating our businesses, implementing our business strategy, and maximizing stockholder value. We use various financial measures to inform our capital deployment strategy, including net cash used in operating activities and free cash flow. We believe these measures are useful to investors in assessing our financial performance.

The following table summarizes key components of cash flow used in operating activities:

	Three Months Ended March 31		2026 vs. 2025
($ in millions)	**2026**	**2025**	**Dollars**
Net earnings	**$ 149**	$ 149	$ —
Depreciation and amortization of purchased intangibles	**76**	79	(3)
Stock-based compensation	**21**	24	(3)
Deferred income taxes	**43**	(11)	54
Loss (gain) on investments in marketable securities	**3**	(3)	6
Other non-cash transactions, net	**3**	3	—
Retiree benefits	**(45)**	(38)	(7)
Trade working capital increase	**(640)**	(598)	(42)
Net cash used in operating activities	**$ (390)**	$ (395)	$ 5

We have historically maintained a capital structure comprised of a mix of equity and debt financing. We expect to meet our current debt obligations as they come due through internally generated funds from current levels of operations, existing borrowing facilities, and/or through refinancing in the debt markets prior to the maturity dates of our debt.

Cash Flows

Operating Activities

Cash used in operating activities for the three months ended March 31, 2026, was $390 million, compared with cash used in operating activities of $395 million for the same period in 2025.

We expect cash generated from operations in combination with our current cash and cash equivalents, as well as existing borrowing facilities, to be sufficient to service debt and retiree benefit plans, meet contractual obligations, and fund capital expenditures for at least the next twelve calendar months beginning April 1, 2026, and beyond such twelve-month period based on our current business plans.

Investing Activities

Cash used in investing activities for the three months ended March 31, 2026, was $71 million, compared to $199 million used in investing activities for the same period in 2025. The change in investing cash was primarily driven by the acquisition of a business in the first quarter of 2025.

For 2026, we expect our capital expenditures for maintenance and sustainment to be approximately 1.0% to 1.5% of annual revenues and our discretionary capital expenditures to be approximately 3.0% to 3.5% of annual revenues. Our capital expenditures are expected to increase due to investments to expand our shipbuilding capacity.

Financing Activities

Cash used in financing activities for the three months ended March 31, 2026, was $97 million, compared with $70 million used in financing activities for the same period in 2025. The change in cash used in financing activities was primarily due to an increase in employee taxes on certain share-based payment arrangements.

Free Cash Flow

Free cash flow represents cash used in operating activities less capital expenditures net of related grant proceeds. Free cash flow is not a measure recognized under GAAP. Free cash flow has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, net earnings as a measure of our performance or net cash used in operating activities as a measure of our liquidity. We believe free cash flow is an important liquidity measure for our investors because it provides them insight into our current and period-to-period performance and our ability to generate cash from continuing operations. We also use free cash flow as a key operating metric in assessing the performance of our business and as a key performance measure in evaluating management performance and determining incentive compensation. Free cash flow may not be comparable to similarly titled measures of other companies.

The following table reconciles net cash used in operating activities to free cash flow:

	Three Months Ended March 31		2026 vs. 2025
($ in millions)	**2026**	**2025**	**Dollars**
Net cash used in operating activities	**$ (390)**	$ (395)	$ 5
Less capital expenditures:			
Capital expenditure additions	**(74)**	(67)	(7)
Grant proceeds for capital expenditures	**3**	—	3
Free cash flow	**$ (461)**	$ (462)	$ 1

Free cash flow for the three months ended March 31, 2026, increased $1 million from the same period in 2025.

Governmental Regulation and Supervision

The U.S. Government has the ability, pursuant to regulations relating to contractor business systems, to decrease or withhold contract payments if it determines material weaknesses exist in one or more such systems. As of March 31, 2026 and 2025, the cumulative amounts of payments withheld by the U.S. Government under our contracts subject to these regulations were not material to our liquidity or cash flows.

Off-Balance Sheet Arrangements

In the ordinary course of business, we use letters of credit issued by commercial banks to support certain leases, insurance policies, and contractual performance obligations, as well as surety bonds issued by insurance companies principally to support our self-insured workers' compensation plans. As of March 31, 2026, $11 million in letters of credit were issued but undrawn and $368 million of surety bonds were outstanding. As of March 31, 2026, we had no other significant off-balance sheet arrangements.

ACCOUNTING STANDARDS UPDATES

See Note 3: Accounting Standards Updates for further information.

FORWARD-LOOKING STATEMENTS AND PROJECTIONS

Statements in this Quarterly Report on Form 10-Q and in our other filings with the SEC, as well as other statements we may make from time to time, other than statements of historical fact, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by words such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "guidance," "outlook," "predicts," "potential," "continue," and similar words or phrases or the negative of these words or phrases. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. Although we believe the expectations reflected in the forward-looking statements are reasonable when made, we cannot guarantee future results, levels of activity, performance, or achievements. There are a number of important factors that could cause our actual results to differ materially from the results anticipated by our forward-looking statements, which include, but are not limited to:

- our dependence on the U.S. Government for substantially all of our business;
- significant delays or reductions in appropriations for our programs and/or changes in customer priorities and requirements (including government budgetary constraints, government shutdowns, shifts in defense spending, and changes in customer short-range and long-range plans);
- our ability to estimate our future contract costs, including cost increases due to inflation, labor challenges, changes in trade policy, or other factors and our efforts to recover or offset such costs and/or changes in estimated contract costs, and perform our contracts effectively;
- changes in business practices, procurement processes and government regulations, including changes through executive orders, contract terms, or other policies or practices applicable to our industry, and our ability to comply with such requirements;
- adverse economic conditions in the United States and globally;
- our level of indebtedness and ability to service our indebtedness;
- our ability to deliver our products and services at an affordable life cycle cost and compete within our markets;
- our ability to attract, retain, and train a qualified workforce;
- subcontractor and supplier performance and the availability and pricing of raw materials and components;
- our ability to execute our strategic plan, including with respect to share repurchases, dividends, capital expenditures, and strategic acquisitions;
- investigations, claims, disputes, enforcement actions, litigation (including criminal, civil, and administrative), and/or other legal proceedings, and improper conduct of employees, agents, subcontractors, suppliers, business partners, or joint ventures in which we participate, including the impact on our reputation or ability to do business;
- changes in key estimates and assumptions regarding our pension and retiree health care costs;
- security threats, including cybersecurity threats, and related disruptions;
- natural and environmental disasters and political instability;
- health epidemics, pandemics and similar outbreaks; and
- other risk factors discussed herein and in our other filings with the SEC.

Additional factors include those described in our 2025 Annual Report on Form 10-K, including under the captions Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Business, in our subsequent quarterly reports on Form 10-Q, including under the captions Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations, and in our subsequent filings with the SEC.

There may be other risks and uncertainties that we are unable to predict at this time or that we currently do not expect to have a material adverse effect on our business, and we undertake no obligation to update or revise any forward-looking statements. You should not place undue reliance on any forward-looking statements that we may make.

GLOSSARY OF PROGRAMS

Included below are brief descriptions of some of the programs discussed in this Quarterly Report on Form 10-Q.

