

ROTARY AND MISSION SYSTEMS INVESTOR CONFERENCE

NOVEMBER 14-15, 2018
STRATFORD, CONNECTICUT



FORWARD LOOKING STATEMENT

This presentation contains statements that, to the extent they are not recitations of historical fact, constitute forward-looking statements within the meaning of the federal securities laws, and are based on Lockheed Martin's current expectations and assumptions. The words "believe," "estimate," "anticipate," "project," "intend," "expect," "plan," "outlook," "scheduled," "forecast" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks and uncertainties. Actual results may differ materially due to factors such as: the corporation's reliance on contracts with the U.S. Government, which are conditioned upon the availability of funding and can be terminated by the U.S. Government for convenience, and the corporation's ability to negotiate favorable contract terms; budget uncertainty; affordability initiatives; the risk of future sequestration under the Budget Control Act of 2011 or other budget cuts; risks related to the development, production, sustainment, performance, schedule, cost and requirements of complex and technologically advanced programs including the corporation's largest, the F-35 program; economic, industry, business and political conditions including their effects on governmental policy (including legislation, the effect of which is to temporarily prohibit deliveries of F-35s to Turkey until certain conditions are met (although not affecting payments to the corporation), or other trade policies or sanctions); the corporation's success expanding into and doing business in adjacent markets and internationally; the differing risks posed by international sales, including those involving commercial relationships with unfamiliar customers and different cultures; our ability to recover investments, which is frequently dependent upon the successful operation of ventures that we do not control; and changes in foreign national priorities, and foreign government budgets; the competitive environment for the corporation's products and services, including increased pricing pressures, aggressive pricing in the absence of cost realism evaluation criteria, competition from outside the aerospace and defense industry, and increased bid protests; planned production rates for significant programs; compliance with stringent performance and reliability standards; materials availability; the performance and financial viability of key suppliers, teammates, ventures, venture partners, subcontractors and customers; the timing and customer acceptance of product deliveries; the corporation's ability to continue to innovate and develop new products and to attract and retain key personnel and transfer knowledge to new personnel; the impact of work stoppages or other labor disruptions; the impact of cyber or other security threats or other disruptions to the corporation's businesses; the corporation's ability to implement and continue capitalization changes such as share repurchases and dividend payments, pension funding as well as the pace and effect of any such capitalization changes; the corporation's ability to recover certain costs under U.S. Government contracts and changes in contract mix; the accuracy of the corporation's estimates and projections; movements in interest rates and other changes that may affect pension plan assumptions, equity, the level of the FAS/CAS adjustment and actual returns on pension plan assets; realizing the anticipated benefits of acquisitions or divestitures, ventures, teaming arrangements or internal reorganizations, and the corporation's efforts to increase the efficiency of its operations and improve the affordability of its products and services; risk of an impairment of goodwill and intangible assets, investments or other long-term assets, including the potential impairment of goodwill, intangible assets and inventory recorded as a result of the acquisition of the Sikorsky business and the potential impairment of our equity investment in Advanced Military Maintenance, Repair and Overhaul Center LLC (AMMROC); the adequacy of the corporation's insurance and indemnities; the effect of changes in (or in the interpretation of) procurement and other regulations and policies affecting our industry, including export, cost allowability or recovery, aggressive government positions with respect to the use and ownership of intellectual property and potential changes to the Department of Defense's acquisition regulations relating to progress payments and performance based payments; the effect of changes in accounting, taxation (including the impact of the Tax Cuts and Jobs Act), or export regulations; and the outcome of legal proceedings, bid protests, environmental remediation efforts, government investigations or government allegations that we have failed to comply with law, other contingencies and U.S. Government identification of deficiencies in the corporation's business systems. These are only some of the factors that may affect the forward-looking statements contained in this news release. For a discussion identifying additional important factors that could cause actual results to vary materially from those anticipated in the forward-looking statements, see the corporation's filings with the U.S. Securities and Exchange Commission (SEC) including, but not limited to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the corporation's Annual Report on Form 10-K for the year ended Dec. 31, 2017 and subsequent quarterly reports on Form 10-Q. The corporation's filings may be accessed through the Investor Relations page of its website, www.lockheedmartin.com/investor, or through the website maintained by the SEC at www.sec.gov. The corporation's actual financial results likely will be different from those projected due to the inherent nature of projections. Given these uncertainties, forward-looking statements should not be relied on in making investment decisions. The forward-looking statements contained in this presentation speak only as of the date of its filing. Except where required by applicable law, the corporation expressly disclaims a duty to provide updates to forward-looking statements after the date of this presentation to reflect subsequent events, changed circumstances, changes in expectations, or the estimates and assumptions associated with them. The forward-looking statements in this presentation are intended to be subject to the safe harbor protection provided by the federal securities laws.

