

LOCKHEED MARTIN CORP  
Form 424B3  
February 13, 2004  
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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-109725

**PROXY STATEMENT/PROSPECTUS**

Dear Titan Stockholder:

A special meeting of the stockholders of The Titan Corporation will be held at Titan's corporate headquarters located at 3033 Science Park Road, San Diego, California 92121, on Tuesday, March 16, 2004, at 9:30 a.m., local time. At the special meeting, you will be asked to approve the merger of Titan with a subsidiary of Lockheed Martin Corporation. In the proposed merger, you may make one of the following elections regarding the type of merger consideration you wish to receive in exchange for your Titan common stock:

- a cash election of \$22.00 in cash per share, without interest;
- a stock election for Lockheed Martin common stock based on an exchange rate determined as described below; or
- a combination election whereby 50% of your Titan shares will be exchanged for cash and 50% of your Titan shares will be exchanged for Lockheed Martin common stock based on the exchange rate.

If you make a cash election or a stock election, the form of merger consideration that you actually receive will likely be adjusted as a result of the allocation procedures of the merger agreement, as amended, which require that 50% of the shares of Titan common stock outstanding at the time of the merger must be exchanged for Lockheed Martin common stock, and 50% of the outstanding Titan shares must be exchanged for cash. If either the cash or stock election is oversubscribed, the allocation procedures may cause you to receive part cash and part Lockheed Martin common stock. The exchange rate will be determined by dividing \$22.00 by the average trading price of Lockheed Martin common stock over a ten-day trading period, subject to lower and upper limits, or collars, of \$46.00 and \$58.00. Shares of Lockheed Martin common stock are listed on the New York Stock Exchange under the trading symbol LMT. On February 6, 2004, the closing price of a share of Lockheed Martin common stock was \$49.39.

The attached proxy statement/prospectus contains detailed information about the merger, the merger consideration and the procedures you must follow to elect the form of merger consideration you wish to receive. We encourage you to read this document carefully, including the Risk Factors beginning on page 22, for a description of factors that should be considered before you complete your proxy card or make your election with respect to the merger consideration.

**Your vote is very important.** Your board of directors has determined that the merger agreement and the merger are advisable, fair to and in the best interests of Titan and its stockholders. The merger cannot be completed unless the holders of a majority of the outstanding shares of Titan common stock vote to adopt the merger agreement and approve the merger. **WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING, PLEASE SIGN AND RETURN YOUR PROXY CARD OR DELIVER YOUR PROXY INSTRUCTIONS VIA THE INTERNET OR BY TELEPHONE.** If you fail to submit your proxy, the effect will be a vote against the adoption of the merger agreement and approval of the merger.

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**On behalf of your board of directors, we encourage you to vote FOR the adoption of the merger agreement and approval of the merger and FOR the proposal to adjourn the special meeting, if necessary.**

Sincerely,

Gene W. Ray  
*Chairman of the Board, President  
and Chief Executive Officer*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

This proxy statement/prospectus is dated February 9, 2004, and is being first mailed to Titan stockholders on or about February 11, 2004.

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**THE TITAN CORPORATION**

**3033 Science Park Road**

**San Diego, California 92121**

**(858) 552-9500**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD MARCH 16, 2004**

To the Stockholders of The Titan Corporation:

You are cordially invited to attend a special meeting of stockholders of The Titan Corporation to be held at Titan's corporate headquarters located at 3033 Science Park Road, San Diego, California 92121, on Tuesday, March 16, 2004, at 9:30 a.m., local time, to consider the following matters:

- (1) A proposal to adopt the merger agreement, as amended, and approve the merger of Titan with a wholly-owned subsidiary of Lockheed Martin Corporation;
- (2) A proposal to authorize Titan to adjourn the special meeting on one or more occasions, if necessary, (a) to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve proposal (1), (b) to allow extra time for the parties to satisfy other closing conditions to the merger, or (c) to calculate and announce the exchange rate before the vote on proposal (1) is taken; and
- (3) Such other business as may properly come before the special meeting or any adjournments or postponements thereof.

The accompanying proxy statement/prospectus forms a part of this notice and describes the terms and conditions of the merger agreement and includes a complete copy of the merger agreement as Annex A. Other important information is incorporated by reference in the proxy statement/prospectus from other documents. Please review all these materials carefully before submitting your proxy. Titan's board of directors is soliciting your proxy.