Program Name	Program Description
Aircraft carrier RCOH	Perform refueling and complex overhaul ("RCOH") of nuclear-powered aircraft carriers, which is required at the mid-point of their 50-year life cycle. USS *John C. Stennis* (CVN 74) arrived at Newport News for the start of its RCOH in May 2021, and USS *George Washington* (CVN 73) was redelivered to the U.S. Navy in May 2023.
America class (LHA 6) amphibious assault ships	Design and build large deck amphibious assault ships that provide forward presence and power projection as an integral part of joint, interagency and multinational maritime expeditionary forces. The *America* class (LHA 6) ships, together with the *Wasp* class (LHD 1) ships, are the successors to the decommissioned *Tarawa* class (LHA 1) ships. The *America* class (LHA 6) ships optimize aviation operations and support capabilities. In 2023, we were awarded a long-lead-time material contract for *Helmand Province* (LHA 10), and in 2024, we were awarded a contract modification for the detail design and construction of *Helmand Province* (LHA 10). We are currently constructing *Bougainville* (LHA 8) and *Fallujah* (LHA 9).
Arleigh Burke class (DDG 51) destroyers	Build guided missile destroyers designed for conducting anti-air, anti-submarine, anti-surface, and strike operations. The Aegis-equipped *Arleigh Burke* class (DDG 51) destroyers are the U.S. Navy's primary surface combatant, and have been constructed in variants, allowing technological advances during construction. We delivered USS *Jack H. Lucas (DDG 125) and* USS *Ted Stevens* (DDG 128) in 2023 and 2025, respectively. We have contracts to construct the following *Arleigh Burke* class (DDG 51) destroyers: *Jeremiah Denton* (DDG 129), *George M. Neal* (DDG 131), *Sam Nunn* (DDG 133), *Thad Cochran* (DDG 135), *John F. Lehman* (DDG 137), *Telesforo Trinidad* (DDG 139), *Ernest E. Evans* (DDG 141), *Charles J. French* (DDG 142), *Richard J. Danzig* (DDG 143), *Intrepid* (DDG 145), and *Robert Kerrey* (DDG 146).
Columbia class (SSBN 826) submarines	Design and construct modules for *Columbia* class (SSBN 826) nuclear ballistic missile submarines ("SSBNs") as a subcontractor to Electric Boat. SSBNs are the most secure and survivable of our nation’s nuclear deterrent triad. *Columbia* class SSBNs will carry approximately 70 percent of the nation’s nuclear arsenal. The *Columbia* class (SSBN 826) program plan of record is to construct 12 new SSBNs to replace the current aging *Ohio* class. As a subcontractor to Electric Boat, we leverage our *Virginia* class (SSN 774) experience to perform design work and build modules for the entire *Columbia* class (SSBN 826) submarine program. We have been awarded contracts from Electric Boat for integrated product and process development, providing long–lead–time material and advance construction, and construction of the first two boats of the *Columbia* class (SSBN 826) submarine program. Construction of the first *Columbia* class (SSBN 826) submarine began in 2020. In 2023, we received an award modification for long-lead-time material and advance construction for the next five boats.
Gerald R. Ford class (CVN 78) aircraft carriers	Design and construction for the *Ford* class program, which is the aircraft carrier replacement program for the decommissioned *Enterprise* (CVN 65) and *Nimitz* class (CVN 68) aircraft carriers. USS *Gerald R. Ford* (CVN 78), the first ship of the *Ford* class, was delivered to the U.S. Navy in the second quarter of 2017. In June 2015, we were awarded a contract for the detail design and construction of *John F. Kennedy* (CVN 79), following several years of engineering, advance construction, and purchase of long-lead-time components and material. In addition, we have received awards for detail design and construction of *Enterprise* (CVN 80) and *Doris Miller* (CVN 81). This category also includes the class' non-recurring engineering. The class is expected to bring improved warfighting capability, quality of life improvements for sailors, and reduced life cycle costs.

Legend class National Security Cutter	Design and build the U.S. Coast Guard's National Security Cutters ("NSCs"), the largest and most technically advanced class of cutter in the U.S. Coast Guard. The NSC is equipped to carry out maritime homeland security, maritime safety, protection of natural resources, maritime mobility, and national defense missions. There were initially 11 ships for this program, of which the first ten ships have been delivered. In 2025, we reached agreement with the U.S. Coast Guard to terminate production and delivery of the 11th and final ship.
Naval nuclear support services	Provide services to and in support of the U.S. Navy, ranging from services supporting the Navy's carrier and submarine fleets to maintenance services at U.S. Navy training facilities. Naval nuclear support services include design, construction, maintenance, and disposal activities for in-service U.S. Navy nuclear ships worldwide through mobile and in-house capabilities. Services include maintenance services on nuclear reactor prototypes, such as those at the Kenneth A. Kesselring Site, a research and development facility in New York that supports the U.S. Navy, which were completed in 2024.
San Antonio class (LPD 17) amphibious transport dock ships	Design and build amphibious transport dock ships, which are warships that embark, transport, and land elements of a landing force for a variety of expeditionary warfare missions, and also serve as the secondary aviation platform for Amphibious Readiness Groups. The *San Antonio* class (LPD 17) is the newest addition to the U.S. Navy's 21st century amphibious assault force, and these ships are a key element of the U.S. Navy's seabase transformation. In 2022, we were awarded a long-lead-time material contract for *Philadelphia* (LPD 32). In 2023, we received an award modification for the detail design and construction of *Philadelphia* (LPD 32). In 2024, we delivered USS *Richard M. McCool Jr.* (LPD 29), and we were awarded a multi-ship procurement contract for the construction of *Travis Manion* (LPD 33), LPD 34 (unnamed), and LPD 35 (unnamed). We are currently constructing *Harrisburg* (LPD 30), *Pittsburgh* (LPD 31), and *Philadelphia* (LPD 32).
Virginia class (SSN 774) fast attack submarines	Construct attack submarines as the principal subcontractor to Electric Boat. The *Virginia* class (SSN 774) is a post-Cold War design tailored to excel in a wide range of warfighting missions, including anti-submarine and surface ship warfare; special operation forces; strike; intelligence, surveillance, and reconnaissance; carrier and expeditionary strike group support; and mine warfare.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to certain market risks, including those relating to interest rates and inflation.

Interest Rates - Our floating rate financial instruments subject to interest rate risk include a $1.7 billion revolving credit facility and a $1.7 billion commercial paper program. As of March 31, 2026, we had no indebtedness outstanding under our revolving credit facility or our commercial paper program, and therefore had no interest rate risk with respect to these instruments.

Inflation - Macroeconomic factors have contributed, and we expect will continue to contribute, to increasing cost inflation for raw materials, components, and supplies. We mitigate some cost inflation risk by negotiating long-term agreements with certain raw material suppliers and incorporating price escalation provisions in customer contracts to the extent possible. We include assumptions of anticipated cost growth in the development of our cost of completion estimates, but if inflationary conditions continue over the long-term, our cost assumptions may not be sufficient to cover all cost escalation or may impact the availability of resources to execute the respective contracts. Persistent cost inflation over the long-term may have an adverse impact on our financial position, results of operations, or cash flows.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of March 31, 2026. Based on that evaluation, the Company's Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) concluded that, as of March 31, 2026, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed in reports the Company files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) accumulated and communicated to management to allow their timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred in the quarterly period covered by this report that materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We have provided information about legal proceedings in which we are involved in the unaudited condensed consolidated financial statements in Part I, Item 1, which is incorporated herein by reference. In addition to the matters disclosed in Part I, Item 1, we are a party to various investigations, lawsuits, claims, and other legal proceedings that arise in the ordinary course of our business. Based on information available to us, we do not believe at this time that any of such other matters will individually, or in the aggregate, have a material adverse effect on our financial condition, results of operations, or cash flows. For further information on the risks we face from existing and future investigations, lawsuits, claims, and other legal proceedings, please see Risk Factors in Part I, Item 1A in the 2025 Annual Report on Form 10-K.

Consistent with the requirements of SEC Regulation S-K, Item 103, our threshold for disclosing any environmental legal proceeding involving a governmental authority is potential monetary sanctions that our management believes will exceed $1 million.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10–Q, carefully consider the factors discussed in Part I, Item 1A Risk Factors in the 2025 Annual Report on Form 10–K, which could materially affect our business, financial condition, or future results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Repurchases under our stock repurchase program are made from time to time at management's discretion in accordance with applicable federal securities laws. All repurchases of HII common stock have been recorded as treasury stock. The following table summarizes information relating to purchases made by or on behalf of the Company of shares of the Company's common stock during the quarter ended March 31, 2026.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (in millions)[(1),(2)]
January 1, 2026 to January 31, 2026	—	$ —	—	$ 1,352.3
February 1, 2026 to February 28, 2026	—	—	—	1,352.3
March 1, 2026 to March 31, 2026	—	—	—	1,352.3
Total	—	$ —	—	$ 1,352.3

(1) From the stock repurchase program's inception through March 31, 2026, we have purchased 14,584,709 shares at an average price of $167.82 per share for a total of $2.4 billion.
(2) In November 2012, we announced the establishment of our stock repurchase program. In January 2024, our board of directors authorized an increase in the stock repurchase program to $3.8 billion and an extension of the term to December 31, 2028.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

Adoption or Termination of Trading Arrangements

During the quarter ended March 31, 2026, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Item 408 of Regulation S-K.