THE FUTURE OF FLIGHT: SIKORSKY OVERVIEW

DAN SCHULTZ

PRESIDENT, SIKORSKY, A LOCKHEED MARTIN COMPANY





SIKORSKY: TURNING A LEGACY INTO THE FUTURE

GROWING THE FUTURE OF VERTICAL LIFT



Production

H-60 Black Hawk® Family



Development Transitioning to Production

HH-60W Combat Rescue Helicopter
VH-92A
CH-53K King Stallion



The Future

S-97 Raider®
SB>1 Defiant™

CH-53K King Stallion



THE ONLY TRUE HEAVY LIFTER



HH-60W Combat Rescue Helicopter

ADVANCED TECHNOLOGY FOR COMBAT RESCUE

VH-92A



TRUSTED SECURITY FOR THE HEAD OF STATE MISSION



S-97 Raider



SB-1 Defiant

A NEW GENERATION OF HELICOPTERS

THE FUTURE OF FLIGHT: CH-53K KING STALLION

MIKE TOROK

VICE PRESIDENT, MARINE CORPS SYSTEMS



USMC. YOUR MISSION IS OURS.



USMC. YOUR MISSION IS OURS.

Sea-Based Operations



High Altitude, Hot Temperature Missions

USMC. YOUR MISSION IS OURS.

