



Government-Lockheed Martin Team Is Notified by U.S. Army of Intent to Award U.S. Army Corps of Engineers IM/IT Contract

June 22, 2006

SEABROOK, Md., June 22 /PRNewswire-FirstCall/ -- A team led by U.S. Government employees and supported by Lockheed Martin (NYSE: LMT) has been notified that the U.S. Army Corps of Engineers intends to award the team the contract to manage Information Management and Information Technology (IM/IT) services for the U.S. Army Corps of Engineers throughout the Continental United States and the Pacific Ocean Division Office, including the Alaska and Honolulu Districts.

The team is a partnership between the government competitor (referred to by the Office of Management and Budget as the "Most Efficient Organization," or MEO) and Lockheed Martin as the major subcontractor. The total award for the MEO team core effort is \$447 million, including Lockheed Martin's subcontract. Additional fixed price adjustments and cost reimbursable on- contract requirements are expected to increase that amount over the expected six-year period. The Government forecasts this contract will result in a potential savings of more than \$1 billion over the same period.

The team will serve Corps' civil works, military construction and research and development missions at over 50 locations, providing infrastructure systems management, records management and document management, communications, desktop support, service desk, strategic planning, testing and solutions, information security, visual information, and printing and publications.

The award followed a public-private industry competition conducted under the OMB Circular A-76 process. The partnership between the MEO and Lockheed Martin resulted in a combination of workforce experience and commercial best practices to produce an efficient, cost-effective solution.

Linda Gooden, President of Lockheed Martin Information Technology, said, "We are excited about our partnership with the U.S. Army Corps of Engineers. Our combination of Corps operational knowledge and Lockheed Martin best practices is a solution designed for mission success. Together we will deliver services that will transform the enterprise into the most efficient, cost-effective organization possible."

Under the terms of the agreement, the MEO team expects to manage these services for a minimum of six years - one Phase-In year, one Base Year and four option years. The agreement may also be extended for three additional option years for a total contract period of nine years should the team be determined to be a high-performing organization.

Headquartered in Bethesda, Md., Lockheed Martin employs about 135,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The corporation reported 2005 sales of \$37.2 billion.

For additional information, visit our website:
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06/22/2006

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/Company News On-Call:

<http://www.prnewswire.com/gh/cnoc/comp/534163.html/>

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CO: Lockheed Martin; U.S. Army Corps of Engineers; U.S. Army; Lockheed Martin
Information Technology; Office of Management and Budget

ST: Maryland

IN: ARO CPR

SU: CON

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