Lockheed Martin Announces Offer To Exchange Outstanding Debt Securities For New Notes And Cash

Lockheed Martin Corporation today announced the commencement of an offer to exchange up to $1,000,000,000 of its outstanding debt securities listed in the table below (the "old notes") for a new series of notes due 2036 (the "new notes") and cash (the "exchange offer").

CUSIP	Common Code	Old Series	Maturity Date of Notes	Aggregate Princ-ipal Amount Outstanding	Acceptance Priority Level
539830AK5	010477387	8.50% Debentures due 2029	12/1/29	$1,250,000,000	1
543859AK8	.	8 3/8% Senior Debentures due 2024 (as successor in interest to Loral Corporation)	6/15/24	$216,539,000	2
543859AG7	.	8 3/8% Senior Debentures due 2023 (as successor in interest to Loral Corporation)	1/15/23	$100,000,000	3
539830AF6	021068888	7.75% Debentures due 2026	5/1/26	$423,015,000	4

The exchange offer is being conducted upon the terms and subject to the conditions set forth in the Offering Memorandum dated July 31, 2006 and the related letter of transmittal. The exchange offer is only made, and copies of the offering documents will only be made available, (1) to holders of the old notes who have certified certain matters to Lockheed Martin, including their status as "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 (the "Securities Act"), or (2) outside the United States, to holders of old notes who are non-U.S. persons in compliance with Regulation S under the Securities Act.

The total exchange price to be received by tendering holders of each series of the old notes in the exchange offer will include an early participation payment payable only to holders who tender their old notes at or before 5:00 p.m. New York City time on August 11, 2006, subject to extension (referred to as the "early participation date").

The exchange offer will expire at 12:00 midnight, New York City time, on August 25, 2006, unless extended or terminated. Tenders of old notes in the exchange offer may be validly withdrawn at any time prior to the early participation date of that exchange offer, but will thereafter be irrevocable, except in certain limited circumstances where additional withdrawal rights are required by law (as determined by Lockheed Martin). Tenders submitted in the exchange offer after the early participation date of that exchange offer will be irrevocable except in the limited circumstances referred to in the preceding sentence.

The new notes have not been registered under the Securities Act of 1933 or any state securities laws. Therefore, the new notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Headquartered in Bethesda, Md., Lockheed Martin employs about 135,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The corporation reported 2005 sales of $37.2 billion.

For additional information, visit our website:
http://www.lockheedmartin.com/

This press release is not an offer to sell or a solicitation of an offer to buy any security. The exchange offer is being made solely by the offering memorandum and related letter of transmittal and only to such persons and in such jurisdictions as is permitted under applicable law.

SOURCE: Lockheed Martin Corporation

Web site: http://www.lockheedmartin.com/

Company News On-Call: http://www.prnewswire.com/comp/534163.html

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