Lockheed Martin Enters Into Definitive Agreement To Sell Its EIG Business To Veritas Capital

BETHESDA, Md., Oct. 13 /PRNewswire/ -- Lockheed Martin Corporation (NYSE: LMT) today announced that it has entered into a definitive agreement to sell its Enterprise Integration Group (EIG) business to Veritas Capital for $815 million in cash.

As announced on June 2, the Corporation's plan to divest EIG is based on the U.S. Government's increased concerns about perceived organizational conflicts of interest. EIG provides system engineering services, architecture, and integration services and support to a broad range of government customers. Divesting the business better positions it for growth, benefiting customers, shareholders and employees.

"The decision to divest EIG followed a comprehensive review of our portfolio to find ways to continuously provide the best, most affordable solutions for our customers, a secure future for our employees and value for our shareholders," said Lockheed Martin Chairman & CEO Robert J. Stevens. "EIG and its employees continuously demonstrate tremendous capability and serve the nation with dedication, diligence and honor. I am confident that the company and its employees will continue to thrive under the management of Veritas."

The closing of the transaction is subject to review under the Hart-Scott-Rodino Antitrust Improvements Act and other customary closing conditions. It is expected that the transaction will close by the end of this year.

Headquartered in Bethesda, Md., Lockheed Martin is a global security company that employs about 136,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The Corporation's 2009 sales from continuing operations were $44.5 billion.

For additional information, visit our Web site:*http://www.lockheedmartin.com*

FORWARD-LOOKING STATEMENTS

Statements in this release that are "forward-looking statements" are based on Lockheed Martin's current expectations and assumptions. Forward-looking statements in this release include statements about future actions and the consequences of these actions. These statements are not guarantees of future performance and are subject to risks and uncertainties. Our ability to divest EIG could be materially affected due to factors such as: securing any required governmental approvals for the divestitures; availability of government funding for EIG's products and services both domestically and internationally; changes in government and customer priorities and requirements (including changes to respond to the priorities of Congress and the Administration, budgetary constraints, and cost-cutting initiatives); the award or termination of contracts; the future impact of legislation, rulemaking, and changes in accounting, tax, or defense procurement policies; the outcome of legal proceedings and other contingencies and economic, business and political conditions domestically and internationally (including events affecting the debt and equity markets and availability of financing for the buyer). These are only some of the factors that may affect the forward-looking statements contained in this press release. For further information regarding risks and uncertainties associated with Lockheed Martin's business, please refer to the Corporation's SEC filings, which may be obtained at the Corporation's website: http://www.lockheedmartin.com.

The Corporation expects to report its 2010 third quarter operating results on October 19, 2010, and to report EIG as part of the Corporation's discontinued operations at that time. It is the Corporation's practice not to update its outlook for the financial results associated with divestiture transactions until such transactions are consummated, and to only update its financial projections as part of its quarterly earnings release. The Corporation reserves the right to provide an outlook at different intervals or to revise its practice in future periods.

SOURCE Lockheed Martin
