Lockheed Martin Agrees to Acquire Management Systems Designers Incorporated

December 21, 2006

Purchase Strengthens Company's Capabilities in Mission Solutions
for Growing Health Care Initiatives

BETHESDA, Md., Dec. 21 /PRNewswire-FirstCall/ -- Lockheed Martin Corporation (NYSE: LMT) today announced that it has agreed to acquire Fairfax, Virginia-based Management Systems Designers Incorporated (MSD). Terms of the transaction, which are not expected to have a material effect on Lockheed Martin, were not disclosed.

Founded in 1980, MSD is an employee-owned provider of information technology (IT) and scientific solutions supporting government life science, national security, and other civil agency missions. The company's proven capabilities include systems design, development, and integration; systems engineering; application support; professional services; management consulting; and specialized health and bioinformatics services.

MSD has over 600 employees. Virtually all of its revenue is generated from the Federal government, predominantly from civil agency customers such as the National Institutes of Health, where MSD has successful client relationships spanning more than twenty years. Other customers include the Internal Revenue Service, Department of Homeland Security, Department of Defense and intelligence agencies. The planned acquisition will enable Lockheed Martin to combine its systems engineering and integration capabilities with MSD's health care and other domain credentials to develop enhanced solutions for an expanded customer set. MSD will be part of the Corporation's Integrated Systems & Solutions Business Area.

"The proposed acquisition of MSD will strengthen our ongoing initiatives in the growing health care information market. Additionally, it will enhance our Systems and IT offerings, allowing us to provide a broader array of solutions and services to our expanding customer base," said Bob Stevens, Lockheed Martin's Chairman, President and Chief Executive Officer. "This transaction is another step forward in our long-term strategy of value expansion by strengthening our core competencies through the disciplined deployment of cash."

"Lockheed Martin provides an excellent platform from which MSD's talented employees and management can continue to build their business," commented Jerry Willett, MSD's President and CEO. "We are also excited about the potential opportunities that will be available through Lockheed Martin's position in government services and look forward to leveraging their full suite of resources and capabilities in continuing to make our clients successful."

The transaction is subject to government approvals, including a review under the Hart-Scott-Rodino Antitrust Improvements Act, and satisfaction of other customary closing conditions. The transaction is expected to close during the first quarter of 2007.

Headquartered in Bethesda, Md., Lockheed Martin employs about 140,000 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:
http://www.lockheedmartin.com

LOCKHEED MARTIN Safe Harbor Statement / Forward-Looking Statements:

Some of the statements contained in this press release are considered "forward-looking statements" under the federal securities laws. These statements include, but are not limited to, the expected timing and closing of the transaction, materiality of transaction terms, strengthened capabilities, and an expanded customer base arising out of the transaction. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those projected. Potential risks and uncertainties include, but are not limited to: (a) the risk that the transaction may close more slowly than expected or not at all; (b) the risk that expected benefits from the transaction may not materialize; (c) the potential subsequent discovery of liabilities not currently identified; and (d) other risks and uncertainties detailed from time to time in Lockheed Martin's filings with the Securities and Exchange Commission. All information in this release is as of December 21, 2006. Lockheed Martin disclaims any duty to update forward-looking statements to reflect subsequent events, actual results or changes in expectations.

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-0- 12/21/2006
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(LMT)

CO: Lockheed Martin Corporation; Management Systems Designers Incorporated; MSD

ST: Maryland, Virginia
IN: ARO
SU: TNM

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0161 12/21/2006 16:39 EST http://www.prnewswire.com