

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

	X	
CITY OF PONTIAC GENERAL EMPLOYEES'	:	Civil Action No. 1:11-cv-05026-JSR
RETIREMENT SYSTEM, Individually and on Behalf	:	
of All Others Similarly Situated,	:	<u>CLASS ACTION</u>
	:	
Plaintiff,	:	
	:	
vs.	:	
	:	
LOCKHEED MARTIN CORPORATION, et al.,	:	
	:	
Defendants.	:	
	:	
	X	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

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TO: ALL PERSONS WHO PURCHASED THE COMMON STOCK OF LOCKHEED MARTIN CORPORATION ("LOCKHEED MARTIN" OR THE "COMPANY") BETWEEN APRIL 21, 2009 AND JULY 21, 2009, INCLUSIVE (THE "CLASS PERIOD")

PLEASE READ THIS NOTICE CAREFULLY.

YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE.

I. SUMMARY OF THIS NOTICE

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York ("Court"). The purpose of this Notice is to inform you of the proposed settlement of a class action lawsuit ("Action"), as set forth in the Settlement Agreement ("Settlement Agreement" or "Settlement"), between Lead Plaintiff City of Pontiac General Employees' Retirement System ("Lead Plaintiff" or "Pontiac") and Defendants Lockheed Martin, Robert Stevens, Bruce Tanner and Linda Gooden (collectively, "Settling Parties") and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement. This Notice is not intended to be, and should not be understood as, an expression of any opinion by the Court concerning the merits of the Action. This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement.

Your Options – If you are a Class Member, you have the following four options:

1. To share in the proceeds of the proposed Settlement, you may file a Proof of Claim and Release form by June 24, 2013 (see Section VIII.1).
2. If you do not timely and validly request exclusion from the Class, you may object to the Settlement by submitting a written objection by May 15, 2013 (see Section VIII.2).
3. You may do nothing at all. If you choose this option, you will not share in the proceeds of the Settlement, but you will be bound by any judgment entered by the Court in connection with the Settlement (see Section VIII.3).
4. If you do not wish to be included in the Class and you do not wish to participate in the proposed Settlement, you may mail a written exclusion request by May 15, 2013 (see Section VII).

The proposed Settlement creates a fund in the amount of \$19,500,000 in cash before deductions of attorneys' fees, costs, and expenses. The Settling Parties disagree on the potential liability of Defendants, and they do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiff were to have prevailed at trial on each claim alleged. Lead Plaintiff and Lead Counsel (as defined below) believe that the proposed Settlement is an excellent recovery and is in the best interests of the Class (as defined below) in light of the risks associated with continuing to litigate and proceeding to trial. The Class, as certified by the Court for the purposes of settlement on March 27, 2013 consists of all Persons (as defined on page 3) who purchased Lockheed Martin common stock between April 21, 2009 and July 21, 2009, inclusive, excluding Persons or entities who submit valid and timely requests for exclusion from the Class and Defendants, members of the immediate family of any such Defendant, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has or had a controlling interest during the Class Period, the officers and directors of any Defendant during the Class Period, and legal representatives, agents, executors, heirs, successors or assigns of any such excluded Person (the "Class").

If the Settlement is approved by the Court, Court-appointed counsel for Lead Plaintiff, Robbins Geller Rudman & Dowd LLP ("Lead Counsel"), will apply to the Court for an award of attorneys' fees not to exceed 33% of the Settlement Fund (as defined below) plus expenses not to exceed \$1 million, plus interest on both, to be paid from the Settlement Fund. You may contact the claims administrator, Gilardi & Co. LLC ("Claims Administrator"), or a representative of Lead Counsel for further information about the Settlement; see below under "Further Information" for the contact information.

Statement of Class Recovery - The proposed Settlement with Defendants creates a fund in the amount of \$19,500,000 in cash, which will include interest that accrues prior to distribution ("Settlement Fund"). Based on Lead Counsel's estimate of the

number of shares of stock that may have been damaged, and assuming that all those shares participate in the Settlement, Lead Plaintiff estimates that the average recovery would be approximately \$0.56 per share. Your recovery from this fund, however, will depend on a number of variables, including the number of shares of Lockheed Martin you sold during the Class Period, the number and amount of claims actually filed, and the estimate of recoverable losses based on the analysis of Lead Plaintiff's damages consultant. You are advised to review the Plan of Distribution set forth on pages 6 to 9 below in the Notice, which provides the actual formula that will be applied to claims submitted by each eligible individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees ("Person") who falls within the definition of the Class ("Class Member"). This estimate above is also before deduction of any Court-awarded expenses, such as attorneys' fees and expenses, and the cost of sending this Notice and administering the distribution of the settlement proceeds. If the Court approves the full legal fees and expenses requested by Lead Counsel, the average recovery will be approximately \$0.37 per share.

