UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported) – May 2, 2005

LOCKHEED MARTIN CORPORATION
(Exact name of registrant as specified in its charter)

Maryland	**1-11437**	**52-1893632**
(State or other jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

6801 Rockledge Drive, Bethesda, Maryland	**20817**
(Address of principal executive offices)	**(Zip Code)**

(301) 897-6000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On May 2, 2005, Lockheed Martin Corporation ("Lockheed Martin") and The Boeing Company ("Boeing") entered into a Joint Venture Master Agreement (the "Master Agreement") pursuant to which Lockheed Martin and Boeing agreed to form a joint venture that will own and operate their U.S. Government expendable launch businesses, including the Lockheed Martin Atlas and Boeing Delta rockets. Pursuant to the Master Agreement, each of Lockheed Martin and Boeing agreed to contribute certain assets and liabilities related to their respective businesses of designing, developing and manufacturing expendable launch vehicle ("ELV") systems for, and providing launch services using such ELV systems to, the U.S. Government, in exchange for a 50% ownership interest in a Delaware limited liability company to be formed (the "Company")**.** Under the terms of the Master Agreement, Lockheed Martin and Boeing have agreed to support the Company's initial working capital needs. Both Lockheed Martin and Boeing plan to account for the ownership interest in the Company using the equity method of accounting.

Lockheed Martin's International Launch Services (including Proton) and Boeing Launch Services (including Sea Launch) are not included in the joint venture. Each of Lockheed Martin and Boeing will continue to provide launch services to commercial customers outside the joint venture. At the Closing, the Company will enter into agreements granting exclusive rights to International Launch Services and Boeing Launch Services to market Atlas and Delta launch services, respectively, to commercial customers for a period of ten years.

The contributions of each party will be subject to adjustment based on the net working capital of each of the ELV businesses as of the closing. Neither member's percentage ownership in the Company will change as a result of the adjustment.

The Master Agreement provides that each of Lockheed Martin and Boeing will enter into various agreements with the Company at the closing of the transaction, including long-term supply agreements, transition services agreements, and various real property leases and subleases. The Master Agreement includes a non-competition provision which generally prohibits Lockheed Martin and Boeing from providing expendable launch vehicle and related launch services to the U.S. Government for 7 $^{1}/_{2}$ years after the closing date and from designing or developing competitive launch vehicles for the U.S. Government for 5 years after the closing date, in each case subject to various exceptions. The Master Agreement also contains provisions restricting each of Lockheed Martin, Boeing and the Company from soliciting or hiring certain employees of the others. Until the closing, Lockheed Martin and Boeing will continue to operate their respective ELV businesses independently.

The Master Agreement provides that Lockheed Martin and Boeing will promptly request an order from the U.S. District Court suspending all activity in the pending civil litigation between them related to a previous competition for launches under the Air Force Evolved ELV program. As of the closing of the transactions contemplated by the Master Agreement, the parties will enter into a final settlement agreement and will dismiss all pending claims in the civil proceeding.

The obligations of each of Lockheed Martin and Boeing to complete the transactions contemplated by the Master Agreement are subject to several conditions, including:

- the expiration or termination of the Hart-Scott-Rodino Act waiting period and receipt of other regulatory approvals in the United States and internationally;
- the accuracy of representations and warranties made by Lockheed Martin, Boeing and the Company and their compliance with their respective covenants;
- the entry by Lockheed Martin, Boeing and the Company into one or more advance agreements with the appropriate governmental authorities concerning matters relating to the formation of the Company and the concept of its operations;
- none of Lockheed Martin, Boeing or the Company having received an official written notice from the U.S. Department of Defense or NASA that it objects to or intends to seek to prevent completion of the transaction; and
- the Company's entering into certain financing arrangements.

