

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

FORM S-4
 REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

Northrop Grumman Corporation
 (Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	3812 (Primary Standard Industrial Classification Code Number)	95-4840775 (I.R.S. Employer Identification Numbers)
---	--	--

1840 Century Park East
 Los Angeles, California 90067
 (310) 553-6262
 (Address, including zip code, and telephone number,
 including area code, of registrants' principal executive offices)

John H. Mullan
 Corporate Vice President and Secretary
 1840 Century Park East
 Los Angeles, California 90067
 (310) 553-6262
 (Name, address, including zip code, and telephone number,
 including area code, of agent for service)

Copies To:
 Andrew E. Bogen
 Peter F. Ziegler
 Gibson, Dunn & Crutcher LLP
 333 South Grand Avenue
 Los Angeles, California 90071-3197
 (213) 229-7000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective and upon completion of the transactions described in the enclosed prospectus.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee
Common Stock, par value \$1.00 per share (together with the associated rights).....	55,092,761	N/A	\$6,487,486,707.68	\$596,849.08

- (1) This Registration Statement relates to securities of Northrop Grumman Corporation ("Northrop Grumman") exchangeable for all of the issued and outstanding shares of (a) common stock, par value \$0.625 per share, of TRW Inc., an Ohio corporation ("TRW"), (b) Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share (the "Series 1 Shares"), of TRW and (c) Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share (the "Series 3 Shares" and, together with the common stock and the Series 1 Shares, "capital stock"), of TRW in the offer to exchange by registrant for all of the issued and outstanding shares of TRW capital stock and in the proposed merger with TRW.
- (2) This amount is based upon the maximum number of shares of common stock of Northrop Grumman (together with the associated rights to purchase Series A junior participating preferred stock) issuable upon completion of the offer to exchange and merger for shares of TRW capital stock.
- (3) Computed solely for purposes of calculating the registration fee. The registration fee has been computed pursuant to Rule 457(f)(1) under the Securities Act of 1933, as amended, based on the average of the high and low prices for shares of TRW common stock as reported on the New York Stock Exchange on March 1, 2002 (\$51.08) and the maximum number of such shares (127,006,396) that may be exchanged for the securities being registered minus the maximum cash consideration payable for such shares.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

=====

The information in this offer to exchange may change. Northrop Grumman may not complete the offer to exchange and issue these securities until the Registration Statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer is not permitted.

The information in this offer to exchange may change. Northrop Grumman may not complete the exchange offer and issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This offer to exchange is not an offer to sell these securities and Northrop Grumman is not soliciting offers to buy these securities in any state where the offer is not permitted.

[LOGO] Northrop Grumman

NORTHROP GRUMMAN CORPORATION

Offer To Exchange Each Outstanding Share of Common Stock

of

TRW INC.

for

Shares of Common Stock of Northrop Grumman Corporation valued at \$47.00

and

Each Outstanding Share of Serial Preference Stock II

of

TRW INC.

for

Shares of Common Stock of Northrop Grumman Corporation valued at \$47.00 multiplied by the then-effective conversion rate of the applicable Series of Serial Preference Stock II

by

NORTHROP GRUMMAN CORPORATION

in each case subject to the procedures and limitations described in this offer to exchange and the related letters of transmittal.

The offer to exchange of Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), and the withdrawal rights of the shareholders of TRW Inc., an Ohio corporation ("TRW"), will expire at 12:00 midnight, New York City time, on March 29, 2002, unless extended. TRW shares tendered pursuant to the offer to exchange may be withdrawn at any time prior to the expiration of the offer to exchange, but not during any subsequent offering period.

Northrop Grumman hereby offers upon the terms and subject to the conditions set forth in this offer to exchange and in the related letters of transmittal, to issue shares of Northrop Grumman common stock, par value \$1.00 per share, (together with associated rights to purchase Series A junior participating preferred stock) for each of the issued and outstanding shares of (a) common stock, par value \$0.625 per share of TRW (the "common stock"), (b) Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share, of TRW (the "Series 1 Shares"), and (c) Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share, of TRW (the "Series 3 Shares" and, together with the common stock and the Series 1 Shares, "capital stock" or "TRW shares"). Each share of TRW common stock may be exchanged for a number of shares of Northrop Grumman common stock equal to the exchange rate, as defined below. Each Series 1 Share and each Series 3 Share may be exchanged for a number of shares of Northrop Grumman common stock equal to the then-effective conversion rate for the Serial Preference Stock II multiplied by the exchange ratio. The method for calculating the conversion rates for the Series 1 Shares and the Series 3 Shares is provided in TRW's Amended Articles of Incorporation. See "The Offer to Exchange" beginning on page 25 for a discussion of the conversion rates. As of March 13, 2001, TRW reported that the conversion ratios for the Series 1 Shares and Series 3 Shares were 8.8 and 7.448.

Northrop Grumman will determine the exact exchange ratio (the "exchange ratio") by dividing \$47.00 by the average of the closing sale prices for a share of Northrop Grumman common stock on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day prior to the expiration of the offer to exchange but, in no event will the exchange ratio be more than 0.4563 (\$47.00/\$103.00) or less than 0.4159 (\$47.00/\$113.00). The closing price of Northrop Grumman common stock on the New York Stock Exchange on March 1, 2002, the last trading day before the offer to exchange commenced, was \$107.75.

The purpose of the offer to exchange is for Northrop Grumman to acquire control of, and ultimately the entire equity interest in, TRW. Northrop Grumman intends, promptly after completion of the offer to exchange, to seek to have TRW complete a merger (the "TRW merger") with Northrop Grumman or a wholly-owned subsidiary of Northrop Grumman, in which each outstanding share of capital stock of TRW (except for treasury shares of TRW and shares beneficially owned directly or indirectly by Northrop Grumman for its own account) would be converted into the right to receive shares of Northrop Grumman common stock at the same exchange ratio as used in the offer to exchange, subject to dissenters' rights under Ohio law.

Tenders of TRW shares pursuant to the offer to exchange will be effective, and Northrop Grumman shall have the right to acquire tendered TRW shares, only at such time as Section 1704 of the Ohio Revised Code shall not prohibit or delay the TRW merger. No tender of TRW shares shall be effective, and Northrop Grumman shall have no right to acquire tendered TRW shares, prior to such time. This provision is referred to herein as the "1704 Limitation."

Northrop Grumman's obligation to exchange Northrop Grumman common stock for TRW capital stock is subject to the 1704 Limitation and each of the conditions listed under "The Offer to Exchange--Conditions to the Offer to Exchange" beginning on page 36.

Northrop Grumman's common stock trades on the New York Stock Exchange and the Pacific Stock Exchange under the symbol "NOC," and TRW's common stock trades on the New York Stock Exchange, the Pacific Stock Exchange, the Chicago Stock Exchange and the Philadelphia Stock Exchange under the symbol "TRW."

See "Risk Factors" beginning on page 10 for a discussion of various factors that shareholders should consider about Northrop Grumman's offer to exchange.

Northrop Grumman is not asking TRW shareholders for a proxy and TRW shareholders are requested not to send a proxy. Any solicitation of proxies only will be made pursuant to separate proxy solicitation materials complying with the requirements of Section 14(a) of the Securities Exchange Act of 1934.

Neither the Securities and Exchange Commission ("SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this offer to exchange. Any representation to the contrary is a criminal offense.

The Dealer Manager for the Offer to Exchange is

Salomon Smith Barney

The date of this offer to exchange is March 4, 2002.

This offer to exchange incorporates important business and financial information about Northrop Grumman and its subsidiaries, Litton Industries, Inc. and Newport News Shipbuilding Inc., and TRW from documents filed with the SEC that have not been included in, or delivered with, this offer to exchange.

This information is available on the SEC's website at <http://www.sec.gov> and from other sources. See "Additional Information" on page 61.

TRW shareholders may also request copies of these documents from Northrop Grumman, without charge, upon written or oral request to Northrop Grumman's information agent, D. F. King & Co., Inc., 77 Water Street, New York, New York 10005, toll-free at (800) 755-7250 or by calling collect at (212) 269-5550. TRW shareholders may call the toll free number above to learn the exchange ratio starting on the second trading day prior to the expiration of the offer to exchange.

In order to receive timely delivery of the documents, TRW shareholders must make requests no later than March 22, 2002 (five business days before the initially scheduled expiration date of the offer to exchange).

TABLE OF CONTENTS

	Page

Summary.....	3
Risk Factors.....	9
Ratio of Earnings to Fixed Charges.....	12
Northrop Grumman Selected Historical and Unaudited Pro Forma Condensed Combined Financial Data...	13
Selected Historical Financial Data of TRW.....	16
Comparative Per Share Information.....	17
Comparative Market Data.....	19
Information About Northrop Grumman and TRW.....	20
Reasons for the Offer to Exchange.....	22
Background of the Offer to Exchange.....	23
The Offer to Exchange.....	25
Consideration to Be Paid.....	25
Timing of the Offer to Exchange.....	26
Extension, Termination and Amendment.....	26
Exchange of TRW Shares; Delivery of Northrop Grumman Common Stock.....	27
Cash Instead of Fractional Shares of Northrop Grumman Common Stock.....	28
Withdrawal Rights.....	28
Procedures for Tendering.....	29
Guaranteed Delivery.....	30
Material U.S. Federal Income Tax Consequence of the Offer to Exchange and the TRW Merger.....	31
Effect of the Offer to Exchange on the Market for TRW Shares; Registration Under the Exchange Act.....	32
Purpose of the Offer to Exchange; the TRW Merger; Dissenters' Rights.....	33
Plans for TRW After the TRW Merger.....	34
The 1704 Limitation.....	34
Conditions to the Offer to Exchange.....	35
Ohio Litigation.....	40
Regulatory Approvals.....	40
Source and Amount of Funds.....	40
Certain Relationships with TRW.....	40
Fees and Expenses.....	41
Accounting Treatment.....	41
Stock Exchange Listing.....	41
Comparative Per Share Market Price and Dividend Information.....	42
Unaudited Pro Forma Condensed Combined Financial Information.....	43
Description of Northrop Grumman Common Stock.....	50
Comparison of Rights of Holders of Northrop Grumman Common Stock and TRW Capital Stock.....	51
Additional Information.....	57
TRW Information.....	59
Forward-Looking Statements.....	60
Legal Matters.....	61
Experts.....	61
Annex A Directors and Executive Officers of Northrop Grumman.....	A-1
Annex B Sections 1701.84 and 1701.85 of the Ohio Revised Code--Rights of Dissenting Shareholders	B-1

SUMMARY

This summary does not contain all of the information that is important to TRW shareholders. To fully understand Northrop Grumman's offer to exchange, TRW shareholders should carefully read this entire offer to exchange and all other documents to which this offer to exchange refers. See "Additional Information" on page 58. References to "Northrop Systems" refer to Northrop Grumman Systems Corporation, formerly Northrop Grumman Corporation; references to "Northrop Grumman" refer to Northrop Grumman Corporation, formerly NNG, Inc.; references to Litton refer to Litton Industries, Inc.; references to Newport News refer to Newport News Shipbuilding Inc., formerly Purchaser Corp. I; references to TRW refer to TRW Inc.

The Offer to Exchange (Page 26)

Under the terms of the offer to exchange, Northrop Grumman will exchange shares of newly issued Northrop Grumman common stock for each of the issued and outstanding (a) shares of TRW common stock, (b) Series 1 Shares and (c) Series 3 Shares. Each share of TRW common stock may be exchanged for a number of shares of Northrop Grumman common stock equal to the exchange rate. Each Series 1 Share may be exchanged for a number of shares of Northrop Grumman common stock equal to the then-effective conversion rate for the Series 1 Shares multiplied by the exchange rate, and each Series 3 Share may be exchanged for a number of shares of Northrop Grumman common stock equal to the then-effective conversion rate for the Series 3 Shares multiplied by the exchange ratio. See "The Offer to Exchange" beginning on page 26 for a discussion of the conversion rates.

Northrop Grumman will determine the exact exchange ratio by dividing \$47.00 by the average of the closing sale prices for a share of Northrop Grumman common stock on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day before the expiration of the offer to exchange but, in no event will the exchange ratio be more than 0.4563 (\$47.00/\$103.00) or less than 0.4159 (\$47.00/\$113.00). Northrop Grumman will issue a press release before 9:00 A.M., New York City time, on the second trading day before the offer to exchange expires, announcing the (i) the exchange ratio assuming expiration of the offer to exchange as scheduled, (ii) the average closing price of the Northrop Grumman common stock over the previous five consecutive trading days and (iii) the then-effective conversion rates of the Series 1 Shares and Series 3 Shares. If for any reason the expiration date is subsequently extended, a revised exchange ratio will be announced prior to the new expiration date.

TRW shareholders will not receive any fractional Northrop Grumman common stock. Instead, shareholders will receive cash in an amount equal to the value of the fractional Northrop Grumman common stock that shareholders would otherwise have been entitled to receive.

Northrop Grumman intends, promptly after completion of the offer to exchange, to seek to merge TRW with Northrop Grumman or a wholly owned subsidiary of Northrop Grumman. In the TRW merger, each share of TRW capital stock that has not been exchanged in the offer to exchange (except for treasury shares of TRW and shares beneficially owned directly or indirectly by Northrop Grumman for its own account) would be converted into the right to receive shares of Northrop Grumman common stock at the same exchange ratio as used in the offer to exchange, subject to dissenters' rights under Ohio law. See "The Offer to Exchange" on page 26.

Information About Northrop Grumman and TRW (Page 21)

Northrop Grumman

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067
(310) 553-6262

Northrop Grumman provides technologically advanced, innovative products, services and solutions in defense and commercial electronics, information technology, systems integration and nuclear and non-nuclear shipbuilding and systems. As a prime contractor, principal subcontractor, partner, or preferred supplier, Northrop Grumman participates in many high-priority defense and commercial technology programs in the United States and abroad. While Northrop Grumman is subject to the usual vagaries of the marketplace, it is also affected by the unique characteristics of the defense industry and by certain elements peculiar to its own business mix. It is common in this industry for work on major programs to be shared among a number of companies. A company competing to be a prime contractor may, upon ultimate award of the contract, turn out to be a subcontractor. It is not uncommon to compete with customers, and simultaneously on other contracts, to be either a supplier to, or a customer of, such competitor. The nature of major defense programs, conducted under binding contracts, allows companies that perform well to benefit from a level of program continuity unknown in many industries. While Northrop Grumman conducts most of its business with the U.S. Government, principally the Department of Defense (DOD), domestic and international commercial sales still represent a significant portion of its business.

Based on the closing price of Northrop Grumman common stock on the New York Stock Exchange on March 1, 2002, Northrop Grumman's market capitalization was approximately \$12.14 billion.

TRW

TRW Inc.
1900 Richmond Road
Cleveland, Ohio 44124
(216) 291-7000

TRW provides advanced technology products and services. The principal business of TRW and its subsidiaries is the design, manufacture and sale of products and the performance of systems engineering, research and technical services for industry and the U.S. Government in the automotive, aerospace and information systems markets. TRW operates its business in the following seven operating segments:

- . Occupant Safety Systems;
- . Chassis Systems;
- . Automotive Electronics;
- . Other Automotive;
- . Space and Electronics;
- . Systems & Information Technology; and
- . Aeronautical Systems.

Based on the closing price of TRW common stock on the New York Stock Exchange on March 1, 2002, TRW's market capitalization was approximately \$6.32 billion.

The Offer to Exchange Is Subject to the 1704 Limitation and Various Conditions (pages 35-41)

Tenders of TRW shares pursuant to the offer to exchange will be effective, and Northrop Grumman shall have the right to acquire tendered TRW shares, only at such time as the 1704 Limitation shall not prohibit or delay the TRW merger. No tender of TRW shares shall be effective, and Northrop Grumman shall have no right to acquire tendered TRW shares, prior to that time.

Northrop Grumman's obligation to exchange shares of Northrop Grumman's common stock for TRW shares pursuant to the offer to exchange is subject to a number of conditions, including, but not limited to, the following:

- . the tender of enough shares of TRW capital stock so that, after the completion of the offer to exchange, Northrop Grumman owns a majority of the then-outstanding TRW common stock on a fully diluted basis;

- . the expiration or termination of any waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, Council Regulation (EEC) No. 4064/89 of the Council of the European Union and any other applicable similar foreign laws or regulations;
- . the requisite approval of TRW's shareholders under the Ohio control share acquisition law or Northrop Grumman being satisfied, in its sole discretion, that such law is inapplicable or invalid;
- . the expiration or termination of the waiting period during which the Ohio Division of Securities may suspend the offer to exchange under the Ohio Revised Code without the occurrence of any such suspension or Northrop Grumman being satisfied, in its sole discretion, that such law is inapplicable or invalid; and
- . the approval of the issuance of shares of Northrop Grumman common stock pursuant to the offer to exchange and the TRW merger by the stockholders of Northrop Grumman.

These conditions and the other conditions to the offer to exchange are discussed under "The Offer to Exchange--Conditions to the Offer to Exchange" on page 36.

The Receipt of Northrop Grumman Common Stock in Exchange for TRW Shares Pursuant to the Offer to Exchange and/or the TRW Merger is not Expected to be a Taxable Transaction to TRW Shareholders (Page 32)

In the opinion of Gibson, Dunn & Crutcher LLP, counsel to Northrop Grumman, the exchange of TRW shares for Northrop Grumman shares pursuant to the offer to exchange and the TRW merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to herein as the "Code," provided that certain factual assumptions are satisfied. If the transactions so qualify, holders of TRW shares generally will not recognize any gain or loss for United States federal income tax purposes on the exchange of their TRW shares for Northrop Grumman common stock in the offer to exchange and the TRW merger, except for any gain or loss attributable to the receipt of cash in lieu of a fractional share of Northrop Grumman common stock. The qualification of the offer to exchange and the TRW merger as a reorganization is based on various factual assumptions, but there can be no assurance at the present time that such factual assumptions will in fact be satisfied. For more information, see "The Offer to Exchange--Material United States Federal Income Tax Consequences of the Offer to Exchange and the TRW Merger" on page 32.

The Offer to Exchange Is Currently Scheduled to Expire on March 29, 2002 (Page 27)

The offer to exchange is scheduled to expire at 12:00 midnight, New York City time, on March 29, 2002. The term expiration date means 12:00 midnight, New York City time, on March 29, 2002, unless Northrop Grumman extends the period of time for which the offer to exchange is open, in which case the term expiration date means the latest time and date on which the offer to exchange, as so extended, expires.

The Offer to Exchange May Be Extended, Terminated or Amended (Page 27)

Northrop Grumman expressly reserves the right, in Northrop Grumman's sole discretion, at any time or from time to time, to extend the period of time during which the offer to exchange remains open, and Northrop Grumman can do so by giving oral or written notice of the extension to the exchange agent. Northrop Grumman is not providing any assurance that it will exercise this right to extend the offer to exchange, although Northrop Grumman currently intends to do so until all conditions have been satisfied or, to the extent permissible, waived. During any extension, all TRW shares previously tendered and not properly withdrawn will remain subject to the offer to exchange, subject to the right of each shareholder of TRW to withdraw his or her TRW shares.

Subject to the SEC's applicable rules and regulations, Northrop Grumman also reserves the right, in its sole discretion, at any time or from time to time:

- . to delay its acceptance for exchange or the exchange of any TRW shares, or to terminate the offer to exchange, upon the failure of any of the conditions of the offer to exchange to be satisfied prior to the expiration date, or upon the failure of the condition relating to antitrust approvals to be satisfied at any time after the expiration date; and
- . to waive any condition (other than the conditions relating to antitrust approvals, the absence of an injunction and the effectiveness of the registration statement for the Northrop Grumman common stock to be issued in the offer to exchange) or otherwise to amend the offer to exchange in any respect, by giving oral or written notice of such delay, termination or amendment to the exchange agent and by making a public announcement. However, Northrop Grumman may not waive the 1704 Limitation.

Northrop Grumman will follow any extension, termination, amendment or delay, as promptly as practicable, with a public announcement. In the case of an extension, any related announcement will be issued no later than 9:00 A.M., New York City time, on the next business day after the previously scheduled expiration date. Subject to applicable law (including Rules 14d-4(c) and 14d-6(d) under the Exchange Act of 1934, as amended (the "Exchange Act")), which require that any material change in the information published, sent or given to TRW's shareholders in connection with the offer to exchange be promptly sent to those shareholders in a manner reasonably designed to inform them of that change) and without limiting the manner in which Northrop Grumman may choose to make any public announcement, Northrop Grumman assumes no obligation to publish, advertise or otherwise communicate any public announcement of this type other than by making a release to the Dow Jones News Service.

The Exchange Shall Occur Promptly After the Expiration Date (Page 28)

Upon the terms and subject to the conditions of the offer to exchange (including, if the offer to exchange is extended or amended, the terms and conditions of any extension or amendment), Northrop Grumman will accept for exchange, and will exchange, TRW shares validly tendered and not properly withdrawn promptly after the expiration date and promptly after they are tendered during any subsequent offering period that may apply.

Tendered Shares May Be Withdrawn at Any Time Prior to the Exchange of Those Shares (Page 29)

TRW shares tendered pursuant to the offer to exchange may be withdrawn at any time prior to the expiration date, and, unless Northrop Grumman previously accepted them pursuant to the offer to exchange, may also be withdrawn at any time after May 3, 2002.

Northrop Grumman May Provide a Subsequent Offering Period (Page 27)

Northrop Grumman may elect to provide a subsequent offering period of not less than three nor more than twenty business days after the acceptance of TRW shares pursuant to the offer to exchange if the requirements of Rule 14d-11 under the Exchange Act have been met. TRW's shareholders will not have the right to withdraw TRW shares that they tender in the subsequent offering period, if any.

Procedure for Tendering Shares (Page 30)

For TRW shareholders to validly tender TRW shares pursuant to the offer to exchange, subject to the 1704 Limitation:

- . a properly completed and duly executed letter of transmittal, along with any required signature guarantees, or an agent's message in connection with a book-entry transfer, and any other required documents, must be received by the exchange agent at one of its addresses set forth on the back cover of this offer to exchange, and certificates for tendered TRW shares must be received by the exchange agent

at one of those addresses, or those TRW shares must be tendered pursuant to the procedures for book-entry tender set forth (and a confirmation of receipt of that tender received), in each case before the expiration date; or

- . shareholders must comply with the guaranteed delivery procedures set forth in "The Offer to Exchange--Guaranteed Delivery" on page 31.

Reasons for the Offer to Exchange (Page 23)

Northrop Grumman is proposing the offer to exchange and the TRW merger because it believes that the offer to exchange and the TRW merger will significantly benefit Northrop Grumman's stockholders and customers. Northrop Grumman believes that the offer to exchange and the TRW merger will provide access to new product areas, increase diversification into new markets, increase market presence and opportunities, provide a complimentary product mix and increase operating efficiencies for the benefit of all Northrop Grumman stockholders, including the former TRW shareholders.

Plans for TRW (Page 35)

Northrop Grumman is making the offer to exchange in order to acquire control of, and ultimately the entire equity interest in, TRW. The offer to exchange is the first step in its acquisition of TRW and is intended to facilitate the acquisition of all TRW shares. Northrop Grumman intends, as soon as possible after completion of the offer to exchange, to seek to have TRW merge with Northrop Grumman or a wholly owned subsidiary of Northrop Grumman. The purpose of the TRW merger would be to acquire all TRW shares not exchanged in the offer to exchange. In the TRW merger, each outstanding share of TRW capital stock (except for treasury shares of TRW and shares beneficially owned directly or indirectly by Northrop Grumman for its own account) would be converted into the right to receive shares of Northrop Grumman common stock at the same exchange ratio used in the offer to exchange, subject to dissenters' rights under Ohio law.

Once Northrop Grumman has completed the TRW merger, Northrop Grumman expects that TRW would continue its current operations, except that it would cease to be publicly owned and would instead be wholly owned by Northrop Grumman. Northrop Grumman expects to promptly dispose of TRW's automotive business either by selling that business to a third party or parties or by spinning it off to the Northrop Grumman stockholders (including the former TRW shareholders), or a combination thereof.

Dividend Policy of Northrop Grumman

The holders of Northrop Grumman common stock receive dividends if and when declared by Northrop Grumman's board of directors out of legally available funds. For the past 13 fiscal quarters, with the last quarter ended December 31, 2001, Northrop Grumman has paid a cash dividend of \$0.40 per common share.

Following completion of the offer to exchange and the TRW merger, Northrop Grumman expects to continue paying quarterly cash dividends on a basis consistent with Northrop Grumman's past practice. However, the declaration and payment of dividends will depend upon business conditions, operating results, capital and reserve requirements, covenants in its debt instruments and Northrop Grumman's board of directors' consideration of other relevant factors. Northrop Grumman can give shareholders no assurance that Northrop Grumman will continue to pay dividends on its common stock in the future.

No Dissenters' Rights in Connection with the Offer to Exchange Although Dissenters' Rights Will Exist in Connection with the TRW Merger (Page 34)

No dissenters' rights are available in connection with the offer to exchange. If the TRW merger is consummated, however, TRW shareholders will have certain rights under the Ohio Revised Code to dissent and

demand dissenters' rights and to receive payment in cash of the fair value of their shares. TRW shareholders who perfect such rights by complying with the procedures set forth in Sections 1701.84 and Section 1701.85 will have the fair value of their TRW shares determined by an Ohio trial court and will be entitled to receive a cash payment equal to such fair value from the surviving corporation. In addition, such dissenting shareholders would be entitled to receive payment of a fair rate of interest at a rate determined by the trial court on the amount determined to be the fair value of their TRW shares. In determining the fair value of the shares, the court is required to take into account all relevant factors, excluding any appreciation or depreciation in market value resulting from the transactions. Accordingly, such determination could be based upon considerations other than, or in addition to, the market value of the TRW shares, including, among other things, asset values and earning capacity. A copy of Sections 1701.84 and 1701.85 of the Ohio Revised Code is provided in Annex B.

Material Differences in Rights of Stockholders (Page 52)

The governing documents of Northrop Grumman and TRW vary, and to that extent, TRW shareholders will have different rights once they become Northrop Grumman stockholders. Similarly, the laws of Ohio, TRW's state of incorporation, differ from those of Delaware, Northrop Grumman's state of incorporation. The differences are described in more detail under "Comparison of Rights of Holders of Northrop Grumman Common Stock and TRW Capital Stock" beginning on page 52.

Northrop Grumman Will Account for the Merger Using the Purchase Method (Page 42)

Northrop Grumman will account for the merger as a purchase for financial reporting purposes.

Forward-Looking Statements May Prove Inaccurate (Page 61)

Certain statements and assumptions in this offer to exchange and in the documents incorporated by reference contain or are based on "forward-looking" information and involve risks and uncertainties. Such forward-looking information includes statements as to the impact of the proposed acquisition on revenues and earnings. Such statements are subject to numerous assumptions and uncertainties, many of which are outside Northrop Grumman's control. These include governmental regulatory processes, Northrop Grumman's ability to successfully integrate the operations of TRW, achieve a successful disposition or other resolution with respect to the TRW automotive business, assumptions with respect to future revenues, expected program performance and cash flows, the outcome of contingencies including litigation, environmental remediation, divestitures of businesses, and anticipated costs of capital investments. Northrop Grumman's operations are subject to various additional risks and uncertainties resulting from its position as a supplier, either directly or as subcontractor or team member, to the U.S. Government and its agencies as well as to foreign governments and agencies. Actual outcomes are dependent upon many factors, including, without limitation, Northrop Grumman's successful performance of internal plans; government customers' budgetary restraints; customer changes in short-range and long-range plans; domestic and international competition in both the defense and commercial areas; product performance; continued development and acceptance of new products; performance issues with key suppliers and subcontractors; government import and export policies; acquisition or termination of government contracts; the outcome of political and legal processes; legal, financial, and governmental risks related to international transactions and global needs for military aircraft, military and civilian electronic systems and support and information technology; as well as other economic, political and technological risks and uncertainties and other risk factors set out in Northrop Grumman's filings from time to time with the SEC, including, without limitation, Northrop Grumman's reports on Form 10-K and Form 10-Q.

RISK FACTORS

In deciding whether to tender TRW shares for exchange pursuant to the offer to exchange, TRW shareholders should read carefully this offer to exchange and all other documents to which this offer to exchange refers. TRW shareholders should also carefully consider the following factors:

Successful Integration of the Northrop Grumman and TRW Businesses Is Not Assured

Integrating and coordinating the operations and personnel of Northrop Grumman and TRW will involve complex technological, operational and personnel-related challenges. This process will be time-consuming and expensive and may disrupt the business of the companies. Additional elements of integration of the Litton and Newport News acquisitions may require significant management time and attention. While the integration of Litton and Newport News is expected to be substantially complete by the time of the TRW merger, the integration of the companies may not timely result in the full benefits expected by Northrop Grumman. The difficulties, costs and delays that could be encountered may include:

- . unanticipated issues in integrating the information, communications and other systems;
- . negative impacts on employee morale and performance as a result of job changes and reassignments;
- . loss of customers;
- . unanticipated incompatibility of systems, procedures and operating methods;
- . unanticipated costs in terminating or relocating facilities and operations; and
- . the effect of complying with any government imposed organizational conflict-of-interest rules.

The Exchange Ratio Will Not be Known Until Two Full Trading Days Prior to Expiration of the Offer to Exchange

The exchange ratio will be determined by dividing \$47.00 by the average of the closing sale prices for a share of Northrop Grumman common stock on the New York Stock Exchange as reported in the The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day prior to the expiration of the offer to exchange. Accordingly, TRW shareholders will not know the exchange ratio until immediately prior to the opening of the last two trading days during which the offer to exchange is open. Further, the market price of Northrop Grumman common stock may change after the determination of the exchange ratio, and therefore the exchange ratio may not reflect the actual market price for Northrop Grumman common stock following completion of the offer to exchange.

The Exchange Ratio of the Offer to Exchange Could Work to the Disadvantage of TRW's Shareholders

Northrop Grumman is offering to exchange shares of Northrop Grumman common stock designed to have a value of \$47.00 for each outstanding share of TRW common stock and for each outstanding share of the Serial Preference Stock II multiplied by the applicable conversion rate of the Serial Preference Stock II. However, because of the manner in which the exchange ratio is calculated, the Northrop Grumman common stock to be received by holders of TRW capital stock will have a value of \$47.00 per share only if the market price of the Northrop Grumman common stock is between \$103.00 and \$113.00. Holders of TRW capital stock will receive less than \$47.00 per share of value if the market price of the Northrop Grumman common stock is less than \$103.00 and will receive more than \$47.00 of value if the market price of the Northrop Grumman common stock is more than \$113.00.

The Receipt of Northrop Common Stock Could be Taxable to TRW Shareholders Depending on Facts Surrounding the Offer to Exchange and the TRW Merger

Northrop Grumman does not plan to request a ruling from the Internal Revenue Service with regard to the tax consequences of the offer to exchange and/or the TRW merger. The offer to exchange and the TRW merger

are expected to qualify as a reorganization within the meaning of Section 368(a) of the Code provided that certain factual assumptions are satisfied, including the following (i) the offer to exchange and the TRW merger are consummated in the manner provided herein, (ii) none of Northrop Grumman, TRW or any related party acquire or redeem, in connection with the offer to exchange or the TRW merger, shares of Northrop Grumman common stock issued to TRW shareholders pursuant to the offer or the TRW merger, and (iii) TRW will continue a significant line of its business or will use a significant portion of its historic business assets in a business. If such factual assumptions are not satisfied, a TRW shareholder's exchange of TRW shares for Northrop Grumman common stock in the offer to exchange or the TRW merger could be a taxable transaction, depending on the surrounding facts. TRW shareholders are urged to consult their tax advisors concerning the United States federal income and other tax consequences of participation in the offer to exchange and/or the TRW merger.

Resales of Northrop Grumman Common Stock Following the Offer to Exchange May Cause the Market Price of that Stock to Fall

As of February 27, 2002, Northrop Grumman had 112,651,366 shares of common stock outstanding and 18,900,993 shares subject to outstanding options and other rights to purchase or acquire. Northrop Grumman expects that it will issue a maximum of 55,092,761 shares in connection with the offer to exchange and the TRW merger. The issuance of these new shares and the sale of additional shares of Northrop Grumman's common stock that may become eligible for sale in the public market from time to time upon exercise of options could have the effect of depressing the market price for Northrop Grumman's common stock.

The Trading Price of Northrop Grumman Common Stock May Be Affected by Factors Different from Those Affecting the Price of TRW Capital Stock

Upon completion of the offer to exchange and the TRW merger, holders of TRW capital stock will become holders of Northrop Grumman common stock. Northrop Grumman's business differs from that of TRW, and Northrop Grumman's results of operations, as well as the trading price of Northrop Grumman common stock, may be affected by factors different from those affecting TRW's results of operations and the price of TRW capital stock.

Northrop Grumman's Indebtedness Following Completion of the Offer to Exchange Will Be Higher Than Northrop Grumman's Existing Indebtedness

The indebtedness of Northrop Grumman as of March 1, 2001 was approximately \$5.1 billion. Northrop Grumman's pro forma indebtedness as of March 1, 2001 giving effect to the offer to exchange and the TRW merger (as described in "Northrop Grumman Selected Historical and Unaudited Pro Forma Condensed Combined Financial Data") is approximately \$10.3 billion. As a result of the increase in debt, demands on the cash resources of Northrop Grumman will increase after the TRW merger, which could have important effects on an investment in Northrop Grumman's common stock. For example, while the impact of this increased indebtedness will be addressed by the combined cash flows of Northrop Grumman and TRW, the increased levels of indebtedness could nonetheless:

- . reduce funds available for investment in research and development and capital expenditures; or
- . create competitive disadvantages compared to other companies with lower debt levels.

Northrop Grumman expects that a significant portion of the debt assumed in the acquisition of TRW will be transferred or reduced with the sale or spin off of the TRW automotive business. However, no decisions have been made as to how much debt will be transferred, and, as noted above, there can be no assurance that the transfer of the TRW automotive business will occur.

Northrop Grumman May Be Unable to Retain Personnel Who Are Key to Northrop Grumman's and TRW's Businesses

The success of Northrop Grumman's operations is dependent, among other things, on Northrop Grumman's ability to attract and retain highly qualified professional personnel. Competition for key personnel in the various localities and business segments in which Northrop Grumman operates is intense. Northrop Grumman's ability to attract and retain key personnel, in particular senior officers and experienced and top rate engineers, is dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent, who may offer compensation packages that include considerable equity based incentives through stock option or similar programs. These same pressures and concerns also apply to TRW's business.

Risks Related to the Business of Northrop Grumman and TRW

Results of operations of Northrop Grumman will be subject to numerous risks affecting the businesses of Northrop Grumman and TRW, many of which are beyond the companies' control. Many of the risks affecting Northrop Grumman are identified under "Forward-Looking Statements" on page 61.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the unaudited historical ratios of earnings to fixed charges of Northrop Systems (formerly Northrop Grumman Corporation) for each of the years in the five-year period ended December 31, 2000 and for the nine months ended September 30, 2000 and for Northrop Grumman for the nine months ended September 30, 2001 and the unaudited pro forma combined ratios of earnings to fixed charges of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW for the year ended December 31, 2000 and the nine months ended September 30, 2001.

The unaudited pro forma ratios of earnings to fixed charges are based upon the historical financial statements of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW adjusted to give effect to the Litton, Newport News and TRW acquisitions. The pro forma amounts have been developed from (a) the audited consolidated financial statements of Northrop Systems contained in Northrop Systems' Annual Report on Form 10-K/A for the fiscal year ended December 31, 2000 and the unaudited consolidated financial statements of Northrop Grumman contained in its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2001, which are incorporated by reference in this offer to exchange, (b) the audited consolidated financial statements contained in Litton's Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and from the unaudited consolidated financial statements contained in Litton's Quarterly Report on Form 10-Q for the period ended January 31, 2001, which are incorporated by reference in this offer to exchange, (c) the audited consolidated financial statements of Newport News contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2000 and the unaudited consolidated financial statements of Newport News contained in its Quarterly Report on Form 10-Q for the period ended September 16, 2001, which are incorporated by reference in this offer to exchange, and (d) the audited consolidated financial statements of TRW contained in its Annual Report on Form 10-K for the year ended December 31, 2000 and the unaudited consolidated financial statements of TRW contained in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, which are incorporated by reference in this offer to exchange. In addition, the audited consolidated financial statements contained in Litton's Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and the unaudited consolidated financial statements of Litton contained in Litton's Quarterly Report on Form 10-Q for the period ended January 31, 2001 have been used to bring the financial reporting periods of Litton to within 90 days of those of Northrop Systems and Northrop Grumman.

Pro Forma		Northrop Grumman Historical Data						
Nine Months Ended September 30,	Fiscal Year Ended December 31,	Nine Months Ended September 30		Year Ended December 31				
2001	2000	2001	2000	2000	1999	1998	1997	1996
1.56	2.13	2.32	5.32	5.26	3.78	2.11	2.68	2.50

For purposes of computing the ratios of earnings to fixed charges, earnings represent earnings from continuing operations before income taxes and fixed charges, and fixed charges consist of interest expense, the portion of rental expense calculated to be representative of the interest factor, amortization of discounts and capitalized expenses related to indebtedness, and preferred stock dividends. The ratios should be read in conjunction with the financial statements and other financial data included or incorporated by reference in this Offer to Exchange. See "Additional Information" beginning on page 58.

SELECTED HISTORICAL AND UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The following table sets forth selected historical consolidated financial data for Northrop Systems (formerly Northrop Grumman Corporation) for each of the years in the five-year period ended December 31, 2000 and for the nine months ended September 30, 2000 and for Northrop Grumman for the nine months ended September 30, 2001, and selected unaudited pro forma condensed combined financial data of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW for the year ended December 31, 2000 and the nine months ended September 30, 2001. Historical consolidated financial data for the years ended December 31, 2000, 1999, 1998 and 1997 have been derived from, and are qualified by reference to, the audited consolidated financial statements and notes thereto filed by Northrop Systems with the SEC. Historical consolidated financial data for the year ended December 31, 1996 and for the nine months ended September 30, 2001 and 2000 have been derived from unaudited consolidated financial statements and notes thereto of Northrop Systems and Northrop Grumman. The selected historical financial data for each of the years in the five-year period ending December 31, 2000 do not give affect to the Litton or Newport News acquisitions. The historical operating data for the nine months ended September 30, 2001 include six months of Litton's operating results subsequent to the acquisition on April 3, 2001.

The operating results for the nine months ended September 30, 2001 are not necessarily indicative of results for the full fiscal year ending December 31, 2001. TRW shareholders should read this summary together with the financial statements referred to below and incorporated by reference in this offer to exchange, and the accompanying notes and management's discussion and analysis of operations and financial conditions of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW contained in such reports.

The Unaudited Pro Forma Condensed Combined Financial Data is based upon the historical financial statements of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW adjusted to give effect to the Litton, Newport News and TRW acquisitions. The pro forma financial statements have been developed from (a) the audited consolidated financial statements of Northrop Systems contained in its Annual Report on Form 10-K/A for the year ended December 31, 2000 and the unaudited consolidated financial statements of Northrop Grumman contained in its Quarterly Report on Form 10-Q for the nine months ended September 30, 2001, which are incorporated by reference in this offer to exchange, (b) the audited consolidated financial statements of Litton contained in its Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and the unaudited consolidated financial statements of Litton contained in its Quarterly Report on Form 10-Q for the period ended January 31, 2001, which are incorporated by reference in this offer to exchange, (c) the audited consolidated financial statements of Newport News contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2000 and the unaudited consolidated financial statements of Newport News contained in its Quarterly Report on Form 10-Q for the period ended September 16, 2001, which are incorporated by reference in this offer to exchange, and (d) the audited consolidated financial statements of TRW contained in its Annual Report on Form 10-K for the year ended December 31, 2000 and the unaudited consolidated financial statements of TRW contained in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, which are incorporated by reference in this offer to exchange. In addition, the audited consolidated financial statements contained in Litton's Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and the unaudited consolidated financial statements of Litton contained in Litton's Quarterly Report on Form 10-Q for the period ended January 31, 2001 have been used to bring the financial reporting periods of Litton to within 90 days of those of Northrop Systems and Northrop Grumman.

The final determination and allocation of the purchase price paid for the Litton, Newport News and TRW acquisitions may differ from the amounts assumed in this Unaudited Pro Forma Condensed Combined Financial Data.

The acquisition of Litton, which is valued at approximately \$5.2 billion, including the assumption of Litton's net debt of \$1.3 billion, is accounted for using the purchase method of accounting. Under the purchase method of accounting, the purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair market values, with the excess recorded as goodwill. The Unaudited Pro Forma Condensed Combined Financial Statements reflect preliminary estimates of the fair market value of the Litton assets acquired and liabilities assumed and the related allocations of purchase price, and preliminary estimates of adjustments necessary to conform Litton data to Northrop Grumman's accounting policies. The Unaudited Pro Forma Condensed Combined Financial Statements do not include the recognition of liabilities associated with certain potential restructuring activities. Northrop Grumman is currently reviewing the preliminary estimates of the fair market value of the Litton assets acquired and liabilities assumed, including valuations associated with certain contracts and valuation study results for intangible assets, property, plant and equipment, and retiree benefits assets and liabilities. Northrop Grumman also is evaluating several possible restructuring activities of Litton operations. The final determination of the fair market value of assets acquired and liabilities assumed and final allocation of the purchase price may differ from the amounts assumed in these Unaudited Pro Forma Condensed Combined Financial Statements. Adjustments to the purchase price allocations will be finalized by March 31, 2002, and will be reflected in future Northrop Grumman filings. There can be no assurance that such adjustments will not be material.

With the exception of Newport News' long-term debt assumed, as of the date of this offer to exchange Northrop Grumman has not completed the valuation studies necessary to arrive at the required estimates of the fair market value of the Newport News assets acquired and TRW assets to be acquired and the Newport News liabilities assumed and TRW liabilities to be assumed and the related allocations of purchase price, nor has it identified the adjustments necessary, if any, to conform Newport News or TRW data to Northrop Grumman's accounting policies. Accordingly, Northrop Grumman has used the historical book values of the assets and liabilities of Newport News, other than long-term debt, and TRW and has used the historical revenue recognition policies of Newport News and TRW to prepare the Unaudited Pro Forma Condensed Combined Financial Statements set forth herein, with the excess of the purchase price over the historical net assets of Newport News and TRW recorded as goodwill and other purchased intangibles. Once Northrop Grumman has completed the valuation studies necessary to finalize the required purchase price allocations and identified any necessary conforming changes, such pro forma financial statements will be subject to adjustment. Such adjustments will likely result in changes to the pro forma statement of financial position to reflect the final allocations of purchase price and the pro forma statements of income, and there can be no assurance that such adjustments will not be material.

The Unaudited Pro Forma Condensed Combined Financial Data is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Northrop Grumman would have been had Northrop Grumman's offer to exchange and the Litton, Newport News, and TRW acquisitions occurred on the dates assumed, nor is it necessarily indicative of future consolidated results of operations or financial position.

The Unaudited Pro Forma Condensed Combined Financial Data does not include the realization of cost savings from operating efficiencies, synergies or other restructurings resulting from the Litton, Newport News and TRW acquisitions.

The Unaudited Pro Forma Condensed Combined Financial Data should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW that are incorporated by reference in this offer to exchange and the Unaudited Pro Forma Condensed Combined Financial Statements on page .

	Northrop Grumman/ Litton/ Newport News/TRW Pro Forma	Northrop Grumman Historical Data		Northrop Grumman/ Litton/ Newport News/TRW Pro Forma	Northrop Grumman Historical Data Year ended December 31,				
	Nine Months Ended September 30, 2001	Nine Months Ended September 30, 2001	Nine Months Ended September 30, 2000	Year Ended December 31, 2000	2000	1999	1998	1997	1996
Operating Data (in millions, except per share data)									
Net Sales.....	\$24,488	\$ 9,254	\$5,389	\$32,464	\$7,618	\$7,616	\$7,367	\$7,798	\$7,667
Income from continuing operations, net of tax.....	267	296	481	1,073	625	474	193	318	330
Basic Earnings per share, from continuing operations.....	1.60	3.53	6.86	6.82	8.86	6.84	2.82	4.76	5.27
Diluted Earnings per share, from continuing operations.....	1.59	3.50	6.84	6.80	8.82	6.80	2.78	4.67	5.18
Cash Dividends per common share...	1.20	1.20	1.20	1.60	1.60	1.60	1.60	1.60	1.60
Balance Sheet Data									
Total Assets.....	\$39,814	\$17,214	\$9,354	N/A	\$9,622	\$9,285	\$9,536	\$9,677	\$9,645
Total long term obligations.....	16,689	7,636	3,111	N/A	3,015	3,564	4,319	4,339	4,694
Redeemable preferred stock.....	350	350	0	N/A	0	0	0	0	0

SELECTED HISTORICAL FINANCIAL DATA OF TRW

The following is a summary of selected consolidated financial data of TRW for each of the years in the five-year period ended December 31, 2000 and the nine months ended September 30, 2001 and September 30, 2000. The operating results for the nine months ended September 30, 2001 are not necessarily indicative of results for the full fiscal year ended December 31, 2001. This information is derived from the audited consolidated financial statements of TRW contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2000, the unaudited consolidated financial statements of TRW contained in its Quarterly Report on Form 10-Q for the period ended September 30, 2001, and is qualified in its entirety by such documents. See "Additional Information" on page 61. Shareholders should read this summary together with the financial statements which are incorporated by reference in this offer to exchange and their accompanying notes and management's discussion and analysis of operations and financial conditions of TRW contained in such reports.

	Nine Months ended		Year Ended December 31				
	Sept. 30, 2001	Sept. 30, 2000	2000	1999	1998	1997	1996
(in millions, except per share)							
Operating Data							
(in millions, except per share data)							
Revenues.....	\$12,305	\$13,094	\$17,231	\$16,969	\$11,886	\$10,831	\$9,857
Net earnings (loss).....	(22)	441	438	469	477	(49)	480
Net earnings (loss) Per common share basic.....	(0.18)	3.58	3.55	3.87	3.93	(0.40)	3.72
Net earnings (loss) per common share diluted.....	(0.18)	3.52	3.51	3.80	3.83	(0.40)	3.62
Cash dividends declared per share	0.70	0.66	1.36	1.32	1.28	1.24	1.17
Balance Sheet Data							
Total Assets.....	\$15,350	\$16,682	\$16,467	\$18,266	\$ 7,169	\$ 6,410	\$5,899
Total long term obligations.....	7,640	8,082	7,956	8,825	2,273	2,067	1,553

COMPARATIVE PER SHARE INFORMATION

The following table summarizes unaudited per share information for Northrop Systems, Northrop Grumman, Litton, Newport News and TRW on a historical basis, pro forma combined basis for Northrop Grumman and equivalent pro forma combined basis for TRW. The following information should be read in conjunction with the audited consolidated financial statements of Northrop Systems, Litton, Newport News and TRW, the unaudited interim consolidated financial statements of Northrop Grumman, Litton, Newport News and TRW, and the unaudited pro forma condensed combined financial information included elsewhere or incorporated by reference in this offer to exchange. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if Northrop Grumman's offer to exchange and the Litton, Newport News and TRW acquisitions had been completed as of the beginning of the respective periods presented, nor is it necessarily indicative of the future operating results or financial position of the combined companies. The historical book value per share is computed by dividing total stockholders' equity by the number of common shares outstanding at the end of the period. The pro forma per share earnings from continuing operations are computed by dividing the pro forma income from continuing operations available to holders of common stock by the pro forma weighted average number of shares outstanding. The pro forma combined book value per share is computed by dividing total pro forma stockholders' equity by the pro forma number of common shares outstanding at the end of the period. TRW equivalent pro forma combined per share amounts are calculated by multiplying Northrop Grumman pro forma combined per share amounts by 0.4204, the percentage of a share of Northrop Grumman common stock that would be exchanged for each share of TRW common stock in the offer to exchange, based upon a Northrop Grumman common stock price of \$111.79 per share, which represents the five-day average of the closing sales prices for a share of Northrop Grumman common stock on the New York Stock Exchange from February 20, 2002 through February 26, 2002. The historical per share information of Litton, Newport News and TRW was derived from their respective historical annual and quarterly financial statements and was adjusted as necessary to bring the information to within 90 days of the dates listed below.

Nine Months
 Ended
 September 30, 2001

Year Ended
 December 31, 2000

Northrop Grumman and Northrop Systems--Historical

Historical per common share:

Income per basic share.....	\$ 3.53	\$ 8.86
Income per diluted share.....	3.50	8.82
Dividends declared--Common.....	1.20	1.60
Dividends declared--Preferred.....	3.44	--
Book value per share.....	61.57	54.38

Litton--Historical

Historical per common share:

Income per basic share.....	N/A	\$ 4.95
Income per diluted share.....	N/A	4.90
Dividends declared--Common.....	N/A	--
Dividends declared--Preferred.....	N/A	2.00
Book value per share.....	N/A	35.24

Newport News--Historical

Historical per common share:

Income per basic share.....	\$ 2.43	\$ 2.91
Income per diluted share.....	2.29	2.77
Dividends declared--Common.....	0.12	0.16
Dividends declared--Preferred.....	--	--
Book value per share.....	10.29	8.69

	Nine Months Ended September 30, 2001	Year Ended December 31, 2000
--	--	---------------------------------

TRW--Historical

Historical per common share:

Income per basic share.....	\$(0.18)	\$ 3.55
Income per diluted share.....	(0.18)	3.51
Dividends declared--Common.....	0.70	1.36
Dividends declared--Preferred.....	--	--
Book value per share.....	18.68	21.34

Unaudited Pro Forma Combined

Unaudited pro forma per share of Northrop Grumman common stock:

Income per basic share.....	\$ 1.60	\$ 6.82
Income per diluted share.....	1.59	6.80
Dividends declared--Common.....	1.20	1.60
Dividends declared--Preferred.....	5.25	7.00
Book value per share.....	82.76	N/A

Unaudited Pro Forma TRW Equivalents

Unaudited pro forma per share of TRW common shares:

Income per basic share.....	\$ 0.67	\$ 2.87
Income per diluted share.....	0.67	2.86
Dividends declared--Common.....	0.50	0.67
Dividends declared--Preferred.....	2.21	2.94
Book value per share.....	34.79	N/A

COMPARATIVE MARKET DATA

Northrop Grumman's common stock trades on the New York Stock Exchange and on the Pacific Stock Exchange under the symbol NOC and TRW's common stock trades on the New York Stock Exchange, the Pacific Stock Exchange, the Chicago Stock Exchange and the Philadelphia Stock Exchange under the symbol TRW. The following table presents trading information for Northrop Grumman and TRW common stock on February 21, 2002 and March 1, 2002. February 21, 2002 was the last trading day before the public announcement of Northrop Grumman's proposal for a business combination of Northrop Grumman and TRW, and March 1, 2002 was the last trading day before the date of this offer to exchange. TRW equivalent per share amounts are calculated by multiplying Northrop Grumman per share amounts by 0.4352, the percentage of a share of Northrop Grumman common stock that would be exchanged for each share of TRW capital stock in Northrop Grumman's offer to exchange, based upon a Northrop Grumman common stock price of \$108.00 per share. Shareholders should read the information presented below in conjunction with "Comparative Per Share Market Price and Dividend Information" on page 43.