Item 6. Exhibits

3.1	Restated Certificate of Incorporation of Huntington Ingalls Industries, Inc., dated April 30, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 5, 2025, File No. 001-34910).
3.2	Restated Bylaws of Huntington Ingalls Industries, Inc., dated April 30, 2025 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on May 5, 2025, File No. 001-34910).
10.1*	Terms and Conditions Applicable to Restricted Performance Stock Rights Granted Under the 2022 Long-Term Incentive Stock Plan, as amended February 2026.
10.2*	Terms and Conditions Applicable to Ratable Vesting Restricted Stock Rights Granted Under the 2022 Long-Term Incentive Stock Plan, as amended February 2026.
10.3*	Terms and Conditions Applicable to Cliff Vesting Restricted Stock Rights Granted Under the 2022 Long-Term Incentive Stock Plan, as amended February 2026.
31.1	Certification of the Chief Executive Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certificate of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certificate of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial information for the Company, formatted in XBRL (Extensible Business Reporting Language): (i) the Condensed Consolidated Statements of Operations and Comprehensive Income, (ii) the Condensed Consolidated Statements of Financial Position, (iii) the Condensed Consolidated Statements of Cash Flows, (iv) the Condensed Consolidated Statements of Changes in Equity, and (v) the Notes to Condensed Consolidated Financial Statements.
104	The cover page from the Company’s Quarterly Report on Form 10-Q, formatted in Inline XBRL and contained in Exhibit 101.

*Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date:	May 5, 2026	Huntington Ingalls Industries, Inc. (Registrant)		
		By:	/s/ Nicolas Schuck	
			Nicolas Schuck Corporate Vice President, Controller and Chief Accounting Officer (Duly Authorized Officer and Principal Accounting Officer)	

Exhibit 10.1

HUNTINGTON INGALLS INDUSTRIES, INC.

TERMS AND CONDITIONS APPLICABLE TO 20__ RESTRICTED PERFORMANCE STOCK RIGHTS GRANTED UNDER THE 2022 LONG-TERM INCENTIVE STOCK PLAN ("PLAN")

These Terms and Conditions ("Terms") apply to certain "Restricted Performance Stock Rights" ("RPSRs") granted by Huntington Ingalls Industries, Inc. (the "Company") in 20__. If you were granted an RPSR award by the Company in 20__, the date of grant of your RPSR award and the target number of RPSRs applicable to your award are set forth in the letter from the Company announcing your RPSR award grant (your "Grant Letter") and are also reflected in the electronic stock plan award recordkeeping system ("Stock Plan System") maintained by the Company or its designee. These Terms apply only with respect to your 20__ RPSR award. If you were granted an RPSR award, you are referred to as the "Grantee" with respect to your award. Capitalized terms are generally defined in the Plan, unless defined in Section 8 below or elsewhere defined herein.

Each RPSR represents a right to receive one Share of the Company's common stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The performance period applicable to your award is January 1, 20__ to December 31, 20__ (the "Performance Period"). The target number of RPSRs subject to your award is subject to adjustment as provided herein. The RPSR award is subject to all of the terms and conditions set forth in these Terms, and is further subject to all of the terms and conditions of the Plan, as it may be amended from time to time, and any rules adopted by the Committee, as such rules are in effect from time to time.

1. <u>Vesting; Payment of RPSRs</u>.

The RPSRs are subject to the vesting and payment provisions established (or to be established, as the case may be) by the Committee with respect to the Performance Period. RPSRs that vest based on such provisions will be paid as provided below. No fractional shares will be issued.

1.1 ***Performance-Based Vesting of RPSRs***. At the conclusion of the Performance Period, the Committee shall determine whether and the extent to which the applicable performance criteria have been achieved for purposes of determining earnouts and RPSR payments. Based on its determination, the Committee shall determine the percentage of target RPSRs subject to the award (if any) that have vested for the Performance Period in accordance with the earnout schedule established (or to be established, as the case may be) by the Committee with respect to the Performance Period (the "Earnout Percentage"). Any RPSRs subject to the award that are not vested as of the conclusion of the Performance Period after giving effect to the Committee's determinations under this Section 1.1 shall terminate and become null and void immediately following such determinations.

1.2 ***Payment of RPSRs***. The number of RPSRs payable at the conclusion of the Performance Period ("Earned RPSRs") shall be determined by multiplying the Earnout Percentage by the target number of RPSRs subject to the award. The Earned RPSRs may be paid out in either an equivalent number of Shares of common stock, or, in the discretion of the Committee, in cash or in a combination of Shares of common stock and cash.

In the event of a cash payment, the amount of the payment for each Earned RPSR to be paid in cash will equal the Fair Market Value of a Share of common stock as of the date the Committee determines the extent to which the applicable RPSR performance criteria have been achieved. RPSRs will be paid in the calendar year following the calendar year containing the last day of the Performance Period (and generally will be paid on or before March 15 of such year).

2. <u>Early Termination of Award; Termination of Employment</u>.

2.1 ***General***. The RPSRs subject to the award shall terminate and become null and void prior to the conclusion of the Performance Period if and when (a) the award terminates in connection with a Change in Control pursuant to Section 5 below, or (b) except as provided below in this Section 2 and in Section 5, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 ***Termination of Employment Due to Retirement, Death, Disability, or Layoff***. The number of RPSRs subject to the award shall vest on a prorated basis as provided herein if the Grantee's employment by the Company and its subsidiaries terminates due to the Grantee's Retirement, death, Disability, or Layoff, and, in each case, only if the Grantee has completed at least six (6) consecutive calendar months of employment with the Company or a subsidiary during the Performance Period. Such prorating of RPSRs shall be based on the number of full months the Grantee was actually employed by the Company or one of its subsidiaries out of the thirty-six month Performance Period. Partial months of employment during the Performance Period, even if substantial, shall not be counted for purposes of prorated vesting. Any RPSRs subject to the award that do not vest in accordance with this Section 2.2 upon a termination of the Grantee's employment due to Retirement, death, Disability, or Layoff shall terminate immediately upon such termination of employment.

Death or Disability. In the case of death or Disability during the first or second calendar year of the Performance Period (a) the Performance Period used to calculate the Grantee's Earned RPSRs will be deemed to have ended as of the last day of the calendar year in which the death or Disability occurs, (b) the Earnout Percentage of the Grantee's RPSRs will be determined based on actual performance for that short Performance Period, and (c) payment of Earned RPSRs will be made in the calendar year following the calendar year containing the last day of that short Performance Period (and generally will be paid on or before March 15 of such year). In the case of death or Disability during the third calendar year of the Performance Period, (a) the entire Performance Period will be used to calculate the Grantee's Earned RPSRs, (b) the Earnout Percentage of the Grantee's RPSRs will be determined based on actual performance for the Performance Period, and (c) payment of Earned RPSRs will be made in the calendar year following the calendar year containing the last day of the Performance Period (and generally will be paid on or before March 15 of such year).

Retirement (other than Government Service Retirement) or Layoff. Subject to the following provisions of this Section 2.2, in the case of Retirement (other than a Government Service Retirement) or Layoff, (a) the entire Performance Period will be used to calculate the Grantee's Earned RPSRs, (b) the Earnout Percentage of the Grantee's RPSRs will be determined based on actual performance for the Performance Period, and (c) payment of Earned RPSRs will be made in the calendar year following the calendar year containing the last day of the Performance Period (and generally will be paid on or before March 15 of such year).

In determining the Grantee's eligibility for Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. If the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's employment with the Company or a subsidiary had terminated due to the Grantee's Retirement, or by the Company or a subsidiary as part of a reduction in force (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

Government Service Retirement. In the case of a Government Service Retirement by the Grantee (a) the Performance Period used to calculate the Grantee's Earned RPSRs will be deemed to have ended as of the most recent date that performance has been measured by the Company with respect to the RPSRs prior to the Grantee's Government Service Retirement (including measurement for purposes of the Company's Form 10-Q, but in no event shall such date be more than one year before the Grantee's Government Service Retirement), (b) the Earnout Percentage of the Grantee's RPSRs will be determined based on actual performance for that short Performance Period, and (c) payment of Earned RPSRs will be made within 10 days after such Government Service Retirement.

2.3 ***Other Terminations of Employment***. Subject to Section 5.2, all RPSRs subject to the award terminate immediately upon a termination of the Grantee's employment: (a) for any reason other than due to the Grantee's Retirement, death, Disability, or Layoff; or (b) for Retirement, death, Disability, or Layoff, if the six-month employment requirement under Section 2.2 above is not satisfied.

