

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K
(Amendment No. 1)

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Annual report pursuant to Section 15 (d) of the Securities
Exchange Act of 1934 (No fee required)

For the fiscal years ended December 31, 1998 and 1997

OR

Transition report pursuant to SECTION 15 (d) of the Securities Exchange Act
of 1934 (No fee required)

For the transition period from _____ to _____

Commission file number 333-03959

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

B. Name of issuer of the securities held pursuant to the Plan and the
address of its principal executive office:

NORTHROP GRUMMAN CORPORATION
1840 Century Park East
Los Angeles, California 90067

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the
trustees (or other persons who administer the employee benefit plan) have duly
caused this annual report to be signed on its behalf by the undersigned hereunto
duly authorized.

NORTHROP GRUMMAN ELECTRONIC SENSORS &
SYSTEMS DIVISION SAVINGS AND
INVESTMENT PROGRAM

/s/ Gary W. McKenzie

Dated: August 30, 1999

By Gary W. McKenzie
Vice President, Tax

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Northrop Grumman Electronic Sensors &
Systems Division Savings and Investment Program:

We have audited the accompanying statements of net assets available for plan benefits of the Northrop Grumman Electronic Sensors & Systems Division Savings and Investment Program (the "Plan") as of December 31, 1998 and 1997, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 1998. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for plan benefits as of December 31, 1998 and 1997, and the changes in net assets available for plan benefits for the year ended December 31, 1998 in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes at December 31, 1998, and reportable transactions for the year then ended are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information by fund in the statement of net assets available for plan benefits and the statement of changes in net assets available for plan benefits is presented for the purpose of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for plan benefits of the individual funds. The supplemental schedules and supplemental information by fund are the responsibility of the Plan's management. Such supplemental schedules and supplemental information by fund have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP
June 24, 1999
Los Angeles, California

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 1998

	Janus Fund	Fidelity Growth & Income Portfolio	American Century Ultra Investors	JPM Institutional Diversified Fund	JPM Institutional International Equity Fund
ASSETS:					
Investments, at fair value (Note B):					
Temporary investments	\$ -	\$ 1	\$ -	\$ -	\$ -
Shares of registered investment companies:					
Janus Fund	58,608,091				
Fidelity Growth & Income Portfolio		100,267,634			
Twentieth Century Ultra Investors					
JPM Institutional Diversified Fund			66,792,189		
JPM Institutional International Equity Fund				5,773,854	
BT Investment Lifecycle Short Range Fund					6,336,464
BT Investment Lifecycle Mid Range Fund					
BT Investment Lifecycle Long Range Fund					
BT Investment Equity 500 Index Fund					
U.S. governmental obligations					
Corporate obligations					
Corporate stocks					
Investments, at contract value (Note C) -					
Northrop Grumman Stable Value					
Master Trust (Note D)					
Participant loans					
Total investments	58,608,091	100,267,635	66,792,189	5,773,854	6,336,464
Contributions receivable:					
Employer	4,088	7,261	4,909	611	469
Employee	15,914	25,325	17,353	1,667	1,904
Other receivables:					
Due from broker for securities sold	110,171	149,034	89,185	6,359	336
Interest and dividends receivable					
Total assets	58,738,264	100,449,255	66,903,636	5,782,491	6,339,173
LIABILITIES -					
Due to broker for securities purchased					
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 58,738,264	\$100,449,255	\$ 66,903,636	\$ 5,782,491	\$ 6,339,173

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
DECEMBER 31, 1998

	Supplemental Information by Fund				
	BT Investment Lifecycle Short Range Fund	BT Investment Lifecycle Mid Range Fund	BT Investment Lifecycle Long Range Fund	BT Investment Equity 500 Index Fund	Fixed Income Fund
ASSETS:					
Investments, at fair value (Note B):	\$	\$	\$	\$	\$
Temporary investments					
Shares of registered investment companies:					
Janus Fund					
Fidelity Growth & Income Portfolio					
Twentieth Century Ultra Investors					
JPM Institutional Diversified Fund					
JPM Institutional International Equity Fund					
BT Investment Lifecycle Short Range Fund	3,559,353				
BT Investment Lifecycle Mid Range Fund		4,760,057			
BT Investment Lifecycle Long Range Fund			7,567,638		
BT Investment Equity 500 Index Fund				89,992,755	
U.S. governmental obligations					
Corporate obligations					
Corporate stocks					
Investments, at contract value (Note C) -					
Northrop Grumman Stable Value					
Master Trust (Note D)					
Participant loans					
Total investments	3,559,353	4,760,057	7,567,638	89,992,755	
Contributions receivable:					
Employer	290	413	747	5,562	
Employee	1,120	1,633	2,678	21,219	
Other receivables:					
Due from broker for securities sold					
Interest and dividends receivable					
Total assets	3,560,763	4,762,103	7,571,063	90,019,536	
LIABILITIES -					
Due to broker for securities purchased	17,960	28,249	30,163	94,616	
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 3,542,803	\$ 4,733,854	\$ 7,540,900	\$ 89,924,920	\$ -