	Northrop Grumman Common Stock			TRW Common Stock			TRW Equivalent Per Share		
	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING
February 21, 2002.....	\$118.89	\$114.81	\$117.80	\$40.05	\$38.91	\$39.80	\$51.74	\$49.96	\$51.26
March 1, 2002.....	\$108.00	\$106.80	\$107.75	\$50.61	\$50.00	\$50.05	\$47.00	\$46.48	\$46.89

Northrop Grumman Corporation

Northrop Grumman provides technologically advanced, innovative products, services and solutions in defense and commercial electronics, information technology, systems integration and nuclear and non-nuclear shipbuilding and systems. As a prime contractor, principal subcontractor, partner, or preferred supplier, Northrop Grumman participates in many high-priority defense and commercial technology programs in the United States and abroad. While Northrop Grumman is subject to the usual vagaries of the marketplace, it is also affected by the unique characteristics of the defense industry and by certain elements peculiar to its own business mix. It is common in this industry for work on major programs to be shared among a number of companies. A company competing to be a prime contractor may, upon ultimate award of the contract, turn out to be a subcontractor. It is not uncommon to compete with customers, and simultaneously on other contracts, to be either a supplier to or a customer of such competitor. The nature of major defense programs, conducted under binding contracts, allows companies that perform well to benefit from a level of program continuity unknown in many industries. While Northrop Grumman conducts most of its business with the U.S. Government, principally the Department of Defense, domestic and international commercial sales still represent a significant portion of our business.

Northrop Grumman is aligned into six business sectors as follows:

Integrated Systems. This sector includes the design, development and production of airborne early warning, electronic warfare and surveillance and battlefield management systems. Integrated Systems is the prime contractor for the Joint STARS advanced airborne targeting and battle management system, the U.S. Air Force's B-2 Spirit stealth bomber, unmanned vehicles including The Global Hawk, and the EA-6B Prowler electronic countermeasures aircraft, and is upgrading the E-2C Hawkeye early warning aircraft. Integrated Systems also has a principal role in producing the U.S. Navy's F/A18 Hornet strike fighter and in the development and future production of the F-35 Joint Strike Fighter.

Electronic Systems. This sector includes the design, development, manufacture and integration of a wide variety of defense electronics and systems, airspace management systems, precision weapons, marine systems, logistics systems, space systems, and automation and information systems. Significant programs include fire control radars for the F-16 and F-22 fighter aircraft and the Longbow Apache helicopter, the AWACS airborne early warning radar, the Joint STARS air-to-ground surveillance radar sensor, the Longbow Hellfire missile and the BAT brilliant anti-armor submunition. This sector also provides tactical military radars and country-wide air defense systems, plus airborne electronic countermeasures systems intended to jam enemy aircraft and weapons systems. The sector includes the advanced electronics businesses, which design, develop and manufacture inertial navigation, guidance and control, IFF (identification friend or foe), and marine electronic systems, and provide electronic warfare systems and integrated avionics systems and shipboard information and communication systems. The U.S. Government is a significant customer.

Information Technology. This sector includes the design, development, operation and support of computer systems for scientific and management information. Information Technology has extensive expertise in command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR). It is a key management support element for major weapons systems, such as the U.S. Navy's AEGIS class destroyer, and also provides mission planning for the U.S. Navy, Air Force and Special Operations Command. Information Technology provides base operations support for NASA's Kennedy Space Center, Cape Canaveral Air Station and Patrick Air Force Base, among others. In addition, Information Technology provides information technology services to commercial customers and to the other Northrop Grumman sectors. Information Technology includes the information systems businesses, which design, develop, integrate and support computer-based information systems and provide information technology and services primarily for government customers.

Ship Systems. This sector is engaged in the building of large multimission non-nuclear surface ships for the U.S. Navy as well as for other government and commercial customers worldwide and is a provider of overhaul, repair, modernization, ship design and engineering services. The U.S. Government is a significant customer.

Newport News. Newport News is the largest non-government-owned shipyard in the U.S., as measured by each of revenues, size of facilities and number of employees. Its primary business is the design, construction, repair, maintenance, overhaul, life-cycle support and refueling of nuclear-powered aircraft carriers and the design, life-cycle support and construction of nuclear powered submarines for the U.S. Navy.

Component Technologies. This sector includes international suppliers of complex backplanes, connectors, laser crystals, solder materials, specialty products and other electronic components used primarily in the telecommunications, industrial and computer markets.

The principal executive offices of Northrop Grumman are located at 1840 Century Park East, Los Angeles, California 90067 and its telephone number is (310) 553-6262.

Additional information concerning Northrop Grumman is included in the Northrop Grumman reports incorporated by reference in this offer to exchange. See "Additional Information" beginning on page 61.

TRW

TRW provides advanced technology products and services. The principal business of TRW and its subsidiaries is the design, manufacture and sale of products and the performance of systems engineering, research and technical services for industry and the U.S. Government in the automotive and aerospace and information systems markets. In 2000, TRW operated its business in the following seven operating segments:

- . Occupant Safety Systems;
- . Chassis Systems;
- . Automotive Electronics;
- . Other Automotive;
- . Space and Electronics;
- . Systems & Information Technology; and
- . Aeronautical Systems.

The principal office of TRW is located at 1900 Richmond Road, Cleveland, Ohio 44124, telephone number (216) 291-7000.

Additional information concerning TRW is included in the TRW reports incorporated by reference in this offer to exchange. See "Additional Information" beginning on page 61.

REASONS FOR THE OFFER TO EXCHANGE

Northrop Grumman believes that the proposed acquisition of TRW by means of the offer to exchange and the TRW merger will produce the following benefits:

- . Access to New Product Areas. TRW's proprietary technology and products will provide Northrop Grumman with technology and products to complement Northrop Grumman's existing technology and products.
- . Increased Diversification into New Markets. The combination of Northrop Grumman and TRW provides the affiliated entities with the opportunity for diversification into new markets and access to new customers.
- . Increased Market Presence and Opportunities. The combination of Northrop Grumman and TRW provides the affiliated entities with increased market presence and opportunities for growth that could allow them to be better able to respond to the needs of customers, the increased competitiveness of the marketplace and opportunities that changes in the market for their respective products might bring.
- . Product Mix. The complementary nature of Northrop Grumman's and TRW's products and services will benefit clients of both companies.
- . Operating Efficiencies. The combination of Northrop Grumman and TRW provides the opportunity for potential economies of scale and cost savings.

BACKGROUND OF THE OFFER TO EXCHANGE

Background

Northrop Grumman's Proposal. On February 21, 2002, Northrop Grumman sent a letter to TRW, setting forth a proposal for a business combination between TRW and Northrop Grumman. On February 22, 2002, Northrop Grumman issued a press release which attached a copy of the letter.

The full text of the Northrop Grumman letter is as follows:

February 21, 2002

Philip A. Odeen
Office of the Chief Executive
Kenneth W. Freeman
Lead Director
TRW Inc.
1900 Richmond Road
Cleveland, OH 44124

Gentlemen,

As you know from prior conversations between our companies, for quite some time we have believed that a merger of the TRW Inc. ("TRW") aerospace and information systems businesses with the complementary operations of Northrop Grumman Corporation ("Northrop") would be a compelling strategic combination in the best interests of stockholders, customers and employees of both corporations. I am writing at this time to formally propose a transaction for this purpose.

Based upon publicly available information, Northrop is prepared to provide all TRW stockholders with \$47.00 in Northrop common stock for each share of TRW common stock. The transaction will be structured so that the receipt of Northrop stock by TRW stockholders will be tax-free. The proposed \$47.00 per share of TRW common stock represents a premium of 18% over today's closing price, a premium of 22% over the average trading price for the last twelve months and is 4% over the highest closing price for the last twelve months. We would welcome the opportunity to consider non-public information concerning TRW, and we are prepared to consider in our offer any enhanced values that may be demonstrated by such information. Naturally, we are prepared to provide TRW and its representatives with a similar "due diligence" opportunity concerning Northrop non-public information.

Upon completion of the acquisition transaction, it is Northrop's intention to proceed with the separation of the TRW automotive business from the rest of the company immediately. We recognize that the automotive business is an outstanding operation in its own right, but we believe that it does not logically fit with either your or our other business segments.

Northrop has successfully completed the integration of many large acquisitions in recent years, and I believe we have earned the reputation for recognizing the continuing value and contribution of the executives of those acquired companies. We have also demonstrated fairness and evenhandedness in dealing with employees of the acquired companies and for scrupulously observing employees' rights to compensation and benefits.

Northrop is prepared to begin immediately with the due diligence process and negotiation of a definitive acquisition agreement for the approval of our respective Boards of Directors. With full cooperation from both

sides, we can conclude our agreement no later than March 11, 2002 and commence immediately the necessary proceedings for stockholder approval in accordance with Ohio law and for approval of our own stockholders. Our antitrust counsel has advised us that delays in connection with the antitrust review process should be minimal; and we believe a transaction could realistically be completed in the third quarter of this year.

Ron and I sincerely believe that a combination of TRW's aerospace and information systems businesses with our own will maximize the opportunities to enhance the value of those operations for the benefit of all our stockholders. Not only are the operations highly complementary, but the TRW operations will enjoy the support of a stronger balance sheet.

In light of the importance of this proposal to Northrop's shareholders, we will be publicly disclosing this letter. Should you have any questions concerning our offer, I and our representatives are prepared to speak with you at any time. We would appreciate your response to this offer by the close of business February 27, 2002.

Sincerely,

/s/

Kent Kresa

On March 3, 2002, Northrop Grumman publicly announced that in light of the lack of a substantive response from TRW, it was commencing the offer to exchange. Later on March 3, 2002 TRW publicly announced that it was sending a letter to Northrop indicating that the TRW Board had concluded that the Northrop Grumman proposal was "financially inadequate" and had decided not to pursue discussions with regard to the proposal.

On March 4, 2002, Northrop Grumman commenced the offer to exchange and delivered to TRW the acquiring person statement pursuant to Ohio law relating to the offer to exchange. In addition, on March 4, 2002, in connection with the delivery of the acquiring person statement, Northrop Grumman requested that TRW's Board take appropriate action so that the Ohio business combination law is not applicable to the acquisition of TRW capital stock pursuant to the offer to exchange or the TRW merger.

Prior Contacts. Northrop Grumman has from time to time during the past few years considered expanding its operations through acquisitions of other companies, including TRW. In early 1999 officers of Northrop Grumman and TRW informally discussed a possible transaction. On April 28, 1999, Kent Kresa, Chairman and Chief Executive Officer of Northrop Grumman, sent a letter to TRW, in which Northrop Grumman affirmed its interest in discussing a potential acquisition of TRW. TRW did not respond to Northrop Grumman's proposal, and Northrop Grumman did not pursue the matter.

In early October 2001, Mr. Kresa had one telephone conversation and one meeting with David Cote, the then Chief Executive Officer of TRW, regarding a possible transaction to combine the two companies but did not reach any agreement.

THE OFFER TO EXCHANGE

Consideration to Be Paid

Under the terms of Northrop Grumman's offer to exchange, Northrop Grumman will exchange shares of newly issued Northrop Grumman common stock for each of the issued and outstanding (a) shares of TRW common stock, (b) Series 1 Shares and (c) Series 3 Shares. Each share of TRW common stock may be exchanged for a number of shares of Northrop Grumman common stock equal to the exchange ratio. Pursuant to the terms of the offer to exchange, each Series 1 Share may be exchanged for a number of shares of Northrop Grumman common stock equal to the then-effective conversion rate for the Series 1 Shares multiplied by the exchange ratio, and each Series 3 Share may be exchanged for a number of shares of Northrop Grumman common stock equal to the then-effective conversion rate for the Series 3 Shares multiplied by the exchange ratio.

Northrop Grumman will determine the exact exchange ratio by dividing \$47.00 by the average of the closing sale prices for a share of Northrop Grumman common stock on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day before the expiration of the offer to exchange but, in no event will the exchange ratio be more than 0.4563 ($\$47.00/\103.00) or less than 0.4159 ($\$47.00/\113.00).

The Series 1 Shares are convertible into shares of TRW common stock, at the holder's option, at the conversion rate set forth in TRW's Amended Articles of Incorporation. Pursuant to TRW's charter, the number of shares of TRW common stock issuable upon conversion of one Series 1 Share is determined by dividing \$100 by the conversion price then in effect. The conversion price was originally set at \$90.909 per share, subject to automatic adjustment upon the occurrence of certain anti-dilutive events. As of March 13, 2001, TRW reported that each Series 1 Share was convertible into the right to receive 8.8 shares of TRW common stock. This conversion rate could change before the expiration of the offer to exchange.

The Series 3 Shares are convertible into shares of TRW common stock, at the holder's option, at the conversion rate set forth in TRW's charter. Pursuant to the charter, Series 3 Shares were initially convertible into shares of common stock at the rate of 1.862 shares of common stock for each share of Series 3, subject to automatic adjustment upon the occurrence of certain anti-dilutive events. As of March 13, 2001, TRW reported that each Series 3 Share was convertible into the right to receive 7.448 shares of TRW common stock. This conversion rate could change before the expiration of the offer to exchange.

The conversion rights of the Series 1 Shares and the Series 3 Shares outlined above are subject to a number of other qualifications. Shareholders seeking more information about the conversion rights should read TRW's Amended Articles of Incorporation.

Northrop Grumman will issue a press release before 9:00 A.M., New York City time, on the second trading day before expiration of the offer to exchange, announcing (i) the exchange ratio, assuming expiration of the offer to exchange as scheduled, (ii) the average closing price of the Northrop Grumman common stock over the previous five consecutive trading days and (iii) the then-effective conversion rates of the Series 1 Shares and Series 3 Shares. If for any reason the expiration date is subsequently extended, a revised exchange ratio will be announced prior to the new expiration date.

Other Aspects of the Offer to Exchange. Northrop Grumman is making the offer to exchange in order to acquire control of, and ultimately the entire equity interest in, TRW. The offer to exchange is the first step in Northrop Grumman acquisition of TRW and is intended to facilitate the acquisition of all TRW shares. Northrop Grumman intends, as soon as possible after completion of the offer to exchange, to seek to have TRW merge with Northrop Grumman or a wholly-owned subsidiary of Northrop Grumman. The purpose of the TRW merger would be to acquire all TRW shares not exchanged in the offer to exchange. In the TRW merger, each outstanding share of TRW capital stock (except for treasury shares of TRW and shares beneficially owned directly or indirectly by Northrop Grumman for its own account) would be converted into the right to receive

shares of Northrop Grumman common stock at the same exchange ratio used in the offer to exchange, subject to dissenters' rights under Ohio law.

Northrop Grumman's obligation to exchange shares of Northrop Grumman common stock for TRW shares pursuant to the offer to exchange is subject to the 1704 Limitation and the conditions referred to under--"The 1704 Limitation" and "Conditions to the Offer" beginning on page 35.

TRW shareholders who tender TRW shares pursuant to the offer to exchange, will not be obligated to pay any charges or expenses of the exchange agent or any brokerage commissions. Except as set forth in the instructions to the letters of transmittal, transfer taxes on the exchange of TRW capital stock pursuant to Northrop Grumman's offer to exchange will be paid by Northrop Grumman or on its behalf.

On March 4, 2002, Northrop Grumman asked TRW for its shareholder list and security position listings in order to communicate with shareholders and to distribute the offer to exchange to the TRW shareholders.

Timing of the Offer to Exchange

Northrop Grumman's offer to exchange is scheduled to expire at 12:00 midnight, New York City time, on March 29, 2002. For more information, TRW shareholders should read the discussion below under the caption "--Extension, Termination and Amendment."

The term "expiration date" means 12:00 midnight, New York City time, on March 29, 2002, unless Northrop Grumman extends the period of time for which the offer to exchange is open, in which case the term "expiration date" means the latest time and date on which the offer to exchange, as so extended, expires.

Extension, Termination and Amendment

Northrop Grumman expressly reserves the right, in its sole discretion, at any time or from time to time, to extend the period of time during which the offer to exchange remains open, and Northrop Grumman can do so by giving oral or written notice of that extension to the exchange agent. Northrop Grumman can give TRW shareholders no assurance that it will exercise its right to extend the offer to exchange, although currently Northrop Grumman intends to do so until all conditions have been satisfied or, where permissible, waived. During any extension, all TRW shares previously tendered and not withdrawn will remain subject to the offer to exchange, subject to each shareholder's right to withdraw his or her TRW shares. TRW shareholders should read the discussion under the caption "--Withdrawal Rights" on page 29 for more details.

Subject to the SEC's applicable rules and regulations, Northrop Grumman also reserves the right, in its sole discretion, at any time or from time to time:

- . to delay acceptance for exchange or the exchange of any TRW shares pursuant to the offer to exchange, or to terminate the offer to exchange and not accept for exchange or exchange any TRW shares not previously accepted for exchange or exchanged, upon the failure of any of the conditions of the offer to exchange to be satisfied prior to the expiration date; and
- . to waive any condition (other than the antitrust condition, the conditions relating to the absence of an injunction and the effectiveness of the registration statement for the Northrop Grumman shares to be issued in the offer to exchange) or otherwise amend the offer to exchange in any respect, by giving oral or written notice of such delay, termination or amendment to the exchange agent and by making a public announcement. Northrop Grumman may not waive the 1704 Limitation.

Northrop Grumman will follow any extension, termination, amendment or delay, as promptly as practicable, with a public announcement. In the case of an extension, the related announcement will be issued no later than 9:00 A.M., New York City time, on the next business day after the previously scheduled expiration date. Subject to applicable law (including Rules 14d-4(d) and 14d-6(c) under the Exchange Act, which require that any

material change in the information published, sent or given to TRW shareholders in connection with the offer to exchange be promptly sent to shareholders in a manner reasonably designed to inform shareholders of that change) and without limiting the manner in which it may choose to make any public announcement, Northrop Grumman assumes no obligation to publish, advertise or otherwise communicate any public announcement of this type other than by issuing a press release to the Dow Jones News Service.

If Northrop Grumman makes a material change in the terms of the offer to exchange or the information concerning the offer to exchange, or if Northrop Grumman waives a material condition of the offer to exchange, Northrop Grumman will extend the offer to exchange to the extent required under the Exchange Act. If, prior to the expiration date, Northrop Grumman changes the percentage of TRW shares sought in the first exchange or the consideration offered to TRW shareholders, that change will apply to all holders whose TRW shares are accepted for exchange pursuant to the offer to exchange whether or not these TRW shares were accepted for exchange prior to the change. If at the time notice of such a change is first published, sent or given to TRW shareholders, the offer to exchange is scheduled to expire at any time earlier than the tenth business day from and including the date that the related notice is first so published, sent or given, Northrop Grumman will extend the offer to exchange until the expiration of that ten business-day period. For purposes of the offer to exchange, a business day means any day other than a Saturday, Sunday or federal holiday and consists of the time period from 12:01 A.M. through 12:00 midnight, New York City time.

Northrop Grumman may elect to provide a subsequent offering period of not more than twenty business days after the acceptance of TRW shares pursuant to Northrop Grumman's offer to exchange if the requirements under Exchange Act Rule 14d-11 have been met. TRW shareholders will not have the right to withdraw TRW shares that they tender in the subsequent offering period, if any.

If TRW agrees upon a negotiated merger with Northrop Grumman, Northrop Grumman may amend or terminate the offer to exchange without purchasing any TRW shares.

Exchange of TRW Shares; Delivery of Northrop Grumman Common Stock

Upon the terms and subject to the conditions of the offer to exchange (including, if the offer to exchange is extended or amended, the terms and conditions of any extension or amendment), Northrop Grumman will accept, and will exchange, TRW shares validly tendered and not properly withdrawn promptly after the expiration date and promptly after they are tendered during any subsequent offering period. In all cases, exchange of TRW shares tendered and accepted for exchange pursuant to the offer to exchange will be made only after timely receipt by the exchange agent of:

- . certificates for those TRW shares (or a confirmation of a book-entry transfer of those TRW shares in the exchange agent's account at The Depository Trust Company, which Northrop Grumman refers to as DTC);
- . a properly completed and duly executed letter of transmittal or a manually signed facsimile of that document; and
- . any other required documents.

For purposes of the offer to exchange, Northrop Grumman will be deemed to have accepted for exchange TRW shares validly tendered and not withdrawn if and when Northrop Grumman notifies the exchange agent of Northrop Grumman's acceptance for exchange of the tenders of those TRW shares pursuant to the offer to exchange. The exchange agent will deliver Northrop Grumman common stock in exchange for TRW shares pursuant to the offer to exchange and cash to be paid instead of fractional shares of Northrop Grumman common stock as soon as practicable after receipt of that notice. The exchange agent will act as agent for tendering TRW shareholders for the purpose of receiving Northrop Grumman common stock (including cash to be paid instead of fractional shares of Northrop Grumman common stock) from Northrop Grumman and transmitting the stock and cash, if any, to shareholders. TRW shareholders will not receive any interest on any cash that Northrop Grumman pays TRW shareholders regardless of any delay in making the exchange.

If Northrop Grumman does not accept any tendered TRW shares for exchange pursuant to the terms and conditions of the offer to exchange for any reason, or if certificates are submitted for more TRW shares than are tendered, Northrop Grumman will return certificates for such TRW shares without expense to the tendering shareholder or, in the case of TRW shares tendered by book-entry transfer of those TRW shares into the exchange agent's account at DTC pursuant to the procedures set forth below under the discussion entitled--"Procedure for Tendering," those TRW shares will be credited to an account maintained within DTC, as soon as practicable following expiration or termination of the offer to exchange.

Cash Instead of Fractional Shares of Northrop Grumman Common Stock

Northrop Grumman will not issue fractional shares of Northrop Grumman's common stock pursuant to the offer to exchange. Instead, each tendering TRW shareholder who would otherwise be entitled to a fractional share of Northrop Grumman's common stock will receive cash in an amount equal to that fraction (expressed as a decimal, rounded to the nearest 0.01 of a share) multiplied by the average of the closing sale prices for a share of Northrop Grumman common stock on the New York Stock Exchange as reported in the Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading days before the expiration of the offer.

Withdrawal Rights

TRW shares tendered pursuant to the offer to exchange may be withdrawn at any time prior to the expiration date, and, unless Northrop Grumman previously accepted them pursuant to the offer to exchange, may also be withdrawn at any time after May 3, 2002. Once Northrop Grumman accepts tendered shares for exchange, a TRW shareholder's tender is irrevocable. If Northrop Grumman elects to provide a subsequent offering period under Exchange Act Rule 14d-11, TRW shares tendered in the subsequent offering period will be accepted promptly following the tender and shareholders will not have the right to withdraw such TRW shares.

For a withdrawal to be effective, the exchange agent must receive from each withdrawing TRW shareholder a written notice of withdrawal at one of its addresses set forth on the back cover of this offer to exchange, and such notice must include the TRW shareholder's name, address, social security number, the certificate number(s) and the number of TRW shares to be withdrawn as well as the name of the registered holder, if it is different from that of the person who tendered those TRW shares.

A financial institution must guarantee all signatures on the notice of withdrawal. Most banks, savings and loan associations and brokerage houses are able to effect these signature guarantees for shareholders. The financial institution must be a participant in the Securities Transfer Agents Medallion Program, an eligible institution, unless those TRW shares have been tendered for the account of any eligible institution.

If TRW shares have been tendered pursuant to the procedures for book-entry tender discussed under the caption entitled --"Procedure for Tendering," any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn TRW shares and must otherwise comply with DTC's procedures. If certificates have been delivered or otherwise identified to the exchange agent, the name of the registered holder and the serial numbers of the particular certificates evidencing the withdrawn TRW shares withdrawn must also be furnished to the exchange agent, as stated above, prior to the physical release of those certificates.

Northrop Grumman will decide all questions as to the form and validity (including time of receipt) of any notice of withdrawal in its sole discretion, and Northrop Grumman's decision shall be final and binding. None of Northrop Grumman, the exchange agent, the information agent, the dealer manager or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or will incur any liability for failure to give any notification. Any TRW shares properly withdrawn will be deemed not to have been validly tendered for purposes of the offer to exchange. However, TRW shareholders may retender withdrawn TRW shares by following one of the procedures discussed under the captions entitled --"Procedure for Tendering" or --"Guaranteed Delivery" at any time prior to the expiration date.

Procedure for Tendering

For TRW shareholders to validly tender TRW shares pursuant to the offer to exchange, (a) a properly completed and duly executed letter of transmittal, along with any required signature guarantees, or an agent's message in connection with a book-entry transfer, and any other required documents, must be received by the exchange agent at one of its addresses set forth on the back cover of this offer to exchange, and certificates for tendered TRW shares must be received by the exchange agent at that address or those TRW shares must be tendered pursuant to the procedures for book-entry tender set forth below (and a confirmation of receipt of that tender received (Northrop Grumman refers to this confirmation below as a book-entry confirmation)), in each case before the expiration date, or (b) TRW shareholders must comply with the guaranteed delivery procedures set forth below under --"Guaranteed Delivery." All tenders will be subject to the 1704 Limitation.

The term "agent's message" means a message, transmitted by DTC to, and received by, the exchange agent and forming a part of a book-entry confirmation, that states that DTC has received an express acknowledgment from the participant in DTC tendering the TRW shares that are the subject of that book-entry confirmation, that the participant has received and agrees to be bound by the terms of the letter of transmittal and that Northrop Grumman may enforce that agreement against the participant.

The exchange agent has established accounts with respect to the TRW shares at DTC for purposes of the offer to exchange, and any financial institution that is a participant in DTC may make book-entry delivery of the TRW shares by causing DTC to transfer the TRW shares into the exchange agent's account in accordance with DTC's procedure for that transfer. However, although delivery of TRW shares may be effected through book-entry at DTC, the letter of transmittal with any required signature guarantees, or an agent's message in connection with a book-entry transfer, and any other required documents, must, in any case, be received by the exchange agent at one or more of its addresses set forth on the back cover of this offer to exchange prior to the expiration date, or the guaranteed delivery procedures described below must be followed.

Signatures on all letters of transmittal must be guaranteed by an eligible institution, except in cases in which TRW shares are tendered either by a registered holder of TRW shares who has not completed the box entitled "Special Issuance Instructions" on the letter of transmittal or for the account of an eligible institution.

If the certificates for TRW shares are registered in the name of a person other than the person who signs the letter of transmittal, or if certificates for unexchanged TRW shares are to be issued to a person other than the registered holder(s), the certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered owner or owners appear on the certificates, with the signature(s) on the certificates or stock powers guaranteed in the manner Northrop Grumman has described above.

The method of delivery of share certificates and all other required documents, including delivery through DTC, is at the TRW shareholder's option and risk, and the delivery will be deemed made only when actually received by the exchange agent. If delivery is by mail, Northrop Grumman recommends registered mail with return receipt requested, properly insured. In all cases, shareholders should allow sufficient time to ensure timely delivery.

To prevent backup federal income tax withholding with respect to cash received pursuant to the offer to exchange, TRW shareholders must provide the exchange agent with their correct taxpayer identification number and certify whether TRW shareholders are subject to backup withholding of federal income tax by completing the substitute Form W-9 included in the letter of transmittal. Some TRW shareholders including, among others, all corporations and some foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, the shareholders must submit a Form W-8, signed under penalty of perjury, attesting to that individual's exempt status.

Guaranteed Delivery

If TRW shareholders wish to tender TRW shares pursuant to the offer to exchange and their certificates are not immediately available or shareholders cannot deliver the certificates and all other required documents to the exchange agent prior to the expiration date or cannot complete the procedure for book-entry transfer on a timely basis, their TRW shares may nevertheless be tendered, so long as all of the following conditions are satisfied:

- . shareholders make their tender by or through an eligible institution (see--"Withdrawal Rights" above);
- . a properly completed and duly executed notice of guaranteed delivery, substantially in the form made available by Northrop Grumman, is received by the exchange agent as provided below on or prior to the expiration date; and
- . the certificates for all tendered TRW shares (or a confirmation of a book-entry transfer of such securities into the exchange agent's account at DTC as described above), in proper form for transfer, together with a properly completed and duly executed letter of transmittal with any required signature guarantees (or, in the case of a book-entry transfer, an agent's message) and all other documents required by the letter of transmittal are received by the exchange agent within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery.

TRW shareholders may deliver the notice of guaranteed delivery by hand or transmit it by facsimile transmission or mail to the exchange agent and shareholders must include a guarantee by an eligible institution in the form set forth in that notice.

In all cases, Northrop Grumman will exchange TRW shares tendered and accepted for exchange pursuant to the offer to exchange only after timely receipt by the exchange agent of certificates for TRW shares (or timely confirmation of a book-entry transfer of those securities into the exchange agent's account at DTC as described above), properly completed and duly executed letter(s) of transmittal, or an agent's message in connection with a book-entry transfer, and any other required documents.

By executing a letter of transmittal as set forth above, subject to the 1704 Limitation, TRW shareholders irrevocably appoint Northrop Grumman's designees as their attorneys-in-fact and proxies, each with full power of substitution, to the full extent of their rights with respect to their TRW shares tendered and accepted for exchange by Northrop Grumman and with respect to any and all other TRW shares and other securities issued or issuable in respect of the TRW shares on or after March 4, 2002. That appointment is effective, and voting rights will be affected, when and only to the extent that Northrop Grumman deposits the shares of Northrop Grumman's common stock issuable with respect to the TRW shares that shareholders have tendered with the exchange agent. Subject to the 1704 Limitation, all proxies shall be considered coupled with an interest in the tendered TRW shares and therefore shall not be revocable once the appointment is effective. Upon the effectiveness of the appointment, all prior proxies that TRW shareholders have given will be revoked, and TRW shareholders may not give any subsequent proxies (and, if given, they will not be deemed effective). Northrop Grumman's designees will, with respect to the TRW shares for which the appointment is effective, be empowered, among other things, to exercise all of the TRW shareholders' voting and other rights as they, in their sole discretion, deem proper at any annual, special or adjourned meeting of TRW's shareholders or otherwise. Northrop Grumman reserves the right to require that, in order for TRW shares to be deemed validly tendered, immediately upon Northrop Grumman's exchange of those TRW shares, Northrop Grumman must be able to exercise full voting rights with respect to those TRW shares. However, prior to acceptance for exchange by Northrop Grumman in accordance with terms of the offer to exchange, the appointment will not be effective, and, Northrop Grumman shall have no voting rights as a result of the tender of TRW shares.

Northrop Grumman will determine questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any tender of TRW shares, in Northrop Grumman's sole discretion, and its determination shall be final and binding. Northrop Grumman reserves the absolute right to reject any and all tenders of TRW shares that Northrop Grumman determines are not in proper form or the acceptance of or

exchange for which may, in the opinion of Northrop Grumman's counsel, be unlawful. Northrop Grumman also reserves the absolute right to waive any of the conditions of Northrop Grumman's offer to exchange (other than the antitrust condition, the conditions relating to the absence of an injunction and the effectiveness of the registration statement for Northrop Grumman shares to be issued in the offer to exchange), or any defect or irregularity in the tender of any TRW shares. However, Northrop Grumman cannot waive the 1704 Limitation. No tender of TRW shares will be deemed to have been validly made until all defects and irregularities in tenders of TRW shares have been cured or waived. None of Northrop Grumman, the exchange agent, the information agent, the dealer manager or any other person will be under any duty to give notification of any defects or irregularities in the tender of any TRW shares or will incur any liability for failure to give any notification. Northrop Grumman's interpretation of the terms and conditions of the offer to exchange (including the letter of transmittal and its instructions) will be final and binding.

The tender of TRW shares pursuant to any of the procedures described above will constitute a binding agreement between Northrop Grumman and shareholders upon the terms and subject to the conditions of Northrop Grumman's offer to exchange and the letter of transmittal.

Material U.S. Federal Income Tax Consequences of the Offer to Exchange and the TRW Merger

The following discussion summarizes the material U.S. federal income tax considerations that are generally applicable to holders of TRW capital stock who exchange their TRW capital stock in the offer to exchange and the TRW merger for shares of Northrop Grumman common stock. This discussion is based on currently existing provisions of the Code, existing and proposed Treasury Regulations thereunder and current administrative rulings and court decisions, all of which are subject to change. Any such change, which may or may not be retroactive, could alter the tax consequences of the offer to exchange and the merger that are described below. TRW shareholders should be aware that this discussion does not deal with all federal income tax considerations that may be relevant to particular TRW shareholders in light of their individual circumstances, such as TRW shareholders who:

- . are dealers in securities;
- . are subject to the alternative minimum tax provisions of the Code;
- . are foreign persons;
- . do not hold their shares of TRW capital stock as capital assets;
- . acquired their shares of TRW capital stock in connection with stock option or stock purchase plans or in other compensatory transactions;
- . hold their shares of TRW capital stock as part of an integrated investment (including a "straddle") comprised of shares of TRW capital stock and one or more other positions; or
- . are subject to the constructive sale or constructive ownership provisions of the Code under Sections 1259 or 1260, respectively, with respect to their TRW capital stock.

In addition, the following discussion does not address:

- . the tax consequences of the offer to exchange and the merger to any person under foreign, state or local tax laws; or
- . the tax consequences of transactions effectuated prior or subsequent to, or concurrently with, the merger, including a potential sale or spin-off of the TRW automotive business.

Accordingly, TRW shareholders are urged to consult their own tax advisors as to the specific tax consequences to them of the offer to exchange and the TRW merger, including the applicable federal, state, local and foreign tax consequences.

In the opinion of Gibson, Dunn & Crutcher LLP, counsel to Northrop Grumman, the exchange of TRW shares for Northrop Grumman shares pursuant to the offer to exchange and the merger will be treated as a

reorganization within the meaning of Section 368(a) of the Code provided that certain factual assumptions are satisfied. Among such factual assumptions are the following: (i) the offer to exchange and the TRW merger are consummated in the manner provided herein, (ii) none of Northrop Grumman, TRW or any related party acquires or redeems, in connection with the offer to exchange or the TRW merger, shares of Northrop Grumman common stock issued to TRW shareholders pursuant to the offer to exchange or the TRW merger and (iii) TRW will continue a significant line of its business or will use a significant portion of its historic business assets in a business.

Assuming that the offer to exchange and the TRW merger qualify as a reorganization within the meaning of Section 368(a) of the Code:

- . A holder of TRW shares will not recognize any gain or loss upon exchange of its TRW shares solely for Northrop Grumman common stock in the offer to exchange or the TRW merger;
- . If a holder of TRW shares receives cash instead of a fractional share of Northrop Grumman common stock, the holder will be required to recognize gain or loss, measured by the difference between the amount of cash received instead of that fractional share of Northrop Grumman common stock and the portion of the tax basis of that holder's TRW shares allocable to that fractional share. Such gain or loss will be a capital gain or loss, and will be a long-term capital gain or loss if the TRW shares that would otherwise have been exchanged for that fractional share of Northrop Grumman common stock were held for more than one year;
- . A holder of TRW shares will have a tax basis in the Northrop Grumman shares received in the offer to exchange and the TRW merger equal to (a) the tax basis of the TRW shares surrendered by that holder pursuant to the offer to exchange or in the TRW merger, less (b) any tax basis of the TRW shares surrendered that is allocable to any fractional share of Northrop Grumman common stock for which cash is received;
- . The holding period for shares of Northrop Grumman common stock received in exchange for TRW shares in the offer to exchange and the TRW merger will include the holding period for TRW shares surrendered in the offer to exchange and the TRW merger; and
- . If a TRW shareholder, pursuant to the exercise of its right to seek an appraisal, exchanges all of its TRW shares solely for cash, such shareholder generally will recognize a capital gain or loss equal to the difference between the amount of cash received and its adjusted tax basis in the TRW shares surrendered. Such gain or loss generally will be a long-term capital gain or loss if the holder held the TRW shares surrendered for more than one year as of the date of the exchange.

Currently, Northrop Grumman does not plan to request a ruling from the Internal Revenue Service with regard to the tax consequences of the offer to exchange and/or the TRW merger. Whether or not the offer to exchange and the TRW merger qualify as a tax-free reorganization depends in part on certain factual assumptions, including the assumptions set forth above. If such factual assumptions are not satisfied, a TRW shareholder's exchange of TRW shares for Northrop Grumman common stock in the offer to exchange or the TRW merger could be a taxable transaction, depending on the surrounding facts.

The foregoing discussion is intended only as a summary and does not purport to be a complete analysis or listing of all potential U.S. federal income tax consequences of the offer to exchange and the TRW merger. TRW shareholders are urged to consult their tax advisors concerning the U.S. federal, state, local and foreign tax consequences of participation in the offer to exchange and/or the TRW merger to them.

Effect of the Offer to Exchange on the Market for TRW Shares; Registration Under the Exchange Act

Reduced Liquidity; Possible Delisting. The tender of TRW shares pursuant to the offer to exchange will reduce the number of holders of TRW shares and the number of TRW shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining TRW shares held by the public. TRW

shares are listed and principally traded on the New York Stock Exchange. Depending on the number of TRW shares acquired pursuant to the offer to exchange, following the completion of the offer to exchange, TRW shares may no longer meet the requirements of the New York Stock Exchange for continued listing. For example, published guidelines of the New York Stock Exchange indicate that the New York Stock Exchange would consider delisting the outstanding TRW shares if, among other things:

- . the number of publicly held TRW shares (exclusive of holdings of officers, directors and members of their immediate families and other concentrated holdings of 10 percent or more) should fall below 600,000;
- . the number of record holders of 100 or more TRW shares should fall below 1,200; or
- . the aggregate market value of publicly held shares should fall below \$5 million.

Based on TRW's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001 as of November 2, 2001, there were 126,286,307 shares of TRW common stock outstanding, held by approximately 22,500 holders of record. As of February 9, 2001, the most recent available public information, there were 31,710 Series 1 Shares and 59,216 Series 3 Shares outstanding.

If the New York Stock Exchange were to delist the TRW shares, including after the exchange of TRW shares in Northrop Grumman's offer to exchange but prior to the TRW merger, the market for TRW shares could be adversely affected. It is possible that TRW shares would be traded on other securities exchanges or in the over-the-counter market, and that price quotations would be reported by those exchanges, or through the Nasdaq Stock Market or by other sources. The extent of the public market for the TRW shares and the availability of such quotations would, however, depend upon the number of holders and/or the aggregate market value of the TRW shares remaining at that time, the interest in maintaining a market in the TRW shares on the part of securities firms, the possible termination of registration of TRW shares under the Exchange Act, as described below, and other factors.

Status as Margin Securities. The TRW shares are presently margin securities under the regulations of the Federal Reserve Board, which has the effect, among other things, of allowing brokers to extend credit on the collateral of TRW shares. Depending on factors similar to those described above with respect to listing and market quotations, following completion of the offer to exchange, the TRW shares may no longer constitute margin securities for the purposes of the Federal Reserve Board's margin regulations, in which event the TRW shares would be ineligible as collateral for margin loans made by brokers.

Registration Under the Exchange Act. TRW shares are currently registered under the Exchange Act. TRW can terminate that registration upon application to the SEC if the outstanding shares are not listed on a national securities exchange and if there are fewer than 300 holders of record of TRW shares. Termination of registration of the TRW shares under the Exchange Act would reduce the information that TRW must furnish to its shareholders and to the SEC and would make some provisions of the Exchange Act, including the short-swing profit recovery provisions of Section 16(b) and the requirement of furnishing a proxy statement in connection with shareholders meetings pursuant to Section 14(a) and the related requirement of furnishing an annual report to stockholders, no longer applicable with respect to TRW shares. Furthermore, the ability of TRW affiliates and persons holding restricted securities of TRW to dispose of securities pursuant to Rule 144 under the Securities Act of 1933, as amended (the "Securities Act") may be impaired or eliminated. If registration of the TRW shares under the Exchange Act were terminated, TRW shares would no longer be eligible for New York Stock Exchange listing or for continued inclusion on the Federal Reserve Board's list of margin securities.

Purpose of the Offer to Exchange; the TRW Merger; Dissenters' Rights

Northrop Grumman is making the offer to exchange in order to acquire control of, and ultimately the entire equity interest in, TRW. The offer to exchange is the first step in Northrop Grumman's acquisition of TRW, and is intended to facilitate the acquisition of all TRW shares. TRW shareholders will not have dissenters' rights as a result of the completion of the offer to exchange.

Northrop Grumman intends, as soon as practicable after the completion of the offer to exchange, to seek to merge TRW with Northrop Grumman or a wholly-owned subsidiary. The purpose of the TRW merger is to acquire all TRW shares not tendered and exchanged pursuant to the offer to exchange. In the TRW merger, each then-outstanding share of TRW capital stock (except for treasury shares of TRW and shares beneficially owned directly or indirectly by Northrop Grumman for its own account) will be converted into the right to receive shares of Northrop Grumman common stock at the same exchange ratio used in the offer to exchange, subject to dissenters' rights under Ohio law. Assuming the minimum tender condition is satisfied and Northrop Grumman completes the offer to exchange, Northrop Grumman would have sufficient voting power to effect the TRW merger under Section 1701.80 of the Ohio Revised Code without the vote of any other shareholder of TRW.

The TRW merger may be completed pursuant to Section 1701.80 of the Ohio Revised Code and Section 253 of the Delaware General Corporation Law. Under Section 1701.80, a foreign parent corporation owning at least 90% of the outstanding shares of each class of a domestic subsidiary corporation may merge the subsidiary corporation into itself without the approval of the shareholders of the subsidiary corporation but with the approval of the board of directors of the subsidiary corporation. Under Section 253 of the Delaware General Corporation Law such a merger may be completed without the approval of the stockholders of the parent corporation.

No dissenters' rights are available in connection with the offer to exchange. If the TRW merger is consummated, however, TRW shareholders will have certain rights under the Ohio Revised Code to dissent and demand dissenters' rights and to receive payment in cash of the fair value of, their TRW shares. TRW Shareholders that vote in favor of the TRW merger will not be entitled to relief as dissenting shareholders. TRW Shareholders who perfect their rights by complying with the procedures set forth in Sections 1701.84 and Section 1701.85 will have the fair value of their shares determined by an Ohio trial court and will be entitled to receive a cash payment equal to such fair value from the surviving corporation. In addition, such dissenting shareholders would be entitled to receive payment of a fair rate of interest at a rate determined by the trial court on the amount determined to be the fair value of their shares. In determining the fair value of the TRW shares, a court is required to take into account all relevant factors, excluding any appreciation or depreciation in market value resulting from the transactions. Accordingly, such determination could be based upon considerations other than, or in addition to, the market value of the TRW shares, including, among other things, asset values and earning capacity.

The foregoing summary of the rights of dissenting shareholders does not purport to be a complete statement of the procedures to be followed by shareholders desiring to exercise any available dissenters' rights and is qualified in its entirety by reference to the full text of Sections 1701.84 and section 1701.85 included herewith in Annex B. The preservation and exercise of dissenters' rights are conditioned on strict adherence to the applicable provisions of the Ohio Revised Code.

Rule 13e-3 of the General Rules and Regulations under the Exchange Act, which Northrop Grumman does not believe would apply to the TRW merger if the merger occurred within one year of the completion of the offer to exchange, would require, among other things, that some financial information concerning TRW, and some information relating to the fairness of the proposed transaction and the consideration offered to shareholders of TRW, be filed with the SEC and disclosed to shareholders prior to the completion of the TRW merger.

Plans for TRW After the TRW Merger

Once Northrop Grumman has completed the TRW merger, it expects that TRW would continue its current operations, except that it would cease to be publicly owned and would instead be wholly-owned by Northrop Grumman. Northrop Grumman expects to promptly dispose of TRW's automotive business either by selling that business to a third party or parties or by spinning it off to the Northrop Grumman stockholders (including the former TRW shareholders) or by a combination thereof.

The 1704 Limitation

Tenders of TRW shares pursuant to the offer to exchange will be effective, and Northrop Grumman shall have the right to acquire tendered TRW shares, only at such time as Section 1704 of the Ohio Revised Code (the

"Ohio business combination law") shall not prohibit or delay the TRW merger. No tender of TRW shares shall be effective, and Northrop Grumman shall have no right to acquire tendered TRW shares, prior to such time.

The Ohio business combination law prohibits certain business combinations and other transactions (each, a "Chapter 1704 transaction"), such as the TRW merger, between an issuing public corporation (such as TRW) and any "interested shareholder" (defined generally as any person who, directly or indirectly, is entitled to exercise or direct the exercise of 10% or more of the outstanding voting power of a corporation in the election of directors) for a period of three years after the date that person becomes an interested shareholder. After such three-year period, a Chapter 1704 transaction between an issuing public corporation and such interested shareholder is prohibited unless either certain "fair price" provisions are complied with or the Chapter 1704 transaction is approved by certain supermajority shareholder votes. The Ohio business combination law restrictions do not apply to a Chapter 1704 transaction with an interested shareholder if either the acquisition of the corporation's shares that would cause the interested shareholder to become an interested shareholder, or the Chapter 1704 transaction, is approved by a resolution of the board of directors of the corporation adopted prior to the date on which the interested shareholder became an interested shareholder.

On March 4, 2002, Northrop Grumman requested that TRW's board of directors take appropriate action so that the Ohio business combination law is not applicable to the acquisition of TRW capital stock pursuant to the offer to exchange or the TRW merger. There can be no assurance that TRW's board of directors will do so.

Conditions to the Offer to Exchange

In addition to the 1704 Limitation, the offer to exchange is also subject to a number of conditions, which are described below:

Minimum Tender Condition

Consummation of the offer to exchange is conditioned upon there being validly tendered and not withdrawn prior to the expiration of the offer to exchange, a number of TRW shares which, together with any TRW shares that Northrop Grumman beneficially owns for its own account, will constitute at least a majority of the total number of outstanding shares of TRW common stock on a fully diluted basis (as though all options or other securities convertible into or exercisable or exchangeable for TRW shares had been so converted, exercised or exchanged) as of the date that Northrop Grumman accepts the TRW shares for exchange pursuant to the offer to exchange.

Antitrust Condition

The offer to exchange is also subject to the condition that any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, Council Regulation (EEC) No. 4064/89 of the Council of the European Union, and any other applicable similar foreign laws or regulations will have expired or been terminated.

Under the provisions of the Hart-Scott-Rodino Act applicable to the offer to exchange, the acquisition of TRW shares pursuant to the offer to exchange may be completed following the expiration of a 30-calendar day waiting period (if the thirtieth day falls on a weekend or holiday, the waiting period will expire on the next business day) following the filing by Northrop Grumman of a Notification and Report Form, which Northrop Grumman intends to file shortly, with respect to the offer to exchange, unless Northrop Grumman receives a request for additional information and documentary material from the Antitrust Division of the Department of Justice or the Federal Trade Commission. If, within the initial 30-day waiting period, either the Antitrust Division or the Federal Trade Commission requests additional information and documentary material from Northrop Grumman concerning the offer to exchange, the waiting period will be extended and will expire at 11:59 P.M., New York City time, on the thirtieth calendar day after the date of substantial compliance by Northrop Grumman with that request. If the thirtieth day falls on a weekend or holiday, the waiting period will expire on the next business day. Only one extension of the waiting period pursuant to a request for additional information is authorized by the Hart-Scott-Rodino Act. After that time, Northrop Grumman and TRW may close the transaction, unless Northrop Grumman agrees with the Antitrust Division or Federal Trade Commission to

delay closing the transaction or the Antitrust Division or Federal Trade Commission seek a court order staying the transaction. In practice, complying with a request for additional information or material can take a significant amount of time. In addition, if the Antitrust Division or the Federal Trade Commission raises substantive issues in connection with a proposed transaction, the parties frequently engage in negotiations with the relevant governmental agency concerning possible means of addressing those issues and may agree to delay completion of the transaction while those negotiations continue.

Under the laws of certain foreign nations and multinational authorities, such as the European Commission (under Council Regulation (EEC) 4064/89, or "ECMR"), the transaction may not be completed or control may not be exercised unless certain filings are made with these nations' antitrust regulatory authorities or multinational antitrust authorities and these antitrust authorities approve or clear closing of the transaction. Other foreign nations and multinational authorities have voluntary and/or post-merger notification systems. Northrop Grumman intends to file shortly all other non-United States pre-merger notifications that it believes are required. Should any other approval or action be required, Northrop Grumman currently contemplates that such approval or action would be sought. Although Northrop Grumman believes that it will obtain all other material required regulatory approvals in a timely manner, it is not certain that all other such approvals will be received in a timely manner or at all or that foreign or multinational antitrust authorities will not impose unfavorable conditions for granting the required approvals.

Control Share Condition

Consummation of the offer to exchange is conditioned upon the acquisition of TRW capital stock by Northrop Grumman being authorized by the shareholders of TRW pursuant to Section 1701.831 of the Ohio Revised Code (the "control share acquisition law") at a special meeting of shareholders of TRW (the "Ohio control share acquisition meeting") in accordance with the Ohio control share acquisition law, or Northrop Grumman being satisfied, in its sole discretion, that the control share acquisition law is invalid or inapplicable to the acquisition of TRW capital stock pursuant to the offer to exchange.

Under the Ohio control share acquisition law, unless a corporation's articles of incorporation or regulations otherwise provide, any "control share acquisition" of an "issuing public corporation" (such as TRW) may be made only with the prior authorization of its shareholders in accordance with the control share acquisition law. Neither TRW's Amended Articles of Incorporation nor its regulations currently contain a provision by which TRW "opts out" of the control share acquisition law.

Unless and until such time as TRW's articles or regulations are amended to include such an "opt out" provision or the law is determined to be invalid, the control share acquisition law requires shareholder approval of any proposed "control share acquisition" of TRW. A "control share acquisition" is the acquisition, directly or indirectly, by any person of shares of a corporation that, when added to all other shares of such corporation of which such person may exercise or direct the exercise of voting power, entitles such person to exercise or direct the exercise of one-fifth or more, one third or more, or a majority or more of the voting power in the election of directors. A control share acquisition must be authorized in advance (i) by the holders of at least a majority of the voting power of the corporation in the election of directors represented at the meeting in person or by proxy and (ii) by the holders of a majority of the portion of the voting power excluding the voting power of interested shares at the meeting in person or by proxy. Ohio's control share acquisition law provides that a quorum shall be deemed to be present at the meeting if at least a majority of the voting power of the shares are represented at such meeting in person or by proxy.