CH-53E



CH-53K



KEY CAPABILITY ASSESSMENTS



External Payload
Testing



Internal Payload
Testing



Degraded Visual
Environment Testing



Medevac Capability
Testing

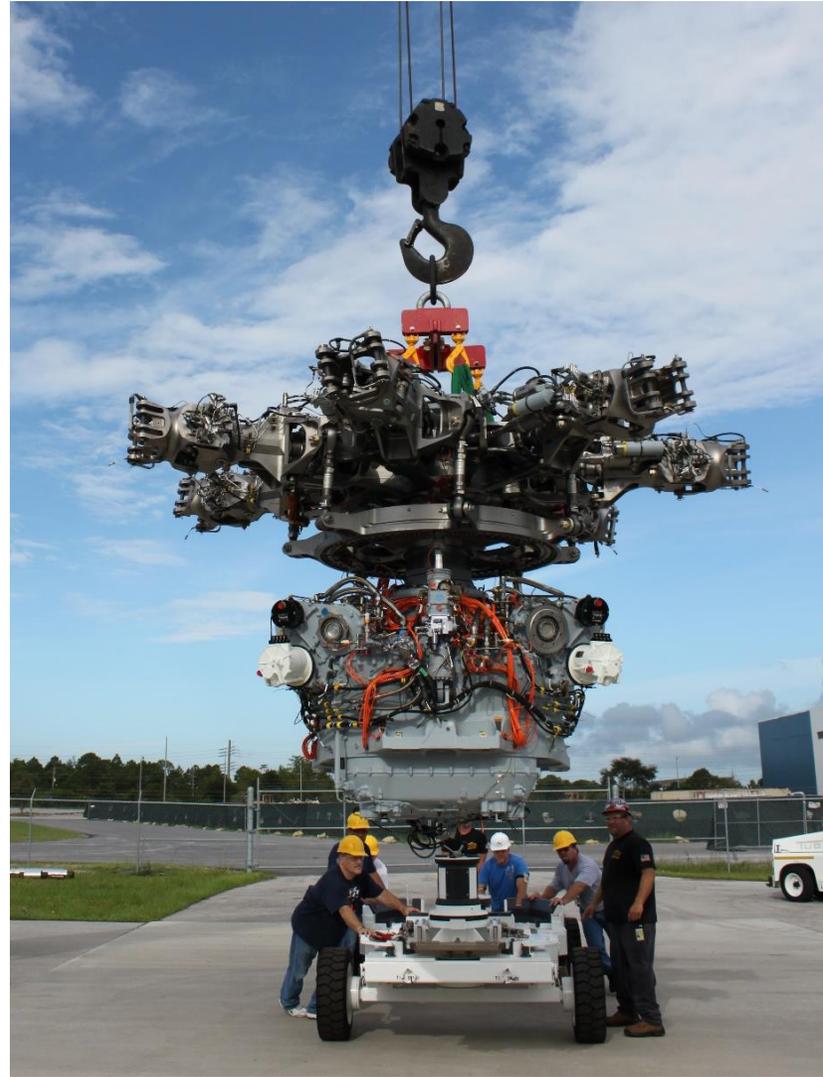
KEY CAPABILITY ASSESSMENTS



CH-53K INTERNATIONAL DEBUT – ILA BERLIN



21ST CENTURY TECHNOLOGIES



Unmatched Mission
Performance

21ST CENTURY TECHNOLOGIES



Digital "Big Data"
Life-Cycle
Support

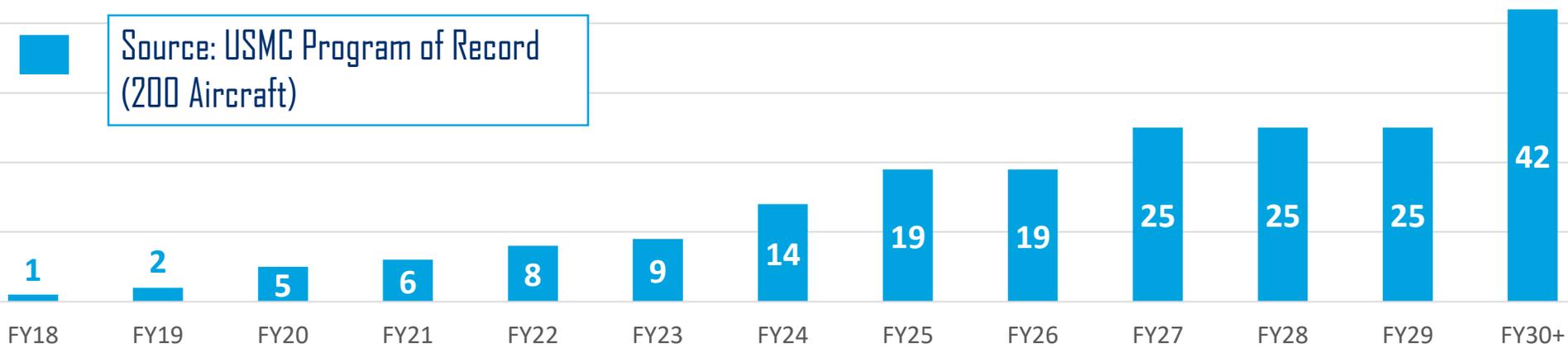
CH-53K RAMP UP



AIRCRAFT DELIVERIES



Source: USMC Program of Record
(200 Aircraft)



INTERNATIONAL OPPORTUNITIES



THE FUTURE OF HEAVY LIFT IS HERE

The Only Helicopter Designed to Meet the USMC Mission

Integrated, 21st Century Vehicle Technologies Enable Unmatched **Operational Performance**

Digital Technology and Infrastructure Offer Unmatched Life-Cycle **Fleet Support**

CH-53K Acquisition and Sustainment Programs Drive Significant **Business Growth**



QUESTIONS?