The Master Agreement may be terminated prior to the closing of the transaction by either Lockheed Martin or Boeing:

- upon mutual written agreement;
- if the closing has not been consummated by March 31, 2006, other than as a result of a breach of the Master Agreement by the terminating party;
- if the consummation of the transaction is prohibited by applicable law;
- if in the event of a breach by the other of a representation, warranty, covenant or agreement under the Master Agreement where the effect of the breach prevents a closing condition from being satisfied and such breach is not cured within 30 days after notice of the breach; or
- if the closing has not been consummated by March 31, 2006 and either the stay of the civil proceeding between Lockheed Martin and Boeing has been lifted, or a repleaded complaint has been filed in the civil proceeding.

Effective as of the closing, each of Lockheed Martin and Boeing has agreed, subject to certain limitations, to indemnify the other and the Company against certain damages arising out of its breach of representations and warranties or covenants, and for certain liabilities retained by each.

The Company's day-to-day operations will be managed by an executive management team from both members. Mike Gass, Vice President and General Manager of Lockheed Martin Space Transportation, has been designated to serve as the Company's President and Chief Executive Officer. Dan Collins, Vice President of Boeing Expendable Launch Systems, has been designated to serve as Chief Operating Officer. These managers will report to a six-member board of directors, with each member appointing three directors.

Item 7.01. Regulation FD Disclosure.

A copy of the joint press release of Boeing and Lockheed Martin announcing the transaction is furnished as Exhibit 99 to this report.

Item 8.01. Other Events.

The information set forth above under "Item 1.01. Entry into a Material Definitive Agreement" is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

Exhibit No.	Description
99	The Boeing Company and Lockheed Martin Corporation joint press release, dated May 2, 2005, announcing formation of the United Launch Alliance joint venture.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LOCKHEED MARTIN CORPORATION

By: /s/ David A. Dedman

David A. Dedman
Associate General Counsel

May 3, 2005

EXHIBIT INDEX

Exhibit Number	Description
99	The Boeing Company and Lockheed Martin Corporation joint press release, dated May 2, 2005, announcing formation of the United Launch Alliance joint venture

Exhibit 99

Boeing, Lockheed Martin to Form Launch Services Joint Venture

- ***Lowers Cost to the Government***
- ***Maintains Assured Access to Space***
- ***Enhances Reliability***
- ***Provides Full Cost Visibility***

CHICAGO, and BETHESDA, MD – May 2, 2005 – The Boeing Company (NYSE: BA) and Lockheed Martin Corporation (NYSE: LMT) have entered into an agreement to create a joint venture that will combine the production, engineering, test and launch operations associated with U.S. government launches of Boeing Delta and Lockheed Martin Atlas rockets. The joint venture, named United Launch Alliance, will reduce the cost of meeting the critical national security and NASA expendable launch vehicle needs of the United States.

“It has become increasingly clear that an alliance of launch capabilities is essential to meet the space communications, surveillance and reconnaissance needs of the 21st century, and to assure access to space,” said Lockheed Martin Chairman, President and Chief Executive Officer Robert J. Stevens. “This combination will permit our national customers to achieve their mission objectives while reflecting current budget pressures and providing the government with full cost visibility.”

“Both of our companies have developed versions of the Evolved Expendable Launch Vehicle (EELV) in collaboration with the Air Force and have flown them successfully,” said Boeing President, Chief Executive Officer and Chief Financial Officer James A. Bell. “By joining together we are convinced that we can provide the customer with assured access to space at the lowest possible cost while ensuring enhanced reliability by eliminating duplicate infrastructure and bringing experts from both companies to focus on mission assurance.”

United Launch Alliance will be structured as a 50-50 joint venture between Boeing and Lockheed Martin—combining services currently provided separately by Boeing Integrated Defense Systems' Expendable Launch Systems division and by Lockheed Martin's Space Systems Company—for launches of each company's respective rockets. Based upon initial estimates, annual savings to the government resulting from the combination are expected to be approximately $100 - $150 million.