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
DECEMBER 31, 1998

	CBS Common Stock Fund	Fixed Income Contract Fund	Northrop Grumman Fund	Northrop Grumman Loan Fund	Cash Disbursement Account	Total
ASSETS:						
Investments, at fair value (Note B):						
Temporary investments	\$ 518,679	\$	\$ 4,568	\$	\$ 188,658	\$ 711,906
Shares of registered investment companies:						
Janus Fund						58,608,091
Fidelity Growth & Income Portfolio						100,267,634
Twentieth Century Ultra Investors						66,792,189
JPM Institutional Diversified Fund						5,773,854
JPM Institutional International Equity Fund						6,336,464
BT Investment Lifecycle Short Range Fund						3,559,353
BT Investment Lifecycle Mid Range Fund						4,760,057
BT Investment Lifecycle Long Range Fund						7,567,638
BT Investment Equity 500 Index Fund						89,992,755
U.S. governmental obligations						
Corporate obligations	75,460,515		1,924,943			77,385,458
Corporate stocks						
Investments, at contract value (Note C) -						
Northrop Grumman Stable Value						
Master Trust (Note D)		392,637,208				392,637,208
Participant loans				21,121,581		21,121,581
Total investments	75,979,194	392,637,208	1,929,511	21,121,581	188,658	835,514,188
Contributions receivable:						
Employer		51,250	1,413			77,013
Employee		149,186	3,831			241,830
Other receivables:						
Due from broker for securities sold	147,057					502,142
Interest and dividends receivable	2,699		74	10	2,341	5,124
Total assets	76,128,950	392,837,644	1,934,829	21,121,591	190,999	836,340,297
LIABILITIES -						
Due to broker for securities purchased		561,624				732,612
NET ASSETS AVAILABLE FOR						
 PLAN BENEFITS	\$76,128,950	\$392,276,020	\$1,934,829	21,121,591	\$190,999	\$835,607,685
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See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 1997

	Janus Fund	Fidelity Growth & Income Portfolio	American Century Ultra Investors	JPM Institutional Diversified Fund	JPM Institutional International Equity Fund
ASSETS:					
Investments, at fair value (Note B):					
Temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Shares of registered investment companies:					
Janus Fund	35,989,067				
Fidelity Growth & Income Portfolio		75,890,290			
Twentieth Century Ultra Investors					
JPM Institutional Diversified Fund			45,587,669		
JPM Institutional International Equity Fund				4,583,613	
BT Investment Lifecycle Short Range Fund					4,571,899
BT Investment Lifecycle Mid Range Fund					
BT Investment Lifecycle Long Range Fund					
BT Investment Equity 500 Index Fund					
U.S. governmental obligations					
Corporate obligations					
Corporate stocks					
Investments, at contract value (Note C) -					
Guaranteed insurance contracts					
Participant loans					
Total investments	35,989,067	75,890,290	45,587,669	4,583,613	4,571,899
Contributions receivable:					
Employer					
Employee					
Other receivables:					
Loan repayments and interest receivable	14,006	21,570	18,301	98	120
Due from broker for securities sold	7,959	4,626	85,780	82	
Interest and dividends receivable	1				
Other receivables					
Total assets	36,011,033	75,916,486	45,691,750	4,583,793	4,572,019
LIABILITIES -					
Due to broker for securities purchased					220
DUE (TO) FROM OTHER FUNDS	(21,965)	(26,195)	(104,081)	(180)	101
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 35,989,068	\$ 75,890,291	\$ 45,587,669	\$ 4,583,613	\$ 4,571,900

