

**Lockheed Martin Missiles and Fire Control
Camden Operations, Camden Arkansas**

ACHIEVEMENTS

Embedded into the daily culture and pride of every Camden Operations employee is the motto of “*We never forget who we are working for*”. The warfighters are dependent upon the products we manufacture and reliant upon the fact these critical weapon systems perform as required, first time, and every time.

Camden Operations is systematically approaching World Class recognition as a facility committed to providing the warfighter with the most reliable weapons systems available to defend the US and her allies. This is being accomplished with a determined focus on product innovation, process improvement and people development while fully addressing the reality of challenging times and increasingly competitive business conditions governing today’s aerospace industry. Camden management and employees have adopted a philosophy to utilize these opportunities as catalysts to ensure Best in Class in Safety, Environmental, People, Programs and Lean Six Sigma ratified by recipient of the 2008 Shingo Silver Medallion Level of Operational Excellence, 2007 Industry Week Top Ten Best Plants Award and 2007 Arkansas Quality Award. The driving force to continually set industry standards incorporates a vision to be the most respected in every market and community we serve, by unleashing the power of innovative technology through the pride and commitment of every employee.

Delivery

- 29 consecutive years of 100% on-time Customer contract delivery of precision rockets, missiles and launcher platform weapon systems
- 76% cycle time reduction on PAC-3 Missile Program achieved after production start
- Currently exceeding a 38% reduction in material supply chain lead times

Quality

Customers recognize Camden products for its unmatched level of uncompromising quality, competitive manufacturing costs and unrivaled expertise in systems integration

- 97% First-pass yield rates while developing initial production efforts of three, technologically advanced production programs in last five years
- 0.27% Workmanship error
- 49% reduction in Defects Per Unit since 2004

Customer Satisfaction

Camden’s Customer Satisfaction process includes customer feedback in the form of Customer Satisfaction Surveys. Surveys are issued monthly to customer

representatives for all respective programs. The results are presented to program management for their review and are compiled as part of the composite customer satisfaction score. Composite scores determine an overall red, yellow or green program rating. Camden has rated green (good) for all quality system and production operations metrics for the years 2004 thru 2008 to date.

Cost

- 21.6% reduction in manufacturing costs on HIMARS Launcher Program since 2003
- 23.3% reduction in manufacturing costs on Guided MLRS Rocket Program since 2003
- \$31.8M savings attributable to implementation of Lean Six Sigma process improvements since 2002
- Near \$28M total savings in Employee Gainssharing program

ENVIRONMENT

Objectives for Camden’s environmental efforts are not centered on those which will be cost effective, required by a regulation or by company edict. Efforts and programs are aimed at proactively exceeding compliance and improving the environment.

Camden has built a dynamic, business oriented Safety and Health culture based on the premise that all accidents are preventable. This philosophy fosters a culture that makes injury prevention a personal matter of caring for fellow employees and has resulted in Camden achieving 1 million work hours without a lost time accident on four separate occasions.

Camden’s superior environmental effort has led to acceptance in 2002 into the National EPA Performance Track program which rewards selected organizations with preferential treatment. Lockheed Martin-Camden is one of only five Arkansas companies selected for this elite membership. Camden commitments outlined in the Performance Track report include a hazardous waste reduction goal, a non-hazardous waste reduction goal and a non-transportation energy reduction goal.

- Our energy reduction initiatives have decreased overall usage by 32.7% since 2003:
- A Hazardous Material Management Program (per NAS 411) for each production activity has been implemented.
- Instituted a voluntary program for waste water discharge.
- Ozone Depleting Chemical reduction initiative

The Lockheed Martin Corporate “Go Green” Initiative targets waste reduction through recycling efforts. The initiative drives toward a reduction in solid waste delivered to landfills. The Camden ESH and Facilities departments have developed a recycling program equating to a 21% reduction in solid waste disposal.

Environmental awards such as National Environmental Performance Track Program, the Arkansas Recycling Coalition’s Industry Recycler of the Year Award, and the Arkansas Fish and Wildlife Commission’s Keep Arkansas Beautiful Award are evidence of Camden Operations’ commitment to preserving a clean, healthy environment for the future.

Incumbent to any Defense organization, protecting national security is paramount. For the years 2004, 2005, 2006, 2007 and recently 2008, Camden Operations received back-to-back “Superior” Security ratings, the highest rating possible to be awarded to a defense contractor, during the annual National Industrial Security Program Operating Manual (NISPOM) audit. This award constituted the first and only Superior Rating the NISPOM representative had ever presented to a facility.

PEOPLE

In parallel with Lockheed Martin’s newest initiative, Full Spectrum Leadership, Camden’s goals are to have leaders who deliver great results and exhibit strong leadership behaviors that reflect the Full Spectrum Leadership competency model. Full Spectrum Leadership provides a roadmap for taking the corporation and our business to the next level of success. The structure of Full Spectrum Leadership is centered on a three-tiered model that is designed to improve business results, provide better support for our vision and values, provide for the continued development of our employees and identify and select world-class leaders for the organization. This philosophy ties directly to our core guiding values of Do What’s Right, Respect Others and Perform With Excellence. Through training, mentoring, coaching and assessment, Full Spectrum Leadership will continue to unlock both the known and unknown talents of our employees to meet the human and intellectual requirements of our competitive industry.

PROCESS

Camden is aggressively attacking affordability issues supported by a solid, Lean Principle infrastructure, and by continually exploring new manufacturing technologies and design processes. These processes are optimized to reduce overall production costs and to enable new manufacturing methods, ultimately positioning Camden with the latest technologies to meet

both future market demands and customer requirements. Camden Operations continues to effectively utilize the tools of both Lean and Six Sigma to improve current process capabilities and prepare for the next generation of launcher integration platforms and weapons systems.

PRODUCTS

The U.S. Department of Defense is our largest customer. Camden Operations is the world’s only manufacturer of the Multiple Launch Rocket System (MLRS), the High Mobility Artillery Rocket System (HIMARS), the Terminal High Altitude Area Defense Launch System (THAAD), the Patriot Advanced Capability-3 Missile (PAC-3) and the Guided MLRS Rocket (GMLRS).

PLANT

Lockheed Martin, Camden Operation is located in the rural community of South Central Arkansas. The site of a former Naval Ordnance Facility, Camden Operations began in 1978. The first MLRS product was delivered in 1982. Since inception, the Camden facility has produced over 600,000 rockets and 1750 launch vehicles of various configurations and capabilities designed to protect the warfighter in their defining moment and to preserve individual freedom.

LOCKHEED MARTIN CORPORATION

Lockheed Martin Corporation, an advanced technology company, was formed in March 1995 with the merger of two of the world’s premier technology companies, Lockheed Corporation and Martin Marietta Corporation. Headquartered in Bethesda, Maryland, Lockheed Martin Corporation employs about 140,000 highly skilled technicians, engineers and scientists worldwide, principally engaged in the research, design, development, manufacture and integration of advanced technology systems, products and services. The Missiles and Fire Control Business Sector develops, manufactures and supports advanced combat, missiles, rockets and space systems for customers that include the U.S. military branches of Army, Navy, Air Force and Marine Corps, NASA and dozens of foreign nations. The corporation reported 2007 sales of \$41.9B with a backlog of \$76.7B.

For additional information and product capabilities visit <http://www.lockheedmartin.com> or contact:

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