



AEROSPACE



MARINE SYSTEMS



COMBAT SYSTEMS



TECHNOLOGIES

GENERAL DYNAMICS

Fourth-Quarter and Full-Year 2022 Highlights and 2023 Outlook

January 25, 2023











Forward-Looking Statements; Non-GAAP Measures

Certain statements in this presentation, including any statements about the company's future operational and financial performance, may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Words such as "expects," "anticipates," "plans," "believes," "forecasts," "scheduled," "outlook," "estimates," "should" and variations of these words and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Therefore, actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors. Additional information regarding these factors is contained in the company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. All forward-looking statements speak only as of the date they were made. The company does not undertake any obligation to update or publicly release revisions to any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this presentation.

In addition, this presentation contains non-GAAP financial measures. Reconciliations to comparable GAAP measures and other information relating to these non-GAAP financial measures is included in the Appendix to this presentation, in our earnings press release, or in filings that we make with the SEC, all of which are available on the investor relations page of our website at <http://investorrelations.gd.com>.

Fourth-Quarter 2022 Financial Highlights






\$ In Millions, Except EPS

	<u>Q4 2022</u>	<u>Δ Q3 2022</u>	<u>Δ Q4 2021</u>
Revenue	\$ 10,851	 8.8%	 5.4%
Operating Earnings	1,227	 11.7%	 3.5%
Operating Margin	11.3%	 30 bps	 -20 bps
Net Earnings	992	 10.0%	 4.2%
EPS, Diluted	3.58	 9.8%	 5.6%

- Higher Gulfstream manufacturing margins
- Columbia-class construction continues to drive Marine Systems growth
- Combat Systems growth driven by Mobile Protected Firepower, Abrams and munitions

Full-Year 2022 Financial Highlights

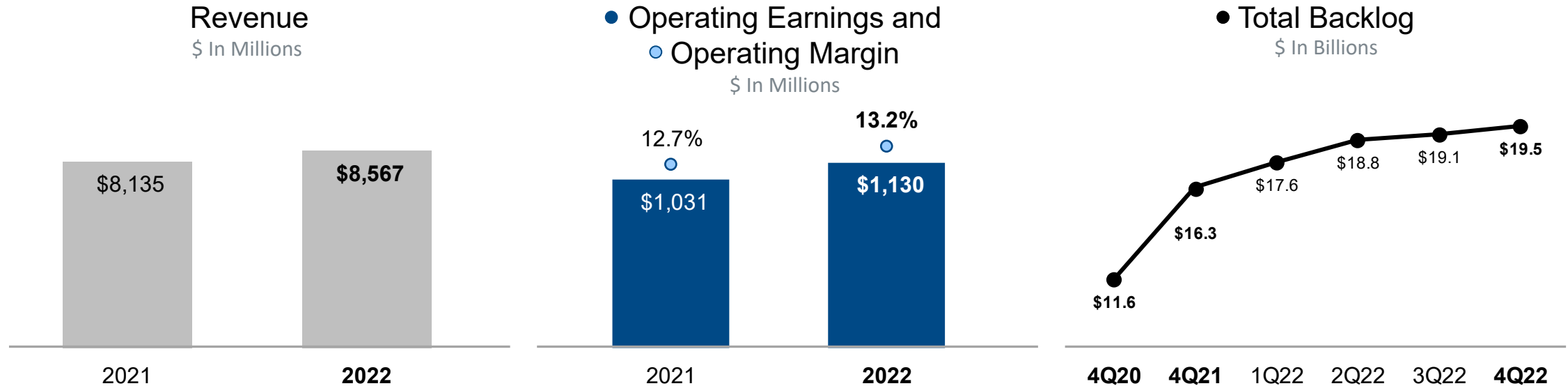
\$ In Millions, Except EPS

	<u>2022</u>	<u>Δ 2021</u>
Revenue	\$ 39,407	 2.4%
Operating Earnings	4,211	 1.2%
Operating Margin	10.7%	 -10 bps
Net Earnings	3,390	 4.1%
EPS, Diluted	12.19	 5.5%

	<u>2022</u>
Cash From Operations	\$ 4,579
% Net Earnings	135%
Free Cash Flow *	3,465
% Net Earnings	102%

