

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Statements of Earnings
Unaudited
(In millions, except per share data and percentages)

	THREE MONTHS ENDED	
	March 27, 2011 ^{(a) (b)}	March 28, 2010 ^{(a) (b)}
Net sales	\$ 10,633	\$ 10,337
Cost of sales	<u>9,831</u>	<u>9,441</u>
Gross profit	802	896
Other income, net	<u>50</u>	<u>42</u>
Operating profit	852	938
Interest expense	85	87
Other non-operating income, net	<u>19</u>	<u>28</u>
Earnings from continuing operations before income taxes	786	879
Income tax expense	<u>238</u>	<u>360</u>
Earnings from continuing operations	548	519
Earnings (loss) from discontinued operations ^(c)	<u>(18)</u>	<u>14</u>
Net earnings	<u>\$ 530</u>	<u>\$ 533</u>
Effective tax rate	<u>30.3%</u>	<u>41.0%</u>
Earnings per common share		
Basic		
Continuing operations	\$ 1.57	\$ 1.40
Discontinued operations	<u>(0.05)</u>	<u>0.03</u>
Total	<u>\$ 1.52</u>	<u>\$ 1.43</u>
Diluted		
Continuing operations	\$ 1.55	\$ 1.38
Discontinued operations	<u>(0.05)</u>	<u>0.03</u>
Total	<u>\$ 1.50</u>	<u>\$ 1.41</u>
Average number of shares outstanding		
Basic	348.5	373.5
Diluted	352.6	377.7
Common shares reported in stockholders' equity at quarter end:	344.9	368.5

^(a) It is the Corporation's practice to close its books and records on the Sunday prior to the end of the calendar quarter. The interim financial statements and tables of financial information included herein are labeled based on that convention.

^(b) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

^(c) Discontinued operations include the operating results of Pacific Architects and Engineers, Inc. (PAE) for all periods presented, and those of Enterprise Integration Group (EIG) in 2010. The Corporation closed on its sale of PAE in the second quarter on April 4, 2011 and that of EIG on Nov. 22, 2010.

LOCKHEED MARTIN CORPORATION
Net Sales, Operating Profit and Margins
Unaudited
(In millions, except percentages)

	THREE MONTHS ENDED ^(a)		
	March 27, 2011	March 28, 2010	% Change
<u>Net sales</u>			
Aeronautics	\$ 3,182	\$ 2,940	8 %
Electronic Systems	3,459	3,250	6
Information Systems & Global Solutions	2,149	2,234	(4)
Space Systems	1,843	1,913	(4)
Total net sales	\$ 10,633	\$ 10,337	3 %
<u>Operating profit</u>			
Aeronautics	\$ 331	\$ 331	- %
Electronic Systems	417	379	10
Information Systems & Global Solutions	194	197	(2)
Space Systems	217	207	5
Segment operating profit	1,159	1,114	4
Unallocated corporate expense, net	(307)	(176)	
Total operating profit	\$ 852	\$ 938	(9) %
<u>Margins</u>			
Aeronautics	10.4 %	11.3 %	
Electronic Systems	12.1	11.7	
Information Systems & Global Solutions	9.0	8.8	
Space Systems	11.8	10.8	
Total operating segments	10.9	10.8	
Total consolidated	8.0 %	9.1 %	

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

LOCKHEED MARTIN CORPORATION
Selected Financial Data
Unaudited
(In millions, except per share data)

	THREE MONTHS ENDED		
	<u>March 27, 2011</u>	<u>March 28, 2010</u>	
<u>Other unallocated Corporate income (expense), net:</u>			
FAS/CAS pension adjustment			
FAS pension expense	\$ (455)	\$	(357)
Less: CAS expense	<u>(224)</u>	<u></u>	<u>(247)</u>
FAS/CAS pension adjustment - income (expense)	<u>(231)</u>	<u></u>	<u>(110)</u>
Stock compensation expense	(39)		(41)
Other, net	<u>(37)</u>		<u>(25)</u>
Unallocated corporate expense, net	<u><u>\$ (307)</u></u>	<u><u>\$</u></u>	<u><u>(176)</u></u>

	THREE MONTHS ENDED MARCH 28, 2010 ¹		
	<u>Operating profit</u>	<u>Net earnings</u>	<u>Earnings per share</u>
<u>Unusual Item - 2010</u>			
Elimination of Medicare Part D deferred tax assets	<u>\$ -</u>	<u>\$ (96)</u>	<u>\$ (0.25)</u>

¹ There were no unusual items reported in first quarter of 2011.

