



April 25, 2025

HII's Weekly News Digest is compiled every Friday by the Corporate Communications team to summarize and highlight news stories of significance to the company.

**Congress Considering \$150 Billion Defense Package:** Reuters reported on Thursday that Republicans in the U.S. Congress plan to introduce a sweeping \$150 billion defense package that will be in addition to the approved \$886 billion national security budget for 2025. The measure would also fund the building of 14 warships and include additional funds for the maritime industrial base, including the domestic production of key components and workforce development efforts. It also includes a "historic" investment in unmanned ships. An exact breakdown of the types of ships and timing of those purchases has not yet been made public. Breaking Defense reported on Friday that, in total, the \$150 billion defense package will be spread across 12 focus areas, including service member quality of life, shipbuilding, Golden Dome, munitions, nuclear deterrence, scaling innovation, readiness, air superiority, deterrence in the Pacific, border security, Pentagon audit and military intelligence and classified programs. Funding for the proposal is expected to be included in the reconciliation bill. The House Armed Services Committee will mark up the bill during a Tuesday committee hearing, according to a preliminary schedule of the reconciliation process. After HASC reports out the bill, it will be sent to the House Budget Committee, who will compile it with the bills from 10 other committees who will contribute to what will become the budget reconciliation bill. House Republicans hope to pass the bill in May and then send it to the Senate for consideration.

**Defense Innovation Unit Seeks Large UUVs:** DefenseScoop reported on Friday, April 18, that the Department of Defense's Defense Innovation Unit has issued a solicitation to companies seeking a commercially available large uncrewed underwater vehicle with "exceptional range." The solicitation was issued via the DIU's commercial solutions opening acquisition pathway for a "combat autonomous maritime platform." USNI News reported on April 18 that the LUUV sought must be supporting large payloads at range in contested environments. The Pentagon wants a commercially available system that can operate at distances greater than 1000 nautical miles and at depths of up to 200 meters. According to the solicitation, these mission sets include underwater surveys, intelligence collection and the deployment of various modular payloads. The Navy has been experimenting with several large unmanned underwater vessels in California in recent years. Based out of Naval Base Ventura County, Unmanned Undersea Vehicle Squadron 3 was established in 2023 to support the introduction of Boeing's Orca Extra-Large Unmanned Underwater Vehicles into the fleet, which were originally procured to address a direct joint operational need for an undersea mining capability.

**General Dynamics Opens With Strong First Quarter:** Reuters reported on Wednesday that General Dynamics' first quarter profit rose 27%, driven by recovery in its aerospace segment as well as sustained strength in its defense business. Defense Daily reported on Wednesday that sales in the company's three defense segments were led by Marine Systems construction of the *Columbia*- and *Virginia*-class submarines, and DDG-51 destroyers. Inside Defense reported on Wednesday that General Dynamics leaders told participants during a Wednesday earnings call that the company has yet to receive supplemental shipbuilding money approved by recent continuing resolutions, while the long-delayed awards for 10 block VI *Virginia*-class submarines and five build II *Columbia*-class vessels still appear distant. A continuing resolution passed by Congress in December provided \$14.6 billion for the two

submarine programs including \$8.8 billion for *Columbia* and \$5.7 billion for *Virginia*. Then in March, Congress passed a year-long continuing resolution, providing a \$33.3 billion Navy shipbuilding budget that adds \$1.5 billion for a third *Arleigh Burke*-class destroyer while meeting the Navy's original funding requests for the two submarine programs. General Dynamics CEO Phebe Novakovic said getting the supplemental funding on contract will help put industry on track to finalize an agreement with the Navy over the future *Virginia* and *Columbia* boats.

### Social Media Highlight Of The Week

Posted Wednesday on HII's LinkedIn page:

"As we celebrate 250 years of the United States Marine Corps in 2025, HII is ready to show our legacy of strength and reliability as a proven partner in amphibious ship production and delivering the advantage to the USMC and US Navy.

We're excited to be a part of this year's Modern Day Marine Expo at the Walter E. Washington Convention Center in Washington, D.C., from Tuesday, April 29 through Thursday, May 1.

Join us at Booth 2049 and learn how Ingalls Shipbuilding, a Division of HII, is advancing amphibious ship design and is committed to meeting the evolving needs of our and Marine Corps.

#MDM2025 #Homecoming250"



**Boeing Sells Portion Of Its Navigation Business For \$10.5 Billion:** The Wall Street Journal reported on Tuesday that Boeing has agreed to sell portions of its Digital Aviation Solutions business to Thoma Bravo in an all-cash deal worth \$10.55 billion. The definitive agreement includes several assets that provide digital tools and services for aviation operations, such as Jeppesen, a provider of navigation charts and flight planning for pilots and airlines, and ForeFlight, another flight-planning and navigation app that helps with route optimization, weather tracking and flight management. The move is part of Boeing's broader effort to slash costs and raise money as it burns billions of dollars a quarter and struggles with a quality crisis in the wake of last year's fuselage-panel blowout on an Alaska Airlines flight. Boeing burned \$14 billion last year and has said it expects losses to continue into this year. Breaking Defense reported on Tuesday that CEO Kelly Ortberg has deemed the company's Defense, Space & Security division as an essential part of the firm's business. Still, that hasn't precluded the company from reportedly seeking to divest certain defense assets such as its drone firm Insitu. About 3,900 employees work in Boeing's Digital Aviation Solutions. The transaction is expected to close by the end of 2025.

**First Australian Navy Sailors Graduate U.S. Navy Nuke School:** USNI News reported on Tuesday that the first enlisted Australian sailors, who could eventually crew American and Australian nuclear attack submarines, have graduated from the U.S. Navy's Nuclear Power Training Unit. Eight Royal Australian

Navy sailors graduated from the six-month course on April 18 and are now qualified to handle the reactors and other associated systems on the nuclear attack boats that Canberra is set to receive under the trilateral AUKUS security agreement. Several Australian officers have also completed their naval nuclear power training, who were slated to embark on Hawaii-based *Virginia*-class nuclear attack boats to gain further operational experience.

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*HII's Weekly News Digest is produced by HII's Corporate Communications team and posted to Homeport every Friday.*

*Please note: Social media is blocked on HII computers for most employees. Employees are encouraged to visit HII's Facebook page and other social media sites on personal time and from non-work devices.*

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