

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning 01/01/2008 and ending 12/31/2008			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☒ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	01/01/1989	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. 6801 ROCKLEDGE DRIVE, DEM-310 BETHESDA, MD 20817	2b Employer Identification Number (EIN) 52-1747835	2c Sponsor's telephone number 301-214-3768	2d Business code (see instructions) 335900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/15/2010	CLARE O'CALLAGHAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/15/2010	CLARE O'CALLAGHAN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") LOCKHEED MARTIN CORPORATION 6801 ROCKLEDGE DRIVE, DEM-310 BETHESDA, MD 20817	3b Administrator's EIN 52-1893632 3c Administrator's telephone number 301-214-3768
---	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	1459
---	----------	------

6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	700
c Other retired or separated participants entitled to future benefits.....	6c	673
d Subtotal. Add lines 6a , 6b , and 6c	6d	1373
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	44
f Total. Add lines 6d and 6e	6f	1417
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G 1I 3F 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2008 and ending 12/31/2008

A Name of plan <u>LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN</u>	B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LOCKHEED MARTIN SPECIALTY COMPONENTS, INC.</u>	D Employer Identification Number (EIN) <u>52-1747835</u>

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	299639	135707
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	56057366	46693851
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	290175	57423
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	241995
(B) Common	1c(4)(B)	25833229	23960410
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	55576684	47184050
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	138057093	118273436

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	198393	196504
i Acquisition indebtedness	1i		
j Other liabilities	1j		41464
k Total liabilities (add all amounts in lines 1g through 1j)	1k	198393	237968

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	137858700	118035468
---	----	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1306141	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	12841	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1318982
(2) Dividends: (A) Preferred stock	2b(2)(A)	1570	
(B) Common stock	2b(2)(B)	816964	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		818534
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	18992828	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	25304346	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-6311518

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	-7702374	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-7702374
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-11876376

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	7452997	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		7452997
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	14203	
(2) Contract administrator fees	2i(2)	147212	
(3) Investment advisory and management fees	2i(3)	242530	
(4) Other	2i(4)	89914	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		493859
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		7946856

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-19823232
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MITCHELL AND TITUS, LLP

(2) EIN: 13-2721647

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		100000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

LOCKHEED MARTIN SPECIALTY COMPONENTS
PENSION PLAN (001)

Financial Statements and Supplemental Schedules

Year ended December 31, 2008 with Report of Independent Auditors

Lockheed Martin Specialty Components
Pension Plan (001)

Financial Statements and Supplemental Schedules

Year ended December 31, 2008

Contents

Report of Independent Auditors.....	1
-------------------------------------	---

Financial Statements of the Lockheed Martin
Specialty Components Pension Plan

Statements of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits.....	3
Notes to Financial Statements.....	4

Supplemental Schedules

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)	12
Schedule H, Line 4j—Schedule of Reportable Transactions.....	16

REPORT OF INDEPENDENT AUDITORS

Plan Administrator
Lockheed Martin Specialty Components Pension Plan

We have audited the accompanying statements of net assets available for benefits of the Lockheed Martin Specialty Components Pension Plan (the Plan) as of December 31, 2008 and 2007, the related statement of changes in net assets available for benefits for the year ended December 31, 2008. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Plan at December 31, 2008 and 2007, and the changes in its financial status for the year then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2008 and reportable transactions for the year then ended, are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

Mitchell & Titus, LLP

October 2, 2009

Lockheed Martin Specialty Components
Pension Plan (001)

Statements of Net Assets Available for Benefits

	December 31,	
	2008	2007
	<i>(In thousands)</i>	
Assets:		
Cash equivalents	\$ 46,694	\$ 56,057
Investments at fair value:		
Common/collective trust	47,184	55,577
Common stock	23,960	25,833
Preferred stock	242	-
Corporate debt instruments	57	290
Total investments	<u>71,443</u>	<u>81,700</u>
Dividends and interest receivable	136	300
Total assets	<u>118,273</u>	<u>138,057</u>
Liabilities:		
Administrative expenses payable	196	198
Amounts payable for securities purchased	41	-
Total liabilities	<u>237</u>	<u>198</u>
Net assets available for benefits	<u>\$ 118,036</u>	<u>\$ 137,859</u>

See accompanying notes to financial statements.

Lockheed Martin Specialty Components
Pension Plan (001)
Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2008
(In thousands)

Additions:

Investment income:

Interest	\$ 1,319
Dividends	819
Total additions	<u>2,138</u>

Deductions:

Net realized and unrealized loss in fair value of investments	14,014
Benefit payments	7,453
Administrative expenses	494
Total deductions	<u>21,961</u>

Net decrease	(19,823)
Net assets available for benefits at beginning of year	<u>137,859</u>
Net assets available for benefits at end of year	<u>\$ 118,036</u>

See accompanying notes to financial statements.

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements

1. Accounting Policies

General

The financial statements of the Lockheed Martin Specialty Components Pension Plan (the Plan) are prepared based on the accrual method of accounting. The assets of the Plan are held and invested under an agreement between Lockheed Martin Corporation (the Corporation) and State Street Bank and Trust Company (the Trustee).

Investment Income

Investment transactions are accounted for on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is accrued as earned.

Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments that are attributable under the Plan's provisions for credited service by participants from their date of eligibility to the valuation date. Accumulated plan benefits include benefits expected to be paid to retired, terminated, and disabled participants or their beneficiaries. Benefits for retired, terminated, and disabled participants or their beneficiaries are based on each former participant's credited service prior to his or her termination or retirement date.

Administrative Expenses

Administrative expenses are generally paid by the Corporation, with the exception of the cost of certain administrative services, which are paid by the Plan.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits. Actual results could differ from those estimates.

**Lockheed Martin Specialty Components
Pension Plan (001)**

Notes to Financial Statements (continued)

1. Accounting Policies (continued)

Funding Policy

Contributions by Lockheed Martin met the Employee Retirement Income Security Act of 1974 (ERISA) minimum funding requirements utilizing the entry-age-normal actuarial cost method. No employer contributions were required during 2008.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

2. Description of the Plan

The following description of the Plan provides only general information. Participants should refer to the Summary Plan Description or the Plan Document for a more complete description of the Plan's provisions.

The Plan is a contributory, defined benefit plan covering retirees and other vested participants formerly employed by Lockheed Martin Specialty Components, Inc. (Specialty Components), and has been revised and amended from time to time.