This notice and the accompanying proxy statement/prospectus are being mailed to holders of our cumulative convertible preferred stock as well as holders of our common stock. However, only holders of record of Titan common stock at the close of business on February 9, 2004 will be entitled to vote at the special meeting or any adjournment or postponement thereof. As more fully described in the accompanying proxy statement/prospectus, we will redeem, at a price of \$20.03 per share, all shares of our cumulative convertible preferred stock that are not properly converted into our common stock before 5:00 p.m., New York City time, on March 15, 2004, the redemption date. As a result, pursuant to the terms of Titan's certificate of incorporation and applicable Delaware law, holders of our cumulative convertible preferred stock will not have the right to vote those shares at the special meeting. However, holders of our cumulative convertible preferred stock that properly convert

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their shares of cumulative convertible preferred stock into Titan common stock prior to 5:00 p.m., New York City time, on the redemption date will be entitled to elect the form of merger consideration they wish to receive upon completion of the merger.

To approve the merger, holders of a majority of the outstanding shares of Titan common stock must vote to adopt the merger agreement and approve the merger. To approve the proposal to adjourn the special meeting, holders of a majority of the shares of Titan common stock present or represented by proxy must vote to approve the adjournment proposal. Approval of the adjournment proposal is not a condition to the adoption of the merger agreement or approval of the merger. The Titan board of directors recommends that stockholders vote FOR both proposals.

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To ensure your vote is counted, we urge you to vote using one of the following methods:

sign the enclosed proxy card and mail it in the enclosed, prepaid and addressed envelope;

call toll-free 1-800-PROXIES and follow the instructions; or

access the web page at *www.voteproxy.com* and follow the on-screen instructions.

If you attend the special meeting, you may revoke your proxy and vote in person even though you have submitted your proxy card or voted via the Internet or the toll-free number. Even if you plan to attend the special meeting, we urge you to submit a valid proxy promptly to ensure that your shares will be represented at the special meeting.

By order of the Board of Directors,

Nicholas J. Costanza  
*Senior Vice President, General Counsel and Secretary*

San Diego, California

February 9, 2004

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**WHERE YOU CAN FIND MORE INFORMATION**

Titan and Lockheed Martin file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information filed by Lockheed Martin or Titan at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You also may obtain copies of this information by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates, or from commercial document retrieval services. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. You also can inspect reports, proxy statements and other information about Lockheed Martin and Titan at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC maintains a website that contains reports, proxy statements and other information, including those filed by Lockheed Martin and Titan, at <http://www.sec.gov>. You also may access the SEC filings and obtain other information about Lockheed Martin and Titan through the websites maintained by Lockheed Martin and Titan, which are <http://www.lockheedmartin.com> and <http://www.titan.com>. The information contained in such websites is not incorporated by reference in this proxy statement/prospectus.

As allowed by SEC rules, this proxy statement/prospectus does not contain all the information you can find in the registration statement on Form S-4 filed by Lockheed Martin to register the shares of stock to be issued in the merger and the exhibits to the registration statement. The SEC allows Lockheed Martin and Titan to incorporate by reference information in this proxy statement/prospectus, which means that they can disclose important information to you by referring you to other documents filed separately with the SEC. The information incorporated by reference is deemed to be part of this proxy statement/prospectus, except for any information superseded by information in this proxy statement/prospectus. This proxy statement/prospectus incorporates by reference the documents set forth below that Lockheed Martin and Titan have previously filed with the SEC. These documents contain important information about the companies and their financial condition.

**Lockheed Martin filings with the SEC**

Annual Report on Form 10-K for the year ended December 31, 2002;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003;

Current Reports on Form 8-K filed January 16, 2003, June 10, 2003, June 27, 2003 (as amended by Form 8-K/A filed July 22, 2003), August 8, 2003, August 26, 2003 and September 16, 2003; and

The description of Lockheed Martin's common stock, \$1.00 par value per share, contained in its Registration Statement on Form 8-B, filed with the Commission pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (as amended on Form 8-B/A filed on March 9, 1995), and any amendment or report filed for the purpose of updating such description.

