

HUNTINGTON INGALLS INDUSTRIES, INC.
Form 11-K/A
June 11, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K/A
FOR ANNUAL REPORTS OF EMPLOYEE
STOCK PURCHASE, SAVINGS AND SIMILAR
PLANS PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

☑ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2017

OR
☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 001-34910

HUNTINGTON INGALLS INDUSTRIES
SAVINGS PLAN
(Full title of the plan)

HUNTINGTON INGALLS INDUSTRIES, INC.
4101 Washington Avenue, Newport News, Virginia 23607
(Name of issuer of the securities held pursuant to the plan and the address of its principal executive offices)

Explanatory Note

This amendment is being made to correct the date of the Deloitte & Touche LLP report on the financial statements of the Huntington Ingalls Industries Savings Plan, which was inadvertently misstated in the original Form 11-K. No other changes have been made to the original Form 11-K.

HUNTINGTON INGALLS INDUSTRIES SAVINGS PLAN
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NOTE: Schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because of the absence of conditions under which they are required.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the HII Administrative Committee and Participants of the
Huntington Ingalls Industries Savings Plan
Newport News, Virginia

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Huntington Ingalls Industries Savings Plan (the "Plan") as of December 31, 2017 and 2016, the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Report on Supplemental Schedule

The supplemental schedule of assets (held at end of year) as of December 31, 2017, has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedule is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, such schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

DELOITTE & TOUCHE LLP

Richmond, Virginia

June 8, 2018

We have served as the auditor of the Plan since 2011.

HUNTINGTON INGALLS INDUSTRIES SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2017 AND 2016

(\$ in thousands)

	2017	2016
ASSETS:		
Investments - at fair value:		
Plan interest in the Huntington Ingalls Industries, Inc. Defined Contribution Plans Master Trust	\$2,743,594	\$2,376,483
Short-term investment fund	1,196	917
Total investments	2,744,790	2,377,400
Notes receivable from participants	73,225	72,459
Participant contributions receivable	3,233	2,991
Employer contributions receivable	1,188	1,386
Total receivables	77,646	76,836
NET ASSETS AVAILABLE FOR BENEFITS	\$2,822,436	\$2,454,236

The accompanying notes are an integral part of these statements.

HUNTINGTON INGALLS INDUSTRIES SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2017

(\$ in thousands)

ADDITIONS:

Investment income:

Plan interest in the Huntington Ingalls Industries, Inc. Defined Contribution Plans Master Trust \$364,594

Interest income on notes receivable from participants 2,957

Contributions:

Participant contributions 118,630

Employer contributions 51,047

Total contributions 169,677

Total additions 537,228

DEDUCTIONS:

Benefits paid to participants 169,028

Total deductions 169,028

INCREASE IN NET ASSETS 368,200

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year 2,454,236

End of year \$2,822,436

The accompanying notes are an integral part of these statements.

HUNTINGTON INGALLS INDUSTRIES SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017 AND 2016, AND FOR THE YEAR ENDED DECEMBER 31, 2017

1. DESCRIPTION OF THE PLAN

The following description of the Huntington Ingalls Industries Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. General — The Plan is a qualified profit-sharing and employee stock ownership plan sponsored by Huntington Ingalls Industries, Inc. (the “Company” or “HII”) established on March 31, 2011. The Plan covers substantially all non-union hourly and salaried employees of the Company and its affiliates who are at least 18 years old, are citizens or residents of the United States of America, and are not covered under another defined contribution plan. Union represented employees are not eligible to participate in this Plan. The HII Administrative Committee controls and manages the operation and administration of the Plan. State Street Bank and Trust Company (“State Street” or the “Trustee”) serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

A majority of the Plan’s investments are held in the Huntington Ingalls Industries, Inc. Defined Contribution Plans Master Trust (the “DC Master Trust”). All of the Plan’s investments are participant-directed.

Certain employees hired or re-hired on or after March 31, 2011, who meet specific requirements are eligible to receive an additional employer contribution known as a Retirement Account Contribution (“RAC”). RACs are calculated and credited for each payroll date.

Contributions — Plan participants may contribute from 1% to 75% of eligible compensation in increments of 1%, on a tax-deferred (before-tax) basis, Roth 401(k) basis, or an after-tax basis, or a combination thereof, through payroll withholdings. An active participant may change the percentage of his or her contributions at any time. First time eligible employee (newly hired, rehired or certain transfers) participants are enrolled automatically into the Plan at a 2% tax-deferred contribution rate approximately 45 days after the date of hire, rehire, or transfer unless an alternative election is made. If an alternate election is not made, such contributions are automatically increased by 1% each year thereafter. Contributions are subject to certain limitations imposed by the Internal Revenue Code (the “Code”).