The Corporation has the right under the Plan to terminate the Plan at any time. In the event of termination, the Plan's net assets are to be used first for the payment of benefits attributable to employee contributions, next for the payment of retirement benefits and finally for the payment of vested benefits. If the net assets allocated for one of the above categories are not sufficient to pay all the benefits in such category, the available net assets shall be allocated pro rata to all the benefits in that category. However, in the event

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements (continued)

2. Description of the Plan (continued)

of termination of the Plan, the PBGC guarantees the payment of nonforfeitable retirement benefits subject to certain limitations prescribed by ERISA.

Effective September 30, 1997, the Specialty Components facility was closed. All employees were either transferred to other facilities of the Corporation or were terminated by December 31, 1997. In connection with those activities, all affected participants became fully vested in the Plan. At present, the Corporation maintains the Plan as a wasting trust. For employees transferred to other facilities, the related assets were transferred to the affiliated plans.

3. Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to the accumulated plan benefits earned by the participants to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits is as follows:

	December 31,	
	2008	2007
	<i>(In thousands)</i>	
Vested benefits:		
Participants currently receiving payments	\$ 71,363	\$ 69,544
Other participants	36,662	36,916
Total vested benefits	108,025	106,460
Total actuarial present value of accumulated plan benefits	\$108,025	\$106,460

The significant actuarial assumptions used in the valuations were (a) life expectancy of participants (RP-2000 Mortality Table), and (b) an annual discount rate of 6.125% and 6.375% for 2008 and 2007, respectively. The interest rate assumption used to calculate the actuarial present value of accumulated plan benefits is adjusted annually to reflect current yields on long-term high-quality corporate bonds. This can result in significant year to year fluctuations in the valuations.

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements (continued)

3. Actuarial Present Value of Accumulated Plan Benefits (continued)

Factors affecting the change in the actuarial present value of accumulated plan benefits are as follows:

	Year ended December 31, 2008 <i>(In thousands)</i>
Actuarial present value of accumulated plan benefits at end of the prior year	\$ 106,460
Increase (decrease) during the year attributable to:	
Increase for interest due to the decrease in the discount period	6,529
Benefits paid	(7,453)
Benefits accumulated	32
Changes in actuarial assumptions	2,457
Net increase	1,565
Actuarial present value of accumulated plan benefits at end of year	\$ 108,025

The actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements (continued)

4. Investments

The net realized and unrealized loss in fair value of investments is as follows:

	Year ended December 31, 2008 <i>(In thousands)</i>
Investments:	
Common/collective trust	\$ (2,493)
Common stock	(11,333)
Preferred stock	41
Corporate debt instrument	(238)
Other	9
Net realized and unrealized loss in fair value of investments	<u>\$ (14,014)</u>

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	December 31, 2008	2007 <i>(In thousands)</i>
Capital Guardian U.S. Fixed Income Fund for Retirement Plans	\$ 47,184	\$ 55,577
State Street Bank & Trust Co. Short Term Investment Fund	\$ 46,694	\$ 56,057

5. Fair Value Measurements

Financial Accounting Standards Board Statement No. 157, *Fair Value Measurements* (FAS 157) establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements (continued)

5. Fair Value Measurements (continued)

The fair-value hierarchy established in FAS 157 prioritizes the inputs used in valuation techniques into three levels as follows:

Level 1 – Observable inputs – quoted prices in active markets for identical assets and liabilities;

Level 2 – Observable inputs other than the quoted prices in active markets for identical assets and liabilities – includes quoted prices for similar instruments, quoted prices for identical or similar instruments in inactive markets, and amounts derived from valuation models where all significant inputs are observable in active markets; and

Level 3 – Unobservable inputs – includes amounts derived from valuation models where one or more significant inputs are unobservable and require us to develop relevant assumptions. At December 31, 2007, the Plan has no investments that are categorized as Level 3. During 2008, the Plan had no investments that were transferred in or out of the Level 3 category.

Common and preferred stocks are valued based on quoted market prices.

The corporate debt instrument is valued based on inputs other than quoted market prices that are observable for the asset (*e.g.*, interest rates and yield curves observable at commonly quoted intervals).

The common/collective trust is valued by the trustee based on the closing market prices of the securities in the trust's portfolio. The net asset value (NAV) per share is the total value of the trust divided by the number of shares outstanding. The NAV is corroborated by observable market data (*e.g.*, purchases or sales activity).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2008:

Lockheed Martin Specialty Components
Pension Plan (001)

Notes to Financial Statements (continued)

5. Fair Value Measurements (continued)

	<i>(In thousands)</i>		
	Level 1	Level 2	Total
Common and preferred stocks	\$ 24,202	\$ -	\$ 24,202
Corporate debt instrument	-	57	57
Common/collective trust	-	47,184	47,184
Total Investments at Fair Value	<u>\$ 24,202</u>	<u>\$ 47,241</u>	<u>\$ 71,443</u>

6. Income Tax Status

The Internal Revenue Service has determined and informed the Corporation by letter dated October 15, 2002, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC.

7. Party-in-Interest

The Plan invests in the State Street Bank and Trust Company Short Term Investment Fund which is sponsored by State Street Bank and Trust Company, the Plan's trustee, a party-in-interest. Transactions involving this investment are considered to be party-in-interest transactions for which a statutory exemption exists.

Supplemental Schedules

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan No.: 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Cash equivalents:			
* State Street Bank & Trust Co.			
Short Term Investment Fund	46,693,851 units	\$ 46,694	\$ 46,694
Total cash equivalents		\$ 46,694	\$ 46,694
Corporate debt instrument			
Ford Motor Co.	223,000 units	\$ 220	\$ 57
Total corporate debt instrument		\$ 220	\$ 57
Common stock:			
Ace Limited	4,100 shares	\$ 214	\$ 217
Aetna Inc.	8,500 shares	322	242
Affiliated Computer Services Inc.	3,000 shares	144	138
Allegheny Technologies Inc.	13,200 shares	321	337
Altria Group Inc.	38,570 shares	696	581
American Water Works	17,100 shares	355	357
Astrazeneca PLC.	6,000 shares	239	246
AT&T Inc.	38,260 shares	1,183	1,090
Cardinal Health Inc.	8,900 shares	371	307
Carnival Corp.	14,000 shares	423	340
Chevron Corp.	7,100 shares	583	525
Clorox Co	1,000 shares	54	55
CMS Energy Corp.	18,100 shares	212	183
Coca Cola Co	6,700 shares	324	303
Comcast Corp	9,000 shares	155	152
ConocoPhillips	11,400 shares	772	591
Davita Inc.	5,000 shares	242	248
Dow Chemical Co.	1,900 shares	85	29
East West Bancorp Inc	3,800 shares	101	61
Edison International	10,700 shares	452	344
Emerson Electric Co.	5,200 shares	177	190

