

Note 6. Property, Plant, and Equipment, Net

Property, Plant, and Equipment, net as of September 30, 2025, and 2024						
	Accumulated Depreciation/ Amortization			Accumulated Depreciation/ Amortization		
	Cost	Net	Net	Cost	Net	Net
(In billions of dollars)	2025			Restated 2024		
Furniture, fixtures, and equipment	1,475.9	899.7	576.2	1,420.2	894.4	525.8
Buildings, structures, and facilities	861.2	493.2	368.0	835.8	476.4	359.4
Construction in progress	347.9	N/A	347.9	312.0	N/A	312.0
Right-to-use lease assets	46.7	9.7	37.0	43.8	5.1	38.7
Internal use software	78.8	46.9	31.9	75.0	47.7	27.3
Land	23.2	N/A	23.2	23.2	N/A	23.2
Other property, plant, and equipment	35.7	19.6	16.1	36.0	20.3	15.7
Total property, plant, and equipment, net	<u>2,869.4</u>	<u>1,469.1</u>	<u>1,400.3</u>	<u>2,746.0</u>	<u>1,443.9</u>	<u>1,302.1</u>

Note: "N/A" indicates not applicable.

PP&E consists predominantly of tangible assets, including land. Internal use software, assets acquired through financing leases, RTU lease assets, and leasehold improvements are also included in PP&E. For additional information relating to leases, reference Note 18—Other Liabilities.

DOD comprises approximately 70.2 percent of the government's total reported PP&E, net as of September 30, 2025. DOD continues to implement SFFAS 50, *Establishing Opening Balances for General Property, Plant, and Equipment* which permits alternative methods in establishing opening balances for PP&E and has elected to exclude land and land rights from PP&E balances. Some consolidating DOD components used the alternative valuation methods permitted by SFFAS 50 based on historical records such as expenditure data, contracts, budget information, and engineering documentation. The total acreage related to the excluded balances was 22.5 million and 22.8 million as of September 30, 2025, and 2024, respectively. The FY 2024 PP&E, net balance was restated by a decrease of \$10.9 billion. DOD made corrections of errors for assets that were not properly capitalized upon acquisition and depreciation reevaluation.

Additional information related to PP&E can be obtained from the financial statements of DOD, DOE, General Services Administration (GSA), VA, Tennessee Valley Authority (TVA), Department of State (State), DHS, and DOI. Certain PP&E are multi-use heritage assets. Reference Note 26—Stewardship Property, Plant, and Equipment for additional information on multi-use heritage assets. Refer to DM&R and Land and Permanent Land Rights in the unaudited RSI for information pertaining to the estimated maintenance and repair costs related to PP&E and the federal estimated acreage by predominant use.