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
DECEMBER 31, 1997

	Supplemental Information by Fund				
	BT Investment Lifecycle Short Range Fund	BT Investment Lifecycle Mid Range Fund	BT Investment Lifecycle Long Range Fund	BT Investment Equity 500 Index Fund	Fixed Income Fund
ASSETS:					
Investments, at fair value (Note B):	\$	\$	\$	\$	\$ 9,558,475
Temporary investments					
Shares of registered investment companies:					
Janus Fund					
Fidelity Growth & Income Portfolio					
Twentieth Century Ultra Investors					
JPM Institutional Diversified Fund					
JPM Institutional International Equity Fund					
BT Investment Lifecycle Short Range Fund	1,917,318				
BT Investment Lifecycle Mid Range Fund		3,305,934			
BT Investment Lifecycle Long Range Fund			5,075,848		
BT Investment Equity 500 Index Fund				65,343,237	
U.S. governmental obligations					8,733,161
Corporate obligations					16,254,722
Corporate stocks					
Investments, at contract value (Note C) - Guaranteed insurance contracts					318,017,198
Participant loans					
Total investments	1,917,318	3,305,934	5,075,848	65,343,237	352,563,556
Contributions receivable:					
Employer					
Employee					
Other receivables:					
Loan repayments and interest receivable	60	133	167	33,695	140,407
Due from broker for securities sold		82			286,554
Interest and dividends receivable					148,088
Other receivables					
Total assets	1,917,378	3,306,149	5,076,015	65,376,932	353,138,605
LIABILITIES -					
Due to broker for securities purchased	60		10,247	31,612	44,236
DUE (TO) FROM OTHER FUNDS	(1)	(215)	10,081	(2,082)	61,930
NET ASSETS AVAILABLE FOR PLAN BENEFITS	<u>\$ 1,917,317</u>	<u>\$ 3,305,934</u>	<u>\$ 5,075,849</u>	<u>\$ 65,343,238</u>	<u>\$353,156,299</u>

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
DECEMBER 31, 1997

	CBS Common Stock Fund	Northrop Grumman Fund	Northrop Grumman Loan Fund	Cash Disbursement Account	Total
ASSETS:					
Investments, at fair value (Note B):					
Temporary investments	\$ 743,345	\$ 11,152	\$ -	\$248,117	\$ 10,561,089
Shares of registered investment companies:					35,989,067
Janus Fund					75,890,290
Fidelity Growth & Income Portfolio					45,587,669
Twentieth Century Ultra Investors					4,583,613
JPM Institutional Diversified Fund					4,571,899
JPM Institutional International Equity Fund					1,917,318
BT Investment Lifecycle Short Range Fund					3,305,934
BT Investment Lifecycle Mid Range Fund					5,075,848
BT Investment Lifecycle Long Range Fund					65,343,237
BT Investment Equity 500 Index Fund					8,733,161
U.S. governmental obligations					16,254,722
Corporate obligations	75,242,557	1,295,245			76,537,802
Corporate stocks					
Investments, at contract value (Note C) - Guaranteed insurance contracts					318,017,198
Participant loans			20,780,086		20,780,086
Total investments	75,985,902	1,306,397	20,780,086	248,117	693,148,933
Contributions receivable:					
Employer					
Employee					
Other receivables:					
Loan repayments and interest receivable		9,280	(227,256)	(229)	10,352
Due from broker for securities sold			235,257		333,786
Interest and dividends receivable	3,302	87		1,984	291,928
Other receivables				2,942	151,030
Total assets	75,989,204	1,315,764	20,788,087	252,814	693,936,029
LIABILITIES -					
Due to broker for securities purchased		5,971	7,100	(74,977)	24,469
DUE (TO) FROM OTHER FUNDS	(2,301)	(123)	(901)	7,100	(78,832)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$75,986,903	\$1,309,670	\$20,780,086	\$334,891	\$693,832,728
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See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
YEAR ENDED DECEMBER 31, 1998