For purposes of the control share acquisition law, "interested shares" means shares as to which any of the following may exercise or direct the exercise of voting power in the election of directors (i) an acquiring person, (ii) an officer elected or appointed by the directors of the issuing public corporation, (iii) any employee of the issuing public corporation who is also a director of such corporation and (iv) any person that acquires such shares for valuable consideration during the period beginning with the date of the first public disclosure of a proposed control share acquisition of the issuing public corporation or any proposed merger, consolidation or other transaction which would result in a change in control of the corporation or all or substantially all of its assets, and ending on the record date for the meeting if either of the following applies:

- . the aggregate consideration paid or otherwise given by the person who acquired the shares, and any other persons acting in concert with such person for all shares exceeds \$250,000; or
- . the number of shares acquired by the person who acquired the shares, and any other persons acting in concert with such person, exceeds 1/2 of 1% of the outstanding shares of the corporation entitled to vote in the election of directors. "Interested shares" also includes shares held by a person that transfers interested shares after the record date if accompanied by an instrument (such as a proxy or voting agreement) that gives the transferee the power to vote those shares.

Under the control share acquisition law, TRW must call a meeting to vote upon a proposed control share acquisition no later than 10 days, and it must be held no later than 50 days, following its receipt of an "acquiring person statement" from the acquiring person.

Without waiving its right to challenge the validity of all or any part of the control share acquisition law or to seek an amendment to TRW's regulations opting out of the control share acquisition law, and reserving its right to take actions inconsistent with the applicability of the control share acquisition law, Northrop Grumman delivered to TRW on March 4, 2002 an acquiring person statement relating to the offer to exchange and the TRW merger. Pursuant to the provisions of the control share acquisition law, the Ohio control share acquisition meeting must be held no later than April 23, 2002.

Northrop Grumman expects to file suit in the United States District Court for the Northern District of Ohio challenging the application of the control share acquisition law to the offer to exchange and the TRW merger. See "Ohio Litigation" on page 41.

Control Bid Condition

Consummation of the offer to exchange is conditioned upon the expiration of the period during which the Ohio Division of Securities may suspend the offer to exchange pursuant to Sections 1707.01, 1707.041, and 1707.042 (collectively, the "control bid law") of the Ohio revised code, without the occurrence of any such suspension or the invalidity of the control bid law.

The control bid law regulates tender offers for any equity security of a subject company from a resident of Ohio if, after the purchase, the offeror would directly or indirectly be the beneficial owner of more than 10% of any class of issued and outstanding equity securities of such company (a "control bid"). A subject company includes an issuer (such as TRW) that (i) either (a) has its principal place of business or principal executive offices located in Ohio or (b) owns or controls assets located in Ohio that have a fair market value of at least \$1.0 million and (ii) has more than 10% of its beneficial or record equity security holders resident in Ohio, has more than 10% of its equity securities owned, beneficially or of record, by residents of Ohio or has 1,000 beneficial or record equity security holders who are resident in Ohio.

The control bid law prohibits an offeror from making a control bid for securities of a subject company pursuant to a tender offer until the offeror has filed specified information with the Ohio Division of Securities. In addition, the offeror is required to deliver a copy of such information to the subject company not later than the offeror's filing with the Ohio Division of Securities and to send or deliver such information and the material terms of the proposed offer to exchange to all offerees in Ohio as soon as practicable after the offeror's filing with the Ohio Division of Securities.

Within five calendar days of such filing, the Ohio Division of Securities may, by order, summarily suspend the continuation of the control bid if it determines that the offeror has not provided all of the specified information or that the control bid materials provided to offerees do not provide full disclosure of all material information concerning the control bid. If the Ohio Division of Securities summarily suspends a control bid, it must schedule and hold a hearing within 10 calendar days of the date on which the suspension is imposed and must make its determination within three calendar days after the hearing has been completed but no later than 14 calendar days after the date on which the suspension is imposed. The Ohio Division of Securities may maintain its suspension of the continuation of the control bid if, based upon the hearing, it determines that all of the information required to be provided by the control bid law has not been provided by the offeror, that the control

bid materials provided to offerees do not provide full disclosure of all material information concerning the control bid or that the control bid is in material violation of any provision of the Ohio securities laws. If, after the hearing, the Ohio Division of Securities maintains the suspension, the offeror has the right to correct the disclosure and other deficiencies identified by the Ohio Division of Securities and to reinstitute the control bid by filing new or amended information pursuant to the control bid law.

Northrop Grumman filed the information required under the control bid law. Northrop Grumman expects to file suit in the United States District Court for the Northern District of Ohio challenging the application of the control bid law to the offer to exchange and the TRW merger. See "Ohio Litigation" on page 41.

Northrop Grumman Stockholder Approval Condition

Consummation of the offer to exchange is conditioned upon the approval by the stockholders of Northrop Grumman of the issuance of Northrop Grumman common stock pursuant to the offer to exchange and the TRW merger.

Pursuant to the rules of the New York Stock Exchange, upon which Northrop Grumman's common stock is listed, the issuance of Northrop Grumman common stock pursuant to the offer to exchange and the TRW merger must be approved by holders of a majority of the shares voted at a meeting of such holders at which the total number of votes cast represents over 50% in interest of all shares of Northrop Grumman securities entitled to vote on the proposal. This approval is required because the number of shares of Northrop Grumman's common stock to be issued will be equal to or in excess of 20% of the shares outstanding prior to such issuance. Northrop Grumman intends to seek this approval at a meeting of its stockholders to be held as soon as practicable.

Certain Other Conditions to the Offer to Exchange

Notwithstanding any other provision of the offer to exchange, Northrop Grumman shall not be required to accept for exchange or exchange any TRW shares, may postpone the acceptance for exchange of or the exchange for tendered TRW shares, and may, in Northrop Grumman's sole discretion, terminate or amend the offer to exchange as to any TRW shares not then exchanged if:

- . at the expiration date, any of the minimum tender condition, the antitrust condition, the control share condition, the control bid condition or any of the other conditions to the offer to exchange set forth in clauses (a) through (g) below has not been satisfied or, in the case of any condition other than the antitrust condition or the conditions set forth in clauses (b) or (c) below, waived; or
- . on or after the date of this offer to exchange and at or prior to the time of exchange of any TRW shares (whether or not any TRW shares have theretofore been accepted for exchange or exchanged pursuant to the offer to exchange), and subject to the applicable rules and regulations of the SEC (including Rule 14e-1(c) under the Exchange Act relating to Northrop Grumman's obligation to exchange or return tendered TRW shares promptly after the termination or withdrawal of the offer to exchange) the antitrust condition is not satisfied.

The other conditions to the offer to exchange are as follows:

(a) the shares of Northrop Grumman's common stock to be issued to TRW shareholders in the offer to exchange and the TRW merger have been authorized for listing on the New York Stock Exchange, subject to official notice of issuance;

(b) the registration statement shall have become effective under the Securities Act, and no stop order suspending the effectiveness of the registration statement or a proceeding seeking a stop order shall have been issued nor shall there have been proceedings for that purpose initiated or threatened by the SEC, and Northrop Grumman shall have received all necessary state securities law or blue sky authorizations;

(c) no temporary restraining order, preliminary or permanent injunction or other order or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the completion of the offer to exchange, the TRW merger or any of the other transactions contemplated by the offer to exchange shall be in effect; no statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any court, administrative agency or commission or other governmental authority or instrumentality which prohibits, restricts or makes illegal the completion of the offer to exchange or the TRW merger;

(d) there shall not be pending or threatened any suit, action or proceeding by any governmental entity (1) challenging the offer to exchange, seeking to restrain or prohibit the completion of the offer to exchange or seeking to obtain from TRW or Northrop Grumman any damages that are material in relation to TRW and its subsidiaries taken as a whole or Northrop Grumman and its subsidiaries taken as a whole, (2) seeking to prohibit or limit the ownership or operation by TRW or Northrop Grumman or any of Northrop Grumman's subsidiaries of any material portion of the business or assets of TRW or Northrop Grumman or any of Northrop Grumman's subsidiaries or to compel TRW or Northrop Grumman or any of Northrop Grumman's subsidiaries to dispose of or hold separate any material portion of the business or assets of TRW or Northrop Grumman or any of Northrop Grumman's subsidiaries as a result of Northrop Grumman's offer to exchange, (3) seeking to prohibit Northrop Grumman from effectively controlling in any material respect the business or operations of TRW or (4) which otherwise is reasonably likely to have a material adverse effect on Northrop Grumman or TRW;

(e) no change shall have occurred or been threatened (or any condition, event or development shall have occurred or been threatened involving a prospective change) in the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses or franchises, results of operations or prospects of TRW or any of its subsidiaries that, in the reasonable judgment of Northrop Grumman, is or may be materially adverse to TRW or any of its subsidiaries, or Northrop Grumman shall have become aware of any facts that, in its reasonable judgment, have or may have material adverse significance with respect to either the value of TRW or any of its subsidiaries or the value of the capital stock of TRW to Northrop Grumman;

(f) there shall not have occurred or been threatened (i) any general suspension of trading in, or limitation on prices for, securities in any national securities exchange or in the over-the-counter market in the United States, (ii) any extraordinary or material adverse change in the financial markets or major stock exchange indices in the United States or abroad or in the market price of the TRW shares, (iii) any change in the general political, market, economic or financial conditions in the U.S. or abroad that could, in the sole judgment of Northrop Grumman, have a material adverse effect upon the business, properties, assets, liabilities, capitalization, stockholders equity, condition (financial or otherwise), operations, licenses or franchises, results of operations or prospects of TRW or any of its subsidiaries, (iv) any material change in U.S. currency exchange rates or any other currency exchange rates or a suspension of, or limitation on, the markets therefor, (v) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, (vi) any limitation (whether or not mandatory) by any government, domestic, foreign or supranational, or governmental entity on, or other event that, in the sole judgment of Northrop Grumman, might affect the extension of credit by banks or other lending institutions, (vii) a commencement of war or armed hostilities or other national or international calamity directly or indirectly involving the U.S., or (viii) in the case of any of the foregoing existing at the time of the commencement of the offer to exchange, a material acceleration or worsening thereof; and

(g) TRW shall not have entered into or effectuated any other agreement or transaction with any person or entity having the effect of impairing Northrop Grumman's ability to acquire TRW or otherwise diminishing the expected economic value to Northrop Grumman of the acquisition of TRW including, but not limited to, any material issuance of new securities of TRW, the declaration of any extraordinary dividend, the adoption of a shareholder rights plan or any other transaction not in the ordinary course of TRW's business.

The conditions listed above are solely for Northrop Grumman's benefit and Northrop Grumman may assert them regardless of the circumstances giving rise to any of the conditions (including any action or inaction by

Northrop Grumman). Northrop Grumman may waive any of these conditions in whole or in part (other than the antitrust condition and the conditions set forth in clauses (b) and (c) above). The determination as to whether any condition has been satisfied shall be in Northrop Grumman's reasonable judgment and will be final and binding on all parties. The failure by Northrop Grumman at any time to exercise any of the foregoing rights shall not be deemed a waiver of any right and each right shall be deemed a continuing right which may be asserted at any time and from time to time.

Ohio Litigation

Northrop Grumman expects to file a lawsuit in the United States District Court for the Northern District of Ohio against TRW and certain other persons, seeking declaratory and injunctive relief with respect to the Ohio control share acquisition law, the Ohio business combination law and the Ohio control bid law. The lawsuit will allege that such statutes conflict with the U.S. Constitution and U.S. laws governing the conduct of tender offers. No assurance can be provided as to the time which may be required for a final decision with respect to the issues presented, or as to the outcome of this lawsuit.

Regulatory Approvals

Other than clearance under the antitrust laws applicable to the offer to exchange and the TRW merger which are described above under --"Conditions to the Offer to Exchange--Antitrust Condition," the SEC declaring the effectiveness of the registration statement of which this offer to exchange is a part and the filings under the control bid law, Northrop Grumman does not believe that any additional material governmental filings are required with respect to the offer to exchange and the TRW merger.

Source and Amount of Funds

Northrop Grumman's offer to exchange is not conditioned upon any financing arrangements. Northrop Grumman will use working capital to pay any cash requirements of the offer to exchange.

Certain Relationships with TRW

Except as set forth in this proposal, neither Northrop Grumman nor, to the best of its knowledge, any of Northrop Grumman's directors, executive officers or other affiliates has any contract, arrangement, understanding or relationship with any other person with respect to any securities of TRW, including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies. Except as described in this offer to exchange, there have been no contacts, negotiations or transactions since January 1, 1999, between Northrop Grumman or, to the best of its knowledge, any of Northrop Grumman's directors, executive officers or other affiliates on the one hand, and TRW or its affiliates, on the other hand, concerning a merger, consolidation or acquisition, a tender offer to exchange or other acquisition of securities, an election of directors, or a sale or other transfer of a material amount of assets. In the normal course of their businesses, Northrop Grumman and TRW are parties to transactions and agreements. Since January 1, 1999, Northrop Grumman believes that no such transaction had an aggregate value in excess of 1% of TRW consolidated revenues. Neither Northrop Grumman, nor, to the best of its knowledge, any of Northrop Grumman's directors, executive officers or other affiliates has since January 1, 1999 had any transaction with TRW or any of its executive officers, directors or affiliates that would require disclosure under the rules and regulations of the SEC applicable to the offer to exchange. As of the date of this offer to exchange, Northrop Grumman beneficially owns for its own account 4 shares of TRW common stock. In addition, Dr. Ronald D. Sugar, President and Chief Operating Officer and a director of Northrop Grumman, owns 21,475 shares of TRW common stock as trustee of Ronald D. Sugar Revocable Trust dated as of October 29, 1995. Dr. Ronald Sugar was employed by TRW through June 2000. In accordance with the terms of his employment with TRW, Dr. Sugar continues to receive compensation benefits from TRW relating to his past employment with TRW. To the best of Northrop Grumman's knowledge, no other officers or directors own TRW capital stock or have interests in TRW.

Fees and Expenses

Northrop Grumman has retained Salomon Smith Barney to act as the dealer manager in connection with the offer to exchange and to provide various financial advisory services to Northrop Grumman in connection with the offer to exchange and the TRW merger. Salomon Smith Barney will receive reasonable and customary compensation for these services and will be reimbursed for out-of-pocket expenses, including reasonable expenses of counsel and other advisors. Northrop Grumman has agreed to indemnify Salomon Smith Barney and related persons against various liabilities and expenses in connection with its services as the dealer manager and financial advisor, including various liabilities and expenses under the U.S. federal securities laws. From time to time, Salomon Smith Barney and its affiliates may actively trade the debt and equity securities of Northrop Grumman and TRW for their own account or for the accounts of customers and, accordingly, may hold a long or short position in those securities. Salomon Smith Barney has in the past performed various investment banking and financial advisory services for Northrop Grumman for which they have received customary compensation.

Northrop Grumman has retained D. F. King & Co., Inc. as information agent in connection with Northrop Grumman's offer to exchange. The information agent may contact holders of TRW shares by mail, telephone, telex, telegraph and personal interview and may request brokers, dealers and other nominee stockholders to forward material relating to Northrop Grumman's offer to exchange to beneficial owners of TRW shares. Northrop Grumman will pay the information agent reasonable and customary compensation for these services in addition to reimbursing the information agent for its reasonable out-of-pocket expenses. Northrop Grumman has agreed to indemnify the information agent against various liabilities and expenses in connection with Northrop Grumman's offer to exchange, including various liabilities under the U.S. federal securities laws.

In addition, Northrop Grumman has retained Equiserve Trust Company as the exchange agent. Northrop Grumman will pay the exchange agent reasonable and customary compensation for its services in connection with Northrop Grumman's offer to exchange, will reimburse the exchange agent for its reasonable out-of-pocket expenses and will indemnify the exchange agent against various liabilities and expenses, including various liabilities under the U.S. federal securities laws.

Northrop Grumman will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of TRW shares pursuant to Northrop Grumman's offer to exchange. Northrop Grumman will reimburse brokers, dealers, commercial banks and trust companies and other nominees, upon request, for customary clerical and mailing expenses incurred by them in forwarding offering materials to their customers.

Accounting Treatment

The acquisition of TRW by Northrop Grumman would be accounted for under the purchase method of accounting under U.S. generally accepted accounting principles, which means that TRW's results of operations will be included with ours from the closing date and its consolidated assets and liabilities will be recorded at their fair values at the same date.

Stock Exchange Listing

Northrop Grumman's common stock is listed on the New York Stock Exchange and the Pacific Stock Exchange. Northrop Grumman will make an application to list on the New York Stock Exchange and the Pacific Stock Exchange the Northrop Grumman common stock that will be issued pursuant to the offer to exchange and the TRW merger.

COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

Northrop Grumman common stock is listed on the New York Stock Exchange and the Pacific Stock Exchange under the symbol "NOC." TRW common stock is listed on the New York Stock Exchange, the Pacific Stock Exchange, the Chicago Stock Exchange and the Philadelphia Stock Exchange under the symbol "TRW." The table below sets forth, for the calendar quarters indicated, the high and low sales prices per share reported on the New York Stock Exchange and the dividends declared on Northrop Grumman common stock and on TRW common stock.

	Northrop Grumman Common Stock			TRW Common Stock		
	High	Low	Dividends	High	Low	Dividends
1999						
March 31, 1999....	\$ 73.25	\$57.00	\$0.40	\$58.63	\$44.75	\$0.33
June 30, 1999.....	73.31	57.75	0.40	54.94	41.94	0.33
September 30, 1999	75.69	59.94	0.40	57.19	48.06	0.33
December 31, 1999.	62.31	49.00	0.40	53.94	41.50	0.33
2000						
March 31, 2000....	55.19	43.56	0.40	64.13	39.81	0.33
June 30, 2000.....	80.25	52.44	0.40	59.94	43.19	0.33
September 30, 2000	91.81	65.63	0.40	52.13	40.31	0.33
December 31, 2000.	92.50	74.13	0.40	42.00	29.88	0.35
2001						
March 31, 2001....	97.54	79.81	0.40	40.34	33.86	0.35
June 30, 2001.....	95.37	77.60	0.40	44.95	33.48	0.35
September 30, 2001	102.97	77.00	0.40	44.35	28.01	0.35
December 31, 2001.	108.97	89.02	0.40	40.51	30.01	0.18
2002						
March 1, 2002.....	117.80	96.00	0.40	51.55	34.82	0.18

On March 1, 2002, the last full trading day prior to the date of this offer to exchange, the last sale price per share of Northrop Grumman common stock on the New York Stock Exchange was \$107.75 and the last sale price per share of TRW common stock was \$50.05.

Northrop Grumman urges TRW's shareholders to obtain current market quotations for Northrop Grumman and TRW common stock before making any decision regarding the offer to exchange.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The Unaudited Pro Forma Condensed Combined Financial Statements presented below are derived from the historical consolidated financial statements of each of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW. The Unaudited Pro Forma Condensed Combined Financial Statements are prepared using the purchase method of accounting, with Northrop Grumman treated as the acquiror and as if the Litton, Newport News and TRW acquisitions had been completed as of the beginning of the periods presented for statements of operations purposes and on September 30, 2001 for balance sheet purposes.

For a summary of the business combination, see "The Offer to Exchange" beginning on page 26 of this offer to exchange.

The Unaudited Pro Forma Condensed Combined Financial Statements are based upon the historical financial statements of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW adjusted to give effect to the Litton, Newport News and TRW acquisitions. The pro forma adjustments are described in the accompanying notes presented on the following pages. The pro forma financial statements have been developed from (a) the audited consolidated financial statements of Northrop Systems contained in its Annual Report on Form 10-K/A for the year ended December 31, 2000 and the unaudited consolidated financial statements of Northrop Grumman contained in its Quarterly Report on Form 10-Q for the nine months ended September 30, 2001, which are incorporated by reference in this offer to exchange, (b) the audited consolidated financial statements of Litton contained in its Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and the unaudited consolidated financial statements of Litton contained in its Quarterly Report on Form 10-Q for the period ended January 31, 2001, which are incorporated by reference in this offer to exchange, (c) the audited consolidated financial statements of Newport News contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2000 and the unaudited consolidated financial statements of Newport News contained in its Quarterly Report on Form 10-Q for the period ended September 16, 2001, which are incorporated by reference in this offer to exchange, and (d) the audited consolidated financial statements of TRW contained in its Annual Report on Form 10-K for the year ended December 31, 2000 and the unaudited consolidated financial statements of TRW contained in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, which are incorporated by reference in this offer to exchange. In addition, the audited consolidated financial statements contained in Litton's Annual Report on Form 10-K for the fiscal year ended July 31, 2000 and the unaudited consolidated financial statements of Litton contained in Litton's Quarterly Report on Form 10-Q for the period ended January 31, 2001 have been used to bring the financial reporting periods of Litton to within 90 days of those of Northrop Systems and Northrop Grumman.

The acquisition of Litton, on April 2, 2001, which is valued at approximately \$5.2 billion, including the assumption of Litton's net debt of \$1.3 billion, is accounted for using the purchase method of accounting. Under the purchase method of accounting, the purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair market values, with the excess recorded as goodwill. The Unaudited Pro Forma Condensed Combined Financial Statements reflect preliminary estimates of the fair market value of the Litton assets acquired and liabilities assumed and the related allocations of purchase price, and preliminary estimates of adjustments necessary to conform Litton data to Northrop Grumman's accounting policies. The Unaudited Pro Forma Condensed Combined Financial Statements do not include the recognition of liabilities associated with certain potential restructuring activities. Northrop Grumman is currently reviewing the preliminary estimates of the fair market value of the Litton assets acquired and liabilities assumed, including valuations associated with certain contracts and valuation study results for intangible assets, property, plant and equipment, and retiree benefits assets and liabilities. Northrop Grumman also is evaluating several possible restructuring activities of Litton operations. The final determination of the fair market value of assets acquired and liabilities assumed and final allocation of the purchase price may differ from the amounts assumed in these Unaudited Pro Forma Condensed Combined Financial Statements. Adjustments to the purchase price allocations will be finalized by March 31, 2002, and will be reflected in future Northrop Grumman filings. There can be no assurance that such adjustments will not be material.

With the exception of Newport News' long-term debt assumed, as of the date of the offer to exchange Northrop Grumman has not completed the valuation studies necessary to arrive at the required estimates of the fair market value of the Newport News assets acquired and TRW assets to be acquired and the Newport News liabilities assumed and the TRW liabilities to be assumed and the related allocations of purchase price, nor has it identified the adjustments necessary, if any, to conform Newport News or TRW data to Northrop Grumman's accounting policies. Accordingly, Northrop Grumman has used the historical book values of the assets and liabilities of Newport News, other than long-term debt, and TRW and has used the historical revenue recognition policies of Newport News and TRW to prepare the Unaudited Pro Forma Condensed Combined Financial Statements set forth herein, with the excess of the purchase price over the historical net assets of Newport News and TRW recorded as goodwill and other purchased intangibles. Once Northrop Grumman has determined the final purchase price for TRW and has completed the valuation studies necessary to finalize the required purchase price allocations and identified any necessary conforming changes for Newport News and TRW, such pro forma financial statements will be subject to adjustment. Such adjustments will likely result in changes to the pro forma statement of financial position to reflect the final allocations of purchase price and the pro forma statements of income, and there can be no assurance that such adjustments will not be material.

The Unaudited Pro Forma Condensed Combined Financial Statements are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations or the consolidated financial position of Northrop Grumman would have been had Northrop Grumman's offer to exchange and the Litton, Newport News and TRW acquisitions occurred on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or financial position.

The Unaudited Pro Forma Condensed Combined Financial Statements do not include the realization of cost savings from operating efficiencies, synergies or other restructurings resulting from the Litton, Newport News and TRW acquisitions.

The Unaudited Pro Forma Condensed Combined Financial Statements should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Northrop Systems, Northrop Grumman, Litton, Newport News and TRW that are incorporated by reference in this offer to exchange.

Unaudited Pro Forma Condensed Combined
Statement of Financial Position
September 30, 2001
(\$ in millions)

	Northrop Grumman	Newport News	Pro Forma		TRW	Pro Forma	
			Adjustment	Combined		Adjustment	Combined
Assets:							
Current assets							
Cash and cash equivalents	\$ 310	\$ 66	\$ --	\$ 376	\$ 242	\$ --	\$ 618
Accounts receivable	2,297	131	(7)(a)	2,421	2,201	--	4,622
Inventoried costs	1,222	409	--	1,631	871	--	2,502
Deferred income taxes	35	110	--	145	210	--	355
Prepaid expenses and other current assets	140	19	--	159	147	--	306
Total current assets	4,004	735	(7)	4,732	3,671	--	8,403
Property, plant and equipment	3,297	1,616	--	4,913	8,206	--	13,119
Accumulated depreciation	(1,211)	(950)	--	(2,161)	(4,720)	--	(6,881)
Property, plant and equipment, net	2,086	666	--	2,752	3,486	--	6,238
Other assets							
Goodwill and other purchased intangibles, net	7,956	--	1,976(a)(k)	9,932	3,909	3,643(1)(m)	17,484
Prepaid retiree benefits cost and intangible pension asset	2,773	--	--	2,773	3,014	--	5,787
Other assets	395	237	--	632	1,270	--	1,902
	11,124	237	1,976	13,337	8,193	3,643	25,173
	\$17,214	\$1,638	\$1,969	\$20,821	\$15,350	\$ 3,643	\$39,814
Liabilities and Shareholders' Equity							
Current liabilities							
Notes payable and current portion of long term debt	\$ 134	\$ 46	\$ --	\$ 180	\$ 1,540	\$ --	\$ 1,720
Accounts payable	757	87	(7)(a)	837	1,744	--	2,581
Accrued employees' compensation	629	--	--	629	--	--	629
Advances on contracts	837	--	--	837	--	--	837
Income taxes	373	--	--	373	--	--	373
Other current liabilities	1,223	484	--	1,707	2,100	--	3,807
Total current liabilities	3,953	617	(7)	4,563	5,384	--	9,947
Long-term debt	5,185	432	696(a)(k)	6,313	4,942	--	11,255
Accrued retiree benefits	1,478	--	--	1,478	--	--	1,478
Deferred tax and other long-term liabilities	973	285	--	1,258	2,698	--	3,956
Redeemable preferred stock	350	--	--	350	--	--	350
Shareholders' equity							
Paid in capital and unearned compensation	2,366	452	1,132(a)	3,950	559	5,410(1)(m)	9,919
Retained earnings	2,928	236	(236)(a)	2,928	2,426	(2,426)(1)(m)	2,928
Accumulated other comprehensive loss	(19)	--	--	(19)	(269)	269(1)(m)	(19)
Stock Employee Compensation Trust	--	(384)	384(a)	--	--	--	--
Treasury Shares--cost in excess of par value	--	--	--	--	(390)	390(1)(m)	--
	5,275	304	1,280	6,859	2,326	3,643	12,828
	\$17,214	\$1,638	\$1,969	\$20,821	\$15,350	\$ 3,643	\$39,814

Unaudited Pro Forma Condensed Combined
Statement of Income
Year Ended December 31, 2000
(\$ in millions, except per share)

	Northrop		Pro Forma		Newport News	Pro Forma		TRW
	Grumman	Litton	Adjustments	Combined		Adjustments	Combined	
Sales and service revenues.....	\$7,618	\$5,626	\$ (61)(b)	\$13,183	\$2,072	\$ (22)(b)	\$15,233	\$17,231
Cost of sales								
Operating Costs.....	5,446	4,669	88(b)(c)(d)	10,203	1,870	(261)(b)(h)(j)	11,812	14,520
Administrative and general expenses.....	1,074	491	--	1,565	--	271(j)	1,836	1,115
Operating margin.....	1,098	466	(149)	1,415	202	(32)	1,585	1,596
Interest expense.....	(175)	(105)	(191)(e)	(471)	(53)	(21)(i)	(545)	(524)
Other, net.....	52	16	--	68	4	--	72	(366)
Income from continuing operations before income taxes.....	975	377	(340)	1,012	153	(53)	1,112	706
Federal and foreign income taxes	350	151	(119)(f)	382	63	(27)(f)(j)	418	268
Income from continuing operations.....	\$ 625	\$ 226	\$(221)	\$ 630	\$ 90	\$ (26)	\$ 694	\$ 438
Less, dividends paid to preferred shareholders.....	--	--	(25)(g)	(25)	--	--	(25)	--
Income available to common shareholders.....	\$ 625	\$ 226	\$(246)	\$ 605	\$ 90	\$ (26)	\$ 669	\$ 438
Average shares basic.....	70.58			83.58			100.22	
Average shares diluted.....	70.88			84.00			100.64	
Basic earnings per share:								
Continuing operations.....	\$ 8.86			\$ 7.24			\$ 6.68	
Diluted earnings per share:								
Continuing operations.....	\$ 8.82			\$ 7.20*			\$ 6.65*	

	Pro Forma	
	Adjustments	Combined
Sales and service revenues.....	\$ --	\$32,464
Cost of sales		
Operating Costs.....	91 (l)(h)	26,423
Administrative and general expenses.....	--	2,951
Operating margin.....	(91)	3,090
Interest expense.....	--	(1,069)
Other, net.....	--	(294)
Income from continuing operations before income taxes.....	(91)	1,727
Federal and foreign income taxes	(32)(f)(l)	654
Income from continuing operations.....	\$ (59)	\$ 1,073
Less, dividends paid to preferred shareholders.....	--	(25)
Income available to common shareholders.....	\$ (59)	\$ 1,048
Average shares basic.....		153.62
Average shares diluted.....		154.04
Basic earnings per share:		
Continuing operations.....		\$ 6.82
Diluted earnings per share:		
Continuing operations.....		\$ 6.80 *

* Calculated by dividing income available to common shareholders by average shares diluted, which is calculated assuming preferred shares are not converted to common shares, resulting in the most dilutive effect.

Unaudited Pro Forma Condensed Combined
Statement of Income
Nine Months Ended September 30, 2001
(\$ in millions, except per share)

	Northrop Grumman Litton		Pro Forma		Pro Forma		TRW	
			Adjustments Combined	Newport News	Adjustments Combined			
Sales and service revenues....	\$9,254	\$1,345	\$ (18)(b)	\$10,581	\$1,639	\$ (37)(b)	\$12,183	\$12,305
Cost of sales								
Operating Costs.....	7,656	1,120	19(b)(c)(d)	8,795	1,481	(168)(b)(h)(j)	10,108	10,467
Administrative and general expenses.....	908	121	--	1,029	--	153(j)	1,182	795
Operating margin.....	690	104	(37)	757	158	(22)	893	1,043
Interest expense.....	(269)	(27)	(64)(e)	(360)	(37)	(15)(i)	(412)	(368)
Other, net.....	64	3	--	67	(1)	--	66	(683)
Income from continuing operations before income taxes.....	485	80	(101)	464	120	(37)	547	(8)
Federal and foreign income taxes.....	189	30	(35)(f)	184	48	(18)(f)(j)	214	14
Income from continuing operations.....	\$ 296	\$ 50	(66)	280	\$ 72	(19)	333	\$ (22)
Less, dividends paid to preferred shareholders.....	(12)	--	(6)(g)	(18)	--	--	(18)	--
Income available to common shareholders.....	\$ 284	\$ 50	\$ (72)	\$ 262	\$ 72	\$ (19)	\$ 315	\$ (22)
Average shares basic.....	80.34			85.32			101.96	
Average shares diluted.....	81.03			86.11			102.75	
Basic earnings per share:								
Continuing operations.....	\$ 3.53			\$ 3.07			\$ 3.09	
Diluted earnings per share:								
Continuing operations.....	\$ 3.50*			\$ 3.04 *			\$ 3.07 *	

	Pro Forma	
	Adjustments Combined	
Sales and service revenues....	\$ --	\$24,488
Cost of sales		
Operating Costs.....	68 (l)(h)	20,643
Administrative and general expenses.....	--	1,977
Operating margin.....	(68)	1,868
Interest expense.....	--	(780)
Other, net.....	--	(617)
Income from continuing operations before income taxes.....	(68)	471
Federal and foreign income taxes.....	(24)(l)(f)	204
Income from continuing operations.....	\$(44)	267
Less, dividends paid to preferred shareholders.....	--	(18)
Income available to common shareholders.....	\$(44)	\$ 249
Average shares basic.....		155.36
Average shares diluted.....		156.15
Basic earnings per share:		
Continuing operations.....		\$ 1.60
Diluted earnings per share:		
Continuing operations.....		\$ 1.59 *

* Calculated by dividing income available to common shareholders by average shares diluted, which is calculated assuming preferred shares are not converted to common shares, resulting in the most dilutive effect.

Notes to Pro Forma Condensed Combined Financial Statements (Unaudited)

- (a) Adjustments to (i) eliminate the equity of Newport News, (ii) eliminate intercompany receivables and payables between Northrop Grumman and Newport News, (iii) record issuance of common stock, (iv) record debt financing for the Newport News acquisition along with additional acquisition related costs, and (v) record goodwill and other purchased intangibles arising from the acquisition of Newport News.

The amount of the purchase price allocated to goodwill and other purchased intangibles is subject to change and is calculated based on the assumption that Northrop Grumman has acquired 100% of Newport News common stock and, accordingly, has issued 16,636,885 shares of Northrop Grumman common stock available to be exchanged in the Newport News acquisition.

The value ascribed to the Northrop Grumman common stock exchanged in the Newport News acquisition is \$95.22. This value was determined based on a measurement date of December 5, 2001. Accordingly, this value represents the 5-day average of the Northrop Grumman closing stock prices from December 3, 2001 through December 7, 2001.

- (b) Adjustment to eliminate intercompany sales and cost of sales transactions between Northrop Grumman and Litton, and between Northrop Grumman and Newport News.
- (c) Adjustment to amortize the preliminary estimate of goodwill and other purchased intangible assets arising out of the acquisition of Litton over an estimated weighted average life of 26 years on a straight line basis.
- (d) Adjustment to record depreciation of property, plant and equipment and amortization of capitalized software arising from fair market value adjustments for the Litton acquisition.
- (e) Adjustment to record interest expense and the amortization of debt issuance costs on new financing for the acquisition of Litton at a weighted average rate of 7.5 and 6.8 percent for the year ended December 31, 2000 and the nine months ended September 30, 2001, respectively.
- (f) Adjustment to record income tax effects on pre-tax pro forma adjustments, using a statutory tax rate of thirty-five percent.
- (g) Adjusted, pro rata, for dividends to preferred shareholders using \$7 per share dividend rate for redeemable preferred stock issued in the acquisition of Litton.
- (h) Adjustment to amortize estimated purchased intangible assets arising out of the Newport News and TRW acquisitions over estimated lives of 10 years on a straight line basis. Goodwill arising from the Newport News and TRW acquisitions has not been amortized, in accordance with the provisions of SFAS No. 142: Goodwill and Other Intangible Assets.
- (i) Adjustment to record interest on debt financing for the Newport News acquisition at the current rate of 3.1 percent for both the year ended December 31, 2000 and the nine months ended September 30, 2001.
- (j) Adjustments to reclassify (i) G&A expense from operating costs to administrative and general expenses and (ii) state income tax expense from federal and foreign income taxes to operating costs to conform Newport News data to classifications utilized by Northrop Grumman.
- (k) Includes fair market value adjustment of \$38 million for Newport News long-term debt acquired.
- (l) The pro-forma adjustments contained herein for TRW are based solely upon publicly available information in TRW's quarterly and annual SEC filings. Accordingly, we were unable to obtain adequate data to show the pro-forma impact of Northrop Grumman's intention to divest TRW's automotive business concurrently with the acquisition.

(m) Adjustments to (i) eliminate the equity of TRW, (ii) record issuance of Northrop Grumman common stock, and (iii) record goodwill and other purchased intangibles arising from the acquisition of TRW.

The amount of purchase price allocated to goodwill and other purchased intangibles is subject to change and is calculated based on the assumption that Northrop Grumman has acquired 100% of the TRW common stock and Serial Preference Stock II, and, accordingly, has issued 53,396,492 shares of Northrop Grumman common stock in the TRW acquisition.

The value ascribed to the Northrop Grumman common stock exchanged in the TRW acquisition is \$111.79. This value was determined based on a measurement date of February 22, 2002. As such, the value represents the 5-day average of the Northrop Grumman closing stock prices from February 20, 2002 through February 26, 2002.

DESCRIPTION OF NORTHROP GRUMMAN COMMON STOCK

The following description of the terms of the common stock of Northrop Grumman is not meant to be complete and is qualified by reference to Northrop Grumman's Certificate of Incorporation, which is incorporated by reference. See "Additional Information" beginning on page 61.

Northrop Grumman is authorized to issue 400,000,000 shares of common stock, par value \$1.00 per share. As of February 27, 2002, 112,651,366 shares of Northrop Grumman common stock were outstanding and 18,900,993 shares were subject to outstanding options and other rights to purchase or acquire. Northrop Grumman's common stock is listed on the New York Stock Exchange and on the Pacific Stock Exchange.

Dividends. Dividends may be paid on the common stock and on any class or series of stock entitled to participate with the common stock as to dividends, but only when and as declared by Northrop Grumman's board of directors.

Voting Rights. Each holder of Northrop Grumman's common stock is entitled to one vote per share on all matters submitted to a vote of stockholders and does not have cumulative voting rights.

Liquidation. If Northrop Grumman liquidates, holders of common stock are entitled to receive all remaining assets available for distribution to stockholders after satisfaction of Northrop Grumman's liabilities and the preferential rights of any preferred stock that may be outstanding at that time. Northrop Grumman's outstanding shares of common stock are fully paid and nonassessable. The holders of Northrop Grumman's common stock do not have any preemptive, conversion or redemption rights. The registrar and transfer agent for Northrop Grumman's common stock is EquiServe Trust Company.

Preferred Stock Purchase Rights. Northrop Grumman's preferred share purchase rights when exercisable, entitle the registered holder to purchase from Northrop Grumman one one-thousandth of a share of Northrop Grumman's Series A junior participating preferred stock, \$1.00 par value per share, at a price of \$250.00 per one one-thousandth of a preferred share, subject to adjustment. These rights are attached to all shares of Northrop Grumman common stock outstanding until the distribution date described below. The rights will separate from the shares of Northrop Grumman common stock on the distribution date. Distribution date means the date which is the earlier to occur of:

- . a person or group of affiliated or associated persons having acquired beneficial ownership of 15% or more of Northrop Grumman's outstanding common shares, except pursuant to a permitted offer; and
- . 10 days, or such later date as Northrop Grumman's board of directors may determine, following the commencement of, or announcement of an intention to make, a tender offer or offer to exchange, the completion of which would result in a person or group acquiring 15% of Northrop Grumman's outstanding voting power.

Northrop Grumman may redeem the rights at the option of Northrop Grumman's board of directors for \$0.01 per right at any time prior to the earlier of the expiration of the rights or on the date that a person or persons acquire 15% of Northrop Grumman's voting power. Northrop Grumman's board of directors may amend the rights at any time without stockholder approval. Unless earlier redeemed, the rights will expire by their terms on October 31, 2008.

Convertible Debt Securities. In November 2001, Northrop Grumman issued 6,900,000 units of 7.25% Equity Security Units, each convertible into (i) a contract to purchase, for \$100, shares of Northrop Grumman common stock and (ii) a senior note with a principal amount of \$100 at an initial interest rate of 5.25%. As of February 27, 2002, there were 6,900,000 outstanding units of 7.25% Equity Security Units convertible into 7,796,310 shares of Northrop Grumman common stock.

COMPARISON OF RIGHTS OF HOLDERS
OF NORTHROP GRUMMAN COMMON STOCK AND
TRW CAPITAL STOCK

Upon completion of the offer to exchange and the TRW merger, TRW shareholders will become stockholders of Northrop Grumman, rather than shareholders of TRW. Since Northrop Grumman is a Delaware corporation, the rights of the stockholders of Northrop Grumman are governed by the applicable laws of the State of Delaware, including the Delaware General Corporation Law, and by Northrop Grumman's charter and bylaws. Since TRW is an Ohio corporation, the rights of the shareholders of TRW are governed by the applicable laws of the State of Ohio, including the Ohio Revised Code, and by TRW's charter and regulations.

The following is a summary comparison of:

- . the current rights of TRW shareholders under the Ohio Revised Code and the TRW charter and regulations; and
- . the rights TRW shareholders will have as Northrop Grumman stockholders under the Delaware General Corporation Law and the Northrop Grumman charter and bylaws upon the completion of Northrop Grumman's offer to exchange and the TRW merger.

The following summary discusses of some of the material differences between the current rights of Northrop Grumman stockholders and TRW shareholders under the Delaware General Corporation Law and Ohio Revised Code, and under the charter and bylaws of Northrop Grumman and the Amended Articles of Incorporation and regulations of TRW. The statements in this section are qualified in their entirety by reference to, and are subject to, the detailed provisions of the Delaware General Corporation Law, the Ohio Revised Code, Northrop Grumman's charter, Northrop Grumman's bylaws, TRW's Amended Articles of Incorporation and TRW's regulations. Copies of the Northrop Grumman charter and bylaws and the TRW Articles of Incorporation and regulations are incorporated by reference herein and will be sent to TRW shareholders, upon request. See "Additional Information" beginning on page 61.

Corporate Governance

Northrop Grumman. The rights of Northrop Grumman stockholders are governed by Delaware corporate law and the charter and bylaws of Northrop Grumman.

TRW. The rights of TRW shareholders are governed by Ohio corporate law and the Amended Articles of Incorporation and regulations of TRW.

Authorized Capital Stock

Northrop Grumman. The authorized capital stock of Northrop Grumman currently consists of 410,000,000 shares of capital stock consisting of (i) 400,000,000 shares of common stock, par value \$1.00 per share and (ii) 10 million shares of preferred stock, par value \$1.00 per share.

TRW. The authorized capital stock of TRW currently consists of 505,099,536 shares of capital stock consisting of (i) 500,000,000 shares of common stock, no par value per share, (ii) 99,536 shares of Serial Preference Stock, no par value per share and (iii) 5 million shares of Serial Preference Stock II, no par value per share.

Number, Classification and Election Board of Directors

Northrop Grumman. The Northrop Grumman charter provides that the board of directors is to be divided into three classes of directors, each as nearly equal in number as possible, with each director elected for a term expiring at the third succeeding annual meeting of stockholders after his or her election. The bylaws of Northrop Grumman provide that the number of directors will be fixed by resolution of the board of directors, but will be no less than three members. As of March 1, 2002, the Northrop Grumman board consisted of 10 directors.

Neither the Northrop Grumman charter nor the Northrop Grumman bylaws permits cumulative voting for the election of directors.

TRW. The TRW regulations provide that the board of directors is to be divided into three classes of directors with each director elected for a term expiring at the third succeeding annual meeting of shareholders after his or her election. The number of directors will be fixed by action of the board of directors, but will be no less than twelve members and no more than eighteen members. As of March 1, 2002, the TRW board consisted of 14 directors with five directors per class.

The Ohio Revised Code provides that any shareholder may give written notice requesting that cumulative voting be used for the election of directors. The notice must be given to the President, a Vice-President or the Secretary of a corporation, generally not less than 48 hours before the time fixed for holding a meeting of shareholders for the purpose of electing directors. Furthermore, an announcement of the giving of such notice must be made upon the convening of the meeting by the Chairman or Secretary or by or on behalf of such shareholder.

Removal of Directors

Northrop Grumman. The Northrop Grumman charter provides that directors may be removed only for cause and only by the affirmative vote of the holders of not less than 80% of all outstanding shares of capital stock of Northrop Grumman having general voting power entitled to vote in connection with the election of a director, regardless of class and voting together as a single voting class; provided, however, that where the removal is approved by a majority of Continuing Directors (as defined in the Northrop Grumman charter), the affirmative vote of a majority of the voting power of all outstanding shares of voting stock entitled to vote in connection with the election of that director, regardless of class and voting together as a single voting class, is required for approval of removal.

TRW. Under the TRW Amended Articles of Incorporation and the Ohio Revised Code, directors may be removed only for cause and only by the affirmative vote of the holders of not less than two-thirds of all outstanding shares of capital stock of TRW.

Newly Created Directorships and Vacancies

Northrop Grumman. The charter and bylaws of Northrop Grumman provide that any vacancies on the board or newly created directorships may be filled solely by the affirmative vote of a majority of the remaining directors, although less than a quorum. However, the Delaware General Corporation Law also provides that if the directors then in office constitute less than a majority of the board of directors, then, upon application by stockholders representing at least 10% of the outstanding shares entitled to vote for those directors, the Court of Chancery may order a stockholder election of director to be held.

TRW. TRW's regulations and the Ohio Revised Code provide that any vacancies on the board and newly created directorships may be filled by the affirmative vote of a majority of the directors then in office.

Quorum

Northrop Grumman. Northrop Grumman's bylaws provide for a quorum of a majority of the board of directors, except that when the board of directors consists of one director, then the one director will constitute a quorum.

TRW. The regulations of TRW provide that a quorum of the board of directors is the lesser of a majority of the board of directors then in office or five directors.

Annual Meetings of Stockholders/Shareholders

Northrop Grumman. The bylaws of Northrop Grumman provide that the annual meeting of stockholders will be held between May 1 and July 1 of each year on such date and time fixed by the board of directors.

TRW. The regulations of TRW provide that the annual meeting of shareholders will be held on the last Wednesday in April of each year, unless such day is a legal holiday, in which case the annual meeting will be held on the next day that is not a legal holiday.

Special Meetings of Stockholders/Shareholders

Northrop Grumman. Under the charter and bylaws of Northrop Grumman, special meetings of the stockholders may be called at any time by a majority of the board of directors, the Chairman of the board of directors or by the President and Chief Executive Officer.

TRW. TRW's regulations provide that special meeting of the shareholders may be called at any time by (i) the Chairman of the board of directors, (ii) the President, (iii) a Vice President, (iv) the board of directors acting at a meeting, (v) a majority of the board of directors acting without a meeting, or (vi) holders of not less than 35% of all of the outstanding shares entitled to vote at such meeting.

Quorum

Northrop Grumman. Northrop Grumman's bylaws provide that the presence in person or by proxy of the holders of a majority of the shares entitled to vote at a meeting constitutes a quorum for that meeting, except as otherwise provided by the Delaware General Corporation Law.

TRW. TRW's regulations provide that the presence in person or by proxy of the holders of not less than 35% of the shares entitled to vote at the meeting with respect to a purpose stated in the notice of such meeting constitutes a quorum for that meeting.

Certain Voting Requirements

Northrop Grumman. Under the Northrop Grumman bylaws, except as otherwise provided by the Northrop Grumman charter or by applicable law, action by Northrop Grumman stockholders generally is taken by the affirmative vote, at a meeting at which a quorum is present, of a majority of the votes cast on that action, including certain extraordinary actions, such as mergers, consolidations and amendments to the Northrop Grumman charter. However, the Northrop Grumman charter requires the affirmative vote of the holders of not less than 80% of the outstanding shares of voting stock to approve an amendment of certain articles in the charter. The charter also requires the affirmative vote of at least 80% of all outstanding shares entitled to vote to approve a Business Combination (as defined in the Northrop Grumman charter) involving specific related persons.

Each share of Northrop Grumman common stock entitles the holder to one vote on each matter upon which stockholders have the right to vote.

TRW. Under the TRW regulations, except as otherwise provided by the TRW charter or by applicable law, action by TRW shareholders generally is taken by the affirmative vote, at a meeting at which a quorum is present, of a majority of the votes cast on that action. However, the TRW Amended Articles of Incorporation requires the affirmative vote of the holders of at least two-thirds of the outstanding shares of Serial Preference Stock II or at least two-thirds of the outstanding shares of Serial Preference Stock II, as the case may be, voting separately as a class, to approve the amendment of certain articles in the charter or the regulations.

Each share of TRW common stock and each share of Serial Preference Stock II entitles the holder to one vote on each matter upon which TRW shareholders have the right to vote. Each share of Serial Preference Stock II entitles the holder to two votes on each matter upon which TRW shareholders have the right to vote.

Stockholder/Shareholder Action by Written Consent

Northrop Grumman. Under the Northrop Grumman charter and bylaws, any action required or permitted to be taken by the stockholders must be effected at a duly called annual meeting or at special meeting of stockholders, unless such action requiring or permitting stockholder approval is approved by a majority of the continuing directors (as defined in the Northrop Grumman charter), in which case that action may be authorized or taken by the written consent of the holders of outstanding shares of voting stock having not less than the minimum voting power that would be necessary to authorize or take such action at a meeting of stockholders at which all shares entitled to vote thereon were present and voted provided all other requirements of applicable law and the charter have been satisfied.

TRW. The Ohio Revised Code provides that shareholder action may be taken without a meeting upon the written consent of the holders of all the outstanding shares entitled to vote. Shareholder action to amend the TRW regulations may be taken without a meeting upon the written consent of the holders of two-thirds of the outstanding shares entitled to vote.

Business Conducted at Stockholders'/Shareholders' Meetings

Northrop Grumman. The Northrop Grumman bylaws provide that with respect to any stockholder meeting, nominations of persons election to the board and the proposal of business to be considered by stockholders may be made only (a) by or at the direction of the board of directors, (b) by a stockholder of record who is entitled to vote and who has complied with the advance notice procedures set forth in the bylaws or (c) pursuant to Northrop Grumman's notice with respect to that meeting.

TRW. Under the Ohio Revised Code, shareholders must be given written notice of the time, place and purpose or purposes of every shareholder meeting, except as otherwise provided in the Ohio Revised Code.

Amendments of Charter/Articles of Incorporation

Northrop Grumman. Under the Delaware General Corporation Law, the affirmative vote of the holders of a majority of the outstanding shares entitled to vote is required to amend the Northrop Grumman charter. In addition, amendments that make changes relating to the capital stock by increasing or decreasing the par value or the aggregate number of authorized shares of a class or otherwise adversely affecting the rights of that class, must be approved by the majority vote of each class of stock affected, unless, in the case of an increase in the number of shares, the certificate of incorporation takes away that right, and provided that, if the amendment affects some series, then only those series have such vote. The Northrop Grumman charter provides that specified articles may be adopted, repealed, rescinded, altered or amended only by the affirmative vote of the holders of not less than 80% of the voting power of all outstanding shares of voting stock, regardless of class and voting

together as a single voting class, and where that action is proposed by an interested stockholder (as defined in the Northrop Grumman charter) or an associate or affiliate (each as defined in the Northrop Grumman charter) of an interested stockholder, by the majority of the voting power of all of the outstanding shares of voting stock, voting together as a single class, other than shares held by the interested person; provided, however, that where the action is approved by a majority of the continuing directors (as defined in the Northrop Grumman charter), the affirmative vote of a majority of the voting power of all outstanding shares of voting stock, regardless of class and voting together as a single voting class shall be required for approval of that action.

TRW. Under the Ohio Revised Code, the articles of incorporation may be amended by the affirmative vote of two-thirds of the voting power of the corporation, unless otherwise specified in the corporation's articles of incorporation. The TRW articles of incorporation provides that the affirmative vote of the holders of at least two-thirds of the outstanding shares of Serial Preference Stock or at least two-thirds of the outstanding shares of Serial Preference Stock II, as the case may be, voting separately as a class, is required to amend, alter or repeal any of the provisions of the charter which (i) adversely affects the voting powers, rights or preferences of the holders of Serial Preference Stock or the holders of Serial Preference Stock II, respectively or (ii) reduces the time for any notice to which the holders of Serial Preference Stock or the holders of Serial Preference Stock II may be entitled.