The Company’s matching contributions are generally as follows:

Employee Contribution	Company Match
First 2% of participant’s eligible compensation	100%
Next 2% of participant’s eligible compensation	50%
Next 4% of participant’s eligible compensation	25%

The Company credits participants who meet eligibility requirements with a RAC each pay period in an amount determined as a percentage of eligible compensation for each pay period in accordance with the following table:

Participant's Age	Percentage of Compensation
Less than 35	3
35-49	4
50 or older	5

Participant Accounts — Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions, any employer contributions, and an allocation of the Plan's earnings, net of administration expenses, and charged with the participant's withdrawals and an allocation of the Plan's losses, borne by the Plan. Allocations are based on the participant's account balance, as defined in the Plan document. The benefit to which a participant is entitled is that which can be provided from the participant's vested account.

Vesting — Plan participants are immediately vested in their own and employer matching contributions (including any investment earnings thereon).

Plan participants are fully vested in their RAC, plus earnings thereon, upon the completion of three years of vesting service.

Forfeited Accounts — Forfeitures of nonvested RACs plus earnings thereon may be used to reduce subsequent Company contributions or Plan administrative expenses. As of December 31, 2017 and 2016, forfeited nonvested accounts were approximately \$431,000 and \$493,000, respectively. During 2017, employer contributions were reduced by approximately \$644,000 due to forfeited nonvested accounts.

Investment Options — Upon enrollment in the Plan, each participant directs his or her contributions and Company contributions, in 1% increments, to be invested in any of the 18 investment options plus a self directed brokerage account option described in the Plan document. The investment funds are managed by independent investment managers appointed by the HII Investment Committee (the "Investment Committee"). Except for the Stable Value Fund disclosed in Note 5, there are no redemption restrictions nor unfunded commitments.

Participants may change their investment direction daily. Existing account balances can be transferred daily, subject to certain restrictions.

Contributions deposited into each investment fund buy units of that fund based on unit values that are updated daily prior to any Plan transactions, including contributions, withdrawals, distributions and transfers. The value of each participant's account within each fund depends on the number of units purchased to date and the current value of each unit.

Notes Receivable from Participants — Participants may borrow from their vested accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000, reduced by the highest outstanding loan balance over the past 12 months, or 50% of their account balance (not including certain Company contributions). A participant may not have more than two outstanding loans at any given time (except for those merged from other plans). Loans are secured by the assignment of the participant's vested interest in the Plan. The interest rate is fixed on the last business day of each month

at the prime rate as determined by the Trustee plus 1%. Repayments are made from payroll deductions (for active employees) or other form of payment (for former employees or employees on a leave of absence). The maximum loan period for a regular loan is five years. Participants may obtain 15 year loans if used to acquire a dwelling that is the principal residence of the participant. Loans transferred in as the result of a plan merger may, however, have maximum loan periods greater than 15 years. Loans may be repaid early in full; partial early repayments are not permitted. As of December 31, 2017, participant loans have maturities through 2032 at interest rates ranging from 4.25% to 9.25%.

Payment of Benefits — On termination of employment with the Company (including termination due to death, disability, or retirement), a participant may receive a lump sum payment of his or her entire account balance (net of any outstanding loan balances). A participant may also delay payment until age 70 1/2 if the account balance exceeds \$1,000. Certain partial distributions after termination of employment and before age 70 1/2 are permitted by the Plan. Participants may rollover account balances to individual retirement accounts or another employer's qualified retirement plan to postpone federal and most state income taxes. Participants with frozen account balances under a previous savings plan may be eligible to elect special distribution options under the previous plan.

Distributions from the Huntington Ingalls Industries Stock Fund ("HII Stock Fund") may be paid in cash, stock, or a combination of both, depending on the participant's election.

