

News Release

OUTSTANDING INDUSTRIAL COOPERATION UNDERSCORES MEADS DEVELOPMENT SUCCESS

BERLIN, May 21, 2014 – At the ILA Berlin Air Show, MBDA and Lockheed Martin business leaders celebrated 10 years of development cooperation on the MEADS™ program. A definitive \$3.4B USD contract was awarded that represented the three partner nations' commitment to the development of the next-generation air and missile defense (AMD) system.

Today, a mature MEADS has successfully completed all three of its flight tests, including a first-ever 360-degree dual intercept of tactical ballistic missile and air-breathing targets approaching from opposite directions. No other ground-mobile AMD system has demonstrated this capability. A comprehensive demonstration of the system is planned next for Italy, during which new battle management capabilities will be shown to military leaders.

"The collaboration between MBDA in Germany and Italy with Lockheed Martin demonstrates the power of world-class engineering to solve problems warfighters identified with fielded systems," said Lockheed Martin Missiles and Fire Control Executive Vice President Rick Edwards. "MEADS is the most versatile, mobile, and capable AMD system available today."

Developed to replace the Patriot system in Germany, MEADS capabilities meet future German, Italian, and U.S. air defense requirements for NATO operations. The ground-mobile AMD system incorporates 360-degree radars, networked battle management, easily transportable launchers and the hit-to-kill PAC-3 MSE Missile to defeat the entire threat spectrum, including cruise missiles, tactical ballistic missiles and air-breathing threats. To cut support costs, MEADS was designed to use half the manpower and less maintenance than current systems. To better ensure the safety of allied pilots, MEADS incorporates a sophisticated Mode 5 Identification Friend or Foe (IFF) subsystem.

"MEADS represents the most advanced and most capable AMD system, designed and developed to meet today's and future warfighters' requirements," said MBDA Germany Managing Director Thomas Homberg. "It is essential to benefit from significant investments made by all three nations and to best use the developed system capabilities. MBDA Germany, Airbus Defence and Space, Lockheed Martin and MBDA Italy are fully committed and ready to support Germany in establishing its next generation AMD system, as well as other interested nations like Italy and Poland."

German industry is playing a vital role in the MEADS program. MBDA Germany is significantly involved in the development and integration of Battle Manager BMC4I software (Battle Management Command, Control, Communications, Computers and Intelligence) as well as in

the development and integration of the Multifunction Fire Control Radar (MFCR), including work with Airbus to incorporate highly advanced radar modules. Also, the lightweight MEADS launcher was developed, assembled and tested by a product team working at MBDA Germany. As part of the know-how transfer from the USA to Germany agreed under the MEADS Programme, work started at the beginning of February on the installation of the System Integration Laboratory (SIL) on-site at Schrobenhausen. This step, in conjunction with the potential link to the Freinhausen test centre, will provide MBDA Germany with special systems competencies in the field of air defense.

MEADS incorporates proven capabilities and is seen to replace present fielded air defense systems like Patriot systems around the world as nations turn to networked, mobile, 360-degree defense. MEADS is being offered for Poland's Shield of Poland medium-range air defense system. MEADS is also an important next-generation product enabling German industry to preserve and leverage expertise in air and missile defense.

About Lockheed Martin and MBDA

Headquartered in Bethesda, Md., Lockheed Martin is a global security and aerospace company that employs approximately 113,000 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 net sales for 2013 were \$45.4 billion.

With a significant presence in five European countries and within the USA, in 2013 MBDA achieved a turnover of 2.8 billion euros with an order book of 10.8 billion euros. With more than 90 armed forces customers in the world, MBDA is a world leader in missiles and missile systems. MBDA is jointly held by AIRBUS Group (37.5%), BAE SYSTEMS (37.5%) and FINMECCANICA (25%).

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