

Lockheed Martin To Consolidate Facilities, Reduce Costs

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BETHESDA, Md., Nov. 14, 2013 /PRNewswire/ -- Lockheed Martin (NYSE: LMT) announced today that it will close and consolidate several of its U.S. facilities and reduce its workforce by 4,000 positions as part of its effort to increase the efficiency of its operations and improve the affordability of its products and services. These actions are in response to continued declines in U.S. government spending.

By mid-2015, the Corporation plans to close its operations in Newtown, Pa.; Akron, Ohio; Goodyear, Ariz.; and Horizon City, Texas; and four buildings on its Sunnyvale, Calif., campus. The facility closures will result in the elimination of 2,000 positions and ongoing operational efficiency initiatives will result in the elimination of an additional 2,000 positions in the Corporation's Information Systems & Global Solutions (IS&GS), Mission System and Training (MST), and Space Systems business areas by the end of 2014.

As part of the consolidation, all program work and some employees will transition to other Lockheed Martin facilities, creating operational efficiencies and reducing costs. Space Systems and IS&GS will transition work to its Denver, Colo. and Valley Forge, Pa. facilities. The Corporation is reviewing potential sites to transition the MST work, including its facilities in Owego, N.Y. and Orlando, Fla., and expects to finalize plans in early 2014. Details on each facility and the consolidation activities can be found on the [company website](#).

"Reducing our workforce of dedicated employees and closing facilities are among the most difficult decisions we make," said Marilyn Hewson, Lockheed Martin Chief Executive Officer and President. "In the face of government budget cuts and an increasingly complex global security landscape, these actions are necessary for the future of our business and will position Lockheed Martin to better serve our customers."

The actions follow a strategic review of the Corporation's current facility capacity and future workload projections and are part of a continuing affordability initiative. Since 2008, Lockheed Martin has reduced overhead costs, cut capital expenses, removed 1.5 million square feet of facility space and made the difficult decision to reduce its workforce from 146,000 employees to 116,000.

The facility closures announced today will further reduce the Corporation's operational footprint by nearly 2.5 million square feet of facility space and lower overhead costs. Affected employees will receive job placement assistance and severance benefits to assist their transition.

Headquartered in Bethesda, Md., Lockheed Martin is a global security and aerospace company that employs about 116,000 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 2012 were \$47.2 billion.

Forward-Looking Statements:

Statements in this press release concerning the anticipated impact of facilities closings and workforce reductions are based on current assumptions and expectations and are considered forward looking statements under the federal securities laws. Actual results may differ materially due to, among other things, our ability to implement our plans as contemplated, difficulties associated with moving operations or consolidating operations at multiple sites, the impact of the reductions on our ability to attract and retain employees, the willingness of affected employees to move to other locations or take other jobs, our legal obligations, including but not limited to our obligations under Federal labor law and any applicable collective bargaining agreements, economic conditions generally, and the availability of funding for our products and services both domestically and internationally. For a discussion identifying additional important factors that could cause actual results to vary materially from those anticipated in the forward-looking statements, see our filings with the U.S. Securities and Exchange Commission (SEC)

including, our Annual Report on Form 10-K for the year ended Dec. 31, 2012 and our quarterly reports on Forms 10-Q. These materials are available at www.lockheedmartin.com/investor, or through the website maintained by the SEC at www.sec.gov. The forward-looking statements are made as of the date of this release and Lockheed Martin undertakes no obligation to update these statements after the date of the release.

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

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