

May 2026

Company Analysis Chart

Edition 15: Defense Dazzlers

LOCKHEED MARTIN 



RTX

GENERAL DYNAMICS



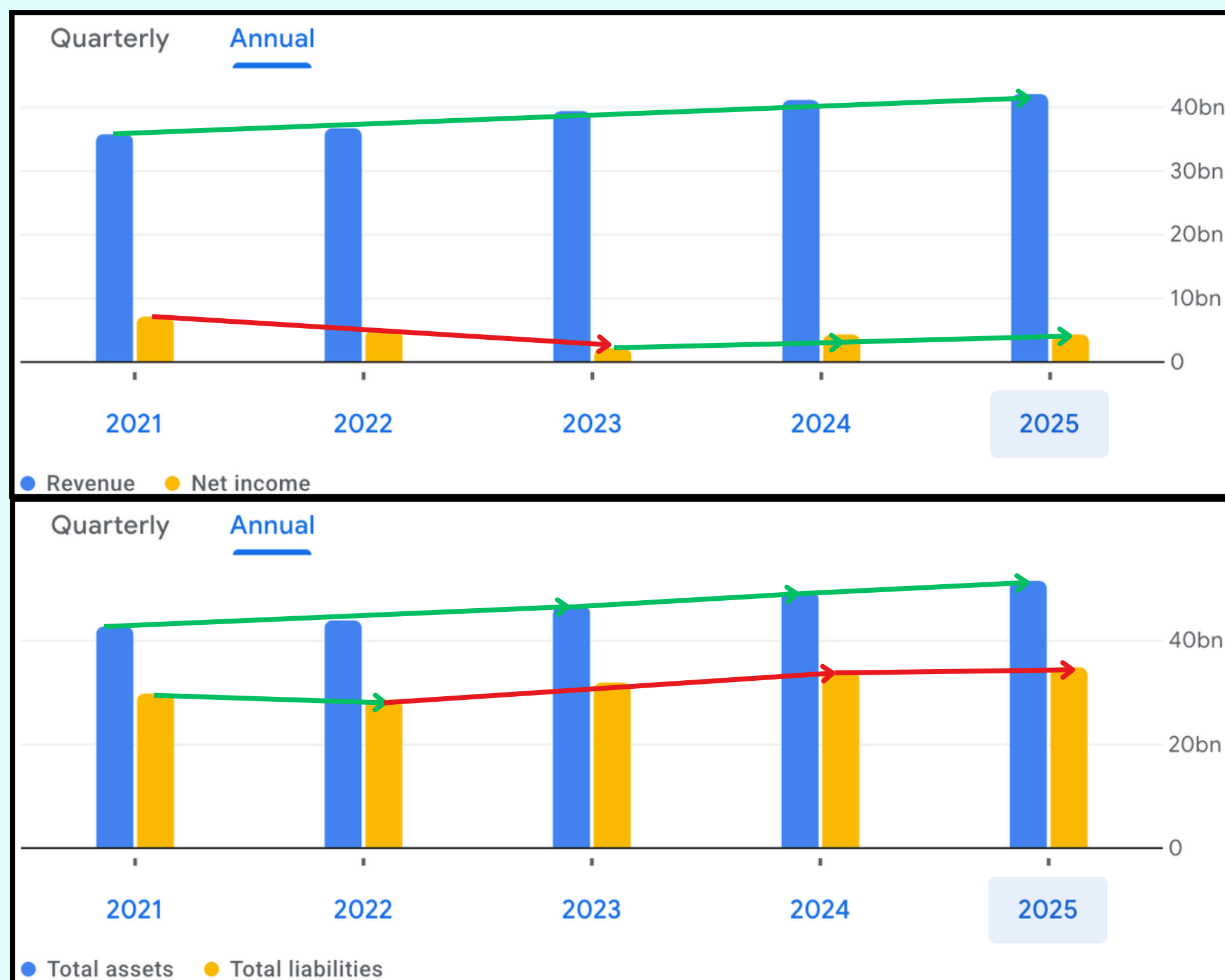
**HOWMET
AEROSPACE**

**NORTHROP
GRUMMAN** 

Researched & Written by Vasav Gupta

Northrop Grumman Corp

Ticker: NOC | **Sector:** Industrials | **Industry:** Aerospace & Defense



Metric	Value
Market Cap	\$81.71 Billion
TTM Total Revenue	\$42.37 Billion
TTM Net Income	\$4.58 Billion
Dividend Yield	1.60%
P/E Ratio	18.03
Forward P/E	20.49
Average Industry P/E	39

Recent Performance Highlights

- Revenue: ~\$9.9B (+4–5% YoY)
- EPS: \$6.14 (beat estimates)
- B-21 Raider bomber ramp-up (major long-term program)
- Sales outlook: ~\$43.5–44B

Recent Headlines

- Conflicts (Iran, Ukraine) are boosting weapons demand and sales
- Crash of a ~\$240M Triton drone (Northrop product) is bringing negative light

Leadership

Chief Executive Officer: Kathy J. Warden
Corporate Vice President: Thomas H. Jones
Corporate Vice President: Robert J. Fleming



Analyst Takeaway: Northrop Grumman trades at a P/E of 18.03, significantly below the industry average of ~39, indicating a clear valuation discount despite generating ~\$42.4B in revenue and \$4.6B in net income. This discount suggests the market is pricing in execution risk and limited near-term growth, particularly given recent negative sentiment around program incidents such as the Triton drone crash. While the company benefits from stable cash flows and long-cycle defense programs like the B-21 Raider, its revenue growth profile remains relatively modest (~4–5% YoY), limiting near-term multiple expansion.

