



NEWS RELEASE

L3Harris Accelerates 'Arsenal of Freedom' with Creation of a New Missile Solutions Company

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DoW to invest \$1B in planned independently traded Missile Solutions business

WASHINGTON--(BUSINESS WIRE)-- L3Harris Technologies (NYSE: LHX) has announced a first-of-its-kind proposed partnership with the Department of War (DoW) to significantly increase capacity to build solid rocket motors that power vital U.S. and allied missiles.

L3Harris and the DoW have agreed to the terms of a proposed DoW investment in L3Harris' Missile Solutions business through a \$1 billion convertible preferred security, which would automatically convert into common equity upon an initial public offering (IPO). Consistent with the terms of the proposed investment, L3Harris intends to pursue an IPO of the Missile Solutions business in the second half of 2026, creating a public company focused on delivering critical propulsion systems at unprecedented speed and scale. As the Trusted Disruptor in defense tech, L3Harris designed this novel partnership with the DoW in support of the DoW's new acquisition transformation strategy.

Since its acquisition of Aerojet Rocketdyne, L3Harris has significantly invested to transform and grow its production operations, and recently created the Missile Solutions business, combining all aspects of its capabilities in support of offensive and defensive missile systems. The investment from the DoW, along with sustained, long-term demand, will support Missile Solutions' rapid expansion of capacity for the DoW's critical missile programs, such as PAC-3, THAAD, Tomahawk and Standard Missile.



"We're taking action to build today's 'Arsenal of Freedom' by launching a pure-play missile solutions provider," said Christopher Kubasik, Chairman and CEO, L3Harris. "Recent Trump Administration actions have placed renewed emphasis on strengthening the defense industrial base and reinvigorating competition following a 30-year wave of consolidation. Building on several years of sustained investment and operational improvements by L3Harris, this new company will serve as a key partner to the DoW in supporting efforts to deter and defeat America's adversaries."

Following these transactions, L3Harris will retain a controlling interest in the Missile Solutions business. The development of the independent Missile Solutions business is expected to unlock meaningful value for L3Harris, its shareholders and the warfighter by sharpening strategic focus and driving industry-leading growth.

L3Harris will host an investor conference to discuss the DoW's partnership with the Missile Solutions business on Tuesday, Jan. 13, 2026, at 9 AM ET. Instructions for streaming the event live can be found at [L3Harris.com](https://www.l3harris.com).

J.P. Morgan Securities LLC is acting as financial advisor to L3Harris, and Vinson & Elkins LLP is acting as legal advisor to L3Harris on the proposed transaction.

About L3Harris Technologies

L3Harris is the Trusted Disruptor in defense tech. With customers' mission-critical needs always in mind, our employees deliver end-to-end technology solutions connecting the space, air, land, sea and cyber domains in the interest of national security. Visit [L3Harris.com](https://www.l3harris.com) for more information.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of federal securities laws made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. These forward-looking statements are based on L3Harris' current views and assumptions and can change significantly in the future. Actual results and events may be significantly different from what is currently expected. Forward-looking statements may be identified by the use of the words such as "estimate," "plan," "shall," "may," "project," "forecast," "intend," "expect," "anticipate," "believe," "seek," "will," "target," or similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Examples of forward-looking statements include statements about: an independently traded Missile Solutions company or potential IPO; a future partnership with the DoW (the "Partnership"); any transactions, investments or potential offerings related to or in connection with the Partnership, including the DoW investment in a convertible preferred security or any offering by the Missile Solutions company; any demand for missile solutions capacity; and the value of the Partnership to L3Harris and its subsidiaries.

L3Harris cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements.

The following factors, among others, could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements or historical performance: the impact of any legal challenge, protest, investigation or reaction to the Partnership or to any transactions in connection therewith; any unexpected tax, accounting or regulatory treatment of the Partnership or to any transactions in connection therewith; the availability of government funding; the outcome of government determinations regarding its procurements; any adverse impacts on L3Harris other businesses or relationship with its customers, its suppliers or other contractors for whom L3Harris is a subcontractor or supplier; potential significant adverse consequences resulting from business disruptions or economic or political uncertainty; unexpected costs, liabilities, delays, legal proceedings or the ability to obtain regulatory approvals; unfavorable economic or market conditions; unexpected geo-political events; the release, unplanned ignition, explosion, or improper handling of dangerous materials used in propulsion system production; and other impairments to the ability to execute definitive documents formalizing the Partnership, and to achieve benefits related thereto, in a timely manner or at all. In addition, important risk factors that could cause actual results or outcomes to differ from those expressed in the forward-looking statements are described in the "Risk Factors" sections of L3Harris' Annual Report on Form 10-K for the year ended Jan. 3, 2025, and subsequent quarterly reports on Form 10-Q.

In presenting the forward-looking statements, L3Harris has made material assumptions which may prove incorrect about: the ability of L3Harris and the DoW to enter into definitive agreements related to the transactions contemplated by the Partnership and their actual terms, including with respect to any future IPO; the availability of government funding and the statutory and regulatory authority to expand capacity for the DoW's critical missile programs, including any future direct or indirect purchases of propulsion systems; the financial, tax and accounting assessment and treatment of the various obligations and commitments under future definitive agreements; the continued demand for missile programs; and the estimates and forecasts of investments required to expand capacity for the DoW's critical missile programs.

L3Harris disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

No Offer or Solicitation

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities. Any offers, solicitations of offers to buy, or any sales of securities will be made in accordance with the registration requirements of the Securities Act of 1933, as amended.

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