THE FUTURE OF INNOVATION: FUTURE VERTICAL LIFT

CHRIS VAN BUITEN

VICE PRESIDENT, SIKORSKY INNOVATIONS

LOCKHEED MARTIN



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FORCES FACING A NEW THREAT ENVIRONMENT



EMERGING THREAT

PAST THREAT

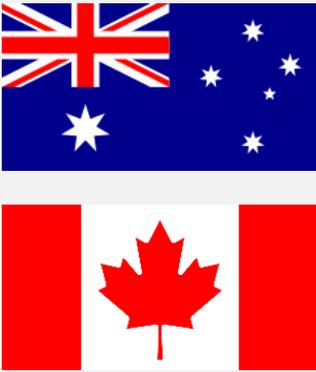


200KM

100KM

REQUIRES SPEED, RANGE, SURVIVABILITY

LEGACY FLEET REPLACEMENT

DoD Focus	Next Generation	DoD Customers	International
<p>Light (FARA)</p>	 <p>S-97 Raider[®]</p>	<p>470 Aircraft</p> 	
<p>Medium (FLRAA)</p>	 <p>SB-1 Defiant[™]</p>	<p>2,000 Aircraft</p> 	

FUTURE VERTICAL LIFT COMPETITIVE LANDSCAPE

S-97 Raider



VS

Emerging Competitive Concepts



SB>I Defiant



VS

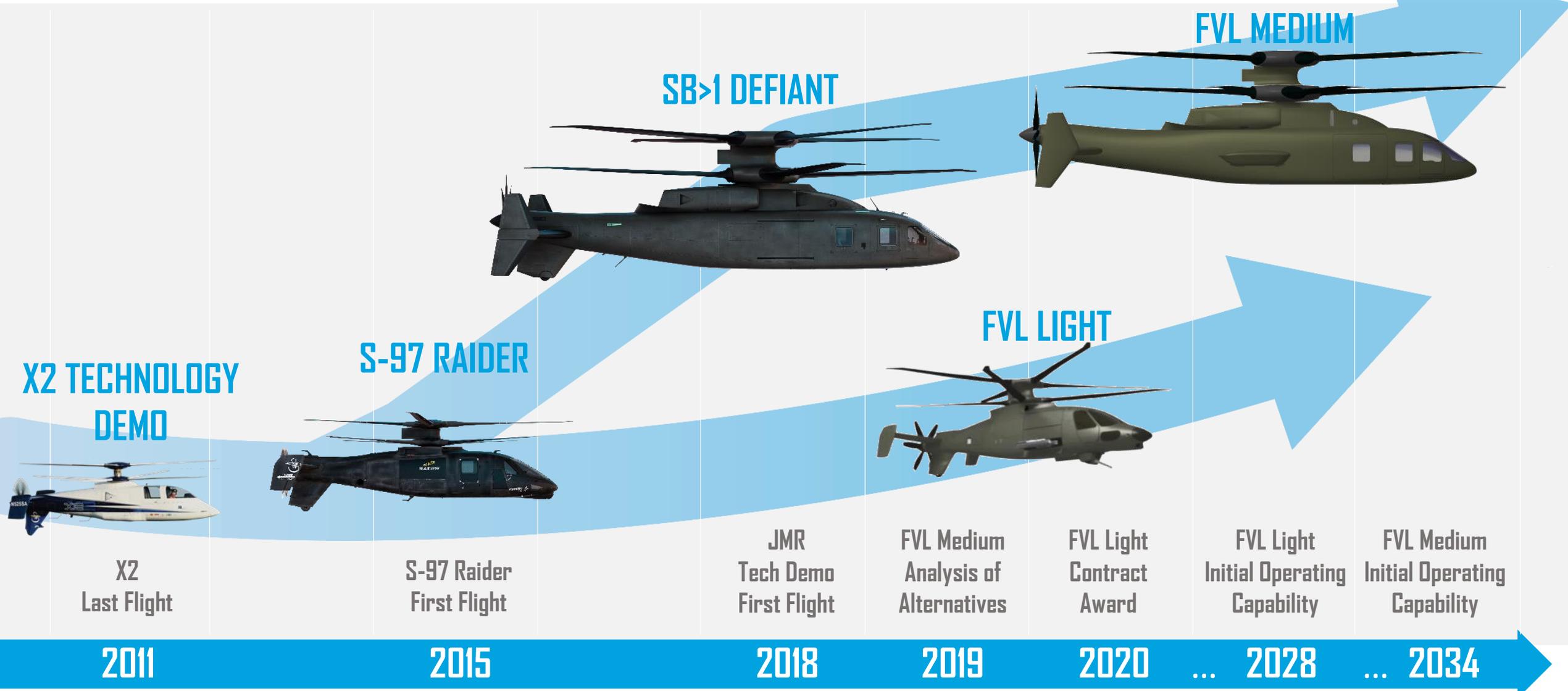
V-280 Valor



LIGHT

MEDIUM

SIKORSKY LEADING THE WAY TO FUTURE VERTICAL LIFT



AWARD-WINNING X2 TECHNOLOGY™



Demonstrated Speeds
- 250 kts (straight/level)
- 263 kts (dive)



**Received Collier Trophy
(100th Anniversary)
2010**



**Inducted into Smithsonian
Air & Space Museum
2015**

RAIDER X2 TECHNOLOGY

**Counter-Rotating Rotors,
Conventional Transmission
Technology**

**High Efficiency, Low Noise
Rigid Coaxial Rotor System**

**Propeller with Clutch to
Enable **Whisper Mode****

