

Lockheed Martin Closes On ACS Transaction; Changes Name Of Major Business Area To Better Reflect Scope Of IT Activities

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Lockheed Martin announced the closing of its acquisition of the federal government information technology businesses of Affiliated Computer Services, Inc. (ACS). The transaction also includes the sale of Lockheed Martin's commercial IT units to ACS. After considering both the acquisition and divestiture, the transaction is expected to increase 2004 sales by approximately \$400 million and be immediately accretive to earnings.

Following a period of transition, the company expects integration of the new businesses to be completed by the second quarter of 2004.

Concurrently, with the closing of the transaction, Lockheed Martin has changed the name of its Technology Services business area to "Information & Technology Services" to better reflect the full scope of its business activities.

Headquartered in Bethesda, Md., Lockheed Martin employs about 130,000 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.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the federal securities laws. These forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those described. The forward-looking statements contained in this press release include statements about future accretion of earnings, expected future increases in sales and the date for integration of the businesses. The risks, uncertainties and other factors that may affect the forward-looking statements include: the risk that the acquired businesses may not be integrated successfully; the failure to retain key ACS employees; the inability to achieve cost savings from combined lines of business; the ability to obtain or the timing of obtaining future government awards; the availability of government funding and customer requirements both domestically and internationally; general economic conditions and trends, and other risks affecting Lockheed Martin's businesses that are described in its 2002 Form 10-K and other more recent filings with the SEC. Lockheed Martin expressly disclaims a duty to provide updates to forward-looking statements, whether as a result of new information, future events or other occurrences.

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