Lockheed Martin Awarded $4 Billion Contract For Multiyear Acquisition Of C-130J Aircraft For Air Force And Marine Corps

Will Result in More than $500 Million in Cost Savings

Lockheed Martin today received a contract, ultimately valued at $4B, for the multiyear acquisition of 60 C-130J aircraft for the U.S. Air Force and Marine Corps. The value covers a six year program and is for the acquisition years 2003 through 2008.

"This resounding endorsement of the C-130J program by the U.S. Air Force and Marine Corps is enormously gratifying," said Dain Hancock, president of Lockheed Martin Aeronautics Company. "Lockheed Martin, in conjunction with its suppliers, has invested heavily in the future of tactical airlift. This contract is wonderful news to the thousands of employees who made the C-130J Super Hercules a reality, and to the men and women of the armed services who will benefit from the improved performance and operational benefits of the C-130J."

The multiyear procurement program will result in cost savings of more than $500 million. In addition, acquiring aircraft in larger long-term quantities allows the Air Force to better plan the placement of those aircraft in airlift wings around the country. The Air Force will receive 40 CC-130Js, the stretched fuselage version of the aircraft, and the Marines will receive 20 KC-130J tankers.

Customers around the world, including this latest contract, have now ordered 178 C-130Js. Ninety-four have been delivered to date with 32 going to the U.S. Air Force, nine to the U.S. Marine Corps, 25 to the Royal Air Force, 15 (of 22 ordered) to the Italian Air Force, 12 to the Royal Australian Air Force and one (of six ordered) to the U.S. Coast Guard. Deliveries to the Royal Danish Air Force, which has three CC-130Js on order, with an option for a fourth, will begin in 2004.

Lockheed Martin Aeronautics Co., headquartered in Fort Worth, Texas, is a leader in the design, development, systems integration, production and support of advanced military aircraft and related technologies. Its customers include the military services of the United States and allied countries throughout the world. Products include the F-16, F/A-22, F-35 JSF, F-117, T-50, C-5, C-130, C-130J, P-3, S-3 and U-2.

Headquartered in Bethesda, Maryland, Lockheed Martin employs about 125,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration of advanced technology systems, products and services. The Corporation reported 2002 sales of $26.6 billion.

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