**Titan filings with the SEC**

Annual Report on Form 10-K for the year ended December 31, 2002;

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Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003;

Current Reports on Form 8-K filed on April 30, 2003, July 9, 2003, and September 17, 2003, and a Current Report on Form 8-K/A filed on June 19, 2003 (amending the Form 8-K filed on August 14, 2002);

The audited consolidated balance sheets of Jaycor, Inc. as of January 31, 2001 and 2002, the audited consolidated statements of operations, stockholders' equity and cash flows of Jaycor, Inc. for each of the two years in the period ended January 31, 2002, and the notes related thereto and the related auditors' report thereon included in the Current Report on Form 8-K filed on March 26, 2002; and

The description of Titan's common stock included under the caption "Securities to be Registered" in Titan's Registration Statement on Form 8-A, as filed on December 16, 1993, including any amendments or reports filed for the purpose of updating such description.

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All documents filed by Lockheed Martin and Titan pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act from the date of this proxy statement/prospectus to the date of the special meeting shall also be deemed to be incorporated herein by reference.

You may also obtain copies of any document incorporated in this proxy statement/prospectus, without charge, by requesting them in writing, by telephone or by e-mail from the appropriate company at the following addresses:

<b>The Titan Corporation</b>	<b>Lockheed Martin Corporation</b>
Investor Relations	Investor Relations
3033 Science Park Road	6801 Rockledge Drive
San Diego, California 92121	Bethesda, Maryland 20817
Telephone: (858) 552-9500	Telephone: (301) 897-6598
email: <i>invest@titan.com</i>	email: <i>investor.relations@lmco.com</i>

If you would like to request any documents, please do so by March 9, 2004 in order to receive them before the special meeting.

**Neither Lockheed Martin nor Titan have authorized anyone to give any information or make any representation about the merger that is different from, or in addition to, that contained in this proxy statement/prospectus or in any of the materials that are incorporated by reference in this proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it.**

**If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this proxy statement/prospectus are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this proxy statement/prospectus does not extend to you. The information contained in this proxy statement/prospectus speaks only as of the date of this document unless the information specifically indicates that another date applies.**

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

**Q: What is the proposed transaction that I am being asked to approve?**

A: You are being asked to vote to adopt the merger agreement and approve the merger of Titan with a wholly-owned subsidiary of Lockheed Martin. In this proxy statement/prospectus, we refer to the agreement and plan of merger, as amended, as the merger agreement. Under the merger agreement, Titan will be merged with and into LMC LLC One, a wholly-owned subsidiary of Lockheed Martin formed to complete the merger in a forward merger. However, under certain circumstances described in this proxy statement/prospectus, Titan may elect to restructure the proposed transaction and cause LMC LLC One to be merged with and into Titan in a reverse merger. In this proxy statement/prospectus, we alternately refer to the forward merger and the reverse merger as the merger. The surviving legal entity in the merger will continue to exist under Delaware law as a wholly-owned subsidiary of Lockheed Martin.

**Q: What will I receive in exchange for my Titan common stock in the merger?**

A: You may make one of the following elections regarding the type of merger consideration you wish to receive in exchange for your Titan common stock:

a cash election of \$22.00 in cash per share, without interest;

a stock election for Lockheed Martin common stock based on an exchange rate determined as described below; or

a combination election whereby 50% of your Titan shares will be exchanged for cash and 50% of your Titan shares will be exchanged for Lockheed Martin common stock based on the exchange rate.

If you make a cash election or a stock election, the form of merger consideration that you actually receive will likely be adjusted as a result of the allocation procedures of the merger agreement which require that 50% of the shares of Titan common stock outstanding at the effective time of the merger (excluding shares held by Titan stockholders who have perfected dissenters' rights or any shares held by Lockheed Martin or Titan) must be exchanged for Lockheed Martin common stock, and 50% of the outstanding Titan shares must be exchanged for cash. If either the cash or stock election is oversubscribed, the allocation procedures may cause you to receive part cash and part Lockheed Martin common stock.

