

LOCKHEED MARTIN CORP
Form 4
August 14, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KUBASIK CHRISTOPHER E

2. Issuer Name and Ticker or Trading Symbol
LOCKHEED MARTIN CORP
[LMT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
6801 ROCKLEDGE DRIVE

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/12/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Executive Vice President

BETHESDA, MD 20817

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	08/12/2008		M		40,000	A	\$ 49.27
Common Stock	08/12/2008		S		37,000	D	\$ 112.7527
Common Stock	08/12/2008		I ⁽³⁾		1,102.16	D	\$ 114.39

Lockheed Martin Salaried Savings Plan

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 49.27	08/12/2008		M	40,000	(4) 01/29/2014	Common Stock 40,000
Phantom Stock Units	(5)	08/12/2008		I	1,973.91	(6) (6)	Common Stock 1,973.91
Phantom Stock Units	(5)					(7) (7)	Common Stock 14,799
Phantom Stock Units	(5)					(8) (8)	Common Stock 19,533

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KUBASIK CHRISTOPHER E 6801 ROCKLEDGE DRIVE BETHESDA, MD 20817			Executive Vice President	

Signatures

Christopher E. Kubasik, by Marian S. Block,
Attorney-in-Fact 08/14/2008

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The price represents the weighted average sale price for multiple transactions reported on this line. Sale prices ranged from \$112.50 to

- (1) \$112.95. Reporting Person will provide, upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate sales price.
- (2) The Reporting Person increased the amount of securities owned by 3,000 shares in connection with option exercise.
The Reporting Person effected an intra-plan transfer of funds held in the company stock fund to another investment option under the
- (3) Lockheed Martin Salaried Savings Plan. The transaction was a discretionary transaction exempt under Rule 16b-3(f). The transfer resulted in a disposition of 1102.16 shares (represents number of shares sold in a unitized fund holding company stock).
- (4) The options vested over three years, one-third on each of the first, second and third anniversaries of the grant date, beginning on January 29, 2005.
- (5) The phantom stock units convert on a 1 for 1 basis.
The Reporting Person effected an intra-plan transfer of funds held in the company stock fund to another investment option under the
- (6) Lockheed Martin Supplemental Savings Plan. The transaction was a discretionary transaction exempt under Rule 16b-3(f). The transfer resulted in a disposition of 1973.91 shares (represents number of shares sold in a unitized fund holding company stock) at \$114.39 per share.
- (7) End of period holdings of phantom stock units acquired under the Lockheed Martin Deferred Management Incentive Compensation Plan exempt under Section 16(b) and will be settled in stock upon the Reporting Person's retirement or termination of service.
- (8) End of period holdings of phantom stock units acquired under a Lockheed Martin Long Term Incentive Performance Award exempt under Section 16(b) and will be settled in cash after two years subject to continued employment, unless voluntarily deferred.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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