Amendments of Bylaws/Regulations

Northrop Grumman. Under the Northrop Grumman charter and bylaws, the bylaws may be adopted, repealed, rescinded, altered or amended by stockholders, but only by the affirmative vote of the holders of not less than 80% of the voting power of all outstanding shares of voting stock, regardless of class and voting together as a single voting class and, where such action is proposed by an interested stockholder or by any associate or affiliate of an interested stockholder, by a majority of the voting power of all outstanding shares or voting stock, regardless of class and voting together as a single class, other than the shares held by such interested stockholders; provided, however, that where such action is approved by a majority of the continuing directors, the affirmative vote of the holders of a majority of the voting power of all outstanding shares of voting stock, regardless of class and voting together as a single voting class shall be required for approval of that action.

TRW. The TRW regulations may be amended at a meeting of the shareholders by the affirmative vote of the holders of not less than two-thirds of all outstanding shares of capital stock of TRW having the general voting power entitled to vote on such amendment. The TRW articles of incorporation provides that the affirmative vote of the holders of at least two-thirds of the outstanding shares of Serial Preference Stock or at least two-thirds of the outstanding shares of Serial Preference Stock II, as the case may be, voting separately as a class, is required to amend, alter or repeal any of the provisions of the regulations which (i) adversely affects the voting powers, rights or preferences of the holders of Serial Preference Stock or the holders of Serial Preference Stock II, respectively or (ii) reduces the time for any notice to which the holders of Serial Preference Stock or the holders of Serial Preference Stock II may be entitled.

Business Combinations

Northrop Grumman. Under the Delaware General Corporation Law, a majority of the outstanding shares is needed to adopt a plan of merger or consolidation. The Delaware General Corporation Law prohibits a Delaware corporation which has a class of stock which is listed on a national stock exchange or which has 2,000 or more stockholders of record from engaging in a business combination with an interested stockholder (generally, the beneficial owner of 15% or more of the corporation's outstanding voting stock) for three years following the time the stockholder became an interested stockholder, unless, prior to that time, the corporation's board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder, or if at least two-thirds of the outstanding shares not owned by that interested stockholder approve the business combination, or if, upon becoming an interested stockholder, that stockholder owned at least 85% of the outstanding shares (excluding those held by officers, directors and some

employee stock plans). In addition to the Delaware General Corporation Law requirements, the Northrop Grumman charter provides that, subject to various exceptions, any business combination between Northrop Grumman or any subsidiary and an interested stockholder (as defined in the Northrop Grumman Charter) must be approved by the holders of at least 80% of the voting power of all outstanding voting stock, regardless of class and voting together as a single class, and a majority of the voting power of all outstanding shares of voting stock, other than the shares held by any interested stockholder which is a party to such business combination or by any affiliate or associates of such interested stockholder, regardless of class and voting together as single voting class.

TRW. Under the Ohio Revised Code, the affirmative vote of two-thirds of the outstanding shares is needed to adopt a plan of merger or consolidation. The Ohio Revised Code prohibits an Ohio corporation which has 50 or more shareholders of record and that has its principal place of business, its principal executive offices, assets having substantial value or a substantial percentage of its assets within Ohio from engaging in a business combination with an interested shareholder (a shareholder that can exercise, directly or indirectly, 10% of the voting power of the corporation) for three years following the time the shareholder became an interested shareholder, unless, (i) the directors of the corporation have approved the transactions or the interested shareholder's acquisition of shares of the corporation prior to the date such shareholder became an interested shareholder of the corporation, or (ii) the corporation, by action of its shareholders holding at least two-thirds of the voting power of the corporation, adopts an amendment to its charter specifying that Chapter 1704 of the Ohio Revised Code shall not be applicable to the corporation. This prohibition also applies to a person or entity, whether or not an interested shareholder, that is or after the business combination would be, an affiliate or associate of an interested shareholder. The Ohio Revised Code further provides that the business combination may still be prohibited after the three-year period unless either (i) certain "fair-price" provisions are complied with or (ii) the transaction is approved by certain super majority shareholder votes.

Under Chapter 1704 of the Ohio Revised Code, an interested shareholder includes a shareholder of the corporation that can exercise directly or indirectly 10% of the voting power of the corporation (i) who owns shares of the corporation and (ii) also can exercise or direct the exercise of the voting power of the corporation such that (i) and (ii) of 10% or more of the voting power of the corporation.

Under Section 1701.831 of the Ohio Revised Code, unless the charter or regulations of a corporation otherwise provide, any control share acquisition (as defined herein) of an issuing public corporation can only be made with the prior approval of the corporation's shareholders. A "control share acquisition" is defined as any acquisition of shares of a corporation that, when added to all other shares of that corporation that the acquiring person may exercise or direct the exercise of the voting power of, would enable that person to exercise or direct the exercise of levels of voting power in any of the following ranges: at least 20% but less than 33 1/3 %; at least 33 1/3 but less than 50%; or 50% or more.

In addition to the requirements of the Ohio Revised Code, the TRW Amended Articles of Incorporation requires the affirmative vote of at least two-thirds of the outstanding shares of Serial Preference Stock or at least two-thirds of the outstanding shares of Serial Preference Stock II, as the case may be, voting separately as a class, to approve a merger or consolidation of the corporation.

Rights Plan

Northrop Grumman. Northrop Grumman entered into a Rights Agreement, dated January 31, 2001, between Northrop Grumman and EquiServe Trust Company, N.A., as amended.

TRW. TRW does not have a shareholders' rights plan.

ADDITIONAL INFORMATION

Northrop Grumman and TRW file annual, quarterly and special reports, proxy statements and other information with the SEC. Shareholders may read and copy this information at the following locations of the SEC:

Public Reference Room 450 Fifth Street, N.W. Room 1024 Washington, D.C. 20549	North East Regional Office 233 Broadway 13th Floor New York, New York 10279	Midwest Regional Office 175 Jackson Boulevard Chicago, Illinois 60604
--	--	---

Shareholders may obtain information on the operation of the Public Reference Rooms by calling the SEC at 1-800-SEC-0330. Shareholders may also obtain copies of this information by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates.

The SEC also maintains an Internet world wide web site that contains reports, proxy statements and other information about issuers like Northrop Grumman and TRW who file electronically with the SEC. The address of that site is <http://www.sec.gov>.

Northrop Grumman filed a registration statement on Form S-4 with the SEC under the Securities Act to register the Northrop Grumman common stock to be issued in Northrop Grumman's offer to exchange and the TRW merger. This offer to exchange is a part of that registration statement. As allowed by SEC rules, this offer to exchange does not contain all the information shareholders can find in the registration statement or the exhibits to the registration statement. In addition, on March 4, 2002 Northrop Grumman also filed with the SEC a statement on Schedule T0 pursuant to Rule 14d-3 under the Exchange Act to furnish various information about Northrop Grumman's offer to exchange. Shareholders may obtain copies of the Form S-4 and the Schedule T0, and any amendments to those documents, in the manner described above.

The SEC allows Northrop Grumman to incorporate by reference information into this offer to exchange, which means that Northrop Grumman can disclose important information to shareholders by referring shareholders to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this offer to exchange, except for any information superseded by information contained directly in this offer to exchange.

This offer to exchange incorporates by reference the documents listed below that Northrop Grumman, Litton, Newport News and TRW have previously filed with the SEC. These documents contain important information about Northrop Grumman and TRW and their business, financial condition and results of operations.

The following documents filed by Northrop Grumman or Northrop Systems with the SEC are incorporated by reference:

- . Annual Report on Form 10-K/A, for the fiscal year ended December 31, 2000, as filed on March 8, 2001;
- . Quarterly Reports on Form 10-Q for the period ended March 31, 2001, as filed on May 10, 2001, for the period ended June 30, 2001, as filed on August 9, 2001, and for the period ended September 30, 2001, as filed on November 5, 2001;
- . Proxy Statement for the Annual Meeting of Stockholders held on May 16, 2001, as filed on April 13, 2001;
- . The description of Northrop Grumman's common stock set forth in Northrop Grumman's registration statement on Form S-3 filed by Northrop Grumman pursuant to Section 12 of the Exchange Act, including any amendment or report filed for purposes of updating the description as filed on January 18, 2002;

- . Current Report on Form 8-K, as filed on April 3, 2001 and amended on Form 8K/A, as filed on June 14, 2001;
- . Current Report on Form 8-K, as filed on April 17, 2001;
- . Current Report on Form 8-K, as filed on November 14, 2001;
- . Current Report on Form 8-K, as filed on November 16, 2001;
- . Current Report on Form 8-K, as filed on November 21, 2001;
- . Current Report on Form 8-K, as filed on December 14, 2001; and
- . Current Report on Form 8-K, as filed on December 14, 2001, as amended on Form 8-K/A, as filed on January 14, 2002 and amended on Form 8-K/A, as filed on February 1, 2002
- . Tender Offer Statement on Schedule TO, as filed on March 4, 2002, as it may be amended from time to time.

The following documents filed by Litton with the SEC are incorporated by reference:

- . Annual Report on Form 10-K for the fiscal year ended July 31, 2000, as filed on October 11, 2000;
- . Quarterly Reports on Form 10-Q for the period ended October 31, 2000, as filed on December 12, 2000, and for the period ended January 31, 2001, as filed on March 16, 2001;
- . Current Report on Form 8-K, as filed on January 30, 2001; and
- . Current Report on Form 8-K, as filed on April 17, 2001.

The following documents filed by Newport News with the SEC are incorporated by reference:

- . Annual Report on Form 10-K for the fiscal year ended December 31, 2000, as filed on March 13, 2001;
- . Quarterly Reports on Form 10-Q for the period ended March 18, 2001, as filed on April 27, 2001, for the period ended June 17, 2001, as filed on July 19, 2001, and for the period ended September 16, 2001, as filed on October 25, 2001;
- . Current Report on Form 8-K, as filed on April 25, 2001;
- . Current Report on Form 8-K, as filed on November 8, 2001;
- . Current Report on Form 8-K, as filed on November 14, 2001; and
- . Current Report on Form 8-K, as filed on November 30, 2001.

The following documents filed by TRW with the SEC are incorporated by reference:

- . Annual Report on Form 10-K for the fiscal year ended December 31, 2000, as filed on March 13, 2001 (except for the report of TRW's independent accountants contained in that report which is not incorporated in this offer to exchange by reference because the consent of TRW's independent accountants has not yet been obtained);
- . Quarterly Reports on Form 10-Q for the period ended March 31, 2001, as filed on May 1, 2001, for the period ended June 30, 2001, as filed on July 31, 2001, and for the period ended September 30, 2001, as filed on November 7, 2001;
- . The description of TRW's common stock set forth in TRW's registration statement on Form S-3 filed by TRW pursuant to Section 12 of the Exchange Act, including any amendment or report filed for purposes of updating the description, as filed on October 15, 1999;
- . Current Report on Form 8-K, as filed on January 31, 2002;
- . Current Report on Form 8-K, as filed on February 20, 2002;

- . Current Report on Form 8-K, as filed on February 22, 2002; and
- . Current Report on Form 8-K, as filed on February 27, 2002.

All documents filed by Northrop Grumman or TRW pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act from the date of this offer to exchange to the date that shares are accepted for exchange pursuant to Northrop Grumman's offer to exchange (or the date that Northrop Grumman's offer to exchange expires or is terminated) shall also be deemed to be incorporated in this offer to exchange by reference.

Documents incorporated by reference are available from Northrop Grumman without charge upon request to Northrop Grumman's information agent, D. F. King & Co., Inc., 77 Water Street, New York, New York 10005, toll-free at 1-800-755-7250. In order to ensure timely delivery, any request should be submitted no later than March 22, 2002 (five business days before the initial scheduled expiration date of Northrop Grumman's offer to exchange). If shareholders request any incorporated documents from Northrop Grumman, Northrop Grumman will mail them to shareholders by first class mail, or another equally prompt means, within one business day after Northrop Grumman receives their request.

Northrop Grumman has not authorized anyone to give any information or make any representation about Northrop Grumman's offer to exchange that is different from, or in addition to, that contained in this offer to exchange or in any of the materials that Northrop Grumman has incorporated by reference into this offer to exchange. Therefore, if anyone does give shareholders information of this sort, shareholders should not rely on it. If shareholders are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this offer to exchange are unlawful, or if shareholders are a person to whom it is unlawful to direct these types of activities, then Northrop Grumman's offer presented in this offer to exchange does not extend to shareholders. The information contained in this offer to exchange speaks only as of the date of this offer to exchange unless the information specifically indicates that another date applies.

TRW INFORMATION

While Northrop Grumman has included in this offer to exchange information concerning TRW known to Northrop Grumman based on publicly available information (primarily filings by TRW with the SEC), Northrop Grumman is not affiliated with TRW, and TRW has not permitted Northrop Grumman to have access to their books and records. Therefore, non-public information concerning TRW was not available to Northrop Grumman for the purpose of preparing this offer to exchange. Although Northrop Grumman has no knowledge that would indicate that statements relating to TRW contained or incorporated by reference in this offer to exchange are inaccurate or incomplete, Northrop Grumman was not involved in the preparation of those statements and cannot verify them.

Pursuant to Rule 409 under the Securities Act and Rule 12b-21 under the Exchange Act, Northrop Grumman is requesting that TRW provide Northrop Grumman with information required for complete disclosure regarding the businesses, operations, financial condition and management of TRW. Northrop Grumman will amend or supplement this offer to exchange to provide any and all information Northrop Grumman receives from TRW, if Northrop Grumman receives the information before Northrop Grumman's offer to exchange expires and Northrop Grumman considers it to be material, reliable and appropriate. In addition, pursuant to Rule 439 under the Securities Act, Northrop Grumman is requesting that TRW's independent accountants, Ernst & Young LLP, provide Northrop Grumman with the consent required for Northrop Grumman to incorporate by reference into this offer to exchange the Ernst & Young LLP audit report included in TRW's Annual Report on Form 10-K for the year ended December 31, 2000. If Northrop Grumman receives this consent, Northrop Grumman will promptly file it as an exhibit to Northrop Grumman's registration statement of which this offer to exchange forms a part.

FORWARD-LOOKING STATEMENTS

Certain statements and assumptions in this offer to exchange and in the documents incorporated by reference contain or are based on "forward-looking" information and involve risks and uncertainties. Such forward-looking information includes the statements as to the impact of the proposed acquisition on revenues and earnings. Such statements are subject to numerous assumptions and uncertainties, many of which are outside Northrop Grumman's control. These include governmental regulatory processes, Northrop Grumman's ability to successfully integrate the operations of TRW, achieve a successful transaction or other resolution with respect to the TRW automotive sector, assumptions with respect to future revenues, expected program performance and cash flows, the outcome of contingencies including litigation, environmental remediation, divestitures of businesses, and anticipated costs of capital investments. Northrop Grumman's operations are subject to various additional risks and uncertainties resulting from its position as a supplier, either directly or as subcontractor or team member, to the U.S. Government and its agencies as well as to foreign governments and agencies. Actual outcomes are dependent upon many factors, including, without limitation, Northrop Grumman's successful performance of internal plans; government customers' budgetary restraints; customer changes in short-range and long-range plans; domestic and international competition in both the defense and commercial areas; product performance; continued development and acceptance of new products; performance issues with key suppliers and subcontractors; government import and export policies; acquisition or termination of government contracts; the outcome of political and legal processes; legal, financial, and governmental risks related to international transactions and global needs for military aircraft, military and civilian electronic systems and support and information technology; as well as other economic, political and technological risks and uncertainties and other risk factors set out in Northrop Grumman's filings from time to time with the SEC, including, without limitation, Northrop Grumman's reports on Form 10-K and Form 10-Q.

Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include:

- . Northrop Grumman's dependence on sales to the U.S. Government;
- . Northrop Grumman's successful performance of internal plans;
- . government customers' budgetary restraints;
- . customer changes in short-range and long-range plans;
- . domestic and international competition in both the defense and commercial areas;
- . product performance;
- . continued development and acceptance of new products;
- . performance issues with key suppliers and subcontractors;
- . government import and export policies;
- . termination of government contracts, which may include termination for the convenience of the government;
- . the outcome of political and legal processes;
- . legal, financial and governmental risks related to international transactions and global needs for military and commercial aircraft, electronic systems and support, information technologies and ships; and
- . other economic, political and technological risks and uncertainties.

See also "Risk Factors" beginning on page 9, and the risk factors disclosed in Northrop Grumman's Annual Report on Form 10-K/A, for the fiscal year ended December 31, 2000, Northrop Grumman's Quarterly

Reports on Form 10-Q, for the periods ended March 31, 2001, June 30, 2001 and September 30, 2001, and Northrop Grumman's Registration Statement on Form S-3 as filed on January 18, 2002 which are incorporated herein by reference. Readers are cautioned not to put undue reliance on forward-looking statements. Northrop Grumman disclaims any intent or obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise.

LEGAL MATTERS

The legality of Northrop Grumman common stock offered by this offer to exchange will be passed upon by John H. Mullan, Corporate Vice President and Secretary of Northrop Grumman. Mr. Mullan is paid a salary by Northrop Grumman, is a participant in various employee benefit plans offered to employees of Northrop Grumman generally and owns and has options to purchase shares of Northrop Grumman common stock.

EXPERTS

The consolidated financial statements and related financial statement schedule incorporated in this offer to exchange by reference from Northrop Systems' Annual Report on Form 10-K/A for the year ended December 31, 2000 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information of Northrop Grumman Corporation for the periods ended March 31, 2001, June 30, 2001 and September 30, 2001 and of Northrop Systems for the periods ended March 31, 2000, June 30, 2000 and September 30, 2000 is incorporated in this offer to exchange by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in Northrop Grumman's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001, June 30, 2001 and September 30, 2001 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act for their report on the unaudited interim financial information because such report is not a "report" or a "part" of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

The consolidated financial statements incorporated in this offer to exchange by reference from Litton's Annual Report on Form 10-K for the year ended July 31, 2000 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Newport News Shipbuilding Inc. incorporated by reference in this offer to exchange have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are incorporated herein in reliance upon the authority of said firm as experts in giving said reports.

DIRECTORS AND EXECUTIVE OFFICERS OF NORTHROP GRUMMAN

The name, age, business address, present principal occupation or employment and five-year employment history of each of the directors and executive officers of Northrop Grumman are set forth below. Unless otherwise indicated, each position set forth opposite an individual's name refers to employment with Northrop Grumman and each individual has held that position for at least the last five years. Each director and executive officer listed below is a citizen of the United States of America. Unless otherwise indicated below, the business address of each person is c/o Northrop Grumman, 1840 Century Park East, Los Angeles, California 90067.

Directors (Including Executive Officers Who Are Directors)

Name and Business Address Age	Present Principal Occupation or Employment; Five Year Employment History
John T. Chain, Jr..... 67	Director of Northrop Grumman since 1991. General, United States Air Force (Ret.) and Chairman of the Board, Thomas Group, Inc., a management consulting company. General Chain has been Chairman of Thomas Group, Inc. since May 1998 and has been a member of the Board of Directors of Thomas Group since May 1995. He has also served as the President of Quarterback Equity Partners, Inc. since December 1996. He served as Special Assistant to the Chairman of Burlington Northern Santa Fe Corporation from November 1995 to March 1996, and as an Executive Vice President of Burlington Northern from 1991 to November 1995. During his military career, General Chain's commands included military assistant to the Secretary of the Air Force, Director of Politico-Military Affairs, Department of State and Chief of Staff of Supreme Headquarters Allied Powers Europe. After serving as Commander in Chief, Strategic Air Command, he retired from the Air Force in February 1991. General Chain serves as a director of R.J. Reynolds, Inc. and Kemper Insurance Company.
Lewis W. Coleman..... 60	Director of Northrop Grumman since 2001. President, Gordon and Betty Moore Foundation. Mr. Coleman became President of the Gordon and Betty Moore Foundation in January 2001. In December 2000, he resigned as Chairman of Banc of America Securities LLC, a subsidiary of Bank of America Corporation, after having served in that position since joining Banc of America Securities, LLC in December 1995. Prior to that, he spent ten years at BankAmerica Corporation where he held various positions including Chief Financial Officer, head of World Banking Group and head of Capital Markets. Previous to that he spent thirteen years with Wells Fargo & Co. in a variety of wholesale and retail banking positions. He is also on the Board of Directors of Chiron Corporation.

Name and Business Address Age	Present Principal Occupation or Employment; Five Year Employment History
Vic Fazio..... 59	Director of Northrop Grumman since 2000. Senior Partner, Clark & Weinstock, a consulting firm. Mr. Fazio served as a Member of Congress for 20 years representing California's third congressional district. During that time he served as a member of the Armed Services, Budget and Ethics Committees and was a member of the House Appropriations Committee where he served as Subcommittee Chair or ranking member for 18 years. Mr. Fazio was a member of the elected Democratic Leadership in the House from 1991-1998 including four years as Chair of the Democratic Caucus, the third ranking position in the party. From 1975 to 1978 Mr. Fazio served in the California Assembly and was a member of the staff of the California Assembly Speaker from 1971 to 1975. Upon leaving Congress in early 1999, he became a Senior Partner at Clark & Weinstock, a strategic communications consulting firm. He is a member of numerous boards including The California Institute, Coro National Board of Governors, which he chairs, the U.S. Capitol Historical Society, the Board of the U.S. Capitol Visitors Center and the Board of Visitors, The University of California at Davis Medical School.
Phillip Frost..... 65	Director of Northrop Grumman since 1996. Chairman of the Board of Directors and Chief Executive Officer of IVAX Corporation, a pharmaceutical company. Dr. Frost has served as Chairman of the Board of Directors and Chief Executive Officer of IVAX Corporation since 1987 and served as President from 1991 to 1995. Dr. Frost was Chairman of the Department of Dermatology at Mt. Sinai Medical Center of Greater Miami, Miami Beach, Florida from 1972 to 1990 and was Chairman of the Board of Directors of Key Pharmaceuticals, Inc. from 1972 to 1986. He is Chairman of Whitman Education Group and Vice Chairman of Continucare Corporation. He is also Chairman of the Board of Trustees of the University of Miami, a member of the Board of Governors of the American Stock Exchange and a director of Landenburg Thalmann & Co.), an investment banking and brokerage company.
Kent Kresa..... 63	Director of Northrop Grumman since 1987. Chairman and Chief Executive Officer. Mr. Kresa was elected President and Chief Operating Officer of the company in 1987. He was named Chief Executive Officer in 1989 and Chairman of the Board in 1990. Mr. Kresa is a member of the National Academy of Engineering and is a past Chairman of the Board of Governors of the Aerospace Industries Association.

Name and Business Address Age	Present Principal Occupation or Employment; Five Year Employment History
Charles R. Larson.... 65	Director of Northrop Grumman since 2000. Admiral, United States Navy (Ret.). Admiral Larson is recognized as the first Naval officer to be selected as a White House Fellow. He also served as Naval aide to the President. He served as superintendent of the U.S. Naval Academy from 1983 to 1986 and in 1991 he became senior military commander in the Pacific. He returned to U.S. Naval Academy in 1994, where he served as superintendent until 1998. Currently, Admiral Larson is Chairman of the Board of the U.S. Naval Academy Foundation, Vice Chairman of the Board of Regents of the University System of Maryland and serves on the board of directors of such organizations as Unocal Corporation, Constellation Energy Group, Inc., Edge Technologies, Inc., Fluor Global Services, the Atlantic Council, Military.com and the National Academy of Sciences' Committee on International Security and Arms Control. In addition, he is a member of the Council on Foreign Relations and is a senior fellow of The CNA Corporation.
Jay H. Nussbaum..... 58	Director of Northrop Grumman since 2001. Mr. Nussbaum became an Executive Vice President of KPMG Consulting, Inc. in January 2002. Prior to this, he was Executive Vice President for Oracle Service Industries and was a member of Oracle Corporation's Executive Committee. He began his career at Oracle in 1991 as the Senior Vice President and General Manager of what was then Oracle Federal. Mr. Nussbaum also spent 24 years at Xerox Corporation where his last position was President, Integrated Systems Operations. Mr. Nussbaum has served on a number of advisory boards and committees for the University of Maryland and has served in various advisory capacities at George Mason University and James Madison University. He is also on the board of directors of Sideware, Inc. and MicroStrategy, Inc.
Aulana L. Peters.... 60	Director of Northrop Grumman since 1992. Ms. Peters is a retired partner of the law firm of Gibson, Dunn & Crutcher where she was a partner from 1988 to December 2000. Effective January 1, 2001 she was elected to the Public Oversight Board of the AICPA. From 1984 to 1988 she served as Commissioner of the Securities and Exchange Commission. Ms. Peters is a director of Callaway Golf Company, Minnesota Mining and Manufacturing Company, Merrill Lynch & Co., Inc. and 3M Corporation. She is also a member of the Board of Directors of Community Television for Southern California (KCET). Ms. Peters served as a member of the Financial Accounting Standards Board Steering Committee for its Financial Reporting Project and as a member of the Public Oversight Board's Panel on Audit Effectiveness.

Name and Business Address Age	Present Principal Occupation or Employment; Five Year Employment History
John Brooks Slaughter.. 67	<p>Director of Northrop Grumman since 1993. President and Chief Executive Officer, The National Action Council for Minorities in Engineering, Inc. Dr. Slaughter held electronics engineering positions with General Dynamics Convair and the U.S. Navy Electronics Laboratory. In 1975, he became Director of the Applied Physics Laboratory of the University of Washington. In 1977, he was appointed Assistant Director for Astronomics, Atmospheric, Earth and Ocean Sciences at the National Science Foundation. From 1979 to 1980, he served as Academic Vice President and Provost of Washington State University. In 1980, he returned to the National Science Foundation as Director and served in that capacity until 1982 when he became Chancellor of the University of Maryland, College Park. From 1988 to July 1999, Dr. Slaughter was President of Occidental College in Los Angeles and in August 1999, he assumed the position of Melbo Professor of Leadership in Education at the University of Southern California. In June 2000, Dr. Slaughter was named President and Chief Executive Officer of The National Action Council for Minorities in Engineering, Inc. He is a member of the National Academy of Engineering, a fellow of the American Academy of Arts and Sciences and serves as a director of Solutia, Inc. and International Business Machines Corporation.</p>
Ronald D. Sugar..... 53	<p>Director of Northrop Grumman since 2001. President and Chief Operating Officer since September 2001. Dr. Sugar was elected President and Chief Executive Officer of Litton Industries, Inc. when it became a subsidiary of Northrop Grumman on April 3, 2001, and was also elected as Corporate Vice President and a member of the Board of Directors of Northrop Grumman at that time. He joined Litton Industries as President and Chief Operating Officer in June 2000 and was elected to the Board of Directors of Litton Industries in September 2000. Dr. Sugar served as President and Chief Operating Officer of TRW Aerospace & Information System and as a Member of the Chief Executive Office of TRW, Inc. from 1998 to 2000. He joined TRW in 1981 and served as Executive Vice President and Chief Financial Officer from 1994 to 1996 and Executive Vice President and General Manager of the TRW Automotive Electronics Group from 1996 to 1998. He is also a member of the National Security Telecommunications Advisory Committee, the Conference Board Council of Operating Executives and the Board of Governors of the Aerospace Industries Association and is a Trustee of the National Defense Industrial Association.</p>

Executive Officers Who Are Not Directors (as of March 2001)

Name and Business Address	Age	Present Principal Occupation or Employment; Five Year Employment History
Herbert W. Anderson....	62	Corporate Vice President and President, Information Technology Sector (formerly known as Loxicon, Inc.). Mr. Anderson was Corporate Vice President, President and Chief Executive Officer, of Logicon, Inc. Prior to January, 1999, Mr. Anderson was Corporate Vice President and General Manager of Data Systems and Services Division (1995-1998).
Frank G. Brandenburg...	55	Corporate Vice President and President, Component Technologies Sector since September 2001. Prior to May 2001, Mr. Brandenburg was Senior Vice President, Electronic Components and Materials Group, Litton Industries, Inc. from 1997 to 1999, he served as President and Chief Executive Officer of EA Industries Inc. Mr. Brandenburg also served as President of the Client/Server Systems Business Unit and Deputy President of the Computer Systems Group, UNISYS Corporation from 1990 to 1997.
Phillip A. Dur.....	57	Corporate Vice President and President, Ship Systems Sector since October 2001. Mr. Dur served as Vice President, Program Operations, Electronic Systems Sector from December 1999 until October 2001. Before joining Northrop Grumman in 1999, Mr. Dur served as Vice President, Worldwide Business Development and Strategy, of Tenneco, Inc., a position he held from July 1997 to 1999. Prior to 1997, he served as the Executive Vice President of Walter Gillet Europe.
J. Michael Hateley....	55	Corporate Vice President and Chief Human Resources and Administrative Officer of Northrop Grumman since 2000. Prior to January 1999, Mr. Hateley was Vice President, Human Resources, Security and Administration Military Aircraft Systems Division. Prior to 1996, he was Vice President, Human Resources, Security and Administration, B-2 Division.
Robert W. Helm.....	50	Corporate Vice President, Government Relations of Northrop Grumman since 1994.
Robert P. Iorizzo.....	61	Corporate Vice President and President, Electronic Systems Sector since August 2001. Previously, Mr. Iorizzo was Vice President and General Manager of Command, Control, Communications, Intelligence and Naval Systems Division, Electronic Systems Sector.
John H. Mullan.....	59	Corporate Vice President and Secretary of Northrop Grumman since 1999. Prior to this, Mr. Mullan was Acting Secretary. Prior to May 1998, he was Senior Corporate Counsel.
Albert F. Myers.....	56	Corporate Vice President and Treasurer of Northrop Grumman since 1994. Mr. Myers also serves on the Board of Directors of Moog, Inc.

Name and Business Address Age	Present Principal Occupation or Employment; Five Year Employment History
Roseanne P. O'Brien..... 58	Corporate Vice President, Communications of Northrop Grumman since August 2000. Prior to this, Ms. O'Brien was Vice President, Communications since January 1999. Prior to 1999, Ms. O'Brien was Vice President, Corporate Relations for Allegheny Teledyne, Inc. Ms. O'Brien serves as a Director of Los Angeles Educational Partnership and is also a Trustee of California Sciences Center.
W. Burks Terry..... 51	Corporate Vice President and General Counsel of Northrop Grumman since August 2000. Prior to this, Mr. Terry became Vice President, Deputy General Counsel and Sector Counsel in October 1998 and prior to October, 1998 he was Vice President and Assistant General Counsel.
Thomas C. Schievelbein.. 48	Corporate Vice President and President, Newport News Sector since November 2001. Prior to this appointment, Mr. Schievelbein served as Executive Vice President and Chief Operating Officer, Newport News Shipbuilding, Inc. from 1995 to 1999.
Scott J. Seymour..... 51	Corporate Vice President and President, Integrated Systems Sector since January 2002. Mr. Seymour served as Sector Vice President, Air Combat Systems from 1998 to 2002, and B2 Program Manager from 1996 to 1998.
Richard B. Waugh, Jr.... 58	Corporate Vice President and Chief Financial Officer of Northrop Grumman since 1993.
Sandra J. Wright..... 46	Corporate Vice President and Controller since June 2001. Prior to May 2001, Ms. Wright served as Vice President and Controller of Litton Industries, Inc. From 1999 to 2000, she served as Vice President and Controller of Aerojet, a GenCorp company, and Director of Financial Planning and Aerojet prior to that.

SECTIONS 1701.84 AND 1701.85 OF THE OHIO REVISED CODE
RIGHTS OF DISSENTING SHAREHOLDERS

1701.84 DISSENTING SHAREHOLDERS ENTITLED TO RELIEF

The following are entitled to relief as dissenting shareholders under section 1701.85 of the Revised Code:

(A) Shareholders of a domestic corporation that is being merged or consolidated into a surviving or new entity, domestic or foreign, pursuant to section 1701.78, 1701.781, 1701.79, 1701.791, or 1701.801 of the Revised Code;

(B) In the case of a merger into a domestic corporation, shareholders of the surviving corporation who under section 1701.78 or 1701.781 of the Revised Code are entitled to vote on the adoption of an agreement of merger, but only as to the shares so entitling them to vote;

(C) Shareholders, other than the parent corporation, of a domestic subsidiary corporation that is being merged into the domestic or foreign parent corporation pursuant to section 1701.80 of the Revised Code;

(D) In the case of a combination or a majority share acquisition, shareholders of the acquiring corporation who under section 1701.83 of the Revised Code are entitled to vote on such transaction, but only as to the shares so entitling them to vote;

(E) Shareholders of a domestic subsidiary corporation into which one or more domestic or foreign corporations are being merged pursuant to section 1701.801 of the Revised Code.

1701.85 QUALIFICATIONS OF AND PROCEDURES FOR DISSENTING SHAREHOLDERS

(A) (1) A shareholder of a domestic corporation is entitled to relief as a dissenting shareholder in respect of the proposals described in sections 1701.74, 1701.76, and 1701.84 of the Revised Code, only in compliance with this section.

(2) If the proposal must be submitted to the shareholders of the corporation involved, the dissenting shareholder shall be a record holder of the shares of the corporation as to which he seeks relief as of the date fixed for the determination of shareholders entitled to notice of a meeting of the shareholders at which the proposal is to be submitted, and such shares shall not have been voted in favor of the proposal. Not later than ten days after the date on which the vote on the proposal was taken at the meeting of the shareholders, the dissenting shareholder shall deliver to the corporation a written demand for payment to him of the fair cash value of the shares as to which he seeks relief, which demand shall state his address, the number and class of such shares, and the amount claimed by him as the fair cash value of the shares.

(3) The dissenting shareholder entitled to relief under division (C) of section 1701.84 of the Revised Code in the case of a merger pursuant to section 1701.80 of the Revised Code and a dissenting shareholder entitled to relief under division (E) of section 1701.84 of the Revised Code in the case of a merger pursuant to section 1701.801 of the Revised Code shall be a record holder of the shares of the corporation as to which he seeks relief as of the date on which the agreement of merger was adopted by the directors of that corporation. Within twenty days after he has been sent the notice provided in section 1701.80 or 1701.801 of the Revised Code, the dissenting shareholder shall deliver to the corporation a written demand for payment with the same information as that provided for in division (A)(2) of this section.

(4) In the case of a merger or consolidation, a demand served on the constituent corporation involved constitutes service on the surviving or the new entity, whether the demand is served before, on, or after the effective date of the merger or consolidation.

(5) If the corporation sends to the dissenting shareholder, at the address specified in his demand, a request for the certificates representing the shares as to which he seeks relief, the dissenting shareholder, within fifteen days from the date of the sending of such request, shall deliver to the corporation the certificates requested so that the corporation may forthwith endorse on them a legend to the effect that demand for the fair cash value of such shares has been made. The corporation promptly shall return such endorsed certificates to the dissenting shareholder. A dissenting shareholder's failure to deliver such certificates terminates his rights as a dissenting shareholder, at the option of the corporation, exercised by written notice sent to the dissenting shareholder within twenty days after the lapse of the fifteen-day period, unless a court for good cause shown otherwise directs. If shares represented by a certificate on which such a legend has been endorsed are transferred, each new certificate issued for them shall bear a similar legend, together with the name of the original dissenting holder of such shares. Upon receiving a demand for payment from a dissenting shareholder who is the record holder of uncertificated securities, the corporation shall make an appropriate notation of the demand for payment in its shareholder records. If uncertificated shares for which payment has been demanded are to be transferred, any new certificate issued for the shares shall bear the legend required for certificated securities as provided in this paragraph. A transferee of the shares so endorsed, or of uncertificated securities where such notation has been made, acquires only such rights in the corporation as the original dissenting holder of such shares had immediately after the service of a demand for payment of the fair cash value of the shares. A request under this paragraph by the corporation is not an admission by the corporation that the shareholder is entitled to relief under this section.

(B) Unless the corporation and the dissenting shareholder have come to an agreement on the fair cash value per share of the shares as to which the dissenting shareholder seeks relief, the dissenting shareholder or the corporation, which in case of a merger or consolidation may be the surviving or new entity, within three months after the service of the demand by the dissenting shareholder, may file a complaint in the court of common pleas of the county in which the principal office of the corporation that issued the shares is located or was located when the proposal was adopted by the shareholders of the corporation, or, if the proposal was not required to be submitted to the shareholders, was approved by the directors. Other dissenting shareholders, within that three-month period, may join as plaintiffs or may be joined as defendants in any such proceeding, and any two or more such proceedings may be consolidated. The complaint shall contain a brief statement of the facts, including the vote and the facts entitling the dissenting shareholder to the relief demanded. No answer to such a complaint is required. Upon the filing of such a complaint, the court, on motion of the petitioner, shall enter an order fixing a date for a hearing on the complaint and requiring that a copy of the complaint and a notice of the filing and of the date for hearing be given to the respondent or defendant in the manner in which summons is required to be served or substituted service is required to be made in other cases. On the day fixed for the hearing on the complaint or any adjournment of it, the court shall determine from the complaint and from such evidence as is submitted by either party whether the dissenting shareholder is entitled to be paid the fair cash value of any shares and, if so, the number and class of such shares. If the court finds that the dissenting shareholder is so entitled, the court may appoint one or more persons as appraisers to receive evidence and to recommend a decision on the amount of the fair cash value. The appraisers have such power and authority as is specified in the order of their appointment. The court thereupon shall make a finding as to the fair cash value of a share and shall render judgment against the corporation for the payment of it, with interest at such rate and from such date as the court considers equitable. The costs of the proceeding, including reasonable compensation to the appraisers to be fixed by the court, shall be assessed or apportioned as the court considers equitable. The proceeding is a special proceeding and final orders in it may be vacated, modified, or reversed on appeal pursuant to the Rules of Appellate Procedure and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code. If, during the pendency of any proceeding instituted under this section, a suit or proceeding is or has been instituted to enjoin or otherwise to prevent the carrying out of the action as to which the shareholder has dissented, the proceeding instituted under this section shall be stayed until the final determination of the other suit or proceeding. Unless any provision in division (D) of this section is applicable, the fair cash value of the shares that is agreed upon by the parties or fixed under this section shall be paid within thirty days after the date of final determination of such value under this division, the effective date of the amendment to the articles, or the consummation of the other action involved, whichever occurs last. Upon the occurrence of the last such event,

payment shall be made immediately to a holder of uncertificated securities entitled to such payment. In the case of holders of shares represented by certificates, payment shall be made only upon and simultaneously with the surrender to the corporation of the certificates representing the shares for which the payment is made.

(C) If the proposal was required to be submitted to the shareholders of the corporation, fair cash value as to those shareholders shall be determined as of the day prior to the day on which the vote by the shareholders was taken and, in the case of a merger pursuant to section 1701.80 or 1701.801 of the Revised Code, fair cash value as to shareholders of a constituent subsidiary corporation shall be determined as of the day before the adoption of the agreement of merger by the directors of the particular subsidiary corporation. The fair cash value of a share for the purposes of this section is the amount that a willing seller who is under no compulsion to sell would be willing to accept and that a willing buyer who is under no compulsion to purchase would be willing to pay, but in no event shall the fair cash value of a share exceed the amount specified in the demand of the particular shareholder. In computing such fair cash value, any appreciation or depreciation in market value resulting from the proposal submitted to the directors or to the shareholders shall be excluded.

(D) (1) The right and obligation of a dissenting shareholder to receive such fair cash value and to sell such shares as to which he seeks relief, and the right and obligation of the corporation to purchase such shares and to pay the fair cash value of them terminates if any of the following applies:

(a) The dissenting shareholder has not complied with this section, unless the corporation by its directors waives such failure;

(b) The corporation abandons the action involved or is finally enjoined or prevented from carrying it out, or the shareholders rescind their adoption of the action involved;

(c) The dissenting shareholder withdraws his demand, with the consent of the corporation by its directors;

(d) The corporation and the dissenting shareholder have not come to an agreement as to the fair cash value per share, and neither the shareholder nor the corporation has filed or joined in a complaint under division (B) of this section within the period provided in that division.

(2) For purposes of division (D)(1) of this section, if the merger or consolidation has become effective and the surviving or new entity is not a corporation, action required to be taken by the directors of the corporation shall be taken by the general partners of a surviving or new partnership or the comparable representatives of any other surviving or new entity.

(E) From the time of the dissenting shareholder's giving of the demand until either the termination of the rights and obligations arising from it or the purchase of the shares by the corporation, all other rights accruing from such shares, including voting and dividend or distribution rights, are suspended. If during the suspension, any dividend or distribution is paid in money upon shares of such class or any dividend, distribution, or interest is paid in money upon any securities issued in extinguishment of or in substitution for such shares, an amount equal to the dividend, distribution, or interest which, except for the suspension, would have been payable upon such shares or securities, shall be paid to the holder of record as a credit upon the fair cash value of the shares. If the right to receive fair cash value is terminated other than by the purchase of the shares by the corporation, all rights of the holder shall be restored and all distributions which, except for the suspension, would have been made shall be made to the holder of record of the shares at the time of termination.

The Exchange Agent for Northrop Grumman's offer to exchange is:

EQUISERVE TRUST COMPANY

By Mail: By Hand Delivery: By Overnight Delivery:

EQUISERVE TRUST COMPANY
P.O. Box 43034
Providence, RI 02940-3034

EQUISERVE TRUST COMPANY
c/o Securities Transfer
and
Reporting Services, Inc.
100 William
Street--Galleria
New York, New York 10038

EQUISERVE TRUST COMPANY
Campanelli Drive
Braintree, Massachusetts
02184

Confirm by Telephone:

(781) 575-4816

Any questions or requests for assistance or additional copies of the offer to exchange, the letter of transmittal and the notice of guaranteed delivery and related exchange offer materials may be directed to the information agent at its telephone number and location listed below. Shareholders may also contact their local broker, commercial bank, trust company or nominee for assistance concerning the offer to exchange.

The Information Agent for Northrop Grumman's offer to exchange is:

	D. F. King & Co., Inc.
U.S. and Canada	Europe
77 Water Street	No. 2 London Wall Buildings, 2nd Floor
New York, New York 10005	London Wall
Banks and Brokers Call	London EC2M 5PP, United Kingdom
Collect: 1-212-269-5550	
All Others Call	Tel.: +(44) 207 920 9700
Toll-Free: 1-800-755-7250	

The Dealer Manager for Northrop Grumman's offer to exchange is:

Salomon Smith Barney
388 Greenwich Street
New York, New York 10013
(888) 328-4596

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement in connection with specified actions, suits or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation-a derivative action), if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceedings, had no reasonable cause to believe their conduct was unlawful.

A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action, and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's certificate of incorporation, bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

As permitted by Section 145 of the Delaware General Corporation Law, Article EIGHTEENTH of Northrop Grumman's restated certificate of incorporation, as amended, provides:

A director of the Corporation shall not be personally liable to the Corporation or to its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the directors' duty of loyalty to the Corporation or to its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derives any improper personal benefit. If, after approval of this Article by the stockholders of the Corporation, the General Corporation Law of the State of Delaware is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware, as so amended. Any repeal or modification of this Article by the stockholders of the Corporation as provided in Article SEVENTEENTH hereof shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

Northrop Grumman has purchased insurance on behalf of any person who is or was a director, officer, employee or agent of Northrop Grumman, or is or was serving at the request of Northrop Grumman as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not Northrop Grumman would have the power to indemnify him against such liability under the provisions of Northrop Grumman's restated certificate of incorporation, as amended.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits:

- 2.1 Agreement and Plan of Merger among Northrop Grumman Corporation, Purchaser Corp. I and Newport News Shipbuilding Inc. dated as of November 7, 2001 (incorporated by reference to Annex C to Amendment No. 5 to Form S-4 Registration Statement No. 333-61506 filed November 13, 2001)
- 2.2 Amended and Restated Agreement and Plan of Merger dated as of January 23, 2001 among Northrop Grumman Systems Corporation, Litton Industries, Inc., Northrop Grumman Corporation and LII Acquisition Corp. (incorporated by reference to Exhibit 2.2 to Form S-4 Registration Statement No. 333-54800 filed February 1, 2001)

- 3.1 Amended and Restated Certificate of Incorporation of Northrop Grumman Corporation (incorporated by reference to Exhibit D to the Definitive Proxy Statement filed April 13, 2001)
- 3.2 Certificate of Amendment of Certificate of Incorporation of Northrop Grumman Corporation filed as exhibit 3.2 to Form 10-Q filed with the SEC on May 10, 2001 and incorporated herein by this reference (incorporated by reference to Exhibit 3.2 to Form 10-Q filed with the SEC on May 10, 2001)
- 3.3 Restated Bylaws of Northrop Grumman Corporation (incorporated by reference to Exhibit 3.2 to Form S-4 Registration Statement No. 333-54800 filed February 1, 2001)
- 4.1 Registration Rights Agreement dated as of January 23, 2001 by and among Northrop Grumman Systems Corporation, Northrop Grumman Corporation and Unitrin, Inc. (incorporated by reference to Exhibit (d)(6) to Amendment No. 4 to Schedule TO filed January 31, 2001)
- 4.2 Certificate of Designations, Preferences and Rights of Series B Preferred Stock of Northrop Grumman Corporation (incorporated by reference to Exhibit C to the Definitive Proxy Statement filed April 13, 2001)
- 4.3 Rights Agreement dated as of January 31, 2001 between Northrop Grumman Corporation and EquiServe Trust Company, N.A. (incorporated by reference to Exhibit 4.3 to Amendment No. 2 to Form S-4 Registration Statement No. 333-54800 filed March 27, 2001)
- 4.4 Indenture dated as of October 15, 1994 between Northrop Grumman Systems Corporation and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as trustee (incorporated by reference to Exhibit 4.1 to Form 8-K filed October 25, 1994)
- 4.5 Form of Officer's Certificate (without exhibits) establishing the terms of Northrop Grumman Systems Corporation's 7% Notes due 2006, 7 3/4% Debentures due 2016 and 7 7/8% Debentures due 2026 (incorporated by reference to Exhibit 4-3 to Form S-4 Registration Statement filed April 19, 1996)
- 4.6 Form of Northrop Grumman Systems Corporation's 7% Notes due 2006 (incorporated by reference to Exhibit 4-4 to Form S-4 Registration Statement filed April 19, 1996)
- 4.7 Form of Northrop Grumman Systems Corporation's 7 3/4% Debentures due 2016 (incorporated by reference to Exhibit 4-5 to Form S-4 Registration Statement filed April 19, 1996)
- 4.8 Form of Northrop Grumman Systems Corporation's 7 7/8% Debentures due 2026 (incorporated by reference to Exhibit 4-6 to Form S-4 Registration Statement filed April 19, 1996)
- 4.9 Purchase Contract Agreement dated as of November 21, 2001 between Northrop Grumman Corporation and JPMorgan Chase Bank, as Purchase Contract Agent (incorporated by reference to Exhibit 4.3 to Form 8-K dated and filed November 21, 2001)
- 4.10 Pledge Agreement dated as of November 21, 2001 among Northrop Grumman Corporation, The Bank of New York, as Collateral Agent, Custodial Agent and Securities Intermediary, and JPMorgan Chase Bank, as Purchase Contract Agent (incorporated by reference to Exhibit 4.4 to Form 8-K dated and filed November 21, 2001)
- 4.11 Form of Remarketing Agreement (incorporated by reference to Exhibit 4.5 to Form 8-K dated and filed November 21, 2001)
- 4.12 Form of Officers' Certificate establishing the terms of Northrop Grumman Corporation's 7 1/8% Notes due 2011 and 7 3/4% Debentures due 2031 (incorporated by reference to Exhibit 10.9 to Form 8-K dated and filed April 17, 2001)
- 4.13 Indenture dated as of November 21, 2001 between Northrop Grumman Corporation and JPMorgan Chase Bank, as trustee (incorporated by reference to Exhibit 4.1 to Form 8-K dated and filed November 21, 2001)
- 4.14 Officers' Certificate dated as of November 21, 2001 describing the terms of the Senior Notes that are a component of Northrop Grumman Corporation's Equity Security Units (incorporated by reference to Exhibit 4.2 to Form 8-K dated and filed November 21, 2001)

- 4.15 Indenture dated as of April 13, 1998 between Litton Industries, Inc. and The Bank of New York, as trustee, under which Litton's 6.05% Senior Notes due 2003 and 6.75% Senior Debentures due 2018 were issued (incorporated by reference to Exhibit 4.1 to Litton Industries, Inc.'s Form 10-Q for the quarter ended April 30, 1998 and filed June 15, 1998)
- 4.16 Supplemental Indenture with respect to Indenture dated April 13, 1998, dated as of April 3, 2001 among Litton Industries, Inc., Northrop Grumman Corporation, Northrop Grumman Systems Corporation and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.5 to Form 10-Q for the quarter ended March 31, 2001 filed May 10, 2001)
- 4.17 Senior Indenture dated as of December 15, 1991 between Litton Industries, Inc. and The Bank of New York, as trustee, under which Litton's 7.75% and 6.98% debentures due 2026 and 2036 were issued and specimens of such debentures (incorporated by reference to Exhibit 4.1 to Litton Industries Inc.'s Form 10-Q for the quarter ended April 30, 1996 filed June 11, 1996)
- 4.18 Supplemental Indenture with respect to Indenture dated December 15, 1991, dated as of April 3, 2001, among Litton Industries, Inc., Northrop Grumman Corporation, Northrop Grumman Systems Corporation and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.7 to Form 10-Q for the quarter ended March 31, 2001 filed May 10, 2001)
- 4.19 Form of Exchange Security for Litton's \$400,000,000 8% senior notes due 2009 (incorporated by reference to Exhibit 4.3 to Litton Industries Inc.'s Form 10-Q for the quarter ended April 30, 2000 filed August 19, 2000)
- *5.1 Form of Opinion of John H. Mullan regarding the validity of the securities being registered
- *8.1 Opinion of Gibson, Dunn & Crutcher LLP regarding certain tax matters
- 10.1 Northrop Grumman 2001 Long-Term Incentive Stock Plan (incorporated by reference to Exhibit B to the Definitive Proxy Statement on Schedule 14A filed April 13, 2001)
- 10.2 Amendment Agreement between Kent Kresa and Northrop Grumman Corporation dated August 3, 2001 (incorporated by reference to Exhibit 10.2 to Form 10-Q for the quarter ended June 30, 2001 filed August 9, 2001)
- 10.3 Employment Agreement between Dr. Ronald D. Sugar and Northrop Grumman Corporation dated September 19, 2001 (incorporated by reference to Exhibit 10.3 to Form 10-Q for the quarter ended September 30, 2001 filed November 5, 2001)
- 10.4 Form of Notice of Grant of Restricted Performance Stock Rights and Rights Agreement under the Northrop Grumman Corporation 2001 Long-Term Incentive Stock Plan (incorporated by reference to Exhibit 10.4 to Form 10-Q for the quarter ended September 30, 2001 filed November 5, 2001)
- *10.5 Form of Notice of Grant of Stock Options and Option Agreement under the Northrop Grumman Corporation 2001 Long-Term Incentive Stock
- 10.6 Notice of Grant of Restricted Performance Stock Rights and Rights Agreement of Kent Kresa, dated August 15, 2001 under the Northrop Grumman Corporation 2001 Long-Term Incentive Stock Plan (incorporated by reference to Exhibit 10.6 to Form 10-Q for the quarter ended September 30, 2001 filed November 5, 2001)
- 10.7 Notice of Grant of Stock Options and Option Agreement of Kent Kresa, dated August 15, 2001 under the Northrop Grumman Corporation 2001 Long-Term Incentive Stock Plan (incorporated by reference to Exhibit 10.7 to Form 10-Q for the quarter ended September 30, 2001 filed November 5, 2001)
- 10.8 Form of \$2,500,000,000 Five-Year Revolving Credit Agreement dated as of March 30, 2001 among Northrop Grumman Corporation, Northrop Grumman Systems Corporation and Litton Industries, Inc., the Lenders party thereto, The Chase Manhattan Bank and Credit Suisse First Boston, as Co-Administrative Agents, Salomon Smith Barney Inc., as Syndication Agent, and The Bank of Nova Scotia and Deutsche Banc Alex. Brown, Inc. as Co-Documentation Agents (incorporated by reference to Exhibit 10.7 to Amendment No. 2 to Form S-4 Registration Statement No. 333-54800 filed March 27, 2001)