Market expectations appear conservative but not irrational, as investors are prioritizing growth visibility over stability within the defense sector. As a result, Northrop appears undervalued but lacking a clear catalyst for re-rating, supporting a Hold rating.

Rating: Buy | Hold | Sell



Howmet Aerospace Inc.

Ticker: HWM | Sector: Industrials | Industry: Aerospace & Defense



Metric	Metric
Market Cap	\$96.85 Billion
TTM Fiscal Year 2025 Revenue	\$8.25 Billion
TTM Fiscal Year 2025 Income	\$1.51 Billion
Dividend Yield	0.20%
P/E Ratio	65.15
Average Industry P/E	39

Leadership
Chief Executive Officer: Meghan C. Frank
Chief Financial Officer: Patrick Joseph
Chief Administrative Officer: Neil E. Marchuk

Recent Performance Highlights

- FY2025 revenue: ~\$8.3B (+11% YoY)
- Q4 2025 revenue: ~\$2.2B (+15% YoY)
- 2026 EPS guidance: ~\$4.35–4.55

Analyst Takeaway: Howmet Aerospace demonstrates one of the strongest growth profiles within the sector, with ~11% annual revenue growth and ~15% quarterly growth, driven by increasing demand for aerospace components across both commercial and defense markets. The company's exposure to engine components and structural systems provides significant operating leverage as global aircraft production ramps and defense programs expand. Given its superior growth trajectory and sector positioning, Howmet Aerospace supports a Buy rating despite its premium valuation.