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Common stock cont'd			
Energizer Holdings Inc	2,300 shares \$	185	\$ 125
Exxon Mobil Corp.	2,480 shares	140	198
Fedex Corp.	3,100 shares	272	199
Gannett Inc.	10,300 shares	364	82
General Electric Co.	53,500 shares	1,435	867
Goldman Sachs Group Inc.	10,100 shares	1,320	852
Harley Davison Inc	8,100 shares	244	137
Hewlett Packard Co.	4,700 shares	127	171
Hudson City Bancorp Inc.	54,800 shares	729	875
Illinois Tool Works Inc.	10,300 shares	431	361
Intel Corp	9,400 shares	168	138
J P Morgan Chase & Co.	24,918 shares	905	786
Jabil Circuit Inc.	45,800 shares	510	309
Jarden Corp.	3,600 shares	104	41
KLA Tencor Corp	12,300 shares	248	268
Kimberly Clark Corp	6,100 shares	372	322
Kraft Foods Inc.	40,737 shares	1,132	1,094
Lorillard Inc.	3,100 shares	206	175
Lowes Cos Inc.	19,400 shares	431	417
Marathon Oil Corp	23,300 shares	841	637
Merck & Co. Inc.	4,100 shares	158	125
Mercury Gen Corp	3,500 shares	161	161
Monster Worldwide Inc.	13,400 shares	214	162
Nintendo LTD	3,000 shares	110	143
Nordstrom Inc.	18,200 shares	331	242
Nucor Corp	18,800 shares	855	869
Parker Hannifin Corp	900 shares	49	38
Pepsico Inc.	1,000 shares	54	55

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Pfizer Inc.	23,300 shares \$	592	\$ 413
Philip Morris International	6,170 shares	178	268
Pinnacle West Capital Corp.	6,800 shares	266	218
Progressive Corp Ohio	12,100 shares	170	179
Royal Dutch Shell PLC	2,842 B shares	157	146
Royal Dutch Shell PLC	6,810 A shares	365	361
Sanofi Aventis	17,900 shares	748	576
Sara Lee Corp	59,300 shares	447	581
Schering Plough Corp	1,300 shares	212	227
Southern Co	5,900 shares	208	218
SouthWest Airlines Co.	13,000 shares	166	112
Spectra Energy Corp	10,700 shares	230	168
Suntrust Banks Inc.	2,200 shares	165	65
Target Corp	3,000 shares	109	104
3M Co.	1,100 shares	76	63
Time Warner Inc	29,000 shares	350	292
Time Warner Cable Inc.	11,300 shares	317	242
Transocean LTD	2,878 shares	117	136
Tyco International LTD	3,820 shares	145	83
Unilever Naamloze Vennootschap	13,200 shares	302	324
United Parcel Service Inc.	5,000 shares	252	276
United Technologies Corp	13,200 shares	707	708
Verizon Communications	3,500 shares	102	119
Viacom Inc	10,200 shares	180	194
Vulcan Material Co	6,700 shares	425	466
Walt Disney Co	6,100 shares	133	138
Wells Fargo & Co New	26,160 shares	717	771
Williams Co	8,800 shares	158	127
Total common stock		\$ 27,515	\$ 23,960

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Common/collective trust:			
Capital Guardian U.S. Fixed Income Fund for Retirement Plans	380,087 shares	\$ 24,203	\$ 47,184
Total common/collective trust		\$ 24,203	\$ 47,184
Preferred stock	5,100 shares	\$ 210	\$ 242
Total preferred stock		\$ 210	\$ 242
Total assets held		\$ 98,842	\$ 118,137

*Party-in-interest

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j—Schedule of Reportable Transactions

Year ended December 31, 2008

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
(In thousands)						

Category (i)—Single transactions in excess of 5% of Plan assets

Purchases						
*State Street	State Street Bank and Trust Co. Short Term Investment Fund	\$ 49,814	\$ -	\$ -	\$ 49,814	\$ -
Sales						
*State Street	State Street Bank and Trust Co. Short Term Investment Fund	\$ -	\$ 49,814	\$ 49,814	\$ 49,814	\$ -

Columns (e) and (f) are not applicable.
There were no category (ii) or (iv) reportable transactions during 2008.

*Party-in-interest

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j—Schedule of Reportable Transactions

Year ended December 31, 2008

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
<i>(In thousands)</i>						
<u>Category (iii)—Series of transactions in excess of 5% of Plan assets</u>						
Purchases						
*State Street	State Street Bank and Trust Co.					
	Short Term Investment Fund	\$ 60,335	\$ -	\$ -	\$ 60,335	\$ -
Sales						
*State Street	State Street Bank and Trust Co.					
	Short Term Investment Fund	\$ -	\$ 69,698	\$ 69,698	\$ 69,698	\$ -

Columns (e) and (f) are not applicable.
There were no category (ii) or (iv) reportable transactions during 2008.

*Party-in-interest

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan No.: 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Cash equivalents:			
* State Street Bank & Trust Co.			
Short Term Investment Fund	46,693,851 units	\$ 46,694	\$ 46,694
Total cash equivalents		\$ 46,694	\$ 46,694
Corporate debt instrument			
Ford Motor Co.	223,000 units	\$ 220	\$ 57
Total corporate debt instrument		\$ 220	\$ 57
Common stock:			
Ace Limited	4,100 shares	\$ 214	\$ 217
Aetna Inc.	8,500 shares	322	242
Affiliated Computer Services Inc.	3,000 shares	144	138
Allegheny Technologies Inc.	13,200 shares	321	337
Altria Group Inc.	38,570 shares	696	581
American Water Works	17,100 shares	355	357
Astrazeneca PLC.	6,000 shares	239	246
AT&T Inc.	38,260 shares	1,183	1,090
Cardinal Health Inc.	8,900 shares	371	307
Carnival Corp.	14,000 shares	423	340
Chevron Corp.	7,100 shares	583	525
Clorox Co	1,000 shares	54	55
CMS Energy Corp.	18,100 shares	212	183
Coca Cola Co	6,700 shares	324	303
Comcast Corp	9,000 shares	155	152
ConocoPhillips	11,400 shares	772	591
Davita Inc.	5,000 shares	242	248
Dow Chemical Co.	1,900 shares	85	29
East West Bancorp Inc	3,800 shares	101	61
Edison International	10,700 shares	452	344
Emerson Electric Co.	5,200 shares	177	190