- 10.9 Retention Bonus Agreement between Northrop Grumman Corporation and Thomas C. Schievelbein dated November 7, 2001 (incorporated by reference to Exhibit 10.32 to Amendment No. 5 to Form S-4 Registration Statement No. 333-61506 filed November 13, 2001)
- 10.10 Form of Guarantee dated as of April 3, 2001 by Northrop Grumman Corporation of Litton Industries, Inc. indenture indebtedness (incorporated by reference to Exhibit 10.10 to Form 8-K filed dated and April 17, 2001)
- 10.11 Form of Guarantee dated as of April 3, 2001 by Northrop Grumman Corporation of Northrop Grumman Systems Corporation indenture indebtedness (incorporated by reference to Exhibit 10.11 to Form 8-K dated and filed April 17, 2001)
- 10.12 Form of Guarantee dated as of April 3, 2001 by Northrop Grumman Systems Corporation of Litton Industries, Inc. indenture indebtedness (incorporated by reference to Exhibit 10.12 to Form 8-K dated and filed April 17, 2001)
- 10.13 Form of Guarantee dated as of April 3, 2001 by Litton Industries, Inc. of Northrop Grumman Systems Corporation indenture indebtedness (incorporated by reference to Exhibit 10.13 to Form 8-K dated and filed April 17, 2001)
- 10.14 1973 Incentive Compensation Plan as amended December 16, 1998 (incorporated by reference to Exhibit 10(c) to Form 10-K filed March 23, 1999)
- 10.15 1973 Performance Achievement Plan (incorporated by reference to Form 8-B filed June 21, 1985)
- 10.16 Northrop Grumman Corporation Supplemental Plan 2 (incorporated by reference to Exhibit 10(e) to Form 10-K filed February 22, 1996) and amended as of June 19, 1996 (incorporated by reference to Exhibit 10(e) to Form 10-K filed February 27, 1997)
- 10.17 Northrop Grumman Corporation ERISA Supplemental Plan I (incorporated by reference to Exhibit 10(d) to Form 10-K filed February 28, 1994)
- 10.18 Retirement Plan for Independent Outside Directors as amended April 24, 1998 (incorporated by reference to Exhibit 10(g) to Form 10-K filed March 23, 1999)
- 10.19 1987 Long-Term Incentive Plan, as amended (incorporated by reference to Form SE filed March 30, 1989)
- 10.20 Executive Life Insurance Policy (incorporated by reference to Exhibit 10(i) to Form 10-K filed February 22, 1996)
- 10.21 Executive Accidental Death, Dismemberment and Plegia Insurance Policy (incorporated by reference to Exhibit 10(j) to Form 10-K filed February 22, 1996)
- 10.22 Executive Long-Term Disability Insurance Policy (incorporated by reference to Exhibit 10(k) to Form 10-K filed February 22, 1996)
- 10.23 Key Executive Medical Plan Benefit Matrix (incorporated by reference to Exhibit 10(l) to Form 10-K filed February 22, 1996)
- 10.24 Executive Dental Insurance Policy Group Numbers 5134 and 5135 (incorporated by reference to Exhibit 10(m) to Form 10-K filed February 22, 1996)
- 10.25 Group Excess Liability Policy (incorporated by reference to Exhibit 10(n) to Form 10-K filed February 22, 1996)
- 10.26 Northrop Grumman 1993 Long-Term Incentive Stock Plan, as amended and restated (incorporated by reference to Exhibit 4.1 to Form S-8 Registration Statement filed November 25, 1998)
- 10.27 Northrop Corporation 1993 Stock Plan for Non-Employee Directors (incorporated by reference to Exhibit B to the Northrop Corporation 1993 Proxy Statement filed March 30, 1993), amended as of September 21, 1994 (incorporated by reference to Exhibit 10(q) to Form 10-K filed March 21, 1995)
- 10.28 Northrop Grumman Corporation 1995 Stock Option Plan for Non-Employee Directors (incorporated by reference to Exhibit A to the Definitive Proxy Statement on Schedule 14A filed March 30, 1995)
- 10.29 Northrop Grumman Corporation March 2000 Change-in-Control Severance Plan (incorporated by reference to Exhibit 10(b) to Form 10-Q filed November 4, 1999)
- 10.29 Northrop Grumman Corporation March 2000 Change-in-Contr0l Severance Plan (incorporated by reference to Exhibit 10(b) to Form 10-Q filed November 4, 1999)

- 10.30 Form of Northrop Grumman Corporation March 2000 Special Agreement (effective March 1, 2000) (incorporated by reference to Exhibit 10(a) to Form 10-Q filed November 4, 1999)
- *10.31 Northrop Grumman Executive Deferred Compensation Plan (effective December 29, 1994, as amended and restated effective November 2, 2000 and amended March 1, 2001)
- 10.32 Northrop Grumman Corporation Non-Employee Directors Equity Participation Plan, as amended March 15, 2000 (incorporated by reference to Exhibit 10(a) to Form 10-Q filed May 9, 2000)
- 10.33 CPC Supplemental Executive Retirement Program (incorporated by reference to Exhibit 10(u) to Form 10-K filed March 30, 1998)
- 10.34 Northrop Grumman Estate Enhancement Program, effective November 1, 2000 (incorporated by reference to Exhibit 10(v) to Form 10-K/A filed March 8, 2001)
- 10.35 Special Officer Retiree Medical Plan as amended December 19, 2000 (incorporated by reference to Exhibit 10(w) to Form 10-K/A filed March 8, 2001)
- *10.36 Northrop Grumman Deferred Compensation Plan (effective December 1, 2000) and amended March 1, 2001, March 30, 2001 and September 14, 2001
- *10.37 Consultant Agreement dated January 7, 2002 between Northrop Grumman Corporation and Ralph D. Crosby, Jr.
- *10.38 Agreement dated December 22, 2001 between Northrop Grumman Corporation and Ralph D. Crosby, Jr.
- *10.39 Form of Indemnification Agreement between Northrop Grumman Corporation and its directors and executive officers
- *12.1 Ratios of Earnings to Fixed Charges
- *15.1 Letter from Independent Accountants Regarding Unaudited Interim Financial Information
- *21.1 Subsidiaries
- *23.1 Consent of Deloitte & Touche LLP (for Northrop Systems)
- *23.2 Consent of Deloitte & Touche LLP (for Litton Industries)
- *23.3 Consent of Arthur Andersen LLP (for Newport News)
- *23.4 Consent of John H. Mullan (included in Exhibit 5.1)
- *23.5 Consent of Gibson, Dunn & Crutcher LLP (included in Exhibit 8.1)
- *24.1 Power of Attorney
- *99.1 Form of Letter of Transmittal for Common Shares
- *99.2 Form of Letter of Transmittal for Serial Preference Shares
- *99.3 Form of Notice of Guaranteed Delivery for Common Shares
- *99.4 Form of Notice of Guaranteed Delivery for Serial Preference Shares
- *99.5 Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees, Common Shares and Serial Preference Shares
- *99.6 Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees, Common Shares
- *99.7 Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees, Serial Preference Shares
- *99.8 Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9
- *99.9 Form 041 Filing of Information Pertaining to a Control Bid
- *99.10 Acquiring Person Statement, dated March 4, 2002
- 99.11 Press Release, dated February 22, 2002 (incorporated by reference to Rule 425 filing filed February 27, 2002)
- 99.12 Slide Presentation, dated February 27, 2002 (incorporated by reference to Rule 425 filing filed February 27, 2002)

*99.13 Press Release, dated March 3, 2002

*99.14 Summary Advertisement as published in the Wall Street Journal on March 4, 2002

* Filed with this offer to exchange

(b) None

(c) None

ITEM 22. UNDERTAKINGS.

(A) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(B) The undersigned registrant hereby undertakes to deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report, to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Securities Exchange Act of 1934; and, where interim financial information required to be presented by Article 3 of Regulation S-X is not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such interim financial information.

(C)(1) The undersigned registrant hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(2) The registrant undertakes that every prospectus: (i) that is filed pursuant to paragraph (a) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(D) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(E) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(F) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on this 4th day of March, 2002.

/S/ JOHN H. MULLAN
By: _____
John H. Mullan
Corporate Vice President and
Secretary

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Richard B. Waugh, Jr., W. Burks Terry and John H. Mullan with full power to act alone, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any subsequent registration statement filed by the registrant pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together, shall constitute one instrument.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature -----	Title -----	Date ----
/S/ KENT KRESA ----- Kent Kresa	Chairman of the Board, President and Chief Executive Officer and Director (Principal Executive Officer)	March 4, 2002
/S/ RONALD D. SUGAR ----- Ronald D. Sugar	President and Chief Operating Officer and Director	March 4, 2002
/S/ RICHARD B. WAUGH, JR. ----- Richard B. Waugh, Jr.	Corporate Vice President and Chief Financial Officer (Principal Financial Officer)	March 4, 2002
/S/ SANDRA J. WRIGHT ----- Sandra J. Wright	Corporate Vice President and Controller (Principal Accounting Officer)	March 4, 2002
/S/ JOHN T. CHAIN, JR. ----- John T. Chain, Jr.	Director	March 4, 2002

Signature	Title	Date
/S/ LEWIS W. COLEMAN ----- Lewis W. Coleman	Director	March 4, 2002
/S/ VIC FAZIO ----- Vic Fazio	Director	March 4, 2002
/S/ PHILLIP FROST ----- Phillip Frost	Director	March 4, 2002
/S/ CHARLES R. LARSON ----- Charles R. Larson	Director	March 4, 2002
/S/ JAY H. NUSSBAUM ----- Jay H. Nussbaum	Director	March 4, 2002
/S/ AULANA L. PETERS ----- Aulana L. Peters	Director	March 4, 2002
/S/ JOHN BROOKS SLAUGHTER ----- John Brooks Slaughter	Director	March 4, 2002

FORM OF
Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067

_____, 2002

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067

Ladies and Gentlemen:

I am a member of the bars of the States of New York and California. I am also Corporate Vice President and Secretary of Northrop Grumman Corporation, a Delaware corporation (the "Company"). I am familiar with the Registration Statement on Form S-4 (the "Registration Statement") being filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in connection with the Company's registration of shares of common stock, par value \$1.00 per share (the "Northrop Grumman Shares"), to be issued in exchange for shares of (i) common stock, par value \$0.625 per share (the "Common Stock"), of TRW Inc., an Ohio corporation ("TRW"); (ii) Cumulative Serial Preference Stock II, \$4.40 Convertible Series I, no par value per share of TRW (the "Series 1 Shares") and (iii) Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share of TRW (the "Series 3 Shares" and, together with the Common Stock and the Series 1 Shares, "TRW Shares").

I have examined the Company's certificate of incorporation and bylaws and originals or copies certified or otherwise identified to my satisfaction of such other documents, corporate records, certificates of public officials and other instruments as I have deemed necessary or advisable for the purpose of rendering this opinion. Based on the foregoing, I am of the opinion that the Northrop Grumman Shares will, when issued in exchange for TRW Shares as contemplated by the offer to exchange forming part of the Registration Statement, be duly authorized, validly issued, fully paid and non-assessable.

I hereby consent to the use of my name under the caption "Legal Matters" in the Form S-4 and to the inclusion of this opinion as an exhibit to the Registration Statement.

Very truly yours,

Name: John H. Mullan
Title: Corporate Vice President and
Secretary

March 4, 2002

Direct Dial
(213) 229-7000

Client No.
C 66093-00115

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, CA 90067

Re: Offer to Exchange Common Stock of Northrop Grumman
for Capital Stock of TRW and the TRW Merger

Ladies and Gentlemen:

You have requested our opinion as to certain United States federal income tax consequences of the offer to exchange common stock of Northrop Grumman Corporation, a Delaware corporation, for each outstanding share of capital stock of TRW Inc., an Ohio corporation, and the TRW merger. Capitalized terms used, but not defined herein, have the meaning set forth in the Registration Statement on Form S-4 filed with the U.S. Securities and Exchange Commission on March 4, 2002 ("Registration Statement").

We hereby confirm our opinion as set forth under the heading "Material U.S. Federal Income Tax Consequences of the Offer to Exchange and the Merger" in the Registration Statement. We also hereby consent to the reference to us under the heading "Material U.S. Federal Income Tax Consequences of the Offer to Exchange and the TRW Merger" in the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

Sincerely,

/s/ Gibson, Dunn & Crutcher LLP

HB/SLT/DA/da

Notice of Grant of Stock Options
and Option Agreement

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, CA 90067

Name
Address
Address

Pursuant to the terms and conditions of the company's 52 2001 NQ Stock Option Plan (the 'Plan'), you have been granted a Non-Qualified Stock Option to purchase _____ shares (the 'Option') of stock as outlined below.

Granted To: (Name)

Grant Date:

Options Granted:

Option Price per Share: \$

Expiration Date:

Vesting Schedule: 25% per year for 4 years

This page and the attached Terms and Conditions together constitute the Option Agreement. By your Signature and the Company's signature below, you and the Company agree that these options are granted under and governed by the terms of the Company's 2001 Long-Term Incentive Stock Plan and the Option Agreement.

NORTHROP GRUMMAN CORPORATION

By: _____ By: _____

Signature: _____ Date: _____
(Name)

NORTHROP GRUMMAN CORPORATION
2001 LONG-TERM INCENTIVE STOCK PLAN
NON-QUALIFIED STOCK OPTION
TERMS AND CONDITIONS

1. The Grantee is entitled at the time or times designated in paragraph 4 hereof but before the close of business on the day before the tenth anniversary of the Date of Grant (the "Expiration Date") to purchase and receive from the Company the maximum number of shares of Common Stock of the Company set forth above upon exercise of this Option, all subject, however, to the terms and conditions stated herein and in the Northrop Grumman 2001 Long-Term Incentive Stock Plan, as amended from time to time (the "Plan"), and any rules or guides to administration adopted by the Company's Compensation and Management Development Committee or any successor committee appointed by the Company's Board of Directors to administer the Plan (the "Committee") in effect from time to time, including, without limitation, the Plan's 2001 Guide to Administration (the "Guide").

2. This Option is non-transferable and non-assignable and may be exercised solely by the Grantee or a duly appointed guardian or personal representative, except as provided in paragraph 3 hereof in the event of the death of the Grantee. This Option shall not be an "incentive stock option" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended.

3. This Option shall terminate if and when the Grantee ceases to be an employee of the Company or one of its subsidiaries, except as follows:

(i) If the Grantee Retires (as defined below), dies, or is Disabled (as defined below) while employed by the Company or a subsidiary, the next succeeding vesting installment of this Option shall vest and all installments under this Option which have vested may be exercised by the Grantee (or, in the case of the Grantee's death, by the Grantee's successor) until the fifth anniversary of the Grantee's Retirement, death, or Disability, whichever first occurs, but in no event after the Expiration Date.

(ii) Subject to the following sentence, if the employment of the Grantee with the Company or a subsidiary is terminated for any reason other than the Grantee's death, Retirement or Disability, this Option may be exercised (as to not more than the number of shares as to which the Grantee might have exercised this Option on the date on which his or her employment terminated) only within 90 days from the date of such termination of employment, but in no event after the Expiration Date; provided, however, that if the Grantee is dismissed by the Company or a subsidiary for cause, of which the Committee shall be the sole judge, this Option shall expire forthwith. If the Grantee dies within 90 days after a termination of employment described in the preceding sentence (other than a termination by the Company or a subsidiary for cause), this Option may be exercised by the Grantee's successor for one year from the date of the Grantee's death, but in no event after the Expiration Date and as to not more than the number of shares as to which the Grantee might have exercised this Option on the date on which his or her employment by the Company or a subsidiary terminated.

(iii) For purposes of this instrument, "Disabled" means disabled pursuant to the provisions of the Company's (or one of its subsidiary's) Long Term Disability Plan applicable to the Grantee; or, if the Grantee is not covered by such a Long Term Disability Plan, the incapacity of the Grantee, due to injury, illness, disease, or bodily or mental infirmity, to engage in the performance of substantially all of the usual duties of employment with the Company or the subsidiary which employs the Grantee, such disability to be determined by the Committee upon receipt and in reliance on competent medical advice from one or more individuals, selected by the Committee, who are qualified to give such professional medical advice. For purposes of this instrument, "Retire" means that the Grantee terminates employment after attaining age 55 with at least 10 years of service (other than in connection with a termination by the Company or a subsidiary for cause).

4. Subject to the earlier vesting and/or termination of this Option pursuant to paragraph 3 or paragraph 8 hereof, this Option shall become exercisable as to 25 percent of the total number of shares set forth above on the first anniversary of the Date of Grant, and on each succeeding anniversary of the Date of Grant this Option shall become exercisable as to an additional 25 percent of the total number of shares so that on the fourth anniversary of the Date of Grant this Option shall be exercisable in full. Subject to the earlier vesting and/or termination of this Option pursuant to paragraph 3 or paragraph 8 hereof, this Option may be exercised to the extent that it is exercisable in accordance with the foregoing at any time up to the Expiration Date.

5. In order to exercise this Option, the Grantee or such other person as may be entitled to exercise the same shall (i) execute and deliver to the Corporate Secretary of the Company a written notice indicating the number of shares subject to this Option to be exercised, and/or (ii) complete such other exercise procedure as may be prescribed by the Corporate Secretary of the Company. The date of exercise of this Option shall be the day such notice is received by the Corporate Secretary of the Company or the day such exercise procedures are satisfied, as applicable; provided that in no event shall this Option be considered to have been exercised unless the per share exercise price of this Option is paid in full (or provided for in accordance with the following sentence) for each of the shares to be acquired on such exercise and all required tax withholding obligations with respect to such exercise have been satisfied or provided for in accordance with paragraph 8 hereof. The purchase price shall be paid in cash or, in the sole discretion of the Committee and on

such terms and conditions as the Corporate Secretary of the Company may prescribe, either in whole or in part in Common Stock of the Company (either actually or by attestation

and valued at their fair market value on the date of exercise of this Option as defined in paragraph 6 hereof) or pursuant to a cashless exercise arranged through a broker or other third party.

6. The fair market value of the shares of Common Stock of the Company on the date of exercise of this Option shall be the closing price in the composite tape of the Common Stock on the New York Stock Exchange on such date, or, if there was no trading on such date, the closing price on the next preceding date on which there was trading in such shares; provided, however, the Committee in determining such fair market value may utilize such other exchange, market, or listing as it deems appropriate. For purposes of a cashless exercise, the fair market value of the shares shall be the price at which the shares in payment of the exercise price are sold.

7. The issue and sale of shares of stock upon any exercise of this Option is further subject to full compliance with all then applicable requirements of law, the Securities and Exchange Commission, the Commissioner of Corporations of the State of California, or other regulatory agencies having jurisdiction over the Company and its shares, and of any exchanges upon which stock of the Company may be listed. The Grantee shall not have the rights and privileges of a stockholder with respect to shares subject to or purchased under this Option until the date appearing on the certificate(s) issued upon the exercise of this Option.

8. The number and price of shares subject to this Option are subject to adjustment upon the occurrence of events such as stock splits, stock dividends and other changes in capitalization in accordance with Section 6 of the Plan. In the event of any adjustment, the Company will give the Grantee written notice thereof which will set forth the nature of the adjustment. Except as set forth below in this paragraph 8, the Grantee's rights with respect to this Option in the event of a Change in Control (as defined in the Plan) shall be determined under Section 6 of the Plan. Notwithstanding the acceleration provisions of paragraph 3 hereof but subject to the limited exercise periods set forth therein, further subject to the Company's ability to terminate this Option in connection with a Change in Control in accordance with the provisions of Section 6 of the Plan, and further subject to the exceptions set forth in Section X of the Guide, this Option shall become fully exercisable as of the date of the Grantee's termination of employment if either within the Protected Period (as defined in the Guide) corresponding to a Change in Control of the Company or within twenty-four (24) calendar months following the date of a Change in Control of the Company, the Grantee's employment by the Company and its subsidiaries is involuntarily terminated by the Company and its subsidiaries for reasons other than Cause (as defined in Section X of the Guide) or by the Grantee for Good Reason (as defined in Section X of the Guide).

9. The vesting of this Option requires continued employment through each vesting date as a condition to the vesting of the corresponding installment of this Option. Employment before or between the specified vesting dates, even if substantial, will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment. Subject to the leave of absence provisions of the Guide, the term "employment" as used herein means active employment by the Company or one of its subsidiaries and salary continuation without active employment will not, in and of itself, constitute "employment" for purposes hereof (in the case of salary continuation without active employment, the participant's cessation of active employee status shall be deemed to be a termination of "employment" for purposes hereof). Nothing contained in this instrument, the Plan, or the Guide constitutes an employment commitment by the Company or any subsidiary, affects the Grantee's status (if the Grantee is otherwise an at-will employee) as an employee at will who is subject to termination without cause, confers upon the Grantee any right to continue in the employ of the Company or any subsidiary, or interferes in any way with the right of the Company or of any subsidiary to terminate such employment at any time.

10. The Company or the subsidiary which employs the Grantee shall be entitled to require, as a condition of issuing shares upon exercise of this Option, that the Grantee or other person exercising this Option pay any sums required to be withheld by federal, state or local tax law with respect to the exercise of this Option. Alternatively, the Company or such subsidiary, in its discretion, may make such provisions for the withholding of any taxes as it deems appropriate.

11. The Company will pay all federal and state transfer taxes, if any, and other fees and expenses in connection with the issuance of shares upon exercise of this Option.

12. The Company may, for all purposes, regard the Grantee as the holder of this Option until written notice of transfer pursuant to paragraph 3 hereof in connection with the Grantee's death has been given to and received by the Corporate Secretary of the Company.

13. The Committee has the discretionary authority to determine any questions as to the date when the Grantee's employment terminated and the cause of such termination and to interpret any provision of this instrument, the Plan, the Guide, and any other applicable rules or guides to administration. Any action taken by, or inaction of, the Committee relating to or pursuant to this instrument, the Plan, the Guide, or any other applicable rules or guides to administration shall be within the absolute discretion of the Committee and shall be conclusive and binding on all persons.

14. This Option was granted under the Plan. This Option is governed by, and the Grantee's rights are subject to, all of the terms and conditions of the Plan, the Guide, and any other rules or regulations adopted by the Committee, as the foregoing may be amended from time to time. The Grantee shall have no rights

with respect to any amendment of this instrument, the Plan or the Guide unless such amendment is in writing and signed by a duly authorized officer of the Company.

NORTHROP GRUMMAN
EXECUTIVE DEFERRED COMPENSATION PLAN

1. Purpose.

The purpose of the Plan is to provide an arrangement whereby executives can elect to defer receipt of compensation for which a deduction to the Corporation would otherwise be disallowed for federal income tax purposes under Section 162(m) of the Internal Revenue Code of 1986, as amended ("Code"). The Plan as amended and restated herein is effective November 2, 2000.

2. Definitions.

(a) "Committee" is the Compensation and Management Development Committee (or its successor) of the Board of Directors of Northrop Grumman Corporation.

(b) "Company" means Northrop Grumman Corporation and any of its subsidiaries or affiliates.

(c) "Compensation" means salary and other items of includible compensation paid to a Participant from the Company or a calendar year.

(d) "Corporation" means Northrop Grumman Corporation.

(e) "Disability" means a permanent and total disability for which a Participant is currently receiving benefits from a long-term disability plan sponsored by the Company.

(f) "Effective Date" means December 30, 1994, or such other date as specified by the Board of Directors.

(g) "Eligible Employee" means an employee who meets the conditions for eligibility under Section 3 of this Plan.

(h) "Estate Enhancement Program Election" means an election made by a participant to participate in the Northrop Grumman Estate Enhancement Program under which the Participant elects to have all or any portion of his or her deferral account balance converted to an Estate Enhancement Program Account.

Northrop Grumman Executive Deferred Compensation Plan

(i) "Estate Enhancement Program Account" means all or any portion of the Participant's Plan account balance with respect to which the Participant has made an Estate Enhancement Program Election.

(j) "Participant" means an Eligible Employee who makes an election to defer Compensation under this Plan.

(k) "Plan" means the Executive Deferred Compensation Plan of the Northrop Grumman Corporation as set forth herein and as from time to time amended.

(l) "Plan Year" means the calendar year.

(m) "Retirement" means retirement pursuant to one or more of the qualified pension or profit-sharing plans maintained by the Company.

(n) "Section 162(m) limit" means the limit on deductibility of salary and other compensation imposed by Section 162(m) of the Code, and any subsequent or superseding provisions of the Code.

(o) "Termination" means a complete separation from service by the Participant from the Company.

3. Eligibility.

An employee of the Company who is eligible to receive Compensation in excess of the Section 162(m) limit may be eligible to participate in this Plan for that year, upon approval of his eligibility by the Committee.

4. Participation.

(a) An Eligible Employee may become a Participant by electing to defer some or all of his Compensation under this Plan, on a form and in the manner specified by the Committee.

(b) Eligible Employees must make a separate election to participate with respect to each Plan Year. Any deferral made under this Plan shall only be effective with respect to the Plan Year to which it relates.

5. Time of Deferral.

(a) An election to defer Compensation under this Plan shall be made no later than December 31 preceding the calendar year in which the services are performed to which the Compensation relates.

(b) Any deferral election under this Plan shall be binding with respect to the period for which it was made and shall be irrevocable with respect to that period.

6. Deferral Account.

There shall be established on the books of the Corporation a deferral account for each Participant, and all amounts deferred by the Participant under this Plan for all years of participation shall be credited to that account, together with any interest or earnings on such amounts.

7. Investment options.

(a) During the first full Plan Year, interest will be credited to deferral accounts at a rate equal to 115-percent of the fourth quarter monthly rate of Moody's Average Corporate Bond rate.

(b) With respect to subsequent Plan Years, the Committee, in its sole discretion, may make available one or more investment options under this Plan in which Participants may elect to direct investment of their deferral accounts. In addition, the Committee may determine that one or more of the accounts shall earn interest at a stated rate over a specified term.

(c) Notwithstanding the other provisions of this Section 7, amounts in an Estate Enhancement Program Account shall not be credited with any interest or other investment earnings or losses.

8. No Guarantee of Payment; No Funding.

(a) Participants in this Plan shall have no rights on account of this Plan in or to any specific assets of the Company, and any rights that a Participant shall

have on account of this Plan shall be no greater than those of a general, unsecured creditor of the Corporation.

(b) The Corporation in no way guarantees the principal, or any other portion of a Participant deferral account and any earnings thereon. Any and all investments remain the property of the Corporation.

(c) The Corporation, in its sole discretion, may establish a separate rabbi trust for the purpose of funding its obligations under this Plan, and may also fund its obligations under a rabbi trust which funds other nonqualified benefit obligations of the Corporation. However, nothing contained herein shall require the establishment or funding of any such trust with respect to benefit obligations or liabilities under this Plan.

(d) This Plan is intended to qualify as an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management and highly compensated employees ("a Top-Hat Plan"), for purposes of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In the event of any change in law which the Committee determines, in its discretion, will cause the Plan to fail to qualify as a Top-Hat Plan, the Committee may terminate the participation of such Participants as it deems necessary to preserve or restore the Plan's status, and may take such other action, including the acceleration of payment of Participant deferral accounts, if necessary to preserve or restore the Plan's status as a Top-Hat Plan.

9. Form and Timing of Distributions.

(a) At the time a Participant makes a deferral election under this Plan, he or she shall also make an election with respect to the form of payment of that deferral (a "Distribution Election"). Each Distribution Election shall be effective only with respect to the deferral elected for that period (and pro-rata earnings on that deferral, if any), and a separate Distribution Election shall be made for any subsequent deferrals.

(b) A Distribution Election shall consist of one of the following:

- (1) A lump sum payment to be made in the year following the earliest to occur of the Participant's Termination, Retirement or Disability; and

(2) Annual installment payments for a period of five or ten years, beginning in the year following the earliest to occur of the Participant's Termination, Retirement or Disability.

(c) Distributions shall be paid in January of each year or as soon thereafter as administratively possible.

(d) The death of a Participant prior to his Retirement or Disability shall be treated as a Termination of employment for purposes of the distribution of benefits under this Plan. In the event that a Participant receiving installment distributions dies prior to the receipt of all such installments, installment payments shall continue to the Participant's beneficiary or beneficiaries, as designated under this Plan.

(e) Notwithstanding the other provisions of this Section 9, any amounts in a Participant's Estate Enhancement Program Account shall be paid in a single sum within sixty (60) days after the Participant's death (or the death of the survivor of the Participant and the Participant's spouse, if the life insurance policy issued pursuant to the Participant's Estate Enhancement Program Election is a survivorship policy insuring the Participant and the Participant's spouse).

10. Beneficiary Designation.

(a) At the time of deferral election or any time thereafter, a Participant may designate one or more beneficiaries to receive any benefits due upon death. In the absence of any designation under this Plan, the beneficiary of a married Participant shall be the Participant's spouse to whom he was married at the time of death, and the beneficiary of an unmarried Participant shall be his estate.

(b) The Participant can elect to change his beneficiary at any time up to the date of distribution, and no consent shall be required for a married Participant to designate a non-spouse beneficiary.

(c) A Participant who has an Estate Enhancement Program Account shall designate one or more beneficiaries to receive any benefits payable from such account upon death, and a beneficiary designation made with respect to any such amounts before such amounts are converted to the Estate Enhancement Program Account shall not be effective with respect to such amounts. In the absence of any

such designation, amounts in the Estate Enhancement Program Account shall be paid in a single sum to the estate of the Participant (or, if the insurance policy issued pursuant to the Participant's Estate Enhancement Program Election is a survivorship policy insuring the Participant and the Participant's spouse, the estate of the survivor of the Participant and the Participant's spouse).

11. Emergency Benefit.

If a Participant suffers an unforeseeable and immediate financial emergency, the Committee, in its sole discretion and upon the written application of the Participant, may distribute to the Participant at such time as the Committee may prescribe that portion of his deferral account, if any, which the Committee determines is necessary to meet the financial emergency. A financial emergency shall include major uninsured medical expenses or such other circumstances as the Committee may, in its discretion, determine, provided that the Participant demonstrates to the Committee's satisfaction that he lacks available resources to meet the emergency. Any such distribution shall reduce the balance in the Participant's deferral account available for distribution. Notwithstanding the foregoing, no portion of a Participant's Estate Enhancement Program Account is eligible to be distributed to a Participant as an emergency benefit.

12. Administration of the Plan.

(a) The Committee shall be the Administrator of the Plan, and it may delegate responsibilities therefor to the Vice President, Human Resources, or his delegates.

(b) The Committee shall have the full and exclusive authority to interpret the Plan, to construe ambiguities and to decide all matters under the Plan in its discretion. Such interpretation and decision shall be final, conclusive and binding on all Participants and any person claiming under or through any Participant.

(c) The Committee shall have full discretionary authority to interpret and administer the Plan, and to make such rules and regulations as it deems necessary or appropriate to carry out its responsibilities under this Plan as well as the purposes for which it was established, including any rules relating to the availability of investment options for deferral accounts.

13. Taxes.

The Corporation may withhold from any distribution under this Plan any and all amounts necessary for the payment of any taxes, including without limitation, income and employment taxes, and the amounts payable to Participants shall be reduced by the tax so withheld.

14. Amendment and Termination.

(a) The Committee may at any time amend the Plan in any manner (including any method for determining earnings on deferral accounts), provided that no such amendment shall reduce the amounts previously credited to a deferral account of any Participant for periods prior to the amendment.

(b) The Plan shall continue in effect until terminated by action of the Board of Directors of the Corporation. Upon termination of the Plan, no further deferrals of Compensation shall be made, and distribution of any amounts credited to deferral accounts shall be made in accordance with rules of the Committee.

15. No Assignment of Benefits.

Participants rights to benefit payments under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or the Participant's beneficiary.

16. Future Rights.

No person shall have any claim or right under this Plan to be retained in the employ of the Company, or to remain eligible for any Compensation able to be deferred under this Plan.

17. Governing Law

The terms of this Plan shall be construed in accordance with the laws of the State of Delaware, to the extent not preempted by federal law.

18. Forfeitures.

Notwithstanding anything in this Plan to the contrary, any benefit payable to a Participant hereunder may be forfeited, discontinued or reduced if the Participant is discharged for gross misconduct of a type which is or was directly or indirectly harmful to the business or reputation of the Corporation.

FIRST AMENDMENT TO THE
NORTHROP GRUMMAN
EXECUTIVE DEFERRED COMPENSATION PLAN

The following changes to the Northrop Grumman Executive Deferred Compensation Plan effective November 2, 2000 (the "Plan"), as described below, are intended to transfer certain liabilities to the Northrop Grumman Deferred Compensation Plan, effective March 1, 2001.

1. A new Section 19 is added as follows:

19. Transfer of Liabilities.

Effective March 1, 2001, all liabilities under this Plan, other than the Estate Enhancement Program Account, are transferred to the Northrop Grumman Deferred Compensation Plan. After the transfer, those liabilities will be governed by the terms of that plan, and the provisions of this Plan will cease to apply. After the transfer, any assets set aside for these liabilities in a rabbi trust will instead be set aside for the liabilities under the Northrop Grumman Deferred Compensation Plan.

NORTHROP GRUMMAN
DEFERRED COMPENSATION PLAN

TABLE OF CONTENTS

	Page

ARTICLE I--DEFINITIONS	1
1.1 Definitions.....	1
ARTICLE II--PARTICIPATION	4
2.1 In General.....	4
2.2 Disputes as to Employment Status.....	5
2.3 Cessation of Eligibility.....	5
ARTICLE III--DEFERRAL ELECTIONS.....	5
3.1 Elections to Defer Compensation.....	5
3.2 Investment Elections.....	6
3.3 Investment Return Not Guaranteed.....	7
ARTICLE IV--ACCOUNTS AND TRUST FUNDING.....	7
4.1 Accounts	7
4.2 Use of a Trust.....	8
ARTICLE V--VESTING	8
5.1 In General.....	8
5.2 Exceptions.....	8
ARTICLE VI--DISTRIBUTIONS	9
6.1 Distribution of Deferred Compensation Contributions.....	9
6.2 Early Non-Scheduled Distributions.....	10
6.3 Hardship Distribution.....	11
6.4 Payments Not Received At Death.....	11
6.5 Inability to Locate Participant.....	11
6.6 Committee Rules.....	12
ARTICLE VII--ADMINISTRATION	12

	Page

7.1	Committees..... 12
7.2	Committee Action..... 12
7.3	Powers and Duties of the Administrative Committee..... 12
7.4	Powers and Duties of the Investment Committee..... 13
7.5	Construction and Interpretation..... 13
7.6	Information..... 13
7.7	Committee Compensation, Expenses and Indemnity..... 14
7.8	Disputes 14
ARTICLE VIII--MISCELLANEOUS 15
8.1	Unsecured General Creditor..... 15
8.2	Restriction Against Assignment..... 16
8.3	Restriction Against Double Payment..... 16
8.4	Withholding..... 16
8.5	Amendment, Modification, Suspension or Termination..... 16
8.6	Governing Law..... 16
8.7	Receipt or Release..... 17
8.8	Administrative Delays..... 17
8.9	Disputes About Payee..... 17
8.10	Incorrect Payment of Benefits..... 17
8.11	Payments on Behalf of Persons Under Incapacity..... 17
8.12	Limitation of Rights and Employment Relationship..... 18
8.13	Headings 18

NORTHROP GRUMMAN

DEFERRED COMPENSATION PLAN

WHEREAS, Northrop Grumman Corporation (the "Company") desires to establish this unfunded Deferred Compensation Plan (the "Plan") for a select group of management and highly compensated employees;

NOW, THEREFORE, effective as of December 1, 2000, this Plan is hereby adopted to read as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions

Whenever the following words and phrases are used in this Plan, with the first letter capitalized, they shall have the meanings specified below.

(a) "Account" shall mean the recordkeeping account set up for each Participant to keep track of amounts to his or her credit.

(b) "Administrative Committee" means the committee in charge of Plan administration, as described in Article VII.

(c) "Affiliated Companies" shall mean the Company and any entity affiliated with the Company under Code sections 414(b) or (c).

(d) "Base Salary" shall mean a Participant's annual base salary, excluding bonuses, commissions, incentive and all other remuneration for services rendered to the Affiliated Companies and prior to reduction for any salary contributions to a plan established pursuant to section 125 of the Code or qualified pursuant to section 401(k) of the Code.

(e) "Beneficiary" or "Beneficiaries" shall mean the person or persons, including a trustee, personal representative or other fiduciary, last designated in writing by a Participant in accordance with procedures established by the Administrative Committee to receive the benefits specified hereunder in the event of the Participant's death.

(1) No Beneficiary designation shall become effective until it is filed with the Administrative Committee.

(2) Any designation shall be revocable at any time through a written instrument filed by the Participant with the Administrative Committee with or without the consent of the previous Beneficiary.

(3) No designation of a Beneficiary other than the Participant's spouse shall be valid unless consented to in writing by such spouse. If there is no such designation or if there is no surviving designated Beneficiary, then the Participant's surviving spouse shall be the Beneficiary. If there is no surviving spouse to receive any benefits payable in accordance with the preceding sentence, the duly appointed and currently acting personal representative of the Participant's estate (which shall include either the Participant's probate estate or living trust) shall be the Beneficiary. In any case where there is no such personal representative of the Participant's estate duly appointed and acting in that capacity within 90 days after the Participant's death (or such extended period as the Administrative Committee determines is reasonably necessary to allow such personal representative to be appointed, but not to exceed 180 days after the Participant's death), then Beneficiary shall mean the person or persons who can verify by affidavit or court order to the satisfaction of the Administrative Committee that they are legally entitled to receive the benefits specified hereunder.

(4) In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole custodial parent, to such custodial parent, or (c) if no parent of that person is then living, to a custodian selected by the Administrative Committee to hold the funds for the minor under the Uniform Transfers or Gifts to Minors Act in effect in the jurisdiction in which the minor resides. If no parent is living and the Administrative Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within 60 days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor.

(5) Payment by the Affiliated Companies pursuant to any unrevoked Beneficiary designation, or to the Participant's estate if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of the Affiliated Companies.

(f) "Board" shall mean the Board of Directors of the Company.

(g) "Bonuses" shall mean the bonuses earned under the Company's formal incentive plans as defined by the Administrative Committee.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(i) "Committees" shall mean the Committees appointed by the Board to administer the Plan and investments in accordance with Article VII.

(j) "Company" shall mean Northrop Grumman Corporation and any successor.

(k) "Compensation" shall be Base Salary plus Bonuses.

(l) "Disability" shall mean the Participant's inability to perform each and every duty of his or her occupation or position of employment due to illness or injury as determined in the sole and absolute discretion of the Administrative Committee.

(m) "Early Distribution" shall mean an election by a Participant in accordance with Section 6.2 to receive a withdrawal of amounts from his or her Account prior to the time at which such Participant would otherwise be entitled to such amounts.

(n) "Employee" shall mean any common law employee of the Affiliated Companies.

(o) "Effective Date" shall be December 1, 2000.

(p) "Eligible Employee" shall mean any Employee who meets the following conditions:

(1) he or she is initially treated by the Affiliated Companies as an Employee and not as an independent contractor; and

(2) he or she meets the eligibility criteria set by the Administrative Committee.

(q) "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.

(r) "Hardship Distribution" shall mean a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of his or her dependent (as defined in Section 152(a) of the Code), loss of a Participant's property due to casualty, or other similar or extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The circumstances that would constitute an unforeseeable emergency will depend upon the facts of each case, but, in any case, a Hardship Distribution may not be made to the extent that such hardship is or may be relieved (i) through reimbursement or compensation by insurance or otherwise, (ii) by liquidation of the Participant's assets, to the extent the liquidation of assets would not itself cause severe financial hardship, or (iii) by cessation of deferrals under this Plan.

(s) "Initial Election Period" shall mean

(1) in the case of an employee who becomes an Eligible Employee upon the Effective Date of the Plan, the 30-day period prior to the Effective Date of the Plan;

(2) in the case of an Employee who becomes an Eligible Employee after the Effective Date under Section 2.1(a)(2)(a new hire), the 30-day period following the time the Employee first becomes an Eligible Employee; and

(3) in the case of an Employee who becomes an Eligible Employee after the Effective Date under Section 2.1(b)(because of a raise or promotion), the next Open Enrollment Period.

(t) "Investment Committee" means the committee in charge of investment aspects of the Plan, as described in Article VII.

(u) "Open Enrollment Period" means the period near the end of each Plan Year designated by the Administrative Committee for electing deferrals for the following Plan Year.

(v) "Participant" shall mean any Eligible Employee who becomes a participant in this Plan in accordance with Article II and retains a positive balance to his or her account under the Plan.

(w) "Payment Date" shall mean:

(1) for distributions upon early termination under Section 6.1(a), a date after the end of the month in which termination of employment occurs;

(2) for distributions after Retirement, Disability or death under Section 6.1(b), a date after the end of the month in which occurs Retirement, the determination of Disability by the Administrative Committee, or the notification of the Administrative Committee of the Participant's death (or later qualification of the Beneficiary or Beneficiaries), as applicable; and

(3) for distributions with a scheduled withdrawal date under Section 6.1(c), a date after the December 31 prior to the elected payment year, the exact date in each case to be determined by the Administrative Committee to allow time for administrative processing.

(x) "Plan" shall be the Northrop Grumman Deferred Compensation Plan.

(y) "Plan Year" shall be the calendar year.

(z) "Retirement" shall mean termination of employment with the Affiliated Companies after reaching age 55.

(aa) "Scheduled Withdrawal Date" shall mean the distribution date elected by the Participant for an in-service withdrawal of amounts deferred in a given Plan Year, and earnings and losses attributable thereto, as set forth on the election form for such Plan Year.

ARTICLE II

PARTICIPATION

2.1 In General

(a) An Eligible Employee may become a Participant if he or she:

(1) is an Eligible Employee on the Effective Date, or

(2) he or she is newly hired by the Affiliated Companies after the Effective Date and he or she is an Eligible Employee as of the first date of employment with the Affiliated Companies.

(b) Someone who becomes an Eligible Employee after the Effective Date because he or she receives a raise or promotion will not be entitled to participate in the Plan until the next Open Enrollment Period.

(c) Anyone eligible to participate under (a) or (b) may become a Participant by complying with the procedures set out by the Administrative Committee.

2.2 Disputes as to Employment Status -----

(a) Because there may be disputes about an individual's proper status as an Employee or non-Employee, this Section describes how such disputes are to be handled with respect to Plan participation.

(b) The Affiliated Companies will make the initial determination of an individual's employment status.

(1) If an individual is not treated by the Affiliated Companies as a common law employee, then the Plan will not consider the individual to be an "Eligible Employee" and he or she will not be entitled to participate in the Plan.

(2) This will be so even if the individual is told he or she is entitled to participate in the Plan and given a summary plan description and enrollment forms or other actions are taken indicating that he or she may participate.

(c) Disputes may arise as to an individual's employment status. As part of the resolution of the dispute, an individual's status may be changed by the Affiliated Companies from non-Employee to Employee. Such Employees are not Eligible Employees.

2.3 Cessation of Eligibility -----

If the Administrative Committee determines or reasonably believes that a Participant has ceased to be a management or highly compensated employee within the meaning of ERISA Title I, the Participant will no longer be able to defer any further compensation under the Plan.

ARTICLE III

DEFERRAL ELECTIONS -----

3.1 Elections to Defer Compensation -----

(a) Initial Election Period. Subject to the provisions of

Article II, each Eligible Employee may elect to defer an amount of Compensation by filing an election with the Administrative Committee no later than the last day of his or her Initial Election Period.

(b) General Rule. The amount of Compensation which an Eligible

Employee may elect to defer is such Compensation earned after the time at which the Eligible Employee elects to defer in accordance with Section 3.1(a). The Administrative Committee may set limits and other requirements on the amount which may be deferred as well as procedures for elections. The Administrative Committee may change these rules from time to time. The minimum contribution which may be made in any Plan Year by an Eligible Employee shall not be less than \$5,000, provided such minimum contribution can be satisfied from any element of Compensation.

(c) Initial and Subsequent Elections. An Eligible Employee's

initial election to defer Compensation must be made by the Effective Date and is to be effective with respect to Compensation received in 2001.

(1) In the case of an Employee who becomes an Eligible Employee after the Effective Date under Section 2.1(a)(2) (a new hire), such Eligible Employee shall have 30 days from the date he or she has become an Eligible Employee to make an initial election with respect to Compensation. Such election shall be for Compensation earned during the remainder of the Plan Year, in the event the Plan Year has commenced.

(2) In the case of an Employee who becomes an Eligible Employee after the Effective Date under Section 2.1(b) (because of a raise or promotion), such Eligible Employee may make an initial election to defer Compensation earned in the following Plan Year during the next Open Enrollment Period.

(3) Participants may maintain, increase, decrease or terminate a deferral election with respect to Compensation for any subsequent Plan Year by filing a new election in the Open Enrollment Period each year.

(4) These elections for a Plan Year are irrevocable.

(d) Committee Rules. All elections must be made in accordance

with the rules, procedures and utilizing the forms prescribed by the Administrative Committee. The Administrative Committee may change the rules, procedures and forms from time to time and without prior notice to Participants.

3.2 Investment Elections

(a) The Investment Committee will establish a number of different types of investment for the Plan. The Investment Committee may change the investments from time to time, without prior notice to Participants.

(b) Participants may elect how their future contributions and existing account balances will be invested in the various types of investment and may change their elections from time to time.

(c) Although the Participants may designate the type of investments, the Investment Committee is not bound to invest in any particular investment. The Investment Committee will select from time to time, in its sole and absolute discretion, commercially

available investments of each of the types offered. All investments remain the property of the Affiliated Companies (or the rabbi trust under Section 4.2) and are not Plan assets. Investments are used solely for purposes of measuring the deemed earnings and losses in Participants' Accounts under Section 4.1.

(d) Selections of the types of investments, changes and transfers must be made according to the rules and procedures of the Administrative Committee.

(1) The Administrative Committee may prescribe rules which may include, among other matters, limitations on the amounts which may be transferred and procedures for electing transfers.

(2) The Administrative Committee may prescribe rules for valuing accounts for purposes of transfers. Such rules may, in the Administrative Committee's discretion, use averaging methods to determine values and accrue estimated expenses.

(3) The Administrative Committee may prescribe the periods and frequency with which Participants may change investment elections and make transfers.

(4) The Administrative Committee may change its rules from time to time and without prior notice to Participants.

3.3 Investment Return Not Guaranteed -----

Investment performance under the Plan is not guaranteed at any level. Participants may lose all or a portion of their contributions due to poor investment performance.

ARTICLE IV

ACCOUNTS AND TRUST FUNDING -----

4.1 Accounts -----

The Administrative Committee shall establish and maintain an Account for each Participant under the Plan. Each Participant's Account shall be further divided into separate subaccounts ("investment subaccounts"), each of which corresponds to an investment type elected by the Participant pursuant to Section 3.2(a). A Participant's Account shall be credited as follows:

(a) The Administrative Committee shall credit the investment subaccounts of the Participant's Account with an amount equal to Compensation deferred by the Participant in accordance with the Participant's election under Section 3.2(b); that is, the portion of the Participant's deferred Compensation that the Participant has elected to be deemed to be invested in a certain type of investment shall be credited to the investment subaccount corresponding to that investment type.

(b) The investment subaccounts of Participants' Accounts will be credited with earnings or losses based on the earnings or losses of the corresponding investments selected

by the Investment Committee and valued in accordance with the rules and procedures of the Administrative Committee.

(1) The Administrative Committee may set regular valuation dates and times and also use special valuation dates and times and procedures from time to time under unusual circumstances and to protect the financial integrity of the Plan.

(2) The Administrative Committee may use averaging methods to determine values and accrue estimated expenses.

(3) The Administrative Committee may change its valuation rules and procedures from time to time and without prior notice to Participants.

(c) In the event that a Participant elects for a given Plan Year's deferral of Compensation to have a Scheduled Withdrawal Date, all amounts attributed to the deferral of Compensation for such Plan Year shall be accounted for in a manner which allows separate accounting for the deferral of Compensation and investment gains and losses associated with such Plan Year's deferral of Compensation.

4.2 Use of a Trust -----

The Company may set up a trust to hold any assets or insurance policies under the Plan. Any trust set up will be a rabbi trust.

ARTICLE V

VESTING -----

5.1 In General -----

A Participant's interest in his or her Account will be nonforfeitable.

5.2 Exceptions -----

The following exceptions apply to the vesting rule:

- (a) Forfeitures on account of a lost payee. See Section 6.4.
- (b) Forfeitures under an escheat law. See Section 6.4.
- (c) Recapture of amounts improperly credited to a Participant's Account or improperly paid to or with respect to a Participant.
- (d) Expenses paid from a Participant's Account.
- (e) Investment losses.
- (f) Forfeitures resulting from early withdrawals. See Section 6.2.

ARTICLE VI
DISTRIBUTIONS

6.1 Distribution of Deferred Compensation Contributions

(a) Distributions Upon Early Termination.

(1) Voluntary Termination. If a Participant voluntarily

terminates employment with the Affiliated Companies before age 55 or Disability, distribution of his or her Account will be made in a lump sum on the Participant's Payment Date.

(2) Involuntary Termination. If a Participant involuntarily

terminates employment with the Affiliated Companies before age 55, distribution of his or her Account will generally be made in quarterly installments over a 5, 10 or 15-year period, commencing on the Participant's Payment Date, in accordance with the Participant's original election on his or her deferral election form. Payment will be made in a lump sum if the Participant had originally elected a lump sum, if the Account balance is \$50,000 or less, or if the Administrative Committee so requires.

