



News Release

LOCKHEED MARTIN RECEIVES \$3.5 MILLION HYBRID INTELLIGENT POWER MICROGRID CONTRACT

DALLAS, October 21, 2010 – Lockheed Martin [NYSE: LMT] received a \$3.5 million contract from the U.S. Army to develop a Hybrid Intelligent Power (HI Power) microgrid system by 2011. The HI Power system will reduce the energy consumption and fossil fuel usage at military field bases by as much as 40 percent over current systems.

Awarded by the U.S. Army Communications - Electronics Research, Development and Engineering Center, the HI Power microgrid system will provide an efficient, reliable and secure power solution needed to reduce fuel consumption and resource usage in the transportation and deployment of field bases. The contract also contains an additional \$1.4 million exercisable option to demonstrate the system as a battalion-sized tactical operations center microgrid by 2012.

“Intelligent microgrids reduce the volume and weight of deployable base camps, resulting in a reduction in transportation and operating costs, as well as a 40 percent decrease in fuel consumption,” said Gil Metzger, director of Force Projection and Power Management Systems at Lockheed Martin Missiles and Fire Control. “By efficiently and dependably supplying power to tactical operations, fewer Soldiers are placed in harm’s way during the transportation and daily operation of the base.”

HI Power will integrate a network of cables that connect energy generators, energy storage devices and other equipment to a central control location. The control location determines the amount of energy required to power operations, then distributes or conserves power based upon the current need. The network will immediately adjust energy sources to seamlessly power base operations.

A key component of the HI Power program is the ability to smartly distribute power from generators to outlets and throughout the power grid. Supplied by Ideal Power Converters, Inc., converters eliminate the possibility of a single point of failure by managing power at multiple points in the microgrid in addition to the central controller. Distributed and central controllers continuously share information to ensure an efficient supply of power flows throughout the grid.

“The HI Power system is easily scalable from 15 kilowatts to more than 500 kilowatts,” Metzger said. “That is enough to power a base supporting hundreds of Soldiers to one supporting thousands.”

Headquartered in Bethesda, Md., Lockheed Martin is a global security company that employs about 133,000 people worldwide and is principally engaged in the research, design,

development, manufacture, integration and sustainment of advanced technology systems, products and services. The Corporation's 2009 sales from continuing operations were \$44.0 billion.

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