2.4 ***Leave of Absence***. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.5 ***Salary Continuation***. Subject to Section 2.4 above, the term "employment" as used herein means active employment by the Company and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.4) will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the Grantee's cessation of active employee status shall, subject to Section 2.4, be deemed to be a termination of "employment" for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.6 ***Sale or Spinoff of Subsidiary or Business Unit***. For purposes of the RPSRs subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company or one of its subsidiaries after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction. In the event of such a termination of employment, the termination shall be deemed to be a Retirement treated as provided for in Section 2.2 (subject to Section 5).

2.7 ***Continuance of Employment Required***. Except as expressly provided in Sections 2.2 and 2.4 above and in Section 5 below, the vesting of the RPSRs subject to the award requires continued employment through the last day of the Performance Period as a condition of the payment of such RPSRs. Employment for only a portion of the Performance Period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in these Terms, the Grant Letter, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee's status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without Cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.8 ***Death***. In the event of the Grantee's death subsequent to the vesting of RPSRs but prior to the delivery of shares or other payment with respect to such RPSRs, the Grantee's Successor shall be entitled to any payments to which the Grantee would have been entitled under these Terms with respect to such RPSRs.

3. <u>Non-Transferability and Other Restrictions</u>.

3.1 ***Non-Transferability***. The award, as well as the RPSRs subject to the award, are nontransferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to transfers to the Company or transfers by will or the laws of descent and distribution. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 ***Recoupment of Awards***. Any payments or issuances of shares with respect to the award are subject to recoupment pursuant to the Company's

Policy Regarding the Recoupment of Certain Performance-Based Compensation Payments as in effect from time to time as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. Further, the Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) to the extent of any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. Compliance with Laws; No Stockholder Rights Prior to Issuance; Dividend Equivalent Rights.

4.1 ***Compliance with Laws***. The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed.

4.2 ***Limitations on Rights Associated with RPSRs.*** The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in Section 4.3), with respect to any shares which may be issued in respect of the RPSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

4.3 ***Dividend Equivalent Rights***. Not later than 60 days following each date that the Company pays an ordinary cash dividend on its common stock (if any), the Company shall credit the Grantee with an additional number of RPSRs equal to the quotient of (A) the product of (i) the per share cash dividend paid by the Company on its common stock on such date, multiplied by (ii) the total number of target RPSRs (including any dividend equivalents previously credited hereunder) (with such total number adjusted pursuant to Section 5) subject to the RPSR award as of the related dividend payment record date, divided by (B) the Fair Market Value of a Share of common stock on the date of payment of such dividend. Any RPSRs credited pursuant to the foregoing provisions of this Section 4.3 shall be added to the number of target RPSRs awarded to the Grantee and shall be subject to the same vesting, payment and other terms, conditions and restrictions as the original RPSRs to which they relate. No crediting of RPSRs shall be made pursuant to this Section 4.3 with respect to any RPSRs which, as of such record date, have been paid pursuant to Section 1.

5. Adjustments; Change in Control.

5.1 ***Adjustments***. The RPSRs and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 4.3 of the Plan. In addition, for RPSRs that do not use a relative total shareholder return metric as the applicable performance criterion, the Committee shall adjust the applicable performance criteria to eliminate the effects of the gain, loss, income or expense or other extraordinary items resulting from (i) changes in accounting principles that become effective during the Performance Period, (ii) the purchase or disposition of a business during the Performance Period, and (iii) extraordinary charges not foreseen at the date of grant of the RPSRs, provided that the Committee shall have the discretion not to make any such adjustment if not making such adjustment would result in a reduction in the number of Earned RPSRs. In the event of any adjustment, the Company will give the Grantee written notice thereof which will set forth the nature of the adjustment.

5.2 ***Possible Vesting Acceleration on Change in Control***. Notwithstanding the provisions of Section 2 hereof, and further subject to the Company's ability to terminate the award as provided in Section 5.3 below, the Grantee shall be entitled to vesting of the award as provided below in the event of the Grantee's termination of employment in the following circumstances:

(a) if the Grantee is covered by a Change in Control Severance Arrangement at the time of the termination, and the termination of employment constitutes a "Qualifying Termination" (as such term, or any similar successor term, is defined in such Change in Control Severance Arrangement) that triggers the Grantee's right to severance benefits under such Change in Control Severance Arrangement.

(b) if the Grantee is not covered by a Change in Control Severance Arrangement at the time of the termination, the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, and the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to clause (b) above if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months. The applicable Change in Control Severance Arrangement shall govern the matters addressed in this paragraph as to clause (a) above.

In the event the Grantee is entitled to payment in accordance with the foregoing provisions of this Section 5.2, then the Grantee will be eligible for payment of a number of RPSRs determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the Performance Period ending on the last day of the month coinciding with or immediately preceding the date of the termination of the Grantee's employment, multiplied by (b) the target number of RPSRs subject to the award. Payment of any amount due under this Section 5.2 will be made in the calendar year following the calendar year containing the last day of the Performance Period (and generally will be paid on or before March 15 of such year). In the event the Grantee is entitled to payment in accordance with the foregoing provisions of this Section 5.2, then this Section 5.2 shall control as to the amount and timing of the payment of the award notwithstanding anything in Section 2.2 to the contrary.

5.3 ***Automatic Vesting Acceleration; Early Termination***. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the Grantee shall be entitled to a payment of the RPSRs as provided below and the award shall terminate. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 5.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 5.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the award; provided, however, that, the Committee shall reinstate the original terms of the award if the related event does not actually occur.

In the event the Grantee is entitled to a payment in accordance with the foregoing provisions of this Section 5.3, then the Grantee will be eligible for payment of a number of RPSRs determined in accordance with the following formula: (a) the Earnout Percentage determined in accordance with Section 1 but calculated based on performance for the portion of the Performance Period ending on the date of the Change in Control of the Company, multiplied by (b) the target number of RPSRs subject to the award.

Payment of any amount due under this Section 5.3 will be made in the calendar year following the calendar year containing the last day of the Performance Period (and generally will be paid on or before March 15 of such year). In the event the Grantee is employed by the Company or a subsidiary immediately prior to the Change in Control and is entitled to payment in accordance with the foregoing provisions of this Section 5.3, then this Section 5.3 shall control as to the amount and timing of the payment of the award notwithstanding anything in Section 2.2 or 5.2 to the contrary.

In the event of the Grantee's Retirement pursuant to Section 2.2 (or deemed Retirement pursuant to Section 2.6) prior to a Change in Control described in the first paragraph of this Section 5.3 in which the award is to be terminated, the Earnout Percentage shall no longer be based on the portion of the Performance Period otherwise considered for purposes of Section 2.2 but shall instead be calculated based on performance for the portion of the Performance Period ending on the date of the Change in Control of the Company.

6. Tax Matters.

6.1 ***Tax Withholding***. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RPSRs, that the Grantee or other person entitled to such shares or other payment pay any sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such withholding obligations at the flat percentage rates applicable to supplemental wages).

6.2 ***Transfer Taxes***. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RPSRs.

6.3 ***Compliance with Code***. The Committee shall administer and construe the award, and may amend the Terms of the award, in a manner designed to comply with the Code and to avoid adverse tax consequences under Code Section 409A or otherwise.

6.4 ***Unfunded Arrangement***. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

7. Plan; Amendment.

The RPSRs subject to the award are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of these Terms or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of these Terms and/or the Plan, the provisions of these Terms and/or the Plan, as applicable, shall control.

8. Definitions.

Whenever used in these Terms, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

"Change in Control Severance Arrangement" means a "Special Agreement" entered into by and between the Grantee and the Company that provides severance protections in the event of certain changes in control of the Company or the Company's Change-in-Control Severance Plan, as each may be in effect from time to time, or any similar successor agreement or plan that provides severance protections in the event of a change in control of the Company.

"**Good Reason**" means, without the Grantee's express written consent, the occurrence of any one or more of the following:

(i) A material and substantial reduction in the nature or status of the Grantee's authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee's authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company's industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue. In addition, if the Grantee is a vice president, the Grantee's loss of vice-president status will constitute "Good Reason"; provided that the loss of the title of "vice president" will not, in and of itself, constitute Good Reason if the Grantee's lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee's business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee's lack of a vice president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

(ii) A material reduction by the Company in the Grantee's annualized rate of base salary as in effect on the first to occur of the start of the Performance Period or the start of the Protected Period, or as the same shall be increased from time to time.