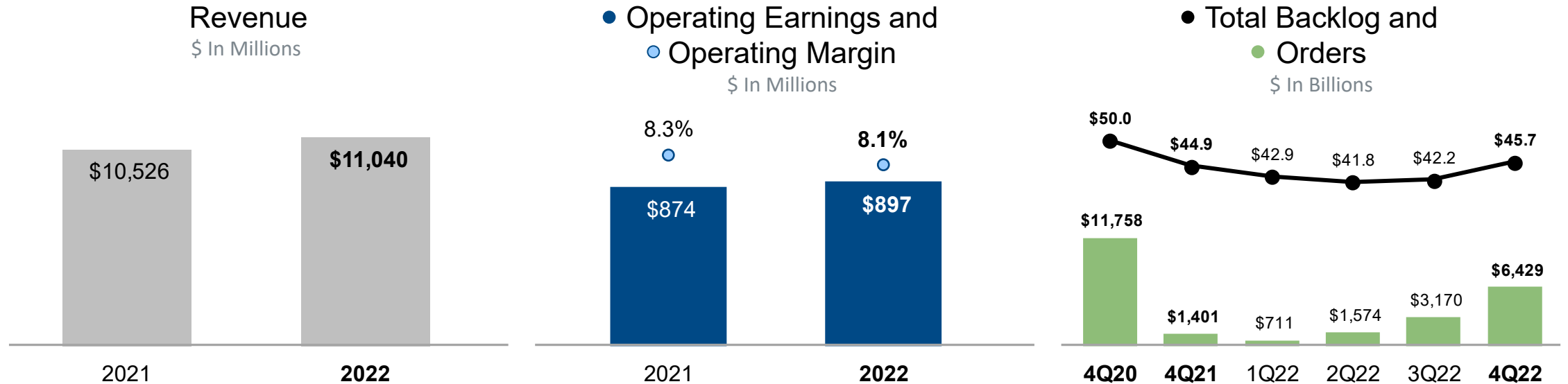
Total Backlog	\$ 91,137	 4.0%
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Aerospace – Full-Year 2022 Highlights



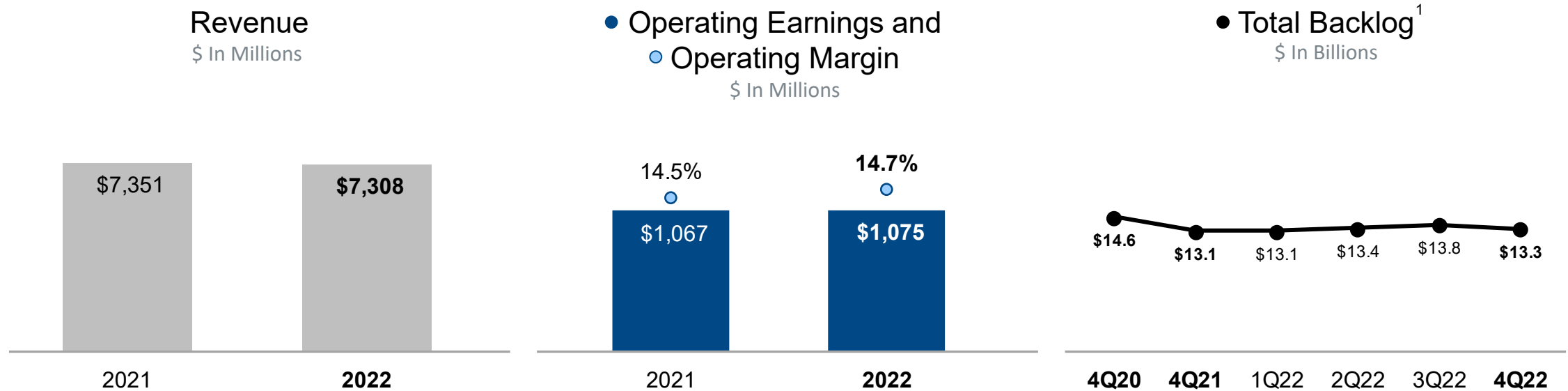
- Operating earnings rose 9.6% on a 5.3% increase in revenue
- Backlog up for eight consecutive quarters
 - Two-year order record of \$25.9 billion
 - Broad-based demand across all models
- Over 200 G500 / G600 deliveries to-date
- Aircraft Services revenue increased 18.5%, setting new annual record