	Janus Fund	Fidelity Growth & Income Portfolio	American Century Ultra Investors	JPM Institutional Diversified Fund	JPM Institutional International Equity Fund
Net appreciation (depreciation) in fair value of investments	\$13,660,291	\$ 16,347,032	\$10,633,877	\$ 352,680	\$ 449,891
Investment income:					
Interest and other income		(98)			2
Dividends	1,536,273	5,278,878	5,623,569	508,623	180,377
Total investment income	15,196,564	21,625,812	16,257,446	861,303	630,270
CONTRIBUTIONS:					
Employer	1,038,579	1,685,581	1,346,632	140,662	169,495
Employee	4,022,680	6,836,993	4,721,342	524,897	655,931
Loan repayment	744,071	1,164,718	1,081,754	105,632	97,070
Other					
Total contributions	5,805,330	9,687,292	7,149,728	771,191	922,496
Total additions	21,001,894	31,313,104	28,407,174	1,632,494	1,552,766
DEDUCTIONS:					
Benefits paid to participants	1,630,135	3,262,620	2,101,996	149,783	218,123
Administrative expenses					
Loan withdrawals	458,266	778,045	683,401	50,859	52,434
Total deductions	2,088,401	4,040,665	2,785,397	200,642	270,557
TRANSFERS BETWEEN FUNDS	3,835,703	(2,713,475)	694,190	(232,974)	485,064
NET INCREASE (DECREASE)	22,749,196	24,558,964	21,315,967	1,198,878	1,767,273
NET ASSETS AVAILABLE FOR PLAN BENEFITS					
Beginning of year	35,989,068	75,890,291	45,587,669	4,583,613	4,571,900
End of year	\$58,738,264	\$100,449,255	\$66,903,636	\$5,782,491	\$6,339,173

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF NET CHANGES IN ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
YEAR ENDED DECEMBER 31, 1998

	Supplemental Information by Fund				
	BT Investment Lifecycle Short Range Fund	BT Investment Lifecycle Mid Range Fund	BT Investment Lifecycle Long Range Fund	BT Investment Equity 500 Index Fund	Fixed Income Fund
Net appreciation (depreciation) in fair value of investments	\$ (58,716)	\$ (427,732)	\$ (597,565)	\$16,703,665	\$ (104,720)
Investment income:					
Interest and other income					817,446
Dividends	397,938	1,055,256	1,769,296	2,474,010	
Total investment income	339,222	627,524	1,171,731	19,177,675	712,726
CONTRIBUTIONS:					
Employer	57,653	96,621	167,463	1,431,821	
Employee	203,234	408,360	585,615	5,335,751	
Loan repayment	54,266	57,971	104,868	1,044,245	
Other					
Total contributions	315,153	562,952	857,946	7,811,817	
Total additions	654,375	1,190,476	2,029,677	26,989,492	712,726
DEDUCTIONS:					
Benefits paid to participants	130,142	151,374	242,228	2,771,886	
Administrative expenses					7,662
Loan withdrawals	24,303	52,053	76,255	952,897	
Total deductions	154,445	203,427	318,483	3,724,783	7,662
TRANSFERS BETWEEN FUNDS	1,125,556	440,871	753,857	1,316,973	(353,861,363)
NET INCREASE (DECREASE)	1,625,486	1,427,920	2,465,051	24,581,682	(353,156,299)
NET ASSETS AVAILABLE FOR PLAN BENEFITS:					
Beginning of year	1,917,317	3,305,934	5,075,849	65,343,238	353,156,299
End of year	\$3,542,803	\$4,733,854	\$7,540,900	\$89,924,920	\$ -

See notes to financial statements.

NORTHROP GRUMMAN ELECTRONIC SENSORS & SYSTEMS DIVISION
SAVINGS AND INVESTMENT PROGRAM

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS (Continued)
YEAR ENDED DECEMBER 31, 1998