(iii) A material reduction in the aggregate value of the Grantee's level of participation in any of the Company's short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period provided; however, that a reduction in the aggregate value shall not be deemed to be "Good Reason" if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(iv) A material reduction in the Grantee's aggregate level of participation in the Company's stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be "Good Reason" if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"**Government Service Retirement**" means a termination of employment by the Grantee where the Grantee meets the requirements for Retirement, has accepted a position in the federal government or a state or local government and an accelerated distribution under the award is permitted under Code Section 409A based on such government employment and related ethics rules. For the avoidance of doubt, a termination of employment that includes the acceptance of a position in the federal government or a state or local government at a time when the Grantee does not meet the requirements for Retirement shall not constitute Government Service Retirement.

"Layoff" means a permanent , involuntary termination of employment by the Company or a subsidiary due to a reduction in force, business reorganization, facility closure or similar event (other than a termination by the Company or a subsidiary for Cause), as determined by the Committee in its sole discretion. A Layoff shall not include any sale or spinoff described in Section 2.6.

"**Parent**" means an entity that beneficially owns a majority of the voting stock or voting power of the Company, or all or substantially all of the Company's assets, directly or indirectly through one or more subsidiaries.

The "**Protected Period**" corresponding to a

Change in Control of the Company shall be a period of time determined in accordance with the following:

(i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

"**Retirement**" means that the Grantee terminates employment after attaining age 55 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for Cause). In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy, "Retirement" shall also include as to that Grantee (without limiting the Grantee's ability to retire pursuant to the preceding sentence) a termination of the Grantee's employment pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

"**Successor**" means the person acquiring a Grantee's rights to a grant under the Plan by will or by the laws of descent or distribution.

HUNTINGTON INGALLS INDUSTRIES, INC.

TERMS AND CONDITIONS APPLICABLE TO
20__ RATABLE VESTING RESTRICTED STOCK RIGHTS
GRANTED UNDER THE 2022 LONG-TERM INCENTIVE STOCK PLAN ("PLAN")

These Terms and Conditions ("Terms") apply to certain "Restricted Stock Rights" ("RSRs") granted by Huntington Ingalls Industries, Inc. (the "Company") in 20__. If you were granted an RSR award by the Company in 2026, the date of grant of your RSR award (the "Grant Date") and the number of RSRs applicable to your award are set forth in the letter from the Company announcing your RSR award grant (your "Grant Letter") and are also reflected in the electronic stock plan award recordkeeping system ("Stock Plan System") maintained by the Company or its designee. These Terms apply only with respect to the 20__ RSR award. If you were granted an RSR award, you are referred to as the "Grantee" with respect to your award. Capitalized terms are generally defined in the Plan, unless defined in Section 8 below or elsewhere defined herein.

Each RSR represents a right to receive one Share of the Company's common stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The number of RSRs subject to your award is subject to adjustment as provided herein. The RSR award is subject to all of the terms and conditions set forth in these Terms, and is further subject to all of the terms and conditions of the Plan, as it may be amended from time to time, and any rules adopted by the Committee, as such rules are in effect from time to time.

1. <u>Vesting; Issuance of Shares</u>.

Subject to Sections 2.6 and 5 below, thirty-three and one-third percent (33 1/3%) of the number of RSRs subject to your award (subject to adjustment as provided in Section 5.1) shall vest upon each of the first, second, and third anniversaries of the Grant Date.

The Company shall pay a vested RSR within 60 days following the vesting of the RSR and in all events on or before March 15 of the year following the year in which the RSR is no longer subject to a "substantial risk of forfeiture" within the meaning of Code Section 409A. The Company shall pay such vested RSRs in either an equivalent number of Shares of common stock, or, in the discretion of the Committee, in cash or in a combination of Shares of common stock and cash. In the event of a cash payment, the amount of the payment for a vested RSR to be paid in cash (subject to tax withholding as provided in Section 6 below) will equal the Fair Market Value of a Share of common stock as of the date that such RSR became vested. No fractional shares will be issued.

2. <u>Early Termination of Award; Termination of Employment</u>.

2.1 ***General***. Except as provided in Section 2.6 and in Section 5, the RSRs subject to the award, to the extent not previously vested, shall terminate and become null and void if and when, the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 ***Leave of Absence***. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.3 ***Salary Continuation***. Subject to Section 2.2 above, the term "employment" as used herein means active employment by the Company and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.2) will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the Grantee's cessation of active employee status shall, subject to Section 2.2, be deemed to be a termination of "employment" for purposes hereof).

Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.4 ***Sale or Spinoff of Subsidiary or Business Unit***. For purposes of the RSRs subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction.

2.5 ***Continuance of Employment Required***. Except as expressly provided in Section 2.6 and in Section 5, the vesting of the RSRs subject to the award requires continued employment through each of the applicable first, second, and third anniversaries of the Grant Date as a condition to the vesting of any portion of the award. Employment for only a portion of the vesting period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in these Terms, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee’s status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without Cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.6 ***Death, Disability, Retirement, or Layoff***. If the Grantee dies or incurs a Disability while employed by the Company or a subsidiary, the outstanding and previously unvested RSRs subject to the award shall vest as of the date of the Grantee’s death or Disability, as applicable. In the event of the Grantee’s death prior to the delivery of shares or other payment with respect to any vested RSRs, the Grantee’s Successor shall be entitled to any payments to which the Grantee would have been entitled under these Terms with respect to such vested and unpaid RSRs.

Thirty-three and one-third percent (33 1/3%) of the RSRs subject to the award that are scheduled to vest during the twelve (12) month period leading up to and including the next annual anniversary of the Grant Date shall vest on a prorated basis as provided herein if the Grantee’s employment by the Company and its subsidiaries terminates due to Retirement or Layoff as of the date of such termination of employment. Such prorating of RSRs shall be based on the number of full months the Grantee was actually employed by the Company or one of its subsidiaries during the twelve (12) month period leading up to and including the next annual anniversary of the Grant Date divided by twelve months. Partial months of employment, even if substantial, shall not be counted for purposes of prorated vesting. Any RSRs subject to the award that do not vest in accordance with this Section 2.6 upon a termination of the Grantee’s employment due to Retirement or Layoff shall terminate immediately upon such termination of employment.

In determining the Grantee’s eligibility for Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. If the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee’s service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee’s employment with the Company or a subsidiary had terminated due to the Grantee’s Retirement, or by the Company or a subsidiary as part of a reduction in force (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the “break in service”) the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee’s period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee’s service prior to the acquisition will be included in determining service for such purposes.

3. <u>Non-Transferability and Other Restrictions</u>.

3.1 ***Non-Transferability***. The award, as well as the RSRs subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to transfers to the Company or transfers by will or the laws of descent and distribution. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 ***Recoupment of Awards***. Any payments or issuances of shares with respect to the award are subject to recoupment pursuant to the Company's Policy Regarding the Recoupment of Certain Performance-Based Compensation Payments as in effect from time to time, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. Further, the Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) to the extent of any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. <u>Compliance with Laws; No Stockholder Rights Prior to Issuance; Dividend Equivalent Rights</u>.

4.1 ***Compliance with Laws***. The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed.

4.2 ***Limitations on Rights Associated with RSRs.*** The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in Section 4.3), with respect to any shares which may be issued in respect of the RSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

4.3 ***Dividend Equivalent Rights***. Not later than 60 days following each date that the Company pays an ordinary cash dividend on its Shares of common stock (if any), the Company shall credit the Grantee with an additional number of RSRs equal to the quotient of (A) the product of (i) the per share cash dividend paid by the Company on its Shares of common stock on such date, multiplied by (ii) the total number of RSRs (including any dividend equivalents previously credited hereunder) (with such total number adjusted pursuant to Section 5) subject to the RSR award as of the related dividend payment record date, divided by (B) the Fair Market Value of a Share of common stock on the date of payment of such dividend. Any RSRs credited pursuant to the foregoing provisions of this Section 4.3 shall be subject to the same vesting, payment and other terms, conditions and restrictions as the original RSRs to which they relate. No crediting of RSRs shall be made pursuant to this Section 4.3 with respect to any RSRs which, as of such record date, have been paid pursuant to Section 1.

