LOCKHEED SAYS U.S. APPROVES ITS $9 BILLION TAKEOVER OF SIKORSKY

News / Manufacturer

Lockheed Martin Corp said on Thursday that U.S. officials have approved its **$9 billion takeover** of Black Hawk helicopter maker **Sikorsky** Aircraft from United Technologies Corp.

In a filing with the U.S. Securities and Exchange Commission, the company said authorities in Japan and South Korea had also approved the deal, but it was waiting for other regulatory approvals.

Multiple sources familiar with the matter said Lockheed was now likely to close the acquisition well before the end of the year, as initially expected.

When it announced the deal on July 20, Lockheed said it did not anticipate major hurdles, and expected to close the transaction by late in the fourth quarter of 2015 or early 2016.

The regulatory process has moved along more smoothly than expected, said the sources, who declined to be identified because they were not authorized to speak publicly.

The U.S. Justice Department led the review, with input from the Pentagon and other federal

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agencies.

The deal must still win regulatory approval from the European Union, China and a host of other countries where one or both companies have business interests.

"Things are tracking well," said one source.

The acquisition would open key foreign markets for Lockheed, which has annual revenues of $45 billion, and already dwarfs its nearest competitors, the defense businesses of Boeing Co and Northrop Grumman Corp.

Lockheed is also reviewing the sale or spinoff of $6 billion in businesses in its Information Systems & Government Services unit.

If the Sikorsky deal is approved, Lockheed has said it plans to fold the company into its Mission Systems & Training (MST) operation, creating a division with about $15 billion in annual revenues.

The services businesses it plans to keep will also become part of MST.

Sikorsky will be Lockheed's largest acquisition since it bought Loral Corp's defense electronics business for $9.1 billion in 1996, and merged with Martin Marietta in 1994 in a $10 billion deal.

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