(b) Distribution After Retirement, Disability or Death. In the case of

a Participant who separates from service with the Affiliated Companies on account of Retirement, Disability or death and has an Account balance of more than \$50,000, the Account shall be paid to the Participant (and after his or her death to his or her Beneficiary) in substantially equal quarterly installments over 10 years commencing on the Participant's Payment Date.

(1) An optional form of benefit may be elected by the Participant, on the form provided by Administrative Committee, during his or her Initial Election Period from among those listed below:

(A) A lump sum distribution on the Participant's Payment Date.

(B) Quarterly installments over 5 years beginning on the Participant's Payment Date.

(C) Quarterly installments over 15 years beginning on the Participant's Payment Date.

(2) A Participant from time to time may modify the form of benefit that he or she has previously elected. Upon his or her separation from service under this Section, the most recently elected form of distribution submitted at least 12 months prior to separation will govern. If no such election exists, distributions will be paid under the 10-year installment method.

(3) In the case of a Participant who terminates employment with the Affiliated Companies on account of Retirement, Disability or death with an Account balance of \$50,000 or less, the Account shall be paid to the Participant in a lump sum distribution on the Participant's Payment Date.

(4) In general, upon the Participant's death, payment of any remaining Account balance will be made to the Beneficiary in a lump sum on the Payment Date. But the Beneficiary will receive any remaining installments (starting on the Payment Date) if the Participant was receiving installments, or if the Participant died on or after age 55 with an Account balance over \$50,000 and with an effective installment payout election in place. In such cases, the Beneficiary may still elect a lump sum payment of the remaining Account balance, but only with the Administrative Committee's consent.

(5) The Participant's Account shall continue to be credited with earnings pursuant to Section 4.1 of the Plan until all amounts credited to his or her Account under the Plan have been distributed.

(c) Distribution With Scheduled Withdrawal Date. A Participant who

has elected a Scheduled Withdrawal Date for a distribution while still in the employ of the Affiliated Companies, will receive the designated portion of his or her Account as follows:

(1) A Participant's Scheduled Withdrawal Date can be no earlier than two years from the last day of the Plan Year for which the deferrals of Compensation are made.

(2) A Participant may extend the Scheduled Withdrawal Date for any Plan Year, provided such extension occurs at least one year before the Scheduled Withdrawal Date and is for a period of not less than two years from the Scheduled Withdrawal Date. The Participant shall have the right to twice modify any Scheduled Withdrawal Date.

(3) Payments under this subsection may be in the form of a lump sum, or 2, 3, 4 or 5-year quarterly installments. The default form will be a lump sum. If the Account balance to be distributed is \$25,000 or less, payment will automatically be made in a lump sum. Payments will commence on the Scheduled Withdrawal Date.

(4) In the event a Participant terminates employment with the Affiliated Companies prior to the commencement or completion of a distribution under this subsection, the portion of the Participant's Account associated with a Scheduled Withdrawal Date which has not been distributed prior to such termination shall be distributed in accordance with Section 6.1(a) and (b) along with the remainder of the Account.

6.2 Early Non-Scheduled Distributions -----

A Participant shall be permitted to elect an Early Distribution from his or her Account prior to a Payment Date under Section 6.1, subject to the following restrictions:

(a) The election to take an Early Distribution shall be made by filing a form provided by and filed with the Administrative Committee prior to the end of any calendar month.

(b) The amount of the Early Distribution shall equal up to 90% of his or her Account balance.

(c) The amount described in subsection (b) above shall be paid in a lump sum as of a date after the receipt by the Administrative Committee of the request for a withdrawal

under this Section. The exact date will be determined by the Administrative Committee to allow time for administrative processing.

(d) A Participant shall forfeit 10% of the amount of the requested distribution. The Affiliated Companies shall have no obligation to the Participant or his or her Beneficiary with respect to such forfeited amount.

(1) Example 1: A Participant requests a distribution of 100% of

the Account. The Participant receives 90%. The amount forfeited is 10% of the Account.

(2) Example 2: A Participant requests a distribution of 50% of

the Account. The Participant receives 45%. The amount forfeited is 5% of the Account.

(e) If a Participant receives an Early Distribution of either all or a part of his or her Account, the Participant will be ineligible to participate in the Plan for the balance of the Plan Year and the following Plan Year. All distributions shall be made on a pro rata basis from among a Participant's investment subaccounts.

6.3 Hardship Distribution -----

A Participant shall be permitted to elect a Hardship Distribution from his or her Account prior to a Payment Date under Section 6.1, subject to the following restrictions:

(a) The election to take a Hardship Distribution shall be made by filing a form provided by and filed with the Administrative Committee prior to the end of any calendar month.

(b) The Administrative Committee shall have made a determination that the requested distribution constitutes a Hardship Distribution.

(c) The amount determined by the Administrative Committee as a Hardship Distribution shall be paid in a lump sum as of a date after the approval by the Administrative Committee of the request for a withdrawal under this Section. The exact date will be determined by the Administrative Committee to allow time for administrative processing.

6.4 Payments Not Received At Death -----

In the event of the death of a Participant before receiving a payment, payment will be made to his or her estate if death occurs on or after the date of a check which has been issued by the Plan. Otherwise, payment of the amount will be made to the Participant's Beneficiary.

6.5 Inability to Locate Participant -----

In the event that the Administrative Committee is unable to locate a Participant or Beneficiary within two years following the required Payment Date, the amount allocated to the Participant's Deferral Account shall be forfeited. If, after such forfeiture, the Participant or Beneficiary later claims such benefit, such benefit shall be reinstated without interest or earnings for the forfeiture period.

6.6 Committee Rules

All distributions are subject to the rules and procedures of the Administrative Committee. The Administrative Committee may also require the use of particular forms. The Administrative Committee may change its rules, procedures and forms from time to time and without prior notice to Participants.

ARTICLE VII

ADMINISTRATION

7.1 Committees

A Deferred Compensation Administrative Committee and an Investment Committee (together, the "Committees"), each of one or more persons, shall be appointed by, and serve at the pleasure of, the Board. The number of members comprising the Committees shall be determined by the Board, which may from time to time vary the number of members. A member of the Committees may resign by delivering a written notice of resignation to the Board. The Board may remove any member by delivering a certified copy of its resolution of removal to such member. Vacancies in the membership of the Committees shall be filled promptly by the Board.

7.2 Committee Action

Each Committee shall act at meetings by affirmative vote of a majority of the members of that Committee. Any action permitted to be taken at a meeting may be taken without a meeting if, prior to such action, a written consent to the action is signed by all members of the Committee and such written consent is filed with the minutes of the proceedings of the Committee. A member of the Committees shall not vote or act upon any matter which relates solely to himself or herself as a Participant. The Chairman or any other member or members of each Committee designated by the Chairman may execute any certificate or other written direction on behalf of the Committee of which he or she is a member.

7.3 Powers and Duties of the Administrative Committee

The Administrative Committee, shall enforce the Plan in accordance with its terms, shall be charged with the general administration of the Plan, and shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

- (a) To construe and interpret the terms and provisions of this Plan;
- (b) To compute and certify to the amount and kind of benefits payable to Participants and their Beneficiaries;
- (c) To maintain all records that may be necessary for the administration of the Plan;

(d) To provide for the disclosure of all information and the filing or provision of all reports and statements to Participants, Beneficiaries or governmental agencies as shall be required by law;

(e) To make and publish such rules for the regulation of the Plan and procedures for the administration of the Plan as are not inconsistent with the terms hereof;

(f) To appoint a Plan administrator or any other agent, and to delegate to them such powers and duties in connection with the administration of the Plan as the Administrative Committee may from time to time prescribe (including the power to subdelegate);

(g) To exercise powers granted the Administrative Committee under other Sections of the Plan; and

(h) To take all actions necessary for the administration of the Plan, including determining whether to hold or discontinue insurance policies purchased in connection with the Plan.

7.4 Powers and Duties of the Investment Committee

The Investment Committee, shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

(a) To select types of investment and the actual investments against which earnings and losses will be measured;

(b) To oversee the rabbi trust; and

(c) To appoint agents, and to delegate to them such powers and duties in connection with its duties as the Investment Committee may from time to time prescribe (including the power to subdelegate).

7.5 Construction and Interpretation

The Administrative Committee shall have full discretion to construe and interpret the terms and provisions of this Plan and to remedy possible inconsistencies and omissions. The Administrative Committee's interpretations, constructions and remedies shall be final and binding on all parties, including but not limited to the Affiliated Companies and any Participant or Beneficiary. The Administrative Committee shall administer such terms and provisions in a uniform and nondiscriminatory manner and in full accordance with any and all laws applicable to the Plan.

7.6 Information

To enable the Committees to perform their functions, the Affiliated Companies adopting the Plan shall supply full and timely information to the Committees on all matters relating to the Compensation of all Participants, their death or other events which cause

termination of their participation in this Plan, and such other pertinent facts as the Committees may require.

7.7 Committee Compensation, Expenses and Indemnity

(a) The members of the Committees shall serve without compensation for their services hereunder.

(b) The Committees are authorized to employ such legal counsel as they may deem advisable to assist in the performance of their duties hereunder.

(c) To the extent permitted by ERISA and applicable state law, the Company shall indemnify and hold harmless the Committees and each member thereof, the Board and any delegate of the Committees who is an employee of the Affiliated Companies against any and all expenses, liabilities and claims, including legal fees to defend against such liabilities and claims arising out of their discharge in good faith of responsibilities under or incident to the Plan, other than expenses and liabilities arising out of willful misconduct. This indemnity shall not preclude such further indemnities as may be available under insurance purchased by the Company or provided by the Company under any bylaw, agreement or otherwise, as such indemnities are permitted under ERISA and state law.

7.8 Disputes

(a) Claims

A person who believes that he or she is being denied a benefit to which he or she is entitled under this Plan (hereinafter referred to as "Claimant") must file a written request for such benefit with the Administrative Committee, setting forth his or her claim.

(b) Claim Decision

Upon receipt of a claim, the Administrative Committee shall advise the Claimant that a reply will be forthcoming within ninety (90) days and shall, in fact, deliver such reply within such period. The Administrative Committee may, however, extend the reply period for an additional ninety (90) days for special circumstances.

If the claim is denied in whole or in part, the Administrative Committee shall inform the Claimant in writing, using language calculated to be understood by the Claimant, setting forth: (A) the specific reason or reasons for such denial; (B) specific references to pertinent provisions of this Plan on which such denial is based; (C) a description of any additional material or information necessary for the Claimant to perfect his or her claim and an explanation of why such material or such information is necessary; (D) appropriate information as to the steps to be taken if the Claimant wishes to submit the claim for review; and (E) the time limits for requesting a review under subsection (c).

(c) Request For Review

Within sixty (60) days after the receipt by the Claimant of the written opinion described above, the Claimant may request in writing that the Administrative Committee review the initial claim determination. The Claimant or his or her duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Administrative Committee. If the Claimant does not request a review within such sixty (60) day period, he or she shall be barred and estopped from challenging the initial determination.

(d) Review of Decision

Within sixty (60) days after the Administrative Committee's receipt of a request for review, after considering all materials presented by the Claimant, the Administrative Committee will inform the Participant in writing, in a manner calculated to be understood by the Claimant, the decision setting forth the specific reasons for the decision containing specific references to the pertinent provisions of this Plan on which the decision is based. If special circumstances require that the sixty (60) day time period be extended, the Administrative Committee will so notify the Claimant and will render the decision as soon as possible, but no later than one hundred twenty (120) days after receipt of the request for review.

(e) Limitation on Claims

No action may be brought in court on a claim for benefits under this Plan after the later of:

(1) Two years after the claim arose, or

(2) One year after the decision on appeal under this Section (or one year after the expiration of the time to take an appeal if no appeal is taken).

ARTICLE VIII

MISCELLANEOUS

8.1 Unsecured General Creditor

Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Affiliated Companies. No assets of the Affiliated Companies shall be held in any way as collateral security for the fulfilling of the obligations of the Affiliated Companies under this Plan. Any and all of the Affiliated Companies' assets shall be, and remain, the general unpledged, unrestricted assets of the Affiliated Companies. The obligation under the Plan of the Affiliated Companies adopting the Plan shall be merely that of an unfunded and unsecured promise of those Affiliated Companies to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Affiliated Companies that this Plan be unfunded for purposes of the Code and for purposes of Title I of ERISA.

8.2 Restriction Against Assignment

(a) The Company shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or corporation. No part of a Participant's Accounts shall be liable for the debts, contracts, or engagements of any Participant, his or her Beneficiary, or successors in interest, nor shall a Participant's Accounts be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Administrative Committee, in its discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as the Administrative Committee shall direct.

(b) The actions considered exceptions to the vesting rule under Section 5.2 will not be treated as violations of this Section.

8.3 Restriction Against Double Payment

If a court orders an assignment of benefits despite the previous Section, the affected Participant's benefits will be reduced accordingly. The Administrative Committee may use any reasonable actuarial assumptions to accomplish the offset under this Section.

8.4 Withholding

There shall be deducted from each payment made under the Plan or any other Compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Affiliated Companies in respect to such payment or this Plan. The Affiliated Companies shall have the right to reduce any payment (or compensation) by the amount of cash sufficient to provide the amount of said taxes.

8.5 Amendment, Modification, Suspension or Termination

The Administrative Committee may amend, modify, suspend or terminate the Plan in whole or in part, except that no amendment, modification, suspension or termination may reduce a Participant's Account balance below its dollar value as determined under Section 4.1(b) immediately prior to the amendment. The preceding sentence is not intended to protect Participants against investment losses. In the event that this Plan is terminated, the amounts allocated to a Participant's Account shall be distributed to the Participant or, in the event of his or her death, to his or her Beneficiary in a lump sum.

8.6 Governing Law

To the extent not preempted by ERISA, this Plan shall be construed, governed and administered in accordance with the laws of Delaware.

8.7 Receipt or Release

Any payment to a Participant or the Participant's Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Committees and the Affiliated Companies. The Administrative Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

8.8 Administrative Delays

If the amount of any payment cannot be determined by the date it is supposed to be paid, or if it is not possible to make payments on time because the Administrative Committee cannot find the payee, or adequate information is not available to make the distribution, or the payee has failed to file the applicable forms with the Administrative Committee, or because of other legal, financial or administrative obstacles, payments may be made no later than 60 days after the date payment becomes possible.

8.9 Disputes About Payee

In the event that the Administrative Committee determines that there is some uncertainty as to whom any Plan payment is due, the Administrative Committee is authorized to delay payment, seek agreements from the interested parties, make payment to an appropriate judicial forum and allow the court to determine the identity of the proper payee, and/or take any other necessary or appropriate steps to protect the Plan and the interested parties.

8.10 Incorrect Payment of Benefits

If the Administrative Committee determines in its full discretion that the Plan made an incorrect payment of benefits, and that a correction is necessary or desirable under the law, then:

(a) If the Plan makes an overpayment of the amount of any benefits due any payee under the Plan, the Plan may recover the amounts either by requiring the payee to return the excess to the Plan, by reducing any future Plan payments to the payee, or by any other method deemed reasonable by the Administrative Committee.

(b) If the Plan makes a late payment or an underpayment of the amount of any benefits due any payee under the Plan, correct payment will be made as soon as possible after the late payment or underpayment is discovered.

8.11 Payments on Behalf of Persons Under Incapacity

In the event that any amount becomes payable under the Plan to a person who, in the sole judgment of the Administrative Committee, is considered by reason of physical or mental condition to be unable to give a valid receipt therefore, the Administrative Committee may direct that such payment be made to any person found by the Committee, in its sole judgment, to have assumed the care of such person. Any payment made pursuant to such

determination shall constitute a full release and discharge of the Administrative Committee and the Company.

8.12 Limitation of Rights and Employment Relationship

Neither the establishment of the Plan and Trust nor any modification thereof, nor the creating of any fund or account, nor the payment of any benefits shall be construed as giving to any Participant, or Beneficiary or other person any legal or equitable right against the Affiliated Companies or any trustee except as provided in the Plan and any trust agreement; and in no event shall the terms of employment of any Employee or Participant be modified or in any way be affected by the provisions of the Plan and any trust agreement.

8.13 Headings

Headings and subheadings in this Plan are inserted for convenience of reference only and are not to be considered in the construction of the provisions hereof.

FIRST AMENDMENT TO THE
NORTHROP GRUMMAN
DEFERRED COMPENSATION PLAN

The following changes to the Northrop Grumman Deferred Compensation Plan effective December 1, 2000 (the "Plan"), as described below, are intended to provide for the acceptance of a transfer of certain liabilities from the Northrop Grumman Executive Deferred Compensation Plan, effective March 1, 2001.

1. A new Appendix A is added as follows:

APPENDIX A

TRANSFER OF LIABILITIES

A.1 Background

Effective March 1, 2001, all liabilities under the Northrop Grumman Executive Deferred Compensation Plan other than the Estate Enhancement Program Account, were transferred to this Plan. This Appendix describes the treatment of those liabilities (plus earnings) ("Transferred Liabilities") and the Participant to whom those liabilities are owed ("Transferred Participant").

A.2 Treatment of Transferred Liabilities

The Transferred Liabilities will generally be treated under the Plan like Compensation deferred in accordance with Article III.

A.3 Investments

The Transferred Participant may make investment elections for the Transferred Liabilities in accordance with Section 3.2. Section 3.3 will also apply.

A.4 Distributions

Distributions of amounts corresponding to the Transferred Liabilities will generally be made in accordance with the provisions of Article VI. The following exceptions and special rules apply:

(a) Section 6.1.

(1) For purposes of Sections 6.1(a)(2) and 6.1(b)(1), the Transferred Participant will be deemed to have made an election of 5 or 10-year installments corresponding to his elections of 5 or 10-year installments under Section 9(b)(2) of the Northrop Grumman Executive Deferred Compensation Plan.

(2) The Transferred Participant may utilize Section 6.1(b)(2) to vary the form of his distribution.

(3) Distributions under Section 6.1(c) are not available.

(b) Section 6.2. The Early Non-Scheduled Distribution election

is available. The Transferred Liabilities will be aggregated with any other amounts in the Transferred Participant's Account for purposes of distributions under Section 6.2.

(c) Sections 6.3-6.6. These Sections are fully applicable.

A.5 Other Provisions

The Transferred Liabilities and the Transferred Participant will be fully subject to the provisions of Articles IV, V, VII and VIII.

SECOND AMENDMENT TO THE

NORTHROP GRUMMAN DEFERRED COMPENSATION PLAN

This amendment to the Northrop Grumman Deferred Compensation Plan effective December 1, 2000 ("Plan"), as described below, changes the Plan to account for the acquisition of Litton Industries, Inc. and the associated corporate reorganization. The changes in this amendment are effective upon adoption.

1. A new Section 8.14 is added to read as follows:

8.14 2001 Reorganization

Effective as of the 2001 Reorganization Date in (d), the corporate structure of Northrop Grumman Corporation and its affiliates was modified. Effective as of the Litton Acquisition Date in (e), Litton Industries, Inc. was acquired and became a subsidiary of the Northrop Grumman Corporation (the "Litton Acquisition").

(a) The former Northrop Grumman Corporation was renamed Northrop Grumman Systems Corporation. It became a wholly-owned subsidiary of the new parent of the reorganized controlled group.

(b) The new parent corporation resulting from the restructuring is called Northrop Grumman Corporation. All references in this Plan to the former Northrop Grumman Corporation and its Board of Directors now refer to the new parent corporation bearing the same name and its Board of Directors.

(c) As of the 2001 Reorganization Date, the new Northrop Grumman Corporation became the sponsor of this Plan, and its Board of Directors assumed authority over this Plan.

(d) 2001 Reorganization Date. The date as of which the corporate

restructuring described in (a) and (b) occurred.

(e) Litton Acquisition Date. The date as of which the conditions for the

completion of the Litton Acquisition were satisfied in accordance with the
"Amended and Restated Agreement and Plan of Merger Among Northrop Grumman
Corporation, Litton Industries, Inc., NNG, Inc., and LII Acquisition Corp."

THIRD AMENDMENT TO THE
NORTHROP GRUMMAN
DEFERRED COMPENSATION PLAN

The following changes to the Northrop Grumman Deferred Compensation Plan effective December 1, 2000 (the "Plan"), as described below, are intended to provide for the acceptance of a transfer of certain liabilities from certain nonqualified deferred compensation plans of Aerojet-General Corporation, effective as of the Closing Date specified in the April 19, 2001 Asset Purchase Agreement by and Between Aerojet-General Corporation and Northrop Grumman Systems Corporation.

1. A new Appendix B is added as follows:

APPENDIX B
AEROJET-GENERAL LIABILITIES

B.1 Background

(a) Effective as of the Closing Date specified in the April 19, 2001 Asset Purchase Agreement by and Between Aerojet-General Corporation and Northrop Grumman Systems Corporation (the "APA"), certain liabilities ("Transferred Liabilities") under the Benefits Restoration Plan for Salaried Employees of GenCorp Inc. and Certain Subsidiary Companies and the GenCorp Inc. and Participating Subsidiaries Deferred Bonus Plan were transferred to this Plan.

(b) The transfer took place pursuant to section 10.6 of the APA, under which Northrop Grumman acquired the Azusa and Colorado Operations units from Aerojet-General Corporation. That section reads:

* * * * *

10.6 Unfunded Deferred Compensation

(a) Subject to legal requirements for employee acquiescence, as of the effective time of the Closing, the Purchaser shall assume any and all obligations of the Seller to pay any and all unfunded deferred compensation as set forth on Schedule 10.6 for all Transferring Employees, provided such benefits are adequately reflected on the Balance Sheet.

(b) The Seller shall retain any and all legal obligation to pay any and all unfunded deferred compensation for all Aerojet Employees that are not Transferring Employees.

* * * * *

(c) This Appendix is intended to effectuate the assumption of certain of the liabilities contemplated by section 10.6 of the APA. It describes the treatment of those liabilities (plus earnings) and the Participants to whom those liabilities are owed ("Transferred Participants").

(d) The only liabilities assumed by this Plan are:

(1) those from the GenCorp Inc. and Participating Subsidiaries Deferred Bonus Plan, and

(2) those liabilities under the Benefits Restoration Plan for Salaried Employees of GenCorp Inc. and Certain Subsidiary Companies which represent supplements with respect to an Aerojet defined contribution plan. No liabilities are assumed which represent supplements with respect to an Aerojet defined benefit plan.

(e) The assumed liabilities will be represented by starting Account balances for the Transferred Participants, determined in the discretion of the Administrative Committee.

B.2 Treatment of Transferred Liabilities

The Transferred Liabilities will generally be treated under the Plan like Compensation deferred in accordance with Article III.

B.3 Investments

The Transferred Participants may make investment elections for the Transferred Liabilities in accordance with Section 3.2. Section 3.3 will also apply.

B.4 Distributions

Distributions of amounts corresponding to the Transferred Liabilities will generally be made in accordance

with the provisions of Article VI. The following exceptions and special rules apply:

(a) Section 6.1.

(1) For purposes of Sections 6.1(a)(2) and 6.1(b)(1), the Transferred Participants will be deemed to have made an election of 10-year installments.

(2) The Transferred Participants may utilize Section 6.1(b)(2) to vary the form of their distributions.

(3) Distributions under Section 6.1(c) are not available.

(b) Section 6.2. The Early Non-Scheduled Distribution election

is available. The Transferred Liabilities will be aggregated with any other amounts in the Transferred Participants' Accounts for purposes of distributions under Section 6.2.

(c) Sections 6.3-6.6. These Sections are fully applicable.

B.5 Other Provisions

The Transferred Liabilities and the Transferred Participants will be fully subject to the provisions of Articles IV, V, VII and VIII.

CONSULTANT CONTRACT

This Agreement for consulting services is between NORTHROP GRUMMAN CORPORATION, a Delaware corporation, whose principal place of business is located at 1840 Century Park East, Los Angeles, California 90067 ("NGC") and Ralph D. Crosby, Jr. of 3500 Drexel Drive, Highland Park, Texas 91604.

I. ENGAGEMENT

NGC hereby retains Consultant to provide the services described in Attachment A hereto. Consultant shall serve at NGC's call. Consultant's principal point of contact at NGC with respect to the specific nature and scope of the services to be provided hereunder shall be Kent Kresa NGC's Chairman and Chief Executive Officer. Consultant shall submit monthly written reports to NGC, in the format described in Attachment B hereto, setting forth the actions taken on behalf of NGC and provide such other reports as NGC may reasonably require.

II. PLACE OF ENGAGEMENT

Consultant shall perform the services called for under this Agreement in such places and at such times as NGC may reasonably require.

III. TERM OF ENGAGEMENT

The term of this Agreement shall be for a period of one year commencing on January 12, 2002 and terminating on January 11, 2003. This Agreement may be renewed or extended for such time as NGC and the Consultant may agree upon in writing.

IV. COMPENSATION

A. Fee. NGC shall pay Consultant and Consultant shall accept from NGC in full payment for services hereunder, compensation at the rate of one thousand dollars per day (\$1000/day) for each day of service performed. Payment shall be made only upon submittal of a proper invoice and only to the extent that Consultant satisfactorily performs services pursuant to this Agreement and substantiates such performance in the monthly activity report required by Attachment B. In the event services are not required or performed in a given month, NGC shall be

under no obligation to pay any compensation for that month except as otherwise provided herein. If Consultant fails to substantiate any invoice for services, NGC shall have no obligation to compensate Consultant for such claimed services.

B. Expenses. NGC shall reimburse Consultant for all reasonable and

necessary business expenses incurred by Consultant in connection with the rendering of services hereunder provided that all such expenses are approved in advance by Kent Kresa or his designee. Claims for expenses must be in accordance with NGC's established policies and limitations pertaining to allowable expenses and documented pursuant to the procedures applicable to NGC's employees.

C. Maximum Compensation. Notwithstanding any other provisions of this

Agreement to the contrary, NGC shall not be obligated to request or to pay Consultant for any minimum amount of services, and in no event shall NGC be obligated during the term of this Agreement for consulting fees and expenses of more than thirty thousand dollars (\$30,000.00).

D. Full Extent Of Compensation. Unless otherwise specifically stated in

writing, this Section IV describes the full extent of compensation Consultant shall receive under this Agreement and Consultant shall not be entitled by virtue of this Agreement to be paid a commission or to participate in any insurance, saving, retirement or other benefit programs, including, without limitation, stock ownership plans offered by NGC to its employees, nor shall this Agreement in any way modify any other Agreement that Consultant may have with NGC.

E. Warranty. Consultant certifies and warrants that in the course of

performing services under this Agreement, no payments will be made to government officials or customer representatives, that no government official or customer representative has any direct or indirect investment interest or interest in the revenues or profits of Consultant, and that no expenditure for other than lawful purposes will be made.

F. Exclusion Of Lobbying Costs From Overhead Rates. NGC is prohibited from

charging directly or indirectly, costs associated with lobbying activities to its contracts with the United States Government. Unallowable costs associated with lobbying activities are defined at Federal Acquisition Regulations (FAR) 31.205-22, effective as of the date of this Agreement. Consultant agrees that in the event that consultant performs lobbying activities under this Agreement, Consultant shall provide NGC with a detailed accounting of time expended, individual agency/congressional employees contacted, and NGC programs discussed in the required activity report.

V. TRADE SECRETS AND PROPRIETARY INFORMATION

A. Disclosure To Third Parties Prohibited. Consultant shall not divulge,

disclose or communicate any information concerning any matters affecting or relating to the business of NGC without the express written consent of NGC. The terms of this section shall remain in full force and effect after the termination or expiration of this Agreement.

B. Ideas, Improvements and Inventions. Any and all ideas, improvements

and inventions conceived of, developed, or first reduced to practice in the performance of work hereunder for NGC shall become the exclusive property of NGC and ideas and developments accruing therefrom shall all be fully disclosed to NGC and shall be the exclusive property of NGC and may be treated and dealt with by NGC as such without payment of further consideration than is hereinabove specified. Consultant shall preserve such ideas, improvements and inventions as confidential during the term of the contract and thereafter and will execute all papers and documents necessary to vest title to such ideas, developments, information, data, improvements and inventions in NGC and to enable NGC to apply for and obtain letters patent on such ideas, developments, information, data, improvements and inventions in any and all countries and to assign to NGC the entire right, title and interest thereto.

C. Notes, Memoranda, Reports and Data. Consultant agrees that the

original and all copies of notes, memoranda, reports, findings or other data prepared by Consultant in connection with the services performed hereunder shall become the sole and exclusive property of NGC.

D. Disclosure of Confidential or Proprietary Information of Third Parties

Prohibited. Consultant will not disclose to NGC or induce NGC to use any secret

process, trade secret, or other confidential or proprietary knowledge or information belonging to others, including but not limited to the United States. Such information includes but is not limited to information relating to bids, offers, technical proposals, responses to requests for procurement, rankings of competitors and other similar procurement sensitive information.

VI. PRESERVATION OF TRADE NAMES, TRADE MARKS AND PATENT RIGHTS

All trade names, trade marks and patent rights of NGC pertaining to NGC products, including the names "Northrop," "Grumman" and "Northrop Grumman Corporation" shall remain

the sole property of NGC and Consultant agrees to do all things necessary to protect and preserve such trade names, trade marks and patent rights from claims by other persons or entities.

VII. COOPERATION WITH NGC

During and after the expiration of this Agreement, Consultant shall cooperate with NGC in regard to any matter, dispute or controversy in which NGC is involved, or may become involved and of which Consultant may have knowledge. Such cooperation shall be subject to further agreement providing for legally appropriate compensation.

VIII. INDEMNIFICATION

Consultant shall indemnify, defend and hold NGC harmless from any and all claims of third parties for loss or damage arising out of or relating to Consultant's activities or operations or omissions, including those of the Consultant's employees, pursuant to this Agreement. Such indemnification shall survive the expiration or termination of this Agreement.

IX. INDEPENDENT CONTRACTOR

Consultant shall render all services hereunder as an independent contractor and shall not hold out himself or herself as an agent of NGC. Nothing herein shall be construed to create or confer upon Consultant the right to make contracts or commitments for or on behalf of NGC.

X. TAXES

Consultant shall pay all taxes due with respect to the compensation paid hereunder.

XI. OBSERVANCE OF APPLICABLE LAWS AND REGULATIONS

A. United States Laws. Consultant shall comply with and do all things

necessary for NGC to comply with United States laws and regulations and express policies of the United States Government, including but not limited to the requirements of the Foreign Corrupt Practices Act, 15 U.S.C. Section 78 dd-1 et
--
seq., the Federal Acquisition Regulations, 48 CFR section 1.101 et seq.,

("FAR"), the International Traffic in Arms Regulations, 22 CFR Parts 120 through 130 and applicable regulations; the Byrd Amendment (31 U.S.C. Section 1352) and applicable regulations; the Office of Federal Procurement Policy Act (41 U.S.C. Section 423) and applicable

regulations; and the DoD Joint Ethics Regulation (DoD 5500.7-R). No part of any compensation or fee paid by NGC will be used directly or indirectly to make any kickbacks to any person or entity, or to make payments, gratuities, emoluments or to confer any other benefit to an official of any government or any political party. Consultant shall not seek, nor relay to NGC, any classified, proprietary or source selection information not generally available to the public. Consultant shall also comply with and do all things necessary for NGC to comply with provisions of contracts between agencies of the United States Government or their contractors and NGC that relate either to patent rights or the safeguarding of information pertaining to the security of the United States. This entire Agreement and/or the contents thereof may be disclosed to the United States Government.

B. No Selling Agency Employed. Consultant further represents and warrants

that no person or selling agency has been or will be employed or retained to solicit or secure any contract, including but not limited to a United States Government contract, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Consultant for the purpose of receiving business. In the event of a breach or violation of this warranty, NGC shall have the right to annul this Agreement without liability or in its discretion to deduct from the fee or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

C. State Law And Regulations. Consultant shall comply with and do all

things necessary for Consultant and NGC each to comply with all laws and regulations of the State of California and any other state, including Texas and the District of Columbia, in which services hereunder are or may be rendered.

D. Maintenance Of Time And Expense Records. Consultant shall maintain

appropriate time and expense records pertaining to the services performed under this Agreement. Said records shall be subject to examination and audit by NGC and the United States Government until notified by NGC in writing, that the records no longer need to be maintained.

E. Certification. This Agreement is made in material reliance upon the

representations and warranties made by Consultant. The effectiveness of this Agreement is contingent upon and will not commence until receipt by NGC of the certifications set forth in Attachment C hereto. In the event that NGC has reason to believe that these certifications are incorrect, NGC

may treat this Agreement as being null and void or may terminate this Agreement pursuant to Section XVI.

F. Standards of Business Conduct. Consultant hereby acknowledges that he

has received a copy of the NGC Standards of Business Conduct (or amendment thereof) and agrees to conduct his activities for or on behalf of NGC in accordance with such principles as a condition of this Agreement.

XII. ASSIGNMENT OF RIGHTS

This Agreement and the rights, benefits, duties and obligations contained herein may not be assigned or otherwise transferred in any manner to third parties without the express written approval of NGC. Any such assignment or transfer without prior approval of NGC will be null, void and without effect.

XIII. MODIFICATION

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein shall be valid and enforceable unless such waiver or modification is in writing.

XIV. USE OR EMPLOYMENT OF THIRD PARTIES

Consultant shall not utilize or employ any third party, individual or entity, in connection with Consultant's performance of services under this Agreement without the express written approval of NGC.

XV. CONFLICTS OF INTEREST

No business or legal conflicts of interest shall exist between services performed or to be performed by Consultant on behalf of NGC and by Consultant on behalf of any other client. The identity of Consultant's directorships, other employment and clients shall be fully disclosed in the Certification, Attachment D.

XVI. COVENANT NOT TO COMPETE

Consultant shall not directly or indirectly engage in any activities designed to deprive or which may have the effect of depriving NGC of the good will of customers or potential customers of its products and services. Further, Consultant shall not, during the term of this Agreement, and for a period of twelve (12) months after expiration or termination of this Agreement, represent, act as representative for, or market or sell, directly or indirectly, products competing with NGC products and services.

XVII. TERMINATION

A. Thirty Days Notice. Either party may terminate this Agreement upon

thirty days written notice to the other. Except as otherwise provided herein, in the event of termination, Consultant shall be entitled to compensation until the expiration of the stated notice period.

B. Violation Of Term Or Condition. Notwithstanding the foregoing, in the

event of a violation by Consultant of any term or condition, express or implied, of this Agreement or of any federal or state law or regulation pertaining to or arising from Consultant's performance of services under this Agreement, NGC may, in its discretion, terminate this Agreement immediately, without notice and in such event, Consultant shall only be entitled to compensation up to the time of such violation.

C. Bankruptcy. Notwithstanding the foregoing, in the event that

Consultant is adjudicated a bankrupt or petitions for relief under bankruptcy, reorganization, receivership, liquidation, compromise or other arrangement or attempts to make an assignment for the benefit of creditors, this Agreement shall be deemed terminated automatically, without requirement of notice, without further liability or obligation to NGC.

XVIII. SEVERABILITY OF PROVISIONS

All provisions contained herein are severable and in the event any of them are held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid provision was not contained herein.

XIX. AVAILABILITY OF EQUITABLE REMEDIES

Consultant understands and agrees that any breach or evasion of any of the terms of this Agreement will result in immediate and irreparable injury to NGC and will entitle NGC to all legal and equitable remedies including, without limitation, injunction or specific performance.

XX. GOVERNING LAW

This Agreement and the performance hereunder shall be governed by and construed in accordance with the laws of the State of Texas (excluding any conflicts of laws provisions) which shall be the exclusive applicable law.

XXI. SETTLEMENT OF DISPUTES

A. NGC and Consultant hereby consent to the resolution by arbitration of all disputes, issues, claims or controversies arising out of or in connection with this Agreement, that NGC may have against Consultant, or that Consultant may have against NGC, or against its officers, directors, employees or agents acting in their capacity as such. Each party's promise to resolve all such claims, issues, or disputes by arbitration in accordance with this Agreement rather than through the courts, is consideration for the other party's like promise. It is further agreed that the decision of an arbitrator on any issue, dispute, claim or controversy submitted for arbitration, shall be final and binding upon the NGC and Consultant and that judgment may be entered on the award of the arbitrator in any court having proper jurisdiction.

B. Except as otherwise provided herein or by mutual agreement of the parties, any arbitration shall be administered in accordance with the then-current Model Arbitration Procedures of the American Arbitration Association (AAA) before an arbitrator who is licensed to practice law in the state in which the arbitration is convened. The arbitration shall be held in Dallas, Texas or at any other location mutually agreed upon by the parties.

C. The parties shall attempt to agree upon the arbitrator. If the parties cannot agree on the arbitrator, the AAA shall then provide the names of nine (9) arbitrators experienced in business employment matters along with their resumes and fee schedules. Each party may strike all names on the list it deems unacceptable. If more than one common name remains on the list of all parties, the parties shall strike names alternately until only one remains. The party who did

not initiate the claim shall strike first. If no common name remains on the lists of the parties, the AAA shall furnish an additional list until an arbitrator is selected.

D. The arbitrator shall interpret this Agreement, and any applicable NGC policy or rules and regulations, any applicable substantive law (and the law of remedies, if applicable) of the state of Texas, or applicable federal law. In reaching his or her decision, the arbitrator shall have no authority to change or modify any lawful NGC policy, rule or regulation, or this Agreement. The arbitrator, and not any federal, state or local court or agency, shall have exclusive and broad authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement, including, but not limited to, any claim that all or any part of this Agreement is voidable.

XXII. NOTICE

Any notice to be given hereunder shall be in writing, mailed by certified or registered mail with return receipt requested addressed to NGC:

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, CA 90067
Attn.: Fritz Baskett

or to Consultant:

Ralph D. Crosby, Jr.
3500 Drexel Drive
Highland Park, Texas 91604

or to such other address as may have been furnished at the date of mailing either by NGC or Consultant in writing.

XXIII. COMPLETE AGREEMENT

This Agreement constitutes the entire agreement of the parties with respect to the engagement of Consultant by NGC and supersedes any and all other agreements between the parties. The parties stipulate and agree that neither of them has made any representation with respect to this Agreement except that such representations are specifically set forth herein. The

parties acknowledge that any other payments or representations that may have been made are of no effect and that neither party has relied on such payments or representations in connection with this Agreement or the performance of services contemplated herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be entered into and executed as set forth below.

NORTHROP GRUMMAN CORPORATION

/s/ KENT KRESA

Kent Kresa
Chairman and Chief Executive Officer

Date: 11 Jan 02

CONSULTANT

/s/ RALPH D. CROSBY, JR.

Ralph D. Crosby, Jr.

Date: January 7, 2002

TIN: _____

ATTACHMENT A
STATEMENT OF WORK

Ralph D. Crosby, Jr.

When requested, Consultant shall advise NGC on issues relating to matters he was involved with while an employee of NGC, as well as issues relating to business development, new business proposals and business opportunity evaluations.

ATTACHMENT B
MONTHLY ACTIVITY REPORT FORMAT
Ralph D. Crosby, Jr.

As a Consultant, you are required to submit a written activity report each month directly to the Northrop Grumman Corporation ("NGC") employee identified in Article I of the Agreement. Each activity report must include the following information:

1. A detailed accounting of the amount of time spent by you on behalf of NGC since your last Activity Report, itemized each hour or by fraction of an hour worked, reflecting the work performed during each periodic segment and the individual who performed it.
2. The identity of all persons with whom you met or discussed business on behalf of NGC, including a description of the business or government affiliation of the individual, as well as the specific position or rank of each person.
3. A statement of the subject matter of all meetings and discussions in which you participated on behalf of NGC, including all NGC programs discussed in connection with any activities performed.
4. An invoice, on a separate page, clearly identifying the Agreement, specifying the time period covered, summarizing the fees and expenses claimed for that time period, and enclosing the original receipts for all claimed expenses. Consultant must certify on each invoice that the charges for the period covered by it do not include any charges for assignments not authorized by the Agreement. A suggested certification is as follows:

"The undersigned certifies that the payment requested herein is correct and just, and that payment has not been received. The undersigned certifies that this invoice does not include any charges for services not authorized by the Agreement and, specifically, that no services have been performed involving the influence or attempt to influence any Federal agency officer

or employee, any Member of Congress, officer or employee of Congress, or employee of a Member of Congress, in connection with any Federal action as defined in the Byrd Amendment (including the awarding, extension, continuation, renewal, amendment, or modification of any Federal contract); and that no services have been performed regarding advice, information, direction or assistance to NGC for a Federal contract."

Unless your services are fully described and accurately recorded in this fashion, your fees will not be paid by NGC. You are not authorized to engage in any activity covered by the Byrd Amendment (31 U.S.C. Section 1352), but if you do so you must clearly identify it as such in your activity report, and the activity you describe shall be treated as a material representation of fact upon which NGC shall rely in preparing any certifications and/or disclosures required by the Byrd Amendment, 31 USC Section 1352. Any and all liability arising from an erroneous representation shall be borne solely by you.

ATTACHMENT C

CERTIFICATION

Ralph D. Crosby, Jr.

The undersigned, Ralph D. Crosby, Jr., ("Consultant"), hereby certifies, represents and warrants the following:

1. In past dealings with Northrop Grumman Corporation ("NGC") or other clients, Consultant has complied with all applicable laws, rules, regulations and express policies of the United States and the State or territory in which services were performed.
2. In performing the services under this Agreement, Consultant will comply with all applicable laws, rules, regulations and express policies of the United States and the State or territory in which services will be performed.
3. There have been no kick-backs or other payments made, either directly or indirectly, to any NGC director, employee or consultant or to the family of any NGC director, employee or consultant.
4. No kick-backs or other payments will be made, either directly or indirectly, to any NGC director, employee or consultant or to the family of any NGC director, employee or consultant.
5. Consultant has not used and will not use any part of the compensation paid by NGC to make payments, gratuities, emoluments or to confer any other benefit to an official of any government, or any political party, or official of any political party.
6. No person or selling agency has been or will be employed or retained to solicit or secure any contract, including but not limited to a United States government contract, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial selling agencies maintained by the Consultant for the purpose of receiving business.

7. No classified, proprietary, source selection or procurement sensitive information has been or will be solicited on behalf of or conveyed to NGC.

8. Consultant has not influenced or attempted to influence and will not influence or attempt to influence any United States government official or employee in connection with the award, extension, continuation, renewal, amendment or modification of a federal contract or otherwise engage in "non-exempt services" within the meaning of the Byrd Amendment, 31 U.S.C. Section 1352.

9. Consultant has not utilized or employed and will not utilize or employ any third party, individual or entity, in connection with the performance of services on behalf of NGC, except as follows: (if none, state "None").

10. No business or legal conflicts of interest exist between services performed or to be performed by Consultant on behalf of NGC and by Consultant on behalf of any other client, the identities of which Consultant has fully disclosed to NGC.

The person whose signature appears below is authorized by Consultant to certify that the foregoing is true and correct.

I declare under penalty of perjury that the foregoing certificate is true and correct

/s/ RALPH D. CROSBY, JR.

Date: January 7, 2002

Ralph D. Crosby, Jr.

ATTACHMENT D

CERTIFICATION OF DIRECTORSHIPS, EMPLOYMENT AND CLIENTS

Ralph D. Crosby, Jr.

The following is a complete list of Consultant's directorships, employment and consulting clients (if none, state "None"):

I. Directorships and Employment

Name of Company	Responsibilities/Duties
Ducommun Incorporated	Director

II. CLIENTS

Name of Company	Services/Duties
-----------------	-----------------

Signature: /s/ RALPH D. CROSBY, JR.
Ralph D. Crosby, Jr.

Date: January 7, 2002

AGREEMENT

1. PARTIES: The Parties to this Agreement are Ralph D. Crosby, Jr. ("Mr. Crosby") and Northrop Grumman Corporation ("Northrop Grumman" or the "Company").
2. RECITALS: This Agreement is made with reference to the following facts:
 - 2.1 Mr. Crosby is currently a Corporate Vice President and President of the Integrated Systems sector of Northrop Grumman. He has indicated his desire to resign from employment as soon as practicable to pursue other interests.
 - 2.2 It is in the best interests of Northrop Grumman to offer a Retention Incentive to retain Mr. Crosby's services for a period of time in order to permit a smooth transition of his critical responsibilities.
 - 2.3 It is also in the best interests of Northrop Grumman to offer Mr. Crosby severance benefits in recognition of and compensation for his many contributions to the Company, and to induce him to enter into this Agreement.

2.4 Mr. Crosby wishes to accept the Company's offer and enter into this Agreement.

3. CONTINUED EMPLOYMENT; TERMINATION OF EMPLOYMENT: Mr. Crosby agrees to remain employed through January 11, 2002. During the remaining period of his employment, Mr. Crosby agrees to work diligently to insure a smooth transition of his responsibilities and to complete a close out of 2001 activities for the Integrated Systems sector. Mr. Crosby will separate from employment on January 11, 2002. Following his separation from employment, he will be eligible for all benefits he has accrued under the employee benefit plans in which he participates. If Mr. Crosby dies prior to commencing his pension benefits under the Northrop Grumman Retirement Plan and excess nonqualified pension plans, his surviving spouse shall be entitled to pre-retirement survivor annuities under the terms of those plans.
4. RETENTION INCENTIVE: In consideration of Mr. Crosby's continuing his employment through December 11, 2001, he will be paid a Retention Incentive in the amount of \$825,000 no later than December 18, 2001. This incentive is eligible compensation for pension calculation purposes.
5. SEVERANCE BENEFITS: Provided that Mr. Crosby continues employment through January 11, 2002 on the terms set forth above, the following benefits shall be payable:

- A. Cash Severance: Within 30 days following his termination from employment, Mr. Crosby will be paid a cash severance payment of \$505,000, representing one year's base salary.
- B. Early Retirement Subsidy Differential: Within 30 days following his termination from employment, Mr. Crosby will be paid an early retirement subsidy differential in the amount of \$2,400,000.
- C. Retiree Medical: Following his termination from employment, Mr. Crosby shall be eligible for the Special Officer Retiree Medical Plan in accordance with the terms of that Plan.
- D. Accelerated Vesting of Certain Equity Grants: The following provisions shall apply to Mr. Crosby's unvested equity grants notwithstanding anything to the contrary in the grant certificates:
 - 1. Restricted Stock Rights ("RSRs"): Upon Mr. Crosby's termination from employment on January 11, 2002, 2,000 unvested RSRs granted to him in November of 1999 shall accelerate and vest.

2. Stock Options: Upon Mr. Crosby's termination from employment on January 11, 2002, the following unvested stock options which have previously been granted to him will accelerate and vest:

Option Grant Date	Strike Price	Number of Unvested Options Which Will Vest At Termination
December 1998	\$88.125	9,375
December 1998	\$99.141	9,375

Mr. Crosby shall have two years after his termination from employment within which he may exercise his Northrop Grumman stock options, after which the options will no longer be exercisable.

3. Restricted Performance Stock Rights ("RPSRs"): In December of 1998, Mr. Crosby received a grant of RPSRs. Upon his termination from employment on January 11, 2002, he will be eligible to receive a pro-rata portion of the grant in the amount of a target number of 5,000 shares for the 12/31/2001 period, 2,000 shares for the 12/31/2002 period and 2,000 shares for the 12/31/2003 period. These RPSRs shall become payable in accordance with the terms of the RPSR grant certificate and the Guide to Administration of the Company's Long-Term Incentive Stock Plan.

- E. Relocation: Within 30 days following his termination from employment on January 11, 2002, Mr. Crosby will be paid a cash payment of \$250,000

(grossed up for income tax purposes, such that Mr. Crosby receives a net of \$250,000 after applicable tax withholding) for relocation expenses.

F. Additional Benefits: Within 30 days following his termination from employment on January 11, 2002, Mr. Crosby shall be paid the lump sum equivalent value of one year of his current car allowance and one year of his current financial planning/tax preparation benefit, as well as a payment of \$50,000 to cover the cost of outplacement services.

6. 2001 BONUS: Provided that Mr. Crosby remains employed through December 31, 2001, he shall receive a bonus under the Northrop Grumman Incentive Compensation Plan ("ICP") for his performance during 2001, with the calculation of this bonus to be made based upon normal ICP factors as approved by the Compensation and Management Development Committee of the Board of Directors as soon as administratively practical following the February 2002 Board of Directors meeting.

7. NON-DISPARAGEMENT:

A. Mr. Crosby agrees that, following his termination from employment, he shall not issue or communicate any statement that may be critical or disparaging of the Company, its products, services, officers, directors or employees; provided, however, that the foregoing shall not apply to

truthful statements made in compliance with legal process or governmental inquiry.

- B. Northrop Grumman agrees that, following Mr. Crosby's termination from employment, the Company shall not issue or communicate any statement that may be critical or disparaging of Mr. Crosby; provided, however, that the foregoing shall not apply to truthful statements made in compliance with legal process, governmental inquiry or as required by legal filing or disclosure requirements.

8. COOPERATION: Mr. Crosby agrees that, during the two year period following his termination from employment, he will reasonably cooperate with Northrop Grumman requests for assistance in connection with serving as a witness or providing information as to matters connected with his prior employment with Northrop Grumman.

9. INDEMNIFICATION: Northrop Grumman agrees to indemnify Mr. Crosby and hold him harmless to the fullest extent permitted by law and under the By-laws of the Company against and in respect to any and all actions, suits, proceedings, claims, demands, judgments, costs, expenses (including attorney's fees), losses and damages resulting from Mr. Crosby's good faith performance of his duties and obligations with the Company. This agreement is in addition to Mr. Crosby's rights under his current August 5, 1994 Indemnification Agreement with the Company.

10. COMPLETE RELEASE: In consideration of the severance benefits provided herein, Mr. Crosby does hereby acknowledge full and complete satisfaction of and does hereby agree to release, absolve and discharge the Company, its subsidiary, affiliated and related companies, past, present and future, and each of them, as well as its and their employees, officers, directors and agents, past and present, and each of them (collectively referred to as "Releasees"), from all claims, causes of action, demands, damages or costs he may have against Releasees on behalf of himself or others arising out of or relating to his employment with the Company or the termination of such employment.

10.1 This waiver and release includes, but is not limited to, any rights, claims, causes of actions, demands, damages or costs arising under the Age Discrimination in Employment Act, which prohibits discrimination in employment based on age, and retaliation; Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, religion, sex or national origin, and retaliation; the Americans With Disabilities Act, which prohibits discrimination in employment based on disability, and retaliation; or any other federal, state or local laws or regulations which prohibits employment discrimination or retaliation whether such claim is based on an action filed by Mr. Crosby or by any governmental agency.