	CBS Common Stock Fund	Fixed Income Contract Fund	Northrop Grumman Fund	Northrop Grumman Loan Fund	Cash Disbursement Account	Total
Net appreciation (depreciation) in fair value of investments	\$ 8,096,375	\$ 174,372	\$(696,294)	\$ -	\$ -	\$ 64,533,156
Investment income:						
Interest and other income	34,485	24,391,970	978	1,769,564	(16,969)	26,997,378
Dividends			10		9,854	18,834,084
Total investment income	8,130,860	24,566,342	(695,306)	1,769,564	(7,115)	110,364,618
CONTRIBUTIONS:						
Employer	(1,841)	7,443,607	332,685			13,908,958
Employee	(3,303)	34,216,122	800,245			58,307,867
Loan repayment		6,692,057	201,422	(11,348,074)		
Other					(2,830)	(2,830)
Total contributions	(5,144)	48,351,786	1,334,352	(11,348,074)	(2,830)	72,213,995
Total additions	8,125,716	72,918,128	639,046	(9,578,510)	(9,945)	182,578,613
DEDUCTIONS:						
Benefits paid to participants	2,758,555	26,456,790	13,887	411,770	113,947	40,433,236
Administrative expenses		362,758				370,420
Loan withdrawals	630,496	6,573,435		(10,332,444)		
Total deductions	3,389,051	33,392,983	13,887	(9,920,674)	133,947	40,803,656
TRANSFERS BETWEEN FUNDS	(4,594,618)	352,750,875		(659)		
NET INCREASE (DECREASE)	142,047	392,276,020	625,159	341,505	(143,892)	141,774,957
NET ASSETS AVAILABLE FOR PLAN BENEFITS						
Beginning of year	75,986,903		1,309,670	20,780,086	334,891	693,832,728
End of year	\$ 76,128,950	\$392,276,020	\$1,934,829	\$21,121,591	\$ 190,999	\$835,607,685

See notes to financial statements.

A. DESCRIPTION OF THE PLAN

The following description of the Northrop Grumman Electronic Sensors and Systems Division Savings and Investment Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a qualified profit sharing and employee stock ownership plan sponsored by the former Electronic Sensors & Systems Division of Northrop Grumman Corporation (the "Company"). The Plan was established on March 1, 1996 and covers all regular employees who are citizens of the United States of America or resident aliens and are not covered by another plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The Plan was established by the Company as a successor to the Westinghouse Savings Program (the "Predecessor Plan"), maintained by Westinghouse Electric Corporation ("Westinghouse") for the benefit of employees who were employed by the Westinghouse Electronic Systems Group as of February 29, 1996 and became employees of the Company as of March 1, 1996, and any other subsequent eligible employees of the Company. Plan participants should refer to the Plan agreement.

Contributions - Plan participants may contribute between 2% and 20% of eligible compensation, in increments of 1% on an after-tax basis, a pre-tax basis, or a combination thereof. As of the end of each month, for each dollar a participant contributes, the Company makes a matching contribution of \$0.50, subject to a maximum Company matching contribution of 3% of eligible compensation for that month.

A participant other than a terminated participant who has received a rollover distribution from a qualified defined contribution plan or a distribution from an individual retirement account may elect to roll over not more than the cash value of the distribution, less any amount attributable to the participant's after-tax contributions, to his or her Standard account within 60 days of receipt of such distribution. The participant may elect to invest any amount rolled over or transferred to the Plan in any of the investment options available in increments of 1%.

Participant Accounts - A separate account is maintained for each participant, each of which has subaccounts. After-tax contributions are allocated to the participant's Standard Account, and pre-tax contributions are allocated to the participant's Tax-Deferred Account. Company matching contributions are allocated to the participant's Company Matching Contribution Account ("Matching Account"). Assets of the trust are valued daily, and take into account earnings and losses of the trust along with appreciation or depreciation, expenses and distributions.

Vesting - Plan participants are 100% vested in, and have a nonforfeitable right to, the balance of their Standard and Tax-Deferred accounts at all times. Plan participants as of March 1, 1996 who had a 100% vested interest

in their accounts under the Predecessor Plan as of February 29, 1996 shall be 100% vested in their Company Matching Contribution Accounts as of March 1, 1996. All other plan participants who were not fully vested as of March 1, 1996 in their Company Matching Contribution Accounts will not be vested in any portion of their Company Matching Contribution Accounts until they accrue five years of service, at which time they become 100% vested in and have a nonforfeitable right to their Company Matching Contribution Accounts. Company Matching Contribution Accounts become 100% vested upon retirement or death.

Investment Options - Upon enrollment in the Plan, each participant may direct that his or her accounts, in 1% increments, be invested in any of the following 11 investment funds:

- Janus Fund
- Fidelity Growth & Income Portfolio
- American Century Ultra Investors
- JPM Institutional Diversified Fund
- JPM Institutional International Equity Fund
- BT Investment Lifecycle Short Range Fund
- BT Investment Lifecycle Mid Range Fund
- BT Investment Lifecycle Long Range Fund
- BT Investment Equity 500 Index Fund
- Fixed Income Contract Fund
- Northrop Grumman Fund

The CBS Common Stock Fund was transferred from the Predecessor Plan. This fund was frozen, and no employee contributions have been allowed since the transfer.

