

**SPECIAL INTERVENTION NOTICE GIVEN PURSUANT TO SECTION 42  
ENTERPRISE ACT 2002**

**ANTICIPATED ACQUISITION OF INSYS GROUP LIMITED BY LOCKHEED  
MARTIN UK LIMITED, WHICH IS A WHOLLY OWNED SUBSIDIARY OF  
LOCKHEED MARTIN CORPORATION**

1. It is proposed that Lockheed Martin Corporation, through its wholly owned subsidiary Lockheed Martin UK Limited (“Lockheed”), will enter into an agreement to acquire Insys Group Limited which houses combat, weapon and communications system integration and research capabilities.

2. As a consequence, the Secretary of State has reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a special merger situation within the meaning of Part 3 of the Enterprise Act 2002 (“the Act”), in that:

- (a) arrangements are in progress or in contemplation which, if carried into effect, will not result in the creation of a relevant merger situation because of section 23(1)(b) and (2)(b) of the Act (the turnover of Insys Group Limited in the UK for the last financial year was approximately £47m); but
- (b) such arrangements, if carried into effect, would result in the creation of a relevant merger situation if those enactments are disregarded in that enterprises carried on by or under the control of Insys Group Limited will cease to be distinct from enterprises carried on by or under control of Lockheed Martin UK Limited; and
- (c) at least one of the enterprises concerned is carried on in the United Kingdom or by or under the control of a body corporate incorporated in the United Kingdom; and
- (d) a person carrying on one or more of the enterprises concerned is a relevant government contractor within the meaning of section 59(8) of the Act.

3. The Secretary of State believes that it is or may be the case that the national security public interest consideration specified in section 58(1) and (2) of the Act is, or may be, relevant to a consideration of the special merger situation concerned.

4. Therefore, the Secretary of State in exercise of his powers under section 59(1) and (2) of the Act, hereby gives this special intervention notice to the Office of Fair Trading and requires it to investigate and report in accordance with section 61(2) to (5) of the Act within the period ending on 29 September.

5. The Secretary of State may by notice alter the period for investigation and report specified in paragraph 4.

*Andrew Rees*  
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17 August 2005

An official of the Department of Trade and Industry