Withdrawals — A participant may withdraw all or a portion of his or her after-tax contributions (plus earnings) at any time, limited to one withdrawal per quarter. In addition, a participant may withdraw all or a portion of his or her Company matching contributions (plus earnings) at any time, also limited to one withdrawal per quarter. A participant may withdraw all or a portion of his or her before-tax contributions for any reason after reaching age 59 1/2, or prior to reaching age 59 1/2, in the case of hardship (as described in the Plan document). Withdrawals are limited to the amount of a participant's vested account balance net of any loan balances outstanding and are subject to tax withholding as appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties — The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, credit, U.S. and foreign government and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities may occur in the near term, and those changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition — The Plan's investments are stated at fair value as determined by the Trustee pursuant to the DC Master Trust Agreement as directed and overseen by the Investment Committee. The Plan's investments, including the underlying investments held in the DC Master Trust are valued as follows:

Investments in common stock are valued at the last reported sales price of the stock on the last business day of the Plan year. The shares of registered investment company funds are valued at quoted

market prices, which represent the net asset values of shares held by the Plan at year end. Investments in units of the stable value collective trusts are valued at the respective net asset values as reported by such underlying trusts. Investments in fixed income securities are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing values on yields currently available on comparable securities of issuers with similar credit ratings. Investments in collective trust funds are valued based on the redemption prices of units owned by the Plan, which is based on the current fair value of the funds' underlying assets. Fair values for securities are based on information in financial publications of general circulation, statistical and valuation services, records of security exchanges, appraisals by qualified persons, transactions and bona fide offers in assets of the type in question and other information customarily used in the valuation of assets or, if market values are not available, at their fair values as provided to the Trustee by the party with authority to trade in such securities (investment managers, the Investment Committee or, in the case of participant-directed brokerage accounts, the participant's broker, as applicable). Synthetic guaranteed investment contracts ("SICs") held by the Plan through the Stable Value Fund of the DC Master Trust are recorded at contract value. The SICs are considered to be fully benefit-responsive and their carrying values are therefore presented as contract values in the statements of net assets available for benefits. The SICs' contract values are equal to principal balances plus accrued interest plus deposits and less withdrawals. All securities and money market funds are quoted in the local currency and then converted into U.S. dollars using the appropriate exchange rate obtained by the Trustee, if necessary. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Broker commissions, transfer taxes, and other charges and expenses incurred in connection with the purchase, sale, or other disposition of securities or other investments are added to the cost of such securities or other investments, or deducted from the proceeds of the sale or other disposition thereof, as appropriate. Taxes, if any, on the assets of the funds, or on any gain or loss resulting from the sale or other disposition of such assets, or on the earnings of the funds, are apportioned among the participants whose interests in the Plan are affected. The DC Master Trust allocates investment income, realized gains and losses, and unrealized appreciation and depreciation on the underlying securities to the participating plans daily based upon the fair value of each plan's investment. The unrealized appreciation or depreciation amount is the aggregate difference between the current fair value and the cost of investments. The realized gain or loss on investments is the difference between the proceeds received upon sale and the average cost of investments sold. Notes Receivable from Participants — Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based upon the terms of the Plan document. Expenses — Administrative expenses of the Plan may be paid by the Plan, the DC Master Trust, or the Plan's sponsor as provided in the Plan document. Payment of Benefits — Benefit payments to participants are recorded upon distribution. Amounts allocated to accounts of persons who have elected to withdraw from the Plan, but have not yet been paid, were approximately \$533,000 and \$287,000 as of December 31, 2017 and 2016, respectively. New Accounting Pronouncements — In February 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-06, Employee Benefit Plan Master Trust Reporting - a consensus of the FASB Emerging Issues Task Force, which is intended to improve the

usefulness of the information reported to users of employee benefit plan financial statements. The ASU relates primarily to how a plan reports its interest in a master trust. For each master trust in which a plan holds an interest, the plan will be required to disclose, as separate line items, the plan's interest in the statement of net assets available for benefits and any changes in that interest in the statement of changes in net assets available for benefits. In addition, a plan with a divided interest in the individual investments of the master trust will no longer be required to disclose its percentage interest in the master trust, but rather will be required to disclose the master trust's investments by general type and the individual plan's dollar amount of its interest in the master trust's investments by general type. Further, all plans will be required to disclose both their master trust's other asset and liability balances and the dollar amount of the individual plan's interest in each of those balances.

The amendments in the ASU are effective for fiscal years beginning after December 15, 2018, with early adoption permitted. Entities will be required to adopt the guidance retrospectively to all periods presented. Management does not expect the adoption of the ASU will have a material impact on the financial statements.

3. INVESTMENTS

The majority of the Plan's investments consist of a proportionate interest in certain investments held by the DC Master Trust. Those investments are stated at fair values determined and reported by the Trustee, in accordance with the DC Master Trust Agreement.

Proportionate interests of each plan participating in the DC Master Trust are determined based on the standard trust method of plan accounting for master trust arrangements. Plan assets represented 84% of total net assets reported by the Trustee of the DC Master Trust as of each of December 31, 2017 and 2016.