**Q: If I receive Lockheed Martin common stock as merger consideration, how will the number of shares I receive be calculated?**

The number of shares of Lockheed Martin common stock that you will receive for each share of Titan common stock will be based on an exchange rate determined by dividing \$22.00 by the average Lockheed Martin price. The average Lockheed Martin price means the average of the daily mean of the high and low sales prices per share of Lockheed Martin common stock for the ten trading days ending on the third trading day prior to, but not including, the effective time of the merger. For purposes of determining the exchange rate, Titan and Lockheed Martin have agreed to upper and lower limits, or collars, on the average Lockheed Martin price of \$58.00 and \$46.00. As a result, even if the average Lockheed Martin price as so calculated exceeded \$58.00, the parties would still use \$58.00 in determining the exchange rate and the exchange rate would be fixed at 0.3793. Similarly, even if the average Lockheed Martin price as so calculated was less than \$46.00, the parties would still use \$46.00 in determining the exchange rate and the exchange rate would be fixed at 0.4783.

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Had the exchange rate been determined based on the ten-day trading period ending on February 5, 2004, the average Lockheed Martin price would have been \$49.5425, and the exchange rate would have been 0.4441. Assuming the merger closes on March 16, 2004, the date currently set for the special meeting of Titan stockholders, the exchange rate will be determined based on the ten-day trading period beginning February 27, 2004 and ending March 11, 2004.

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The total number of shares of Lockheed Martin common stock you will receive will be the product of the exchange rate multiplied by the number of your shares of Titan common stock that are to be exchanged for Lockheed Martin common stock, rounding down to the nearest whole share. You will not receive any fractional shares of Lockheed Martin common stock in the merger. Instead, you will be paid cash for any fractional share based on the closing price per share of Lockheed Martin common stock on the trading day immediately before the effective time of the merger.

**Q: How will I know what the actual exchange rate is?**

A: You may not know the exchange rate before submitting your vote on the adoption of the merger agreement and approval of the merger or making your election as to the form of merger consideration you wish to receive. Lockheed Martin will issue a press release at least two business days prior to the date set for the special meeting that will announce the exchange rate. If the special meeting is postponed or adjourned or the closing of the merger is delayed for any reason, Titan will issue subsequent press releases announcing the new special meeting date, the date to which the special meeting has been adjourned or the date on which the closing of the merger will occur, and, at least two business days prior to such later date, Lockheed Martin will issue another press release announcing the new exchange rate. All of these press releases also will be filed with the SEC and will be available on the SEC's web site at [www.sec.gov](http://www.sec.gov).

**Q: How do I elect the form of merger consideration I wish to receive in the merger? How should I send in my stock certificates?**

A: Concurrently with the mailing of this proxy statement/prospectus, a letter of transmittal and election form will be mailed separately to each holder of record of Titan common stock on the record date for the special meeting. If your shares of Titan common stock are registered in your own name, complete and sign the letter of transmittal and election form and send it to EquiServe Trust Company, N.A., the exchange agent for the merger, together with the stock certificates representing your Titan common stock.

**Q: How do I make an election if I hold my shares of Titan common stock in street name?**

A: If you wish to make a particular election and you hold your shares of Titan common stock in street name, you must follow the instructions provided by your bank or broker.

**Q: Is there a deadline for making an election of the form of merger consideration that I wish to receive upon completion of the merger?**

A: Yes. Your completed letter of transmittal and election form and stock certificates representing your shares of Titan common stock must be received by the exchange agent no later than 5:00 p.m., New York City time, on the last business day before the effective time of the merger. Assuming that the merger closes on the date currently set for the special meeting of Titan stockholders, the election deadline will be 5:00 p.m., New York City time, on March 15, 2004.

**Q: Can I change or revoke my election?**

A: Yes. You may change or revoke any election you have made with respect to the consideration you wish to receive in the merger by giving written notice to the exchange agent at EquiServe, Corporate Actions, Post Office Box 43025, Providence, RI 02940-3025. You may also revoke your election by withdrawing your Titan common stock certificates, or by withdrawing your bank or broker's guarantee of delivery of your certificates. To be effective, your change or revocation of election must be received prior to 5:00 p.m., New York City time, on the date of the election deadline.

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### **Q: What if I do not send a letter of transmittal and election form or it is not received before the election deadline?**

A: If the exchange agent does not receive a properly completed letter of transmittal and election form, together with stock certificates representing your shares of Titan common stock or a notice of guaranteed delivery from you before the election deadline, then you will receive a combination of cash for 50% of the shares of Titan common stock you own and Lockheed Martin common stock for the remaining 50% of the shares of Titan common stock you own.