5. <u>Adjustments; Change in Control</u>.

5.1 ***Adjustments***. The RSRs and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 4.3 of the Plan. In the event of any adjustment, the Company will give the Grantee written notice thereof which will set forth the nature of the adjustment.

5.2 ***Possible Vesting Acceleration on Change in Control***. Notwithstanding the Company's ability to terminate the award as provided in Section 5.3 below, the outstanding and previously unvested RSRs subject to the award shall become fully vested as of the date of the Grantee's termination of employment in the following circumstances:

(a) if the Grantee is covered by a Change in Control Severance Arrangement at the time of the termination, if the termination of employment constitutes a "Qualifying Termination" (as such term, or any similar successor term, is defined in such Change in Control Severance Arrangement) that triggers the Grantee's right to severance benefits under such Change in Control Severance Arrangement.

(b) if the Grantee is not covered by a Change in Control Severance Arrangement at the time of the termination and if the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to clause (b) above if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months. The applicable Change in Control Severance Arrangement shall govern the matters addressed in this paragraph as to clause (a) above.

5.3 ***Automatic Vesting Acceleration; Early Termination***. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the outstanding and previously unvested RSRs subject to the award shall vest fully and completely. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 5.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The award shall terminate, subject to such acceleration provisions, upon a Change in Control triggered by clause (iii) or (iv) of the definition thereof in which the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 5.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the RSRs; provided, however, that, the Committee shall reinstate the original terms of the award if the related event does not actually occur.

6. Tax Matters.

6.1 ***Tax Withholding***. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RSRs, that the Grantee or other person entitled to such shares or other payment pay any sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such withholding obligations at the flat percentage rates applicable to supplemental wages).

6.2 ***Transfer Taxes***. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RSRs.

6.3 ***Compliance with Code***. The Committee shall administer and construe the award, and may amend the Terms of the award, in a manner designed to comply with the Code and to avoid adverse tax consequences under Code Section 409A or otherwise.

6.4 ***Unfunded Arrangement***. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

7. Plan; Amendment.

The RSRs are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of these Terms or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of these Terms and/or the Plan, the provisions of these Terms and/or the Plan, as applicable, shall control.

8. Definitions.

Whenever used in these Terms, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

"Change in Control Severance Arrangement" means a "Special Agreement" entered into by and between the Grantee and the Company that provides severance protections in the event of certain changes in control of the Company or the Company's Change-in-Control Severance Plan, as each may be in effect from time to time, or any similar successor agreement or plan that provides severance protections in the event of a change in control of the Company.

"**Good Reason**" means, without the Grantee's express written consent, the occurrence of any one or more of the following:

(i) A material and substantial reduction in the nature or status of the Grantee's authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee's authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company's industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue. In addition, if the Grantee is a vice president, the Grantee's loss of vice-president status will constitute "Good Reason"; provided that the loss of the title of "vice president" will not, in and of itself, constitute Good Reason if the Grantee's lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee's business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee's lack of a vice president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

(ii) A material reduction by the Company in the Grantee's annualized rate of base salary as in effect at the start of the Protected Period, or as the same shall be increased from time to time.

(iii) A material reduction in the aggregate value of the Grantee's level of participation in any of the Company's short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period provided; however, that a reduction in the aggregate value shall not be deemed to be "Good Reason" if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(iv) A material reduction in the Grantee's aggregate level of participation in the Company's stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be "Good Reason" if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee's principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee's right to terminate employment for Good Reason shall not be affected by the Grantee's incapacity due to physical or mental illness. The Grantee's continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

"**Layoff**" means a permanent, involuntary termination of the Grantee's employment by the Company or a subsidiary due to a reduction in force, business reorganization, facility closure or similar event (other than a termination by the Company or a subsidiary for Cause), as determined by the Committee in its sole discretion. A Layoff shall not include any sale or spin-off described in Section 2.4.

"**Parent**" means an entity that beneficially owns a majority of the voting stock or voting power of the Company, or all or substantially all of the Company's assets, directly or indirectly through one or more subsidiaries.

The "**Protected Period**" corresponding to a Change in Control of the Company shall be a period of time determined in accordance with the following:

(i) If the Change in Control is triggered by a tender offer for shares of the Company's stock or by the offeror's acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

"**Retirement**" means that the Grantee terminates employment after attaining age 55 with at least ten (10) years of service (other than in connection with a termination by the Company or a subsidiary for Cause). In the case of a Grantee who is an officer of the Company subject to the Company's mandatory retirement at age 65 policy, "Retirement" shall also include as to that Grantee (without limiting the Grantee's ability to retire pursuant to the preceding sentence) a termination of the Grantee's employment pursuant to such mandatory retirement policy (regardless of the Grantee's years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

"**Successor**" means the person acquiring a Grantee's rights to a grant under the Plan by will or by the laws of descent or distribution

HUNTINGTON INGALLS INDUSTRIES, INC.

TERMS AND CONDITIONS APPLICABLE TO 20__ CLIFF VESTING RESTRICTED STOCK RIGHTS GRANTED UNDER THE 2022 LONG-TERM INCENTIVE STOCK PLAN ("PLAN")

These Terms and Conditions ("Terms") apply to certain "Restricted Stock Rights" ("RSRs") granted by Huntington Ingalls Industries, Inc. (the "Company") in 20__. If you were granted an RSR award by the Company in 20__, the date of grant of your RSR award (the "Grant Date") and the number of RSRs applicable to your award are set forth in the letter from the Company announcing your RSR award grant (your "Grant Letter") and are also reflected in the electronic stock plan award recordkeeping system ("Stock Plan System") maintained by the Company or its designee. These Terms apply only with respect to the 20__ RSR award. If you were granted an RSR award, you are referred to as the "Grantee" with respect to your award. Capitalized terms are generally defined in the Plan, unless defined in Section 8 below or elsewhere defined herein.

Each RSR represents a right to receive one Share of the Company's common stock, or cash of equivalent value as provided herein, subject to vesting as provided herein. The number of RSRs subject to your award is subject to adjustment as provided herein. The RSR award is subject to all of the terms and conditions set forth in these Terms, and is further subject to all of the terms and conditions of the Plan, as it may be amended from time to time, and any rules adopted by the Committee, as such rules are in effect from time to time.

1. <u>Vesting; Issuance of Shares</u>.

Subject to Sections 2.6 and 5 below, one-hundred percent (100%) of the number of RSRs subject to your award (subject to adjustment as provided in Section 5.1) shall vest upon the **[first, second, or third]** of the Grant Date.

The Company shall pay a vested RSR within 60 days following the vesting of the RSR and in all events on or before March 15 of the year following the year in which the RSR is no longer subject to a "substantial risk of forfeiture" within the meaning of Code Section 409A. The Company shall pay such vested RSRs in either an equivalent number of Shares of common stock, or, in the discretion of the Committee, in cash or in a combination of Shares of common stock and cash. In the event of a cash payment, the amount of the payment for a vested RSR to be paid in cash (subject to tax withholding as provided in Section 6 below) will equal the Fair Market Value of a Share of common stock as of the date that such RSR became vested. No fractional shares will be issued.

2. <u>Early Termination of Award; Termination of Employment</u>.

2.1 ***General***. Except as provided in Section 2.6 and in Section 5, the RSRs subject to the award, to the extent not previously vested, shall terminate and become null and void if and when the Grantee ceases for any reason to be an employee of the Company or one of its subsidiaries.

2.2 ***Leave of Absence***. Unless the Committee otherwise provides (at the time of the leave or otherwise), if the Grantee is granted a leave of absence by the Company, the Grantee (a) shall not be deemed to have incurred a termination of employment at the time such leave commences for purposes of the award, and (b) shall be deemed to be employed by the Company for the duration of such approved leave of absence for purposes of the award. A termination of employment shall be deemed to have occurred if the Grantee does not timely return to active employment upon the expiration of such approved leave or if the Grantee commences a leave that is not approved by the Company.

2.3 ***Salary Continuation***. Subject to Section 2.2 above, the term "employment" as used herein means active employment by the Company and salary continuation without active employment (other than a leave of absence approved by the Company that is covered by Section 2.2) will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the Grantee's cessation of active employee status shall, subject to Section 2.2, be deemed to be a termination of "employment" for purposes hereof). Furthermore, salary continuation will not, in and of itself, constitute a leave of absence approved by the Company for purposes of the award.