Statement of Potential Outcome of Case – Lead Plaintiff believes that the proposed Settlement is a very good recovery and is in the best interests of the Class. There were significant risks associated with continuing to litigate and proceeding to summary judgment and trial, and if Defendants prevailed at either of those stages, the Class would receive nothing. In addition, the amount of damages recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Action gone to trial, Defendants intended to assert that all of the losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants would also assert that throughout the Class Period, the uncertainties and risks associated with Lockheed Martin's business and financial condition were fully and adequately disclosed.

Specifically, Defendants have denied and continue to deny each and all of the claims and contentions alleged in the Action. The issues on which the parties disagree include: (1) whether the statements made or facts allegedly omitted were false, material, or otherwise actionable under the federal securities laws; (2) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the trading price of Lockheed Martin shares at various times during the Class Period; (3) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the trading price of Lockheed Martin shares at various times during the Class Period; (4) the extent to which external factors, such as general market conditions, influenced the trading prices of Lockheed Martin shares at various times during the Class Period; (5) the effect of various market forces influencing the trading prices of Lockheed Martin shares at various times during the Class Period; (6) the amount by which Lockheed Martin shares were allegedly artificially inflated (if at all) during the Class Period; and (7) the appropriate economic model for determining the amount by which Lockheed Martin shares were allegedly artificially inflated (if at all) during the Class Period. Lead Plaintiff and Defendants do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff were to have prevailed on each claim asserted. Defendants deny that they have violated the federal securities laws or any laws.

Statement of Attorneys' Fees and Expenses Sought - Lead Counsel have committed a significant amount of time prosecuting claims against Defendants on behalf of Lead Plaintiff and the Class. In addition, they have not been paid for their expenses. If the Settlement is approved by the Court, Lead Counsel may apply to the Court for an award of attorneys' fees not to exceed 33% of the Settlement Fund plus expenses not to exceed \$1 million, plus interest on both, to be paid from the Settlement Fund. The Court will determine the amount to be awarded to Lead Counsel. If the amounts described above are requested and approved by the Court, the average cost will be approximately \$0.187 per share. In addition, the Lead Plaintiff may seek reimbursement of its expenses incurred in prosecuting the Action on behalf of the Class in an amount not to exceed \$2,264.20.

Reasons for Settlement – Lead Plaintiff believes that the proposed Settlement with Defendants is an excellent recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on their claims against Defendants, in which case the Class would receive nothing from Defendants. The amount of damages recoverable by Class Members was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Action gone to trial, Defendants would have asserted that they have meritorious defenses and that Lead Plaintiff has failed to demonstrate adequately all of the elements of its claims.

Further Information - If you have any questions about the Settlement of the Action, you may contact a representative of Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900. You may also contact the Claims Administrator at *Lockheed Martin Securities Litigation*, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040.

II. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A hearing (the "Settlement Hearing") will be held on June 3, 2013, at 4:00 p.m., before the Honorable Jed S. Rakoff, United States District Judge, at the Daniel Patrick Moynihan United States Courthouse, Courtroom 14B, 500 Pearl Street, New York, New York 10007. The purpose of the Settlement Hearing will be to determine: (1) whether the Settlement consisting of Nineteen Million Five Hundred Thousand Dollars (\$19,500,000.00) in cash plus accrued interest on the Settlement Fund should be approved as fair, reasonable, and adequate to the Class; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Distribution") is fair, reasonable, and adequate; (3) whether the application by Lead Counsel for an award of attorneys' fees and expenses and the Lead Plaintiff's expenses should be approved; and (4) whether the Action should be dismissed with prejudice. The Court may adjourn or continue the Settlement Hearing without further notice to the Class.