LOCKHEED MARTIN CORPORATION

Selected Financial Data

Unaudited

(In millions)

THREE MONTHS ENDED

	<u>March 27, 2011</u>	<u>March 28, 2010</u>
<u>Depreciation and amortization of plant and equipment</u>		
Aeronautics	\$ 53	\$ 47
Electronic Systems	54	54
Information Systems & Global Solutions	11	14
Space Systems	45	43
Segments	163	158
Unallocated corporate expense, net	12	14
Total depreciation and amortization of plant and equipment	\$ 175	\$ 172

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Balance Sheets
Unaudited
(In millions)

	MARCH 27, 2011	DECEMBER 31, 2010 ^(a)
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 3,357	\$ 2,261
Short-term investments	504	516
Receivables	6,583	5,692
Inventories	2,277	2,363
Deferred income taxes	1,156	1,147
Assets of discontinued operation held for sale	377	396
Other current assets	489	518
Total current assets	<u>14,743</u>	<u>12,893</u>
Property, plant and equipment, net	4,461	4,554
Goodwill	9,609	9,605
Deferred income taxes	3,412	3,485
Other assets	4,452	4,576
Total assets	<u>\$ 36,677</u>	<u>\$ 35,113</u>
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities		
Accounts payable	\$ 2,374	\$ 1,627
Customer advances and amounts in excess of costs incurred	5,844	5,890
Salaries, benefits and payroll taxes	1,808	1,870
Liabilities of discontinued operation held for sale	211	204
Other current liabilities	2,193	1,810
Total current liabilities	<u>12,430</u>	<u>11,401</u>
Long-term debt, net	5,023	5,019
Accrued pension liabilities	10,826	10,607
Other postretirement benefit liabilities	1,227	1,213
Other liabilities	3,380	3,376
Total liabilities	<u>32,886</u>	<u>31,616</u>
Stockholders' equity		
Common stock, \$1 par value per share	345	346
Additional paid-in capital	-	-
Retained earnings	12,274	12,161
Accumulated other comprehensive loss	(8,828)	(9,010)
Total stockholders' equity	<u>3,791</u>	<u>3,497</u>
Total liabilities and stockholders' equity	<u>\$ 36,677</u>	<u>\$ 35,113</u>

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Statements of Cash Flows
Unaudited
(In millions)

	THREE MONTHS ENDED	
	March 27, 2011	March 28, 2010
<u>Operating Activities</u>		
Net earnings	\$ 530	\$ 533
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization of plant and equipment	175	172
Amortization of purchased intangibles	20	27
Stock-based compensation	39	41
Deferred income taxes	(12)	121
Changes in assets and liabilities:		
Receivables	(900)	(609)
Inventories	93	(302)
Accounts payable	745	217
Customer advances and amounts in excess of costs incurred	(42)	321
Postretirement benefit plans	473	377
Income taxes	486	568
Other, net	77	183
Net cash provided by operating activities	1,684	1,649
<u>Investing Activities</u>		
Expenditures for property, plant and equipment	(95)	(92)
Proceeds from short-term investment transactions	10	107
Other, net	22	(23)
Net cash used for investing activities	(63)	(8)
<u>Financing Activities</u>		
Repurchases of common stock	(314)	(516)
Common stock dividends	(266)	(238)
Issuances of common stock	43	24
Net cash used for financing activities	(537)	(730)
Effect of exchange rate changes on cash and cash equivalents	12	(14)
Net increase in cash and cash equivalents	1,096	897
Cash and cash equivalents at beginning of period	2,261	2,391
Cash and cash equivalents at end of period	\$ 3,357	\$ 3,288

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Statement of Stockholders' Equity
Unaudited
(In millions, except per share data)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balance at December 31, 2010	\$ 346	\$ -	\$ 12,372	\$ (9,010)	\$ 3,708
Cumulative effect of a change in accounting principle ^(a)	-	-	(211)	-	(211)
Balance at December 31, 2010, as adjusted	346	-	12,161	(9,010)	3,497
Net earnings	-	-	530	-	530
Repurchases of common stock ^(b)	(4)	(126)	(151)	-	(281)
Common stock dividends declared ^(c)	-	-	(266)	-	(266)
Stock-based awards and ESOP activity	3	126	-	-	129
Other comprehensive income, net of tax ^(d)	-	-	-	182	182
Balance at March 27, 2011	\$ 345	\$ -	\$ 12,274	\$ (8,828)	\$ 3,791

(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

(b) The Corporation repurchased 3.5 million shares for \$281 million during the first quarter. In Oct. 2010, the Corporation's Board of Directors approved a new share repurchase program for the repurchase of its common stock, up to an authorized amount of \$3.0 billion. As of Mar. 27, 2011, the Corporation had repurchased a total of 14.7 million shares under the new program for \$1,057 million, and there remained \$1,943 million authorized for additional share repurchases.