2.4 ***Sale or Spinoff of Subsidiary or Business Unit***. For purposes of the RSRs subject to the award, a termination of employment of the Grantee shall be deemed to have occurred if the Grantee is employed by a subsidiary or business unit and that subsidiary or business unit is sold, spun off, or otherwise divested, the Grantee does not otherwise continue to be employed by the Company after such event, and the divested entity or business (or its successor or a parent company) does not assume the award in connection with such transaction.

2.5 ***Continuance of Employment Required***. Except as expressly provided in Section 2.6 and in Section 5, the vesting of the RSRs subject to the award requires continued employment through the **[first, second, or third]** anniversary of the Grant Date as a condition to the vesting of any portion of the award. Employment for only a portion of the vesting period, even if a substantial portion, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Nothing contained in these Terms, the Stock Plan System, or the Plan constitutes an employment commitment by the Company or any subsidiary, affects the Grantee's status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without Cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

2.6 ***Death, Disability, Retirement, or Layoff***. If the Grantee dies or incurs a Disability while employed by the Company or a subsidiary, the outstanding and previously unvested RSRs subject to the award shall vest as of the date of the Grantee's death or Disability, as applicable. In the event of the Grantee's death prior to the delivery of shares or other payment with respect to any vested RSRs, the Grantee's Successor shall be entitled to any payments to which the Grantee would have been entitled under these Terms with respect to such vested and unpaid RSRs.

The RSRs subject to the award shall vest on a prorated basis as provided herein if the Grantee's employment by the Company and its subsidiaries terminates due to Retirement or Layoff as of the date of such termination of employment. Such prorating of RSRs shall be based on the number of full months the Grantee was actually employed by the Company or one of its subsidiaries after the Grant Date divided by the total number of months in the vesting period. Partial months of employment, even if substantial, shall not be counted for purposes of prorated vesting. Any RSRs subject to the award that do not vest in accordance with this Section 2.6 upon a termination of the Grantee's employment due to Retirement or Layoff shall terminate immediately upon such termination of employment.

In determining the Grantee's eligibility for Retirement, service is measured by dividing (a) the number of days the Grantee was employed by the Company or a subsidiary in the period commencing with his or her last date of hire by the Company or a subsidiary through and including the date on which the Grantee is last employed by the Company or a subsidiary, by (b) 365. If the Grantee ceased to be employed by the Company or a subsidiary and was later rehired by the Company or a subsidiary, the Grantee's service prior to the break in service shall be disregarded in determining service for such purposes; provided that, if the Grantee's employment with the Company or a subsidiary had terminated due to the Grantee's Retirement, or by the Company or a subsidiary as part of a reduction in force (in each case, other than a termination by the Company or a subsidiary for Cause) and, within the two-year period following such termination of employment (the "break in service") the Grantee was subsequently rehired by the Company or a subsidiary, then the Grantee's period of service with the Company or a subsidiary prior to and ending with the break in service will be included in determining service for such purposes. In the event the Grantee is employed by a business that is acquired by the Company or a subsidiary, the Company shall have discretion to determine whether the Grantee's service prior to the acquisition will be included in determining service for such purposes.

3. **<u>Non-Transferability and Other Restrictions</u>**.

3.1 ***Non-Transferability***. The award, as well as the RSRs subject to the award, are non-transferable and shall not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge. The foregoing transfer restrictions shall not apply to transfers to the Company or transfers by will or the laws of descent and distribution. Notwithstanding the foregoing, the Company may honor any transfer required pursuant to the terms of a court order in a divorce or similar domestic relations matter to the extent that such transfer does not adversely affect the Company's ability to register the offer and sale of the underlying shares on a Form S-8 Registration Statement and such transfer is otherwise in compliance with all applicable legal, regulatory and listing requirements.

3.2 ***Recoupment of Awards***. Any payments or issuances of shares with respect to the award are subject to recoupment pursuant to the Company's Policy Regarding the Recoupment of Certain Performance-Based Compensation Payments as in effect from time to time, as well as any recoupment or similar provisions of applicable law, and the Grantee shall promptly make any reimbursement requested by the Board or Committee pursuant to such policy or applicable law with respect to the award. Further, the Grantee agrees, by accepting the award, that the Company and its affiliates may deduct from any amounts it may owe the Grantee from time to time (such as wages or other compensation) to the extent of any amounts the Grantee is required to reimburse the Company pursuant to such policy or applicable law with respect to the award.

4. **<u>Compliance with Laws; No Stockholder Rights Prior to Issuance; Dividend Equivalent Rights</u>**.

4.1 ***Compliance with Laws***. The Company's obligation to make any payments or issue any shares with respect to the award is subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchange upon which stock of the Company may be listed.

4.2 ***Limitations on Rights Associated with RSRs.*** The Grantee shall not have the rights and privileges of a stockholder, including without limitation the right to vote or receive dividends (except as expressly provided in Section 4.3), with respect to any shares which may be issued in respect of the RSRs until the date appearing on the certificate(s) for such shares (or, in the case of shares entered in book entry form, the date that the shares are actually recorded in such form for the benefit of the Grantee), if such shares become deliverable.

4.3 ***Dividend Equivalent Rights***. Not later than 60 days following each date that the Company pays an ordinary cash dividend on its Shares of common stock (if any), the Company shall credit the Grantee with an additional number of RSRs equal to the quotient of (A) the product of (i) the per share cash dividend paid by the Company on its Shares of common stock on such date, multiplied by (ii) the total number of RSRs (including any dividend equivalents previously credited hereunder) (with such total number adjusted pursuant to Section 5) subject to the RSR award as of the related dividend payment record date, divided by (B) the Fair Market Value of a Share of common stock on the date of payment of such dividend. Any RSRs credited pursuant to the foregoing provisions of this Section 4.3 shall be subject to the same vesting, payment and other terms, conditions and restrictions as the original RSRs to which they relate. No crediting of RSRs shall be made pursuant to this Section 4.3 with respect to any RSRs which, as of such record date, have been paid pursuant to Section 1.

5. **<u>Adjustments; Change in Control</u>**.

5.1 ***Adjustments***. The RSRs and the shares subject to the award are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 4.3 of the Plan. In the event of any adjustment, the Company will give the Grantee written notice thereof which will set forth the nature of the adjustment.

5.2 ***Possible Vesting Acceleration on Change in Control***. Notwithstanding the Company's ability to terminate the award as provided in Section 5.3 below, the outstanding and previously unvested RSRs subject to the award shall become fully vested as of the date of the Grantee's termination of employment in the following circumstances:

(a) if the Grantee is covered by a Change in Control Severance Arrangement at the time of the termination, if the termination of employment constitutes a "Qualifying Termination" (as such term, or any similar successor term, is defined in such Change in Control Severance Arrangement) that triggers the Grantee's right to severance benefits under such Change in Control Severance Arrangement.

(b) if the Grantee is not covered by a Change in Control Severance Arrangement at the time of the termination and if the termination occurs either within the Protected Period corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause or by the Grantee for Good Reason.

Notwithstanding anything else contained herein to the contrary, the termination of the Grantee's employment (or other events giving rise to Good Reason) shall not entitle the Grantee to any accelerated vesting pursuant to clause (b) above if there is objective evidence that, as of the commencement of the Protected Period, the Grantee had specifically been identified by the Company as an employee whose employment would be terminated as part of a corporate restructuring or downsizing program that commenced prior to the Protected Period and such termination of employment was expected at that time to occur within six (6) months. The applicable Change in Control Severance Arrangement shall govern the matters addressed in this paragraph as to clause (a) above.