III. THE LITIGATION

On July 20, 2011, Lead Plaintiff filed a class action complaint against Defendants in the Court alleging violations of the federal securities laws. On October 6, 2011, Lead Plaintiff filed an amended complaint (the "Amended Complaint") (which was subsequently corrected on November 19, 2012). The Amended Complaint asserts claims under §§10(b), 20(a) and 20(b) of the Securities Exchange Act of 1934 (15 U.S.C. §§78j(b), 78t(a) and 78t(b)) and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5). On November 7, 2011, the Court appointed Pontiac as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP as Lead Counsel.

On December 7, 2011, Defendants moved to dismiss the Amended Complaint. Lead Plaintiff opposed the motions. On February 14, 2012, the Court issued its Order denying in part and granting in part Defendants' motions. Specifically, the Court sustained Lead Plaintiff's §10(b) claims and dismissed Lead Plaintiff's §§20(a) and 20(b) claims. On July 13, 2012, the Court issued its Opinion explaining its reasoning for the rulings made in its February 14, 2012 Order. Defendants answered the Amended Complaint on March 1, 2012.

The parties exchanged initial disclosures pursuant to Rule 26(a) of the Federal Rules of Civil Procedure on March 7, 2012 and discovery commenced. Over the course of the discovery, the Defendants and sixteen non-parties produced more than 998,000 pages of documents in response to Lead Plaintiff's discovery requests, which were reviewed and analyzed by Lead Counsel, and Lead Plaintiff produced over 15,000 pages of documents in response to Defendants' discovery requests. On May 2, 2012, Lead Plaintiff filed its motion for class certification. A representative of Lead Plaintiff and four other witnesses were deposed by Defendants and Defendants filed an opposition to Lead Plaintiff's motion for class certification on May 23, 2012. Lead Plaintiff filed its class certification reply brief on June 13, 2012. A hearing on Lead Plaintiff's class certification motion took place on June 20, 2012 and the Court entered an Order certifying the class, appointing Pontiac as Class Representative and Robbins Geller Rudman & Dowd LLP as Class Counsel, on December 14, 2012.

On June 25, 2012, Defendants filed a motion for summary judgment related to allegations in the Amended Complaint attributed to certain confidential witnesses cited to therein ("Summary Judgment I"). Lead Plaintiff filed an opposition to Defendants' motion for Summary Judgment I on July 19, 2012. Defendants filed their Summary Judgment I reply brief on July 24, 2012. A hearing on Defendants' motion for Summary Judgment I took place on July 25, 2012. On October 1, 2012, the Court held an evidentiary hearing during which certain confidential witnesses referenced in the Amended Complaint testified. Thereafter, the parties submitted supplemental briefing. On December 14, 2012, the Court entered its Order denying Defendants' motion for Summary Judgment I.

On December 6, 2012, the parties attended a mediation session with the Honorable Daniel Weinstein (Ret.), and although no agreement was reached, the parties continued their negotiations with the assistance of the mediator. As a result of those further discussions led by the mediator, on December 14, 2012, the parties reached an agreement-in-principle to resolve the Action and entered into a memorandum of understanding setting forth the basic terms of the Settlement.

In addition to discovery related to class certification and the confidential witness issue raised in Defendants' Summary Judgment I, between May 2012 and the middle of October 2012, the parties deposed over nineteen individuals, including each of the Individual Defendants as well as expert witnesses. After the close of fact discovery, Defendants filed a memorandum in support of their motion for summary judgment related to the merits of the case on November 19, 2012 ("Summary Judgment II"). Further briefing on Defendants' Summary Judgment II motion was stayed by Order of the Court on December 17, 2012 due to the settlement of this Action.

IV. CLAIMS OF THE CLASS AND BENEFITS OF SETTLEMENT

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action have merit. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against Defendants through trial and appeal. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Action, as well as the risks posed by the difficulties and delays inherent in such litigation. Lead Plaintiff and Lead Counsel also are aware of the defenses to the securities law violations asserted in the Action. Lead Plaintiff and Lead Counsel believe that the Settlement set forth in the Settlement Agreement confers substantial benefits upon the Class in light of the circumstances present here. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the Settlement set forth in the Settlement Agreement is in the best interests of Lead Plaintiff and the Class.

V. DEFENDANTS' DENIAL OF LIABILITY

Defendants have denied and continue to deny that they have violated the federal securities laws or any laws or have otherwise misled investors as alleged in the Action. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Action, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants also have denied and continue to deny, *inter alia*, the allegations that any of the Defendants made any material misstatements or omissions; that any member of the Class has suffered damages; that the prices of Lockheed Martin common stock were artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; that the members of the Class were harmed by the conduct alleged in the Action; or that Defendants knew about or were reckless with respect to the alleged misconduct. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Action.

