

MEMO



TO All Hill Employees
FROM Chris Kastner
DATE Feb. 6, 2025
RE Q4 2024 & 2024 Full Year Earnings

Dear Hill Team,

This morning we released our 2024 fourth quarter and full year financial results. They highlight the continued strong demand for the platforms and technologies we build, and the progress we made on critical milestones for our customers. We reported sales of \$3 billion for the quarter and \$11.5 billion for the full year. In 2024, our new contract awards were approximately \$12.1 billion, bringing our total backlog to \$48.7 billion. For complete financial results, please read our [news release](#).

All three of our divisions hit key milestones and won significant new business during the year:

Ingalls Shipbuilding delivered amphibious transport dock *Richard M. McCool Jr.* (LPD 29) to the U.S. Navy. Our team was awarded a \$9.6 billion multi-ship procurement contract for the construction of LPD 33, 34 and 35 and large-deck amphibious ship LHA 10. We authenticated the keel of *Arleigh Burke*-class guided missile destroyer *Sam Nunn* (DDG 133) and undocked USS *Zumwalt* (DDG 1000).

Mission Technologies had its strongest year yet, capturing more than \$12 billion in awards across all branches and multi-domain operations. That includes a \$6.7 billion award to provide electronic warfare engineering and technical services support for the U.S. Air Force and a \$3 billion federal government task order for national security services and new and emerging technology. The team was also awarded a \$458 million contract to modernize communications and information technology networks for the U.S. Department of Defense. On the international front, we were also awarded a five-year contract to provide global supply chain services to the Australian government's Department of Defence.

Newport News Shipbuilding delivered *Virginia*-class submarine *New Jersey* (SSN 796) to our U.S. Navy customer. We floated off *Massachusetts* (SSN 798) and shipped the final module of *Utah* (SSN 801) to General Dynamics Electric Boat. We completed dry dock work for aircraft carrier USS *John C. Stennis* (CVN 74) which is undergoing its mid-life refueling and complex overhaul (RCOH), and we were awarded an advanced planning contract for the RCOH of USS *Harry S. Truman* (CVN 75). Our team remains focused on completing *John F. Kennedy* (CVN 79), which is scheduled to deliver in 2025, with the Navy currently evaluating options for optimizing combat capability additions and readiness. During 2024, we announced our intent to acquire the assets and facilities of a South Carolina advanced metal fabricator to enhance our shipbuilding throughput. We closed on that acquisition in January.

We expect over \$50 billion of new contract awards over the next 24 months. It is up to all of us to remain focused on executing on our current backlog and meeting our contractual commitments in 2025. Thank you for your continued hard work.

Respectfully,

A handwritten signature in black ink, appearing to read "Chris Kastner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chris Kastner
President and CEO