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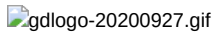
DELTA REPORT

10-Q

GD - GENERAL DYNAMICS CORP
10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1456
CHANGES	146
DELETIONS	822
ADDITIONS	488



UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2024** **June 30, 2024**

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-3671

GENERAL DYNAMICS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

13-1673581

State or other jurisdiction of incorporation or
organization

I.R.S. Employer Identification No.

11011 Sunset Hills Road Reston, Virginia

20190

Address of principal executive offices

Zip code

(703) 876-3000

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	GD	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

274,364,084 **274,777,579** shares of the registrant's common stock, \$1 par value per share, were outstanding on **March 31, 2024** **June 30, 2024**.

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PART I – FINANCIAL INFORMATION

ITEM 1. UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF EARNINGS (UNAUDITED)

		Three Months Ended		
(Dollars in millions, except per-share amounts)	(Dollars in millions, except per-share amounts)	March 31, 2024	April 2, 2023	(Dollars in millions, except per-share amounts) June 30, 2024 July 2, 2023
Revenue:				
Products				
Products				
Products				
Services				
		10,731		
		11,976		
Operating costs and expenses:				
Products				
Products				
Products				
Services				
General and administrative (G&A)				

	(9,695)
	(10,820)
Operating earnings	
Other, net	
Interest, net	
Earnings before income tax	
Provision for income tax, net	
Net earnings	
Earnings per share	
Earnings per share	
Earnings per share	
Basic	
Basic	
Basic	
Diluted	

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF EARNINGS (UNAUDITED)

(Dollars in millions, except per-share amounts)	Six Months Ended	
	June 30, 2024	July 2, 2023
Revenue:		
Products	\$ 13,294	\$ 11,310
Services	9,413	8,723
	22,707	20,033
Operating costs and expenses:		
Products	(11,315)	(9,556)
Services	(7,929)	(7,386)
G&A	(1,271)	(1,191)
	(20,515)	(18,133)
Operating earnings	2,192	1,900
Other, net	32	46
Interest, net	(166)	(180)
Earnings before income tax	2,058	1,766
Provision for income tax, net	(354)	(292)
Net earnings	\$ 1,704	\$ 1,474
Earnings per share		
Basic	\$ 6.22	\$ 5.39
Diluted	\$ 6.14	\$ 5.34

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

(Dollars in millions)	Three Months Ended		(Dollars in millions)	Three Months Ended		(Dollars in millions)	Six Months Ended	
	Three Months Ended			Three Months Ended				
	Three Months Ended			Three Months Ended				
	Three Months Ended			Three Months Ended				
(Dollars in millions)			(Dollars in millions)	June 30, 2024	July 2, 2023	(Dollars in millions)	June 30, 2024	July 2, 2023
Net earnings								

Net earnings
Net earnings
Changes in unrealized cash flow hedges
Changes in unrealized cash flow hedges
Changes in unrealized cash flow hedges
Foreign currency translation adjustments
Foreign currency translation adjustments
Foreign currency translation adjustments
Changes in retirement plans' funded status
Changes in retirement plans' funded status
Changes in retirement plans' funded status
Other comprehensive (loss) income, pretax
Other comprehensive (loss) income, pretax
Other comprehensive (loss) income, pretax
Benefit (provision) for income tax, net
Benefit (provision) for income tax, net
Benefit (provision) for income tax, net
Other comprehensive (loss) income, net of tax
Other comprehensive (loss) income, net of tax
Other comprehensive (loss) income, net of tax
Other comprehensive income (loss), pretax
(Provision) benefit for income tax, net
Other comprehensive income (loss), net of tax
Comprehensive income
Comprehensive income
Comprehensive income

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

(Unaudited)

(Dollars in millions)

(Dollars in millions)

(Dollars in millions)

March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
-------------------	----------------------	---------------	----------------------

ASSETS

ASSETS

ASSETS

Current assets:

Current assets:

Current assets:

Cash and equivalents

Cash and equivalents

Cash and equivalents

Accounts receivable

Unbilled receivables

Inventories

Other current assets

Total current assets

Noncurrent assets:

Property, plant and equipment, net

Property, plant and equipment, net

Property, plant and equipment, net

Intangible assets, net

Goodwill

Other assets

Total noncurrent assets

Total assets**LIABILITIES AND SHAREHOLDERS' EQUITY****LIABILITIES AND SHAREHOLDERS' EQUITY****LIABILITIES AND SHAREHOLDERS' EQUITY****Current liabilities:****Current liabilities:****Current liabilities:**

Short-term debt and current portion of long-term debt

Short-term debt and current portion of long-term debt

Short-term debt and current portion of long-term debt

Accounts payable

Customer advances and deposits

Other current liabilities

Total current liabilities

Noncurrent liabilities:

Long-term debt

Long-term debt

Long-term debt

Other liabilities

Commitments and contingencies (see
Note J)Commitments and contingencies (see
Note J)

Total noncurrent liabilities

Shareholders' equity:

Common stock

Common stock

Common stock

Surplus

Retained earnings

Treasury stock

Accumulated other comprehensive loss

Total shareholders' equity

**Total liabilities and shareholders'
equity**

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Three Months		Six Months Ended	
	Ended			
(Dollars in millions)	(Dollars in millions)	March 31, 2024	April 2, 2023	(Dollars in millions)
				June 30, 2024
				July 2, 2023

Cash flows from operating activities – continuing operations:

Net earnings
Net earnings
Net earnings
Adjustments to reconcile net earnings to net cash from operating activities:
Depreciation of property, plant and equipment
Depreciation of property, plant and equipment
Depreciation of property, plant and equipment
Amortization of intangible and finance lease right-of-use assets
Equity-based compensation expense
Deferred income tax benefit
(Increase) decrease in assets, net of effects of business acquisitions:
Accounts receivable
Accounts receivable
Accounts receivable
Unbilled receivables
Inventories
Increase (decrease) in liabilities, net of effects of business acquisitions:
Accounts payable
Accounts payable
Accounts payable
Customer advances and deposits
Other, net
Other, net
Other, net
Net cash (used) provided by operating activities
Net cash provided by operating activities
Cash flows from investing activities:
Capital expenditures
Capital expenditures
Capital expenditures
Other, net
Other, net
Other, net
Net cash used by investing activities
Cash flows from financing activities:
Dividends paid
Dividends paid
Dividends paid
Purchases of common stock
Repayment of fixed-rate notes
Other, net
Other, net
Other, net
Net cash used by financing activities
Net cash used by discontinued operations
Net (decrease) increase in cash and equivalents
Net decrease in cash and equivalents
Cash and equivalents at beginning of period

Cash and equivalents at end of period

Supplemental cash flow information:

Income tax payments, net
Income tax payments, net
Income tax payments, net
Interest payments

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

Three Months Ended															
	Common Stock				Retained	Treasury		Accumulated Other Comprehensive	Total Shareholders'	Common Stock				Retained	Accumulated Other Comprehensive
	(Dollars in millions)									(Dollars in millions)					
	Par	Surplus	Earnings	Stock	Loss					Par	Surplus	Earnings	Stock	Lo	
December 31, 2023															
Net earnings															
Net earnings															
Net earnings															
Cash dividends declared															
Equity-based awards															
Shares purchased															
Other comprehensive loss															
March 31, 2024															
December 31, 2022															
December 31, 2022															
December 31, 2022															
Net earnings															
Net earnings															
Net earnings															
Cash dividends declared															
Equity-based awards															
Shares purchased															
Other comprehensive income															
June 30, 2024															
April 2, 2023															
April 2, 2023															

April 2, 2023
Net earnings
Net earnings
Net earnings
Cash dividends declared
Equity-based awards
Shares purchased
Other comprehensive income
July 2, 2023

	Six Months Ended						
	Common Stock		Retained	Treasury	Accumulated Other Comprehensive	Total Shareholders'	
(Dollars in millions)	Par	Surplus	Earnings	Stock	Loss	Equity	
December 31, 2023	\$ 482	\$ 3,760	\$ 39,270	\$ (21,054)	\$ (1,159)	\$ 21,299	
Net earnings	—	—	1,704	—	—	1,704	
Cash dividends declared	—	—	(783)	—	—	(783)	
Equity-based awards	—	165	—	65	—	230	
Shares purchased	—	—	—	(139)	—	(139)	
Other comprehensive loss	—	—	—	—	(275)	(275)	
June 30, 2024	\$ 482	\$ 3,925	\$ 40,191	\$ (21,128)	\$ (1,434)	\$ 22,036	
December 31, 2022	\$ 482	\$ 3,556	\$ 37,403	\$ (20,721)	\$ (2,152)	\$ 18,568	
Net earnings	—	—	1,474	—	—	1,474	
Cash dividends declared	—	—	(723)	—	—	(723)	
Equity-based awards	—	58	—	22	—	80	
Shares purchased	—	—	—	(378)	—	(378)	
Other comprehensive income	—	—	—	—	457	457	
July 2, 2023	\$ 482	\$ 3,614	\$ 38,154	\$ (21,077)	\$ (1,695)	\$ 19,478	

The accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these financial statements.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except share and per-share amounts or unless otherwise noted)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Dynamics is a global aerospace and defense company that offers a broad portfolio of products and services in business aviation; ship construction and repair; land combat vehicles, weapons systems and munitions; and technology products and services.

The following is a discussion of certain significant accounting policies, and further discussion is contained in other notes to these financial statements.

Basis of Consolidation and Classification. The unaudited Consolidated Financial Statements include the accounts of General Dynamics Corporation and our wholly owned and majority-owned subsidiaries. We eliminate all intercompany balances and transactions in the unaudited Consolidated Financial Statements.

Consistent with industry practice, we classify assets and liabilities related to long-term contracts as current, even though some of these amounts may not be realized within one year.

Interim Financial Statements. The unaudited Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). These rules and regulations permit some of the information and footnote disclosures included in financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP) to be condensed or omitted.

Our fiscal quarters are typically 13 weeks in length. Because our fiscal year ends on December 31, the number of days in our first and fourth quarters varies slightly from year to year. Operating results for the ~~three-month period~~ ~~three- and six-month periods~~ ended ~~March 31, 2024~~ ~~June 30, 2024~~, are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

The unaudited Consolidated Financial Statements contain all adjustments that are of a normal recurring nature necessary for a fair presentation of our results of operations and financial condition for the ~~three-month~~ ~~three- and six-month~~ periods ended ~~March 31, 2024~~ ~~June 30, 2024~~, and ~~April 2, 2023~~ ~~July 2, 2023~~.

These unaudited Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

Property, Plant and Equipment, Net. Property, plant and equipment (PP&E) is carried at historical cost, net of accumulated depreciation. Net PP&E consisted of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
PP&E		
Accumulated depreciation		
PP&E, net		

Recent Accounting Pronouncements. For a discussion of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) but are not yet effective, refer to the Recent Accounting Pronouncements section in our Annual Report on Form 10-K for the year ended

December 31, 2023. These standards are not expected to have a material impact on our results of operations, financial condition or cash flows.

B. REVENUE

Performance Obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account for revenue. A contract's transaction price is allocated to each distinct performance obligation within that contract and recognized as revenue when, or as, the performance obligation is satisfied. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Some of our contracts have multiple performance obligations, most commonly due to the contract covering multiple phases of the product life cycle (development, production, maintenance and support). For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which we forecast our expected costs of satisfying a performance obligation and then add an appropriate margin for that distinct good or service.

Contract modifications are routine in the performance of our contracts. Contracts are often modified to account for changes in customer specifications or requirements. In most instances, contract modifications are for goods or services that are not distinct and, therefore, are accounted for as part of the existing contract.

Our performance obligations are satisfied over time as work progresses or at a point in time. Revenue from products and services transferred to customers over time accounted for ~~80%~~ ~~75%~~ and ~~81%~~ ~~77%~~ of our revenue for the ~~three-month~~ ~~three- and six-month~~ periods ended ~~March 31, 2024~~ ~~June 30, 2024~~, respectively, and ~~April 2, 2023~~ ~~80%~~ and ~~81%~~for the ~~three- and six-month~~ periods ended ~~July 2, 2023~~, respectively. Substantially all of our revenue in the defense segments is recognized over time because control is transferred continuously to our customers. Typically, revenue is recognized over time using costs incurred to date relative to total estimated costs at completion to measure progress toward satisfying our performance obligations. Incurred costs represent work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer. Contract costs include labor, material, overhead and, when appropriate, G&A expenses.

Revenue from goods and services transferred to customers at a point in time accounted for ~~20%~~ ~~25%~~ and ~~19%~~ ~~23%~~of our revenue for the ~~three-month~~ ~~three- and six-month~~ periods ended ~~March 31, 2024~~ ~~June 30, 2024~~, respectively, and ~~April 2, 2023~~ ~~20%~~ and ~~19%~~for the ~~three- and six-month~~ periods ended ~~July 2, 2023~~, respectively. Most of our revenue recognized at a point in time is for the manufacture of business jet aircraft in our Aerospace segment. Revenue on these contracts is recognized when the customer obtains control of the asset, which is generally upon delivery and acceptance by the customer of the fully outfitted aircraft.

On **March 31, 2024** **June 30, 2024**, we had **\$93.7 billion** **\$91.3 billion** of remaining performance obligations, which we refer to as total backlog. We expect to recognize approximately **65%** **60%** of our remaining performance obligations as revenue by year-end 2025, an additional 25% by year-end 2027 and the balance thereafter.

Contract Estimates. The majority of our revenue is derived from long-term contracts and programs that can span several years. Accounting for long-term contracts and programs involves the use of various techniques to estimate total contract revenue and costs. We estimate the profit on a contract as the

difference between the total estimated revenue and expected costs to complete a contract and recognize that profit over the life of the contract.

Contract estimates are based on various assumptions to project the outcome of future events that often span several years. These assumptions include labor productivity and availability; the complexity of the work to be performed; the cost and availability of materials; the performance of subcontractors; and the availability and timing of funding from the customer.

The nature of our contracts gives rise to several types of variable consideration, including claims, award fees and incentive fees. We include in our contract estimates additional revenue for contract modifications or claims against the customer when we believe we have an enforceable right to the modification or claim, the amount can be estimated reliably and its realization is probable. In evaluating these criteria, we consider the contractual/legal basis for the claim, the cause of any additional costs incurred, the reasonableness of those costs and the objective evidence available to support the claim. We include award fees or incentive fees in the estimated transaction price when there is a basis to reasonably estimate the amount of the fee. These estimates are based on historical award experience, anticipated performance and our best informed judgment at the time.

As a significant change in one or more of these estimates could affect the profitability of our contracts, we review and update our contract-related estimates regularly. We recognize adjustments in estimated profit on contracts under the cumulative catch-up method. Under this method, the impact of the adjustment on profit recorded to date on a contract is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance are recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, we recognize the total loss in the period it is identified.

The impact of adjustments in contract estimates on our operating earnings can be reflected in either operating costs and expenses or revenue. The aggregate impact of adjustments in contract estimates increased our revenue, operating earnings and diluted earnings per share as follows:

Three Months Ended	Three Months Ended		Six Months Ended	
Three Months Ended				
Three Months Ended				
Revenue				
Revenue				
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Revenue				
Operating earnings				
Operating earnings				
Operating earnings				
Diluted earnings per share				
Diluted earnings per share				
Diluted earnings per share				

No adjustment on any one contract was material to the unaudited Consolidated Financial Statements for the **three-month** **three- and six-month** periods ended **March 31, 2024** **June 30, 2024**, or **April 2, 2023** **July 2, 2023**.

We have large, long-term contracts with the U.S. Navy for Virginia-class submarines and an international customer for tracked vehicles in which our estimates for contract revenue include variable consideration from anticipated contract modifications. For both contracts, it is reasonably possible that the actual amount of variable consideration realized could be less than our estimate, which could have a material unfavorable impact on our results of operations.

Revenue by Category. Our portfolio of products and services consists of more than 9,000 active contracts. The following series of tables presents our revenue disaggregated by several categories.

Revenue by major products and services was as follows:

Three Months Ended	Three Months Ended		Six Months Ended	
Three Months Ended				
Three Months Ended				
Aircraft manufacturing				
Aircraft manufacturing				
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Aircraft manufacturing				
Aircraft services				
Aircraft services				
Aircraft services				
Total Aerospace				
Total Aerospace				
Total Aerospace				
Nuclear-powered submarines				
Nuclear-powered submarines				
Nuclear-powered submarines				
Surface ships				
Surface ships				
Surface ships				
Repair and other services				
Repair and other services				
Repair and other services				
Total Marine Systems				
Total Marine Systems				
Total Marine Systems				
Military vehicles				
Military vehicles				
Military vehicles				
Weapons systems, armament and munitions				
Weapons systems, armament and munitions				
Weapons systems, armament and munitions				
Engineering and other services				
Engineering and other services				
Engineering and other services				
Total Combat Systems				
Total Combat Systems				
Total Combat Systems				
Information technology (IT) services				
Information technology (IT) services				
Information technology (IT) services				
C5ISR* solutions				
C5ISR* solutions				
C5ISR* solutions				
Total Technologies				
Total Technologies				
Total Technologies				

Total revenue
Total revenue
Total revenue

* Command, control, communications, computers, cyber, intelligence, surveillance and reconnaissance

Revenue by contract type was as follows:

Three Months Ended March 31, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
Three Months Ended June 30, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
Fixed-price					
Cost-reimbursement					
Time-and-materials					
Total revenue					
Three Months Ended April 2, 2023					
Three Months Ended July 2, 2023					
Fixed-price					
Fixed-price					
Fixed-price					
Cost-reimbursement					
Time-and-materials					
Total revenue					
Six Months Ended June 30, 2024					
Six Months Ended June 30, 2024					
Six Months Ended June 30, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
Fixed-price					
Cost-reimbursement					
Time-and-materials					
Total revenue					
Six Months Ended July 2, 2023					
Fixed-price					
Fixed-price					
Fixed-price					
Cost-reimbursement					
Time-and-materials					
Total revenue					

Our segments operate under fixed-price, cost-reimbursement and time-and-materials contracts. Our production contracts are primarily fixed-price. Under these contracts, we agree to perform a specific scope of work for a fixed amount. Contracts for research, engineering, repair and maintenance, and other services are typically cost-reimbursement or time-and-materials. Under cost-reimbursement contracts, the customer reimburses contract costs incurred and pays a fixed, incentive or award-based fee. The amount for an incentive or award fee is determined by our ability to achieve targets set in the contract, such as cost, quality, schedule and performance. Under time-and-materials contracts, the customer pays a fixed hourly rate for direct labor and generally reimburses us for the cost of materials.