The net assets of the DC Master Trust as of December 31, 2017 and 2016, were as follows (\$ in thousands):

	2017	2016
Assets:		
At fair value:		
Short-term investment funds	\$ 11,686	\$ 16,412
HII common stock	219,246	193,502
Collective trust funds	2,292,602	1,848,353
Schwab Personal Choice Retirement Account	169,641	142,787
Total investments at fair value	2,693,175	2,201,054
At contract value:		
Synthetic guaranteed investment contracts	559,100	639,044
Total investments at contract value	559,100	639,044
Pending receivable	30,287	32,464
Total assets	3,282,562	2,872,562
Liabilities:		
Accrued expenses	1,345	1,257
Total liabilities	1,345	1,257
Net assets of the DC Master Trust	\$3,281,217	\$2,871,305

Investment income for the DC Master Trust for the year ended December 31, 2017, was as follows (\$ in thousands):

Investment income:

Net appreciation in fair value of investments	\$420,208
Dividends	5,308
Interest	14,248
Administrative and investment expenses	(4,332)
Total investment income	\$435,432

4. FAIR VALUE MEASUREMENTS

Accounting Standards Codification 820, Fair Value Measurement ("ASC 820"), clarifies the definition of fair value, prescribes methods for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value, and expands disclosures about the use of fair value measurements.

The valuation techniques under ASC 820 are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect internal market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 — Quoted prices for identical instruments in active markets. Level 1 investments of the DC Master Trust primarily include common stock, registered investment company funds, and money market funds based on pricing, frequency of trading, and other market considerations.

Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable. Level 2 investments of the DC Master Trust primarily include fixed income securities based on model-derived valuations calculated by the fund managers.

Level 3 — Significant inputs to the valuation model are unobservable. There were no Level 3 financial instruments in the Plan as of December 31, 2017 and 2016.

Transfers Between Levels - The Plan's policy is to recognize transfers in and transfers out of hierarchy levels as of the actual date of the event or change in circumstances that caused the transfer. There were no transfers of investments between levels during the year ended December 31, 2017.

The following tables set forth by level the fair value hierarchy of the investments held by the DC Master Trust and the Plan as of December 31, 2017 and 2016 (\$ in thousands):

As of December 31, 2017					
	Level 1	Level 2	Level 3	NAV (a)	Total
DC Master Trust					
Short-term investment funds	\$—	\$—	\$—	-\$11,686	\$11,686
HII common stock	219,246	—	—	—	219,246
Collective trust funds	—	—	—	2,292,602	2,292,602
Schwab Personal Choice Retirement Account	169,336	305	—	—	169,641
Total assets in the DC Master Trust	\$388,582	\$305	\$—	-\$2,304,288	\$2,693,175
Other Plan Investments					
Short-term investment fund	—	—	—	1,196	1,196
Total Other Plan Investments	\$—	\$—	\$—	-\$1,196	\$1,196

As of December 31, 2016					
	Level 1	Level 2	Level 3	NAV (a)	Total
DC Master Trust					
Short-term investment funds	\$—	\$—	\$—	-\$16,412	\$16,412
HII common stock	193,502	—	—	—	193,502
Collective trust funds	—	—	—	1,848,353	1,848,353
Schwab Personal Choice Retirement Account	142,529	258	—	—	142,787
Total assets in the DC Master Trust	\$336,031	\$258	\$—	-\$1,864,765	\$2,201,054
Other Plan Investments					
Short-term investment fund	—	—	—	917	917
Total Other Plan Investments	\$—	\$—	\$—	-\$917	\$917

(a) Investments in collective trust funds are measured at fair value using NAV, and therefore have not been classified in the fair value hierarchy.

5. INTEREST IN STABLE VALUE FUND

The DC Master Trust includes amounts in the Stable Value Fund, which was established for the investment of assets of certain savings plans sponsored by the Company. Each participating savings plan has an undivided interest in the Stable Value Fund. As of each of December 31, 2017 and 2016, the Plan's interest in the net assets of the Stable Value Fund was approximately 90% of the total fund value. Investment income and administrative expenses relating to the Stable Value Fund are allocated among the participating plans on a daily basis.

Investments held in the Stable Value Fund as of December 31, 2017 and 2016, were as follows (\$ in thousands):

	2017	2016
Synthetic guaranteed investment contracts - at contract value	\$559,100	\$639,044
Short-term investment fund - at fair value	11,290	15,462
Total	\$570,390	\$654,506

The Stable Value Fund holds wrapper contracts in order to manage the market risk and return of certain securities held by the Stable Value Fund. The wrapper contracts generally modify the investment characteristics of certain underlying securities such that they perform in a manner similar to guaranteed investment contracts. Each wrapper contract and the related underlying assets comprise the SICs, which are recorded at contract value. Contract value represents contributions made under the contract, plus interest at the contract rate, less withdrawals and contract administrative expenses.