Recent Headlines

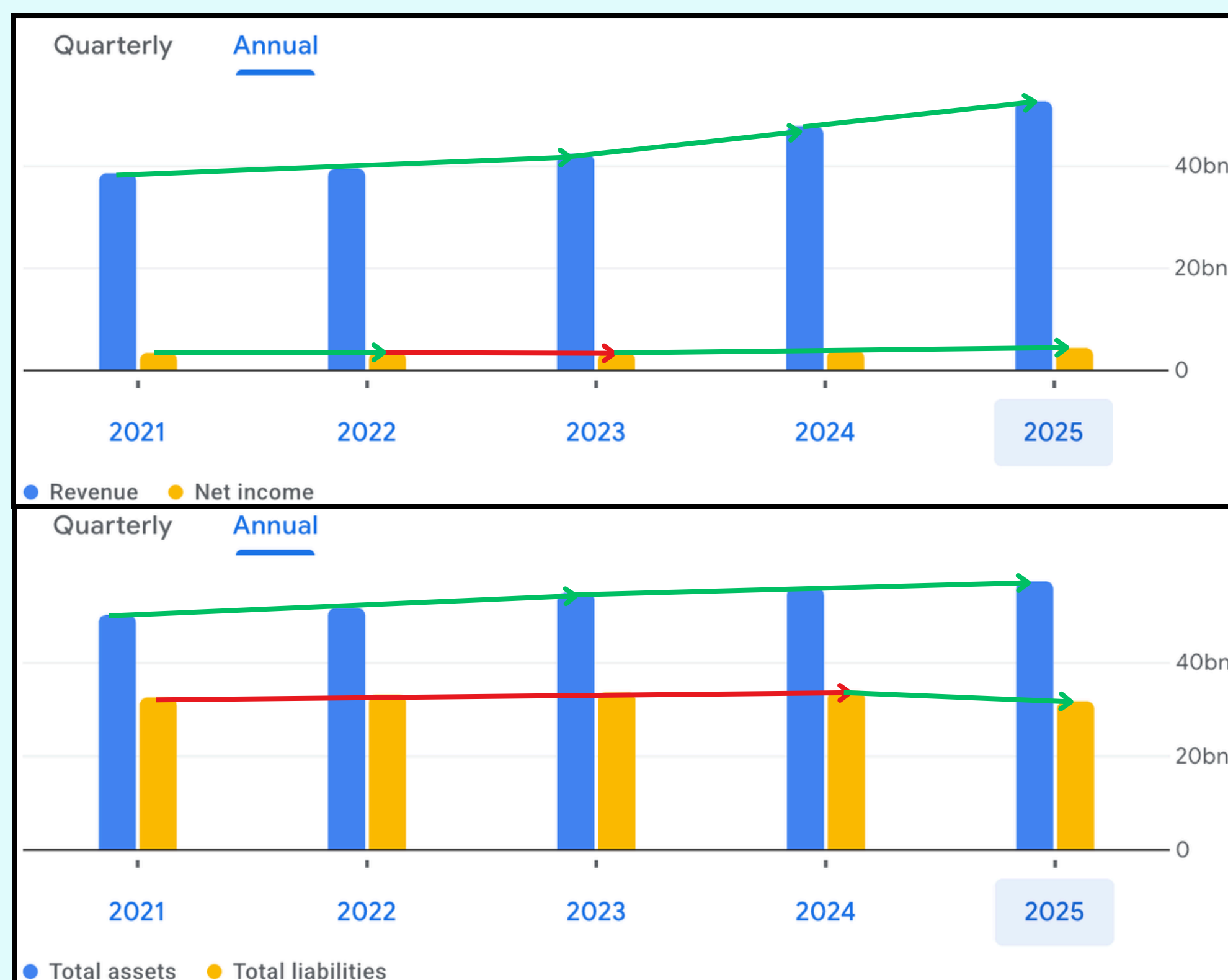
- Rising global defense spending and programs (e.g., fighter jets, engine spares) are boosting demand.
- Howmet is increasingly viewed as a core defense/aerospace supplier benefiting from geopolitical tensions.



