

Lockheed Martin Acquires Chandler/May, Inc.

Strengthens Corporation's Unmanned Systems Capabilities

BETHESDA, Md., Nov. 13, 2012 /PRNewswire/ -- Lockheed Martin (NYSE: LMT) today announced the acquisition of Chandler/May, Inc., a company that specializes in the design, development, integration, manufacturing, and support of fully integrated mission critical systems for unmanned aerial systems (UAS) and Command, Control, Communications, Computers, Intelligence, Surveillance, Reconnaissance (C4ISR) missions. Terms of the agreement were not disclosed and are not material to Lockheed Martin's results of operations.

As a proven ground control station integrator, Chandler/May, Inc. has delivered hundreds of integrated command and control shelters and portable ground control stations in support of U.S. Army UAS programs. They have produced more than 2,200 unmanned aerial vehicles (UAVs), including the Desert Hawk UAV, a program for which Chandler/May, Inc. is a supplier to Lockheed Martin. Chandler/May, Inc. has also developed a fully integrated UAS, consisting of the Fury® UAV, SharkFin® Mission & Flight Control System and Tactical Air Vehicle Control System (TACS) ground control station. Chandler/May, Inc. has facilities in Huntsville, Ala, and San Luis Obispo, Calif.

"This acquisition expands our offerings in support of our customers' increased emphasis on advanced unmanned systems for the C4ISR missions," said Bob Stevens, Lockheed Martin Chairman and CEO. "This acquisition is consistent with our goal to maintain a portfolio of technologically advanced options that will generate value for both our customers and our shareholders."

"At Chandler/May, we have developed a highly talented workforce and created a portfolio of innovative products supporting our defense and intelligence customers," said Jesse May, Chandler/May, Inc. President. "Joining Lockheed Martin is a logical step to expand our current offerings and provides opportunities to reach additional customers."

Chandler/May, Inc. will become part of Lockheed Martin's Mission Systems & Sensors (MS2) business. MS2 has experience in the area of unmanned systems including the K-MAX unmanned helicopter, Desert Hawk UAV, and Persistent Threat Detection System aerostats.

Headquartered in Bethesda, Md., Lockheed Martin is a global security and aerospace company that employs about 120,000 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 net sales for 2011 were \$46.5 billion.

For additional information, visit our website:

<http://www.lockheedmartin.com>

Lockheed Martin Forward-Looking Statements:

Statements in this release about future actions and the consequences of these actions are "forward-looking statements" and are based on Lockheed Martin's current expectations and assumptions. Forward-looking statements in this release include, but are not limited to, the potential for growth as result of the transaction. These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to: our ability to successfully integrate the business and generate synergies, the resolution or continuation of the current budget crisis that may lead to changes in funding levels or changes in customer needs and priorities, the ability to attract and retain a skilled workforce in an uncertain funding environment, as well as other risks and uncertainties described from time to time in Lockheed Martin's Form 10-K, including under the caption "Risk Factors", and other filings with the Securities and Exchange Commission. All information in this release is as of Nov. 13, 2012. Lockheed Martin disclaims any duty to update forward-looking statements to reflect subsequent events, actual results or changes in expectations. 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>.

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