Nonetheless, taking into account the uncertainty, risks, and costs inherent in any litigation, especially in complex cases such as this Action, Defendants have concluded that further conduct of the Action could be protracted, burdensome, expensive, and distracting. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Settlement Agreement. As set forth in paragraph 9.4 of the Settlement Agreement, the Settlement Agreement shall in no event be construed as or deemed to be evidence of an admission or concession by Defendants with respect to any claim of any fault or liability or wrongdoing or damage whatsoever.

VI. TERMS OF THE PROPOSED SETTLEMENT

The sum of Nineteen Million Five Hundred Thousand Dollars (\$19,500,000.00) has been transferred to the Escrow Agent. The principal amount of Nineteen Million Five Hundred Thousand Dollars (\$19,500,000.00), plus any accrued interest, constitutes the Settlement Fund. A portion of the settlement proceeds will be used for certain administrative expenses, including the costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the Settlement Fund, and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to Lead Counsel as attorneys' fees and for expenses in litigating the case, and to the Lead Plaintiff for its expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Distribution described below to Class Members who submit valid and timely Proof of Claim and Release forms.

VII. REQUESTING EXCLUSION FROM THE CLASS

If you do not wish to be included in the Class and you do not wish to participate in the proposed Settlement described in this Notice you may request to be excluded. To do so, you must mail a written request stating that you wish to be excluded from the Class to:

Lockheed Martin Securities Litigation

EXCLUSIONS

Claims Administrator

c/o Gilardi & Co. LLC

P.O. Box 8040

San Rafael, CA 94912-8040

The request for exclusion must state: (1) your name, address, and telephone number; (2) all purchases and sales of Lockheed Martin shares made during the Class Period, including the dates and prices of each purchase or sale, and the number of shares purchased or sold; and (3) a clear statement that you wish to be excluded from the Class. YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE MAY 15, 2013. If you submit a valid and timely request for exclusion, you will be excluded from the Class, you shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Settlement Agreement or the Judgment. No request for exclusion will be considered valid unless all of the information described above is included in any such request. No further opportunity to request exclusion will be given in this Action.

VIII. THE RIGHTS OF CLASS MEMBERS

If you are a Class Member, you have the following options:

1. You may file a Proof of Claim and Release form by June 24, 2013. If you submit a Proof of Claim and Release form, you will share in the proceeds of the proposed Settlement if your claim is valid and if the proposed Settlement is finally approved by the Court. In addition, you will be bound by the Judgment and release described below.

2. If you have not timely and validly requested exclusion from the Class (see Section VII above), you may object to the Settlement by submitting a written objection by May 15, 2013. However, if your objection is rejected, you will be bound by the Settlement and the Judgment just as if you had not objected.

3. You may do nothing at all. If you choose this option, you will not share in the proceeds of the Settlement, but you will be bound by any judgment entered by the Court in connection with the Settlement, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Persons.

4. If you are a Class Member, you may, but are not required to, enter an appearance through counsel of your own choosing at your own expense. If you do not do so, you will be represented by Lead Counsel, who are:

Counsel for Lead Plaintiff

Samuel H. Rudman

Evan J. Kaufman

ROBBINS GELLER RUDMAN & DOWD LLP

58 South Service Road, Suite 200

Melville, NY 11747

You will not be charged personally for the services of Lead Counsel.

IX. PLAN OF DISTRIBUTION

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claim and Release forms ("Authorized Claimants") under the Plan of Distribution described below. The Plan of Distribution provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have a net loss arising out of all transactions in Lockheed Martin shares during the Class Period. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Distribution, Lead Counsel have consulted with their damage consultant. The Plan of Distribution reflects an assessment of the damages that could have been recovered as well as Lead Counsel's assessment of the likelihood of establishing liability for various periods of the Class.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a claim. Only if a Class Member had a net loss, after all profits from transactions in Lockheed Martin shares during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

1. For shares of Lockheed Martin common stock that were purchased from April 21, 2009 through July 20, 2009, and

(a) sold prior to July 21, 2009, the claim per share is \$0;

(b) sold from July 21, 2009 through October 16, 2009, the claim per share is the lesser of:

(i) inflation per share at the time of purchase (see Table A), or

(ii) purchase price per share less 90-Day Moving Average on the date of sale (see Table A);

(c) retained at the end of October 16, 2009, the claim per share is the lesser of:

(i) inflation per share at the time of purchase (see Table A), or

(ii) purchase price per share less \$75.59 (90-Day Moving Average through October 16, 2009, see Table A).