Each of these contract types presents advantages and disadvantages. Typically, we assume more risk with fixed-price contracts. However, these types of contracts offer additional profits when we complete the work for less than originally estimated. Cost-reimbursement contracts generally

subject us to lower risk. Accordingly, the associated base fees are usually lower than fees earned on fixed-price contracts. Under time-and-materials contracts, our profit may vary if actual labor-hour rates vary significantly from the negotiated rates. Also, because these contracts may provide little or no fee for managing material costs, the content mix can impact profitability.

Revenue by customer was as follows:

Three Months Ended March 31, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
Three Months Ended June 30, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
U.S. government:					
Department of Defense (DoD)					
Department of Defense (DoD)					
Department of Defense (DoD)					
Non-DoD					
Foreign military sales (FMS)					
Total U.S. government					
U.S. commercial					
Non-U.S. government					
Non-U.S. commercial					
Total revenue					
Three Months Ended April 2, 2023					
Three Months Ended July 2, 2023					
U.S. government:					
U.S. government:					
U.S. government:					
DoD					
DoD					
DoD					
Non-DoD					
FMS					
Total U.S. government					
U.S. commercial					
Non-U.S. government					
Non-U.S. commercial					
Total revenue					
Six Months Ended June 30, 2024					
Six Months Ended June 30, 2024					
Six Months Ended June 30, 2024	Aerospace	Marine Systems	Combat Systems	Technologies	Total Revenue
U.S. government:					
DoD					
DoD					
DoD					
Non-DoD					
FMS					
Total U.S. government					
U.S. commercial					
Non-U.S. government					

Non-U.S. commercial
Total revenue
Six Months Ended July 2, 2023
U.S. government:
U.S. government:
U.S. government:
DoD
DoD
DoD
Non-DoD
FMS
Total U.S. government
U.S. commercial
Non-U.S. government
Non-U.S. commercial
Total revenue

Contract Balances. The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Consolidated Balance Sheet. In our defense segments, amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., biweekly or monthly) or upon achievement of contractual milestones. Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we sometimes receive advances or deposits from our customers, particularly on our international contracts, before revenue is recognized, resulting in contract liabilities. These assets and liabilities are reported on the Consolidated Balance Sheet on a contract-by-contract basis at the end of each reporting period. In our Aerospace segment, we generally receive deposits from customers upon contract execution and upon achievement of contractual milestones. These deposits are liquidated when revenue is recognized. Changes in the contract asset and liability balances during the **three-month six-month** period ended **March 31, 2024 June 30, 2024**, were not materially impacted by any other factors.

Revenue recognized for the **three-month three- and six-month** periods ended **March 31, 2024 June 30, 2024**, and **April 2, 2023 July 2, 2023**, that was included in the contract liability balance at the beginning of each year was \$1.7 billion, **and \$3.4 billion, and \$949 and \$2.7 billion, respectively.** This revenue represented primarily the sale of business jet aircraft.

C. EARNINGS PER SHARE

We compute basic earnings per share (EPS) using net earnings for the period and the weighted average number of common shares outstanding during the period. Diluted EPS incorporates the additional shares issuable upon the assumed exercise of stock options and the release of restricted stock and restricted stock units (RSUs).

Basic and diluted weighted average shares outstanding were as follows (in thousands):

Three Months Ended	Three Months Ended	Six Months Ended
Three Months Ended		
Three Months Ended		
Basic weighted average shares outstanding		
Basic weighted average shares outstanding		
	June 30, 2024	July 2, 2023
Basic weighted average shares outstanding		June 30, 2024
Dilutive effect of stock options and restricted stock/RSUs*		July 2, 2023
Dilutive effect of stock options and restricted stock/RSUs*		
Dilutive effect of stock options and restricted stock/RSUs*		
Diluted weighted average shares outstanding		

Diluted weighted average shares outstanding
Diluted weighted average shares outstanding

* Excludes outstanding unvested stock options, to purchase shares of common and vested stock options that had exercise prices in excess of the average market price of our common stock during the period and, therefore, the effect of including these options would be antidilutive. These options totaled 426 1,261 and 2,131 833 for the three-month three- and six-month periods ended June 30, 2024, and 4,468 and 3,925 for the three- and six-month periods ended March 31, 2024 and April 2, 2023 July 2, 2023, respectively.

D. INCOME TAXES

Net Deferred Tax Liability. Our deferred tax assets and liabilities are included in other noncurrent assets and liabilities on the Consolidated Balance Sheet. Our net deferred tax liability consisted of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Deferred tax asset		
Deferred tax liability		
Net deferred tax liability		

Tax Uncertainties. We participate in the Internal Revenue Service (IRS) Compliance Assurance Process (CAP), a real-time audit of our consolidated federal corporate income tax return. The IRS has examined our consolidated federal income tax returns through 2022. For tax years ending December 31, 2023, and December 31, 2024, the IRS placed us in the phase of CAP reserved for taxpayers whose risk of noncompliance does not warrant the continual use of IRS examination resources.

For all periods open to examination by tax authorities, we periodically assess our liabilities and contingencies based on the latest available information. Where we believe there is more than a 50% chance that our tax position will not be sustained, we record our best estimate of the resulting tax liability, including interest, in the Consolidated Financial Statements. We include any interest or penalties incurred in connection with income taxes as part of income tax expense.

Based on all known facts and circumstances and applicable tax law, we believe the total amount of any unrecognized tax benefits on March 31, 2024 June 30, 2024, was not material to our results of operations, financial condition or cash flows. In addition, there are no tax positions for which it is reasonably possible that the unrecognized tax benefits will vary significantly over the next 12 months, producing, individually or in the aggregate, a material effect on our results of operations, financial condition or cash flows.

The Organization for Economic Co-operation and Development has issued "Pillar Two" model rules introducing a new global minimum tax of 15% on a country-by-country basis, with certain aspects intended to be effective on January 1, 2024, and other aspects on January 1, 2025. Although it is uncertain whether the U.S. will adopt any Pillar Two rules, some countries have enacted, introduced, or are considering implementing legislation. Because we generally do not have material operations in jurisdictions with tax rates lower than the proposed Pillar Two minimum, any legislation enacted consistent with the Pillar Two model rules is not expected to have a material effect on our results of operations, financial condition or cash flows.

E. UNBILLED RECEIVABLES

Unbilled receivables represent revenue recognized on long-term contracts (contract costs and estimated profits) less associated advances and progress billings. These amounts will be billed in accordance with the agreed-upon contractual terms. Unbilled receivables consisted of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Unbilled revenue		
Advances and progress billings		
Net unbilled receivables		

On March 31, 2024 June 30, 2024, and December 31, 2023, net unbilled receivables included \$1.3 billion and \$1.2 billion, respectively, associated with a large international tracked vehicle contract in our Combat Systems segment. The contract, signed in 2010, experienced an unbilled receivable build-up in 2021 and 2022. Based on ongoing discussions with the customer and continued successful program activity, the customer resumed payments on the contract in the first quarter of 2023.

F. INVENTORIES

The majority of our inventories are for business jet aircraft. Our inventories are stated at the lower of cost or net realizable value. Work in process represents largely labor, material and overhead costs associated with aircraft in the manufacturing process and is based primarily on the estimated average unit cost in a production lot. Substantially all of our raw materials are valued on either the average cost or the first-in, first-out method. We record pre-owned aircraft acquired in connection with the sale of new aircraft at the lower of the trade-in value or the estimated net realizable value.

Inventories consisted of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Work in process		
Raw materials		
Finished goods		
Pre-owned aircraft		
Total inventories		

The increase in total inventories during the three-month six-month period ended March 31, 2024 June 30, 2024, was due primarily to the ramp-up in production of new Gulfstream aircraft models, including the G700 that received certification from the U.S. Federal Aviation Administration on March 29, 2024, as well as increased production of in-service aircraft reflecting strong customer demand. Customer deposits associated with firm orders for these aircraft, which are reported in customer advances and deposits and other noncurrent liabilities on the Consolidated Balance Sheet, also increased.

G. GOODWILL AND INTANGIBLE ASSETS

Goodwill. The changes in the carrying amount of goodwill by reporting unit were as follows:

	Aerospace	Aerospace	Marine Systems	Combat Systems	Technologies	Total Goodwill	Aerospace	Marine Systems	Combat Systems	Technologies	Total Goodwill
December 31, 2023											
(a)											
Acquisitions (b)											
Other (c)											
March 31, 2024 (a)											
June 30, 2024 (a)											

- (a) Goodwill in the Technologies reporting unit was net of \$1.8 billion of accumulated impairment losses.
(b) Included adjustments during the purchase price allocation period.
(c) Consisted primarily of adjustments for foreign currency translation.

Intangible Assets. Intangible assets consisted of the following:

	Gross Carrying Amount (a)	Gross Carrying Amount (a)	Net Accumulated Amortization Amount	Gross Carrying Amount (a)	Net Accumulated Amortization Amount	Gross Carrying Amount (a)	Net Accumulated Amortization Amount	Gross Carrying Amount (a)	Net Accumulated Amortization Amount	Gross Carrying Amount (a)	Net Accumulated Amortization Amount
	March 31, 2024	June 30, 2024	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
Contract and program intangible assets (b)											
Trade names and trademarks											
Technology and software											
Other intangible assets											

Total intangible assets

- (a) Changes in gross carrying amounts consisted primarily of foreign currency translation.
- (b) Consisted of acquired backlog and probable follow-on work and associated customer relationships.

Amortization expense is included in operating costs and expenses in the Consolidated Statement of Earnings. Amortization expense for intangible assets was \$45 \$44 and \$53 \$89 for the three-month three- and six-month periods ended March 31, 2024 June 30, 2024, and April 2, 2023 \$47 and \$100 for the three- and six-month periods ended July 2, 2023, respectively.

H. DEBT

Debt consisted of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023

Fixed-rate notes due:

November 2024
November 2024
November 2024
April 2025
May 2025
June 2026
August 2026
April 2027
November 2027
May 2028
April 2030
June 2031
April 2040
June 2041
November 2042
April 2050

Other

Other

Other

Total debt principal

Less unamortized debt issuance costs and discounts

Total debt

Less current portion

Long-term debt

On March 31, 2024 June 30, 2024, we had no commercial paper outstanding, but we maintain the ability to access the commercial paper market in the future. Separately, we have a \$4 billion committed bank credit facility for general corporate purposes and working capital needs and to support our commercial paper issuances. This credit facility expires in March 2027. We may renew or replace this credit facility in whole or in part at or prior to its expiration date. We also have an effective shelf registration on file with the SEC that allows us to access the debt markets.

Our financing arrangements contain a number of customary covenants and restrictions. We were in compliance with all covenants and restrictions on March 31, 2024 June 30, 2024.

I. OTHER LIABILITIES

A summary of significant other liabilities by balance sheet caption follows:

	March 31, 2024	December 31, 2023
--	----------------	-------------------

Salaries and wages

Salaries and wages

Salaries and wages

Dividends payable

Lease liabilities

Workers' compensation

Other

Other

Other

Total other current liabilities

Customer deposits on commercial contracts

Customer deposits on commercial contracts

Customer deposits on commercial contracts

Retirement benefits

Lease liabilities

Other

Total other liabilities

J. COMMITMENTS AND CONTINGENCIES

Litigation

In 2015, Electric Boat Corporation, a subsidiary of General Dynamics Corporation, received a civil investigative demand from the U.S. Department of Justice regarding an investigation of potential False Claims Act violations relating to alleged failures of Electric Boat's quality system with respect to allegedly non-conforming parts purchased from a supplier. In 2016, Electric Boat was made aware that it is a defendant in a lawsuit related to this matter which had been filed under seal in U.S. district court. Also in 2016, the Suspending and Debarring Official for the U.S. Department of the Navy issued a show cause letter to Electric Boat requesting that Electric Boat respond to the official's concerns regarding Electric Boat's oversight and management with respect to its quality assurance systems for subcontractors and suppliers. Electric Boat responded to the show cause letter and engaged in discussions with the U.S. government.

In the third quarter of 2019, the Department of Justice declined to intervene in the qui tam action, noting that its investigation continues, and the court unsealed the relator's complaint. In the fourth quarter of 2020, the relator filed a second amended complaint. In the third quarter of 2021, the court dismissed the relator's complaint with prejudice. The relator appealed the dismissal of the complaint to the United States Court of Appeals. In the third quarter of 2023, the Court of Appeals affirmed dismissal of the relator's complaint with prejudice. The relator thereafter filed a petition for rehearing with the Court of Appeals, which was not granted. The relator did not file a petition for a writ of certiorari with the United States Supreme Court prior to the filing deadline of February 21, 2024, thus concluding the relator's qui tam action.

On October 6, 2023, a putative class action lawsuit was filed in the United States District Court for the Eastern District of Virginia against General Dynamics Corporation, certain of its subsidiaries and various other companies alleging that they conspired, in violation of the Sherman Act, not to solicit naval architects and marine engineers from each other. The named plaintiffs purport to represent a class of individuals consisting of all naval architects and marine engineers employed by the shipyard and consultancy defendants, their predecessors, their subsidiaries and/or their related entities in the United

States at any time since January 1, 2000. The plaintiffs allege that the conspiracy suppressed compensation paid to the putative class members, and the plaintiffs seek trebled monetary damages, attorneys' fees, injunctive and other equitable relief. We are defending the matter. On April 19, 2024, the District Court dismissed the plaintiffs' complaint. However, given Plaintiffs initiated an appeal of the dismissal of their complaint to the U.S. Court of Appeals for the Fourth Circuit on May 20, 2024. Given the current status of this matter, we are unable to express a view regarding the ultimate outcome or, if the outcome is adverse, to estimate an amount or range of reasonably possible loss. Depending on the outcome of this matter, there could be a material impact on our results of operations, financial condition and cash flows.

Additionally, various other claims and legal proceedings incidental to the normal course of business are pending or threatened against us. These other matters relate to such issues as government investigations and claims, the protection of the environment, asbestos-related claims and employee-related matters. The nature of litigation is such that we cannot predict the outcome of these other matters. However, based on information

currently available, we believe any potential liabilities in these other proceedings, individually or in the aggregate, will not have a material impact on our results of operations, financial condition or cash flows.

Environmental

We are subject to and affected by a variety of federal, state, local and foreign environmental laws and regulations. We are directly or indirectly involved in environmental investigations or remediation at some of our current and former facilities and third-party sites that we do not own but where we have been designated a potentially responsible party (PRP) by the U.S. Environmental Protection Agency or a state environmental agency. Based on historical experience, we expect that a significant percentage of the total remediation and compliance costs associated with these facilities will continue to be allowable contract costs and, therefore, recoverable under U.S. government contracts.

As required, we provide financial assurance for certain sites undergoing or subject to investigation or remediation. We accrue environmental costs when it is probable that a liability has been incurred and the amount can be reasonably estimated. Where applicable, we seek insurance recovery for costs related to environmental liabilities. We do not record insurance recoveries before collection is considered probable. Based on all known facts and analyses, we do not believe that our liability at any individual site, or in the aggregate, arising from such environmental conditions will be material to our results of operations, financial condition or cash flows. We also do not believe that the range of reasonably possible additional loss beyond what has been recorded would be material to our results of operations, financial condition or cash flows.

Other

Government Contracts. As a government contractor, we are subject to U.S. government audits and investigations relating to our operations, including claims for fines, penalties, and compensatory and treble damages. We believe the outcome of such ongoing government audits and investigations will not have a material impact on our results of operations, financial condition or cash flows.

In the performance of our contracts, we routinely request contract modifications that require additional funding from the customer. Most often, these requests are due to customer-directed changes in the scope of work. While we are entitled to recovery of these costs under our contracts, the administrative process with our customer may be protracted. Based on the circumstances, we periodically file requests for equitable adjustment (REAs) that are sometimes converted into claims. In some cases, these requests are disputed by our customer. We believe our outstanding modifications, REAs and other claims will be resolved without material impact to our results of operations, financial condition or cash flows.

Letters of Credit and Guarantees. In the ordinary course of business, we have entered into letters of credit, bank guarantees, surety bonds and other similar arrangements with financial institutions and insurance carriers totaling approximately \$1.8 billion on March 31, 2024 June 30, 2024. In addition, from time to time and in the ordinary course of business, we contractually guarantee the payment or performance of our subsidiaries arising under certain contracts.

Aircraft Trade-ins. In connection with orders for new aircraft in contract backlog, some Gulfstream customers hold options to trade in aircraft as partial consideration in their new-aircraft transaction. These trade-in commitments are generally structured to establish the fair market value of the trade-in aircraft at a date generally 45 or fewer days preceding delivery of the new aircraft to the customer. At that time, the customer is required to either exercise the option or allow its expiration. Other trade-in commitments are structured to guarantee a predetermined trade-in value. These commitments present more risk in the event of an adverse change in market conditions. In either case, case, any excess of the preestablished trade-in price above the fair market value at the time the new aircraft is delivered delivered is treated as a reduction of revenue in the new-aircraft sales transaction. As of March 31, 2024 June 30, 2024, the estimated change in fair market values from the date of the commitments was not material.

Product Warranties. We provide warranties to our customers associated with certain product sales. We record estimated warranty costs in the period in which the related products are delivered. The warranty liability recorded at each balance sheet date is based generally on the number of months of

warranty coverage remaining for the products delivered and the average historical monthly warranty payments. Warranty obligations incurred in connection with long-term production contracts are accounted for within the contract estimates at completion. Our other warranty obligations, primarily for business jet aircraft, are included in other current and noncurrent liabilities on the Consolidated Balance Sheet.