- 10.2 This waiver and release also includes, but is not limited to, any rights, claims, causes of action, demands, damages or costs arising under or in relation to the Company's employee handbook and personnel policies, or any oral or written representations or statements made by officers, directors, lawyers, employees or agents of the Company, past and present, and each of them, or under any state or federal law regulating wages, hours, compensation or employment, or any claim for retaliation, wrongful discharge, breach of contract, breach of the implied covenant of good faith and fair dealing, constructive discharge, intentional or negligent infliction of emotional distress, intentional or negligent misrepresentation, or defamation.
- 10.3 This waiver and release also includes, but is not limited to, any rights, claims, causes of action, demands, damages or costs arising under or in relation to any severance plan, program or arrangement.
- 10.4 This waiver and release also includes, but is not limited to, any rights, claims, causes of action, demands, damages or costs arising under the Federal False Claims Act.
- 10.5 This release covers both claims that Mr. Crosby knows about and those he may not know about. Mr. Crosby expressly acknowledges that this Agreement is intended to include all claims which he does not know or

suspect to exist in his favor at the time of his signature on this Agreement, and this Agreement will extinguish such claims.

10.6 Notwithstanding anything to the contrary herein, this Agreement does not waive or release (i) any rights or claims which Mr. Crosby may have under the Age Discrimination in Employment Act or other laws which arise after the date on which he signs this Agreement; (ii) any claims Mr. Crosby may have for vested benefits under any Northrop Grumman employee benefit plan; or (iii) any rights or claims Mr. Crosby may have for breach of this Agreement.

11. PERIOD FOR REVIEW AND CONSIDERATION OF AGREEMENT; ADVICE OF COUNSEL: Mr. Crosby agrees and understands that he has been given a period of 21 calendar days from his receipt of this Agreement to review and consider this Agreement before signing it. Mr. Crosby further understands that he may use as much of this review period as he wishes prior to signing; he can sign this Agreement at any time prior to the expiration of the 21-calendar day period. Mr. Crosby is advised and encouraged to consult with his own legal counsel prior to signing this Agreement.

12. RIGHT TO REVOKE AGREEMENT: Mr. Crosby may revoke this Agreement within 7 calendar days of signing it. Revocation may be made by delivering a written notice of revocation to Chief Human Resources Officer,

Northrop Grumman Corporation, 1840 Century Park East, Los Angeles, CA 90067. For this revocation to be effective, written notice must be received by the Chief Human Resources Officer no later than 5:00 pm PST on the seventh calendar day after Mr. Crosby signs this Agreement. If Mr. Crosby revokes this Agreement, it shall not be effective or enforceable, and Mr. Crosby will not receive the benefits described in this Agreement.

13. WITHHOLDING OF TAXES: The Company shall be entitled to withhold from any amounts payable pursuant to this Agreement all taxes as legally shall be required (including, without limitation, any United States federal taxes, and any other state, city, or local taxes).
14. ENTIRE AGREEMENT: This Agreement sets forth the entire agreement between the Parties hereto, and fully supersedes any and all discussions, prior agreements or understandings between the Parties hereto pertaining to the subject matter of this Agreement.

15. GOVERNING LAW: This Agreement shall be interpreted and enforced in accordance with the law of the State of Texas without regard to principles regarding conflicts of law.

RALPH D. CROSBY, JR.

Dated: December 13, 2001

By: /s/ RALPH D. CROSBY, JR.

NORTHROP GRUMMAN CORPORATION

Dated: December 22, 2001

By: /s/ J. MICHAEL HATELEY

Form of
INDEMNIFICATION AGREEMENT

This Agreement, dated as of the ____ day of _____, 2002 between Northrop Grumman Corporation, a Delaware corporation (the "Corporation"), and NAME IN BOLD CAPS ("Indemnitee").

WHEREAS, it has come to the attention of the Board of Directors of the Corporation (the "Board") that in certain circumstances highly competent persons have recently become more reluctant to serve publicly-held corporations as directors, officers or in other capacities unless they are provided with adequate protection from the risk of liability due to claims and actions against them arising out of their service to and activities on behalf of such corporations; and

WHEREAS, it has also come to the attention of the Board that, in this regard, the current difficulty of obtaining adequate liability insurance and the uncertainties related to indemnification for directors and officers have increased the difficulty of attracting and retaining such highly competent persons; and

WHEREAS, the Board has determined that the inability to attract and retain such highly competent persons is detrimental to the best interests of the Corporation and its stockholders and that persons serving the Corporation should be assured they will have adequate protection from certain liabilities; and

WHEREAS, it is reasonable, prudent and necessary for the Corporation to obligate itself contractually to indemnify such persons to the fullest extent permitted by applicable law, so that such persons will serve or continue to serve the Corporation, free from undue concern that they will not be adequately indemnified; and

WHEREAS, the Corporation's stockholders have approved the form of this Agreement and have authorized the Corporation to enter into this Agreement with certain persons, including Indemnitee; and

WHEREAS, this Agreement is a supplement to and in furtherance of any rights granted under the Certificate of Incorporation of the Corporation, or Article V of the Bylaws of the Corporation, and any resolutions adopted pursuant thereto, and shall not be deemed to be a substitute therefor nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee is willing to serve the Corporation in the capacity or capacities in which he serves, continue so to serve and, if appropriate, to take on additional service for or on behalf of the Corporation on the condition that he be indemnified according to the terms of this Agreement;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Corporation and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Change in Control" means a change in control of the Corporation, occurring after the Effective Date, which would be required to be reported in response to Item 6(e) of Schedule 14A under Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Act"), whether or not the Corporation is then subject to such reporting requirement. Without limiting the generality of the foregoing, a Change in Control shall be deemed to have occurred if, after the Effective Date: (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Corporation representing 20% or more of the combined voting power of the Corporation's then outstanding securities without the prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage interest; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (including for this purpose any new director whose election or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board.

(b) "Corporate Status" means the status of a person who is or was a director, officer, employee, agent or fiduciary of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Corporation.

(c) "Disinterested Director" means a director of the Corporation who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(d) "Effective Date" means as of _____, 2002.

(e) "Expenses" means all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness in a Proceeding.

(f) "Independent Counsel" means an attorney, a law firm, or a member of a law firm,

who (or which) is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Corporation or Indemnitee in any other matter material to either such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(g) "Proceeding" means any action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding, whether civil, criminal, administrative or investigative, except one initiated by an Indemnitee pursuant to Section 11 of this Agreement to enforce his rights under this Agreement.

Section 2. Services by Indemnitee. Indemnitee agrees to serve as a

[director/officer/employee/agent/fiduciary] of the Corporation and, at its request, as a director, officer, employee, agent or fiduciary of certain other corporations and entities. Indemnitee may at any time and for any reason resign from any such position (subject to any other contractual obligation or any obligation imposed by operation of law).

Section 3. Indemnification - General. Subject to the provisions of Section

12(c), the Corporation shall indemnify, and advance Expenses to, Indemnitee as provided in this Agreement to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may thereafter from time to time permit, whether the actions or omissions (or alleged actions or omissions) of Indemnitee giving rise to such indemnification (including the advancing of Expenses) occurs or occurred before or after the Effective Date. The rights of Indemnitee provided under the preceding sentence shall include, but shall not be limited to, the rights set forth in the other Sections of this Agreement.

Section 4. Proceedings Other Than Proceedings by or in the Right of the

Corporation. Indemnitee shall be entitled to the rights of indemnification

provided in this Section if, by reason of his Corporate Status, he is, or is threatened to be made, a party to any threatened, pending, or completed Proceeding, other than a Proceeding by or in the right of the Corporation.

Pursuant to this Section, Indemnitee shall be indemnified against Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with any such Proceeding or any claim, issue or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 5. Proceedings by or in the Right of the Corporation. Indemnitee

shall be entitled to the rights of indemnification provided in this Section if, by reason of his Corporate Status, he is, or is threatened to be made, a party to any threatened, pending or completed Proceeding brought by or

in the right of the Corporation to procure a judgment in its favor. Pursuant to this Section, Indemnitee shall be indemnified against Expenses actually and reasonably incurred by him or on his behalf in connection with any such Proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation. Notwithstanding the foregoing, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in any such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Corporation if applicable law prohibits such indemnification; provided, however, that if applicable law so permits, indemnification against Expenses shall nevertheless be made by the Corporation in such event if, and only to the extent that, the Court of Chancery of the State of Delaware, or the court in which such Proceeding shall have been brought or is pending, shall so determine.

Section 6. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement (other than

Section 12(c)), to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For the purposes of this Section and without limiting the foregoing, the termination of any claim, issue or matter in any such Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 7. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement (other than Section 12(c)), to the extent that Indemnitee is, by reason of his Corporate Status, a witness in any Proceeding, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

Section 8. Advancement of Expenses. The Corporation shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding within twenty days after the receipt by the Corporation of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by an undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses.

Section 9. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement in connection with any Proceeding, and for the duration thereof, Indemnitee shall submit to the Corporation a written request, including

therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Corporation shall, promptly upon receipt of any such request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in such case: (i) if a Change in Control shall have occurred, by Independent Counsel (unless Indemnitee shall request that such determination be made by the Board or the stockholders, in which case in the manner provided for in clause (ii) or (iii) of this Section 9(b) in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; (ii) if a Change of Control shall not have occurred, (A) by the Board by a majority vote of a quorum consisting of Disinterested Directors, or (B) if a quorum of the Board consisting of Disinterested Directors is not obtainable, or even if such quorum is obtainable, if such quorum of Disinterested Directors so directs, either (x) by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee, or (y) by the stockholders of the Corporation, as determined by such quorum of Disinterested Directors, or a quorum of the Board, as the case may be; or (iii) if necessary, as provided in Section 10(b). If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including without limitation providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Corporation (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Corporation hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(c) If required, Independent Counsel shall be selected as follows: (i) if a Change of Control shall not have occurred, Independent Counsel shall be selected by the Board, and the Corporation shall give written notice to Indemnitee advising him of the identity of Independent Counsel so selected; or (ii) if a Change of Control shall have occurred, Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board, in which event (i) shall apply), and Indemnitee shall give written notice to the Corporation advising it of the identity of Independent Counsel so selected. In either event, Indemnitee or the Corporation, as the case may be, may, within seven days after such written notice of selection shall have been given, deliver to the Corporation or to Indemnitee, as the case may be, a written objection to such selection. Such objection may be asserted only on the ground that Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1, and the objection shall set forth with particularity the factual basis of such assertion. If such written objection is made, Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within twenty days after submission by

Indemnitee of a written request for indemnification pursuant to Section 9(a), no Independent Counsel shall have been selected and not objected to, either the Corporation or Indemnitee may petition the Court of Chancery of the State of Delaware, or any other court of competent jurisdiction, for resolution of any objection which shall have been made by the Corporation or Indemnitee to the other's selection of Independent Counsel and/or for appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom an objection is so resolved or the person so appointed shall act as Independent Counsel under Section 9(b). The Corporation shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with its actions pursuant to this Agreement, and the Corporation shall pay all reasonable fees and expenses incident to the procedures of this Section 9(c), regardless of the manner in which such Independent Counsel was selected or appointed. Upon the due commencement date of any judicial proceeding pursuant to Section 11(a)(iii), Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 10. Presumptions and Effects of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a), and the Corporation shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to the presumption.

(b) If the person, persons or entity empowered or selected under Section 9 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within 60 days after receipt by the Corporation of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) prohibition of such indemnification under applicable law; provided,

however, that such 60-day period may be extended for a reasonable time, not to

exceed an additional 30 days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith require(s) such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing

provisions of this Section 10(b) shall not apply (i) if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 9(b) and if (A) within fifteen days after receipt by the Corporation of the request for such determination, the Board has resolved to submit such determination to the stockholders for their consideration at an Annual Meeting thereof to be held within 75 days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called as provided in the Corporation's Certificate of Incorporation and under applicable law within 30 days after such receipt for the purpose of making

such determination (which 30-day period may be extended for reasonable periods not to exceed an additional 30 days in order to ensure compliance with all applicable laws), such meeting is held for such purpose within 60 days after having been so called and such determination is made thereat, it being understood that provisions of this Agreement shall not obligate the Corporation to call such a special meeting, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(b).

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

Section 11. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 9 that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8, (iii) the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(b) and such determination shall not have been made and delivered in a written opinion within 90 days after receipt by the Corporation of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 within ten days after receipt by the Corporation of a written request therefor, or (v) payment of indemnification is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 9 or 10, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of his entitlement to such indemnification or advancement of Expenses. The Corporation shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 9 that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section shall be conducted in all respects as a de novo trial on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding commenced pursuant to this Section, the Corporation shall have the burden of proving that Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made or deemed to have been made pursuant to Section 9 or 10 that Indemnitee is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding commenced pursuant to this Section, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for

indemnification, or (ii) prohibition of such indemnification under applicable law.

(d) The Corporation shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Agreement.

(e) In the event that Indemnitee, pursuant to this Section, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any and all expenses (of the kinds described in the definition of Expenses) actually and reasonably incurred by him in such judicial adjudication, but only if he prevails therein. If it shall be determined in such judicial adjudication that Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by Indemnitee in connection with such judicial adjudication shall be appropriately prorated.

Section 12. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation or Bylaws of the Corporation, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or any provision hereof shall be effective as to Indemnitee with respect to any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal.

(b) To the extent that the Corporation maintains an insurance policy or policies providing liability insurance for directors, officers, employees, agents or fiduciaries of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Corporation, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies.

(c) If any policy referred to in Section 12(b) (or any other policy which may provide coverage to Indemnitee) contains a provision which eliminates coverage under such policy to the extent of the Corporation's contractual obligations of indemnification, the Corporation shall have no obligations hereunder to the extent that Indemnitee shall have been afforded coverage under such policy.

(d) In the event of any payment under this Agreement, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Corporation to bring suit to enforce such rights.

(e) The Corporation shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 13. Duration of Agreement. This Agreement shall continue until and

terminate upon the later of: (a) ten years after the date that Indemnitee shall have ceased to serve as a director, officer, employee, agent or fiduciary of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee served at the request of the Corporation; or (b) the final termination of all pending Proceedings in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 11. This Agreement shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of Indemnitee and his heirs, executors and administrators.

Section 14. Severability. If any provision or provisions of this Agreement

shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself held invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including without limitation each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself held invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

Section 15. Exception to Right of Indemnification or Advancement of

Expenses. Except as provided in Section 11(e), Indemnitee shall not be entitled

to indemnification or advancement of Expenses under this Agreement with respect to any Proceeding, or any claim therein, brought or made by him against the Corporation.

Section 16. Settlement. The Corporation shall have no obligation to

indemnify Indemnitee hereunder for any amounts paid in settlement of any Proceeding effected without the Corporation's prior written consent, which shall not be unreasonably withheld.

Section 17. Identical Counterparts. This Agreement may be executed in one

or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart, signed by the party against whom enforceability is sought, may constitute evidence of the existence of this Agreement.

Section 18. Headings. The headings of the paragraphs of this Agreement are

inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 19. Modification and Waiver. No supplement, modification or

amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of

any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 20. Notice by Indemnitee. Indemnitee agrees to notify the

Corporation promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder.

Section 21. Notices. All notices, requests, demands and other

communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom such notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to:

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067-2199

(b) If to the Corporation, to:

Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067-2199

Attention: John H. Mullan
Corporate Vice President and Secretary

or to such other address as may have been furnished to Indemnitee by the Corporation or to the Corporation by Indemnitee, as the case may be.

Section 22. Governing Law. This Agreement shall be governed by, and

construed and enforced in accordance with, the laws in effect in the State of Delaware.

Section 23. Miscellaneous. Use of the masculine pronoun shall be deemed to

include usage of the feminine pronoun where appropriate.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

NORTHROP GRUMMAN CORPORATION

INDEMNITEE

Kent Kresa
Chairman and
Chief Executive Officer

EXHIBIT 12.1

Ratios of Earnings to Fixed Charges

	Pro Forma		Actual						
	Nine Months Ended September 30, 2001	Fiscal Year Ended December 31, 2000	Nine Months Ended September 30,		Fiscal Year Ended December 31,				
			2001	2000	2000	1999	1998	1997	1996
Income from Continuing operations before income taxes and accounting change:.....	\$ 471	\$1,727	\$ 485	\$ 756	\$ 975	\$ 747	\$ 309	\$ 512	\$ 478
Plus Fixed Charges:									
Interest on all Indebtedness:.....	794	1,222	269	135	175	224	232	257	270
Capitalized Interest:.....	4	5	0	0	0	0	0	0	0
Amortization of debt expense:.....	28	37	22	10	13	13	14	15	24
Portion of rental expenses on operating leases deemed to be representative of the interest factor:.....	130	201	41	30	41	32	32	33	25
Preferred stock dividend requirements of consolidated subsidiaries:.....	29*	38*	20*	0	0	0	0	0	0
Total Fixed Charges:.....	985	1,503	352	175	229	269	278	305	319
Plus Unconsolidated affiliates Earnings:...	95	1	0	0	0	0	0	0	0
Plus Minority Earnings:.....	18	13	0	0	0	0	0	0	0
Less Preferred stock dividend:.....	-29	-38	-20	0	0	0	0	0	0
Earnings:.....	\$1,540	\$3,206	\$ 817	\$ 931	\$1,204	\$1,016	\$ 587	\$ 817	\$ 797
Fixed Charges Ratio:.....	1.56	2.13	2.32	5.32	5.26	3.78	2.11	2.68	2.50

* Required preferred stock dividend divided by 1 minus the effective tax rate of 35%. See instructions to Item 503(d) of Regulation S-K.

The ratios of earnings to fixed charges should be read in conjunction with the financial statements and other financial data included or incorporated by reference in this registration statement.

LETTER FROM INDEPENDENT ACCOUNTANTS REGARDING UNAUDITED
INTERIM FINANCIAL INFORMATION

March 4, 2002

Northrop Grumman Corporation
Los Angeles, California

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim financial information of Northrop Grumman Corporation and subsidiaries for the periods ended March 31, 2001, June 30, 2001 and September 30, 2001, and of Northrop Grumman Systems Corporation (formerly Northrop Grumman Corporation) and subsidiaries for the periods ended March 31, 2000, June 30, 2000 and September 30, 2000, as indicated in our reports dated May 10, 2001, July 25, 2001 and November 5, 2001; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our reports referred to above, which were included in Northrop Grumman Corporation's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001, June 30, 2001 and September 30, 2001, are being incorporated by reference in this Registration Statement.

We also are aware that the aforementioned reports, pursuant to Rule 436(c) under the Securities Act of 1933, are not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Los Angeles, California

NORTHROP GRUMMAN CORPORATION
a Delaware corporation
(Holding Company)

NORTHROP GRUMMAN SYSTEMS CORPORATION
a Delaware corporation
(a wholly owned subsidiary of Northrop Grumman Corporation Operating Company)

SUBSIDIARIES OF OPERATING COMPANY

Address for all subsidiaries (unless otherwise noted) is:

c/o NORTHROP GRUMMAN CORPORATION
Office of the Corporate Secretary
1840 Century Park East
Los Angeles, California 90067

1. Allied Holdings, Inc. - DE
 - Allied Transportation Products, Inc. - DE
 - Grumman Credit Corporation - DE
2. California Microwave, Inc. - DE
3. Comptek Research, Inc. - NY
 - Telemus, Inc. - Ontario, Canada
 - Advanced Systems Development, Inc. - NY
 - Amherst Systems, Inc. - NY
 - Logicon Comptek, Inc. - NY
(formerly Comptek Federal Systems, Inc.)
 - Northrop Grumman PRB Systems, Inc. - MD
(formerly Comptek PRB Associates, Inc.)
 - o SimWright, Inc. - FL
 - Comptek Research International Corp. - NY
 - Comptek Research, Ltd. - Virgin Islands
 - Comptek Technical Services, Inc. - DE
 - Comptek Telecommunications, Inc. - NY
 - Industrial Systems Service, Inc. - PA

4. Data Procurement Corporation, Inc. - MD (merged into Logicon, Inc. 12/29/00)
5. Logicon FDC, Inc. - DE
(formerly Federal Data Corporation)
 - Doxsys, Inc. - DE
 - R.O.W. Sciences, Inc. - DE
 - FDCT Corp. - DE
 - o FDC Technologies, Inc. - DE
 - o NYMA, Inc. - MD
 - o Sylvest Management Systems, Inc. - DE
 - Technical and Management Assistance, Inc. - NJ
 - Ardel Inc. (formerly VAD International)
6. Grumman International, Inc. - NY
7. Northrop Grumman Ohio Corporation - DE
(formerly Grumman Ohio Corporation)
8. IRAN - Northrop Grumman Programs Service Company - DE
9. Logicon Commercial Information Services Inc. - MD
10. Logicon, Inc. - DE
 - International Research Institute, Inc. - VA (merged into Logicon, Inc. 12/29/00)
 - o Logicon Europe, Ltd. - UK
address: Alpha House
Chilworth Research Centre
Southampton SO16 7NS
United Kingdom
 - Logicon Technical Services, Inc. - CA
11. Logicon International, Inc. - FL
12. Mocit, Inc. - DE
13. NGC Denmark ApS - Denmark
address: Midtermolen 7
P.O. Box 2585
DK 2100 Copenhagen O
Denmark

- Park AirSystems AS - Norway
address: Enebakkvien 150
P.O. Box 50 Manglerud
0612 Oslo
NORWAY
- Northrop Grumman Automated Systems Belgium NV - Belgium
(owned 99% by NGC Denmark ApS; 1% by Northrop Grumman
Overseas Corporation)
address: Businesspark 19
Battelsesteenweg 455B
2800 Mechelen
Belgium
- 14. Northrop Grumman Aviation, Inc. - DE
- 15. Northrop Grumman - Canada, Ltd. - Ontario, Canada
address: c/o Gowling, Strathy & Henderson
120 King Street West, Suite 600
Hamilton, Ontario L8P 4V2
- 16. Northrop Grumman Electronic Systems International Company - DE
- 17. Northrop Grumman Electronic Systems International Company (UK) - DE
- 18. Northrop Grumman Electronic Systems Integration International, Inc. - CA
 - Northrop Electronic Systems Integration Limited - UK
address: Senator House
85 Queen Victoria Street
London EC4V 4IL
- 19. Northrop Grumman Field Support Services, Inc. - DE
- 20. Northrop Grumman Foreign Sales Corporation - Barbados
address: c/o Chase Trade, Inc.
Stevmar House, Suite 2
Rockley, Christ Church
Barbados
- 21. Northrop Grumman International, Inc. - DE
 - Northrop Grumman Singapore Private Limited - Singapore
address: 250 North Bridge Road #15-04
Raffles City Tower
Singapore 179101
- 22. Northrop Grumman International Services Company, Inc. - DE
- 23. Northrop Grumman ISA International, Inc. - DE

- 24. Northrop Grumman Overseas Holdings, Inc. - DE
 - Northrop Grumman Electronic Sensors and Systems International, Inc. - DE
 - o Wescan Europe Ltd. (Ireland) - Ireland
address: 3 Burlington Road
Dublin 4, Ireland
 - Northrop Grumman Electronicos, Inc. - DE
 - Northrop Grumman Overseas Holdings (U.K.), Ltd. - UK
address: c/o Baker & McKenzie
100 New Bridge Street
London EC4V 6JA
United Kingdom
 - o Park Air Electronics Ltd. (UK) - UK
address: Northfields
Market Deeping
Peterborough
PE6 8LG
England
 - o Remotec, UK - UK
- 25. Northrop Grumman Overseas Service Corporation - DE
- 26. Northrop Grumman Space Operations, L.P. - DE
- 27. Northrop Grumman Tactical Systems, LLC - DE
- 28. Northrop Grumman Technical Services Corporation - DE
- 29. Northrop Grumman Technical Services, Inc. - OK
- 30. Northrop International Aircraft, Inc. - CA
- 31. Park Air Electronics, Inc. - DE
- 32. Perceptics Corporation - TN
- 33. Remotec, Inc. - TN
 - 96% owned by NGC
 - 4% owned by Toyo Engineering Corporation (Japan)
- 34. Sterling Software (U.S.) Inc.
- 35. Xetron Corporation - OH
- 36. Newport News Shipbuilding Inc. - DE
- 37. NNS Delaware Management Company - DE
- 38. Newport News Shipbuilding and Dry Dock Company - VA
- 39. Continental Maritime of San Diego, Inc. - CA
- 40. Naptheon Inc. - DE

41. The following are the wholly or partially owned foreign subsidiaries of Litton Industries, Inc.

135363 Canada, Inc.
25 City View Drive
Toronto, Ontario Canada M9W 5A7

C. Plath GmbH, Mautische-Elektronische
Tehnik
Gotenstrasse 18
D-2000 Hamburg 1
West Germany

L.E.F. Litton Elektrotechnische Fabrik GmbH
Hinterdorfstrasse 16
D-79367 Weisweil, Germany

Litton Components (M) Sdn. Bhd.
Room 7, 13th Floor
Kompleks Tun Abdul Razak
Jalan Wong Ah Fook
Johor Bahru, Johor 80000 Malaysia

Litton do Brasil Ltd.
Avenida Tegula, 888
Ponte Alta, Blocco 4, CEP12940-000
Atibaia, Sao Paulo Brasil

Litton Finance Europe B.V.
Griendstraat 10
NL-2921LA
Krimpen, Holland

Litton Holdings GmbH
P.O. Box 774, D- 79007
Freiburg, Germany

LITTON ITALIA S.p.A.
Via Pontina km 27.800
I-00040 Ponzonia (Rome) Italy

Litton Marine Systems Asia Inc.
Romco Bldg.
16-5, Misuji 1-Chrome
Taito Ku
Tokyo, Japan 111-0055

Litton Marine Systems GmbH & Co. Kg
Stuckenstrasse 1-3
D-22081 Hamburg
GERMANY

9055-1599 Quebec, Inc.
30 Aeroport Street
Bromont, Quebec Canada JOE 1L0

Gulf Industrial Marine Company
Salhiah-Sahab Tower, 17th Floor
PO Box 830
Safat, Kuwait 13009

LITEF GmbH
Loerracher Strasse 18
Postfach 774
Friburg, Germany 79007

Litton Components Private Limited
500 Chai Chee Lane
469024 Singapore

Litton Electronics (Suzhou) Co., Ltd.
Block C #02-01/08, No. 5
Xing Ham Street
Suzhou Industrial Park, China 215021 China

Litton FSC, Inc.
Griendstraat 10
Van Utrechtweg 25
Krimpen a/d Yssel NL-2921 LA The Netherlands

Litton International S.A
Gubelstrasse 28
CH-8050 Zurich

Litton Marine Systems (S) PTE LTD
Blk 203B, Henderson Road
#02-08, Henderson Industrial Park
Singapore 15948

Litton Marine Systems B.V.
James Wattkeg 22
3133 KK
Vlaardingen, Holland THE NETHERLANDS

Litton Marine Systems Limited
BP Collins & Co.
Collins House
32-38 Station Road
Gerrards Crossing
Bucks SL9 8EL England

Litton Marine Systems S.A.R.L.
Sokolow, Dunaud, Mercadiers & Carreras
100 Boulevard Malesherbes
75017 Paris, France

Litton Precision Products S.p.A.
Viale Fulvio Testi 126
I-20092 Cinisello Balsamo
Milan Italy

Litton Systems Canada Limited
25 City View Drive
Toronto, Ontario M9W 5A7 Canada

Litton Technology Corporation Ltd.
P.O. Box 309, Uglan House
South Church Street, George Town
Grand Cayman, Cayman Islands British
West Indies

Litton Winchester Retconn (M) Sdn. Bhd.
462, Block-J, MK12, Jalan Permatang
Damar Laut
Penang 11960 Malaysia

New Britain Do Brasil Industria E
Comercio Ltd.
Avenida Paulista, 1159
Suite 1516
Sao Paulo, Brasil

Sperry Marine Belgium N.V.
J. English Straat 54
B-2140 Borgerhout
Belgium
B-1200 Brussels, Belgium

TEC Electrical Components Group Limited
4-5 Progress Way
Enfield, Middlesex
U.K.

Technologie Estrie Inc.
30 Aeroport Street
Bromont, Quebec
Canada JOE 1L0

VEAM Elektro-Anschlussstechnik GmbH
P.O. Box 1304
D-Filderstadt
Stuttgart, Germany

Litton Precision Products International, Inc.
100 New Wood Road
Watertown, CT 06795-3347 Switzerland

Litton Saudi Arabia Limited
P.O. Box 7949
Jeddah 21472 Saudi Arabia

Litton Systems GmbH
Postfach 774
79007 Freiburg Germany

Litton U.K. Limited
118 Burlington Road
New Malden
Surrey KT3 4NR England

Litton-Westrex Company, Japan
Hibiya Park Building
8-1, 1-Chome
Switzerland Yurakucho, Chiyoda-ku
Tokyo 101-0054 Japan

Sperry Marine A/S (Denmark)
Kromann & Munter
14 Rodhuspladsen
1550 Copenhagen, Denmark

Tarutin Kester Co., Ltd.
2-20-11, Yokokawa 2-Chome
Sumida-ku
Tokyo 130 Japan

TEC Electrical Components Limited
4-5 Progress Way
Enfield, Middlesex
U.K.

Teldix GmbH
Grenzhoefter Weg 36
69123 Heidelberg, Germany
Postfach 10 56 08
D-69046 Heidelberg, Germany

VEAM S.r.L.
Via Statuto 2
20020 Arese
Milan, Italy

The following are the wholly and partially-owned U.S. subsidiaries of Litton Industries, Inc.

Advanced Information Systems
1500 PRC Drive
McLean, VA 22102

Avondale Gulfport Marine, Inc.
13303 Industrial Seaway Road
Gulfport, MS 39503

Avondale Industries, Inc.
5100 River Road
Avondale, LA 70094

Avondale Properties, Inc.
5100 River Road
Avondale, LA 70094

Avondale Technical Services
5100 River Road
Avondale, LA 70094

Business Equipment, Inc.
21240 Burbank Boulevard
Woodland Hills, CA 91367-6675

Cresticon, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Genco Industries of Lufkin, Inc.
5100 River Road
Avondale, LA 70094

Ingalls Industrial Products Corporation
P.O. Box 149
Pascagoula, MS 39568

Ingalls Shipbuilding, Inc.
1000 Litton Access Road
Pascagoula, MS 39568-0149

Litton Advanced Systems, Inc.
5115 Calvert Road
College Park, MD 20740

Litton Enterprise Solutions, Inc.
5490 Canoga Ave.
Woodland Hills, CA 91367-6619

Litton Integrated Systems Corporation
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Avondale Enterprises, Inc.
5100 River Road
Avondale, LA 70094

Avondale Industries of New York, Inc.
5100 River Road
Avondale, LA 70094

Avondale Land Management Company
5100 River Road
Avondale, LA 70094

Avondale Services Corporation
5100 River Road
Avondale, LA 70094

Avondale Transportation Company, Inc.
5100 River Road
Avondale, LA 70094

Crawford Technical Services, Inc.
5100 River Road
Avondale, LA 70094

Erie Marine, Inc.
P.O. Box 6241
Erie, PA 16512

Genco Industries
5100 River Road
Avondale, LA 70094

Ingalls International Shipbuilding Corporation
1000 Litton Access Road
P.O. Box 149
Pascagoula, MS 39568-0149

Kentron Pakistan, Inc.
1500 PRC Drive
McLean, VA 22102

Litton Emerge, Inc.
55 Walkers Brook Drive
Reading, MA 01867-3297

Litton Industries, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Litton International Development Corp.
29851 West Agoura Road
Agoura Hills, CA 91301-0500

Litton Marine Systems, Inc.
1070 Seminole Trail
Charlottesville, VA 22901-2891

Litton Pacific Systems Limited
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Litton Systems International, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Litton Systems Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

M&D Steel Fabrication, Inc.
5100 River Road
Avondale, Louisiana 70094

Planning Research Corporation
International, Ltd.
1500 PRC Drive
McLean, VA 22102

PRC Engineering Systems, Inc.
1500 PRC Drive
McLean, VA 22102

PRC Public Sector, Inc.
1500 PRC Drive
McLean, VA 22102

PRC Standard Systems Organization
12005 Sunrise Valley Drive
Reston, VA 20191-3423

PRC Technology Services 2, Inc.
1500 PRC Drive
McLean, VA 22102

Sol-Tex Mineral Company, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

TASC Services Corporation
55 Walkers Brook Drive
Reading, MS 01867-3297

Technical Systems, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Litton Oversea Enterprise Corporation
21240 Burbank Blvd
Woodland Hills, CA 91367-6675

Litton Ship Systems Full Service Center, Inc.
1000 Litton Access Road
Pascagoula, MS 39568

Litton Systems Worldwide, Inc.
5500 Canoga Avenue
Woodland Hills, CA 91367-6698

Litton Worldwide Services, Inc.
21050 Burbank Blvd.
Woodland Hills, CA 91367-6675

Openware, Inc.
1500 PRC Drive
McLean, VA 22102

PRC Commercial Systems, Inc.
1500 PRC Drive
McLean, VA 22102

PRC, Inc.
1500 PRC Drive
McLean, VA 22102

PRC Service Center Organization
1500 PRC Drive
McLean, VA 22102

PRC Technology Services 1 of Virginia, Inc.
1500 PRC Drive
McLean, VA 22102

PRCA, L.L.C.
1500 PRC Drive
McLean, VA 22102

TASC Acquisition Corporation
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

TASC, Inc.
4801 Stonecroft Blvd.
Chantilly, VA 20151-3822

Westrex Company, Asia
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Westrex Company, Italy
Litton Industries, Inc.
21240 Burbank Blvd.
Woodland Hills, CA 91367-6675

Sperry Marine FSC, Inc.
ABN AMRO Trust Company (Virgin Islands) Inc.
Guardian Building
Havensight, 2nd Floor
St. Thomas, Virgin Islands 00801

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Northrop Grumman Corporation on Form S-4 of our report dated January 24, 2001, except for the subsequent events footnote, as to which the date is March 1, 2001, appearing in the Annual Report on Form 10K/A of Northrop Grumman Systems Corporation (formerly Northrop Grumman Corporation) for the year ended December 31, 2000 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Los Angeles, California
March 4, 2002

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Northrop Grumman Corporation on Form S-4 of our report dated October 10, 2000, appearing in the Annual Report on Form 10-K of Litton Industries, Inc. for the year ended July 31, 2000 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Los Angeles, California
March 4, 2002

Consent of Independent Public Accountants

As independent public accountants, we hereby consent to the incorporation by reference in this offer to exchange of our report dated February 2, 2001, included in Newport News Shipbuilding Inc.'s Form 10-K for the year ended December 31, 2000, and to all references to our Firm included in this offer to exchange.

/S/ ARTHUR ANDERSEN LLP

Arthur Andersen LLP

Vienna, Virginia
March 4, 2002

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Richard B. Waugh, Jr., W. Burks Terry and John H. Mullan with full power to act alone, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any subsequent registration statement filed by the registrant pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together, shall constitute one instrument.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature -----	Title -----	Date ----
/s/ Kent Kresa ----- Kent Kresa	Chairman of the Board and Chief Executive Officer and Director (Principal Executive Officer)	March 1, 2002
/s/ Ronald D. Sugar ----- Ronald D. Sugar	President and Chief Operating Officer and Director	March 1, 2002
/s/ Richard B. Waugh, Jr. ----- Richard B. Waugh, Jr.	Corporate Vice President and Chief Financial Officer (Principal Financial Officer)	March 1, 2002
/s/ Sandra J. Wright ----- Sandra J. Wright	Corporate Vice President and Controller (Principal Accounting Officer)	March 1, 2002

Signature -----	Title -----	Date -----
/s/ John T. Chain, Jr. ----- John T. Chain, Jr.	Director	March 1, 2002
/s/ Lewis W. Coleman ----- Lewis W. Coleman	Director	March 1, 2002
/s/ Vic Fazio ----- Vic Fazio	Director	March 1, 2002
/s/ Phillip Frost ----- Phillip Frost	Director	March 1, 2002
/s/ Charles R. Larson ----- Charles R. Larson	Director	March 1, 2002
/s/ Jay H. Nussbaum ----- Jay H. Nussbaum	Director	March 1, 2002
/s/ Aulana L. Peters ----- Aulana L. Peters	Director	March 1, 2002
/s/ John Brooks Slaughter ----- John Brooks Slaughter	Director	March 1, 2002

LETTER OF TRANSMITTAL
To Tender Shares of Common Stock

of

TRW Inc.

for

Shares of Common Stock

of

Northrop Grumman Corporation

Valued at \$47.00

subject to the procedures and limitations described in the Offer to Exchange
and this Letter of Transmittal.

THE OFFER AND ASSOCIATED WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

The Exchange Agent for the Offer is:

EQUISERVE TRUST COMPANY

By Mail:

By Hand:

By Overnight Delivery:

EQUISERVE TRUST COMPANY
P.O. Box 43034
Providence, RI 02940-3034

EQUISERVE TRUST COMPANY
c/o Securities Transfer and
Reporting Services, Inc.
100 William Street--Galleria
New York, New York 10038

EQUISERVE TRUST COMPANY
40 Campanelli Drive
Braintree, Massachusetts 02184

Delivery of this Letter of Transmittal to an address other than as set forth
above will not constitute a valid delivery. The instructions accompanying this
Letter of Transmittal should be read carefully before this Letter of
Transmittal is completed. You must sign this Letter of Transmittal in the
appropriate space provided therefor, with signature guarantee if required, and
complete the substitute form W-9 set forth below. See Instruction 9.

DESCRIPTION OF COMMON SHARES TENDERED

Name(s) and address(es) of registered holder(s) (Please fill in, if blank, exactly as name(s) appear(s) on Common Share Certificate(s))
Common Share Certificates and Common Share(s) tendered (attach additional list if necessary).
See Instruction 3

Common Share Certificate Number(s)*
Total Number of Common Shares Represented by Certificate(s)
Number of Common Share(s) Tendered**

Total Common Shares

* Need not be completed by shareholders delivering by book-entry transfer.
** Unless otherwise indicated, it will be assumed that all Common Shares evidenced by any certificates delivered to the Exchange Agent are being tendered. See Instruction 4.

BOOK-ENTRY (DRIP)

The number of Common Shares that are maintained in the dividend reinvestment plan and hereby tendered is .

This Letter of Transmittal is to be completed by shareholders, either if Common Share Certificates (as defined below) are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Exchange, as referred to below) is utilized, if tenders of Common Shares (as defined below) are to be made by book-entry transfer into the account of EquiServe Trust Company, as Exchange Agent (the "Exchange Agent"), at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange (as defined below). Shareholders who tender Common Shares by book-entry transfer are referred to herein as "Book-Entry Shareholders." Shareholders whose Common Share Certificates are not immediately available or who cannot deliver their Common Share Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date (as defined in the Offer to Exchange), or who cannot complete the procedure for book-entry transfer on a timely basis, must tender their Common Shares according to the guaranteed delivery procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange. See Instruction 2. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent.

SPECIAL TENDER INSTRUCTIONS

CHECK HERE IF COMMON SHARES ARE BEING TENDERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER COMMON SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

CHECK HERE IF COMMON SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING (please enclose a photocopy of such notice of guaranteed delivery):

Name(s) of Registered Owner(s): _____

Window Ticket Number (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution that Guaranteed Delivery: _____

Account Number: _____

Transaction Code Number: _____

Ladies and Gentlemen:

The undersigned hereby tenders to Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), the above described shares of common stock, par value \$0.625 per share (the "Common Shares," and the certificates representing such Common Shares, the "Common Share Certificates") of TRW Inc., an Ohio corporation (the "Company"), for shares of common stock of Northrop Grumman, par value \$1.00 per share (the "Northrop Grumman Shares," and the certificates representing such Northrop Grumman Shares, the "Northrop Grumman Share Certificates"), valued at \$47.00, upon the terms and subject to the conditions set forth in the Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer"); provided, however, the Common Shares delivered herewith are being tendered only if the provisions of Chapter 1704 of the Ohio Revised Code (the "Ohio business combination law") are not applicable to the Offer or found to be invalid. By receiving this Letter of Transmittal, Northrop Grumman shall have no right whatsoever to acquire the shares if the provisions of the Ohio business combination law are applicable to the Offer. The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

Subject to, and effective upon, acceptance for exchange of the Common Shares tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, Northrop Grumman all right, title and interest in and to all of the Common Shares that are being tendered hereby and any and all Common Shares or other securities issued, paid or distributed or issuable, payable or distributable in respect of such Common Shares on or after March 4, 2002, and prior to the transfer to the name of Northrop Grumman (or a nominee or transferee of Northrop Grumman) on the Company's stock transfer records of the Common Shares tendered herewith (collectively, a "Distribution"). The undersigned hereby irrevocably appoints the Exchange Agent the true and lawful agent, attorney-in-fact and proxy of the undersigned with respect to such Common Shares (and any Distribution), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Common Share Certificates (and any Distribution) or transfer ownership of such Common Shares (and any Distribution) on the account books maintained by the Book-Entry Transfer Facility, together, in either case, with appropriate evidences of transfer, to the Exchange Agent for the account of Northrop Grumman, (b) present such Common Shares (and any Distribution) for transfer on the books of the Company, and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Common Shares (and any Distribution), all in accordance with the terms and subject to the conditions of the Offer.

The undersigned irrevocably appoints designees of Northrop Grumman as such undersigned's agents, attorneys-in-fact and proxies, with full power of substitution, to the full extent of the undersigned's rights with respect to the Common Shares (and any Distribution) tendered by the undersigned and accepted for exchange by Northrop Grumman. All such powers of attorney and proxies shall be considered irrevocable (once the appointment is effective) and coupled with an interest. Such appointment will be effective when, and only to the extent that, Northrop Grumman deposits the Northrop Grumman Shares with the Exchange Agent. Upon such acceptance for exchange, all prior powers of attorney, proxies and consents given by the undersigned with respect to such Common Shares (and any Distribution) will be revoked without further action, and no subsequent powers of attorney and proxies may be given nor any subsequent written consents executed (and, if given or executed, will not be deemed effective). The designees of Northrop Grumman will, with respect to the Common Shares (and any Distribution) for which such appointment is effective, be empowered to exercise all voting and other rights of the undersigned as they in their sole discretion may deem proper at any annual or special meeting of Company shareholders or any adjournment or postponement thereof, by written consent in lieu of any such meeting or otherwise. Northrop Grumman reserves the right to require that, in order for the Common Shares to be deemed validly tendered, immediately upon Northrop Grumman's acceptance of such Common Shares, Northrop Grumman be able to exercise full voting rights with respect to such Common Shares (and any Distribution), including, without limitation, voting at any meeting of shareholders. However, prior to acceptance for exchange by Northrop Grumman in accordance with the terms of the Offer to Exchange, Northrop Grumman shall have no voting rights as a result of the tender of the Common Shares.

The undersigned hereby represents and warrants that (a) the undersigned has full power and authority to tender, sell, assign and transfer the undersigned's Common Shares (and any Distribution) tendered hereby, and (b) when the Common Shares are accepted for exchange by Northrop Grumman, Northrop Grumman will acquire good, marketable and unencumbered title to the Common Shares (and any Distribution), free and clear of all liens, restrictions, charges and encumbrances. The undersigned further represents and warrants that the Common Shares (and any distribution) tendered hereby will not be subject to any adverse claim and will not have been transferred to Northrop Grumman in violation of any contractual or other restriction on the transfer thereof. The undersigned, upon request, will execute and deliver any additional documents deemed by the Exchange Agent or Northrop Grumman to be necessary or desirable to complete the sale, assignment and transfer of the Common Shares (and any Distribution) tendered hereby. In addition, the undersigned shall promptly remit and transfer to the Exchange Agent for the account of Northrop Grumman any and all Distributions in respect of the Common Shares tendered hereby, accompanied by appropriate documentation of transfer, and, pending such remittance or appropriate assurance thereof, Northrop Grumman will be, subject to applicable law, entitled to all rights and privileges as the owner of any such Distribution and may withhold the entire purchase price or deduct from the purchase price the amount or value thereof, as determined by Northrop Grumman in its sole discretion.

All authority herein conferred or agreed to be conferred shall not be affected by, and shall survive the death or incapacity of, the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

Tenders of Common Shares made pursuant to the Offer are irrevocable (once the appointment is effective), except that Common Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date, and, unless theretofore accepted for exchange by Northrop Grumman pursuant to the Offer, may also be withdrawn at any time after May 3, 2002. See the section titled "The Offer to Exchange--Withdrawal Rights" of the Offer to Exchange.

The undersigned understands that tenders of Common Shares pursuant to any of the procedures described in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange and in the instructions hereto will constitute a binding agreement between the undersigned and Northrop Grumman upon the terms and subject to the conditions set forth in the Offer, including the undersigned's representation that the undersigned owns the Common Shares being tendered.

Unless otherwise indicated herein under "Special Issuance Instructions," please issue the Northrop Grumman Share Certificate(s) or transfer ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry and issue a check in lieu of fractional shares if applicable in the name(s) of the registered holder(s) appearing under "Description of Common Shares Tendered." If applicable, return any certificate(s) for Common Shares not tendered or not accepted for exchange in the name(s) of the registered holder(s) appearing under "Description of Common Shares Tendered." Similarly, unless otherwise indicated herein under "Special Delivery Instructions," please mail the Northrop Grumman Share Certificate(s), a check in lieu of fractional shares if applicable and/or return any certificate(s) for Common Shares not tendered or not accepted for exchange (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing under "Description of Common Shares Tendered." In the event that the "Special Issuance Instructions" are completed, please issue the Northrop Grumman Share Certificate(s), transfer ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry, issue a check in lieu of fractional shares if applicable and/or return any certificate(s) for Common Shares not tendered or not accepted for exchange to the person or persons so indicated. Similarly, in the event that the "Special Delivery Instructions" are completed, please deliver such Northrop Grumman Certificate(s), a check in lieu of fractional shares and/or such Common Share Certificates to the person or persons so indicated. Unless otherwise indicated herein under "Special Issuance Instructions," please credit any Common Shares tendered herewith by book-entry transfer that are not accepted for exchange by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that Northrop Grumman has no obligation pursuant to the "Special Issuance Instructions" to transfer any Common Shares from the name(s) of the registered holder(s) thereof if Northrop Grumman does not accept for exchange any of the Common Shares so tendered.

CHECK HERE IF ANY COMMON SHARE CERTIFICATES REPRESENTING COMMON SHARES THAT YOU OWN HAVE BEEN LOST, STOLEN OR DESTROYED AND SEE INSTRUCTION 11.*

Number of Common Shares represented by lost, stolen or destroyed Common Share Certificates: _____

* YOU MUST CONTACT THE TRANSFER AGENT TO HAVE ALL LOST COMMON SHARE CERTIFICATES REPLACED IF YOU WANT TO TENDER SUCH COMMON SHARES. SEE INSTRUCTION 11 FOR CONTACT INFORMATION FOR THE TRANSFER AGENT.

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the issuance of Northrop Grumman Share Certificate(s), or transfer of ownership of such Northrop Grumman Shares on the account books maintained by the Book Entry, a check in lieu of fractional shares if applicable and/or return or issuance any certificate(s) for Common Shares tendered or not accepted for exchange are to be issued in the name of someone other than the undersigned or if Common Shares tendered by book-entry transfer that are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than that designated above.

Issue Northrop Grumman Share Certificate
 Check
 Common Share Certificate(s) to:

Name _____
(Please Print)

Address _____

(Include Zip Code)

(Tax Identification or Social Security Number)
(See Substitute Form W-9 Included Herein)

Credit Common Shares tendered by book-entry transfer that are not accepted for exchange to the Book Entry Transfer Facility account set forth below:

(Book Entry Transfer Facility Account Number)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the Northrop Grumman Share Certificate(s), a check in lieu of fractional shares if applicable and/or any certificate(s) for Common Shares not tendered or not accepted for exchange are to be issued in the name of someone other than the undersigned or to the undersigned at an address other than that shown above.

Issue Northrop Grumman Share Certificate
 Check
 Common Share Certificate(s) to:

Name _____
(Please Print)

Address _____

(Include Zip Code)

(Tax Identification or Social Security Number)
(See Substitute Form W-9 Included Herein)

SIGN HERE
AND COMPLETE ACCOMPANYING SUBSTITUTE FORM W-9

Signature(s) of Holder(s) (See guarantee requirement below)

Dated: _____, 2002

(Must be signed by registered holder(s) exactly as name(s) appear(s) on Common Share Certificate(s). If signed by person(s) to whom the Common Shares represented hereby have been assigned or transferred as evidenced by endorsement or stock powers transmitted herewith, the signatures must be guaranteed. If signature is by an officer on behalf of a corporation or by an executor, administrator, trustee, guardian, attorney, agent or any other person acting in a fiduciary or representative capacity, please provide the following information. See Instructions 2, 3 and 5.)

Name(s): _____

(Please Print)

Capacity (full title): _____

Address: _____

(Include Zip Code)

Area Code and Telephone Number: _____

Tax Identification or
Social Security Number: _____

GUARANTEE OF SIGNATURE(S) (SEE INSTRUCTIONS 1, 2 AND 5)

Authorized Signature: _____

Name: _____
(Please Print)

Capacity (full title): _____

Name of Firm: _____

Address: _____

(Include Zip Code)

Area Code and Telephone Number: _____

Dated: _____, 2002

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. No signature guarantee is required on this Letter of Transmittal if: (a) this Letter of Transmittal is signed by the registered holder(s) of Common Shares (which term, for purposes of this document, shall include any participant in the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Common Shares) tendered herewith, unless such holder(s) has completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" or (b) such Common Shares are tendered for the account of a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Signature Program (MSP), or any other "eligible guarantor institution" (as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934) (each of the foregoing, an "Eligible Institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5 of this Letter of Transmittal.

2. Requirements of Tender. This Letter of Transmittal is to be completed by shareholders either if Common Share Certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedure for tender by book-entry transfer set forth in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange. Common Share Certificates evidencing tendered Common Shares, or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of Common Shares into the Exchange Agent's account at the Book-Entry Transfer Facility, as well as this Letter of Transmittal (or a facsimile hereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at one of its addresses set forth herein on or prior to the Expiration Date. Shareholders whose Common Share Certificates are not immediately available, who cannot deliver their Common Share Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Common Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange. Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution; (b) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by Northrop Grumman, must be received by the Exchange Agent on or prior to the Expiration Date; and (c) the Common Share Certificates (or a Book-Entry Confirmation) representing all tendered Common Shares in proper form for transfer, in each case, together with this Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery. If Common Share Certificates are forwarded separately in multiple deliveries to the Exchange Agent, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) must accompany each such delivery.

The method of delivery of this Letter of Transmittal, Common Share Certificates and all other required documents, including delivery through the Book-Entry Transfer Facility, is at the option and risk of the tendering shareholder, and the delivery will be deemed made only when actually received by the Exchange Agent (including, in the case of book-entry transfer, by Book-Entry Confirmation). If delivery is by mail, registered mail with return receipt requested and properly insured is recommended. In all cases, sufficient time should be allowed to ensure timely delivery. No alternative, conditional or contingent tenders will be accepted and no fractional Common Shares will be purchased. All tendering shareholders, by execution of this Letter of Transmittal (or a facsimile hereof if by an Eligible Institution), waive any right to receive any notice of the acceptance of their Common Shares for exchange.