2. For shares of Lockheed Martin common stock that were purchased on July 21, 2009, and

(a) sold on July 21, 2009, the claim per share is 10 percent of: (i) the purchase price per share, less (ii) the sales price per share;

(b) retained at the end of July 21, 2009, the claim per share is 10 percent of: (i) the purchase price per share, less (ii) \$75.13 (July 21, 2009 Closing Price).

Table A: Daily Inflation and 90-Day Moving Average

Date	Closing Price	Inflation	90-Day Moving Average
4/21/2009	\$76.04	\$6.47	
4/22/2009	\$74.85	\$6.37	
4/23/2009	\$77.36	\$6.58	
4/24/2009	\$77.08	\$6.56	
4/27/2009	\$78.06	\$6.64	
4/28/2009	\$77.13	\$6.56	
4/29/2009	\$79.08	\$6.73	
4/30/2009	\$78.53	\$6.68	
5/1/2009	\$81.59	\$6.94	
5/4/2009	\$80.34	\$6.83	
5/5/2009	\$79.68	\$6.78	
5/6/2009	\$80.48	\$6.85	
5/7/2009	\$79.68	\$6.78	
5/8/2009	\$82.46	\$7.01	
5/11/2009	\$80.35	\$6.83	
5/12/2009	\$81.61	\$6.94	
5/13/2009	\$80.53	\$6.85	
5/14/2009	\$80.87	\$6.88	
5/15/2009	\$79.93	\$6.80	
5/18/2009	\$80.55	\$6.85	

Date	Closing Price	Inflation	90-Day Moving Average
5/19/2009	\$80.54	\$6.85	
5/20/2009	\$82.48	\$7.02	
5/21/2009	\$81.48	\$6.93	
5/22/2009	\$81.44	\$6.93	
5/26/2009	\$83.26	\$7.08	
5/27/2009	\$81.78	\$6.96	
5/28/2009	\$82.99	\$7.11	
5/29/2009	\$83.63	\$7.16	
6/1/2009	\$84.16	\$7.21	
6/2/2009	\$84.37	\$7.23	
6/3/2009	\$83.24	\$7.13	
6/4/2009	\$84.50	\$7.24	
6/5/2009	\$86.17	\$7.38	
6/8/2009	\$85.85	\$7.35	
6/9/2009	\$84.01	\$7.20	
6/10/2009	\$82.93	\$7.10	
6/11/2009	\$82.22	\$7.04	
6/12/2009	\$82.77	\$7.09	
6/15/2009	\$82.07	\$7.03	
6/16/2009	\$81.81	\$7.01	

Date	Closing Price	Inflation	90-Day Moving Average
6/17/2009	\$82.05	\$7.03	
6/18/2009	\$83.49	\$7.15	
6/19/2009	\$82.55	\$7.07	
6/22/2009	\$81.48	\$6.98	
6/23/2009	\$81.35	\$6.97	
6/24/2009	\$79.52	\$6.81	
6/25/2009	\$81.13	\$6.95	
6/26/2009	\$80.97	\$6.93	
6/29/2009	\$82.04	\$7.03	
6/30/2009	\$80.65	\$6.91	
7/1/2009	\$80.64	\$6.91	
7/2/2009	\$79.52	\$6.81	
7/6/2009	\$80.50	\$6.89	
7/7/2009	\$78.00	\$6.68	
7/8/2009	\$78.40	\$6.71	
7/9/2009	\$78.28	\$6.70	
7/10/2009	\$77.91	\$6.67	
7/13/2009	\$80.00	\$6.85	
7/14/2009	\$81.19	\$6.95	
7/15/2009	\$81.25	\$6.96	
7/16/2009	\$82.49	\$7.07	
7/17/2009	\$81.09	\$6.95	
7/20/2009	\$82.11	\$7.03	
7/21/2009	\$75.13	\$0.00	\$75.13
7/22/2009	\$76.25		\$75.69
7/23/2009	\$75.35		\$75.58
7/24/2009	\$74.08		\$75.20
7/27/2009	\$74.55		\$75.07
7/28/2009	\$75.07		\$75.07
7/29/2009	\$74.71		\$75.02
7/30/2009	\$74.65		\$74.97
7/31/2009	\$74.76		\$74.95
8/3/2009	\$75.75		\$75.03
8/4/2009	\$75.47		\$75.07
8/5/2009	\$74.32		\$75.01
8/6/2009	\$75.70		\$75.06
8/7/2009	\$76.76		\$75.18
8/10/2009	\$76.12		\$75.24
8/11/2009	\$75.21		\$75.24
8/12/2009	\$75.65		\$75.27
8/13/2009	\$75.40		\$75.27
8/14/2009	\$74.59		\$75.24
8/17/2009	\$73.96		\$75.17