The changes in the carrying amount of warranty liabilities for the three-month six-month periods ended March 31, 2024 June 30, 2024, and April 2, 2023 July 2, 2023, were as follows:

Three Months Ended	March 31, 2024	April 2, 2023
Six Months Ended	June 30, 2024	July 2, 2023

Beginning balance
Warranty expense
Payments
Adjustments

Ending balance

K. SHAREHOLDERS' EQUITY

Share Repurchases. In the **three-month** **six-month** period ended **March 31, 2024** **June 30, 2024**, we repurchased **0.4** **0.5** million of our outstanding shares for **\$105** **\$139**. On **March 31, 2024** **June 30, 2024**, **4.3 million** **4.2 million** shares remained authorized by our board of directors (Board) for repurchase, representing **1.6%** **1.5%** of our total shares outstanding. We repurchased **0.4 million** **1.8 million** shares for **\$90** **\$378** in the **three-month** **six-month** period ended **April 2, 2023** **July 2, 2023**.

Dividends per Share. Our Board declared dividends per share of \$1.42 and **\$1.32** **\$2.84** for the **three-month** **three-** and **six-month** periods ended **March 31, 2024** **June 30, 2024**, and **April 2, 2023** **\$1.32** and **\$2.64** for the **three-** and **six-month** periods ended **July 2, 2023**, respectively. We paid cash dividends of **\$361** **\$389** and **\$345** **\$750** for the **three-month** **three-** and **six-month** periods ended **March 31, 2024** **June 30, 2024**, and **April 2, 2023** **\$360** and **\$705** for the **three-** and **six-month** periods ended **July 2, 2023**, respectively.

Accumulated Other Comprehensive Loss. The changes, pretax and net of tax, in each component of accumulated other comprehensive loss (AOCL) consisted of the following:

	Changes in Unrealized Cash Flow Hedges	Changes in Unrealized Cash Flow Hedges	Changes in Unrealized Cash Flow Hedges	Foreign Currency Translation Adjustments	Changes in Retirement Plans' Funded Status	AOCL	Foreign Currency Translation Adjustments	Changes in Retirement Plans' Funded Status	AOCL
December 31, 2023									
Other comprehensive loss, pretax									
Benefit for income tax, net									
Other comprehensive loss, net of tax									
March 31, 2024									
June 30, 2024									
December 31, 2022									
December 31, 2022									
December 31, 2022									
Other comprehensive income, pretax									
Provision for income tax, net									
Other comprehensive income, net of tax									
April 2, 2023									
July 2, 2023									

Amounts reclassified out of AOCL related primarily to changes in our retirement plans' funded status and included pretax recognized net actuarial losses and amortization of prior service credit. See Note O for these amounts, which are included in our net periodic pension and other post-retirement benefit cost (credit).

L. SEGMENT INFORMATION

We have four operating segments: Aerospace, Marine Systems, Combat Systems and Technologies. We organize our segments in accordance with the nature of products and services offered. We measure each segment's profitability based on operating earnings. As a result, we do not allocate net interest, other income and expense items, and income taxes to our segments.

Summary financial information for each of our segments follows:

(a) See Note B for additional revenue information by segment.

(b) Corporate operating costs consisted primarily of equity-based compensation expense.

Marketable securities
held in trust:

Marketable securities
held in trust:

Marketable securities
held in trust:

Cash and equivalents

Cash and equivalents

Cash and equivalents

Available-
for-sale debt
securities

Commingled
equity funds

Commingled
fixed-
income
funds

Other
investments

Cash flow
hedge assets

Cash flow
hedge
liabilities

Measured at
amortized cost:

Short- and long-term debt
principal

Short- and long-term debt
principal

Short- and long-term debt
principal

December 31, 2023

Measured at fair value:

Marketable securities held in trust:

Cash and equivalents	\$	21	\$	21	\$	—	\$	21	\$	—
Available-for-sale debt securities		115		115		—		115		—
Commingled equity funds		49		49		49		—		—
Commingled fixed-income funds		6		6		6		—		—
Other investments		40		40		23		—		17
Cash flow hedge assets		109		109		—		109		—
Cash flow hedge liabilities		(61)		(61)		—		(61)		—

Measured at amortized cost:

Short- and long-term debt principal		(9,340)		(8,764)		—		(8,764)		—
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Our Level 1 assets include commingled equity and fixed-income funds that are valued using a unit price or net asset value (NAV). These funds are actively traded and valued using quoted prices for identical securities from the market exchanges. The fair value of our Level 2 assets and liabilities, which consist primarily of fixed-income securities, cash flow hedges and our fixed-rate notes, is determined under a market approach using valuation

models that incorporate observable inputs such as interest rates, bond yields and quoted prices for similar assets. Our Level 3 assets include direct private equity investments that are measured using inputs unobservable to a marketplace participant.

N. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

We are exposed to market risk, primarily from foreign currency exchange rates, commodity prices and investments. We may use derivative financial instruments to hedge some of these risks as described below. We do not use derivative financial instruments for trading or speculative purposes.

Foreign Currency Risk. Our foreign currency exchange rate risk relates to receipts from customers, payments to suppliers and intercompany transactions denominated in foreign currencies. To the extent possible, we include terms in our contracts that are designed to protect us from this risk. Otherwise, we

enter into derivative financial instruments, principally foreign currency forward purchase and sale contracts, designed to offset and minimize our risk. The dollar-weighted one-year average maturity of these instruments generally matches the duration of the activities that are at risk.

Commodity Price Risk. We are subject to commodity price risk, primarily on long-term, fixed-price contracts. To the extent possible, we include terms in our contracts that are designed to protect us from these risks. Some of the protective terms included in our contracts are considered derivative financial instruments but are not accounted for separately, because they are clearly and closely related to the host contract. We have not entered into any material commodity hedging contracts but may do so as circumstances warrant. We do not believe that changes in commodity prices will have a material impact on our results of operations or cash flows.

Investment Risk. Our investment policy allows for purchases of fixed-income securities with an investment-grade rating and a maximum maturity of up to five years. On March 31, 2024, June 30, 2024, and December 31, 2023, we held \$1 billion, \$1.4 billion and \$1.9 billion in cash and equivalents, respectively, but held no material marketable securities other than those held in trust to meet some of our obligations under workers' compensation and non-qualified pension plans. On March 31, 2024, June 30, 2024, and December 31, 2023, we held marketable securities in trust of \$191, \$189 and \$191, respectively. These marketable securities are reflected at fair value on the Consolidated Balance Sheet in other current and noncurrent assets. See Note M for additional details.

Hedging Activities. We had notional forward exchange contracts outstanding of \$6.1 billion, \$7.1 billion and \$5.7 billion on March 31, 2024, June 30, 2024, and December 31, 2023, respectively. These derivative financial instruments are cash flow hedges, and are reflected at fair value on the Consolidated Balance Sheet in other current assets and liabilities. See Note M for additional details.

Changes in fair value (gains and losses) related to derivative financial instruments that qualify as cash flow hedges are deferred in AOCL until the underlying transaction is reflected in earnings. Alternatively, gains and losses on derivative financial instruments that do not qualify for hedge accounting are recorded each period in earnings. All gains and losses from derivative financial instruments recognized in the Consolidated Statement of Earnings are presented in the same line item as the underlying transaction, generally operating costs and expenses.

Net gains and losses recognized in earnings on derivative financial instruments that do not qualify for hedge accounting were not material to our results of operations for the three-month, three- and six-month periods ended March 31, 2024, June 30, 2024, and April 2, 2023, July 2, 2023. Net gains and losses reclassified to earnings from AOCL related to qualified hedges were also not material to our results of operations for the three-month, three- and six-month periods ended March 31, 2024, June 30, 2024, and April 2, 2023, July 2, 2023, and we do not expect the amount of these gains and losses that will be reclassified to earnings during the next 12 months to be material.

We had no material derivative financial instruments designated as fair value or net investment hedges on March 31, 2024, June 30, 2024, and December 31, 2023.

Foreign Currency Financial Statement Translation. We translate foreign currency balance sheets from our international businesses' functional currency (generally the respective local currency) to U.S. dollars at the end-of-period exchange rates, and statements of earnings at the average exchange rates for each period. The resulting foreign currency translation adjustments are a component of AOCL.

We do not hedge the fluctuation in reported revenue and earnings resulting from the translation of these international operations' results into U.S. dollars. The impact of translating our non-U.S. operations' revenue and earnings into U.S. dollars was not material to our results of operations for the three-month, three- and six-month periods ended March 31, 2024, June 30, 2024, and April 2, 2023, July 2, 2023. In addition, the effect of changes in foreign exchange rates on non-U.S. cash balances was not material for the three-month, six-month periods ended March 31, 2024, June 30, 2024, and April 2, 2023, July 2, 2023.

O. RETIREMENT PLANS

We provide retirement benefits to eligible employees through a variety of plans:

- Defined contribution
- Defined benefit
 - Pension (qualified and non-qualified)
 - Other post-retirement benefit

For our defined benefit plans, net periodic benefit cost (credit) for the ~~three-month~~ ~~three-~~ and six-month periods ended ~~March 31, 2024~~ ~~June 30, 2024~~, and ~~April 2, 2023~~ ~~July 2, 2023~~, consisted of the following:

	Pension Benefits		Pension Benefits		Other Post-retirement Benefits		Pension Benefits		Other Post-retirement Benefits	
	Three Months Ended	March 31, 2024	April 2, 2023	March 31, 2024	April 2, 2023	Three Months Ended	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Three Months Ended										
Service cost										
Interest cost										
Expected return on plan assets										
Net actuarial loss (gain)										
Prior service credit										
Net periodic benefit cost (credit)										
Six Months Ended										
Service cost										
Service cost										
Service cost										
Interest cost										
Expected return on plan assets										
Net actuarial loss (gain)										
Prior service (credit) cost										
Net periodic benefit cost (credit)										

Our contractual arrangements with the U.S. government provide for the recovery of pension and other post-retirement benefit costs related to employees working on government contracts. The amount allocated to U.S. government contracts is determined in accordance with the Federal Acquisition Regulation (FAR) and Cost Accounting Standards (CAS), which may result in a timing difference with the amount determined under GAAP. We defer this difference on the Consolidated Balance Sheet. At this time, cumulative benefit costs exceed the amount allocated to contracts, and the difference is reported in other current assets. To the extent there is a non-service component of net periodic benefit cost (credit) for our defined benefit plans, it is reported in other income (expense) in the Consolidated Statement of Earnings.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in millions, except per-share amounts or unless otherwise noted)

BUSINESS OVERVIEW

General Dynamics is a global aerospace and defense company that offers a broad portfolio of products and services in business aviation; ship construction and repair; land combat vehicles, weapons systems and munitions; and technology products and services.

Our company is organized into four operating segments: Aerospace, Marine Systems, Combat Systems and Technologies. We refer to the latter three collectively as our defense segments. Our primary customer is the U.S. government, including the Department of Defense (DoD), the intelligence community and other U.S. government agencies. We also have significant business with non-U.S. governments and a diverse base of

corporate and individual buyers of business jet aircraft and related services. The following discussion should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023, and with the unaudited Consolidated Financial Statements included in this Form 10-Q.

BUSINESS ENVIRONMENT

On March 29, 2024, our ultra-long-range, ultra-large-cabin G700 aircraft received European Union Aviation Safety Agency (EASA) type certification. This follows U.S. Federal Aviation Administration (FAA) type certification in March 2024, after completing the most rigorous certification program in company history. While no G700 aircraft deliveries were made in the first quarter of 2024, the certification paves the way for customer deliveries beginning in the second quarter of 2024. We expect to deliver about 50 G700 aircraft this year.

With approximately 70% of our revenue from work for the U.S. government, government spending levels — particularly defense spending — can impact our financial performance. Since the beginning of the government's fiscal year (FY) 2024, we had been operating under a series of continuing resolutions (CRs), which generally provide funding for federal agencies for all programs of record at the prior year's appropriated levels. On March 23, 2024, the U.S. government enacted a defense appropriations bill for the government's FY 2024 totaling \$825 billion, representing an increase of more than 3% over the enacted FY 2023 spending level. The FY 2024 defense appropriations bill was supportive of our key programs and consistent with our financial outlook for 2024.

The coronavirus (COVID-19) pandemic caused significant disruptions to national and global economies and government activities, including supply chain and staffing challenges. Additionally, in response to the Russian invasion of Ukraine, the United States and several other countries imposed economic and trade sanctions, export controls and other restrictions targeting Russia and Belarus. Lastly, the impact of the war between Israel and Hamas continues to evolve. The disruptions caused by these events continue to impact global economies and businesses. The primary impact to our business is supply chain challenges, including inflationary pressures. In our Aerospace segment, supply chain challenges have paced our ability to ramp up production in response to strong customer demand for our aircraft and have caused out-of-sequence manufacturing, which increases costs and decreases operational efficiency. In addition, the Israel-Hamas war has impacted the delivery schedule for our Israel-based supplier of mid-cabin aircraft. Within our defense segments, the COVID-19 pandemic resulted in supply chain challenges and impacted the regional availability of skilled labor, which we continue to experience, particularly in our Marine Systems segment. The Russia-Ukraine conflict and increased threat environment has created additional demand for certain of our products and services, particularly in our Combat Systems segment.

RESULTS OF OPERATIONS

INTRODUCTION

The following paragraphs explain how we recognize revenue and operating costs in our operating segments and the terminology we use to describe our operating results.

In the Aerospace segment, we record revenue on contracts for new aircraft when the customer obtains control of the asset, which is generally upon delivery and acceptance by the customer of the fully outfitted aircraft. Revenue associated with the segment's services businesses is recognized as work progresses or upon delivery of services. Fluctuations in revenue from period to period result from the number and mix of new aircraft deliveries, and the level and type of aircraft services performed during the period.

The majority of the Aerospace segment's operating costs relates to new aircraft production on firm orders and consists of labor, material, subcontractor and overhead costs. The costs are accumulated in production lots, recorded in inventory and recognized as operating costs at aircraft delivery based on the estimated average unit cost in a production lot. While changes in the estimated average unit cost for a production lot impact the level of operating costs, the amount of operating costs reported in a given period is based largely on the number and type of aircraft delivered. Operating costs in the Aerospace segment's services businesses are recognized generally as incurred.

For new aircraft, operating earnings and margin are a function of the prices of our aircraft, our operational efficiency in manufacturing and outfitting the aircraft, and the mix of ultra-large-cabin, large-cabin and mid-cabin aircraft deliveries. Aircraft mix can also refer to the stage of program maturity for our aircraft models. A new aircraft model typically has lower margins in its initial production lots, and then margins generally increase as we realize efficiencies in the production process. Additional factors affecting the segment's earnings and margin include the volume, mix and profitability of services work performed, the market for pre-owned aircraft, and the level of general and administrative (G&A) and net research and development (R&D) costs incurred by the segment.

In the defense segments, revenue on long-term government contracts is recognized generally over time as the work progresses, either as products are produced or as services are rendered. Typically, revenue is recognized over time using costs incurred to date relative to total estimated costs at completion to measure progress toward satisfying our performance obligations. Incurred costs represent work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer. Contract costs include labor, material, overhead and, when appropriate, G&A expenses. Variances in costs recognized from period to period reflect primarily increases and decreases in production or activity levels on individual contracts.

Operating earnings and margin in the defense segments are driven by changes in volume, performance or contract mix. Performance refers to changes in profitability based on adjustments to estimates at completion on individual contracts. These adjustments result from increases or decreases to the estimated value of the contract, the estimated costs to complete the contract or both. Therefore, changes in costs incurred in the period compared with prior periods do not necessarily impact profitability. It is only when total estimated costs at completion on a given contract change without a corresponding change in the contract value (or vice versa) that the profitability of that contract may be impacted. Contract mix refers to changes in the volume of higher- versus lower-margin work. Higher or lower margins can result from a number of factors, including contract type (e.g., fixed-price/cost-reimbursable) and type of work (e.g., development/production). Contract mix can also refer to the stage of program maturity for our long-term production contracts. New long-term production contracts typically have lower margins initially, and then margins generally increase as we achieve learning curve improvements or realize other cost reductions.

Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance	Three Months Ended	June 30, 2024		Revenue		July 2, 2023			
Revenue	Revenue	\$10,731	\$	\$ 9,881	\$	\$ 850	8.6	8.6 %	Revenue	\$ 11,976	\$		\$10,152	\$	
Operating costs and expenses	Operating costs and expenses	(9,695)	(8,943)	(8,943)	(752)	(752)	8.4	8.4 %	Operating costs and expenses	(10,820)		(9,190)		(9,190)	(1
Operating earnings	Operating earnings	1,036	938	938	98	98	10.4	10.4 %	Operating earnings	1,156		962		962	

Six Months Ended

	June 30, 2024	July 2, 2023	Variance	
Six Months Ended				
Revenue	\$22,707	\$20,033	\$2,674	13.3 %
Operating costs and expenses	(20,515)	(18,133)	(2,382)	13.1 %
Operating earnings	2,192	1,900	292	15.4 %

Our consolidated revenue increased in the second quarter and first quarter six months of 2024 driven by growth across all segments, including double digit percentage growth in our Aerospace, Marine Systems and Combat Systems segments. Revenue operating margin increased at a greater rate than operating costs and expenses 20 basis points in the three-month period, resulting in a 20 basis-point increase in operating margin. second quarter and first six months of 2024.

Following is a discussion of operating results for each of our operating segments. For the Aerospace segment, results are analyzed by specific types of products and services, consistent with how the segment is managed. For the defense segments, the discussion is based on markets and the lines of products and services offered with a supplemental discussion of specific contracts and programs when significant to the results. Additional information regarding our segments can be found in Note L to the unaudited Consolidated Financial Statements in Part I, Item 1.

Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance			Three Months Ended	June 30, 2024		July 2, 2023		Variance				
Revenue	Revenue	\$2,084	\$	\$1,892	\$	\$	192	10.1	%	10.1	Revenue	\$	2,940	\$	\$1,953	\$	\$987	50.1

Operating earnings	Operating earnings	255	229	229	26	26	11.4	11.4 %	Operating earnings	319	236	236	83	8
Operating margin														
Gulfstream aircraft deliveries (in units)														
Gulfstream aircraft deliveries (in units)														
Gulfstream aircraft deliveries (in units)		24	21	21	3	3	14.3	14.3 %		37	24	24	13	13
Six Months Ended	June 30, 2024		July 2, 2023											
Revenue	\$5,024		\$3,845		\$1,179		30.7 %							
Operating earnings	574		465		109		23.4 %							
Operating margin														
Gulfstream aircraft deliveries (in units)														
Gulfstream aircraft deliveries (in units)														
Gulfstream aircraft deliveries (in units)		61		45		16	35.6 %							

Operating Results

The increase in the Aerospace segment's revenue in the second quarter and first quarter six months of 2024 consisted of the following:

Aircraft manufacturing		\$	110
Aircraft services			82
Total increase		\$	192
	Second Quarter	Six Months	
Aircraft manufacturing	\$ 851	\$ 961	
Aircraft services	136	218	
Total increase	\$ 987	\$ 1,179	

Aircraft manufacturing revenue increased in the second quarter and first quarter six months of 2024 due primarily to additional the number and mix of aircraft deliveries including initial deliveries of our G650 ultra-long-range, ultra-large-cabin G700 aircraft. Aircraft services revenue was up in the second quarter and first quarter six months of 2024 due to increased customer demand for aircraft maintenance based on established maintenance cycles, a larger installed base and customer flight activity.

The increase in the segment's operating earnings in the second quarter and first quarter six months of 2024 consisted of the following:

Aircraft manufacturing		\$	31
Aircraft services			24
G&A/other expenses			(29)
Total increase		\$	26
	Second Quarter	Six Months	
Aircraft manufacturing	\$ 46	\$ 77	
Aircraft services	33	56	
G&A/other expenses	4	(24)	

Total increase		\$	83	\$	109
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Aircraft manufacturing operating earnings increased in the second quarter and first quarter six months of 2024 due primarily to the number and mix of aircraft deliveries. Aircraft services operating earnings increased in the second quarter and first six months due to higher volume and favorable cost performance. G&A/other expenses increased in the first quarter six months of 2024 due primarily to increased R&D expenses associated with ongoing certification and product development efforts. In total, the Aerospace segment's operating margin increased 10 decreased 120 basis points in the second quarter and 70 basis points in the first quarter six months of 2024 compared with the prior-year period. periods, reflecting additional costs associated with the first lot of G700 aircraft, out of station work caused by late supply chain deliveries and extended certification processes.

2024 Outlook

We expect the Aerospace segment's 2024 revenue to be approximately \$12.7 billion, with operating margin of approximately 14%.

MARINE SYSTEMS

Three Months Ended														Three Months Ended													
Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance				Three Months Ended	June 30, 2024						July 2, 2023		Variance								
Revenue	Revenue	\$3,331	\$	\$2,992	\$	\$339	11.3		11.3 %	Revenue	\$ 3,453	\$	\$3,059	\$	\$394	12.9		12.9 %									
Operating earnings	Operating earnings	232	211	211	21	21	10.0		10.0 %	Operating earnings	245	235	235	235	10	10	4.3		4.3 %								
Operating margin																											
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Operating Results

The increase in the Marine Systems segment's revenue in the second quarter and first quarter six months of 2024 consisted of the following:

U.S. Navy ship construction	\$	265
U.S. Navy ship engineering, repair and other services		74
Total increase	\$	339

	Second Quarter	Six Months
U.S. Navy ship construction	\$ 224	\$ 489
U.S. Navy ship engineering, repair and other services	170	244
Total increase	\$ 394	\$ 733

Revenue from U.S. Navy ship construction and engineering was up in the second quarter and first quarter six months of 2024 due primarily to increased volume on the Columbia-class and Virginia-class submarine program. programs. Overall, the Marine Systems segment's operating margin in both periods reflected continues to reflect the impact of supply chain challenges.

2024 Outlook

We expect the Marine Systems segment's 2024 revenue to be approximately \$13.4-13.8 billion with operating margin of approximately 7.4%.

COMBAT SYSTEMS

Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance			Three Months Ended	June 30, 2024		July 2, 2023		Variance			
Revenue	Revenue	\$2,102	\$	\$1,756	\$	\$346	19.7		19.7 %	Revenue	\$ 2,288	\$	\$1,924	\$	\$364	18.9	1
Operating earnings	Operating earnings	282	245	245	37	37	15.1		15.1 %	Operating earnings	313	251	251	62	62	24.7	
Operating margin																	
Six Months Ended																	
Six Months Ended																	
Six Months Ended		June 30, 2024	July 2, 2023		Variance												
Revenue		\$4,390	\$3,680		\$710			19.3 %									
Operating earnings		595	496		99			20.0 %									
Operating margin																	

Operating Results

The increase in the Combat Systems segment's revenue in the **second quarter and first quarter six months** of 2024 consisted of the following:

Weapons systems and munitions		\$	228
International military vehicles			65
U.S. military vehicles			53
Total increase		\$	346

	Second Quarter	Six Months
Weapons systems and munitions	\$ 264	\$ 492
U.S. military vehicles	112	165
International military vehicles	(12)	53
Total increase	\$ 364	\$ 710

Revenue from weapons systems and munitions increased in the **second quarter and first quarter six months** of 2024 due to heightened demand for artillery products, which has resulted in facility expansion efforts to achieve higher production rates. Revenue from **U.S. military vehicles increased due primarily to higher volume on the U.S. Army's M10 Booker combat vehicle program**. Revenue from international military vehicles increased in the **first six months of 2024** due primarily to higher volume on contracts for the sale of the Abrams main battle tank to U.S. allies and partners and wheeled combat vehicle sales in Europe. **Revenue from U.S. military vehicles increased due to higher volume on the U.S. Army's M10 Booker combat vehicle program.**

Overall, the Combat Systems segment's operating margin **decreased 60 increased 70** basis points **driven by lower-margin artillery facilities expansion work**, in the second quarter and 10 basis points in the first six months of 2024.

2024 Outlook

We expect the Combat Systems segment's 2024 revenue to be approximately \$8.7 billion with operating margin of approximately 14.4%.

TECHNOLOGIES

Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance			Three Months Ended	June 30, 2024		July 2, 2023		Variance				
Revenue	Revenue	\$3,214	\$	\$3,241	\$	\$(27)	(0.8)		(0.8)	%	Revenue	\$ 3,295	\$	\$3,216	\$	\$79	2.5	2.5 %
Operating earnings	Operating earnings	295	299	299	(4)	(4)	(1.3)		(1.3)	%	Operating earnings	320	283	283	37	37	13.1	

Operating margin

Six Months Ended				
Six Months Ended				
Six Months Ended	June 30, 2024	July 2, 2023	Variance	
Revenue	\$6,509	\$6,457	\$ 52	0.8 %
Operating earnings	615	582	33	5.7 %
Operating margin				

Operating Results

The **change increase** in the Technologies segment's revenue in the **second quarter and first quarter six months** of 2024 consisted of the following:

C5ISR* solutions	\$	(22)
Information technology (IT) services		(5)
Total decrease	\$	(27)

	Second Quarter	Six Months
Information technology (IT) services	\$ 45	\$ 40
C5ISR* solutions	34	12
Total increase	\$ 79	\$ 52

* Command, control, communications, computers, cyber, intelligence, surveillance and reconnaissance

The Technologies segment's revenue was **down slightly up** in the second quarter and first six months of 2024 due to **program timing and ramp-down** higher volume across the portfolio, including the ramp-up of **legacy programs, while new programs**. Overall, the Technologies segment's operating margin **remained consistent** increased 90 basis points in the second quarter and 40 basis points in the first six months of 2024 due to strong operating performance.

2024 Outlook

We expect the Technologies segment's 2024 revenue to be approximately \$13 billion with **the prior period**. operating margin of approximately 9.5%.

CORPORATE

Corporate operating costs totaled **\$28 \$41** in the second quarter and \$69 in the first **quarter six months** of 2024 compared with **\$46 \$43** in the second quarter and \$89 in the first **quarter six months** of 2023 and consisted primarily of equity-based compensation expense. Corporate operating costs are expected to be approximately \$140 in 2024.

OTHER INFORMATION

PRODUCT REVENUE AND OPERATING COSTS

Three Months Ended	Three Months Ended March 31, 2024		April 2, 2023		Variance	Three Months Ended June 30, 2024		July 2, 2023	
Revenue	Revenue \$ 6,134	\$	\$ 5,513	\$	\$ 621	11.3	Revenue \$ 7,160	\$	\$5,797
Operating costs	Operating costs (5,189)	(4,641)	(4,641)	(548)	(548)	11.8	Operating costs (6,127)	(4,915)	(4,915)
Six Months Ended	June 30, 2024		July 2, 2023		Variance				
Revenue	\$13,294		\$11,310		\$1,984	17.5 %			
Operating costs	(11,315)		(9,556)		(1,759)	18.4 %			

The increase in product revenue in the second quarter and first quarter six months of 2024 consisted of the following:

Ship construction			\$	265
Weapons systems and munitions				228
	Second Quarter	Six Months		
Aircraft manufacturing	\$	851	\$	961
Weapons systems and munitions		264		492
Ship construction		224		489
Military vehicle production		63		142
Other, net		(39)		(100)
Total increase	\$	1,363	\$	1,984
Aircraft manufacturing				110
Other, net				18
Total increase			\$	621

Ship construction revenue increased in the second quarter and first quarter six months of 2024 due primarily to higher volume on the Columbia-class submarine program, additional aircraft deliveries. Weapons systems and munitions revenue was up due to heightened demand for artillery products, which has resulted in facility expansion efforts to achieve higher production rates. Aircraft manufacturing Ship construction revenue was up increased due primarily to additional aircraft deliveries, higher volume on the Columbia-class and Virginia-class submarine programs. The primary drivers of the increase in product operating costs were the changes in volume on the programs described above.

SERVICE REVENUE AND OPERATING COSTS

Three Months Ended	Three Months Ended	March 31, 2024		April 2, 2023		Variance		Three Months Ended	June 30, 2024			July 2, 2023		Variance	
Revenue	Revenue	\$4,597	\$	\$ 4,368	\$	\$229	5.2		5.2 %	Revenue	\$ 4,816	\$	\$4,355	\$	\$461
Operating costs	Operating costs	(3,879)	(3,716)	(3,716)	(163)	(163)	4.4		4.4 %	Operating costs	(4,049)	(3,670)	(3,670)	(379)	
Six Months Ended		June 30, 2024	July 2, 2023		Variance										
Revenue		\$9,413		\$ 8,723		\$690		7.9 %							
Operating costs		(7,929)		(7,386)		(543)		7.4 %							

The increase in service revenue in the second quarter and first quarter six months of 2024 consisted of the following:

Aircraft services		\$	82
Ship services			74
Other, net			73
Total increase		\$	229
	Second Quarter	Six Months	
Ship services	\$	170	\$ 244
Aircraft services		136	218
C5ISR solutions/IT services		110	141
Other, net		45	87
Total increase	\$	461	\$ 690

Aircraft Ship services revenue increased in the second quarter and first quarter six months of 2024 due to higher volume on the Columbia-class submarine program. Aircraft services revenue was up due to additional maintenance work. Ship C5ISR solutions and IT services revenue

December 31, 2023
Aerospace
Marine
Systems
Combat
Systems
Technologies
Total

AEROSPACE

Aerospace funded backlog represents primarily new aircraft orders for which we have definitive purchase contracts and deposits from customers. Unfunded backlog consists of agreements to provide future aircraft maintenance and support services. The Aerospace segment ended the first second quarter of 2024 with backlog of \$20.5 billion \$20 billion.

Orders in the first quarter of 2024 reflected strong demand across our portfolio of products and services. The segment's for new Gulfstream aircraft increased sequentially, yielding a segment book-to-bill ratio (orders divided by revenue) was 1.2-to-1 in of 1-to-1 for the first quarter six months of 2024. 2024, even as revenue grew by more than 30% year over year.

Beyond total backlog, estimated potential contract value represents primarily options and other agreements with existing customers to purchase new aircraft and long-term aircraft services agreements. On March 31, 2024 June 30, 2024, estimated potential contract value in the Aerospace segment was \$305. \$372.

DEFENSE SEGMENTS

The total backlog in our defense segments represents the estimated remaining sales value of work to be performed under firm contracts. The funded portion of total backlog includes items that have been authorized and appropriated by the U.S. Congress and funded by customers, as well as commitments by international customers that are approved and funded similarly by their governments. The unfunded portion of total backlog includes the amounts we believe are likely to be funded, but there is no guarantee that future budgets and appropriations will provide the same funding level currently anticipated for a given program.

Estimated potential contract value in our defense segments includes unexercised options associated with existing firm contracts and unfunded work on indefinite delivery, indefinite quantity (IDIQ) contracts. Contract options represent agreements to perform additional work under existing contracts at the election of the customer. We recognize options in backlog when the customer exercises the option and establishes a firm order. For IDIQ contracts, we evaluate the amount of funding we expect to receive and include this amount in our estimated potential contract value. This amount is often less than the total IDIQ contract value, particularly when the contract has multiple awardees. The actual amount of funding received in the future may be higher or lower than our estimate of potential contract value.

Total backlog in our defense segments was \$73.2 billion \$71.3 billion on March 31, 2024 June 30, 2024. In the first second quarter of 2024, the Combat Systems segment achieved a book-to-bill ratio of 1.6-to-1, and overall, the defense Technologies segments achieved a book-to-bill ratio ratios of 1-to-1. 1.5-to-1 and 1-to-1, respectively. Estimated potential contract value in our defense segments was \$40 billion \$38.1 billion on March 31, 2024 June 30, 2024. We received the following significant contract awards during the first second quarter of 2024:

MARINE SYSTEMS

- \$310 205 from the U.S. Navy for maintenance, modernization and repair work on the USS Bataan, a Wasp-class amphibious assault ship.
- \$255 for future technology development on the next-generation attack submarine, SSN(X), program planning yard services for the Navy.
- \$150 from the Navy for long-lead materials for Block VI Virginia-class submarines.
- \$150 for design and engineering efforts for Virginia-class submarines for the Navy.
- \$125 from the Navy to provide engineering, technical, design and planning yard support services for operational strategic and attack submarines.

COMBAT SYSTEMS

- An IDIQ contract to provide medium-caliber ammunition cartridges for the U.S. Army. The contract has a maximum potential value of \$3 billion among two awardees.

- \$1.3 billion for the production of Pandur 6x6 wheeled combat vehicles from the Austrian Federal Ministry of Defense. Arleigh Burke-class (DDG-51) guided-missile destroyer program. The contract including options has a maximum potential value of \$2 billion \$1.1 billion.
- \$55 from the Navy to support non-nuclear maintenance on submarines based at the New England Naval Submarine Support Facility.
- \$55 from the Navy for maintenance and modernization on the USS James E. Williams, a DDG-51 guided-missile destroyer.
- \$35 for design and engineering services in support of U.S. and U.K. submarine technologies for the Navy.
- \$35 for advanced nuclear plant studies (ANPS) in support of the Columbia-class submarine program for the Navy.

COMBAT SYSTEMS

- Two contracts from the Canadian government for the Logistics Vehicle Modernization (LVM) program to provide a new fleet of light and heavy armored vehicles and logistics support services for the Canadian army. These contracts including options have a maximum potential value of \$1.9 billion. The scope of work is shared with an industry partner.
- \$25 from the U.S. Army for systems technical support on the Stryker fleet. The contract has a maximum potential value of \$535.
- \$385 for various munitions and ordnance. These contracts including options have a maximum potential value of \$460.
- \$390 from the Army primarily to establish additional capacity for artillery propellant.
- \$375 from the Army to upgrade Stryker vehicles to the double-V-hull A1 configuration.
- \$325 from the Canadian government to produce armored combat support vehicles (ACSVs). Army for the third phase of the low-rate initial production (LRIP) of the M10 Booker Combat Vehicle.
- \$285 230 from the Army to produce upgrade Abrams main battle tanks in to the system enhancement package version 3 (SEPV3) configuration for Romania. configuration.
- \$205 120 from the Army to provide system and sustainment technical support services for inventory management for the Stryker wheeled combat-vehicle fleet. Abrams main battle tanks.

TECHNOLOGIES

- Four IDIQ contracts from the Canadian government to support the Land Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) system for the Canadian army. These contracts have a maximum potential value of \$1.3 billion.
- \$505 530 for several key contracts for classified customers. These contracts have a maximum potential value of \$995. \$665.
- \$125 205 from the North Carolina Department of Health and Human Services to modernize the U.S. Central Command's (CENTCOM) enterprise information technology (IT) infrastructure. operate its Medicaid Management Information System. The contract including options has a maximum potential value of \$920. \$525.
- \$340 50 from the Navy Centers for Medicare and Medicaid Services (CMS) to provide full life cycle and operational support for the Trident II Fire Control System (FCS) onboard Ohio-class submarines and continue the development, production and installation of FCS for all new Columbia-class submarines. Benefits Coordination & Recovery Center. The contract including options has a maximum potential value of \$620. \$285.
- \$140 from the U.S. Air Force for the Battlefield Information Collection and Exploitation System - Extended (BICES-X) program 55 to provide intelligence information sharing capabilities. The contract has a maximum potential value of \$320.
- A contract IT network operations and maintenance services to provide technical expertise to develop and deliver high-performance computing systems and software for a classified customer. the Army. The contract including options has a maximum potential value of \$290.
- \$35 from the Air Force to provide goods and engineering services to support the Federated Trust Network Environment Infrastructure (FTI) portion of the BICES program. The contract has a maximum potential value of \$240. \$200.
- \$230 185 from the National Geospatial-Intelligence Agency (NGA) CMS to provide hybrid cloud services and IT design, engineering, and operations and sustainment services. software tools.
- \$35 from 30 to provide cybersecurity services to the Navy for maintenance, training and sustainment of the Integrated Nuclear Weapons Security and Integrated Electronic Security Systems. U.S. Air Force. The contract including options has a maximum potential value of \$190. \$185.
- \$145 to provide ship modernization services for the Navy.

