BETESDA, Md. Jan. 28, 2010 – Lockheed Martin Corporation (NYSE: LMT) today reported fourth quarter 2009 net earnings of $827 million, compared to $823 million in 2008. Net sales for the fourth quarter of 2009 were $12.5 billion, compared to $11.1 billion in 2008. Cash from operations for 2009 was $3.2 billion, after making $1.5 billion in discretionary payments to pre-fund pension trusts.

**Corporate Highlights**

**Financial Performance:**
- Full Year Change: Sales 6%; EPS –1%. 2009 Margin 9.9%.
- Full Year Change: Sales 6%; EPS –1%. 2009 Segment Margin 13.1%.
- Full Year Change: Sales 6%; Segment Earnings 10%. 2009 Segment Margin 12.9%.

**Cash / Debt Activities:**
- Cash from operations for the quarter and 12 months ended December 31, 2009 was ($605) million and $3.2 billion respectively.
- At December 31, 2009, the Corporation had $2.4 billion in cash and cash equivalents.
- The Corporation continued to execute its balanced cash deployment strategy during the fourth quarter as follows:
  - Repurchasing 6.6 million shares at a cost of $489 million;
  - Repaying $241 million of debt;
  - Paying cash dividends totaling $240 million;
  - Making capital expenditures of $371 million.

**4Q 2009 Business Area Highlights**

**Aeronautics:**
- Full Year Change: Sales 6%; Segment Earnings 10%. 2009 Segment Margin 12.9%.

**Deliveries**

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<thead>
<tr>
<th></th>
<th>YTD</th>
<th>Inception to Date</th>
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<tbody>
<tr>
<td>F-22</td>
<td>20</td>
<td>153</td>
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<tr>
<td>F-16</td>
<td>31</td>
<td>4,448</td>
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<tr>
<td>C-130</td>
<td>16</td>
<td>2,341</td>
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- Ferried two F-35B Lightning II short takeoff/vertical landing (STOVL) stealth fighters (BF-1 and BF-2) to Naval Air Station Patuxent River, Md., to continue the process of validating the propulsion system through a series of short takeoffs, hovers and vertical landings;
- Conducted the inaugural flight of the optimized conventional takeoff and landing (CTOL) F-35 Lightning II fighter (AF-1) marking the fourth F-35 to begin flight operations;
- The government of Egypt signed a Letter of Offer and Acceptance (LOA) for 20 new F-16 aircraft representing a critical extension to the F-16 production program;
- Received an undefinitized contract action for 11 FY10 C-130J aircraft;
- Awarded LRIP contract valued at $340 million for C-5 RERP.

**Electronic Systems:**
- Full Year Change: Sales 5%; Segment Earnings 6%. 2009 Segment Margin 13.1%.
- Awarded a $968 million U.S. Army contract for Patriot Advanced Capability-3 missiles and associated hardware;
- Awarded a $1 billion contract for continued development and evolution of the Aegis Ballistic Missile Defense System for the U.S. and allied navies;
- The Joint Air-to-Surface-Standoff Missile (JASSM) program completed reliability flight tests of Lot 7 missiles with a record of 15 successes out of 16 flights. Separately, JASSM’s Extended Range variant successfully completed its sixth flight test and is now six for six in the tests;
- The Javelin Joint Venture received a $176 million contract from the United Kingdom’s Ministry of Defense for more than 1,300 Javelin missile rounds and engineering support;
- Received a $151 million contract to supply High Mobility Artillery Rocket System full rate production Lot 5 launchers;
- Awarded a $133 million U.S. Army contract to provide eight additional Persistent Threat Detection Systems.

**Information Systems & Global Services:**
- Full Year Change: Sales 4%; Segment Earnings –6%. 2009 Segment Margin 8.3%.
- Completed Critical Design Review for the Airborne, Maritime/ Fixed Station Joint Tactical Radio System;
- Opened the NexGen Cyber Innovation and Technology Center, a world-class research and development center for customer and partner collaboration located in Gaithersburg, Md.;
- Awarded a $293 million contract by the U.S. Army Information Technology Agency to provide network operations maintenance, management, and security support;
- Awarded $170 million in new Health & Human Services (HHS) information technology contracts.

**Space Systems:**
- Full Year Change: Sales 8%; Segment Earnings 2%. 2009 Segment Margin 11.2%.
- Awarded a U.S. Navy contract valued at up to $851 million for production and deployed system support for the Trident II D5 fleet ballistic missile program;
- The Space Based Infrared System team successfully completed thermal vacuum testing of the first geosynchronous (GEO-1) satellite, one of the most significant program milestones validating spacecraft performance in a simulated space environment;
- Commercial Launch Services successfully placed a telecommunications satellite into orbit for Intelsat aboard an Atlas V booster provided by United Launch Alliance.

**Full Year ($M)**

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<tr>
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<tbody>
<tr>
<td>Sales</td>
<td>$45,189</td>
<td>$42,731</td>
<td>$41,862</td>
<td>$39,620</td>
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<tr>
<td>Backlog</td>
<td>$78,000</td>
<td>$80,900</td>
<td>$76,700</td>
<td>$75,900</td>
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<tr>
<td>EPS ($ per share)</td>
<td>$7.78</td>
<td>$7.86</td>
<td>$7.10</td>
<td>$5.80</td>
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<td>Debt Balance</td>
<td>$5,052</td>
<td>$3,805</td>
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<td>$4,439</td>
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<td>Cash from Operations</td>
<td>$3,173</td>
<td>$4,421</td>
<td>$4,238</td>
<td>$3,765</td>
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<tr>
<td>Share Repurchases</td>
<td>$1,851</td>
<td>$2,931</td>
<td>$2,127</td>
<td>$2,104</td>
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<td>Dividends Paid ($ per share)</td>
<td>$2.34</td>
<td>$1.83</td>
<td>$1.47</td>
<td>$1.25</td>
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<td>Share Price ($ per share)</td>
<td>$75.35</td>
<td>$84.08</td>
<td>$105.26</td>
<td>$92.07</td>
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*Principal, net of unamortized discount

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www.lockheedmartin.com/investor