Rating: Buy | Hold | Sell

General Dynamics Corporation

Ticker: GD | Sector: Industrials | Industry: Aerospace & Defense



Metric	Value
Market Cap	\$84.83 Billion
TTM Total Revenue	\$52.55 Billion
TTM Net Income	\$4.21 Billion
Dividend Yield	2.00%
P/E Ratio	20.27
Forward P/E	19.23
Average Industry P/E	39

Recent Performance Highlights

- Revenue: ~\$14.4B (+7.8% YoY)
- EPS: \$4.17 (beat estimates)
- Stock recently drifted lower (~\$320–\$325 range)

Recent Headlines

- GD's Electric Boat unit awarded \$15.4B contract modification for Columbia-class submarines
- U.S. Navy + industry partnerships to scale submarine production

Leadership

Chief Executive Officer: Phebe N. Novakovic
President: Danny Deep
Chief Financial Officer: Kimberly A. Kuryea



Analyst Takeaway: General Dynamics trades at a P/E of 20.27, below the industry average of ~39, suggesting a moderate valuation discount relative to peers. The company continues to deliver steady operational performance, with ~7.8% revenue growth and consistent EPS beats, supported by long-term, capital-intensive programs such as the Columbia-class submarine contract (~\$15.4B). These programs provide strong backlog visibility and stable cash flows, reinforcing the company's defensive profile.

However, the market appears to be assigning a lower multiple due to its limited growth acceleration and mature business mix, particularly compared to higher-growth aerospace suppliers. While defense demand remains strong, earnings growth is expected to remain incremental rather than transformational.

Rating: Buy | Hold | Sell

RTX Corporation

Ticker: RTX | **Sector: Industrials** | **Industry: Aerospace & Defense**



Metric	Value
Market Cap	\$234.67 Billion
TTM Total Revenue	\$90.37 Billion
Net Income	\$7.26 Billion
Dividend Yield	1.54%
Trailing P/E Ratio	32.69
Forward P/E Ratio	25.64

- ### Recent Performance Highlights
- Defense (Raytheon): +10% sales growth
 - Pratt & Whitney: strong aftermarket + F-35 engine demand
 - Commercial aerospace: aftermarket +19% (airlines maintaining older fleets)

Analyst Takeaway: RTX benefits from a highly diversified revenue base across defense and commercial aerospace, positioning it to capture growth across multiple end markets. Defense-related sales are growing at ~10%, supported by missile systems and global defense budgets, while commercial aerospace — particularly aftermarket services — is expanding at ~19%, driven by airlines maintaining aging fleets.

With solid fundamentals and favorable industry tailwinds, RTX supports a Buy rating.

- ### Recent Headlines
- Ongoing conflicts (Iran, Gaza, Ukraine) boosting missile + weapons demand
 - Large contracts (e.g., Patriot systems) and rising global defense budgets drive demand for RTX Product

