

# MEMO



**TO** All HII Employees  
**FROM** Chris Kastner  
**DATE** Oct. 30, 2025  
**RE** Q3 2025 Earnings

Dear HII Teammates,

This morning we reported third quarter revenues of \$3.2 billion and an operating income of \$161 million. New contract awards during the quarter were \$2 billion, driving our backlog to approximately \$56 billion as of Sept. 30. For complete financial results, please read our [news release](#).

During the quarter, we made progress on the operational initiatives we announced earlier this year: increasing throughput, achieving annualized cost reductions and winning new contract awards.

Here are some highlights from our business segments:

**Ingalls Shipbuilding** completed the first of two builder's sea trials for *Arleigh Burke*-class guided missile destroyer *Ted Stevens* (DDG 128) during the quarter and the team is progressing toward readiness for acceptance trials. In the amphib program, *Bougainville* (LHA 8) and *Harrisburg* (LPD 30) are undergoing integration and testing, positioning them to begin sea trials next year.

**Mission Technologies** recorded another strong quarter of sales, and we announced key strategic partnerships that will position us for future opportunities. We are partnering with Babcock International to integrate HII's unmanned underwater vehicles with Babcock's submarine weapon handling and launch systems. We announced a partnership with Shield AI to accelerate cross-domain and modular mission autonomy solutions. Additionally, we are working with Thales to develop advanced autonomous undersea mine counter measure capabilities. Finally, we unveiled the [ROMULUS](#) family of unmanned surface vessels powered by our Odyssey autonomy software.

**Newport News Shipbuilding** completed initial sea trials of *Virginia*-class submarine *Massachusetts* (SSN 798) in early October and we expect it to be delivered to our U.S. Navy customer by the end of the year. In the aircraft carrier program, testing continues on *John F. Kennedy* (CVN 79), and we expect to conduct the ship's first sea trials in the coming months. Shipbuilders are also installing large components they have received on *Enterprise* (CVN 80), allowing them to increase the speed at which we can erect the ship.

Our products and services remain in high demand. Thank you for your hard work during the first three quarters of 2025. Let's finish the year even stronger, delivering the world's most powerful ships and all-domain solutions in service of the nation.

Respectfully,

Chris Kastner  
President and CEO