



Lockheed Martin Receives Contracts Totaling \$556 Million for the Combat-Proven PAC-3 Missile Program

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DALLAS, Jan. 8 /PRNewswire-FirstCall/ -- Lockheed Martin (NYSE: LMT) has received contracts totaling \$556 million from the U.S. Army Aviation and Missile Command (AMCOM) for hardware and services associated with the combat-proven Patriot Advanced Capability-3 (PAC-3) Missile program.

The contracts include production of 148 hit-to-kill PAC-3 Missiles, 17 launcher modification kits, spares and other equipment, as well as program management and engineering services. Production of all equipment will take place at Lockheed Martin manufacturing facilities in Dallas and Lufkin, TX, Chelmsford, MA, Ocala, FL, and the PAC-3 All-Up Round facility in Camden, AR. Deliveries on the contracts will be completed by July 2010.

"The PAC-3 Missile offers combat-proven hit-to-kill lethality to protect the Warfighter," said Mike Trotsky, vice president - Air & Missile Defense Programs at Lockheed Martin Missiles and Fire Control. "We continue to see interest in the PAC-3 Missile Segment around the world, and Lockheed Martin remains focused on producing this vital technology for our customers, both here and abroad."

As part of these contracts, Lockheed Martin will be producing and delivering equipment to begin upgrading all U.S. Army Patriot fire units to the current Configuration-3 capability (two PAC-3 launchers per fire unit), allowing all fire units in the Patriot fleet to be capable of firing the PAC-3 Missile. This U.S. Army initiative, called "Pure Fleet," was launched in 2006 and will provide consistency across the fleet for the user anywhere Patriot is deployed or trained.

"The PAC-3 Missile will continue to provide theater-level defense of critical assets for years to come," said Richard McDaniel, director of PAC-3 Programs at Lockheed Martin Missiles and Fire Control. "PAC-3 provides our Soldiers with lethality overmatch against the ever-advancing threat on today's battlefield."

Lockheed Martin is the prime contractor on the PAC-3 Missile Segment upgrade to the Patriot air defense system. The PAC-3 Missile Segment upgrade consists of the PAC-3 Missile, a highly agile hit-to-kill interceptor, the PAC-3 Missile canisters (which each hold four PAC-3 missiles, with four canisters per launcher), a Fire Solution Computer and an Enhanced Launcher Electronics System.

The PAC-3 Missile is currently the world's only fielded pure kinetic energy air defense missile. The PAC-3 Missile is the world's most advanced, capable and powerful theater air defense missile. It defeats the Patriot Air Defense System threat: tactical ballistic missiles, evolving cruise missiles and fixed and rotary winged aircraft. PAC-3 Missiles significantly increase the Patriot system's firepower, since 16 PAC-3s load out on a single Patriot launcher, compared with four legacy Patriot PAC-2 missiles.

Lockheed Martin achieved the first-ever hit-to-kill intercept in 1984 with the Homing Overlay Experiment, using force of impact alone to destroy a mock warhead outside of the Earth's atmosphere. Further development and testing produced today's PAC-3 Missile, which won a competition in 1993 to become the first hit-to-kill interceptor produced by the U.S. government. The PAC-3 Missile has been the technology pathfinder for today's total conversion to kinetic energy interceptors for all modern missile defense systems.

Currently, the Lockheed Martin-developed Aegis Weapon System, PAC-3 Missile, the Terminal High Altitude Area Defense (THAAD) Weapon System, the Medium Extended Air Defense System (MEADS) and the Multiple Kill Vehicle (MKV) utilize this proven advanced technology to deliver lethality against today's most dangerous threats.

The PAC-3 Missile Segment Enhancement (MSE) missile has been selected as the U.S. primary interceptor for the multi-national MEADS, a model transatlantic program for the next generation of air and missile defense. MEADS will focus on risk reduction, application of key technologies and validation of a system design incorporating the PAC-3 MSE Missile as the primary interceptor.

Lockheed Martin is a world leader in systems integration and the development of air and missile defense systems and technologies, including the first operational hit-to-kill missile. It also has considerable experience in missile design and production, infrared seekers, command and control/battle management, and communications, precision pointing and tracking optics, as well as radar and signal processing. The company makes significant contributions to all major U.S. missile defense systems and participates in several global missile defense partnerships.

Headquartered in Bethesda, Md., Lockheed Martin employs about 140,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration and sustainment of advanced technology systems, products and services.

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