**Fly by Wire Controls
Enabling Autonomy**

**Cabin Sized for Weapons
Loadouts or 6 Troops**

SIKORSKY AND LOCKHEED MARTIN OPENING NEW SEGMENTS

Sikorsky Rotorcraft Leadership

- ✓ Army Assault/Utility
- ✓ Navy Utility/Anti-Submarine Warfare
- ✓ Marine Utility/Heavy Lift
- ✓ VIP/Head of State Transport
- ✓ Commercial Oil Transport
- ✓ Combat/Commercial Search & Rescue
- Armed Reconnaissance/Attack

Strong Historical Positioning

Lockheed Martin Mission Capabilities and Content



Growing into Armed Reconnaissance/Attack

THE NEXT GENERATION PORTFOLIO OF ROTORCRAFT

S-97 Raider



US Fleet Size: 470 International Fleet Size: >1,200

MISSION SEGMENTS



SB1 Defiant



US Fleet Size: 2,000 International Fleet Size: >1,600



SIKORSKY REVOLUTIONIZING THE HELICOPTER



Low Risk Technology
with Next Generation
Capability

Speed and Range to
Meet Emerging Threat
Environment

Survivability and
Lethality in a Compact
Package

Maneuverability and
Size to Effectively
Achieve the Mission

QUESTIONS?



THE FUTURE OF INNOVATION: LASER WEAPON SYSTEMS

PAUL LEMMO

VICE PRESIDENT AND GENERAL MANAGER, IWSS



OUR CUSTOMERS' PERSPECTIVE

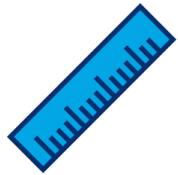
Directed Energy Changes
the Cost Calculus