Date	Closing Price	Inflation	90-Day Moving Average
8/18/2009	\$74.10		\$75.12
8/19/2009	\$73.74		\$75.06
8/20/2009	\$74.62		\$75.04
8/21/2009	\$74.92		\$75.04
8/24/2009	\$74.71		\$75.02
8/25/2009	\$74.43		\$75.00
8/26/2009	\$74.58		\$74.98
8/27/2009	\$75.54		\$75.00
8/28/2009	\$74.95		\$75.00
8/31/2009	\$74.98		\$75.00
9/1/2009	\$75.60		\$75.02
9/2/2009	\$74.56		\$75.01
9/3/2009	\$74.88		\$75.00
9/4/2009	\$75.28		\$75.01
9/8/2009	\$74.17		\$74.99
9/9/2009	\$73.13		\$74.94
9/10/2009	\$73.56		\$74.90
9/11/2009	\$75.64		\$74.92
9/14/2009	\$75.59		\$74.93
9/15/2009	\$75.70		\$74.95
9/16/2009	\$76.16		\$74.98
9/17/2009	\$79.56		\$75.09
9/18/2009	\$80.08		\$75.21
9/21/2009	\$79.24		\$75.30
9/22/2009	\$79.56		\$75.39
9/23/2009	\$78.83		\$75.47
9/24/2009	\$76.95		\$75.50
9/25/2009	\$77.89		\$75.55
9/28/2009	\$78.40		\$75.61
9/29/2009	\$79.05		\$75.68
9/30/2009	\$78.08		\$75.72
10/1/2009	\$76.61		\$75.74
10/2/2009	\$75.37		\$75.73
10/5/2009	\$74.99		\$75.72
10/6/2009	\$76.18		\$75.73
10/7/2009	\$74.03		\$75.70
10/8/2009	\$73.00		\$75.65
10/9/2009	\$75.82		\$75.65
10/12/2009	\$74.42		\$75.63
10/13/2009	\$74.10		\$75.61
10/14/2009	\$75.15		\$75.60
10/15/2009	\$74.87		\$75.59
10/16/2009	\$75.44		\$75.59

The date of purchase or sale is the “contract” or “trade” date as distinguished from the “settlement” date. The determination of the price paid per share and the price received per share, shall be exclusive of all commissions, taxes, fees, and charges.

For Class Members who made multiple purchases or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, first against shares held at the beginning of the Class Period. The remaining sales of shares during the Class Period will then be matched, in chronological order, against shares purchased during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if such Class Member had a net loss, after all profits from transactions in Lockheed Martin shares during the Class Period are subtracted from all losses.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

X. DISMISSAL AND RELEASES

If the proposed Settlement is approved, the Court will enter a final Judgment. The Judgment will dismiss the Released Claims with prejudice as to all Defendants as provided in the Settlement Agreement.

The Judgment will provide that all Class Members who have not validly and timely requested to be excluded from the Class shall be deemed to have released and forever discharged all Released Claims (to the extent members of the Class have such claims) against all Released Persons as provided in the Settlement Agreement.

“Released Claims” means any and all claims, whether known or unknown (including, but not limited to, “Unknown Claims”), arising from both the purchase of Lockheed Martin common stock during the Class Period and the acts, facts, statements or omissions that were asserted or could have been asserted in the Action by Lead Plaintiff or members of the Class, whether brought directly, derivatively, or in any other capacity, against the Released Persons under federal, state, or any other law.