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Common stock cont'd			
Energizer Holdings Inc	2,300 shares	\$ 185	\$ 125
Exxon Mobil Corp.	2,480 shares	140	198
Fedex Corp.	3,100 shares	272	199
Gannett Inc.	10,300 shares	364	82
General Electric Co.	53,500 shares	1,435	867
Goldman Sachs Group Inc.	10,100 shares	1,320	852
Harley Davison Inc	8,100 shares	244	137
Hewlett Packard Co.	4,700 shares	127	171
Hudson City Bancorp Inc.	54,800 shares	729	875
Illinois Tool Works Inc.	10,300 shares	431	361
Intel Corp	9,400 shares	168	138
J P Morgan Chase & Co.	24,918 shares	905	786
Jabil Circuit Inc.	45,800 shares	510	309
Jarden Corp.	3,600 shares	104	41
KLA Tencor Corp	12,300 shares	248	268
Kimberly Clark Corp	6,100 shares	372	322
Kraft Foods Inc.	40,737 shares	1,132	1,094
Lorillard Inc.	3,100 shares	206	175
Lowes Cos Inc.	19,400 shares	431	417
Marathon Oil Corp	23,300 shares	841	637
Merck & Co. Inc.	4,100 shares	158	125
Mercury Gen Corp	3,500 shares	161	161
Monster Worldwide Inc.	13,400 shares	214	162
Nintendo LTD	3,000 shares	110	143
Nordstrom Inc.	18,200 shares	331	242
Nucor Corp	18,800 shares	855	869
Parker Hannifin Corp	900 shares	49	38
Pepsico Inc.	1,000 shares	54	55

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Pfizer Inc.	23,300 shares \$	592	\$ 413
Philip Morris International	6,170 shares	178	268
Pinnacle West Capital Corp.	6,800 shares	266	218
Progressive Corp Ohio	12,100 shares	170	179
Royal Dutch Shell PLC	2,842 B shares	157	146
Royal Dutch Shell PLC	6,810 A shares	365	361
Sanofi Aventis	17,900 shares	748	576
Sara Lee Corp	59,300 shares	447	581
Schering Plough Corp	1,300 shares	212	227
Southern Co	5,900 shares	208	218
SouthWest Airlines Co.	13,000 shares	166	112
Spectra Energy Corp	10,700 shares	230	168
Suntrust Banks Inc.	2,200 shares	165	65
Target Corp	3,000 shares	109	104
3M Co.	1,100 shares	76	63
Time Warner Inc	29,000 shares	350	292
Time Warner Cable Inc.	11,300 shares	317	242
Transocean LTD	2,878 shares	117	136
Tyco International LTD	3,820 shares	145	83
Unilever Naamloze Vennootschap	13,200 shares	302	324
United Parcel Service Inc.	5,000 shares	252	276
United Technologies Corp	13,200 shares	707	708
Verizon Communications	3,500 shares	102	119
Viacom Inc	10,200 shares	180	194
Vulcan Material Co	6,700 shares	425	466
Walt Disney Co	6,100 shares	133	138
Wells Fargo & Co New	26,160 shares	717	771
Williams Co	8,800 shares	158	127
Total common stock		\$ 27,515	\$ 23,960

Lockheed Martin Specialty Components Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)

December 31, 2008

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
<i>(In thousands)</i>			
Common/collective trust:			
Capital Guardian U.S. Fixed Income Fund for Retirement Plans	380,087 shares	\$ 24,203	\$ 47,184
Total common/collective trust		\$ 24,203	\$ 47,184
Preferred stock	5,100 shares	\$ 210	\$ 242
Total preferred stock		\$ 210	\$ 242
Total assets held		\$ 98,842	\$ 118,137

*Party-in-interest

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974.

► File as an attachment to Form 5500.

Official Use Only

OMB No. 1210-0110

2008

**This Form is Open to
Public Inspection.**

For calendar plan year 2008 or fiscal plan year beginning		and ending	
A Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PL		B Three-digit plan number ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LOCKHEED MARTIN SPECIALTY COMPONENTS, INC.		D Employer Identification Number 52-1747835	

Part I	Service Provider Information (see instructions)
---------------	--

- | | | |
|--|----------|-------------|
| 1 Enter the total dollar amount of compensation paid by the plan to all persons, other than those listed below, who received compensation during the plan year: | 1 | 2203 |
| 2 On the first item below list the contract administrator, if any, as defined in the instructions. On the other items, list service providers in descending order of the compensation they received for the services rendered during the plan year. List only the top 40. 103-12 IEs should enter N/A in (c) and (d). | | |

(a) Name		(b) Employer identification number (see instructions)	(c) Official plan position	
			Contract administrator	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)	
			12	
(a) Name		(b) Employer identification number (see instructions)	(c) Official plan position	
CAPITAL GUARDIAN		95-2553868	INVESTMENT MANAGER	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)	
NONE		242530	21	

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v11.3 Schedule C (Form 5500) 2008



(a) Name	(b) Employer identification number (see instructions)	(c) Official plan position	
CERIDIAN	59-3424469	ADMINISTRATION	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)
NONE		130152	13

(a) Name	(b) Employer identification number (see instructions)	(c) Official plan position	
STATE STREET BANK AND TRUST COMPANY	04-1867445	TRUSTEE	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)
TRUSTEE		17060	26

(a) Name	(b) Employer identification number (see instructions)	(c) Official plan position	
PRUDENTIAL	06-1050034	ACTUARY	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)
NONE		12000	11



Part II Termination Information on Accountants and Enrolled Actuaries (see instructions)

(a) Name _____ (b) EIN _____

(c) Position _____

(d) Address _____

(e) Telephone No. _____

Explanation: _____

(a) Name _____ (b) EIN _____

(c) Position _____

(d) Address _____

(e) Telephone No. _____

Explanation: _____

(a) Name _____ (b) EIN _____

(c) Position _____

(d) Address _____

(e) Telephone No. _____

Explanation: _____



**SCHEDULE R
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

► **File as an Attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

2008

**This Form is Open to
Public Inspection.**

For calendar year 2008 or fiscal plan year beginning and ending

A Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION P	B Three-digit plan number 001
C Plan sponsor's name as shown on line 2a of Form 5500 LOCKHEED MARTIN SPECIALTY COMPONENTS, INC.	D Employer Identification Number 52-1747835

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.	1 \$
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the plan year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). 04-186744	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3 16

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A
If the plan is a defined benefit plan, go to line 7.