(c) Includes dividends (\$0.75 per share) declared and paid in the first quarter.

(d) Primarily represents the reclassification adjustment for recognition of prior period amounts related to postretirement benefit plans of \$165 million.

LOCKHEED MARTIN CORPORATION**Operating Data****Unaudited**

	<u>March 27, 2011</u>	<u>December 31, 2010</u>
<u>Backlog</u>		
(In millions)		
Aeronautics	\$ 31,300	\$ 27,500
Electronic Systems	22,600	23,400
Information Systems & Global Solutions	9,100	9,700
Space Systems	17,000	17,800
Total	\$ 80,000	\$ 78,400

THREE MONTHS ENDED

<u>Aircraft Deliveries</u>	<u>March 27, 2011</u>	<u>March 28, 2010</u>
F-16	5	6
F-22	2	4
C-130J	6	3

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Statements of Earnings

As Reported and Adjusted to Reflect the Change in Revenue Recognition Methodology^(a)

Unaudited

(In millions, except per share data and percentages)

	Year Ended December 31, 2010			Year Ended December 31, 2009			Year Ended December 31, 2008		
	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)
Net sales	\$ 45,803	\$ (46)	\$ 45,757	\$ 43,995	\$ (35)	\$ 43,960	\$ 41,372	\$ (28)	\$ 41,344
Cost of sales	41,967	38	42,005	39,803	29	39,832	36,798	31	36,829
Gross profit	3,836	(84)	3,752	4,192	(64)	4,128	4,574	(59)	4,515
Other income, net	261	-	261	223	(3)	220	475	-	475
Operating profit	4,097	(84)	4,013	4,415	(67)	4,348	5,049	(59)	4,990
Interest expense	345	-	345	308	-	308	332	-	332
Other non-operating income (expense), net	74	-	74	123	-	123	(91)	-	(91)
Earnings from continuing operations before income tax:	3,826	(84)	3,742	4,230	(67)	4,163	4,626	(59)	4,567
Income tax expense	1,181	(30)	1,151	1,231	(23)	1,208	1,459	(21)	1,438
Earnings from continuing operations	2,645	(54)	2,591	2,999	(44)	2,955	3,167	(38)	3,129
Earnings (loss) from discontinued operations	281	6	287	25	(7)	18	50	6	56
Net earnings	\$ 2,926	\$ (48)	\$ 2,878	\$ 3,024	\$ (51)	\$ 2,973	\$ 3,217	\$ (32)	\$ 3,185
Effective tax rate	30.9%		30.8%	29.1%		29.0%	31.5%		31.5%
Earnings per common share									
Basic									
Continuing operations	\$ 7.26	\$ (0.15)	\$ 7.11	\$ 7.79	\$ (0.11)	\$ 7.68	\$ 7.92	\$ (0.09)	\$ 7.83
Discontinued operations	0.77	0.02	0.79	0.07	(0.02)	0.05	0.13	0.01	0.14
Total	\$ 8.03	\$ (0.13)	\$ 7.90	\$ 7.86	\$ (0.13)	\$ 7.73	\$ 8.05	\$ (0.08)	\$ 7.97
Diluted									
Continuing operations	\$ 7.18	\$ (0.15)	\$ 7.03	\$ 7.71	\$ (0.11)	\$ 7.60	\$ 7.74	\$ (0.10)	\$ 7.64
Discontinued operations	0.76	0.02	0.78	0.07	(0.03)	0.04	0.12	0.02	0.14
Total	\$ 7.94	\$ (0.13)	\$ 7.81	\$ 7.78	\$ (0.14)	\$ 7.64	\$ 7.86	\$ (0.08)	\$ 7.78

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

LOCKHEED MARTIN CORPORATION
Condensed Consolidated Statements of Earnings

As Reported and Adjusted to Reflect the Change in Revenue Recognition Methodology ^(a)

Unaudited

(In millions, except per share data and percentages)