“Released Persons” means each and all of Defendants and each and all of their respective present or former parents, subsidiaries, affiliates (as defined in 17 C.F.R. §210.1-02(b)), successors and assigns, and each and all of the respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, investment bankers, representatives, general and limited partners and partnerships, any trust of which any Defendant is a settlor, trustee or beneficiary, heirs, executors, administrators, successors, affiliates, and assigns of each of them.

“Unknown Claims” means any Released Claims which Lead Plaintiff or any Class Members do not know or suspect, or should have known or suspected, to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or

without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff acknowledges, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

XI. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

At the Settlement Hearing, Lead Counsel will request the Court to award attorneys' fees of up to 33% of the Settlement Fund, plus expenses not to exceed \$1 million, plus interest on both. The Court will determine the amount to be awarded to Lead Counsel. In addition, the Lead Plaintiff may seek its expenses incurred in representing the Class in the Action, in an amount not to exceed \$2,264.20. Class Members are not personally liable for any such fees, expenses, or compensation.

To date, Lead Counsel have not received any payment for their services in conducting this Action on behalf of Lead Plaintiff and the members of the Class, nor have counsel been paid for their expenses. The fee requested by Lead Counsel would compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for their risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiffs' counsel under similar circumstances in litigation of this type. All such awards shall be subject to the approval of the Court.

XII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Settlement Agreement. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Settlement Agreement; and (2) expiration of the time to appeal from or alter or amend the Judgment. Pending the Court's consideration of this Settlement, the Court has stayed all proceedings, and Class Members are precluded from bringing or pursuing any litigation that seeks to prosecute the Released Claims.

If, for any reason, any one of the conditions described in the Settlement Agreement is not met, the Settlement Agreement might be terminated and, if terminated, will become null and void, and the Settling Parties to the Settlement Agreement will be restored to their respective positions as of December 14, 2012.

XIII. THE RIGHT TO OBJECT AND BE HEARD AT THE HEARING

Any Class Member who has not validly and timely requested to be excluded from the Class, and who objects to any aspect of the Settlement, the Plan of Distribution, or the application for attorneys' fees and expenses or Lead Plaintiff's expenses may appear and be heard at the Settlement Hearing.¹ Any such Person must submit and serve a written notice of objection, to be received on or before May 15, 2013, by each of the following:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007

¹ Lead Counsel's pleadings in support of these matters will be filed with the Court on or before May 1, 2013.

Counsel for Lead Plaintiff:

ROBBINS GELLER RUDMAN
& DOWD LLP
SAMUEL H. RUDMAN
EVAN J. KAUFMAN
58 South Service Road, Suite 200
Melville, NY 11747

ROBBINS GELLER RUDMAN
& DOWD LLP
HELEN J. HODGES
655 West Broadway, Suite 1900
San Diego, CA 92101

*Attorneys for Lockheed Martin
and the Individual Defendants:*

DLA PIPER US LLP
JAMES D. WAREHAM
JOHN M. HILLEBRECHT
1251 Avenue of the Americas
New York, NY 10020-1104

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of Lockheed Martin shares purchased and sold during the Class Period, and contain a statement of the reasons for objection. Only Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

If you wish to attend the Settlement Hearing in person and speak to the Court, you must ask the Court for permission. To do so, you must submit a written statement noting your intention to appear at the Settlement Hearing to the persons noted above so that it is received on or before May 15, 2013.

XIV. SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES

If you hold or held any Lockheed Martin shares purchased during the Class Period as nominee for a beneficial owner, THE COURT HAS DIRECTED THAT WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, you must either: (1) send a copy of this Notice and the Proof of Claim and Release form by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Lockheed Martin Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
1-877-283-1307

If you choose to mail the Notice and Proof of Claim and Release form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and Release form and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim and Release form, upon submission of appropriate documentation to the Claims Administrator.

XV. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Settlement Agreement. For full details of the matters discussed in this Notice, you may review the Settlement Agreement filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007. The motion papers, with exhibits, including the Settlement Agreement, are also available on the Court's ECF website (for a fee). Certain papers relating to the Settlement, including the Settlement Agreement, are also available at the Claims Administrator's website www.gilardi.com.

If you have any questions about the Settlement of the Action, you may contact a representative of Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

DATED: March 27, 2013

THE HONORABLE JED S. RAKOFF
UNITED STATES DISTRICT JUDGE