LASER WEAPON ADVANCEMENT

CHALLENGES

SCIENCE FICTION TO BATTLEFIELD REALITY



SIZE

Scaling to Tactical Platforms



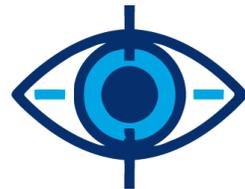
POWER GENERATION EFFICIENCY

Converting Electrons to Photons



COOLING

Managing KWs of Waste Heat



BEAM CONTROL

Pointing Accuracy through
Atmosphere & Vibration

SOLUTIONS & DISCRIMINATORS

FULL SERVICE SOLUTION



SPECTRAL BEAM COMBINATION

Patents, Products & Innovation



MANUFACTURING

Advanced Laser
Manufacturing Established



PLATFORMS

Unique Knowledge & Expertise



WEAPON SYSTEM INTEGRATION

Proven System-of-System Integrator

INNOVATION & RECOGNITION



ATHENA
LASER WEAPON SYSTEM FIELDIED

2013

2014

R&D 100 AWARD



RELI POWER
World Record

2017

2018

EDISON AWARD
(Gold)



ATHENA
5 YEARS IN FIELD
WITHOUT REALIGNMENT

2018

DRIVING SOLUTIONS FOR EACH DOD SERVICE TODAY



U.S. Air Force

LANCE

Laser Advancements for Next Generation
Compact Environments
2020: Laser Delivery



U.S. Navy

HELIOS

High Energy Laser with Integrated
Optical-dazzler and Surveillance
2020: Ship Installation



U.S. Army

HEL TVD

High Energy Laser Tactical
Vehicle Demonstrator
2022: Field Demonstration

SUMMARY

Growth Aligned to National Defense Strategy

Discriminating Laser Technology and Platform Expertise for a **Total System Solution**

Creating **New Franchises**

The Future of **Laser Weapon Systems** Is Here

QUESTIONS?