**You bear the risk of delivery and should send your letter of transmittal and election form by courier, by hand or by fax, with stock certificates delivered by courier or by hand, to the appropriate addresses shown on the letter of transmittal and election form.**

Promptly after the effective time of the merger, the exchange agent will provide stock certificate transmittal materials to the holders of Titan common stock who have not properly and timely completed the letter of transmittal and election form and surrendered their stock certificates. The transmittal materials will contain instructions for surrendering Titan stock certificates to the exchange agent in exchange for the merger consideration.

### **Q: What happens if the aggregate number of cash elections exceeds 50% of the outstanding shares of Titan common stock or if the aggregate number of stock elections exceeds 50% of the outstanding shares of Titan common stock?**

A: Under the merger agreement, the number of shares of Titan common stock to be exchanged for cash must be equal to 50% of the total number of shares of Titan common stock outstanding immediately prior to the effective time of the merger (excluding shares held by Titan stockholders who have perfected dissenters' rights or any shares held by Lockheed Martin or Titan). If, after the results of the letter of transmittal and election forms are calculated, the number of shares of Titan common stock to be exchanged for cash exceeds this 50% threshold, the exchange agent will determine the number of cash election shares that must be reallocated as stock election shares in order to achieve the 50% threshold. After the exchange agent makes this determination, all holders who have made cash elections will, on a pro rata basis, have a portion of their cash election shares reallocated as stock election shares so that the total number of shares of Titan common stock to be exchanged for cash will equal the 50% threshold.

No reallocation will occur if a holder has made a cash election but would receive fewer than 20 shares of Lockheed Martin common stock. Instead, the cash election shares of the remaining holders of shares of Titan common stock will be reallocated on a pro rata basis, so that the 50% threshold is satisfied. Titan stockholders that make a combination election will not be subject to the allocation procedures.

Similarly, the number of shares of Titan common stock to be exchanged for shares of Lockheed Martin common stock also must be equal to the 50% threshold. If, after the results of the letter of transmittal and election forms are calculated, the number of shares of Titan common stock to be exchanged for Lockheed Martin common stock exceeds this 50% threshold, the exchange agent will determine the number of stock election shares that must be reallocated as cash election shares in order to achieve the 50% threshold. After the exchange agent makes this determination, all holders who have made stock elections will, on a pro rata basis, have a portion of their stock election shares reallocated as cash election shares so that the total number of shares of Titan common stock to be exchanged for shares of Lockheed Martin common stock will equal the 50% threshold.

As a result of the allocation procedures described above, if either the cash election or stock election is oversubscribed, you may receive part cash and part Lockheed Martin common stock in exchange for your shares of Titan common stock.



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### **Q: What are the U.S. federal income tax consequences of the merger to Titan stockholders?**

A: The tax consequences of the merger to you will depend on your particular facts and circumstances, the form of merger consideration you receive and the structure of the merger. You should consult your own tax advisor for a full understanding of the tax consequences of the merger.

Assuming that the merger is completed as currently contemplated as a forward merger of Titan with and into LMC LLC One, you will not recognize any gain or loss for U.S. federal income tax purposes if you exchange your shares of Titan common stock solely for shares of Lockheed Martin common stock in the merger, except with respect to cash received in lieu of fractional shares of Lockheed Martin common stock. You will recognize gain or loss if you exchange your shares of Titan common stock solely for cash in the merger. You will recognize gain, but not loss, if you exchange your shares of Titan common stock for a combination of Lockheed Martin common stock and cash, but your taxable gain in that case will not exceed the cash you receive in the merger.

The structure of the merger could change from a tax-free forward merger into a taxable reverse merger, whereby LMC LLC One would be merged with and into Titan, if:

Tax counsel to Lockheed Martin and Titan are unable to render an opinion at the effective time of the merger that the forward merger will be treated for U.S. federal income tax purposes as a tax-free reorganization solely because the aggregate value of the Lockheed Martin common stock to be delivered at closing would be insufficient to cause the merger consideration to meet the continuity of interest requirements under applicable tax regulations as described more fully under the heading *The Merger* Material U.S. Federal Income Tax Consequences ;

Lockheed Martin declines to increase the exchange rate of Lockheed Martin common stock to be delivered as merger consideration to the minimum extent necessary to cause the merger consideration to meet the continuity of interest requirements; and

Titan elects to restructure the proposed transaction as a taxable reverse merger rather than exercise Titan's option to terminate the merger agreement under these circumstances.