- \$10 to integrate hardware and software solutions for Navy platforms. The contract including options has a maximum potential value of \$110.

LIQUIDITY AND CAPITAL RESOURCES

We place a strong emphasis on cash flow generation, which is underpinned by an operating discipline focused on cost control and working capital management. This emphasis gives us the flexibility for prudent capital deployment, while allowing us to step down debt over time, and preserves a strong balance sheet for future opportunities.

We evaluate a variety of capital deployment options based on current market conditions and our long-term outlook, and we believe agility is a key component of our capital deployment strategy as market conditions change over time. Our capital deployment priorities include investments in our products and services to drive long-term growth, a predictable dividend, strategic acquisitions and opportunistic share repurchases.

We believe cash generated by operating activities, supplemented by commercial paper issuances, is sufficient to satisfy our short- and long-term liquidity needs. An additional potential source of capital is the issuance of long-term debt in capital market transactions.

We ended the first second quarter of 2024 with a cash and equivalents balance of \$1 billion \$1.4 billion compared with \$1.9 billion at the end of 2023. The following is a discussion of our major operating, investing and financing activities in the first three six months of 2024 and 2023, as classified on the Consolidated Statement of Cash Flows in Part I, Item 1:

Three Months Ended	March 31, 2024	April 2, 2023
Net cash (used) provided by operating activities		
Six Months Ended	June 30, 2024	July 2, 2023
Net cash provided by operating activities		
Net cash used by investing activities		
Net cash used by financing activities		

OPERATING ACTIVITIES

Cash used provided by operating activities was \$278 million \$536 in the first three six months of 2024 compared with cash provided by operating activities of \$1.5 billion \$2.2 billion in the same period in 2023. The primary driver of cash flows in both periods was net earnings. Cash flows in the first three six months of 2024 were affected negatively by growth in operating working capital, particularly driven by the ramp-up in production of new Gulfstream aircraft models in our Aerospace segment and timing in our Marine Systems and Combat Systems segments. segment. Cash flows in the first three six months of 2023 were affected positively by a decrease in unbilled receivables due to the receipt of progress payments on large international vehicle contracts in our Combat Systems segment and an increase in customer deposits driven by Gulfstream

aircraft orders, offset partially by an increase in inventory due primarily to the ramp-up in production of new Gulfstream aircraft models.

INVESTING ACTIVITIES

Cash used by investing activities was \$182 \$307 in the first three six months of 2024 compared with \$190 \$404 in the same period in 2023. Our investing activities include cash paid for capital expenditures and business acquisitions; purchases, sales and maturities of marketable securities; and proceeds from asset sales. The primary use of cash for investing activities in both periods was capital expenditures. Capital expenditures were \$159 \$360 in the first three six months of 2024 compared with \$161 \$373 in the same period in 2023.

FINANCING ACTIVITIES

Cash used by financing activities was \$416 million \$778 in the first three six months of 2024 compared with \$475 million \$1.9 billion in the same period in 2023. Financing activities include the use of cash for repurchases of common stock, payment of dividends, and debt and commercial paper repayments. Our financing activities also include proceeds received from debt and commercial paper issuances and employee stock option exercises.

On March 6, 2024, our board of directors (Board) declared an increased quarterly dividend of \$1.42 per share, the 27th consecutive annual increase. Previously, the Board had increased the quarterly dividend to \$1.32 per share in March 2023. Cash dividends paid were \$361 \$750 in the first three six months of 2024 compared with \$345 \$705 in the same period in 2023.

We paid \$105 \$139 and \$90 \$378 in the first three six months of 2024 and 2023, respectively, to repurchase our outstanding shares. On March 31, 2024 June 30, 2024, 4.3 million 4.2 million shares remained authorized by our Board for repurchase, representing 1.6% 1.5% of our total shares outstanding.

Fixed-rate notes of \$500 mature in November 2024. We currently plan to repay these notes at maturity using cash on hand, potentially supplemented by commercial paper or other borrowings. For additional information regarding our debt obligations, including scheduled debt maturities and interest rates, see Note H to the unaudited Consolidated Financial Statements in Part I, Item 1.

On **March 31, 2024** **June 30, 2024**, we had no commercial paper outstanding, but we maintain the ability to access the commercial paper market in the future. Separately, we have a \$4 billion committed bank credit facility for general corporate purposes and working capital needs and to support our commercial paper issuances. We also have an effective shelf registration on file with the Securities and Exchange Commission (SEC) that allows us to access the debt markets.

NON-GAAP FINANCIAL MEASURE - FREE CASH FLOW

We emphasize the efficient conversion of net earnings into cash and the deployment of that cash to maximize shareholder returns. As described below, we use free cash flow to measure our performance in these areas. While we believe this metric provides useful information, it is not a defined operating measure under U.S. generally accepted accounting principles (GAAP), and there are limitations associated with its use. Our calculation of this metric may not be completely comparable to similarly titled measures of other companies due to potential differences in the method of calculation. As a result, the use of this metric should not be considered in isolation from, or as a substitute for, GAAP measures.

We define free cash flow as net cash from operating activities less capital expenditures. We believe free cash flow is a useful measure for investors because it portrays our ability to generate cash from our businesses for purposes such as repaying debt, funding business acquisitions, repurchasing our common stock and paying dividends. We use free cash flow to assess the quality of our earnings and as a key performance measure in evaluating management. The following table reconciles free cash flow with net cash from operating activities, as classified on the Consolidated Statement of Cash Flows in Part I, Item 1:

Three Months Ended	March 31, 2024	April 2, 2023
Net cash (used) provided by operating activities		
Six Months Ended	June 30, 2024	July 2, 2023
Net cash provided by operating activities		
Capital expenditures		
Free cash flow		
Cash flows as a percentage of net earnings:		
Net cash (used) provided by operating activities		
Net cash (used) provided by operating activities		
Net cash (used) provided by operating activities	(35) %	200 %
Net cash provided by operating activities		
Net cash provided by operating activities		
Net cash provided by operating activities	31 %	149 %
Free cash flow	Free cash flow (55) %	178 %
		Free cash flow 10 % 123 %

ADDITIONAL FINANCIAL INFORMATION

ENVIRONMENTAL MATTERS AND OTHER CONTINGENCIES

For a discussion of environmental matters and other contingencies, see Note J to the unaudited Consolidated Financial Statements in Part I, Item 1. Except as otherwise noted in Note J, we do not expect our aggregate liability with respect to these matters to have a material impact on our results of operations, financial condition or cash flows.

APPLICATION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's Discussion and Analysis of Financial Condition and Results of Operations is based on the unaudited Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of financial statements in accordance with GAAP requires that we make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. We employ judgment in making our estimates, but they are based on historical experience, currently available information and various other assumptions that we believe to be

reasonable under the circumstances. Actual results may differ from these estimates. We believe our judgment is applied consistently and produces financial information that fairly depicts our results of operations for all periods presented.

Accounting for long-term contracts and programs involves the use of various techniques to estimate total contract revenue and costs. Contract estimates are based on various assumptions to project the outcome of future events that often span several years. We review and update our contract-related estimates regularly. We recognize adjustments in estimated profit on contracts under the cumulative catch-up method. Under this method, the impact of the adjustment on profit recorded to date on a contract is recognized in the period the adjustment is identified. The aggregate impact of adjustments in contract estimates increased our operating earnings (and diluted earnings per share) by \$36 (\$0.10) and \$77 (\$0.22) and \$113 (\$0.32) for the three-month three- and six-month periods ended March 31, 2024 June 30, 2024, and April 2, 2023 \$10 (\$0.03) and \$87 (\$0.25) for the three- and six-month periods ended July 2, 2023, respectively. No

adjustment on any one contract was material to the unaudited Consolidated Financial Statements for the three-month three- and six-month periods ended March 31, 2024 June 30, 2024, or April 2, 2023 July 2, 2023.

Other critical accounting policies and estimates include long-lived assets and goodwill, commitments and contingencies, and retirement plans. For a full discussion of our critical accounting policies and estimates, see our Annual Report on Form 10-K for the year ended December 31, 2023.

GUARANTOR FINANCIAL INFORMATION

The outstanding notes described in Note H to the unaudited Consolidated Financial Statements in Part I, Item 1, issued by General Dynamics Corporation (the parent), are fully and unconditionally guaranteed on an unsecured, joint and several basis by several of the parent's 100%-owned subsidiaries (the guarantors). The guarantee of each guarantor ranks equally in right of payment with all other existing and future senior unsecured indebtedness of such guarantor. A listing of the guarantors is included in an exhibit to this Form 10-Q.

Because the parent is a holding company, its cash flow and ability to service its debt, including the outstanding notes, depends on the performance of its subsidiaries and the ability of those subsidiaries to distribute cash to the parent, whether by dividends, loans or otherwise. Holders of the outstanding notes have a direct claim only against the parent and the guarantors.

Under the relevant indenture, the guarantee of each guarantor is limited to the maximum amount that can be guaranteed without rendering the guarantee voidable under applicable laws relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. Each indenture also provides that, in the event (1) of a merger, consolidation or sale or disposition of all or substantially all of the assets of a guarantor (other than a transaction with the parent or any of its subsidiaries) or (2) there occurs a transfer, sale or other disposition of the voting stock of a guarantor so that the guarantor is no longer a subsidiary of the parent, then the guarantor or the entity acquiring the assets (in the event of a sale or other disposition of all or substantially all of the assets of a guarantor) will be released and relieved of any obligations under the guarantee.

The following summarized financial information presents the parent and guarantors (collectively, the combined obligor group) on a combined basis. The summarized financial information of the combined obligor group excludes net investment in and earnings of subsidiaries related to interests held by the combined obligor group in subsidiaries that are not guarantors of the notes.

STATEMENT OF EARNINGS INFORMATION - COMBINED OBLIGOR GROUP

	Three Months Ended March 31, 2024	Year Ended December 31, 2023
	Six Months Ended June 30, 2024	Year Ended December 31, 2023
Revenue		
Operating costs and expenses, excluding G&A		
Net earnings		

BALANCE SHEET INFORMATION - COMBINED OBLIGOR GROUP

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Cash and equivalents		
Other current assets		
Noncurrent assets		
Total assets		
Short-term debt and current portion of long-term debt		

Short-term debt and current portion of long-term debt
Short-term debt and current portion of long-term debt
Other current liabilities
Long-term debt
Other noncurrent liabilities
Total liabilities

The summarized balance sheet information presented above includes the funded status of the company's primary qualified U.S. government pension plans as the parent has the ultimate obligation for the plans.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes with respect to this item from the disclosure included in our Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Our management, under the supervision and with the participation of the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of **March 31, 2024** **June 30, 2024**. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, on **March 31, 2024** **June 30, 2024**, our disclosure controls and procedures were effective.

There were no changes in our internal control over financial reporting that occurred during the quarter ended **March 31, 2024** **June 30, 2024**, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

The certifications of the company's Chief Executive Officer and Chief Financial Officer required under Section 302 of the Sarbanes-Oxley Act have been filed as Exhibits 31.1 and 31.2 to this report.

FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q contains forward-looking statements, which are based on management's expectations, estimates, projections and assumptions. 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. Examples include projections of revenue, earnings, operating margin, segment performance, cash flows, contract awards, aircraft production, deliveries and backlog. In making these statements, we rely on assumptions and analyses based on our experience and perception of historical trends; current conditions and expected future developments; and other factors, estimates and judgments we consider reasonable and appropriate based on information available to us at the time. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. These statements are not guarantees of future performance and involve factors, risks and uncertainties that are difficult to predict. Actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors, including the risk factors discussed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023. These factors include, among others:

- general U.S. and international political and economic conditions;
- decreases in U.S. government defense spending or changing priorities within the defense budget;
- termination of government contracts due to unilateral government action;
- differences in anticipated and actual program performance, including the ability to perform within estimated costs, and performance issues with key suppliers;
- expected recovery on contract claims and requests for equitable adjustment;
- changing customer demand for business aircraft, including the effects of economic conditions on the business-aircraft market;
- changing prices for energy and raw materials;
- the negative impact of the COVID-19 pandemic, or other similar outbreaks;
- the status or outcome of legal and/or regulatory proceedings;
- potential effects of audits and reviews by government agencies of our government contract performance, compliance and internal control systems and policies;
- cybersecurity events and other disruptions;
- risks and uncertainties relating to our acquisitions and joint ventures; and
- potential for increased regulation related to global climate change.

All forward-looking statements speak only as of the date of this report or, in the case of any document incorporated by reference, the date of that document. All subsequent written and oral forward-looking statements attributable to General Dynamics or any person acting on our behalf are qualified by the cautionary statements in this section. We do 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 report. These factors may be revised or supplemented in future SEC filings.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For information relating to legal proceedings, see Note J to the unaudited Consolidated Financial Statements in Part I, Item 1.

ITEM 1A. RISK FACTORS

There have been no material changes with respect to this item from the disclosure included in our Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information about our **first-quarter** **second-quarter** purchases of equity securities that are registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended:

Period	Total Number of Shares	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Number of Shares That May Yet Be Purchased Under the Program
<i>Shares Purchased Pursuant to Share Buyback Program</i>				
1/1/24-1/28/24	—	\$ —	—	4,686,182
1/29/24-2/25/24	353,964	268.36	353,964	4,332,218
2/26/24-3/31/24	36,627	272.94	36,627	4,295,591
<i>Shares Delivered or Withheld Pursuant to Restricted Stock Vesting*</i>				
1/1/24-1/28/24	2,906	259.38		
1/29/24-2/25/24	1,446	265.66		
2/26/24-3/31/24	196,991	274.40		
	591,934	\$ 270.60		

Period	Total Number of Shares	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Number of Shares That May Yet Be Purchased Under the Program
<i>Shares Purchased Pursuant to Share Buyback Program</i>				
4/1/24-4/28/24	17,574	\$ 284.50	17,574	4,278,017
4/29/24-5/26/24	93,345	287.50	93,345	4,184,672
5/27/24-6/30/24	7,815	289.50	7,815	4,176,857
<i>Shares Delivered or Withheld Pursuant to Restricted Stock Vesting*</i>				
4/1/24-4/28/24	858	289.17		
4/29/24-5/26/24	7,302	287.81		
5/27/24-6/30/24	1,298	298.65		
	128,192	\$ 287.35		

* Represents shares withheld by, or delivered to, us pursuant to provisions in agreements with recipients of restricted stock granted under our equity compensation plans that allow us to withhold, or the recipient to deliver to us, the number of shares with a fair value equal to the statutory tax withholding due upon vesting of the restricted shares.

We did not make any unregistered sales of equity securities in the **first** **second** quarter of 2024.

ITEM 5. OTHER INFORMATION

During the quarter ended **March 31, 2024** **June 30, 2024**, none of our directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as such terms are defined under Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

- 10.1* Form of Non-Statutory Stock Option Award Consulting Agreement pursuant to the between Mark C. Roualet and General Dynamics Corporation, Amended and Restated 2012 Equity Compensation Plan (for grants to executive officers beginning March 6, 2024, and including, effective as indicated therein, provisions for certain executive officers who are subject to the company's Compensation Recoupment Policy) of May 1, 2024**
- 10.2* Form of Restricted Stock Award Agreement pursuant to the General Dynamics Corporation Amended and Restated 2012 Equity Compensation Plan (for grants to executive officers beginning March 6, 2024, and including, as indicated therein, provisions for certain executive officers who are subject to the company's Compensation Recoupment Policy)**
- 10.3* Form of Performance Stock Unit Award Agreement pursuant to the General Dynamics Corporation Amended and Restated 2012 Equity Compensation Plan (for grants to executive officers beginning March 6, 2024, and including, as indicated therein, provisions for certain executive officers who are subject to the company's Compensation Recoupment Policy)**###
- 22 Subsidiary Guarantors (incorporated herein by reference from the company's quarterly report on Form 10-Q for the period ended October 1, 2023, filed with the SEC on October 25, 2023).
- 31.1 Certification by CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**
- 31.2 Certification by CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**
- 32.1 Certification by CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
- 32.2 Certification by CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
- 101.INS Inline eXtensible Business Reporting Language (XBRL) Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document**
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document**
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document**
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document**
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document**
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101)

* Indicates a management contract or compensatory plan or **arrangement required to be filed pursuant to Item 6 of Form 10-Q.**

** Filed or furnished electronically herewith.

Certain portions of this exhibit have been omitted by means of marking such portions with brackets and asterisks because the Registrant has determined that the information is not material and is the type that the Registrant treats as private or confidential. The Registrant agrees to provide on a supplemental basis an unredacted copy of this exhibit to the SEC or its staff upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GENERAL DYNAMICS CORPORATION

by /s/ William A. Moss

William A. Moss

Vice President and Controller

(Authorized Officer and Chief Accounting Officer)

Dated: **April 24, 2024** **July 24, 2024**

FORM OF NON-STATUTORY STOCK OPTION AGREEMENT

PURSUANT TO CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE THE GENERAL DYNAMICS CORPORATION

AMENDED INFORMATION IS BOTH (I) NOT MATERIAL AND RESTATED 2012 EQUITY COMPENSATION PLAN (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

THIS OPTION AGREEMENT (the "

May 1, 2024

Roualet Global LLC

[***]

Re: Consulting Agreement"

Dear Mark:

This letter agreement ("Agreement") dated as of [DATE] (the "Grant Date") is made confirms the contractual arrangement between General Dynamics Corporation (the "Company" ("General Dynamics") and [NAME] (the "Optionee" you ("you" or "your").