	Quarter Ended March 28, 2010			Quarter Ended June 27, 2010			Quarter Ended September 26, 2010			Quarter Ended December 31, 2010		
	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)
Net sales	\$ 10,339	\$ (2)	\$ 10,337	\$ 11,295	\$ (15)	\$ 11,280	\$ 11,375	\$ (9)	\$ 11,366	\$ 12,794	\$ (20)	\$ 12,774
Cost of sales	9,424	17	9,441	10,249	(11)	10,238	10,577	7	10,584	11,717	25	11,742
Gross profit	915	(19)	896	1,046	(4)	1,042	798	(16)	782	1,077	(45)	1,032
Other income, net	44	(2)	42	75	(2)	73	91	(3)	88	51	7	58
Operating profit	959	(21)	938	1,121	(6)	1,115	889	(19)	870	1,128	(38)	1,090
Interest expense	87	-	87	86	-	86	85	-	85	87	-	87
Other non-operating income (expense), net	28	-	28	(19)	-	(19)	37	-	37	28	-	28
Earnings from continuing operations before income taxes	900	(21)	879	1,016	(6)	1,010	841	(19)	822	1,069	(38)	1,031
Income tax expense	367	(7)	360	298	(2)	296	276	(7)	269	240	(14)	226
Earnings from continuing operations	533	(14)	519	718	(4)	714	565	(12)	553	829	(24)	805
Earnings from discontinued operations	14	-	14	107	3	110	6	1	7	154	2	156
Net earnings	\$ 547	\$ (14)	\$ 533	\$ 825	\$ (1)	\$ 824	\$ 571	\$ (11)	\$ 560	\$ 983	\$ (22)	\$ 961
Effective tax rate	40.8%		41.0%	29.3%		29.3%	32.8%		32.7%	22.5%		21.9%
Earnings per common share												
Basic												
Continuing operations	\$ 1.43	\$ (0.03)	\$ 1.40	\$ 1.95	\$ (0.01)	\$ 1.94	\$ 1.57	\$ (0.03)	\$ 1.54	\$ 2.33	\$ (0.07)	\$ 2.26
Discontinued operations	0.03	-	0.03	0.30	-	0.30	0.02	-	0.02	0.43	0.01	0.44
Total	\$ 1.46	\$ (0.03)	\$ 1.43	\$ 2.25	\$ (0.01)	\$ 2.24	\$ 1.59	\$ (0.03)	\$ 1.56	\$ 2.76	\$ (0.06)	\$ 2.70
Diluted												
Continuing operations	\$ 1.42	\$ (0.04)	\$ 1.38	\$ 1.93	\$ (0.01)	\$ 1.92	\$ 1.55	\$ (0.03)	\$ 1.52	\$ 2.30	\$ (0.06)	\$ 2.24
Discontinued operations	0.03	-	0.03	0.29	0.01	0.30	0.02	-	0.02	0.43	-	0.43
Total	\$ 1.45	\$ (0.04)	\$ 1.41	\$ 2.22	\$ -	\$ 2.22	\$ 1.57	\$ (0.03)	\$ 1.54	\$ 2.73	\$ (0.06)	\$ 2.67

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

LOCKHEED MARTIN CORPORATION

Net Sales, Operating Profit and Margins

As Reported and Adjusted to Reflect the Change in Revenue Recognition Methodology^(a)

Unaudited

(In millions, except percentages)

	Year Ended December 31, 2010			Year Ended December 31, 2009			Year Ended December 31, 2008		
	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)
Net sales:									
Aeronautics	\$ 13,235	\$ 4	\$ 13,239	\$ 12,201	\$ 2	\$ 12,203	\$ 11,473	\$ (4)	\$ 11,469
Electronic Systems	14,363	(8)	14,355	13,532	(24)	13,508	12,803	(9)	12,794
Information Systems & Global Solutions	9,959	(38)	9,921	9,608	(9)	9,599	9,069	(12)	9,057
Space Systems	8,246	(4)	8,242	8,654	(4)	8,650	8,027	(3)	8,024
Total net sales	\$ 45,803	\$ (46)	\$ 45,757	\$ 43,995	\$ (35)	\$ 43,960	\$ 41,372	\$ (28)	\$ 41,344
Operating profit:									
Aeronautics	\$ 1,502	\$ 4	\$ 1,506	\$ 1,577	\$ 2	\$ 1,579	\$ 1,433	\$ (4)	\$ 1,429
Electronic Systems	1,712	(8)	1,704	1,660	(43)	1,617	1,583	(9)	1,574
Information Systems & Global Solutions	890	(76)	814	895	(21)	874	919	(43)	876
Space Systems	972	(4)	968	972	(5)	967	953	(3)	950
Segment operating profit	5,076	(84)	4,992	5,104	(67)	5,037	4,888	(59)	4,829
Unallocated corporate income (expense), net	(979)	-	(979)	(689)	-	(689)	161	-	161
Total operating profit	\$ 4,097	\$ (84)	\$ 4,013	\$ 4,415	\$ (67)	\$ 4,348	\$ 5,049	\$ (59)	\$ 4,990
Margins:									
Aeronautics	11.3 %	0.1 %	11.4 %	12.9 %	- %	12.9 %	12.5 %	- %	12.5 %
Electronic Systems	11.9	-	11.9	12.3	(0.3)	12.0	12.4	(0.1)	12.3
Information Systems & Global Solutions	8.9	(0.7)	8.2	9.3	(0.2)	9.1	10.1	(0.4)	9.7
Space Systems	11.8	(0.1)	11.7	11.2	-	11.2	11.9	(0.1)	11.8
Total operating segments	11.1	(0.2)	10.9	11.6	(0.1)	11.5	11.8	(0.1)	11.7
Total consolidated	8.9 %	(0.1) %	8.8 %	10.0 %	(0.1) %	9.9 %	12.2 %	(0.1) %	12.1 %