Participant Notes Receivable - Participants may borrow from their fund accounts a minimum of \$1,000, in \$100 increments, equal to the lesser of \$50,000 reduced by the highest outstanding loan balance during the preceding 12 months or 50% of their account balance. A participant may not have more than two outstanding loans at any given time. Loan transfers are treated as a transfer to (from) the investment fund from (to) the loan fund. Loans may be prorated across all investment funds or directed against specific funds based on the participant's request. Loans are secured by the balance in the participant's account and bear interest determined at the Bankers Trust prime interest rate on the close of business on the last business day of the preceding calendar month plus 1%. Repayments are made from monthly payroll deductions over a period of 6 to 60 months, in increments of 6 months.

Payment of Benefits - On termination of service due to retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, or monthly or annual installments, the amount of which is determined by the participant at retirement. A retired participant may cancel or change such election at any time, and may also elect a partial distribution. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum amount, or leave his or her vested account in the plan if he or she has not yet reached normal retirement age; however, amounts must be withdrawn in a lump sum by the terminated participant's normal retirement age. Death benefits for active participants are to be paid to the designated beneficiary in a lump sum, or, if the designated beneficiary is also the surviving spouse, he or she may elect to leave the vested balance in the Plan and be treated as the retired participant. Death benefits for terminated employees are paid in a lump sum to the designated beneficiary.

Withdrawals - A vested participant is permitted to make a withdrawal for any reason from his or her Standard or Matching Account. A vested participant is permitted to make a withdrawal for any reason from his or her Tax-Deferred Account upon the attainment of age 59-1/2, or prior to the attainment of age 59-1/2 in the case of hardship (as described in the plan document). A nonvested participant is permitted to make a withdrawal for any reason from the portion of his or her Standard Account which represents contributions that were not matched by contributions in the Matching Account. A nonvested participant is permitted to make a withdrawal from that portion of his or her Standard Account which represents contributions that were not matched by contributions in the Matching Account only in the case of hardship. A nonvested participant is permitted to make a withdrawal from his or her Tax-Deferred Account in the case of hardship. A nonvested participant is not permitted to make a withdrawal from the Matching Account.

Forfeited Accounts - Any amounts forfeited shall be used to reduce the Company's obligation to make company matching contributions under the Plan. Employer contributions were reduced by \$183,411 and \$201,792 from forfeited nonvested accounts in 1998 and 1997, respectively.

B. SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting - The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments are stated at fair value based on quoted market prices except for its investments in insurance and investment contracts, which are valued at contract value (see Note C). Participant notes receivable are valued at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Broker commissions, transfer taxes and other charges and expenses incurred in connection with the purchase, sale or other disposition of securities or other investments held by the Plan are added to the cost of the securities or other investments or are deducted from the proceeds of the sale or other disposition thereof, as appropriate. Taxes (if any) on the assets of the funds, or on any gain resulting from the sale or other disposition of such assets, or on the earnings of the funds, are apportioned in such a manner as the trustees deem equitable among the participants and former participants (if any) whose interests in the Plan are affected, and the share of such taxes apportioned to each person is charged against his or her account of the Plan.

Payment of Benefits - Benefits are recorded when paid. As of December 31, 1998, benefits payable to participants are \$292,155. There were no benefits payable to participants as of December 31, 1997.

C. INVESTMENT CONTRACTS WITH INSURANCE COMPANIES

All investment and insurance contracts held by the Plan are considered to be fully benefit - responsive and, therefore, are reported at contract value. Contract value represents contributions made under the contract, plus interest at the contract rate, less withdrawals and administrative expenses.

The following information is disclosed for the investment and insurance contracts within the Northrop Grumman Stable Value Master Trust (the "Master Trust") as of December 31, 1998, and the Fixed Income Fund as of December 31, 1997 (in millions):

	1998	1997
Contract value of assets:	\$1,299	\$ 318
Fair value of assets:	\$1,343	\$ 337
Average yield of assets on December 31:	.00 %	6.72 %
Crediting interest rate of assets at December 31:	7.08 %	5.95 %
Duration:	2.58 years	2.90 years

D. INVESTMENTS

Except for its insurance and investment contracts (see Note C), the Plan's investments as of December 31, 1998 and 1997, are stated at fair value as determined by quoted market prices.