5 If a waiver of the minimum funding standard for a prior plan year is being amortized in this plan year, see instructions, and enter the date of the ruling letter granting the waiver ☐ Month ☐ Day ☐ Year
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6a Enter the minimum required contribution for this plan year	6a \$
b Enter the amount contributed by the employer to the plan for this plan year	6b \$
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c \$

If you completed line 6c, skip lines 7 and 8 and complete line 9.

7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A

Part III Amendments

8 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. (See instructions.) ☐ Increase ☐ Decrease ☒ No

Part IV Coverage (See instructions.)

9 Check the box for the test this plan used to satisfy the coverage requirements ☐ ratio percentage test ☐ average benefit test

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v11.3 Schedule R (Form 5500) 2008



**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

► **Attach to Form 5500 or 5500-EZ if applicable. (See instructions.)**

Official Use Only

OMB No. 1210-0110

2008

**This Form is Open to
Public Inspection.**

For calendar plan year 2008 or fiscal plan year beginning _____ and ending _____

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ LOCKHEED MARTIN CORPORATION		D Employer Identification Number (EIN) 52-1747835
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ F Prior year plan size: 100 or fewer ☐ 101-500 ☒ More than 500		

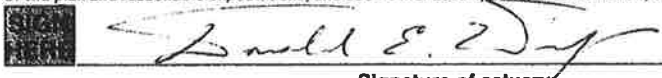
Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2008

2 Assets:		
a Market value	2a	138057091
b Actuarial value	2b	138057091
3 Funding target/participant count breakdown		
	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 711	76700826
b For terminated vested participants	3b 708	35241897
c For active participants:		
(1) Non-vested benefits	3c(1)	0
(2) Vested benefits	3c(2)	0
(3) Total active	3c(3) 0	0
d Total	3d 1419	111942723
4 If the plan is in at-risk status, check the box and complete lines 4a and 4b ☐		
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	5.95 %
6 Target normal cost	6	0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

	<u>9/21/09</u> Date
Signature of actuary	
DONALD E. WIDGER, F.S.A., E.A.	08-06558
Type or print name of actuary	Most recent enrollment number
PRIAC	860-534-3565
Firm name	Telephone number (including area code)
280 TRUMBULL STREET	
HARTFORD CT 06103-2975	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions. ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ. v11.3 Schedule SB (Form 5500) 2008

Part II	Beginning of year carryover and prefunding balances (See instructions.)
----------------	--

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)		
8	Portion used to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)		
10	Interest on line 9 using prior year's actual return of _____ %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (line 38 from prior year)		
b	Interest on line 11a using prior year's effective rate of _____ %		
c	Total available at beginning of current plan year to add to prefunding balance ..		
d	Portion of line 11c to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)		

Funding percentages

14	Funding target attainment percentage	14	105.02 %
15	Adjusted funding target attainment percentage	15	%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to offset current year's funding requirement	16	%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ▶	18(b)	18(c)

19 Discounted employer contributions — see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years	19a <input type="text"/>
b Contributions made to avoid benefit restrictions adjusted to valuation date	19b <input type="text"/>
c Contributions allocated toward minimum required contribution for current year, adjusted to valuation date	19c <input type="text"/>

20 Quarterly contributions and liquidity shortfall(s):			
a	Did the plan have a "funding shortfall" for the prior year?	Yes	No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	Yes	No
c	If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:	1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
a Segment rates:	%	%	%	
b Applicable month (enter code)				21b
22 Weighted average retirement age				22
23 Mortality table(s) (see instructions)	Prescribed -- combined	Prescribed -- separate	Substitute	

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ..	☐ Yes	☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachments	27	3

Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30

Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31
32 Amortization installments:	
a Net shortfall amortization installment	Outstanding Balance
b Waiver amortization installment	Installment
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.	33
34 Total funding requirement before reflecting carryover/prefunding balances (line 31 + line 32a + line 32b - line 33)	34
	Carryover balance
	Prefunding balance
35 Balances used to offset funding requirement. . .	Total balance
36 Additional cash requirement (line 34 minus line 35)	36
37 Contributions allocated toward minimum required contribution for current year, adjusted to valuation date (line 19c)	37
38 Interest-adjusted excess contributions for current year (see instructions)	38
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39
40 Unpaid minimum required contribution for all years	40

Attachment to 2008 Schedule SB
Line 27-Actuarial Information Based on Pre-PPA Funding Rules

Lockheed Martin Specialty Components, Inc. Pension Plan
EIN/PLN: 52-1747835/001

**SCHEDULE B
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974, referred to as ERISA, except when attached to Form 5500-EZ and, in all cases, under section 6059(a) of the Internal Revenue Code, referred to as the Code.

▶ Attach to Form 5500 or 5500-EZ if applicable.

▶ See separate instructions.

Official Use Only

OMB No. 1210-0110

2007

This Form is Open to Public
Inspection (except when
attached to Form 5500-EZ).

For calendar plan year 2007 or fiscal plan year beginning 01/01/2008, and ending 12/31/2008,

▶ Round off amounts to nearest dollar.

▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSI		B Three-digit plan number ... ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ LOCKHEED MARTIN CORPORATION		D Employer Identification Number 52-1747835
E Type of plan: (1) ☐ Multiemployer (2) ☒ Single-employer (3) ☐ Multiple-employer		F 100 or fewer participants in prior plan year ☐

Basic Information (To be completed by all plans)

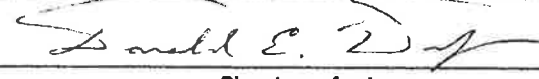
1a Enter the actuarial valuation date: Month 01 Day 01 Year 2008

b Assets:

(1) Current value of assets	b(1)	138057091
(2) Actuarial value of assets for funding standard account	b(2)	128400721
c (1) Accrued liability for plans using immediate gain methods	c(1)	105249235
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	c(2)(a)	
(b) Accrued liability under entry age normal method	c(2)(b)	
(c) Normal cost under entry age normal method	c(2)(c)	

Statement by Enrolled Actuary (see instructions before signing):

To the best of my knowledge, the information supplied in this schedule and on the accompanying schedules, statements, and attachments, if any, is complete and accurate, and in my opinion each assumption, used in combination, represents my best estimate of anticipated experience under the plan. Furthermore, in the case of a plan other than a multiemployer plan, each assumption used (a) is reasonable (taking into account the experience of the plan and reasonable expectations) or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable; in the case of a multiemployer plan, the assumptions used, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations).


Signature of actuary

DONALD E. WIDGER, F.S.A., E.A.

Type or print name of actuary

PRIAC

Firm name

280 TRUMBULL STREET

HARTFORD

CT

06103-2975

Address of the firm

Date

G 08-06558

Most recent enrollment number

860-534-3565

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions. ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ.

v10.1

Schedule B (Form 5500) 2007



1d Information on current liabilities of the plan:

- | | | |
|---|----------------|-----------|
| (1) Amount excluded from current liability attributable to pre-participation service (see instructions) | d(1) | 0 |
| (2) "RPA '94" information: | | |
| (a) Current liability | d(2)(a) | 107422782 |
| (b) Expected increase in current liability due to benefits accruing during the plan year | d(2)(b) | 290865 |
| (c) Current liability computed at highest allowable interest rate (see instructions) | d(2)(c) | 107422782 |
| (d) Expected release from "RPA '94" current liability for the plan year | d(2)(d) | |
| (3) Expected plan disbursements for the plan year | d(3) | 7464034 |

2 Operational information as of beginning of this plan year:

- | | | | |
|----------|---|-----------|------------------|
| a | Current value of the assets (see instructions) | 2a | 137858700 |
|----------|---|-----------|------------------|

- b "RPA '94" current liability:**

	(1) No. of Persons	(2) Vested Benefits	(3) Total Benefits
(1) For retired participants and beneficiaries receiving payments	711	73722725	73722725
(2) For terminated vested participants	708	33700057	33700057
(3) For active participants	0	0	0
(4) Total	1419	107422782	107422782

- | | | |
|--|----|---|
| C If the percentage resulting from dividing line 2a by line 2b(4), column (3), is less than 70%, enter such percentage. | | |
| | 2c | % |

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees
3 Totals ▶	(b)	(c) 0

4 Quarterly contributions and liquidity shortfall(s):

- | | | |
|---|-----------|---------|
| a Plans other than multiemployer plans, enter funded current liability percentage for preceding year (see instructions). | 4a | 109.3 % |
|---|-----------|---------|

- b** If line 4a is less than 100%, see instructions, and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th



5 Actuarial cost method used as the basis for this plan year's funding standard account computation:

- a** ☐ Attained age normal **b** ☐ Entry age normal **c** ☒ Accrued benefit (unit credit)
- d** ☐ Aggregate **e** ☐ Frozen initial liability **f** ☐ Individual level premium
- g** ☐ Individual aggregate **h** ☐ Other (specify) _____

i Has a change been made in funding method for this plan year? ☐ Yes ☒ No

j If line i is "Yes," was the change made pursuant to Revenue Procedure 2000-40? ☐ Yes ☐ No

k If line i is "Yes," and line j is "No" enter the date of the ruling letter (individual or

class) approving the change in funding method Month Day Year

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability **6a** 6.38 % ☐ N/A

b Weighted average retirement age **6b** 60 ☐ N/A

c Rates specified in insurance or annuity contracts... ☐ N/A **6c**

Pre-retirement		Post-retirement	
Yes	No	Yes	No
☒	☐	☐	☒

d Mortality table code for valuation purposes:

(1) Males **d(1)** A A ☐ N/A

(2) Females **d(2)** A A ☐ N/A

e Valuation liability interest rate ☐ N/A **6e** 6.50 % 6.50 % ☐ N/A

f Expense loading ☐ N/A **6f** 6.3 % ☒ N/A

g Annual withdrawal rates:

(1) Age 25 **g(1)** U 0.00 % U 0.00 % ☐ N/A

(2) Age 40 **g(2)** U 0.00 % U 0.00 % ☐ N/A

(3) Age 55 **g(3)** U 0.00 % U 0.00 % ☐ N/A

h Salary scale ☐ N/A **6h** 0.00 % 0.00 % ☐ N/A

i Estimated investment return on actuarial value of assets for year ending on the valuation date **6i** 8.8 %

j Estimated investment return on current value of assets for year ending on the valuation date... **6j** 3.1 %

7 New amortization bases established in the current plan year:

(1) Type of Base

(2) Initial Balance

(3) Amortization Charge/Credit

1

20500334

4632008

8 Miscellaneous information:

a If a waiver of a funding deficiency or an extension of an amortization period has been approved for this plan year, enter the date of the ruling letter granting the approval Month Day Year



8b If one or more alternative methods or rules (as listed in the instructions) were used for this plan year, enter the appropriate code in accordance with the instructions **▶** _____

c Is the plan required to provide a Schedule of Active Participant Data? (see instructions) If "Yes," attach schedule. ☐ Yes ☒ No

9 Funding standard account statement for this plan year:

Charges to funding standard account:

a Prior year funding deficiency, if any.	9a	0
b Employer's normal cost for plan year as of valuation date.	9b	290701
c Amortization charges as of valuation date:		
(1) All bases except funding waivers. ▶ (\$ 20500334)	c(1)	4632008
(2) Funding waivers. ▶ (\$ 0)	c(2)	0
d Interest as applicable on lines 9a, 9b, and 9c.	9d	319976
e Additional interest charge due to late quarterly contributions, if applicable.	9e	
f Adjusted additional funding charge from Part II, line 12q, if applicable. ☐ N/A	9f	0
g Total charges. Add lines 9a through 9f.	9g	5242685

Credits to funding standard account:

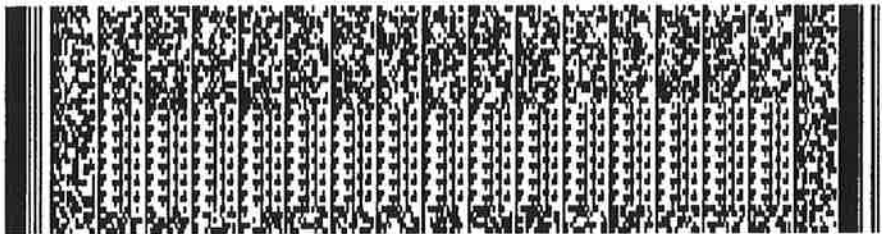
h Prior year credit balance, if any.	9h	20500334
i Employer contributions. Total from column (b) of line 3.	9i	0
j Amortization credits as of valuation date. ▶ (\$ 0)	9j	0
k Interest as applicable to end of plan year on lines 9h, 9i, and 9j.	9k	1332522
l Full funding limitation (FFL) and credits:		
(1) ERISA FFL (accrued liability FFL). l(1)		0
(2) "RPA '94" override (90% current liability FFL). l(2)		0
(3) FFL credit. l(3)		5242685
m (1) Waived funding deficiency. m(1)		0
(2) Other credits. m(2)		0
n Total credits. Add lines 9h through 9k, 9l(3), 9m(1), and 9m(2).	9n	27075541
o Credit balance: If line 9n is greater than line 9g, enter the difference.	9o	21832856
p Funding deficiency: If line 9g is greater than line 9n, enter the difference.	9p	0

Reconciliation account:

q Current year's accumulated reconciliation account:		
(1) Due to additional funding charges as of the beginning of the plan year. q(1)		0
(2) Due to additional interest charges as of the beginning of the plan year. q(2)		0
(3) Due to waived funding deficiencies:		
(a) Reconciliation outstanding balance as of valuation date. q(3)(a)		0
(b) Reconciliation amount. Line 9c(2) balance minus line 9q(3)(a). q(3)(b)		0
(4) Total as of valuation date. ▶ q(4)		0

10 Contribution necessary to avoid an accumulated funding deficiency. Enter the amount in line 9p or the amount required under the alternative funding standard account if applicable. **10** 0

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions ☒ Yes ☐ No



Part I Additional Information for Certain Plans Other Than Multiemployer PlansPlease see **Who Must File** in the Schedule B instructions to determine if you must complete Part II.**12 Additional required funding charge (see instructions):****a** Enter "Gateway %." Divide line 1b(2) by line 1d(2)(c) and multiply by 100.

If line 12a is at least 90%, go to line 12q and enter -0-.

If line 12a is less than 80%, go to line 12b.

If line 12a is at least 80% (but less than 90%), see instructions and, if applicable, go to line 12q and enter -0-. Otherwise, go to line 12b.

b "RPA '94" current liability. Enter line 1d(2)(a)**c** Adjusted value of assets (see instructions)**d** Funded current liability percentage. Divide line 12c by 12b and multiply by 100**e** Unfunded current liability. Subtract line 12c from line 12b**f** Liability attributable to any unpredictable contingent event benefit**g** Outstanding balance of unfunded old liability**h** Unfunded new liability. Subtract the total of lines 12f and 12g from line 12e. Enter -0- if negative**i** Unfunded new liability amount (% of line 12h)**j** Unfunded old liability amount**k** Deficit reduction contribution. Add lines 12i, 12j, and 1d(2)(b).**l** Net charges in funding standard account used to offset the deficit reduction contribution. Enter a negative number if less than zero.**m Unpredictable contingent event amount:****(1)** Benefits paid during year attributable to unpredictable contingent event**(2)** Unfunded current liability percentage. Subtract the percentage on line 12d from 100%.**(3)** Enter the product of lines 12m(1) and 12m(2)**(4)** Amortization of all unpredictable contingent event liabilities**(5)** "RPA '94" additional amount (see instructions)**(6)** Enter the greatest of lines 12m(3), 12m(4), or 12m(5).**n** Preliminary additional funding charge: Enter the excess of line 12k over line 12l (if any), plus line 12m(6), adjusted to end of year with interest**o** Contributions needed to increase current liability percentage to 100% (see instructions)**p** Additional funding charge prior to adjustment: Enter the lesser of line 12n or 12o**q** Adjusted additional funding charge. (0 % of line 12p)

12a	119.5 %
12b	
12c	
12d	%
12e	
12f	
12g	
12h	
12i	
12j	
12k	
12l	
12m(1)	
12m(2)	%
12m(3)	
12m(4)	
12m(5)	
12m(6)	
12n	
12o	
12p	
12q	0



Lockheed Martin Specialty Components, Inc. Pension Plan
EIN/PLN: 52-1747835/001

Attachments to Schedule B (Form 5500)

The following exhibits are attached:

Schedule B, line 6 – Statement of Actuarial Assumptions/Methods

Schedule B, line 6 – Summary of Plan Provisions

Schedule B, line 9c and 9j – Schedule of Funding Standard Account Bases

Schedule B, line 11 – Changes Since Last Year's Valuation

Costs have been computed in accordance with the Projected Unit Credit Cost Method and reflect the actuarial assumptions described in "Plan Assumptions" of this report.

Normal Cost

The Normal Cost is the cost of benefits expected to accrue during the coming year for all Participants who are eligible for funding as of the valuation date.

Actuarial Accrued Liability

As of the effective date of your Plan, an Actuarial Accrued Liability is established which represents the value of accrued benefits. This Actuarial Accrued Liability is offset by assets, if any, and the remainder, the Unfunded Actuarial Accrued Liability is amortized over a fixed number of years from the effective date.

Subsequent changes due to plan amendment or revised actuarial assumptions create increments of Actuarial Accrued Liability which will be amortized over a similar fixed period of years from their effective dates. Actuarial gains and losses will be recognized with each valuation and amortized over a 5-year period.

Actuarial Value of Assets

All trust assets are first valued at fair market value. Net annual appreciation or depreciation is recognized over a period of five years at the rate of 20% per year. The actuarial value of plan assets is equal to the fair market value of plan assets less the unrecognized appreciation or depreciation from the preceding five years, with a minimum value of 80% and maximum value of 120% of current fair market value.

Each assumption, used in combination, represents the best estimate of anticipated experience under the plan. Each assumption used (a) is reasonable taking into account the experience of the plan and reasonable expectations, or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable.

The actuarial assumptions as of January 1, 2008 used in this report are:

Investment Return: 6.50% per annum, compounded annually.

