

BETHESDA, Maryland, April 21, 2009 – Lockheed Martin Corporation (NYSE: LMT) today reported first quarter 2009 net earnings of \$666 million (\$1.68 per diluted share) compared to \$730 million (\$1.75 per diluted share) in 2008. Net sales were \$10.4 billion, a 4% increase over first quarter 2008 sales of \$10.0 billion. Cash from operations for the first quarter of 2009 was \$1.2 billion.

Corporate Highlights

Financial Performance:

Year-to-Date Change: Sales 4%; EPS -4%.
YTD Margin 10.2%.

Cash / Debt Activities:

- 25 consecutive quarters of positive cash from operations; 37 of last 39 quarters.
- Cash from operations for the quarter ended March 29, 2009 was \$1.2 billion.
- At March 29, 2009, the Corporation had \$2.4 billion in cash and cash equivalents.
- The Corporation continued to execute its balanced cash deployment strategy during the first quarter as follows:
 - Repurchasing 8.1 million shares at a cost of \$555 million;
 - Paying cash dividends totaling \$227 million;
 - Investing \$156 million for acquisition and investment activities;
 - Making capital expenditures of \$132 million.

1Q 2009 Business Area Highlights

Aeronautics:

Year-to-Date Change: Sales -1%; Segment Earnings 10%. YTD Segment Margin 12.8%.

- | | YTD | Inception to Date |
|--------------|-----|-------------------|
| F-22 | 5 | 138 |
| F-16 | 8 | 4,425 |
| C-130 | 3 | 2,328 |
- Received two contracts totaling \$324 million for the **C-5M Super Galaxy** program—a \$299 million contract award funding nine aircraft for the Reliability Enhancement and Re-Engining Program (RERP) and a second contract for \$25 million for Interim Contractor Support (ICS);
 - Authorized \$265 million for long lead materials and other work on **F-35 Lightning II** LRIP IV aircraft;
 - The second short takeoff/vertical landing (STOVL) **F-35B Lightning II** (BF-2) accomplished its first flight while the BF-1 aircraft entered into Hover Pit testing designed to measure the performance of a STOVL aircraft on the ground;
 - Signed a multi-year contract for up to \$292 million to provide Through Life Support (TLS) for the **C-130J Super Hercules** fleet operated by the Royal Australian Air Force.

Electronic Systems:

Year-to-Date Change: Sales 4%; Segment Earnings 7%. YTD Segment Margin 13.4%.

- Awarded a contract for the U.S. Navy's next Littoral Combat Ship (**LCS**) — the ship will be built at Marinette Marine, in which Lockheed Martin has a stake;
- Lockheed Martin and the U.S. Missile Defense Agency conducted their sixth successful test in six attempts of the Terminal High Altitude Area Defense (**THAAD**) weapon system — this was the first salvo mission, with two THAAD interceptors launched against a single separating target;
- Received a \$665 million contract to upgrade **P-3C** maritime patrol and reconnaissance aircraft for Taiwan's Navy;
- The Video from Unmanned Aerial Systems for Interoperability Teaming — Level 2 (**VUIT™-2**) technology on U.S. Army Apache helicopters began operational use in theater;
- Awarded a \$78 million contract from the U.S. Navy to produce upgrades for the **Aegis** weapon system.

Information Systems & Global Services:

Year-to-Date Change: Sales 10%; Segment Earnings 5%. YTD Segment Margin 8.8%.

- Awarded a 10-year Indefinite Delivery/Indefinite Quantity (IDIQ) contract from the U.S. Special Operations Command potentially up to \$5 billion to provide full-scope logistics support to Special Operations troops around the globe;
- Awarded a Basic Purchase Agreement with a ceiling value of \$400 million by the General Services Administration to provide software and systems support to the Federal Acquisition Service (FAS);
- Awarded an IDIQ contract to provide non-guard security support services to the Commander, Naval Installations Command (CNIC) for \$350 million in initial task orders.

Space Systems:

Year-to-Date Change: Sales 2%; Segment Earnings -8%. YTD Segment Margin 11.1%.

- The U.S. Navy conducted a successful test flight of a Lockheed Martin-built **Trident II D5 Fleet Ballistic Missile** — the missile has now achieved 126 successful test flights since 1989, a record unmatched by any other large ballistic missile or space launch vehicle;
- A Lockheed Martin-built modernized Global Positioning System Block IIR (**GPS IIR-M**) satellite, equipped with an innovative payload that will provide an on-orbit demonstration of a third civil signal, was successfully launched for the U.S. Air Force.

Full Year (\$M)

Sales

2009 (YTD)	\$ 10,373
2008	42,731
2007	41,862
2006	39,620

Backlog

2009 (YTD)	\$80,800
2008 (Y/E)	80,900
2007 (Y/E)	76,700
2006 (Y/E)	75,900

EPS (\$ per share)

2009 (YTD)	\$ 1.68
2008	7.86
2007	7.10
2006	5.80

Debt Balance *

2009 (YTD)	\$3,805
2008 (Y/E)	3,805
2007 (Y/E)	4,407
2006 (Y/E)	4,439

Cash from Operations

2009 (YTD)	\$1,218
2008	4,421
2007	4,238
2006	3,765

Share Repurchases

2009 (YTD)	\$ 555
2008	2,931
2007	2,127
2006	2,104

Dividends Paid

(\$ per share)

2009 (YTD)	\$ 0.57
2008	1.83
2007	1.47
2006	1.25

Share Price

(\$ per share)

2009 (YTD)	\$ 71.28
2008 (Y/E)	84.08
2007 (Y/E)	105.26
2006 (Y/E)	92.07

YTD is for period ended or as of 3/29/09

**Principal, net of unamortized discount*

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