

/FIRST ADD -- DCTH006 -- Lockheed Martin Corporation/

Third Quarter 2000 Achievements

PRNewswire

In announcing third quarter 2000 earnings, Vance Coffman cited additional events, program awards and Mission Success achievements during the quarter with positive implications for Lockheed Martin's outlook:

- * The Corporation completed its acquisition of COMSAT Corporation in August.
- * The sale of the Control Systems business to BAE Systems, North America, Inc. for \$510 million in cash, was completed in late September.
- * Lockheed Martin announced in July an agreement under which BAE Systems, North America, also will acquire Lockheed Martin's Aerospace Electronics Systems businesses for \$1.67 billion in cash. That transaction is subject to government regulatory review.
- * A team led by Lockheed Martin Mission Systems was selected by the U.S. Air Force for the service's Integrated Space Command and Control (ISC2) program, a 15-year initiative to modernize the nation's air, missile and space command and control systems. The program is valued at approximately \$1.5 billion.
- * LMGT sold approximately one-third of its investment in Inmarsat. There is no gain or loss associated with the transaction. Lockheed Martin realized approximately \$150 million in gross proceeds.
- * During the quarter, the Corporation delivered 8 F-16 fighter aircraft and 4 C-130J transport aircraft.
- * Congress was notified in July that Singapore will order an additional 20 F-16 aircraft for its fleet.
- * The Republic of Korea signed agreements in July for 20 F-16s to be produced under license by Korea Aircraft Industries (KAI).
- * The U.S. Air Force awarded Lockheed Martin Space Systems, Sunnyvale, CA, a \$53 million contract to begin development of modernization changes for up to 12 Global Positioning System (GPS) Block IIR satellites.
- * Lockheed Martin Commercial Space Systems (LMCSS) was awarded a contract to build a second geosynchronous satellite for New Skies Satellites N.V. Designated NSS-6, the satellite will provide fully interactive access to high speed Internet and other multimedia communications.
- * During the quarter, the Corporation launched 1 Atlas launch vehicle and 1 Proton launch vehicle, plus the NOAA-L, GE-7, GPSIIR-5 and the Sirius I and II spacecraft.
- * The Patriot Advanced Capability-3 (PAC-3) missile extended its record of successful performance to six consecutive intercepts which included the destruction of targets simulating low-flying cruise missiles.
- * Lockheed Martin Naval Electronics & Surveillance Systems delivered the first of four Aegis combat systems for the Spanish Navy's F-100-class frigates under construction by the Spanish shipbuilder Empresa Nacional Bazan.
- * Lockheed Martin Information Systems was selected to provide combat aircrew training and mission rehearsal operations for the U.S. Air Force Special Operations and Air Education Training commands under a contract

valued at approximately \$277 million over six years. Separately, Information Systems received a U.S. Navy contract, valued at up to \$180 million, to provide integrated hardware and software sets to test avionics, radar and electronic warfare systems.

- * The U.S. Navy awarded Lockheed Martin Systems Integration-Owego a Low-Rate Initial Production contract, valued at approximately \$88 million, to provide seven SH-60R multi-mission helicopters. Under a program expected to exceed \$2.5 billion by 2012, Lockheed Martin will upgrade 243 SH-60B helicopters, integrating flight avionics systems, mission avionics systems and stores and defense systems.
- * Extending its global leadership in maritime traffic management, Lockheed Martin Naval Electronics & Surveillance Systems was selected to supply a Vessel Traffic Management Information System (VTMIS) to the Hellenic Merchant Marine Ministry in Greece. Lockheed Martin VTMIS is used by the U.S. Coast Guard as well as by the governments of 14 other countries on five continents.
- * Lockheed Martin Air Traffic Management completed deployment of 20 new Display System Replacement (DSR) installations at FAA facilities across the nation. The program was completed ahead of schedule and within budget.
- * For the third time in four years, Lockheed Martin Air Traffic Management was selected to receive the Air Traffic Control Association's Industry Award, which recognizes outstanding achievement in advancing the science of air traffic control.
- * The Corporation successfully retained the contract for the Knolls Atomic Power Laboratory. The initial award is for a 5-year base period, with a 5-year option to follow.

Conference call: The call will be broadcast live at 2 p.m. October 26, 2000 over the Internet (listen-only mode) at <http://www.streetfusion.com/> or <http://www.lockheedmartin.com/> (access the Investor Relations page).

NOTE: Statements in this press release, including the statements relating to projected future financial performance, are considered forward-looking statements under the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Sometimes these statements will contain words such as "believes," "expects," "intends," "plans," "estimates," "outlook," "forecast," and other similar words. These statements are not guarantees of our future performance and are subject to risks, uncertainties and other important factors that could cause our actual performance or achievements to be materially different from those we may project.

As for the forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent nature of projections and may be better or worse than projected. Given these uncertainties, you should not place any reliance on these forward-looking statements. These forward-looking statements also represent our estimates and assumptions only as of the date that they were made. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of this press release to reflect events or circumstances or changes in expectations or the occurrence of anticipated events.

In addition to the factors set forth in our filings with the Securities and Exchange Commission (<http://www.sec.gov/>), the following factors could affect the forward-looking statements: timing and uncertainty related to obtaining regulatory approval of announced divestitures; the ability to achieve or quantify savings for our customers or ourselves through business area streamlining, staff reductions, global cost-cutting program and other financial management programs; the ability to obtain or the timing of obtaining future government awards; the availability of government funding and customer requirements; difficulties in developing and making operational advanced technology systems in space and other business areas; economic conditions; competitive environment; international business and political conditions domestically and internationally; timing of awards and contracts; timing and customer acceptance of product delivery and launches; the outcome of contingencies, including completion of any acquisitions and divestitures, litigation and environmental remediation and program performance. These are only some of the numerous factors which may affect the forward-looking statements in this press release.

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SECOND AND FINAL ADD -- TABULAR INFORMATION -- TO FOLLOW

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