The Stable Value Fund imposes certain restrictions on the Plan, and the Stable Value Fund itself may be subject to circumstances that affect its ability to transact at fair value. These events include termination of the Plan, a material adverse change to the provisions of the Plan, a withdrawal from a wrapper contract in order to switch to a different investment provider, or adoption of a successor plan (in the event of the spin-off or sale of a division) that does not meet the wrapper contract issuer's underwriting criteria for issuance of a clone wrapper contract. Plan management believes that the events described above that could result in the payment of benefits at fair value rather than contract value are not probable of occurring in the foreseeable future.

6. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions through the DC Master Trust include the purchase and sale of investments managed by affiliates of the Trustee, transactions involving HII common stock, and payments made to the Company for certain Plan administrative costs. The HII Stock Fund within the DC Master Trust held 930,189 and 1,050,555 shares of common stock of the Company with fair values of approximately \$219,246,000 and \$193,502,000 as of December 31, 2017 and 2016, respectively. The HII Stock Fund within the DC Master Trust also held cash and cash equivalents with fair values of approximately \$396,000 and \$950,000 as of December 31, 2017 and 2016, respectively. The Plan's interests in the net assets of the HII Stock Fund were approximately 95.1% and 94.8% as of December 31, 2017 and 2016, respectively. During 2017, the HII Stock Fund earned approximately \$2,537,000 in dividends from its investment in HII common stock.

The Plan had transactions with the Trustee's collective trust funds and short-term investment fund, a liquidity pooled fund in which participation commences and terminates on a daily basis. The DC Master

Trust utilized various investment managers to manage its net assets. These net assets may also be invested into funds managed by such investment managers. All of these transactions qualify as party-in-interest transactions.

7. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of the Plan's termination, the interests of all participants in their accounts would become 100% vested.

8. FEDERAL INCOME TAX STATUS

The Plan administrator believes that the Plan is designed and is currently being operated in accordance with the applicable requirements of the Code. The Plan administrator received a favorable determination letter from the Internal Revenue Service ("IRS") dated November 14, 2017, which indicated the Plan, as designed, was in compliance with the Internal Revenue Code ("IRC"). The Plan has been amended since the date of submission of the determination letter. The Plan administrator believes, however, that the Plan is designed and is being operated in accordance with the applicable requirements of the IRC in all material respects and, that, the Plan therefore continues to be tax-exempt. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2017, there were no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. While the Plan is subject to routine audits by taxing jurisdictions, no audits are currently in progress for any tax periods.

9. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following tables reconcile net assets available for benefits per the financial statements to Form 5500 as of December 31, 2017 and 2016 (\$ in thousands):

	2017	2016
Net assets available for benefits per the financial statements	\$2,822,436	\$2,454,236
Less: amounts allocated to withdrawing participants	(533)	(287)
Net assets available for benefits per Form 5500	\$2,821,903	\$2,453,949

The following table reconciles benefits paid to participants per the financial statements to Form 5500 for the year ended December 31, 2017 (\$ in thousands):

Benefits paid to participants per the financial statements	\$ 169,028
Add: amounts allocated to withdrawing participants at December 31, 2017	533
Less: amounts allocated to withdrawing participants at December 31, 2016	(287)
Benefits paid to participants per Form 5500	\$ 169,274

HUNTINGTON INGALLS INDUSTRIES SAVINGS PLAN

Employer ID No: 90-0607005

Plan No: 011

FORM 5500, SCHEDULE H, PART IV, LINE 4i, SCHEDULE OF ASSETS (HELD AT END OF YEAR)

AS OF DECEMBER 31, 2017

(\$ in thousands)

(a) (b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
* Plan Participants	Participant loans maturing 2017 to 2032 with interest rates ranging from 4.25% to 9.25%	**	73,225
* State Street Bank and Trust Company	Short-term investment fund	**	1,196
Total			\$74,421

* Party-in-interest

** Cost information is not required for participant-directed investments and loans, and therefore is not included.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Huntington Ingalls Industries Savings Plan

Date: June 11, 2018 By: /s/ Nicolas G. Schuck

Nicolas G. Schuck

Corporate Vice President, Controller and Chief Accounting Officer

EXHIBIT INDEX

23.1 Consent of Deloitte & Touche LLP.

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