Leadership

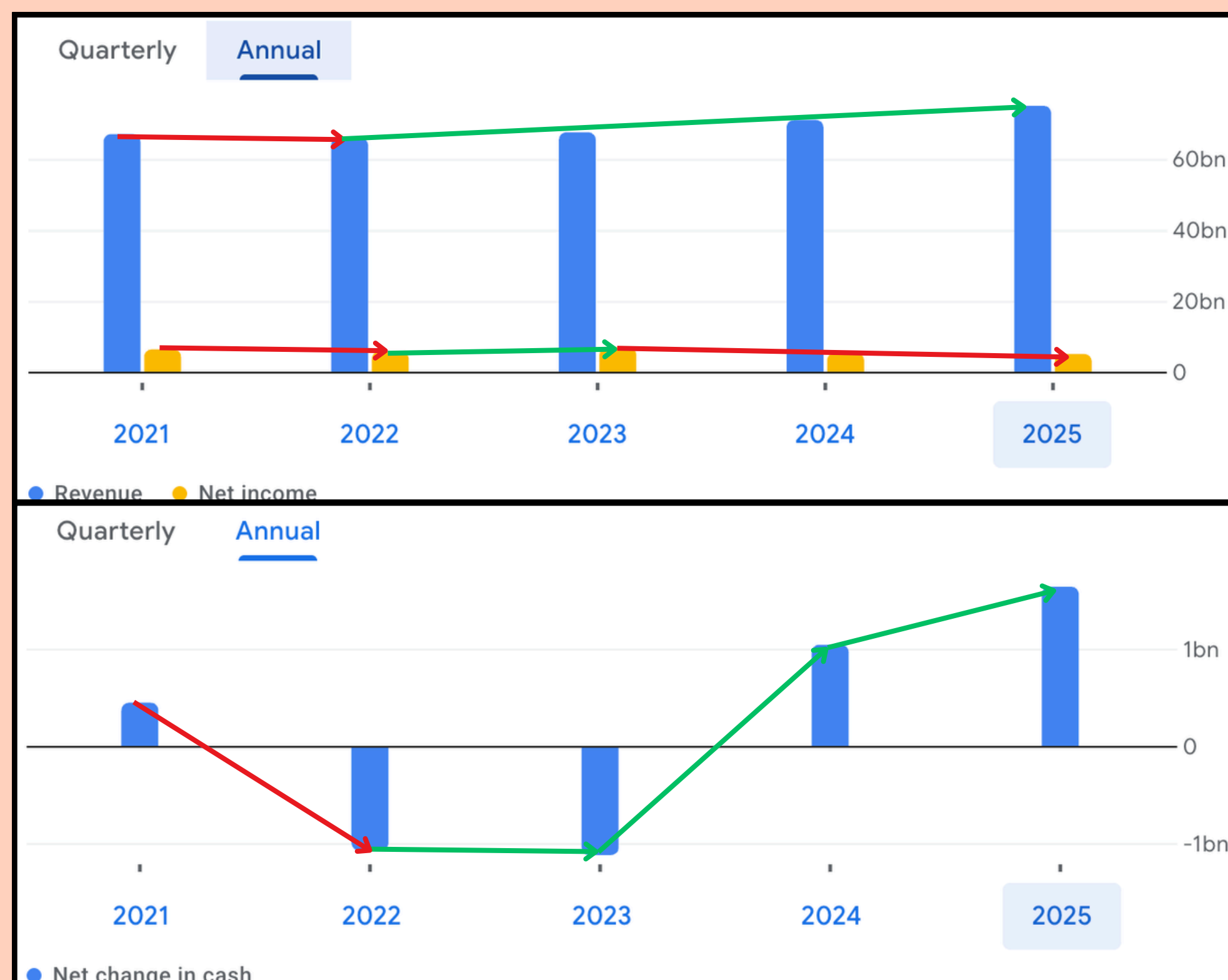
Chief Executive Officer: Christopher T. Calio
Chief Financial Officer: Neil G. Mitchill Jr.
President of Pratt & Whitney: Shane G. Eddy



Rating: Buy | Hold | Sell

Lockheed Martin Corporation

Ticker: LMT | **Sector:** Industrials | **Industry:** Aerospace & Defense



Metric	Value
Market Cap	\$118.38 Billion
FY25 Total Revenue	\$75.11 Billion
Net Income	\$4.79 Billion
P/E Ratio	24.86
Forward P/E Ratio	17.12
Average Industry P/E	39

Recent Headlines

- Management sees massive U.S. defense budget expansion as a major long-term growth opportunity
- The F-35 program's massive lifetime cost (~\$2T) is drawing scrutiny, highlighting long-term sustainment challenges

Leadership

Chief Executive Officer: James D. Taiclet Jr.
Chief Financial Officer: Evan T. Scott
Chief Operating Officer: Frank A. John



Recent Performance Highlights

- Missiles segment remains strong (driven by demand + ramp-up)
- Revenue ~\$18B (flat YoY)
- Net income ~\$1.5B (down YoY)
- Heavy munitions production expansion (3–4× capacity) is expected

Analyst Takeaway:

Lockheed Martin trades at a P/E of 24.86 (forward 17.12), well below the industry average of ~39, indicating a meaningful valuation discount despite its dominant position in global defense. The company continues to generate strong revenue (~\$75B annually) but faces near-term pressure, with flat revenue growth and declining net income, partly due to program mix and cost dynamics. With strong backlog visibility, scale advantages, and attractive forward valuation, Lockheed Martin supports a Buy rating.

Rating: Buy | Hold | Sell