



Northrop Grumman Agrees To Settle Unfair Labor Practice Cases

December 20, 2001

AVONDALE, La., Dec. 20, 2001 -- Northrop Grumman Corporation (NYSE:NOC) announced today that it has agreed to settle unfair labor practice cases involving the company's Avondale Operations filed between 1993 and 1998 by the New Orleans Metal Trades Council.

The agreement provides for the reinstatement and back pay for a group of current or former employees that the National Labor Relations Board (NLRB) contends were discharged or adversely treated because of their union activity prior to 1999. This reinstatement involves approximately 50 employees and back pay of \$2.15 million.

The agreement also recognizes and upholds an equal number of discharges and other actions during the same period in which the NLRB ruled that the company did not act unlawfully.

Avondale was acquired in mid-1999 by a Northrop Grumman predecessor company which took immediate steps to recognize and negotiate with the union that had been seeking to represent Avondale employees.

"This agreement ends a protracted dispute and is a positive step in the evolving partnership between labor and management at Avondale Operations," said Dr. Philip A. Dur, president of Northrop Grumman Ship Systems. "Northrop Grumman has taken constructive steps to enhance and develop this relationship. This latest step allows Avondale and its employees to continue to move forward and work together constructively."

Northrop Grumman Corporation is an \$18 billion, global defense company with its worldwide headquarters in Los Angeles. Northrop Grumman provides technologically advanced, innovative products, services and solutions in defense and commercial electronics, systems integration, information technology and nuclear and non-nuclear shipbuilding and systems. With nearly 100,000 employees and operations in 44 states and 25 countries, Northrop Grumman serves U.S. and international military, government and commercial customers.

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CONTACT: Northrop Grumman Corporation
Den Knecht
(228) 935-1493