

Lockheed Martin's COMSAT General To Be Acquired By Intelsat

PRNewswire-FirstCall
BETHESDA, Md.

Lockheed Martin Corporation today announced that Intelsat, Ltd. will acquire Lockheed Martin's COMSAT General business. The purchase price is \$90 million in cash, with an option for Intelsat, in certain circumstances, to substitute up to \$40 million in stock for cash. The transaction is not expected to have a material impact on Lockheed Martin's results or financial position. The acquisition, which is subject to regulatory approvals and customary closing conditions, is anticipated to be completed by year's end.

Additionally, Intelsat will purchase an Atlas launch vehicle from Lockheed Martin Commercial Launch Services, Inc., a subsidiary of Lockheed Martin, for the launch of a future satellite.

Lockheed Martin's COMSAT General business provides satellite-centric telecommunications services and equipment, concentrating on international fixed and mobile satellite systems for clients with quick response and high availability needs. Through the transaction, Intelsat will obtain all of COMSAT General's existing capacity service contracts with its customers.

"This transaction is consistent with our intent to focus on core businesses and monetize valuable assets that are not elements of our long-term strategy," said Jeffrey MacLauchlan, vice president, financial strategies for Lockheed Martin. "This transaction serves to further rationalize the Lockheed Martin portfolio, and expands Intelsat's existing capabilities."

While Lockheed Martin and Intelsat pursue requisite regulatory approvals from the U.S. government, COMSAT General will continue to operate as a Lockheed Martin business. The business's main office is located in Bethesda, MD. Additionally it has offices in Clarksburg, MD; Paumotu, HI and Landstuhl, Germany and employs approximately 30 people.

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 2003 sales of \$31.8 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 include statements about the expected timing for closing of the transaction and are based on management's current expectations and beliefs. Some of the risks, uncertainties and other factors that may affect the forward-looking statements in this press release include: the ability to obtain or the timing of obtaining required governmental and regulatory approvals; the failure to satisfy other closing conditions prescribed by the transaction documents; and other risks affecting the COMSAT General and Intelsat businesses. Lockheed Martin disclaims a duty to provide updates to forward-looking statements, whether as a result of new information, future events or other occurrences.

For additional information, visit our website:

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