

LOCKHEED MARTIN CORP
 Form 4
 January 31, 2007

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 *
 Heath Ralph D

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)
 01/29/2007

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

BETHESDA, MD 20817
 (City) (State) (Zip)

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

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 Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

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

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SEC 1474
 (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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title of Underlying Security (Instr. 3 & 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)		(A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title
			Code	V	(A)	(D)			
Employee Stock Option (Right-to-buy)	\$ 96.06	01/29/2007	A		36,100		01/29/2008 ⁽¹⁾	01/29/2017	Comm Stock
Restricted Stock Units	⁽²⁾	01/29/2007	A	V	3,650		⁽³⁾	⁽³⁾	Comm Stock
Phantom Stock Units	⁽⁴⁾	01/29/2007	A		1,702.0034		⁽⁵⁾	⁽⁵⁾	Comm Stock
Phantom Stock Units	⁽⁴⁾						⁽⁶⁾	⁽⁶⁾	Comm Stock
Phantom Stock Units	⁽⁴⁾						⁽⁷⁾	⁽⁷⁾	Comm Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Heath Ralph D 6801 ROCKLEDGE DRIVE BETHESDA, MD 20817			Executive Vice President	

Signatures

Ralph D. Heath, by Marian S. Block,
Attorney-in-Fact

01/31/2007

__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).
- (1) The options vest over three years, one-third on each of the first, second and third anniversaries of the grant date, beginning on January 29, 2008.
- (2) Each restricted stock unit ("RSU") represents a contingent right to receive one share of LMT common stock.
The RSUs are subject to a one-year performance period. If the value of the RSUs on the date of grant exceeds the performance goal
- (3) specified in the award agreement, a number of RSUs equal in value to the performance shortfall is forfeited. Subject to the performance goal, the RSUs vest on January 29, 2010, the third anniversary of the date of the grant.
- (4) The phantom stock units convert on a 1 for 1 basis.
- (5) Phantom stock units acquired through voluntary deferral under the Lockheed Martin Deferred Management Incentive Compensation Plan exempt under Section 16(b) at \$96.06 per share which will be settled in stock following the reporting person's retirement or termination of

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service.

End of period holdings of phantom stock units acquired through mandatory deferral under the Lockheed Martin Long Term Incentive

- (6) Plan exempt under Section 16(b) which will be settled in cash after two years subject to continued employment, unless voluntarily deferred (in which case the units will be settled in stock following the reporting person's retirement or termination of service).
- (7) End of period holdings of phantom stock units acquired under the Lockheed Martin Supplemental Salaried Savings Plan exempt under Section 16(b) which will be settled upon the reporting person's retirement or termination of service.

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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