If the transaction were to proceed as a reverse merger under the scenario described above, you would recognize gain or loss, regardless of the type of consideration you receive, in an amount equal to the difference between (1) the sum of the cash and the fair market value of the shares of Lockheed Martin common stock you receive in the merger and (2) your adjusted basis in the shares of Titan common stock you exchange in the merger.

### **Q: Am I entitled to dissenters' rights?**

A: Yes. You may dissent from the adoption of the merger agreement and approval of the merger and have the fair value of your shares of Titan common stock determined by a court. The fair value of your shares of Titan common stock, as determined by a court, may be more or less than the consideration to be paid in the merger. If the holders of more than 10% of Titan's outstanding common stock properly dissent, Lockheed Martin is not required to complete the merger. For more information about dissenters' rights in the merger, see *The Merger* Dissenters' Rights.

To exercise dissenters' rights, you must not vote in favor of the adoption of the merger agreement and approval of the merger or complete and submit a letter of transmittal and election form, and you must strictly comply with all of the applicable requirements of Delaware law summarized under the heading *The Merger* Dissenters' Rights. Shares of Titan common stock held by Titan stockholders who have perfected

dissenters' rights will not be exchanged for the merger consideration at the effective time of the merger.

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We have included a copy of Section 262 of the Delaware General Corporation Law, or the DGCL, which governs dissenters' rights, as Annex C to this proxy statement/prospectus.

**Q: What will happen to shares of Titan's outstanding cumulative convertible preferred stock? Will holders of those shares have voting rights at the special meeting or receive special consideration in the proposed transaction?**

A: We are mailing this proxy statement/prospectus to holders of Titan's cumulative convertible preferred stock as well as holders of Titan common stock. However, only holders of record of Titan common stock at the close of business on February 9, 2004 will be entitled to vote at the special meeting or any postponement or adjournment thereof. As more fully described elsewhere in this proxy statement/prospectus, Titan will redeem, at a price of \$20.03 per share, all shares of Titan's cumulative convertible preferred stock that are not properly converted into Titan common stock before 5:00 p.m., New York City time, on March 15, 2004, which is referred to as the redemption date. Because all outstanding shares of Titan's cumulative convertible preferred stock will be redeemed prior to the date of the special meeting, holders of Titan's cumulative convertible preferred stock will not have the right to vote those shares at the special meeting. However, holders of Titan's cumulative convertible preferred stock that properly convert their shares of cumulative convertible preferred stock into Titan common stock prior to the close of business on the redemption date will be entitled to elect the form of merger consideration they wish to receive upon completion of the merger.

**Q: In addition to considering the adoption of the merger agreement and approval of the merger, on what other matters am I being asked to vote?**

A: Titan's board of directors also is soliciting your proxy to authorize Titan to adjourn the special meeting on one or more occasions, if necessary, (a) to solicit additional proxies if there are not sufficient votes at the time of the special meeting to adopt the merger agreement and approve the merger, (b) to allow additional time for the parties to satisfy other closing conditions to the merger, or (c) to calculate and announce the exchange rate before the vote on the merger. The affirmative vote of holders of a majority of the shares of Titan common stock present or represented by proxy at the special meeting is required to approve the adjournment proposal. See "Adoption of Adjournment Proposal" for information regarding the adjournment proposal.

**Q: Who can vote at the special meeting?**

A: Holders of record of Titan common stock at the close of business on February 9, 2004 can vote at the special meeting. On that date, approximately 82,835,000 shares of Titan common stock were outstanding and entitled to vote. Because Titan will redeem its cumulative convertible preferred stock before the special meeting, holders of this preferred stock will not be entitled to vote their preferred stock at the special meeting.

**Q: How do the holders of Titan common stock vote their shares?**

A: You may vote by mail by signing the enclosed proxy card and mailing it in the enclosed, prepaid and addressed envelope. You may also vote via the Internet or by telephone by following the voting procedures in the enclosed instructions. Votes submitted via the Internet or by telephone must be received by 12:00 midnight, New York City time, on March 15, 2004. Submitting your proxy will not affect your right to vote in person if you decide to attend the special meeting.