WHEREAS, (individually referred to as a "Party" and collectively referred to as the Company sponsors the "Parties") as set forth below. Danny Deep will be your primary point of contact at General Dynamics Corporation Amended for services requested under this Agreement, for submitting invoices for payment, and Restated 2012 Equity Compensation Plan (the "Plan"), pursuant to which for any questions about the Company may grant Options to purchase shares of Common Stock; and Agreement.

WHEREAS, the Company desires to grant the Optionee a Non-Statutory Stock Option pursuant to the Plan to purchase the number of shares of Common Stock provided for herein.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements herein contained, the parties hereto agree as follows:

1. Grant of Option. Services to be Rendered

(a) Number of Shares; Type of Option

General Dynamics retains you, and you agree, to complete special duties related to operational matters as assigned, [***], and other operational consulting services as assigned, to include conference calls, telephone calls, and occasional in-person meetings at General Dynamics or affiliate or third-party locations (hereinafter referred to as "Services"). The Company hereby grants Services will be performed solely by you. For purposes of rendering the Services, during the Term of the Agreement, you may continue to use your General Dynamics email, and device(s). We have no objection to you retaining your mobile number post agreement term.

The Services shall not generally include any communication or appearance by you on behalf of General Dynamics before any representative of the Optionee an Option Executive Branch or any Member, officer, or employee of the U.S. Congress.

2. Term of Agreement and Termination

This Agreement shall be effective as of the date above for a period expiring on December 31, 2024 (the "Term") provided that either Party can earlier terminate the Agreement by giving the other Party at least 30 days' prior written notice of the termination.

Prior written notice is not required and the Agreement shall terminate immediately upon written notice if either Party breaches the terms or conditions of this Agreement, or if a representation, warranty or covenant set forth in Section 9 becomes untrue in whole or in part. Notwithstanding the foregoing, your obligations under Sections 5 and 11 of this Agreement shall survive the expiration and/or termination of this Agreement.

3. Option Grant Fee and Expenses; Invoices") to purchase [NUMBER] shares

In consideration for the Services and the fulfillment of Common Stock (the "Option Shares") on the terms and conditions set forth in this Agreement. The Option is intended to be a Non-Statutory Stock Option.

(b) Incorporation of Plan by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement, General Dynamics shall pay you a monthly fee of \$36,500.00 through December 31, 2024. In addition, General Dynamics shall pay you reasonable expenses for out-of-town travel pre-approved by General Dynamics, which expenses will be construed include reasonable and necessary airfare, auto rental charges, food, and lodging, etc. Except for the pre-approved travel expenses noted above, you agree that you are solely responsible for payment of any costs or expenses incurred by you in the course of performing the Services. You may accompany any GD employee on corporate aircraft with prior approval in accordance with Corporate Policy 07-106. You may use a corporate driver when attending events associated with support to GD if pre-approved.

For any month in which you perform Services, General Dynamics will pay you in accordance with our customary practices. Expenses shall be supported by receipts. Any charges for company approved expenses will be charged to your corporate AMEX card when practical. Any charges will be processed by General Dynamics. The AMEX card will be used exclusively for GD related business expenses.

4. Place of Work; Supplies, Equipment, and Operating Costs

As an independent contractor, you retain control over the provisions manner and means by which you provide the Services to General Dynamics, provided, however, that General Dynamics retains sole discretion to determine the objectives of the Plan Services, the General Dynamics' personnel that you will communicate with for the provision of Services, completion deadlines, and whether the Services have been provided by you in a satisfactory manner. You are not required to work any capitalized terms fixed schedule and can set your own hours. With the exception of periodic in-person meetings, you will not otherwise defined report to work or maintain a dedicated office space at any of General Dynamics' facilities; however, when onsite you will have the use of a guest office. Also, except as noted in this Agreement, will have you are expected to provide, at your own cost, any offsite workspace or any other supplies or equipment needed to render the definitions set forth Services. General Dynamics shall not be charged for any operating costs, overhead costs or other normal business expenses incurred by you in performing the Services.

5. Confidential Information and Return of Property

Any information that General Dynamics provides to you or that you obtain in the Plan. The Committee will have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decisions will be binding and conclusive upon the Optionee and the Optionee's legal representative in respect of any questions arising under the Plan or this Agreement. If there exists any inconsistency between the terms course of this Agreement regarding General Dynamics' financial or business objectives, program or product plans, manufacturing lines, profit margins, costs or pricing, operations, strategies, technology, processes, and know-how that is not generally known by individuals not employed by General Dynamics shall be considered "Confidential Information."

Subject to Section 10, you agree (i) that you shall not use or disclose Confidential Information for any purpose other than for the Plan, sole and exclusive benefit of General Dynamics and its subsidiaries; (ii) that all Confidential Information shall remain General Dynamics' property; and (iii) that you will not disclose such information to any third party without General Dynamics' prior express written approval, during or after the terms contained Term or any extension of the Term. You specifically agree that you will not, during or after the Term or any extension of the Term, undertake any activity that would inevitably require you to use for the

benefit of any other person or entity any Confidential Information that General Dynamics provided to you in the Plan will govern. If there exists any inconsistency between the terms course of the Option as performance of this Agreement.

Upon the request of General Dynamics or the conclusion of this Agreement, whichever is earlier, you will promptly return to General Dynamics all General Dynamics Property (as defined herein) provided for herein to or obtained by you in the course of this Agreement. For the purposes of this Agreement, General Dynamics Property means any thing which has been produced, generated, created, provided, made available or itemized in whatever form (including originals, copies, computer files and other electronic data) by General Dynamics or you in the course of General Dynamics' business and operations, or that otherwise belongs to General Dynamics, including but not limited to terms relating computers, files, programs, land-line, access cards, documents, records, notes, data, proposals, tabulations, tapes, disks, planning, forecasts, processes, drawings, and specifications. You further agree to the number cooperate with General Dynamics to ensure that, subject to any litigation retention directive applicable to you, all property of Option Shares, the Stated Expiration Date, the exercise price and the exercisability of the Option) and the terms as indicated in the records maintained by Company, the terms as indicated in the records of the Company will govern.

2. Terms and Conditions.

(a) **Exercise Price.** The exercise price for the purchase of Option Shares General Dynamics is permanently deleted from any personal computer, PDA, cloud or other electronic or storage device or personal e-mail account upon the exercise request of all General Dynamics during the course of this Agreement or any portion time thereafter.

6. Rights of the Option will be \$[PRICE] per share of Common Stock. Work Product

(b) A. **Expiration Date.** Subject to earlier expiration You agree that, except as provided in Sections 2(f) Sub-Paragraph (B) of this Section 6, all intellectual property, including but not limited to all deliverables, writings, documents, data, video recordings, audio recordings, electronic recordings, and (g) below, other materials that you make (or participate in making), conceive, discover or develop at any time as a result of or in connection with your performance of the Option will expire Services or exposure to any Confidential Information pursuant to this Agreement, in any and all media or forms of expression, together with any associated improvements, technology, designs, ideas, processes, techniques, know-how and data, whether or not patentable, patents, copyrights, trademarks and trade secrets (collectively, the "Work Product") shall be the sole and exclusive property of General Dynamics. If by operation of law or any other reason any of the Work Product, including all related intellectual property rights, is not deemed to be a work for hire or is not otherwise owned in its entirety by General Dynamics automatically upon creation thereof, then you hereby assign to General Dynamics, without additional consideration, all right, title, and interest in and to such Work Product, including all related intellectual property rights. To the extent, if any, that this Paragraph does not provide General Dynamics with full ownership, right, title, and interest throughout the world in and to the Work Product, you irrevocably agree to grant, and do hereby grant, General Dynamics an exclusive, perpetual, irrevocable, transferable, unlimited, fully paid-up, royalty-free, worldwide license to make, have made, use, reproduce, market, modify, make derivative works from, publicly perform, publicly display, offer to sell, sell or otherwise exploit such Work Product, with the right to sublicense each and every such right.

B. You shall retain your intellectual property rights incorporated into the Work Product solely and only to the extent such intellectual property rights were (i) developed by you prior to the development of the Work Product, (ii) conceived and reduced to practice by you entirely on your own time without using equipment, supplies, facilities, trade secrets or Confidential Information of General Dynamics, or (iii) licensed to you by a third party (collectively, "Contractor IP"). Prior to incorporating any Contractor IP into any Work Product, you must disclose any such Contractor IP to General Dynamics, in writing; failure to provide such disclosure shall result in such Contractor IP being deemed Work Product. You further agree that if, in the course of

performing the Services, you incorporate any Contractor IP into any Work Product, you hereby grant General Dynamics a nonexclusive, fully paid-up, royalty-free, perpetual, irrevocable, worldwide, sublicensable, transferable license under all of your intellectual property rights in and to

any such Contractor IP incorporated into Work Product.

7. Notices and Reports

All notices under this Agreement shall be in writing, shall comply with this Section, and shall be deemed to have been given at the close of business on time transmitted by e-mail, by overnight express mail, by personal delivery, or three days after being deposited in the business day immediately preceding United States mail enclosed in a registered or certified postage prepaid envelope and addressed to the tenth anniversary address of the Grant Date (the "other Party in accordance with this Section).

Roualet Global LLC

[***]

To General Dynamics Corporation Stated Expiration Date").

General Dynamics Corporation

Attention: Christine Mueller, Legal Department

11011 Sunset Hills Road

Reston, VA 20190

Each Party is responsible to notify the other Party promptly in the event of any change of address or other relevant contact information that would affect notices and disclosures under this Agreement.

(c) 8. Exercisability Nature of Option. Relationship; Taxes

(i) General. Except as provided in Section 2(c)(ii)

You acknowledge and (iii) below, the Option Grant will become vested agree that, at all times, you shall be an independent contractor, and exercisable with respect nothing herein creates or shall be construed to a number of Option Shares (rounded down to the nearest whole share) as follows: one-half (1/2) of the Option Shares on the second anniversary of the Grant Date create or imply any employer-employee, principal-agent, partnership, joint venture, or other relationship between you and the remaining Option Shares on the third anniversary of the Grant Date, in each case, only if either: (A) the Optionee is employed as an employee of the Company General Dynamics or any of its Subsidiaries subsidiaries or serves as a director of the Company as of the applicable vesting date, affiliates. You shall hold no authority, express or (B) the Optionee's employment with the Company implied, to obligate General Dynamics, its subsidiaries or affiliates, or make representations on their behalf and its Subsidiaries or service as a director of the Company is terminated due shall make no representation to Retirement. For purposes of this Agreement, "Retirement" means, (x) with respect to an employee who is not an elected officer of the Company on the date on which the employee's employment with the Company and its Subsidiaries terminates, a termination of employment (other than for Cause) after the attainment of (i) age 55 with at least five (5) or more years of continuous service, or (ii) age 65 regardless of the number of years of service, (y) with respect to an employee who is an elected officer of the Company on the date on which the employee's employment with the Company and its Subsidiaries terminates, termination of employment (other than for Cause) after attaining age 55 with the consent of the Chief Executive Officer of the Company (or in the case of the Chief Executive Officer, with the consent of the Committee), or (z) with respect to any non-employee director, cessation of service after attaining age 55 with the consent of the Committee.

In the event of an Optionee's Retirement within nine (9) months of continuous service of the Grant Date, the entire grant shall be forfeited; provided, however that (i) if the Optionee is a Covered Employee (as defined in the Plan) or is otherwise subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Committee may, in its sole discretion, waive or agree to another arrangement with the Optionee and (ii) if the Optionee is an employee other than a Covered Employee or is not otherwise subject to Section 16 of the Exchange Act, the Chief Executive Officer may, whether prior to, in connection with, or subsequent others to the execution by both parties of this Agreement, explicitly waive or agree to another arrangement with the Optionee in writing with respect to this condition.

(ii) **Death; Total and Permanent Disability.** If the Optionee's employment with the Company and its Subsidiaries or service as a director of the Company is terminated due to death or total and permanent disability, in each case, prior to the third anniversary of the Grant Date, then the remaining unvested portion of the Option Grant will become fully vested and exercisable on the date of such termination with respect to the remaining unvested Option Shares.

(iii) **Divestiture or Discontinued Operation.** If, prior to the third anniversary of the Grant Date, the Optionee's employment with the Company and its Subsidiaries

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or service as a director of the Company is terminated Other than those benefits that you are vested in as a result of a divestiture or discontinued operation of a division or a Subsidiary your former employment with which the Optionee was associated, then the Option Grant will become vested and exercisable on the anniversary of the Grant Date next following such termination with respect to a number of Option Shares equal to the excess of (i) product of (A) the number of Option Shares and (B) a fraction, the numerator of which will be the number of days from the Grant Date to the last day of the month in which such termination occurs and the denominator of which will be 1,095, such product to be rounded down to the nearest whole share over (ii) the number of Option Shares, if any, with respect to which the Option Grant had become vested and exercisable prior to such termination.

(d) **Change in Control.** Notwithstanding the foregoing, in the event that within two (2) years following a Change in Control, the Optionee's service with the Company and its affiliates is terminated (i) by the Company General Dynamics Corporation and/or any of its affiliates, you are ineligible for and cannot participate in any reason insurance, pension, retirement, health, welfare, or other than benefit plan or program in which employees participate. You are solely responsible for Cause (and providing workers' compensation, unemployment insurance, or other than due insurance that may be required for you in order for you to death, disability perform the Services under this Agreement.

General Dynamics shall issue you a Form 1099 for the fees paid to you for performing the Services. You are solely responsible for payment of all taxes arising out of your activities in connection with this Agreement, including, without limitation, federal and state income taxes, social security taxes, unemployment insurance taxes, and any other taxes or Retirement) business license fees as required. General Dynamics shall not be responsible for withholding any income or (ii) by the Optionee for Good Reason, then the Option Grant, taxes on your behalf and you further agree to the extent then outstanding, will become immediately vested indemnify, defend and exercisable. hold General Dynamics harmless from and against any claims or action arising out of or relating to your failure to withhold or pay such taxes on your behalf.

Exhibit 10.1

9. Representations, Warranties and Covenants

As of the date hereof, and at all times during the Term or any extension of the Term, you represent, warrant and covenant that: (i) all Services will be performed by you in a professional and competent manner; (ii) except as expressly permitted in Section 10, you will not communicate with anyone outside of General Dynamics about the Services without obtaining our prior authorization; and (iii) you are not subject to any agreement, obligation, or conflicting role that would prevent General Dynamics from receiving the full benefit of your Services.

Nothing in this Agreement prohibits you from performing services for others during the Term of this Agreement, provided that such services do not create a conflict of interest or otherwise interfere with your provision of the Services under this Agreement.

You shall immediately notify General Dynamics in writing should you become aware that one or more of the representations, warranties or covenants set forth above is or has become untrue in any respect during the term of this Agreement.

(e) 10. Method Permitted Disclosures

Nothing in this Agreement shall prohibit you from filing a charge or complaint with, reporting possible violations to, or participating or cooperating with the Department of Exercise; Tax Withholding. The exercise price for Justice, the Securities and Exchange Commission, Congress, the Inspector General, or any shares purchased other government agency, nor does anything in this Agreement prohibit you from making other disclosures that are protected under the provisions of any federal, state or local law or regulation. In addition, this Agreement does not prohibit you from disclosing Confidential Information in any of the following circumstances: (i) where disclosure is required by a court order or subpoena; (ii) where disclosure is necessary in the course of a lawsuit or legal proceeding regarding this Agreement; (iii) in connection with your filing a charge or complaint with a governmental agency; or (iv) in connection with your participating, cooperating, or testifying in any investigation or proceeding that is conducted under the Sarbanes-Oxley Act or before a legislative body or other governmental agency. As soon as you believe you may have to disclose Confidential Information under the circumstances of Sections 10(i) or 10(ii), you agree to promptly notify General Dynamics' General Counsel of the substance and circumstances of the

disclosure (unless prohibited by law) so that General Dynamics can take timely action to protect its interests. You do not need the prior authorization of General Dynamics to make any reports or disclosures under the circumstances of Sections 10(iii) or 10(iv), and you are not required to notify General Dynamics that you have made such reports or disclosures. Additionally, pursuant to the exercise federal Defend Trade Secrets Act of all 2016, you shall not be held criminally or part civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the Option will be paid purpose of reporting or investigating a suspected violation of law; or (b) is made to your attorney in accordance with Section 10(c) relation to a lawsuit for retaliation against you or reporting a suspected violation of the Plan. The Company law; or (c) is authorized to withhold from any payment relating to the Option, including from made in a distribution of Common Stock, or any payroll complaint or other payment to the Optionee, amounts of withholding document filed in a lawsuit or other proceeding, if such filing is made under seal.

Exhibit 10.1

11. Indemnification

You shall indemnify, defend and other taxes due or potentially payable hold General Dynamics harmless from and against all expenses, costs, damages, liabilities and losses (including without limitation reasonable attorneys' fees) incurred by General Dynamics in connection with any transaction involving the Option, and to take such other claim, investigation, demand, action, as the Committee may deem advisable to enable the Company and the Optionee to satisfy obligations for the payment suit or proceeding (whether civil, criminal, administrative or investigative) arising out of withholding taxes and other tax obligations relating to the Option. This authority shall include authority to withhold or receive Common Stock resulting from (i) any breach by you of a representation, warranty, covenant or other property and to make cash payments in respect thereof in satisfaction of the Optionee's tax obligations, either on a mandatory or elective basis in the discretion of the Committee.

(f) Exercise Following Termination. Notwithstanding anything promise set forth in this Agreement, to the contrary, except (ii) any act or omission by you in the case of termination due to Retirement, the Option will expire upon the Optionee's termination of employment or service as a director; provided, however that to the extent that the Option is exercisable at the time performance of the Optionee's termination Services, and (iii) your negligence, bad faith or willful misconduct in the performance or non-performance of employment the Services.