On January 1, 1998, Northrop Grumman Corporation pooled all of the insurance and investment contracts for the Northrop Grumman Corporation Savings and Investment Plan Master Trust, the Northrop Grumman Master Trust, and the contracts held by the Northrop Grumman Electronic Sensors and Systems Division Savings and Investment Program into the Northrop Grumman Stable Value Master Trust.

Investments held at contract value in the Master Trust as of December 31, 1998 are as follows (in thousands):

Guaranteed and Bank Investment Contracts	\$1,298,790
Northrop Retirement Savings Temporary Investment Fund	60,090
Accrued Income	113

Total	\$1,358,993
	=====

The Plan's investment in the Master Trust as of December 31, 1998 is as follows (in thousands):

Contract Value of guaranteed and bank investment contracts	\$ 392,637
Percentage of ownership	28.89%

Investment income in the Master Trust was \$91,158,197 for the year ended December 31, 1998.

E. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, participants will become 100% vested in their accounts.

F. TAX STATUS

The Plan is intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, (the "IRC") as amended, and to include a qualified cash or deferred arrangement under Section 401(k) of the IRC. The Company believes that the Plan is designed and currently being operated in compliance with the applicable provisions of the IRC.

NORTHROP GRUMMAN CORPORATION ELECTRONIC SENSORS &
SYSTEMS SAVINGS AND INVESTMENT PROGRAM

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
DECEMBER 31, 1998

(a)	(b)	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Bankers Trust	711,906 Shares of participation in the Pyramid Directed Account Cash Fund	\$ 711,906	\$ 711,906
*	Northrop Grumman	21,121,580 Shares of participation in the ESSD Loan Fund	21,121,581	21,121,581
*	American Century Mutual Funds	1,999,168 Shares of participation in the Ultra Fund Investment	58,778,559	66,792,189
*	Bankers Trust	576,951 Shares of participation in the Large Cap Equity Fund (Equity 500)	63,483,077	89,992,755
*	Bankers Trust	343,236 Shares of participation in the Lifecycle Short Range Fund	3,704,483	3,559,353
*	Bankers Trust	451,190 Shares of participation in the Lifecycle Mid Range Fund	5,168,145	4,760,057
*	Bankers Trust	611,279 Shares of participation in the Lifecycle Long Range Fund	7,935,833	7,567,638
*	CBS Corp	2,299,714 Shares of participation in the COM	40,075,797	75,460,515
*	Fidelity	2,187,339 Shares of participation in the Growth & Income	72,611,910	100,267,634
*	JPM	415,087 Shares of participation in the Institutional Diversified Fund	5,281,833	5,773,854
*	JPM	533,822 Shares of participation in the Institutional Funds - Int'l Equity Fund	6,154,721	6,336,464
*	Janus Fund	1,741,697 Shares of participation in the FD Income Fund	46,726,583	58,608,091
*	Northrop Grumman	26,324 Shares of participation in the Corporate Stock	2,374,184	1,924,943
*	Primco Capital Management	Fixed Income Contract fund	392,637,208	392,637,208
	Total		----- \$726,765,829 =====	----- \$835,514,188 =====
*	Party-In-Interest			

NORTHROP GRUMMAN CORPORATION ELECTRONIC SENSORS &
SYSTEMS SAVINGS AND INVESTMENT PROGRAM

ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS
SERIES TRANSACTIONS, WHEN AGGREGATED, IN EXCESS OF 5% OF THE CURRENT VALUE OF
ASSETS
YEAR ENDED DECEMBER 31, 1998

(a) Identity of Party Involved	(b) Description of Assets	(c) Purchase Price	(d) Selling Price	(g) Cost of Assets	(h) Current Value of Assets On Transaction Date	(i) Net Gain (Loss)
Bankers Trust Bankers Trust	Directed Cash Account Directed Cash Account	\$ 92,587,217	\$96,936,402	\$92,587,217 96,936,402	\$ 96,936,402	

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 333-03959 of Northrop Grumman Corporation on Form S-8 of our report dated June 24, 1999, appearing in this Annual Report on Form 11-K/A of the Northrop Grumman Electronic Sensors & Systems Division Savings and Investment Program for the year ended December 31, 1998.

/s/ Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Los Angeles, California

August 30, 1999