**The telephone and Internet voting procedures are designed to authenticate stockholders' identities, to allow stockholders to give their voting instructions and to confirm that stockholders' instructions**

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**have been recorded properly. If you vote via the Internet, you may incur costs associated with electronic access, including charges from your Internet access provider and/or telephone company.**

Also, you may vote your shares in person at the special meeting. Titan will pass out written ballots to anyone who wants, and is entitled, to vote at the special meeting. If you hold your shares in street name, you must request a legal proxy from your broker or bank in order to vote in person at the special meeting.

PLEASE EXAMINE YOUR PROXY CARD CLOSELY TO MAKE SURE YOU ARE VOTING ALL OF YOUR SHARES OF TITAN COMMON STOCK.

**Q: Will my shares of Titan common stock be voted if I do not return my proxy card or vote via the Internet or by telephone?**

A: If you hold your shares of Titan common stock in street name, generally the broker or bank may only vote the shares which it holds for you in accordance with your instructions, unless the subject of the vote is a routine matter. In this case, if the broker or bank has not received your instructions, it may not vote your shares of Titan common stock on the adoption of the merger agreement and approval of the merger or on the proposal to adjourn the special meeting because these proposals are not considered routine matters by the New York Stock Exchange.

If the broker or bank cannot vote on a particular matter because it is considered non-routine, there is a broker-non-vote on that matter. Abstentions and broker non-votes will be treated as shares present, in person or by proxy, and entitled to vote for purposes of determining a quorum at the special meeting but will have the same effect as votes against adoption of the merger agreement and approval of the merger and against the proposal to adjourn the special meeting, if necessary.

**It is important that you provide instructions to your broker or bank by voting your proxy promptly to ensure that all shares of Titan common stock you own will be voted as you wish at the special meeting.**

YOU MAY HAVE GRANTED TO YOUR BROKER OR BANK DISCRETIONARY VOTING AUTHORITY OVER YOUR ACCOUNT. YOUR BROKER OR BANK MAY BE ABLE TO VOTE YOUR SHARES OF TITAN COMMON STOCK DEPENDING ON THE TERMS OF YOUR AGREEMENT WITH THEM.

**Q: How do I vote shares of Titan common stock held in Titan employee benefit plans and elect the merger consideration for such stock? Are there special procedures that I need to follow?**

A: Yes. If you own shares of Titan common stock through a Titan employee benefit plan, you will receive a separate voting instruction card and letter of transmittal and merger consideration election form for the shares of Titan common stock allocated to you under those plans which, among other things, will set forth any special rules for providing such instructions and making such elections. Titan has the following employee benefit plans through which you may hold shares: The Titan Corporation Consolidated Retirement Plan, the AverStar, Inc. Profit Sharing & Savings Plan and the Jaycor, Inc. Employee Stock Ownership Plan.

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By completing the appropriate voting instruction card, you will provide voting instructions to the trustee of the applicable plan for shares of Titan common stock allocated to you under those plans. If the trustee does not receive voting instructions from you, the trustee may vote your shares of Titan common stock held in those plans in the same proportion as the shares of Titan common stock voted by all other respective plan participants on each proposal.

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By completing the letter of transmittal and merger consideration election forms, you also will be instructing the trustee for the applicable plan to make a corresponding election of the form of merger consideration that will be exchanged for the shares of Titan common stock allocated to you under that plan. If you do not instruct the trustee with respect to such election, the trustee will elect that you receive a combination of cash for 50% of the shares of Titan common stock allocated to you under the plan and Lockheed Martin common stock for the remaining 50% of the shares of Titan common stock allocated to you under the plan. If you do instruct the trustee with respect to such election, the trustee will elect merger consideration in accordance with your instructions subject to: (1) the allocation procedures of the merger agreement; and (2) the requirements of the Employee Retirement Income Security Act of 1974, as amended, a federal law governing the plans that is referred to as ERISA. For more information about the allocation procedures of the merger agreement and additional information relating to elections by plan participants, see The Merger Allocation Procedures and Exhibit 99.2 to the registration statement of which this proxy statement/prospectus is a part. Participants in the plans should consult their personal tax advisors for a full understanding of the tax consequences of an election of merger consideration in exchange for the shares of Titan common stock allocated to them under the plans.

Your completed voting instruction card, letter of transmittal, and merger consideration election form must be received no later than 4:00 p.m., New York City time, on March 12, 2004, or on such later date to which the deadline may be extended.

