

U.S. Orders More THAAD Interceptors to Bolster Missile Defense and Address Inventory Gaps

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The U.S. Missile Defense Agency has significantly increased its recent orders for Lockheed Martin's Terminal High Altitude Area Defense (THAAD) interceptors and secured a \$2.8 billion modernization contract to replace stock used in crisis-response operations and upgrade the system's next-generation capabilities.

With tensions rising globally, the United States has expanded its procurement of THAAD interceptors from Lockheed Martin. The Missile Defense Agency nearly tripled its planned purchases for fiscal year 2025, responding to increased operational demand and concerns over depleted inventory. Analysts say this move reflects a broader recalibration of U.S. missile defense posture in light of evolving regional threats.

THAAD remains a core component of American missile defense strategy. Designed to intercept short, medium, and intermediate-range ballistic missiles during their terminal phase, the system uses hit-to-kill technology and integrates with other platforms such as the Patriot Advanced Capability—3 Missile Segment Enhancement (PAC—3 MSE), Aegis, and Ground-Based Midcourse Defense. Its proven performance has made it a preferred option not only for the U.S. but also for key allies.

As of early 2025, the U.S. had received over 900 THAAD interceptors. Units are deployed across multiple regions, including South Korea, Israel, the United Arab Emirates, and Guam. However, the system's recent use in high-intensity operations, particularly during a June conflict involving Iran, revealed a critical issue, stock depletion. Roughly 14 percent of available interceptors were used to defend against over 150 ballistic missiles targeting Israel, creating strain on U.S. inventory and allied resupply timelines.

To address the gap, the Department of Defense awarded Lockheed Martin a \$2.8 billion indefinite-delivery/indefinite-quantity contract for System Build 6.0 upgrades. These include hardware and software enhancements aimed at improving effectiveness against maneuverable

threats and enabling smoother integration with allied defense networks. The contract also extends THAAD support capabilities through 2035.

This year's budget includes funding for 12 new interceptors alongside key system improvements. However, experts caution that these figures fall short of what's needed to rebuild readiness at the pace of current usage. Without sustained investment, the U.S. risks falling behind in missile defense capacity at a time when adversarial threats are growing more complex.

From a center-right standpoint, expanding THAAD production and ensuring readiness isn't just strategic, it's essential. As state and non-state actors continue developing missile capabilities, reinforcing America's shield reinforces deterrence, protects allies, and strengthens U.S. leadership in global security.