Current Liability Interest Rate:

RPA '94: 6.38%

Gateway: 6.38%

Target Liability Interest Rates (for Maximum): September 2007 segment rates (without transition).
(5.26%, 5.82%, 6.38%)

Mortality:

*All Liabilities,
Except Current Liability
and Maximum:*

RP-2000 Mortality Table projected to 2010.

*Current Liability
and Maximum::*

IRS 2008 Static Mortality Table.

Estimated Expenses:

Annual administrative expenses to be paid from the trust as of July 1 are assumed to be \$300,000.

Survivor's Benefit:

It is assumed that husbands are two years older than wives and that 85% of the male terminated Participants and 50% of the female terminated Participants will be survived by an eligible Spouse.

Form of Payment:

80% of male and 20% of female married employees are assumed to elect the spouse option. Single employees are assumed to elect the normal form.

For inactive participants in payment, any remaining PPA/VPA balances are assumed to be paid as immediate lump sums on the valuation date. For deferred vested participants, any remaining PPA/VPA balances are assumed to be deferred to age 60 and paid as a lump sum.

This Synopsis is intended to serve as a simple reference to determine the nature and amounts of benefits upon which actuarial costs are based. It, therefore, does not include all plan provisions.

Normal Form of Annuity

Life Annuity with a 5-year minimum.

Normal Retirement Date

The first day of the month coinciding with or next following the Participant's 65th birthday.

Normal Retirement

Eligibility

Completion of five years of service.

Benefit Formula

A Career Average Benefit equal to the sum of the Past Service Annuity and the Future Service Annuity.

Past Service Annuity

Formula based on service prior to September 1, 1946.

Future Service Annuity

Annual benefit equal to the sum of (i) and (ii):

- i) Future Service Annuity (with updates) accrued up through December 31, 1990.
- ii) 1.45% of employee's compensation earned in each calendar year after December 31, 1990, up to (1) Social Security Covered Compensation for 1991, (2) \$18,000 for 1992, and (3) Social Security Covered Compensation less \$3,192 for 1993 and subsequent years, plus 1.90% of remaining compensation (1.45% of all compensation earned in each calendar year, after service as of January 1 exceeds 34 years).

Most Recent Pension Benefit Update

Effective December 1, 1991, the future service annuity as of December 31, 1990 (including all updates as of December 31, 1990) will not be less than 0.90% of average compensation from 1988 through 1990 up to \$25,000, plus 1.5% of remaining average compensation, times a maximum of 35 years of benefit service through December 31, 1990.

Minimum Benefit

For each year of service, \$21 per month plus \$0.25 per month for each \$300 by which highest 5-year average Compensation exceeds \$25,050, subject to a total maximum of \$29 per month (5-year average Compensation exceeds \$34,650).

Early Retirement

<i>Eligibility</i>	Attained age 60.
<i>Benefit Formula</i>	Benefit accrued to date of early retirement with no reduction.
<i>Regular Supplement</i>	For each year of service, \$10.00 per month is payable up to age 62 for retirement between ages 60 and 62 on or after July 1, 1991.
<i>Special Supplement</i>	If a participant retires on or after July 1, 1990 with 25 years of service or more under the special eligibility rules, an additional \$225 per month supplement is provided.

Personal and Voluntary Pension Accounts

Employee contributions in each calendar year after December 31, 1988, plus voluntary contributions in each calendar year after December 31, 1990, credited with interest at a prescribed rate. The required and voluntary accounts are converted to an annuity based on the form of annuity elected for the regular pension or paid as a lump sum.

Pre-Retirement Spouse Benefit

<i>Eligibility</i>	Death occurs prior to retirement after at least 5 years of service, and married for at least 12 months at the time of death.
<i>Benefit Formula</i>	<p>The surviving spouse receives 50% of the pension accrued at the date of death reduced by the appropriate joint and survivor factors. Payments would be deferred to no earlier than the early retirement date of the deceased participant.</p> <p>If death occurs after attaining age 60 or age 50 with at least 15 years, payments commence immediately. Payments are reduced 12% if they begin before age 60.</p>

Death Benefit

Eligibility

Death occurs prior to retirement after attaining age 60 or at least 15 years of service; not eligible for Pre-Retirement Spouse Benefit.

Benefit Formula

Lump sum equal to the value of payments for 5 years of the accrued pension benefit. If payment occurs prior to age 60, the lump sum is reduced by 12%.

If not eligible for either the Pre-Retirement Spouse Benefit or the Death Benefit, a refund of employee contributions with interest is paid.

Vested Benefit

Eligibility

At least 5 years of service.

Benefit Formula

Accrued benefit payable as early as age 60. Terminated employees may withdraw their contributions with interest, Personal Pension Account, and Voluntary Pension Account and retain their right to the company provided portion of their benefit.

Amortization Charges as of January 1, 2008

<u>Description</u>	<u>Effective Date</u>	<u>Initial Amount</u>	<u>Remaining Balance</u>	<u>Years Remaining</u>	<u>Annual Payment</u>
Actuarial Loss	01/01/2008	<u>\$20,500,334</u>	<u>\$20,500,334</u>	5.00	<u>\$4,632,008</u>
Total Charges		\$20,500,334	\$20,500,334		\$4,632,008

Amortization Credits as of January 1, 2008

<u>Description</u>	<u>Effective Date</u>	<u>Initial Amount</u>	<u>Remaining Balance</u>	<u>Years Remaining</u>	<u>Annual Payment</u>
None					

Changes in Pension Plan Provisions

No changes in the pension plan provisions were recognized with this actuarial valuation.

New Legislation

This plan is treated as an eligible government contractor plan as stipulated by Section 106 of the Pension Protection Act of 2006. Thus, the methodology employed to derive the Minimum Contribution has not changed from the prior year, with the exception of the RPA Current Liability basis.

Changes in Actuarial Assumptions

Effective with this valuation, the following actuarial assumption changes were recognized:

Prior:

RPA Current Liability	5.78%
RPA Current Liability Mortality Table	2007 Blended Current Liability Mortality Table

Current:

RPA Current Liability	6.38%
RPA Current Liability Mortality Table	IRS 2008 Static Mortality Table

These changes reflect the use of the September 2007 Non-Transitional Third Segment Rate and the prescribed PPA mortality table.

Changes in Actuarial Cost Method

No changes in the actuarial cost method were recognized with this actuarial valuation.