5.3 ***Automatic Vesting Acceleration; Early Termination***. If the Company undergoes a Change in Control triggered by clause (iii) or (iv) of the definition thereof and the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control, or if for any other reason the award would not continue after the Change in Control, then upon the Change in Control the outstanding and previously unvested RSRs subject to the award shall vest fully and completely. Unless the Committee expressly provides otherwise in the circumstances, no acceleration of vesting of the award shall occur pursuant to this Section 5.3 in connection with a Change in Control if either (a) the Company is the surviving entity, or (b) the successor to the Company (if any) (or a Parent thereof) agrees in writing prior to the Change in Control to assume the award. The award shall terminate, subject to such acceleration provisions, upon a Change in Control triggered by clause (iii) or (iv) of the definition thereof in which the Company is not the surviving entity and the successor to the Company (if any) (or a Parent thereof) does not agree in writing prior to the occurrence of the Change in Control to continue and assume the award following the Change in Control. The Committee may make adjustments pursuant to Section 6(a) of the Plan and/or deem an acceleration of vesting of the award pursuant to this Section 5.3 to occur sufficiently prior to an event if necessary or deemed appropriate to permit the Grantee to realize the benefits intended to be conveyed with respect to the shares underlying the RSRs; provided, however, that, the Committee shall reinstate the original terms of the award if the related event does not actually occur.

6. Tax Matters.

6.1 ***Tax Withholding***. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of making any payments or issuing any shares upon vesting of the RSRs, that the Grantee or other person entitled to such shares or other payment pay any sums required to be withheld by federal, state, local or other applicable tax law with respect to such vesting or payment. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of taxes as it deems appropriate (including, without limitation, withholding the taxes due from compensation otherwise payable to the Grantee or reducing the number of shares otherwise deliverable with respect to the award (valued at their then Fair Market Value) by the amount necessary to satisfy such withholding obligations at the flat percentage rates applicable to supplemental wages).

6.2 ***Transfer Taxes***. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares in connection with the vesting of the RSRs.

6.3 ***Compliance with Code***. The Committee shall administer and construe the award, and may amend the Terms of the award, in a manner designed to comply with the Code and to avoid adverse tax consequences under Code Section 409A or otherwise.

6.4 ***Unfunded Arrangement***. The right of the Grantee to receive payment under the award shall be an unsecured contractual claim against the Company. As such, neither the Grantee nor any Successor shall have any rights in or against any specific assets of the Company based on the award. Awards shall at all times be considered entirely unfunded for tax purposes.

7. Plan; Amendment.

The RSRs are governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan and any other rules adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights with respect to any amendment of these Terms or the Plan unless such amendment is in writing and signed by a duly authorized officer of the Company. In the event of a conflict between the provisions of the Grant Letter and/or the Stock Plan System and the provisions of these Terms and/or the Plan, the provisions of these Terms and/or the Plan, as applicable, shall control.

8. Definitions.

Whenever used in these Terms, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized:

"Change in Control Severance Arrangement" means a "Special Agreement" entered into by and between the Grantee and the Company that provides severance protections in the event of certain changes in control of the Company or the Company’s Change-in-Control Severance Plan, as each may be in effect from time to time, or any similar successor agreement or plan that provides severance protections in the event of a change in control of the Company.

“**Good Reason**” means, without the Grantee’s express written consent, the occurrence of any one or more of the following:

(i) A material and substantial reduction in the nature or status of the Grantee’s authorities or responsibilities (when such authorities and/or responsibilities are viewed in the aggregate) from their level in effect on the day immediately prior to the start of the Protected Period, other than (A) an inadvertent act that is remedied by the Company promptly after receipt of notice thereof given by the Grantee, and/or (B) changes in the nature or status of the Grantee’s authorities or responsibilities that, in the aggregate, would generally be viewed by a nationally-recognized executive placement firm as resulting in the Grantee having not materially and substantially fewer authorities and responsibilities (taking into consideration the Company’s industry) when compared to the authorities and responsibilities applicable to the position held by the Grantee immediately prior to the start of the Protected Period. The Company may retain a nationally-recognized executive placement firm for purposes of making the determination required by the preceding sentence and the written opinion of the firm thus selected shall be conclusive as to this issue. In addition, if the Grantee is a vice president, the Grantee’s loss of vice-president status will constitute “Good Reason”; provided that the loss of the title of “vice president” will not, in and of itself, constitute Good Reason if the Grantee’s lack of a vice president title is generally consistent with the manner in which the title of vice president is used within the Grantee’s business unit or if the loss of the title is the result of a promotion to a higher level office. For the purposes of the preceding sentence, the Grantee’s lack of a vice president title will only be considered generally consistent with the manner in which such title is used if most persons in the business unit with authorities, duties, and responsibilities comparable to those of the Grantee immediately prior to the commencement of the Protected Period do not have the title of vice-president.

(ii) A material reduction by the Company in the Grantee’s annualized rate of base salary as in effect at the start of the Protected Period, or as the same shall be increased from time to time.

(iii) A material reduction in the aggregate value of the Grantee's level of participation in any of the Company’s short and/or long-term incentive compensation plans (excluding stock-based incentive compensation plans), employee benefit or retirement plans, or policies, practices, or arrangements in which the Grantee participates immediately prior to the start of the Protected Period provided; however, that a reduction in the aggregate value shall not be deemed to be “Good Reason” if the reduced value remains substantially consistent with the average level of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(iv) A material reduction in the Grantee’s aggregate level of participation in the Company’s stock-based incentive compensation plans from the level in effect immediately prior to the start of the Protected Period; provided, however, that a reduction in the aggregate level of participation shall not be deemed to be “Good Reason” if the reduced level of participation remains substantially consistent with the average level of participation of other employees who have positions commensurate with the position held by the Grantee immediately prior to the start of the Protected Period.

(v) The Grantee is informed by the Company that his or her principal place of employment for the Company will be relocated to a location that is greater than fifty (50) miles away from the Grantee’s principal place of employment for the Company at the start of the corresponding Protected Period; provided that, if the Company communicates an intended effective date for such relocation, in no event shall Good Reason exist pursuant to this clause (v) more than ninety (90) days before such intended effective date.

The Grantee’s right to terminate employment for Good Reason shall not be affected by the Grantee’s incapacity due to physical or mental illness. The Grantee’s continued employment shall not constitute a consent to, or a waiver of rights with respect to, any circumstances constituting Good Reason herein.

“**Layoff**” means a permanent, involuntary termination of the Grantee’s employment by the Company or a subsidiary due to a reduction in force, business reorganization, facility closure or similar event (other than a termination by the Company or a subsidiary for Cause), as determined by the Committee in its sole discretion. A Layoff shall not include any sale or spin-off described in Section 2.4.

“**Parent**” means an entity that beneficially owns a majority of the voting stock or voting power of the Company, or all or substantially all of the Company’s assets, directly or indirectly through one or more subsidiaries.

The “**Protected Period**” corresponding to a
Change in Control of the Company shall be a period of time determined in accordance with the following:

(i) If the Change in Control is triggered by a tender offer for shares of the Company’s stock or by the offeror’s acquisition of shares pursuant to such a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(ii) If the Change in Control is triggered by a merger, consolidation, or reorganization of the Company with or involving any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger, consolidation, or reorganization and shall continue through and including the date of the Change in Control; provided that in no case will the Protected Period commence earlier than the date that is six (6) months prior to the Change in Control.

(iii) In the case of any Change in Control not described in clause (i) or (ii) above, the Protected Period shall commence on the date that is six (6) months prior to the Change in Control and shall continue through and including the date of the Change in Control.

“**Retirement**” means that the Grantee terminates employment after attaining age 55 with at least ten (10) years of service (other than in connection with a termination by the Company or a subsidiary for Cause). In the case of a Grantee who is an officer of the Company subject to the Company’s mandatory retirement at age 65 policy, “Retirement” shall also include as to that Grantee (without limiting the Grantee’s ability to retire pursuant to the preceding sentence) a termination of the Grantee’s employment pursuant to such mandatory retirement policy (regardless of the Grantee’s years of service and other than in connection with a termination by the Company or a subsidiary for Cause).

“**Successor**” means the person acquiring a Grantee’s rights to a grant under the Plan by will or by the laws of descent or distribution.

Exhibit 31.1

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher D. Kastner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Huntington Ingalls Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2026

/s/ Christopher D. Kastner

Christopher D. Kastner
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas E. Stiehle, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Huntington Ingalls Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 5, 2026

/s/ Thomas E. Stiehle

Thomas E. Stiehle
Executive Vice President and Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Huntington Ingalls Industries, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Christopher D. Kastner, the President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

/s/ Christopher D. Kastner
Christopher D. Kastner
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Huntington Ingalls Industries, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Thomas E. Stiehle, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

/s/ Thomas E. Stiehle

Thomas E. Stiehle
Executive Vice President and Chief Financial Officer