Lockheed Martin Announces Early Results And Satisfaction Of Minimum Condition Of Exchange Offer; Terminates Offer For Old Notes Due 2026 And Increases Offer For Remaining Series To Up To $1,077,223,000

Lockheed Martin Corporation today announced early results of its offer to exchange up to $1,000,000,000 (as amended below) 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"). The approximate principal amounts of each series of old notes that have been validly tendered for exchange, as of 5:00 p.m., New York City time, on August 11, 2006, based on information provided by the exchange agent to Lockheed Martin, are presented in the table below. These tendered old notes may not be withdrawn. The amount of outstanding old notes validly tendered and not validly withdrawn as of 5:00 p.m., New York City time, on August 11, 2006, as reflected in the table below, exceeded the minimum condition of the exchange offer.

CUSIP	Common Code	Old Series	Maturity Date of Old Notes	Aggregate Principal Amount Outstanding	Acceptance Priority Level	Approximate Aggregate Principal Amount Tendered as of 8/11/06
539830AK5	010477387	8.50% Debentures due 2029	12/1/29	$1,250,000,000	1	$931,653,000
543859AK8	--	8 3/8% Senior Debentures due 2024 (as successor in interest to Loral Corporation)	6/15/24	$216,539,000	2	$48,760,000
543859AG7	--	8 3/8% Senior Debentures due 2023 (as successor in interest to Loral Corporation)	1/15/23	$100,000,000	3	$96,810,000
						Total: $1,077,223,000

Lockheed Martin also announced today that it has amended its offer to increase the maximum aggregate principal amount of old notes due 2029, 2024 and 2023 that may be exchanged in the offer from $1,000,000,000 to $1,077,223,000 of such series. In addition, it has terminated its offer with respect to the old notes due 2026. Any 2026 notes tendered to date will be returned to the holders thereof promptly following this release. Accordingly, the maximum amount of new notes to be issued and cash to be paid in the exchange offer will be increased proportionately. To the extent the aggregate principal amount of old notes tendered exceeds this increased cap, Lockheed Martin will accept old notes for exchange based on the priority levels set forth above and in the manner described in the Offering Memorandum dated July 31, 2006.

The total exchange price to be received by tendering holders of each series of the old notes will be calculated as of 2:00 p.m., New York City time, on August 23, 2006, as described in the Offering Memorandum dated July 31, 2006 and related letter of transmittal, unless the exchange offer is extended.

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 exchange offer is scheduled to expire at 12:00 midnight, New York City time, on August 25, 2006, unless extended.

The new notes have not been registered under the Securities Act 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.

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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