**Q: What vote is required for approval?**

A: The affirmative vote of holders of a majority of the outstanding shares of Titan common stock entitled to vote at the special meeting is required to adopt the merger agreement and approve the merger. The affirmative vote of the holders of a majority of the shares of Titan common stock present or represented by proxy at the special meeting is required to adopt the adjournment proposal.

**Q: Is Lockheed Martin's business and financial condition relevant to my decision?**

A: Yes. Even if you make a cash election, because of the allocation procedures discussed above, it is possible that you will receive Lockheed Martin common stock in the merger. Therefore, you should consider Lockheed Martin's business and financial condition before you vote or make an election as to the form of merger consideration you wish to receive. In considering Lockheed Martin's business and financial condition, you should review the information set forth in this proxy statement/prospectus, as well as the documents incorporated by reference, because that information contains detailed business, financial and other information about Lockheed Martin.

**Q: When do you expect the merger to be completed?**

A: Lockheed Martin and Titan are working to complete the merger as promptly as possible. Lockheed Martin and Titan expect to complete the merger promptly after we receive Titan stockholder approval at the special meeting. Lockheed Martin and Titan currently anticipate that this will occur in March 2004. Some of the conditions to completion of the merger are not within Lockheed Martin's or Titan's control.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this proxy statement/prospectus, please complete and return your proxy as soon as possible, so that your shares of Titan common stock may be voted at the special meeting.

Your proxy card will instruct the persons named on the proxy card to vote your shares of Titan common stock at the special meeting as you direct. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted FOR adoption of the merger agreement and approval of the merger and FOR the proposal to adjourn the special meeting, if necessary. If you do not vote or if you abstain, the effect will be a vote against the proposals. **Your vote is very important.**



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In addition, if you wish to elect to receive a particular form of merger consideration, you also must fill out and return to the exchange agent the letter of transmittal and election form, together with the stock certificates or a notice of guaranteed delivery representing the shares of Titan common stock you wish to exchange. We are sending the letter of transmittal and election form concurrently with this proxy statement/prospectus in a separate mailing to holders of record of Titan common stock as of the record date for the special meeting. Holders of Titan common stock in street name will not receive a letter of transmittal and election form and should follow the instructions provided by their bank or broker. If your shares of stock are held under one of the Titan employee benefit plans, your related merger consideration election form will set forth any special procedures for instructing the trustee of such plan on how to elect your merger consideration with respect to such plan.

### **Q: May I change my vote after I have submitted my proxy card?**

A: Yes. You may change your vote at any time before your proxy is voted at the special meeting. If your shares of Titan common stock are registered in your own name, you can do this in one of three ways:

signing another proxy card with new instructions with a later date or time;

delivering later proxy instructions via regular mail, the Internet or by telephone; or

voting in person at the special meeting.

Any written notice of revocation or subsequent proxy should be delivered to Titan's Corporate Secretary at 3033 Science Park Road, San Diego, CA, 92121, before the taking of the vote at the special meeting. If you transmit changed instructions by regular mail, you should allow sufficient time for your instructions to be delivered prior to the special meeting. Any notice of revocation or subsequent proxy submitted via the Internet or by telephone must be received by 12:00 midnight, New York City time, on March 15, 2004.

### **Q: If I plan to attend the special meeting in person, should I still grant my proxy?**

A: Whether or not you plan to attend the special meeting in person you should submit your proxy as soon as possible. Stockholders whose shares of Titan common stock are registered in their own name may submit their proxies by one of the following methods:

sign the enclosed proxy card and mail it in the enclosed, prepaid and addressed envelope;

call toll-free 1-800-PROXIES and follow the instructions; or

access the web page at [www.voteproxy.com](http://www.voteproxy.com) and follow the on-screen instructions.

Votes submitted via the Internet or by telephone must be received by 12:00 midnight, New York City time, on March 15, 2004. Submitting a proxy will not affect your right to vote in person if you decide to attend the special meeting.

### **Q: What does Titan's board of directors recommend?**

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A: Titan's board of directors has unanimously determined that the proposed merger agreement and the merger are advisable, fair to and in the best interests of Titan and its stockholders and recommends that you vote FOR the adoption of the merger agreement and approval of the merger.

In addition, Titan's board of directors has approved and adopted the proposal to adjourn the special meeting, if n