Michael C. Gass, vice president and general manager of Lockheed Martin Space Transportation, has been appointed United Launch Alliance president and chief executive officer and Dan Collins, vice president Boeing Expendable Launch Systems will serve as chief operating officer. In addition, a Boeing executive will be appointed chief financial officer and a Lockheed Martin executive will be named controller at a later date. These leaders will report to a six-member board of directors, with each company appointing three directors.

"The Lockheed Martin and Boeing employees who will be part of this new launch provider understand the enduring needs of our Air Force and NASA customers for mission success," said Gass. "They bring together a remarkable record of accomplishment in launching national-security and scientific space payloads."

"The continued performance of Boeing and Lockheed Martin employees as a new team going forward—from the engineering center to the factory floor to the launch pad—will offer even greater reliability and mission assurance to the customer," said Collins.

The agreement, which is subject to government and regulatory approval in the United States and internationally, also stipulates that the companies will immediately request an order from the U.S. District Court suspending all activity in the pending civil litigation related to a previous competition for launches under the Air Force EELV program. Simultaneous with the closing of the transaction, the parties will dismiss all claims against each other.

“The mission of this joint venture is to reliably meet critical launch needs, so it is imperative that the two teams come together as one with all lingering issues resolved,” said Stevens. “When agreement was reached to form this alliance, both parties agreed that they were ready to move forward with a clean slate and an undistracted focus on mission success.”

Under the terms of the joint venture, Boeing’s Delta and Lockheed Martin’s Atlas rockets will continue to be available as alternatives on individual launch missions. This will ensure that government customers are able to make decisions that meet the goal of assured access to space with two families of launch vehicles. Upon vehicle selection, the United Launch Alliance team will carry out the mission, including vehicle integration and payload processing.

Lockheed Martin’s International Launch Services (including Proton) and Boeing Launch Services (including Sea Launch) are not included in the joint venture. These entities will continue to sell launch services to non-U.S. government customers. Additionally, work the companies are performing independently in support of NASA-sponsored Space Shuttle-Derived Launch Vehicle concepts for future space exploration initiatives will be excluded from this joint venture.

United Launch Alliance headquarters will be established in Denver with most engineering and administrative activities consolidated at that location’s existing Lockheed Martin Space Systems Company facilities. Major assembly and integration operations will be located primarily at Boeing’s manufacturing and assembly facility in Decatur, Ala. As part of the joint venture, Boeing’s and Lockheed Martin’s launch facilities at Cape Canaveral Air Force Station in Florida and Vandenberg Air Force Base in California will provide flexibility for meeting the requirements for East and West Coast launches.

United Launch Alliance is expected to have about 3,800 total employees at sites in Colorado, Alabama, Florida, California and Texas. It is anticipated that consolidation of the two organizations eventually will result in the elimination of some undetermined number of positions. A range of services will be made available to support those employees transferring to new locations to work with United Launch Alliance.

Completion of the transaction is expected in late 2005 at which time United Launch Alliance operations would begin.

Morgan Stanley served as financial advisor to Boeing and JP Morgan served as financial advisor to Lockheed Martin.

Safe Harbor Statement / Forward-Looking Statements

Certain statements contained in this press release are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is both companies' intent that such statements be protected by the safe harbor created thereby. Forward-looking statements include, but are not limited to statements regarding: (1) the expected closing date of the transaction; (2) the expected costs savings arising out of the transaction; (3) the ability to quantify and demonstrate cost savings; (4) the complexities of successfully integrating two workforces; (5) the difficulty in retaining critical skill employees; (6) uncertainties involved in advanced technological products and services; and (7) future performance, reliability and mission assurance. These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. 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 the cost savings arising out of the transaction may be less than anticipated, and (c) other risks and uncertainties detailed from time to time in each company's filings with the Securities and Exchange Commission. All information in this release is as of May 2, 2005. Both companies disclaim any duty to update forward-looking statements to reflect subsequent events, actual results or changes in expectations.

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