General Dynamics agrees to indemnify you and hold you harmless from and against all expenses, costs, damages, liabilities and losses (including without limitation reasonable attorneys' fees) incurred by you in connection with any claim, investigation, demand, action, suit or service as a director, proceeding (whether civil, criminal, administrative or becomes exercisable following investigative) arising out of or resulting from your provision of Services, except where such termination pursuant to Section 2(c) or (d) above, the Option will expire as follows (subject to earlier expiration pursuant to Section 2(g) below):

(i) Death; Total expenses, costs, damages, liabilities and Permanent Disability; Retirement; Divestiture. On the Stated Expiration Date following the Optionee's termination of employment or service as a director due to death, total and permanent disability, Retirement or as a result losses arise from (i) any breach by you of a divestiture representation, warranty, covenant or discontinued operation of a division or a Subsidiary with which the Optionee was associated.

(ii) Lay-Off. One (1) year (but in no event later than the Stated Expiration Date) following the Optionee's termination of employment if the Optionee's employment terminates due to lay-off (other than as a result of a divestiture or discontinued operation of a division or a Subsidiary with which the Optionee was associated).

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(iii) **Other than Death; Total and Permanent Disability; Retirement; Divestiture; Lay-Off.** Ninety (90) days (but in no event later than the Stated Expiration Date) following the Optionee's termination of employment or service as a director for any reason (other than those promise set forth in clauses (i) and (ii) above).

(g) **Harm.** Notwithstanding anything in this Agreement, to (ii) any act or omission by you in the contrary, if prior to the Stated Expiration Date the Optionee causes Harm (as defined below) to the Company or any of its Subsidiaries, the Option Grant, to the full extent then remaining outstanding, will immediately be forfeited for no consideration. For purposes of this Agreement, "Harm" includes, but is not limited to, any actions that adversely affect the financial standing, reputation, or products performance of the Company Services, and (iii) your negligence, bad faith or any of its Subsidiaries, willful misconduct in the performance or any actions involving personal dishonesty, a felony conviction related to the Company or any of its Subsidiaries, or any material violation of any confidentiality or non-competition agreement with the Company or any of its Subsidiaries.

(h) **Nontransferability.** The Option granted hereunder is not transferable by the Optionee otherwise than by will or the laws of descent and distribution, and the Option may be exercised during the lifetime non-performance of the Optionee only by the Optionee or the Optionee's guardian or legal representative. The terms of the Option will be binding upon the beneficiaries, executors, administrators, heirs and successors of the Optionee.

3. Nature of Grant. In accepting this Option, the Optionee acknowledges that:

(a) the Plan is discretionary in nature and established voluntarily by the Company and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan, and the award of the Option is at the sole discretion of the Company and does not create any contractual or other right to receive future awards of Options, or benefits in lieu of Options even if Options have been awarded repeatedly in the past;

(b) the Option is not part of normal or expected compensation or salary for any purposes, including calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and

(c) nothing in the Plan or in this Agreement will confer upon the Optionee any right to continue in the employ of the Company or any of its Subsidiaries nor interfere with or restrict in any way the right of the Company or any of its Subsidiaries, which is hereby expressly reserved, to remove, terminate or discharge the Optionee at any time for any reason whatsoever, with or without Cause.

4. Data Privacy. The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, the Company and its Subsidiaries, for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.

4 Services.

12. Miscellaneous

The Optionee understands that the Company and its Subsidiaries may hold certain personal information about the Optionee, including his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the purpose of implementing, administering and managing the Plan ("A. Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, these recipients may be located in the Optionee's country or elsewhere and the recipients' country may have different data privacy laws and protections than the Optionee's country. The Optionee may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Optionee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Optionee may elect to deposit any shares acquired upon exercise of the Option. Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Refusing or withdrawing his or her consent may affect the Optionee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Optionee may contact his or her local human resources representative.

5. Compensation Recoupment Policy. This Agreement shall be subject to sets forth the Company's Compensation Recoupment Policy as applicable to the Optionee. The Optionee acknowledges that the Compensation Recoupment Policy has been made available and the Optionee has read and understands the terms and conditions of the Compensation Recoupment Policy.

6. Miscellaneous.

(a) Modification; Entire Agreement; Waiver. No change, modification or waiver of any provision of this Agreement will be valid unless the same is agreed to in writing by the parties hereto. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect Parties regarding the subject matter hereof and merges and supersedes any prior or contemporaneous agreements and understandings between the Parties pertaining to the subject matter contained herein and therein and supercede all prior communications, representations and negotiations in respect thereof. The failure hereof. This Agreement may not be modified except by written agreement signed by the Parties.

B. Failure of a Party to enforce one or more of the Company provisions of this Agreement or to enforce, require at any time performance of any provision of this Agreement will in no way the obligations hereof shall not be construed to be a waiver of such provision or of provisions by such Party nor to in any other provision hereof.

(b) Bound by Plan and Other Related Documents. By accepting this Option, way affect the Optionee acknowledges that the Optionee has received a copy of the Plan and the General Dynamics Corporate Policy regarding insider trading compliance (the "Trading Policy") and has

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had an opportunity to review the Plan and the Trading Policy and agrees to be bound by all the terms and provisions of the Plan and the Trading Policy.

(c) Successors. The terms validity of this Agreement will or such Party's right thereafter to enforce any provision of this Agreement.

C. This Agreement shall not be binding upon and inure assignable to any other person or entity absent the benefit consent of the Company, other Party except that General Dynamics has the right to assign this Agreement to any of its successors affiliates, subsidiaries, and assigns, successors.

D. If any provision of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity and enforceability of the beneficiaries, executors, administrators, heirs other provisions of this Agreement, and successors of the Optionee. provision held to be invalid or unenforceable shall be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

(d) E. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State Commonwealth of Delaware, excluding any conflicts Virginia, without regard to conflict of laws principles, and each Party hereby submits to the nonexclusive jurisdiction of the state and federal courts of Virginia for purposes of all legal proceedings arising out of or choice of law rule or principle that might otherwise refer construction or interpretation relating to this Agreement and the Services contemplated hereby.

Exhibit 10.1

F. Except as permitted under Section 10 of this Agreement, to the substantive law of another jurisdiction. For purposes of litigating you shall not make any dispute that arises under this award or public statement relating to this Agreement, the parties hereby submit to and consent to the jurisdiction of the Commonwealth of Virginia, and agree that such litigation shall be conducted exclusively in the courts of Virginia or the federal courts for the Eastern District of Virginia.

(e) **Severability.** In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(f) **Language.** If the Optionee has received work done under this Agreement, or any other document related to of the Plan translated into transactions contemplated by this Agreement without obtaining the prior express written approval of a language other than English and if the translated version is different than the English version, the English version will control. duly authorized representative of General Dynamics.

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If the foregoing clearly sets forth our understanding, please sign the Agreement and return it to me for my counter signature.

Exhibit 10.2

FORM OF RESTRICTED STOCK AWARD AGREEMENT
PURSUANT TO THE GENERAL DYNAMICS CORPORATION
AMENDED AND RESTATED 2012 EQUITY COMPENSATION PLAN

This Restricted Stock Award Agreement (the "Agreement") is entered into as of [DATE], (the "Grant Date"), by and between

Sincerely,

General Dynamics Corporation (the "

By: Company") and [NAME] (the "Grantee"). /s/ Shane Berg

WHEREAS, the Company sponsors the General Dynamics Corporation Amended and Restated 2012 Equity Compensation Plan (the "Plan"), pursuant to which the Company may grant shares of Restricted Stock; and Shane Berg

WHEREAS, the Company desires to grant the Grantee a Restricted Stock award.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements herein contained, the parties hereto agree as follows:

1. **Number of Shares.** The Grantee is hereby granted [NUMBER] shares of Restricted Stock, subject to the restrictions set forth herein.

2. **Terms of Restricted Stock.** The grant of Restricted Stock provided in Section 1 above will be subject to the following terms, conditions and restrictions:

(a) **Incidents of Ownership.** Subject to the restrictions set forth in the Plan and this Agreement, the Grantee will possess all incidents of ownership of the Restricted Stock granted hereunder, including the right to receive dividends with respect to such shares and the right to vote such shares.

(b) **Restricted Period.** Except as may otherwise be provided in Section 4 below, the restrictions on transfer of the Restricted Stock will lapse on the third anniversary of the Grant Date (the "Restricted Period"), provided that the Grantee is employed by the Company and its Subsidiaries or is serving as a director of the Company on such date. Upon the lapse of restrictions relating to the Restricted Stock, the Company, in its sole discretion, may either issue to the Grantee or the Grantee's personal representative a stock certificate representing, or deposit in such Grantee's or the Grantee's personal representative's brokerage account via electronic transfer, one share of Common Stock, free of the restrictive legend described in Section 3 below, in exchange for each whole share of Restricted Stock with respect to which such restrictions have lapsed. If certificates representing such Restricted Stock have previously been delivered to the Grantee or shares have previously been deposited in such Grantee's brokerage account, the Grantee will return such certificates or shares to the Company, complete with any necessary signatures or instruments of transfer, prior to the issuance by the Company of such unlegended shares of Common Stock.

Senior Vice President, Human Resources & Administration

(c) Accepted and agreed this 18th day of Restricted Stock, and any interest therein, may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent and distribution, prior to the lapse of restrictions set forth in the Plan and this Agreement applicable thereto.

(d) Incorporation of Plan by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement will be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement will have the definitions set forth in the Plan. The Committee will have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decisions will be binding and conclusive upon the Grantee and the Grantee's legal representative in respect of any questions arising under the Plan or this Agreement. If there exists any inconsistency between the terms of this Agreement and the Plan, the terms contained in the Plan will govern. If there exists any inconsistency between the terms of the Restricted Stock as provided for herein (including, but not limited to, terms relating to the number of shares of Restricted Stock or the termination of the Restricted Period) and the terms as indicated in the records maintained by the Company, the terms as indicated in the records of the Company will govern.

3. Certificate; Restrictive Legend. The Grantee agrees that any certificate issued for Restricted Stock prior to the lapse of any outstanding restrictions relating thereto will be inscribed with the following legend:

This certificate and the shares of stock represented hereby are subject to the terms and conditions, including forfeiture provisions and restrictions against transfer (the "Restrictions"), contained in the General Dynamics Corporation Equity Compensation Plan and an agreement entered into between the registered owner and the Company. Any attempt to dispose of these shares in contravention of the Restrictions, including by way of sale, assignment, transfer, pledge, hypothecation or otherwise, will be null and void and without effect.

4. Termination of Employment or Service as a Director.

(a) General. In the event that (i) the Grantee ceases to be employed by the Company and its Subsidiaries or ceases to be a director of the Company for any reason (other than due to death, total and permanent disability, Retirement (as defined below), divestiture or discontinued operation of a Subsidiary or division with which the Grantee was associated, or lay-off), prior to the end of the Restricted Period or (ii) the Grantee ceases to be employed by the Company and its Subsidiaries on account of lay-off prior to the first anniversary of the Grant Date (the "Determination Date"), the Restricted Stock will be automatically forfeited by the Grantee on the date of such termination. For purposes of this Agreement, "Retirement" means, (A) with respect to an employee who is not an elected officer of the Company on the date on which the employee's employment with the Company and its Subsidiaries terminates, a termination of employment (other than for Cause) after the attainment of (x) age 55 with at least five (5) or more years of continuous service, or (y) age 65 regardless of the number of years of service, (B) with respect to an employee who is an elected officer of the Company on the date on which the employee's employment with the Company and its Subsidiaries terminates, termination of March, 2024:

employment (other than for Cause) after attaining age 55 with the consent of the Chief Executive Officer of the Company (or in the case of the Chief Executive Officer, with the consent of the Committee), or (C) with respect to any non-employee director, cessation of service after attaining age 55 with the consent of the Committee.

(b) By: Certain Terminations: /s/ Mark C. Roualet

(i) Total and Permanent Disability; Retirement; Divestiture or Discontinued Operation; Death; Lay-Off. In the event that the Grantee ceases to be employed by the Company and its Subsidiaries or ceases to serve as a director of the Company due to the Grantee's: (A) total and permanent disability, (B) Retirement, (C) termination of employment or services due to divestiture or discontinued operation of a Subsidiary or division with which the Grantee was associated, (D) death, or (E) lay-off on or after the Determination Date, in each case, on or prior to the last day of the Restricted Period, the restrictions on transfer will lapse on the date of such total and permanent disability, Retirement, termination of employment or services due to divestiture or discontinued operation of a Subsidiary or division with which the Grantee was associated, death, or lay-off on or after the Determination Date, as applicable, with respect to all of the shares of Restricted Stock granted hereunder. Mark C. Roualet

In the event of a Grantee's Retirement within nine (9) months of continuous service of the Grant Date, the entire grant shall be forfeited; provided, however that (i) if the Grantee is a Covered Employee (as defined in the Plan) or is otherwise subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Committee may, in its sole discretion, waive or agree to another arrangement with the Grantee and (ii) if the Grantee is an employee other than a Covered Employee or is not otherwise subject to Section 16 of the Exchange Act, the Chief Executive Officer may, whether prior to, in connection with, or subsequent to the execution by both parties of this Agreement, explicitly waive or agree to another arrangement with the Grantee in writing with respect to this condition.

(ii) Change in Control. Notwithstanding the foregoing, in the event that within two (2) years following a Change in Control, the Grantee's service with the Company and its affiliates is terminated (A) by the Company or any of its affiliates for any reason other than for Cause (and other than due to death, disability or Retirement) or (B) by the Grantee for Good Reason, any shares of Restricted Stock outstanding as of such date will become immediately vested.

(c) Harm. Notwithstanding the foregoing, all of the shares of Restricted Stock will be automatically forfeited by the Grantee if the Grantee causes "Harm" (as defined below) to the Company or any of its Subsidiaries during the Restricted Period. For purposes of this Agreement, "Harm" includes, but is not limited to, any actions that adversely affect the financial standing, reputation, or products of the Company or any of its

Subsidiaries, or any actions involving personal dishonesty, a felony conviction related to the Company or any of its Subsidiaries, or any material violation of any confidentiality or non-competition agreement with the Company or any of its Subsidiaries.

5. **Tax Withholding.** Prior to the delivery of shares of unrestricted Common Stock upon vesting of this award of Restricted Stock, the Grantee shall pay, or make adequate

arrangements satisfactory to the Company in its discretion to satisfy all applicable tax withholding obligations in respect of such shares. Alternatively, or in addition, the Company may in its sole discretion withhold from the shares of Common Stock otherwise deliverable hereunder such number of shares as it will determine is necessary to satisfy all applicable withholding tax obligations in respect of such shares. Regardless of any action the Company takes with respect to any withholding tax obligations, the Grantee acknowledges and agrees that the ultimate liability for all such obligations legally due by the Grantee is and remains the Grantee's responsibility.

6. **Nature of Grant.** In accepting this award of Restricted Stock, the Grantee acknowledges that:

(a) the Plan is discretionary in nature and established voluntarily by the Company and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan, and the award of the Restricted Stock is at the sole discretion of the Company and does not create any contractual or other right to receive future awards of Restricted Stock, or benefits in lieu of Restricted Stock even if Restricted Stock has been awarded repeatedly in the past;

(b) the Restricted Stock is not part of normal or expected compensation or salary for any purposes, including calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and

(c) nothing in the Plan or in this Agreement will confer upon the Grantee any right to continue in the employ of the Company nor interfere with or restrict in any way the right of the Company, which is hereby expressly reserved, to remove, terminate or discharge the Grantee at any time for any reason whatsoever, with or without Cause.

7. **Data Privacy.** The Grantee hereby explicitly and unambiguously consents to the collection, holding, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, the Company and its Subsidiaries, for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.

The Grantee understands that the Company and its Subsidiaries may hold certain personal information about the Grantee, including his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, for the purpose of implementing, administering and managing the Plan ("Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, these recipients may be located in the Grantee's country or elsewhere and the recipients' country may have different data privacy laws and protections than the Grantee's country. The Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and

managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares acquired upon release of the Restricted Stock. Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Refusing or withdrawing his or her consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact his or her local human resources representative.

8. **Compensation Recoupment Policy.** This Agreement shall be subject to the Company's Compensation Recoupment Policy as applicable to the Grantee. The Grantee acknowledges that the Compensation Recoupment Policy has been made available and the Grantee has read and understands the terms and conditions of the Compensation Recoupment Policy.

9. **Miscellaneous.**

(a) **Modification; Entire Agreement; Waiver.** No change, modification or waiver of any provision of this Agreement will be valid unless the same is agreed to in writing by the parties hereto. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and therein and supercede all prior communications, representations and negotiations in respect thereof. The failure of the Company to enforce, at any time, any provision of this Agreement will in no way be construed to be a waiver of such provision or of any other provision hereof.

(b) **Bound by Plan and Other Related Documents.** By accepting the award of Restricted Stock, the Grantee acknowledges that the Grantee has received a copy of the Plan and the General Dynamics Corporate Policy regarding insider trading compliance (the "**Trading Policy**") and has had an opportunity to review the Plan and the Trading Policy and agrees to be bound by all the terms and provisions of the Plan and the Trading Policy.

(c) **Successors.** The terms of this Agreement will be binding upon and inure to the benefit of the Company, its successors and assigns, and of the beneficiaries, executors, administrators, heirs and successors of the Grantee.

(d) **Choice of Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. For purposes of litigating any dispute that arises under this award or this Agreement, the parties hereby submit to and consent to the jurisdiction of the Commonwealth of Virginia, and agree that such litigation shall be conducted exclusively in the courts of Virginia or the federal courts for the Eastern District of Virginia.

(e) **Severability.** In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions

of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(f) **Language.** If the Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

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Exhibit 10.3

FORM OF PERFORMANCE STOCK UNIT AWARD AGREEMENT
PURSUANT TO THE GENERAL DYNAMICS CORPORATION
AMENDED AND RESTATED 2012 EQUITY COMPENSATION PLAN

This Performance Stock Unit Award Agreement (the "**Agreement**") is entered into as of [DATE] (the "**Grant Date**"), by and between General Dynamics Corporation (the "**Company**") and [NAME] (the "**Grantee**").