Marine Systems – Full-Year 2022 Highlights



- Revenue and operating earnings reached new records
- Backlog rose to \$45.7 billion on a book-to-bill of 1.1x
- Significant 4Q contract awards:
 - \$5.1 billion for advance procurement and construction for follow-on Columbia-class submarines
 - \$535 million for lead yard support and other efforts related to Virginia-class submarines

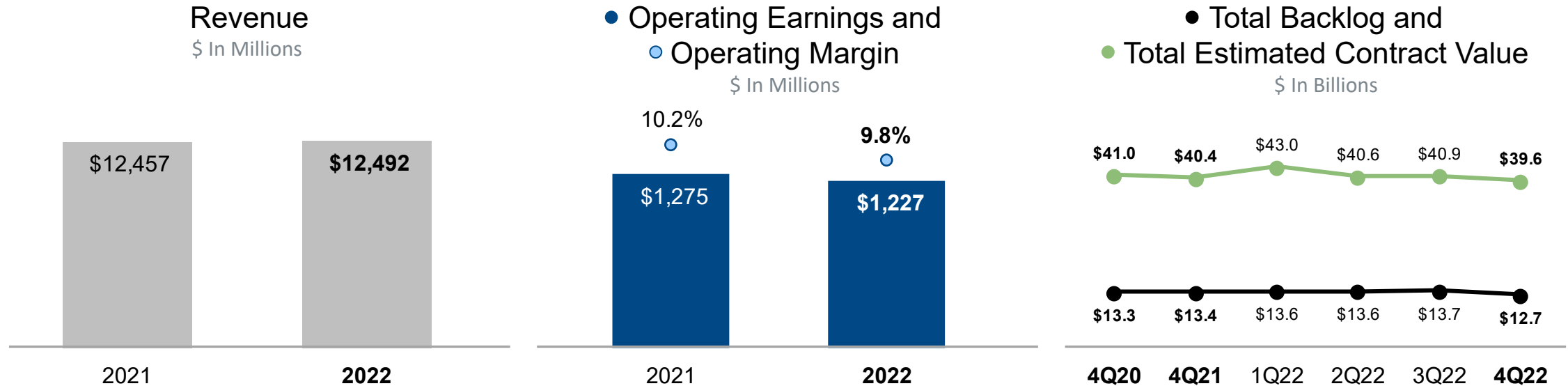
Combat Systems – Full-Year 2022 Highlights



- Solid operating performance generated improved earnings and margins
- Tenth consecutive year with operating margins above 14%
- Book-to-bill of 1.1x added to backlog despite FX headwinds
- Significant 4Q contract awards:
 - \$320 million to upgrade Ulan tracked vehicles for Austria
 - \$260 million for various munitions and ordnance
 - \$100 million to produce Stryker M-SHORAD vehicles

¹ FX reduced backlog by \$467 million at year-end 2022

Technologies – Full-Year 2022 Highlights



- Stable revenue despite impacts from supply chain disruptions
 - GDIT revenue grew low-single-digits
 - Fourth quarter improvement at Mission Systems driven by higher product shipments
- Significant 4Q contract awards:
 - \$150 million supercomputing, cybersecurity and software development contract for the Alabama Supercomputer Authority
 - \$580 million IDIQ to develop and field adversarial electronic warfare threat systems for Army test and training

Financial Guidance

2022 Actual			2023 Guidance	
EPS, diluted	\$12.19		\$12.60 – 12.65	
	Revenue (\$B)	Operating Margin	Revenue (\$B)	Operating Margin
Aerospace	\$8.6 120 deliveries	13.2%	≈ \$10.4 ≈ 145 deliveries	≈ 14.6%
Marine Systems	\$11.0	8.1%	≈ \$10.9	≈ 8.1%
Combat Systems	\$7.3	14.7%	≈ \$7.3	≈ 14.7%
Technologies	\$12.5	9.8%	\$12.5 – 12.6	≈ 9.5%
Consolidated	\$39.4	10.7%	\$41.2 – 41.3	≈ 10.9%

GENERAL DYNAMICS