



NEWS RELEASE

L3Harris to Sell Majority Stake in Space Propulsion & Power Business to AE Industrial Partners

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MELBOURNE, Fla.--(BUSINESS WIRE)-- L3Harris Technologies (NYSE: LHX) today announced that AE Industrial Partners ("AE Industrial") has agreed to acquire a controlling interest in L3Harris' Space Propulsion and Power Systems business at a total enterprise value of \$845 million.

Transaction closing is expected in the second half of 2026, subject to obtaining regulatory approvals and satisfaction of other customary closing conditions. L3Harris' RS-25 rocket engine business is excluded from the sale. L3Harris will retain a ~40% ownership stake in the new space technology business with AE Industrial.

"L3Harris is strongly committed to the Department of War's (DoW) vision for a faster, more agile defense industrial base while remaining laser-focused on driving value for our shareholders and customers," said Christopher Kubasik, Chairman and CEO, L3Harris. "This transaction further aligns the L3Harris portfolio with DoW core mission priorities."

L3Harris has consistently pursued traditional and non-traditional partnerships to drive business growth and advance critical technologies. Previous space investments of AE Industrial include Firefly Aerospace, RedWire Space and York Space Systems, demonstrating the group's experience with national security and space exploration markets.

Jefferies LLC acted as exclusive financial advisor to L3Harris.



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. The company 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. Statements about the Space Propulsion and Power Systems business, its value and the transaction closing are forward-looking and involve risks and uncertainties. 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 addition, the following factors, among others, could cause actual results to differ materially from the forward-looking statements or historical performance: maintaining a non-controlling interest with the business exposed to factors beyond our control; the success in implementing the transaction structure; the potential impact of the transaction on business relationships; unexpected costs, liabilities, delays, legal proceedings or the ability to obtain regulatory approvals; and the satisfaction of closing conditions in a timely manner or at all. 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.

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