THE FUTURE OF INTEGRATED AIR AND MISSILE DEFENSE

PAUL LEMMO, VICE PRESIDENT AND GENERAL MANAGER, IWSS

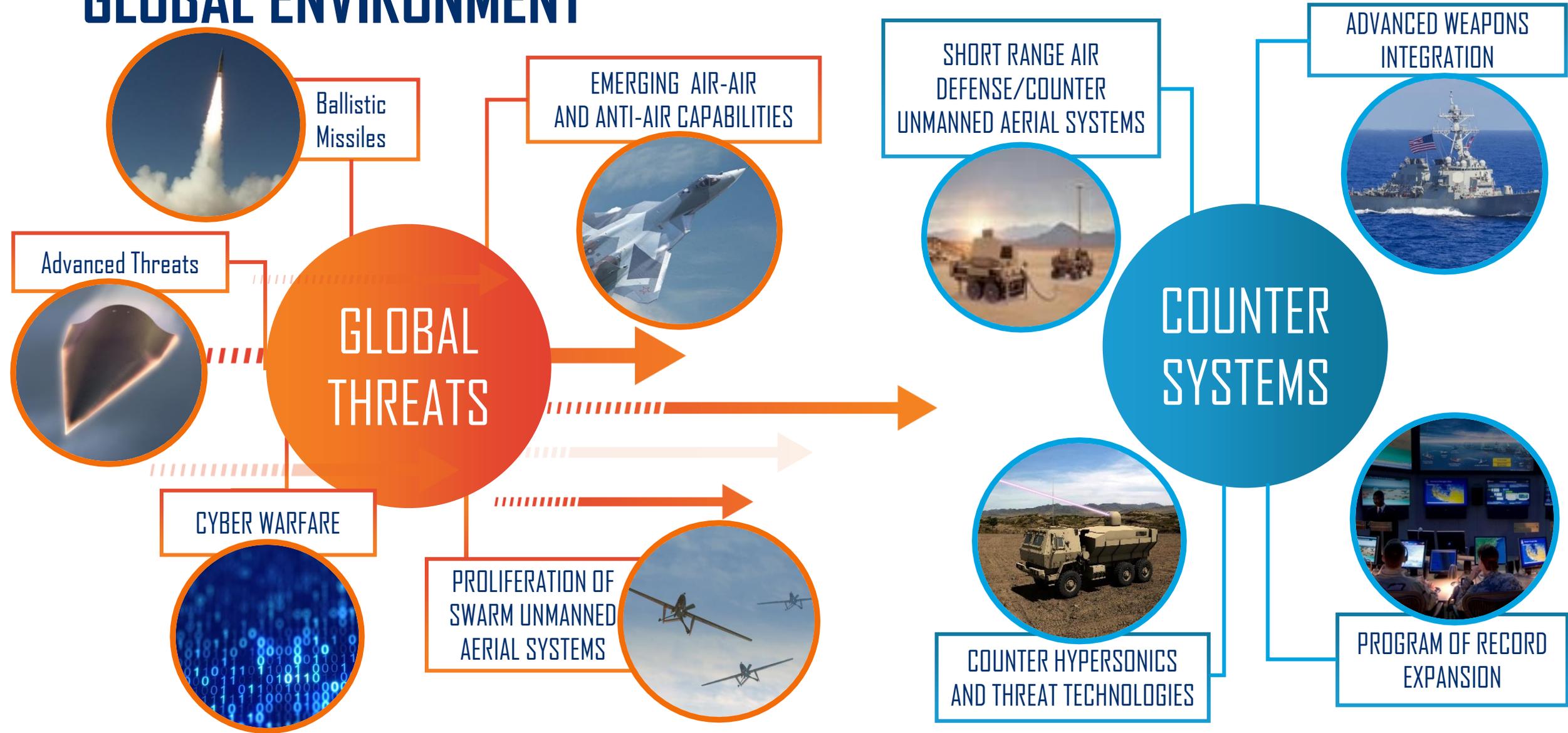
JON RAMBEAU, VICE PRESIDENT AND GENERAL MANAGER, CBISR

TIM CAHILL, VICE PRESIDENT, IAMD

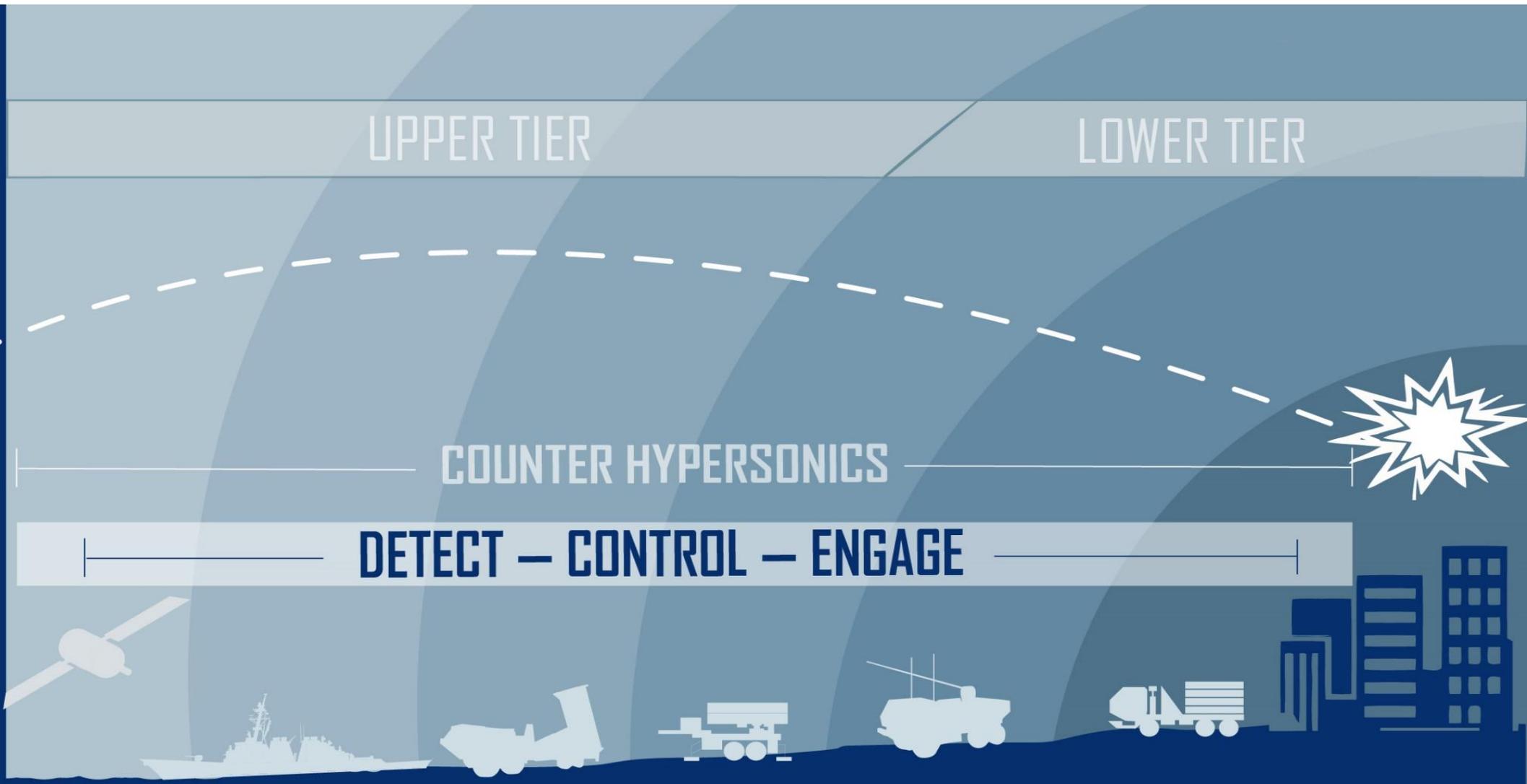
LOCKHEED MARTIN



GLOBAL ENVIRONMENT



INTEGRATED AIR AND MISSILE DEFENSE



INTEGRATED AIR AND MISSILE DEFENSE



SBIRS/
OPIR

AEGIS

THAAD

PAC-3

LASER
WEAPON
SYSTEMS

MHTK

COMMAND AND CONTROL
(C2BMC, DIAMONDShield, SkyKeeper)

DETECTING THREATS

Built on 45 Years of
Proven Performance
in Radar Technology

World-Class Engineering
Experience for Combat
Systems Integration

Scalable System
Architecture to Address
All Missions

Advanced GaN-Based
Radar and Electronic
Warfare Systems



AEGIS SPY-1



AEGIS ASHORE



LRDR



GROUND-BASED
AIR SURVEILLANCE



SEWIP BLOCK 2



TPQ-53



TPS-X



LTAMDS



SENTINEL A4

CONTROL ACROSS ALL SYSTEMS AND DOMAINS

National Lead for the Integrating Element of the U.S. Ballistic Missile Defense System

Complete Application Suite for **Multi-Domain Command and Control**

Advanced **Cyber Protections** Ensure Our Systems Against Threats

Agility and Flexibility to Rapidly Integrate New Platforms and Capabilities



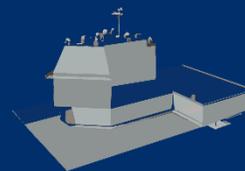
C2BMC/iC2BMC



DIAMONDSield



AEGIS COMBAT SYSTEM



AEGIS ASHORE



THAAD TFCC



SKYKEEPER

ENGAGE

Embracing our Customers' Top Mission Priorities

Weapon System Integration for Enhanced Multi-Domain Capability

Advanced **Hit-to-Kill Technology** to Counter Current and Future Threats

Laser Weapon Systems Industry Leader



THAAD



PAC-3 MSE



M-SHORAD



MHTK



LASER WEAPON SYSTEMS

SUMMARY

Proven, Innovative and
Unmatched **Product Depth** to
Address Customer Requirements

Threats Continue to Drive
Significant Growth in IAMD

Unique Technology Discriminators
Enable Defeat of All Air and
Missile Defense Threats

Lockheed Martin's Approach is the
Future of Multi-Domain IAMD

QUESTIONS?



LOCKHEED MARTIN