WHEREAS, the Company sponsors the General Dynamics Corporation Amended and Restated 2012 Equity Compensation Plan (the "**Plan**") and pursuant to Section 7 of the Plan the Company may grant performance-based stock units ("**PSUs**"); and

WHEREAS, the Company desires to grant to the Grantee an award of PSUs.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements herein contained, the parties hereto agree as follows:

1. **Number of PSUs.** The Grantee is hereby granted [NUMBER] PSUs (the "**Target PSUs**"). Each PSU represents an unfunded, unsecured promise by the Company to deliver one share of the Company's common stock ("**Common Stock**"), subject to certain restrictions, terms and conditions. The number of shares of Common Stock actually required to be delivered to the Grantee (the "**Earned PSUs**") may vary from the number represented by the Target PSUs, based on performance as described in Section 2(b) below.

2. **Terms of PSUs.** The PSUs will be subject to the following terms, conditions and restrictions:

(a) **No Shareholder Rights.** The grant of PSUs does not entitle the Grantee to any rights of a shareholder of Common Stock, including dividends or voting rights.

(b) **Performance Feature.** The number of Earned PSUs will range from 0% to [150%][200%] of the number of Target PSUs, as determined by the extent to which the Performance Goals (as defined in the Plan) set forth on Schedule A to this Agreement are achieved in accordance with the formulas described on Schedule A. [THE HIGHER POTENTIAL PAYOUT RANGE IS INCLUDED ONLY IN AGREEMENTS FOR CERTAIN EXECUTIVE OFFICERS FOR WHOM THE NUMBER OF EARNED PSUS IS SUBJECT TO ADJUSTMENT FOR A SECOND PERFORMANCE METRIC.]

(c) **Performance Period and Vesting.** Except as otherwise provided in Section 3 below, attainment of the Performance Goals will be measured over the period commencing on January 1, [20XX], and ending on December 31, [20XX] [NOTE: THREE CALENDAR YEAR PERIOD] (the "Performance Period"), and the number of Earned PSUs will be fixed as of the end of the Performance Period (the "Scheduled Vesting Date"), subject to the Committee certifying the level of attainment of the Performance Goals. Except as may otherwise be provided in Section 3 below, the Earned PSUs and the Total Dividend Equivalent PSUs (as defined below) will vest on the Scheduled Vesting Date, but only if the Grantee's Termination

Date (as defined below) has not occurred, and does not occur, prior to or on the Scheduled Vesting Date.

(d) **Settlement of Awards.** Except as set forth in Section 3(b) below, settlement of vested Earned PSUs and vested Total Dividend Equivalent PSUs shall occur within two and one-half (2.5) months following the Scheduled Vesting Date. (The actual date of settlement is hereinafter referred to as the "Settlement Date"). The Company, in its sole discretion, may settle the vested Earned PSUs and vested Total Dividend Equivalent PSUs by either (i) issuing to the Grantee or the Grantee's personal representative a stock certificate representing one share of Common Stock for each Earned PSU that has vested and one share of Common Stock for each Total Dividend Equivalent PSU that has vested or (ii) depositing in such Grantee's or the Grantee's personal representative's brokerage account via electronic transfer one share of Common Stock for each Earned PSU that has vested and one share of Common Stock for each Total Dividend Equivalent PSU that has vested.

(e) **Dividend Equivalents.** Dividend equivalents will accrue on the PSUs and will be notionally credited in the form of additional PSUs ("Dividend Equivalent PSUs") to the Grantee's bookkeeping account. During the Performance Period, dividend equivalents will accrue on the Target PSUs and on the Dividend Equivalent PSUs outstanding on each dividend equivalent determination date. At the end of the Performance Period the number of outstanding Dividend Equivalent PSUs will be adjusted to reflect the attainment of the Performance Goals in the same manner as the Target PSUs (such adjusted number, the "Earned Dividend Equivalent PSUs"). During the period beginning on the Scheduled Vesting Date and ending on the Settlement Date (the "Crediting Period"), Dividend Equivalent PSUs will accrue on the Earned PSUs and on the Earned Dividend Equivalent PSUs (the Earned Dividend Equivalent PSUs together with any additional Dividend Equivalent PSUs credited thereon and credited on the Earned PSUs during the Crediting Period being referred to herein as the "Total Dividend Equivalent PSUs"). The Company will round down to the nearest whole share in settling any vested Dividend Equivalent PSUs and no fractional shares will be issued. Dividend Equivalent PSUs will in all cases be subject to the same terms and conditions, including but not limited to those related to vesting, transferability, and payment, that apply to the PSUs.

(f) **Transfer Restrictions.** Neither the PSUs, the Dividend Equivalent PSUs, nor any interest therein may be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of by the Grantee, except by will or the laws of descent and distribution, and any such purported sale, assignment, transfer, pledge, hypothecation or other disposition shall be void and unenforceable against the Company.

(g) **Incorporation of Plan by Reference, Etc.** The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement will be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement will have the definitions set forth in the Plan. The Committee will have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decisions will be binding and conclusive upon the Grantee and the Grantee's legal representative in respect of any questions arising under the Plan or this Agreement. If there exists any inconsistency between the terms of this Agreement and the Plan, the terms contained in the Plan will govern. If there exists any

inconsistency between the terms of the PSUs and Dividend Equivalent PSUs as provided for herein (including terms relating to the number of PSUs or Dividend Equivalent PSUs) and the terms as indicated in the records maintained by Company, the terms as indicated in the records of the Company will govern.

3. Termination of Employment or Service as a Director.

(a) **General.** Except as set forth in Section 3(b) below, in the event that the Grantee ceases to be employed by the Company and its Subsidiaries or ceases to be a director of the Company for any reason (the date of such cessation, the "Termination Date") prior to the Scheduled Vesting Date, the PSUs and any Dividend Equivalent PSUs credited as of the Termination Date will be automatically forfeited by the Grantee as of the

Termination Date. For purposes of this Agreement, the Termination Date will in all cases without exception be deemed to occur as of the date that the Grantee is no longer employed by the Company and its Subsidiaries, taking into account any notice period mandated under local law. For purposes of this Agreement, "Retirement" means, (i) with respect to an employee who is not an elected officer of the Company on the Termination Date, a termination of employment (other than for Cause) after the attainment of (x) age 55 with at least five (5) or more years of continuous service, or (y) age 65 regardless of the number of years of service, (ii) with respect to an employee who is an elected officer of the Company on the Termination Date, termination of employment (other than for Cause) after attaining age 55 with the consent of the Chief Executive Officer of the Company (or in the case of the Chief Executive Officer, with the consent of the Committee), or (iii) with respect to any non-employee director, cessation of service after attaining age 55 with the consent of the Committee.

(b) Certain Terminations. This Section 3(b) provides for special vesting and settlement rules in certain circumstances.

(i) Death, Total and Permanent Disability, Retirement or Divestiture Prior to the Scheduled Vesting Date. In the event that the Grantee ceases to be employed by the Company and its Subsidiaries due to the Grantee's death, total and permanent disability, Retirement, divestiture or discontinued operation of a Subsidiary or division with which the Grantee was associated or ceases to be a director of the Company due to the Grantee's death or total and permanent disability or Retirement, in each case prior to the Scheduled Vesting Date, then the award of PSUs will remain eligible to vest on the Scheduled Vesting Date, subject to Sections 2(b), 2(e) and 3(a) above, with respect to a number of PSUs equal to the product of (A) the sum of (x) the total number of Earned PSUs and (y) the total number of Earned Dividend Equivalent PSUs, in each case, that would have been so earned on the Scheduled Vesting Date had such termination not occurred, and (B) a fraction, the numerator of which will be the number of days from January 1 of the year in which the Grant Date occurs to the last day of the month in which the Termination Date occurs and the denominator of which will be 1,095, and any remaining PSUs and Dividend Equivalent PSUs that otherwise would have been earned had such termination not occurred will be automatically forfeited by the Grantee as of the Termination Date. The PSUs and Dividend Equivalent PSUs that vest pursuant to this Section 3(b)(i) shall be settled as provided in Section 2(d) above.

In the event of a Grantee's Retirement within nine (9) months of continuous service of the Grant Date, the entire grant shall be forfeited; provided, however that (i) if the Grantee is a Covered Employee (as defined in the Plan) or is otherwise subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Committee may, in its sole discretion, waive or agree to another arrangement with the Grantee and (ii) if the Grantee is an employee other than a Covered Employee or is not otherwise subject to Section 16 of the Exchange Act, the Chief Executive Officer may, whether prior to, in connection with, or subsequent to the execution by both parties of this Agreement, explicitly waive or agree to another arrangement with the Grantee in writing with respect to this condition.

(ii) Cause After the Scheduled Vesting Date. In the event that the Grantee ceases to be employed by the Company for Cause on or after the Scheduled Vesting Date but prior to the Settlement Date, then all PSUs and Total Dividend Equivalent PSUs will be automatically forfeited as of the Termination Date.

(iii) Change in Control. Prior to a Change in Control, the Committee will specify how the Performance Goals will be adjusted for the remainder of the Performance Period following the Change in Control and the methodology for making the determination set forth in this paragraph (iii). Notwithstanding the foregoing, in the event that within two (2) years following a Change in Control, the Grantee's employment with the Company and its affiliates is terminated (A) by the Company or any of its affiliates for any reason other than for Cause (and other than due to death, disability or Retirement) or (B) by the Grantee for Good Reason, the Earned PSUs and the Earned Dividend Equivalent PSUs, each determined based on attainment of the Performance Goals through the date of the Change in Control, will become immediately vested. The Earned PSUs and Earned Dividend Equivalent PSUs that vest pursuant to this Section 3(b)(iii) shall be settled within two and one-half (2.5) months after the end of the calendar year in which the Termination Date occurs.

(c) Harm. Notwithstanding anything to the contrary herein, all of the PSUs and Dividend Equivalent PSUs will be automatically forfeited by the Grantee if the Grantee causes Harm (as defined below) to the Company or any of its Subsidiaries prior to the Settlement Date. For purposes of this Agreement, "Harm" includes, but is not limited to, any actions that adversely affect the financial standing, reputation, or products of the Company or any of its Subsidiaries, or any actions involving personal dishonesty, a felony conviction related to the Company or any of its Subsidiaries, or any material violation of any confidentiality or non-competition agreement with the Company or any of its Subsidiaries.

4. Tax Withholding. Regardless of any action the Company or the Grantee's actual employer (the "Employer") takes with respect to any or all income tax (including federal, state and local taxes), social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Grantee is and remains the Grantee's responsibility and that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs and the Dividend Equivalent PSUs, including the grant of the PSUs and crediting of the Dividend Equivalent PSUs, the vesting of the PSUs and Dividend Equivalent PSUs, the settlement of the PSUs and Dividend Equivalent PSUs, and the subsequent sale of any shares acquired at settlement; and (b)

do not commit to structure the terms of the grant or any aspect of the PSUs and Dividend Equivalent PSUs to reduce or eliminate the Grantee's liability for Tax-Related Items.

Prior to the issuance of shares pursuant to this award of PSUs, the Grantee shall pay, or make adequate arrangements satisfactory to the Company or to the Employer (in their sole discretion) to satisfy all withholding and payment on account obligations of the Company and/or Employer. In this regard, the Grantee authorizes the Company or the Employer to withhold all applicable Tax-Related Items legally payable by the Grantee from the Grantee's wages or other cash compensation payable to the Grantee by the Company or the Employer. Alternatively, or in addition, if permissible under local law, the Company or the Employer may, in their sole discretion, (i) sell or arrange for the sale of shares of Common Stock to be issued on the settlement of the PSUs and/or the Dividend Equivalent PSUs to satisfy the withholding or payment on account obligation, and/or (ii) withhold from the shares to be delivered upon settlement of the PSUs and/or the Dividend Equivalent PSUs the amount of shares necessary to satisfy the minimum withholding amount (or such other rate that will not result in a negative accounting impact). The Grantee shall pay to the Company or to the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of the Grantee's receipt of this award, the vesting of the PSUs and the Dividend Equivalent PSUs, or the settlement of the PSUs and the Dividend Equivalent PSUs that cannot be satisfied by the means previously described. The Company may refuse to deliver shares pursuant to the PSUs and the Dividend Equivalent PSUs to the Grantee if the Grantee fails to comply with the Grantee's obligation in connection with the Tax-Related Items as described herein. If the Grantee fails to pay or make satisfactory arrangements to satisfy all withholding and payment on account obligations by the Settlement Date, then the PSUs and the Dividend Equivalent PSUs shall be forfeited.

5. Nature of Grant. In accepting the award of PSUs, the Grantee acknowledges that:

(a) the Plan is discretionary in nature and established voluntarily by the Company and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan, and the award of PSUs is at the sole discretion of the Company and does not create any contractual or other right to receive future awards of PSUs, or benefits in lieu of PSUs even if PSUs have been awarded repeatedly in the past;

(b) subject to Section 5 of the Company's Compensation Recoupment Policy, the award of PSUs is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or to the Employer, and the PSUs are outside the scope of the Grantee's employment contract, if any;

(c) the PSUs and the Dividend Equivalent PSUs are not part of normal or expected compensation or salary for any purposes, including, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

(d) neither the award of PSUs nor any provision of this Agreement nor the Plan confer upon the Grantee any right with respect to employment or continuation of current employment, and in the event that the Grantee is not an employee of the Company, the PSUs shall not be interpreted to form an employment contract or relationship with the Company; and

(e) no claim or entitlement to compensation or damages arises from termination of the PSUs or Dividend Equivalent PSUs, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the PSUs, Dividend Equivalent PSUs, or shares received upon settlement of the PSUs or Dividend Equivalent PSUs resulting from termination of the Grantee's employment by the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and the Grantee irrevocably releases the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Grantee shall be deemed irrevocably to have waived his or her entitlement to pursue such claim.

6. Data Privacy. The Grantee hereby explicitly and unambiguously consents to the collection, holding, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, the Employer, and the Company and its Subsidiaries for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.

The Grantee understands that the Company, its Subsidiaries and the Employer may hold certain personal information about the Grantee, including his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, for the purpose of implementing, administering and managing the Plan ("Data"). Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, these recipients may be located in the Grantee's country or elsewhere and the recipients' country may have different data privacy laws and protections than the Grantee's country. The Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares acquired upon settlement of the PSUs

and Dividend Equivalent PSUs. Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Refusing or withdrawing his or her consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Grantee may contact his or her local human resources representative.

7. Compensation Recoupment Policy. This Agreement shall be subject to the Company's Compensation Recoupment Policy as applicable to the Grantee. The Grantee

acknowledges that the Compensation Recoupment Policy has been made available and the Grantee has read and understands the terms and conditions of the Compensation Recoupment Policy.

8. Miscellaneous.

(a) Modification; Entire Agreement; Waiver. No change or modification to any provision of this Agreement will be valid unless the same is agreed to in writing by the parties hereto. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and therein and supersede all prior communications, representations and negotiations in respect thereof. The failure of the Company to enforce at any time any provision of this Agreement will in no way be construed to be a waiver of such provision or of any other provision hereof. The Company reserves the right, however, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally alter or modify the awards to ensure all PSUs, Dividend Equivalent PSUs and the Agreements provided to Grantees are made in such a manner that either qualifies for exemption from or complies with Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended; provided, however that the Company makes no representations that the PSUs and Dividend Equivalent PSUs will be exempt from or will comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the PSUs and Dividend Equivalent PSUs.

(b) Bound by Plan and Other Related Documents. By accepting the award of PSUs, the Grantee acknowledges that the Grantee has received a copy of the Plan and General Dynamics Corporate Policy regarding insider trading compliance (the "Trading Policy") and has had an opportunity to review the Plan and the Trading Policy and agrees to be bound by all the terms and provisions of the Plan and the Trading Policy.

(c) Successors. The terms of this Agreement will be binding upon and inure to the benefit of the Company, its successors and assigns, and of the beneficiaries, executors, administrators, heirs and successors of the Grantee.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. For purposes of litigating any dispute that arises under this award or this Agreement, the parties hereby submit to and consent to the jurisdiction of the Commonwealth of Virginia, and agree that such litigation shall be conducted exclusively in the courts of Virginia or the federal courts for the Eastern District of Virginia.

(e) Section 409A. It is intended that the Plan and the Agreement are exempt from or comply with the requirements of Section 409A and any related regulations or other guidance promulgated with respect to Section 409A by the U.S. Department of the Treasury or the Internal Revenue Service. Accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be exempt from or in compliance therewith, to the extent applicable. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, Grantee shall not be

considered to have terminated employment with the Company for purposes of this Agreement until Grantee would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A. For purposes of this Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six (6) month period immediately following Grantee's separation from service shall instead be paid on the first business day after the date that is six months following Grantee's separation from service (or death, if earlier).

(f) Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(g) Language. If the Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

Exhibit 31.1

CERTIFICATION BY CEO PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Phebe N. Novakovic, certify that:

1. I have reviewed this quarterly report on Form 10-Q of General Dynamics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April July 24, 2024

/s/ Phebe N. Novakovic

Phebe N. Novakovic

Chairman and Chief Executive Officer

CERTIFICATION BY CFO PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Kuryea, certify that:

1. I have reviewed this quarterly report on Form 10-Q of General Dynamics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April July 24, 2024

/s/ Kimberly A. Kuryea

Kimberly A. Kuryea

Senior Vice President and Chief Financial Officer

CERTIFICATION BY CEO PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of General Dynamics Corporation (the Company) on Form 10-Q for the quarter ended March 31, 2024 June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Phebe N. Novakovic, Chairman and Chief Executive

Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April July 24, 2024

/s/ Phebe N. Novakovic
Phebe N. Novakovic
Chairman and Chief Executive Officer

Exhibit 32.2

CERTIFICATION BY CFO PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of General Dynamics Corporation (the Company) on Form 10-Q for the quarter ended March 31, 2024 June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Kimberly A. Kuryea, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April July 24, 2024

/s/ Kimberly A. Kuryea
Kimberly A. Kuryea
Senior Vice President and Chief Financial Officer

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