



Lockheed Martin Receives Contract to Start Upgrade Program for Turkey's F-16s

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FORT WORTH, Texas, July 20 /PRNewswire-FirstCall/ -- Lockheed Martin (NYSE: LMT) received a long-lead contract, valued at approximately \$67.7 million, from the U.S. Air Force to begin development of a major systems upgrade of Turkish Air Force F-16 aircraft. The total contract is valued at approximately \$800 million and is expected to be issued in mid-2006.

The upgrade program will create a robust, common avionics configuration for the Turkish Air Force's F-16 Block 40 and Block 50 aircraft, plus a modest modification to their Block 30 aircraft.

"We have long-term relationships with the Government of Turkey, the Turkish Air Force and Turkish industry, and we are pleased to be expanding those relationships," said June Shrewsbury, vice president, F-16 programs. "The Turkish Air Force is taking advantage of a cost-effective upgrade program to their F-16s. This program is based on a similar approach by the U.S. Air Force; therefore, much of the design and development effort has already been accomplished, and our task will be to address unique aspects of the Turkish configuration. Other countries have expressed interest in a similar upgrade package for their F-16s."

The Turkish configuration being integrated consists of the APG-68(V)9 multimode radar (currently being installed on new Advanced Block 50/52 F-16s), color cockpit displays and recorders, new core avionics processors, the Joint Helmet-Mounted Cueing System, Link 16 data link, advanced interrogator/transponder, integrated precision navigation, an upgraded version of the Self-Protection Electronic Warfare System (SPEWS II) and compatibility with a number of new weapons and targeting systems.

Acquisition of the SPEWS II hardware and installation beyond the lead-the-fleet kits [those for installation validation and flight test] will be accomplished on a separate contract. Acquisition of the APG-68(V)9 radar upgrade kits beyond those required for development integration testing is not currently planned.

Lockheed Martin is the principal contractor for the program. Tasks include the development effort, kit accumulation, technical assistance for kit installation, upgrades to pilot training systems, and logistics support and training. The baseline program includes kits for 37 Block 30s, 76 Block 50s and four Block 40s. There is an option for 100 more Block 40 kits.

Kit installation will be performed by TUSAS Aerospace Industries (by separate agreement) with technical assistance from Lockheed Martin.

Program milestones include modification kit trial verification installation beginning in early 2007 and continuing about two years. Flight testing will begin in early 2009 and will last approximately two years. The Turkish Air Force is expecting to achieve initial operational capability with the new configuration in 2011.

The program, titled Peace Onyx III, is being processed as a Foreign Military Sale through the U.S. government and follows Peace Onyx I (160 new F-16s in late 1980s to mid-1990s) and Peace Onyx II (80 new F-16s in late 1990s).

BACKGROUND INFORMATION

The F-16 is the choice of 24 countries. More than 4,000 aircraft have been delivered worldwide from assembly lines in five countries. The F-16 program has been characterized by unprecedented international cooperation among governments, air forces and aerospace industries. Major upgrades to all F-16 versions are being incorporated to keep the fleet modern and fully supportable over the aircraft's long service life.

Lockheed Martin Aeronautics Co., a business area of Lockheed Martin, is a leader in the design, research and development, systems integration, production and support of advanced military aircraft and related technologies. Its customers include the military services of the United States and allied countries throughout the world. Products include the F-16, F/A-22, F-35 JSF, F-117, C-5, C-130, C-130J, P-3, S-3 and U-2. The company produces major components for the F-2 fighter, and is a co-developer of the C-27J tactical transport and T-50 advanced jet trainer.

Headquartered in Bethesda, Md., Lockheed Martin Corp. employs about 130,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration of advanced technology systems, products and services. The corporation reported 2004 sales of \$35.5 billion.

For additional information, visit our Web site:
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