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.

LOCKHEED MARTIN CORPORATION
Net Sales, Operating Profit and Margins
As Reported and Adjusted to Reflect the Change in Revenue Recognition Methodology ^(a)
Unaudited
(In millions, except percentages)

	Quarter Ended March 28, 2010			Quarter Ended June 27, 2010			Quarter Ended September 26, 2010			Quarter Ended December 31, 2010		
	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)	As Reported	Adjustment	Adjusted ^(a)
Net sales:												
Aeronautics	\$ 2,933	\$ 7	\$ 2,940	\$ 3,146	\$ (3)	\$ 3,143	\$ 3,300	\$ (6)	\$ 3,294	\$ 3,856	\$ 6	\$ 3,862
Electronic Systems	3,276	(26)	3,250	3,528	6	3,534	3,583	(4)	3,579	3,976	16	3,992
Information Systems & Global Solutions	2,212	22	2,234	2,541	(19)	2,522	2,524	1	2,525	2,682	(42)	2,640
Space Systems	1,918	(5)	1,913	2,080	1	2,081	1,968	-	1,968	2,280	-	2,280
Total net sales	\$ 10,339	\$ (2)	\$ 10,337	\$ 11,295	\$ (15)	\$ 11,280	\$ 11,375	\$ (9)	\$ 11,366	\$ 12,794	\$ (20)	\$ 12,774
Operating profit:												
Aeronautics	\$ 324	\$ 7	\$ 331	\$ 372	\$ (2)	\$ 370	\$ 396	\$ (7)	\$ 389	\$ 410	\$ 6	\$ 416
Electronic Systems	404	(25)	379	432	9	441	425	(4)	421	451	12	463
Information Systems & Global Solutions	194	3	197	224	(14)	210	217	(9)	208	255	(56)	199
Space Systems	213	(6)	207	245	1	246	235	1	236	279	-	279
Segment operating profit	1,135	(21)	1,114	1,273	(6)	1,267	1,273	(19)	1,254	1,395	(38)	1,357
Unallocated corporate expense, net	(176)	-	(176)	(152)	-	(152)	(384)	-	(384)	(267)	-	(267)
Total operating profit	\$ 959	\$ (21)	\$ 938	\$ 1,121	\$ (6)	\$ 1,115	\$ 889	\$ (19)	\$ 870	\$ 1,128	\$ (38)	\$ 1,090
Margins:												
Aeronautics	11.0 %	0.3 %	11.3 %	11.8 %	- %	11.8 %	12.0 %	(0.2) %	11.8 %	10.6 %	0.2 %	10.8 %
Electronic Systems	12.3	(0.6)	11.7	12.2	0.3	12.5	11.9	(0.1)	11.8	11.3	0.3	11.6
Information Systems & Global Solutions	8.8	-	8.8	8.8	(0.5)	8.3	8.6	(0.4)	8.2	9.5	(2.0)	7.5
Space Systems	11.1	(0.3)	10.8	11.8	-	11.8	11.9	0.1	12.0	12.2	-	12.2
Total operating segments	11.0	(0.2)	10.8	11.3	(0.1)	11.2	11.2	(0.2)	11.0	10.9	(0.3)	10.6
Total consolidated	9.3 %	(0.2) %	9.1 %	9.9 %	- %	9.9 %	7.8 %	(0.1) %	7.7 %	8.8 %	(0.3) %	8.5 %

^(a) As previously disclosed, the Corporation changed its methodology for recognizing net sales for service contracts with the U.S. Government effective Jan. 1, 2011. The Corporation now recognizes sales on those contracts using the preferable percentage-of-completion (POC) method consistent with its accounting for product sales and others in the industry. All prior periods presented have been adjusted for this immaterial change.