3. Inadequate Space. If the space provided herein is inadequate, the Common Share Certificate numbers and/or the number of Common Shares and any other required information should be listed on a separate signed schedule attached hereto.

4. Partial Tenders (Not Applicable to Shareholders Who Tender by Book-Entry Transfer). If fewer than all the Common Shares evidenced by any Common Share Certificate submitted are to be tendered, fill in the number of Common Shares which are to be tendered in the box entitled "Number of Common Shares Tendered" in the "Description of Common Shares Tendered." In such cases, the Exchange Agent, on your behalf, will request that the Company's Transfer Agent (as defined below) issue to you, unless otherwise provided in the appropriate box on this Letter of Transmittal, new Common Share Certificates for the Common Shares that were evidenced by your old Common Share Certificates, but were not tendered by you, as soon as practicable after the Expiration Date. All Common Shares represented by Common Share Certificates delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal, Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of the Common Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Common Share Certificate(s) without alteration, enlargement or any change whatsoever.

If any of the Common Shares tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any of the tendered Common Shares are registered in different names on several Common Share Certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of Common Share Certificates.

If this Letter of Transmittal or any Common Share Certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to Northrop Grumman of their authority so to act must be submitted.

If this Letter of Transmittal is signed by the registered holder(s) of the Common Shares listed and transmitted hereby, no endorsements of Common Share Certificates or separate stock powers are required unless exchange is to be made to, or Common Share Certificates for Common Shares not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s). In such latter case, signatures on such Common Share Certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Common Share Certificate(s) listed, the Common Share Certificate(s) must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the Common Share Certificate(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

6. Stock Transfer Taxes. Except as otherwise provided in this Instruction 6, Northrop Grumman will pay any stock transfer taxes with respect to the transfer and sale of Common Shares to it or its order pursuant to the Offer. If, however, the Northrop Grumman Share Certificate(s) is to be made to, or transfer of ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry is to be registered under, and/or a check in lieu of fractional shares if applicable is to be made to, or if Common Share Certificates for Common Shares not tendered or accepted for exchange are to be registered in the name of any person other than the registered holder(s), or if tendered Common Share Certificates are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such person) payable on account of the transfer to such person will be deducted from the money to be paid in lieu of fractional shares, if any, and/or from the value of the exchange consideration, unless satisfactory evidence of the payment of such taxes or an exemption therefrom is submitted. Except as otherwise provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the Common Share Certificate(s) listed in this Letter of Transmittal.

7. Special Issuance and Delivery Instructions. If a check is to be issued in the name of a person other than the signer of this Letter of Transmittal, and/or if Northrop Grumman Share Certificate is to be issued to or the transfer of the Northrop Grumman Shares is to be registered in the name of a person other than the signer of this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. Similarly, if any Common Share Certificates for Common Shares not tendered or not accepted for exchange are to be returned to a person other than the signer of this Letter of Transmittal, the

appropriate boxes on this Letter of Transmittal must be completed. Additionally, if (i) the Northrop Grumman Share Certificate(s), (ii) a check in lieu of fractional shares if applicable and/or (iii) any Common Share Certificates are to be returned to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown in this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. A Book-Entry Shareholder may request that Common Shares not accepted for exchange be credited to such account maintained at the Book-Entry Transfer Facility as such Book-Entry Shareholder may designate under "Special Issuance Instructions." If no such instructions are given, such Common Shares not accepted for exchange will be returned by crediting the account at the Book-Entry Transfer Facility designated above.

8. Waiver of Conditions. The conditions of the Offer may be waived by Northrop Grumman in whole or in part at any time and from time to time in its sole discretion.

9. 31% Backup Withholding; Substitute Form W-9. Under U.S. federal income tax law, a shareholder whose tendered Common Shares are accepted for exchange pursuant to the Offer may be subject to backup withholding at a rate of 31% on all reportable payments received pursuant to the Offer. To prevent backup withholding on such payments, the shareholder is required to notify the Exchange Agent of the shareholder's current taxpayer identification number ("TIN") by completing the enclosed Substitute Form W-9, certifying that the TIN provided on that form is correct (or that such shareholder is awaiting a TIN), and that (i) the shareholder has not been notified by the Internal Revenue Service that the shareholder is subject to backup withholding as a result of failure to report interest or dividends or (ii) after being so notified, the Internal Revenue Service has notified the shareholder that the shareholder is no longer subject to backup withholding. If the Exchange Agent is not provided with the correct TIN, such shareholder may be subject to a \$50 penalty imposed by the Internal Revenue Service and reportable payments that are made to such shareholder with respect to Common Shares pursuant to the Offer will be subject to backup withholding (see below).

Each shareholder is required to give the Exchange Agent the TIN (e.g., Social Security number or employer identification number) of the record holder of the Common Shares. If the Common Shares are registered in more than one name or are not registered in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report. A shareholder who does not have a TIN may check the box in Part 3 of the Substitute Form W-9 if such shareholder has applied for a number or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the shareholder must also complete the "Certificate of Awaiting Taxpayer Identification Number" below in order to avoid backup withholding. If the box is checked, reportable payments that are received pursuant to the Offer will be subject to backup withholding unless the shareholder has furnished the Exchange Agent with his or her TIN by the time such payment is made. Moreover, if that box is checked and the shareholder has not furnished its TIN within 60 days thereafter, 31% of all dividend payments made to the shareholder will be withheld. A shareholder who checks the box in Part 3 in lieu of furnishing such shareholder's TIN should furnish the Exchange Agent with such shareholder's TIN as soon as it is received.

Certain shareholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding requirements. To avoid possible erroneous backup withholding, a shareholder who is exempt from backup withholding should complete the Substitute Form W-9 by providing his or her correct TIN, signing and dating the form, and writing exempt on the face of the form. A shareholder who is a foreign individual or a foreign entity should also submit to the Exchange Agent a properly completed Form W-8, Certificate of Foreign Status (which the Exchange Agent will provide upon request), signed under penalty of perjury, attesting to the shareholder's exempt status. Shareholders are urged to consult their own tax advisors to determine whether they are exempt from these backup withholding and reporting requirements.

If backup withholding applies, the Exchange Agent is required to withhold 31% of the reportable payments that are made to the shareholder pursuant to the Offer. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained by filing a tax return with the Internal Revenue Service.

10. Requests for Assistance or Additional Copies. Questions or requests for assistance may be directed to the Dealer Manager or the Information Agent at their respective addresses and telephone numbers set forth below. Additional copies of the Offer to Exchange, this Letter of Transmittal and the Notice of Guaranteed Delivery also may be obtained from the Information Agent, Dealer Manager or from your broker, dealer, commercial bank, trust company or other nominee.

11. Lost, Destroyed or Stolen Certificates. If any Common Share Certificate has been lost, destroyed or stolen, the shareholder should promptly notify National City Bank or such other transfer agent appointed by the Company (the "Transfer Agent") at the address and telephone number provided to the shareholder by the Transfer Agent. The shareholder then will be instructed as to the steps that must be taken in order to replace the Common Share Certificate. This Letter of Transmittal and related documents cannot be processed until the lost Shares have been replaced.

12. Book-Entry (DRIP). If any Common Shares are held in the Company's dividend reinvestment plan, you must complete the "Book-Entry (DRIP)" section at the bottom of the front page.

Important: This Letter of Transmittal (or a facsimile hereof), together with Common Share Certificates or confirmation of book-entry transfer or the Notice of Guaranteed Delivery, and all other required documents, must be received by the Exchange Agent on or prior to the Expiration Date.

EQUISERVE TRUST COMPANY

SUBSTITUTE
Form W-9

Department of the Treasury
Internal Revenue Service

Part 1--PLEASE PROVIDE YOUR TIN IN
THE BOX AT THE RIGHT AND CERTIFY BY
SIGNING AND DATING BELOW.

Social Security Number
OR

Employer Identification Number

EquiServe Trust Company's Request for
Taxpayer Identification Number ("TIN")

Part 2--Certification--Under penalties
of perjury, I certify that:

- (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me); and
- (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- (3) I am a U.S. person (including a U.S. resident alien).

Certification Instructions--You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because you failed to report all interest and dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS stating that you are no longer subject to backup withholding, do not cross out such item (2).

Part 3--Awaiting TIN []

Signature: _____
Name: _____ Date: _____
Address: _____

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% ON REPORTABLE PAYMENTS TO YOU PURSUANT TO THE OFFER OR WITH RESPECT TO ANY SUBSEQUENT DIVIDEND PAYMENTS MADE TO YOU BY NORTHROP GRUMMAN. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS. YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number: (x) 31% of all reportable payments made to me pursuant to the Offer will be withheld if I do not provide a TIN by the time of payment and (y) 31% of all dividend payments made to me by Northrop Grumman will be withheld unless a TIN is provided within 60 days.

Signature: _____ Date: _____, 2002

Questions and requests for assistance may be directed to the Information Agent or Dealer Manager at their respective addresses and telephone numbers set forth below. Additional copies of the Offer to Exchange, this Letter of Transmittal or other related tender offer materials may be obtained from the Information Agent, Dealer Manager or from your broker, dealer, commercial bank, trust company or nominee.

The Information Agent for the Offer is:

D. F. King & Co., Inc.

U.S. and Canada	Europe
77 Water Street	No. 2 London Wall
	Buildings, 2nd Floor
New York, New York 10005	London Wall
Banks and Brokers Call	London, EC2M 5PP, United
Collect: 1-212-269-5550	Kingdom
All Others Call Toll	
Free: 1-800-755-7250	Tel.: +(44) 207 920 9700

The Dealer Manager for the Offer is:

Salomon Smith Barney Inc.
388 Greenwich Street
New York, New York 10013

Call Toll Free: (888) 328-4596

LETTER OF TRANSMITTAL
To Tender Shares of Serial Preference Stock II
of
TRW Inc.
for
Shares of Common Stock
of
Northrop Grumman Corporation

valued at \$47.00 multiplied by the then-effective conversion rate of the applicable Series of Serial Preference Stock II, in each case subject to the procedures and limitations described in the Offer to Exchange and this Letter of Transmittal.

THE OFFER AND ASSOCIATED WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

The Exchange Agent for the Offer is:

EQUISERVE TRUST COMPANY

By Mail:

By Hand:

By Overnight Delivery:

Equiserve Trust Company
P.O. Box 43034
Providence, RI 02940-3034

Equiserve Trust Company
c/o Securities Transfer and
Reporting Services, Inc.
100 William Street--Galleria
New York, New York 10038

Equiserve Trust Company
40 Campanelli Drive
Braintree, Massachusetts 02184

Delivery of this Letter of Transmittal to an address other than as set forth above will not constitute a valid delivery. The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. You must sign this Letter of Transmittal in the appropriate space provided therefor, with signature guarantee if required, and complete the substitute form W-9 set forth below. See Instruction 9.

DESCRIPTION OF PREFERENCE SHARES
TENDERED

Name(s) and address(es) of Registered Holder(s) (Please fill in, if blank, exactly as name(s) appear(s) on Preference Share Certificate(s))	Preference Share Certificate(s) and Preference Shares Tendered (Attach additional list if necessary) See Instruction 3.
	Total Number of Preference Shares Represented by Preference Share Certificate(s)*
	Number of Preference Shares Tended**

	Total Preference Shares

* Need not be completed by shareholders delivering by book-entry transfer.
** Unless otherwise indicated, it will be assumed that all Preference Shares evidenced by any certificates delivered to the Exchange Agent are being tendered. See Instruction 4.

This Letter of Transmittal is to be completed by shareholders, either if Preference Share Certificates (as defined below) are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Exchange, as referred to below) is utilized, if tenders of Preference Shares (as defined below) are to be made by book-entry transfer into the account of EquiServe Trust Company, as Exchange Agent (the "Exchange Agent"), at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange (as defined below). Shareholders who tender Preference Shares by book-entry transfer are referred to herein as "Book-Entry Shareholders." Shareholders whose Preference Share Certificates are not immediately available or who cannot deliver their Preference Share Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date (as defined in the Offer to Exchange), or who cannot complete the procedure for book-entry transfer on a timely basis, must tender their Preference Shares according to the guaranteed delivery procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange. See Instruction 2. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent.

SPECIAL TENDER INSTRUCTIONS

CHECK HERE IF PREFERENCE SHARES ARE BEING TENDERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER PREFERENCE SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

CHECK HERE IF PREFERENCE SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING (please enclose a photocopy of such notice of guaranteed delivery):

Name(s) of Registered Owner(s): _____

Window Ticket Number (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution that Guaranteed Delivery: _____

Account Number: _____

Transaction Code Number: _____

Ladies and Gentlemen:

The undersigned hereby tenders to Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), the above described shares of (a) Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share (the "Series 1 Shares") of TRW Inc., an Ohio corporation (the "Company") and (b) Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share (the "Serial 3 Shares" and, together with the Series 1 Shares, "Preference Shares," and the certificates representing such Preference Shares, the "Preference Share Certificates") of the Company, for shares of Northrop Grumman common stock, par value \$1.00 per share (the "Northrop Grumman Shares," and the certificates representing such Northrop Grumman Shares, the "Northrop Grumman Share Certificates"), valued at \$47.00 multiplied by the effective conversion rate of the applicable Preference Shares, upon the terms and subject to the conditions set forth in the Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer"); provided, however, the Preference Shares delivered herewith are being tendered only if the provisions of Chapter 1704 of the Ohio Revised Code (the "Ohio business combination law") are not applicable to the Offer or found to be invalid. By receiving this Letter of Transmittal, Northrop Grumman shall have no right whatsoever to acquire the Preference Shares if the provisions of the Ohio business combination law are applicable to the Offer. The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

Subject to, and effective upon, acceptance for exchange of the Preference Shares tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, Northrop Grumman all right, title and interest in and to all of the Preference Shares that are being tendered hereby and any and all Preference Shares or other securities issued, paid or distributed or issuable, payable or distributable in respect of such Preference Shares on or after March 4, 2002, and prior to the transfer to the name of Northrop Grumman (or a nominee or transferee of Northrop Grumman) on the Company's stock transfer records of the Preference Shares tendered herewith (collectively, a "Distribution"). The undersigned hereby irrevocably appoints the Exchange Agent the true and lawful agent, attorney-in-fact and proxy of the undersigned with respect to such Preference Shares (and any Distribution), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Preference Share Certificates (and any Distribution) or transfer ownership of such Preference Shares (and any Distribution) on the account books maintained by the Book-Entry Transfer Facility, together, in either case, with appropriate evidences of transfer, to the Exchange Agent for the account of Northrop Grumman, (b) present such Preference Shares (and any Distribution) for transfer on the books of the Company, and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Preference Shares (and any Distribution), all in accordance with the terms and subject to the conditions of the Offer.

The undersigned irrevocably appoints designees of Northrop Grumman as such undersigned's agents, attorneys-in-fact and proxies, with full power of substitution, to the full extent of the undersigned's rights with respect to the Preference Shares (and any Distribution) tendered by the undersigned and accepted for exchange by Northrop Grumman. All such powers of attorney and proxies shall be considered irrevocable (once the appointment is effective) and coupled with an interest. Such appointment will be effective when, and only to the extent that, Northrop Grumman deposits the Northrop Grumman Shares with the Exchange Agent. Upon such acceptance for exchange, all prior powers of attorney, proxies and consents given by the undersigned with respect to such Preference Shares (and any Distribution) will be revoked without further action, and no subsequent powers of attorney and proxies may be given nor any subsequent written consents executed (and, if given or executed, will not be deemed effective). The designees of Northrop Grumman will, with respect to the Preference Shares (and any Distribution) for which such appointment is effective, be empowered to exercise all voting and other rights of the undersigned as they in their sole discretion may deem proper at any annual or special meeting of Company shareholders or any adjournment or postponement thereof, by written consent in lieu of any such meeting or otherwise. Northrop Grumman reserves the right to require that, in order for the Preference Shares to be deemed validly tendered, immediately upon Northrop Grumman's acceptance of such Preference Shares, Northrop Grumman be able to exercise full voting rights with respect to such Preference Shares (and any Distribution), including, without limitation, voting at any

meeting of shareholders. However, prior to acceptance for exchange by Northrop Grumman in accordance with the terms of the Offer to Exchange, Northrop Grumman shall have no voting rights as a result of the tender of the Preference Shares.

The undersigned hereby represents and warrants that (a) the undersigned has full power and authority to tender, sell, assign and transfer the undersigned's Preference Shares (and any Distribution) tendered hereby, and (b) when the Preference Shares are accepted for exchange by Northrop Grumman, Northrop will acquire good, marketable and unencumbered title to the Preference Shares (and any Distribution), free and clear of all liens, restrictions, charges and encumbrances. The undersigned further represents and warrants that the Common Shares (and any distribution) tendered hereby will not be subject to any adverse claim and will not have been transferred to Northrop Grumman in violation of any contractual or other restriction on the transfer thereof. The undersigned, upon request, will execute and deliver any additional documents deemed by the Exchange Agent or Northrop Grumman to be necessary or desirable to complete the sale, assignment and transfer of the Preference Shares (and any Distribution) tendered hereby. In addition, the undersigned shall promptly remit and transfer to the Exchange Agent for the account of Northrop Grumman any and all Distributions in respect of the Preference Shares tendered hereby, accompanied by appropriate documentation of transfer, and, pending such remittance or appropriate assurance thereof, Northrop Grumman will be, subject to applicable law, entitled to all rights and privileges as the owner of any such Distribution and may withhold the entire purchase price or deduct from the purchase price the amount or value thereof, as determined by Northrop Grumman in its sole discretion.

All authority herein conferred or agreed to be conferred shall not be affected by, and shall survive the death or incapacity of, the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

Tenders of Preference Shares made pursuant to the Offer are irrevocable (once the appointment is effective), except that Preference Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date, and, unless theretofore accepted for exchange by Northrop Grumman pursuant to the Offer, may also be withdrawn at any time after May 3, 2002. See the section titled "The Offer to Exchange--Withdrawal Rights" of the Offer to Exchange.

The undersigned understands that tenders of Preference Shares pursuant to any of the procedures described in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange and in the instructions hereto will constitute a binding agreement between the undersigned and Northrop Grumman upon the terms and subject to the conditions set forth in the Offer, including the undersigned's representation that the undersigned owns the Preference Shares being tendered.

Unless otherwise indicated herein under "Special Issuance Instructions," issue the Northrop Grumman Share Certificate(s) or transfer ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry and issue a check in lieu of fractional shares if applicable in the name(s) of the registered holder(s) appearing under "Description of Preference Shares Tendered." If applicable, return any certificate(s) for Preference Shares not tendered or not accepted for exchange in the name(s) of the registered holder(s) appearing under "Description of Preference Shares Tendered." Similarly, unless otherwise indicated herein under "Special Delivery Instructions," please mail the Northrop Grumman Share Certificate(s), a check in lieu of fractional shares if applicable and/or return any certificate(s) for Preference Shares not tendered or not accepted for exchange (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing under "Description of Preference Shares Tendered." In the event that the "Special Issuance Instructions" are completed, please issue the Northrop Grumman Share Certificate(s) or transfer ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry, issue a check in lieu of fractional shares if applicable and/or return any certificate(s) for Preference Shares not tendered or not accepted for exchange to the person or persons so indicated. Similarly, in the event that the "Special Delivery Instructions" are completed, please deliver such Northrop Grumman Certificate(s), a check in lieu of fractional shares and/or such Preference Share Certificates to the person or persons so indicated. Unless otherwise indicated herein under "Special Issuance Instructions," please credit any Preference Shares tendered herewith by book-entry transfer that are not accepted for exchange by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that Northrop Grumman has no obligation pursuant to the "Special Issuance Instructions," to transfer any Preference Shares from the name(s) of the registered holder(s) thereof if Northrop Grumman does not accept for exchange any of the Preference Shares so tendered.

CHECK HERE IF ANY PREFERENCE SHARE CERTIFICATES REPRESENTING PREFERENCE SHARES THAT YOU OWN HAVE BEEN LOST, STOLEN OR DESTROYED AND SEE INSTRUCTION 11.*

Number of Preference Shares represented by lost, stolen or destroyed Preference Share Certificates: _____

* YOU MUST CONTACT THE TRANSFER AGENT TO HAVE ALL LOST PREFERENCE SHARE CERTIFICATES REPLACED IF YOU WANT TO TENDER SUCH PREFERENCE SHARES. SEE INSTRUCTION 11 FOR CONTACT INFORMATION FOR THE TRANSFER AGENT.

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the issuance of Northrop Grumman Share Certificate(s) or transfer of ownership or such Northrop Grumman Shares on the account books maintained by the Book-Entry, a check in lieu of fractional shares if applicable and/or return or issuance any certificate(s) for Preference Shares tendered or not accepted for exchange are to be issued in the name of someone other than the undersigned or if Preference Shares tendered by book-entry transfer that are not accepted for payment are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than that designated above.

Issue Check and/or Preference Share Certificate(s) to:

Name: _____
(Please Print)

Address: _____

(Include Zip Code)

(Tax Identification or Social Security No.)
(See Substitute Form W-9 Included Herein)

Credit Preference Shares tendered by book-entry transfer that are not accepted for payment to the Book Entry Transfer Facility the account set forth below:

(Book Entry Transfer Facility Account Number)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the Northrop Grumman Share Certificate(s), a check in lieu of fractional shares if applicable and/or any certificate(s) for Preference Shares not tendered or not accepted for exchange are to be issued in the name of someone other than the undersigned or to the undersigned at an address other than that shown above.

Issue Check and/or Preference Share Certificate(s) to:

Name: _____
(Please Print)

Address: _____

(Include Zip Code)

(Tax Identification or Social Security No.)
(See Substitute Form W-9 Included Herein)

SIGN HERE
(And Complete Accompanying Substitute Form W-9)

Signature(s) of Holder(s) (See guarantee requirement below)

Dated: _____, 2002

Must be signed by registered holder(s) exactly as name(s) appear(s) on Preference Share Certificate(s). If signed by person(s) to whom the Preference Shares represented hereby have been assigned or transferred as evidenced by endorsement or stock powers transmitted herewith, the signatures must be guaranteed. If signature is by an officer on behalf of a corporation or by an executor, administrator, trustee, guardian, attorney, agent or any other person acting in a fiduciary or representative capacity, please provide the following information. (See Instructions 2, 3 and 5.)

Name(s): _____

(Please Print)

Capacity (full title): _____

Address: _____

(Zip Code)

Area Code and Telephone No.: _____

Tax Identification or
Social Security No.: _____

GUARANTEE OF SIGNATURE(S) (See Instructions 1, 2 And 5)

Authorized Signature: _____

Name: _____

(Please Print)

Capacity (full title): _____

Name of Firm: _____

Address: _____

(Zip Code)

Area Code and Telephone No.: _____

Dated: _____, 2002

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. No signature guarantee is required on this Letter of Transmittal if: (a) this Letter of Transmittal is signed by the registered holder(s) of Preference Shares (which term, for purposes of this document, shall include any participant in the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Preference Shares) tendered herewith, unless such holder(s) has completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" or (b) such Preference Shares are tendered for the account of a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Signature Program (MSP), or any other "eligible guarantor institution" (as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934) (each of the foregoing, an "Eligible Institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5 of this Letter of Transmittal.

2. Requirements of Tender. This Letter of Transmittal is to be completed by shareholders either if Preference Share Certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedure for tender by book-entry transfer set forth in the section titled "The Offer to Exchange--Procedures for Tendering" of the Offer to Exchange. Preference Share Certificates evidencing tendered Preference Shares, or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of Preference Shares into the Exchange Agent's account at the Book-Entry Transfer Facility, as well as this Letter of Transmittal (or a facsimile hereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at one of its addresses set forth herein on or prior to the Expiration Date. Shareholders whose Preference Share Certificates are not immediately available, who cannot deliver their Preference Share Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Preference Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange. Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution; (b) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by Exchange, must be received by the Exchange Agent on or prior to the Expiration Date; and (c) the Preference Share Certificates (or a Book-Entry Confirmation) representing all tendered Preference Shares in proper form for transfer, in each case, together with this Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery. If Preference Share Certificates are forwarded separately in multiple deliveries to the Exchange Agent, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) must accompany each such delivery.

The method of delivery of this Letter of Transmittal, Preference Share Certificates and all other required documents, including delivery through the Book-Entry Transfer Facility, is at the option and risk of the tendering shareholder, and the delivery will be deemed made only when actually received by the Exchange Agent (including, in the case of book-entry transfer, by Book-Entry Confirmation). If delivery is by mail, registered mail with return receipt requested and properly insured is recommended. In all cases, sufficient time should be allowed to ensure timely delivery. No alternative, conditional or contingent tenders will be accepted and no fractional Preference Shares will be purchased. All tendering shareholders, by execution of this Letter of Transmittal (or a facsimile hereof if by an Eligible Institution), waive any right to receive any notice of the acceptance of their Preference Shares for payment.

3. Inadequate Space. If the space provided herein is inadequate, the Preference Share Certificate numbers and/or the number of Preference Shares and any other required information should be listed on a separate signed schedule attached hereto.

4. Partial Tenders (Not Applicable to Shareholders Who Tender by Book-Entry Transfer). If fewer than all the Preference Shares evidenced by any Preference Share Certificate submitted are to be tendered, fill in the number of Preference Shares which are to be tendered in the box entitled "Number of Preference Shares Tendered" in the "Description of Preference Shares Tendered." In such cases, the Exchange Agent, on your behalf, will request that the Company's Transfer Agent (as defined below) issue to you, unless otherwise provided in the appropriate box on this Letter of Transmittal, new Preference Share Certificates for the Preference Shares that were evidenced by your old Preference Share Certificates, but were not tendered by you, as soon as practicable after the Expiration Date. All Preference Shares represented by Preference Share Certificates delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal, Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of the Preference Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Preference Share Certificate(s) without alteration, enlargement or any change whatsoever.

If any of the Preference Shares tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any of the tendered Preference Shares are registered in different names on several Preference Share Certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of Preference Share Certificates.

If this Letter of Transmittal or any Preference Share Certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to Northrop Grumman of their authority so to act must be submitted.

If this Letter of Transmittal is signed by the registered holder(s) of the Preference Shares listed and transmitted hereby, no endorsements of Preference Share Certificates or separate stock powers are required unless payment is to be made to, or Preference Share Certificates for Preference Shares not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s). In such latter case, signatures on such Preference Share Certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Preference Share Certificate(s) listed, the Preference Share Certificate(s) must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the Preference Share Certificate(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

6. Stock Transfer Taxes. Except as otherwise provided in this Instruction 6, Northrop Grumman will pay any stock transfer taxes with respect to the transfer and sale of Preference Shares to it or its order pursuant to the Offer. If, however, the Northrop Grumman Share Certificate(s) is to be made to or transfer of ownership of such Northrop Grumman Shares on the account books maintained by the Book-Entry is to be registered under and/or a check in lieu of fractional shares if applicable is to be made to, or if Preference Share Certificates for Preference Shares not tendered or accepted for exchange are to be registered in the name of any person other than the registered holder(s), or if tendered Preference Share Certificates are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such person) payable on account of the transfer to such person will be deducted from the money to be paid in lieu of fractional shares if any and/or from the value of the exchange consideration, if applicable, unless satisfactory evidence of the payment of such taxes or an exemption therefrom is submitted. Except as otherwise provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the Preference Share Certificate(s) listed in this Letter of Transmittal.

7. Special Issuance and Delivery Instructions. If a check is to be issued in the name of a person other than the signer of this Letter of Transmittal, and/or if Northrop Grumman Share Certificate(s) is to be issued to, or the transfer of the Northrop Grumman Shared is to be registered in the name of a person other than the signer of this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. Similarly, if any Preference Share Certificates for

Preference Shares not tendered or not accepted for exchange are to be returned to a person other than the signer of this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. Additionally, if (i) the Northrop Grumman Share Certificate(s), (ii) a check in lieu of fractional shares if applicable and/or (iii) any Preference Share Certificates are to be returned to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown in this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. A Book-Entry Shareholder may request that Preference Shares not accepted for exchange be credited to such account maintained at the Book-Entry Transfer Facility as such Book-Entry Shareholder may designate under "Special Issuance Instructions." If no such instructions are given, such Preference Shares not accepted for exchange will be returned by crediting the account at the Book-Entry Transfer Facility designated above.

8. Waiver of Conditions. The conditions of the Offer may be waived by Northrop Grumman in whole or in part at any time and from time to time in its sole discretion.

9. 31% Backup Withholding; Substitute Form W-9. Under U.S. federal income tax law, a shareholder whose tendered Preference Shares are accepted for exchange pursuant to the Offer may be subject to backup withholding at a rate of 31% on all reportable payments received pursuant to the Offer. To prevent backup withholding on such payments, the shareholder is required to notify the Exchange Agent of the shareholder's current taxpayer identification number ("TIN") by completing the enclosed Substitute Form W-9, certifying that the TIN provided on that form is correct (or that such shareholder is awaiting a TIN), and that (i) the shareholder has not been notified by the Internal Revenue Service that the shareholder is subject to backup withholding as a result of failure to report interest or dividends or (ii) after being so notified, the Internal Revenue Service has notified the shareholder that the shareholder is no longer subject to backup withholding. If the Exchange Agent is not provided with the correct TIN, such shareholder may be subject to a \$50 penalty imposed by the Internal Revenue Service and reportable payments that are made to such shareholder with respect to Preference Shares pursuant to the Offer will be subject to backup withholding (see below).

Each shareholder is required to give the Exchange Agent the TIN (e.g., Social Security number or employer identification number) of the record holder of the Preference Shares. If the Preference Shares are registered in more than one name or are not registered in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report. A shareholder who does not have a TIN may check the box in Part 3 of the Substitute Form W-9 if such shareholder has applied for a number or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the shareholder must also complete the "Certificate of Awaiting Taxpayer Identification Number" below in order to avoid backup withholding. If the box is checked, reportable payments that are received pursuant to the Offer will be subject to backup withholding unless the shareholder has furnished the Exchange Agent with his or her TIN by the time such payment is made. Moreover, if that box is checked and the shareholder has not furnished its TIN within 60 days thereafter, 31% of all dividend payments made to the shareholder will be withheld. A shareholder who checks the box in Part 3 in lieu of furnishing such shareholder's TIN should furnish the Exchange Agent with such shareholder's TIN as soon as it is received.

Certain shareholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding requirements. To avoid possible erroneous backup withholding, a shareholder who is exempt from backup withholding should complete the Substitute Form W-9 by providing his or her correct TIN, signing and dating the form, and writing exempt on the face of the form. A shareholder who is a foreign individual or a foreign entity should also submit to the Exchange Agent a properly completed Form W-8, Certificate of Foreign Status (which the Exchange Agent will provide upon request), signed under penalty of perjury, attesting to the shareholder's exempt status. Shareholders are urged to consult their own tax advisors to determine whether they are exempt from these backup withholding and reporting requirements.

If backup withholding applies, the Exchange Agent is required to withhold 31% of the reportable payments that are made to the shareholder pursuant to the Offer. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained by filing a tax return with the Internal Revenue Service.

10. Requests for Assistance or Additional Copies. Questions or requests for assistance may be directed to the Dealer Manager or the Information Agent at their respective addresses and telephone numbers set forth below. Additional copies of the Offer to Exchange, this Letter of Transmittal and the Notice of Guaranteed Delivery also may be obtained from the Information Agent, Dealer Manager or from your broker, dealer, commercial bank, trust company or other nominee.

11. Lost, Destroyed or Stolen Certificates. If any Preference Share Certificate has been lost, destroyed or stolen, the shareholder should promptly notify the National City Bank or such other transfer agent appointed by the Company (the "Transfer Agent") at the address and telephone number provided to the shareholder by the transfer agent. The shareholder then will be instructed as to the steps that must be taken in order to replace the Preference Share Certificate. This Letter of Transmittal and related documents cannot be processed until the lost Preference Share Certificate has been replaced.

Important: This Letter of Transmittal (or a facsimile hereof), together with Preference Share Certificates or confirmation of book-entry transfer or the Notice of Guaranteed Delivery, and all other required documents, must be received by the Exchange Agent on or prior to the Expiration Date.

SUBSTITUTE
Form W-9

Part 1--PLEASE PROVIDE YOUR TIN IN
THE BOX AT RIGHT AND CERTIFY BY
SIGNING AND DATING BELOW.

Social Security Number OR
Employer Identification Number

Department of the Treasury
Internal Revenue Service

Part 2--Certification--Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- (3) I am a U.S. person (including a U.S. resident alien).

EquiServe Trust Company's Request for
Taxpayer Identification Number ("TIN")

Certification Instructions--You must cross
out item (2) above if you have been
notified by the IRS that you are subject
to backup withholding because you failed
to report all interest and dividends on
your tax return. However, if after being
notified by the IRS that you were subject
to backup withholding you received another
notification from the IRS stating that you
are no longer subject to backup withholding,
do not cross out such item (2).

Part 3--
Awaiting TIN

Signature: _____

Name: _____ Date: _____

Address: _____
(Please Print)

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% ON REPORTABLE PAYMENTS TO YOU PURSUANT TO THE OFFER OR WITH RESPECT TO ANY SUBSEQUENT DIVIDEND PAYMENTS MADE TO YOU BY NORTHROP GRUMMAN. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS. YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number: (x) 31% of all reportable payments made to me pursuant to the Offer will be withheld if I do not provide a TIN by the time of payment and (y) 31% of all dividend payments made to me by Northrop Grumman will be withheld unless a TIN is provided within 60 days.

Signature: _____ Date: _____, 2002

Questions and requests for assistance may be directed to the Information Agent or Dealer Manager at their respective addresses and telephone numbers set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal or other related tender offer materials may be obtained from the Information Agent, Dealer Manager or from your broker, dealer, commercial bank, trust company or nominee.

The Information Agent for the Offer is:

D. F. King & Co., Inc.

U.S. and Canada

Europe

77 Water Street	No. 2 London Wall
New York, New York 10005	Buildings, 2nd floor
Banks and Brokers Call	London Wall
Collect: 1-212-269-5550	London EC2M SPP, United
All Others Call Toll	Kingdom
Free: 1-800-755-7250	Tel.: +(44) 207 920 9700

The Dealer Manager for the Offer is:

Salomon Smith Barney Inc.
388 Greenwich Street
New York, New York 10013

Call Toll Free: (888) 328-4596

NORTHROP GRUMMAN CORPORATION

Notice of Guaranteed Delivery
(Not To Be Used For Signature Guarantees)

for

Tender of Shares of Common Stock

of

TRW INC.

for

Shares of Common Stock

of

NORTHROP GRUMMAN CORPORATION

Valued at \$47.00

subject to the procedures and limitations described
in the Offer to Exchange and the related Letter of Transmittal

This Notice of Guaranteed Delivery or one substantially equivalent hereto must be used to accept the Offer (as defined below) if certificates representing shares of common stock, par value \$0.625 per share (the "Common Shares," and the certificates representing such Common Shares, the "Common Share Certificates") of TRW Inc., an Ohio corporation (the "Company"), are not immediately available or time will not permit the Common Share Certificates and all required documents to reach the Exchange Agent (as defined in the Offer to Exchange) on or prior to the Expiration Date (as defined in the Offer to Exchange) or if the procedures for delivery by book-entry transfer, as set forth in the Offer to Exchange, cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand, transmitted by facsimile transmission or mailed to the Exchange Agent according to the guaranteed delivery procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange.

The Exchange Agent for the Offer is:

EQUISERVE TRUST COMPANY

By Mail:

By Hand:

By Overnight Delivery:

EQUISERVE TRUST COMPANY P.O. Box 43034 Providence, RI 02940-3034	EQUISERVE TRUST COMPANY c/o Securities Transfer and Reporting Services, Inc. 100 William Street--Galleria New York, New York 10038	EQUISERVE TRUST COMPANY 40 Campanelli Drive Braintree, Massachusetts 02184
---	--	---

By Facsimile Transmission:
(Eligible Institutions
Only)

(781) 575-4826
or
(781) 575-4827

Confirm Receipt of
Facsimile

by Telephone Only:
(781) 575-4816

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE NUMBER OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

THIS NOTICE OF GUARANTEED DELIVERY IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN ELIGIBLE INSTITUTION UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX IN THE LETTER OF TRANSMITTAL.

THE GUARANTEE ON THE REVERSE SIDE MUST BE COMPLETED.

Ladies and Gentlemen:

The undersigned hereby tenders to Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman") in accordance with the terms and subject to the conditions set forth in Northrop Grumman's Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange"), and in the related Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer"), receipt of which is hereby acknowledged, the number of Common Shares indicated below pursuant to the procedures for guaranteed delivery set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange.

Certificate Nos. (If Available): _____

Number of Common Shares: _____

(Check the following box if Common Shares will be tendered by book-entry transfer)

Account Number: _____

Dated: _____, 2002

Name(s) of Record Holder(s): _____
(Please type or print)

Address(es): _____

Zip Code: _____

Area Code and Tel. No(s): _____

Signature(s): _____

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Signature Program (MSP), or any other "eligible guarantor institution" as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934 ("Exchange Act"), (a) represents that the above named person(s) "own(s)" the Common Shares tendered hereby within the meaning of Rule 14e-4 promulgated under Exchange Act, (b) represents that such tender of Common Shares complies with Rule 14e-4 under the Exchange Act, and (c) guarantees to deliver to the Exchange Agent either the Common Share Certificates evidencing all tendered Common Shares, in proper form for transfer, or a Book-Entry Confirmation (as defined in the Offer to Exchange) with respect to such Common Shares, in either case, together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Exchange) in the case of a book-entry delivery, and any other required documents, all within three New York Stock Exchange trading days after the date hereof. The eligible guarantor institution that completes this form must communicate the guarantee to the Exchange Agent and must deliver the Letter of Transmittal and Common Share Certificates to the Exchange Agent within the time period indicated herein. Failure to do so may result in financial loss to such eligible guarantor institution.

Name of Firm: _____

Authorized Signature: _____

Name: _____
(Please Print or Type)

Title: _____

Address: _____

Zip Code: _____

Area Code and Telephone Number: _____

Dated: _____, 2002

NOTE: DO NOT SEND SHARE CERTIFICATES WITH THIS NOTICE. SHARE CERTIFICATES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

NORTHROP GRUMMAN CORPORATION

Notice of Guaranteed Delivery
(Not To Be Used For Signature Guarantees)
for
Tender of Shares of Serial Preference Stock II
of
TRW INC.

for
Shares of Common Stock
of
NORTHROP GRUMMAN CORPORATION

valued at \$47.00 multiplied by the then-effective conversion rate of the applicable Series of Serial Preference Stock II, in each case subject to the procedures and limitations described in the Offer to Exchange and the related Letter of Transmittal.

This Notice of Guaranteed Delivery or one substantially equivalent hereto must be used to accept the Offer (as defined below) if certificates representing shares of Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share, of TRW, Inc., an Ohio corporation (the "Company"), and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share, of the Company (together, the "Preference Shares," and the certificates representing such Preference Shares, the "Preference Share Certificates"), are not immediately available or time will not permit the Preference Share Certificates and all required documents to reach the Exchange Agent (as defined in the Offer to Exchange) on or prior to the Expiration Date (as defined in the Offer to Exchange) or if the procedures for delivery by book-entry transfer, as set forth in the Offer to Exchange, cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand, transmitted by facsimile transmission or mailed to the Exchange Agent according to the procedure set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange.

The Exchange Agent for the Offer is:
EQUISERVE TRUST COMPANY

By Mail:	By Hand:	By Overnight Delivery:
EQUISERVE TRUST COMPANY	EQUISERVE TRUST COMPANY	EQUISERVE TRUST COMPANY
P.O. Box 43034	c/o Securities Transfer	40 Campanelli Drive
Providence, RI	and	Braintree, Massachusetts
02940-3034	Reporting Services, Inc.	02184
	100 William	
	Street--Galleria	
	New York, New York 10038	

By Facsimile Transmission:	Confirm Receipt of
(Eligible Institutions	Facsimile
Only)	by Telephone Only:
(781) 575-4826	(781) 575-4816
or	
(781) 575-4827	

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THIS FORM IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX IN THE LETTER OF TRANSMITTAL.

THE GUARANTEE ON THE REVERSE SIDE MUST BE COMPLETED.

Ladies and Gentlemen:

The undersigned hereby tenders to Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), in accordance with the terms and subject to the conditions set forth in the Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange"), and in the related Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer"), receipt of which is hereby acknowledged, the number of Preference Shares indicated below pursuant to the procedures for guaranteed delivery set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange.

Series 1 Certificate Nos. (If Available): _____

Number of Series 1 Preference Shares: _____

Series 3 Certificate Nos. (If Available): _____

Number of Series 3 Preference Shares: _____

(Check the following box if Preference Shares will be tendered by book-entry transfer)

Account Number: _____

Dated: _____, 2002

Name(s) of Record Holder(s): _____
(Please type or print)

Address(es): _____

Zip Code: _____

Area Code and Tel. No(s): _____

Signature(s): _____

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange Medallion Signature Program (MSP), or any other "eligible guarantor institution" as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934 ("Exchange Act"), (a) represents that the above named person(s) "own(s)" the Preference Shares tendered hereby within the meaning of Rule 14e-4 promulgated under Exchange Act, (b) represents that such tender of Preference Shares complies with Rule 14e-4 under the Exchange Act, and (c) guarantees to deliver to the Exchange Agent either the Preference Share Certificates evidencing all tendered Preference Shares, in proper form for transfer, or a Book-Entry Confirmation (as defined in the Offer to Exchange) with respect to such Preference Shares, in either case, together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Exchange) in the case of a book-entry delivery, and any other required documents, all within three New York Stock Exchange trading days after the date hereof. The eligible guarantor institution that completes this form must communicate the guarantee to the Exchange Agent and must deliver the Letter of Transmittal and Preference Share Certificates to the Exchange Agent within the time period indicated herein. Failure to do so may result in financial loss to such eligible guarantor institution.

Name of Firm: _____

Authorized Signature: _____

Name: _____
(Please Print or Type)

Title: _____

Address: _____

Zip Code: _____

Area Code and Telephone No.: _____

Dated: _____, 2002

NOTE: DO NOT SEND CERTIFICATES FOR SHARES WITH THIS NOTICE. CERTIFICATES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

SALOMON SMITH BARNEY INC.
Offer to Exchange Each Outstanding Share of Common Stock of

TRW INC.

for

Shares of Common Stock

of

NORTHROP GRUMMAN CORPORATION

Valued at \$47.00

and

Each Outstanding Share of Serial Preference Stock II

of

TRW INC.

for Shares of Common Stock

of

NORTHROP GRUMMAN CORPORATION

in each case subject to the procedures and limitations described in
the Offer to Exchange and the related Letter of Transmittal.

THE OFFER AND ASSOCIATED WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW
YORK CITY TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

March 4, 2002

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been engaged to act as Dealer Manager in connection with the third party tender offer by Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), to exchange all of the outstanding shares of common stock, par value \$0.625 per share (the "Common Shares" and the certificates representing such Common Shares, the "Common Share Certificates") of TRW Inc., an Ohio corporation (the "Company"), for shares of common stock of Northrop Grumman, par value \$1.00 per share (the "Northrop Grumman Shares" and the certificates representing such Northrop Grumman Shares, the "Northrop Grumman Share Certificates"), valued at \$47.00, upon the terms and subject to the conditions set forth in the Offer to Exchange dated as of March 4, 2002 (the "Offer to Exchange") and in the related Letter of Transmittal for the Common Shares and all of the outstanding shares of Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share of the Company, and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share, of the Company (together, the "Preference Shares" and the certificates representing such Preference Shares, the "Preference Share Certificates"), for Northrop Grumman Shares valued at \$47.00 multiplied by the effective conversion rate of the applicable Preference Share subject to the procedures and limitations described in the Offer to Exchange and the related Letter of Transmittal for the Preference Shares (each individually, "Letter of Transmittal," which, together with the Common Share Letter of Transmittal and the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer"). The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

The Offer is conditioned upon, among other things:

- (i) there being validly tendered and not properly withdrawn prior to the expiration of the Offer a number of shares of Common Shares and Preference Shares which, together with any Common Shares that Northrop Grumman beneficially owns for its own account, will constitute at least a majority of the total outstanding Common Shares on a fully-diluted basis;
- (ii) the expiration or termination of any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements as of 1976, as amended, Council Regulation (EEC) No. 4064/89 of the Council of the European Union and, any other applicable similar foreign laws or regulations;
- (iii) the requisite approval of the Company's shareholders under the Ohio control share acquisition law or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid;
- (iv) the expiration or termination of the waiting period during which the Ohio Division of Securities may suspend the Offer under Title 17 of the Ohio Revised Code, without the occurrence of any suspension or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid;
- (v) the approval of issuance of shares of Northrop Grumman Common Stock pursuant to the Offer by the stockholders of Northrop Grumman;
- (vi) the Company's not having entered into or effectuated any other agreement or transaction with any person or entity having the effect of impairing Northrop Grumman's ability to acquire the Company or otherwise diminishing the value of the acquisition of the Company; and
- (vii) the registration statement relating to the Northrop Grumman Shares having become effective.

For your information and for forwarding to your clients for whom you hold Common Shares and/or Preference Shares registered in your name or in the name of your nominee or who hold Common Shares and/or Preference Shares registered in their own names, we enclose the following documents:

1. Offer to Exchange dated March 4th, 2002.
2. Letter of Transmittal to tender Common Shares for your use and for the information of your clients who hold Common Shares. Facsimile copies of the Letter of Transmittal may be used to tender Common Shares.
3. Letter of Transmittal to tender Preference Shares for your use and for the information of your clients who hold Preference Shares. Facsimile copies of the Letter of Transmittal may be used to tender Preference Shares.
4. Two separate Letters to Clients, which may be sent to your clients for whose account you hold Common Shares or Preference Shares, as the case may be, registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer.
5. Notice of Guaranteed Delivery to be used to accept the Offer if Common Share Certificates are not immediately available or time will not permit the Common Share Certificates and all required documents to reach the Exchange Agent on or prior to the Expiration Date (as defined in the Offer to Exchange) or if the procedures for delivery by book-entry transfer, as set forth in the Offer to Exchange, cannot be completed on a timely basis.
6. Notice of Guaranteed Delivery to be used to accept the Offer if Preference Share Certificates are not immediately available or time will not permit the Preference Share Certificates and all required documents to reach the Exchange Agent on or prior to the Expiration Date or if the procedures for delivery by book-entry transfer, as set forth in the Offer to Exchange, cannot be completed on a timely basis.
7. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
8. Return envelope addressed to EquiServe Trust Company, as Exchange Agent.

In accordance with the terms and subject to the satisfaction or waiver (where applicable) of the conditions to the Offer, Northrop Grumman will be deemed to have accepted for exchange (and thereby purchased), Common Shares and Preference Shares validly tendered and not properly withdrawn prior to the Expiration Date if, as and when Northrop Grumman gives oral or written notice to the Exchange Agent of Northrop Grumman's acceptance for exchange of the tenders of such

Common Shares and Preference Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, issuance of Northrop Grumman Shares in exchange for Common Shares and Preference Shares accepted for exchange pursuant to the Offer will be made only after timely receipt by the Exchange Agent of (1) the Common Share Certificates, the Preference Share Certificates or a Book-Entry Confirmation (as defined in the Offer to Exchange) of a book-entry transfer of such Common Shares and/or Preference Shares into the Exchange Agent's account at the Book-Entry Transfer Facility (as defined in the applicable Letter of Transmittal) pursuant to the procedures set forth in the section titled "The Offer to Exchange--Procedure for Tendering" of the Offer to Exchange; (2) the Letter of Transmittal to tender Common Shares and/or the Letter of Transmittal to tender Preference Shares (or a facsimile thereof) properly completed and duly executed, with any required signature guarantees, or, in the case of a book-entry transfer, an Agent's Message (as defined in the Offer to Exchange) in lieu of such Letters of Transmittal; and (3) any other documents required under the applicable Letters of Transmittal.

Northrop Grumman will not pay any commissions or fees to any broker, dealer or other person (other than the Exchange Agent, the Information Agent and the Dealer Manager, as described in the Offer to Exchange) in connection with the solicitation of tenders of Common Shares and Preference Shares pursuant to the Offer. Northrop Grumman will, however, upon request, reimburse you for customary clerical and mailing expenses incurred by you in forwarding any of the enclosed materials to your clients.

Northrop Grumman will pay any stock transfer taxes with respect to the transfer and sale of Common Shares and/or Preference Shares to it or to its order pursuant to the Offer, except as otherwise provided in Instruction 6 of each of the enclosed Letters of Transmittal.

Your prompt action is requested. We urge you to contact your clients as promptly as possible. Please note that Offer and withdrawal rights expire at 12:00 midnight, New York City time, on Friday, March 29, 2002, unless the Offer is extended.

In order for a shareholder of the Company to take advantage of the Offer, the Letters of Transmittal to tender Common Shares or Preference Shares (or a facsimile thereof), properly completed and duly executed, together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message in lieu of the Letter of Transmittal) and any other documents required by the Letters of Transmittal should be sent to the Exchange Agent and Common Share Certificates and Preference Share Certificates should be delivered, or Common Shares and Preference Shares should be tendered pursuant to the procedure for book-entry transfer, all in accordance with the instructions set forth in the applicable Letter of Transmittal and the Offer to Exchange.

Holders of Common Shares and/or Preference Shares whose Common Share Certificates and/or Preference Share Certificates are not immediately available or who cannot deliver their Common Share Certificates and/or Preference Share Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date of the Offer, or who cannot complete the procedure for delivery by book-entry transfer on a timely basis, must tender their Common Shares and/or Preference Shares according to the guaranteed delivery procedures set forth in the section titled "The Offer to Exchange--Guaranteed Delivery" of the Offer to Exchange.

Inquiries you may have with respect to the Offer should be addressed to the Information Agent or the Dealer Manager at its addresses and telephone numbers set forth on the back page of the prospectus. Requests for copies of the Offer to Exchange, the Letters of Transmittal and all other tender offer materials may be directed to the Information Agent.

Very truly yours,

SALOMON SMITH BARNEY INC.

Enclosures

Nothing contained herein or in the enclosed documents shall constitute you or any other person as an agent of Northrop Grumman, the Exchange Agent, the Information Agent, the Dealer Manager or any affiliate of any of them, or authorize you or any other person to make any statement or use any document on behalf of any of them in connection with the Offer other than the enclosed documents and the statements contained therein.

NORTHROP GRUMMAN CORPORATION
Offer to Exchange Each Outstanding Share Of Common Stock

of

TRW INC.

for

Shares of Common Stock

of

NORTHROP GRUMMAN CORPORATION
Valued at \$47.00

subject to the procedures and limitations described
in the Offer to Exchange and the related Letter of Transmittal

THE OFFER AND ASSOCIATED WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW
YORK CITY TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

March 4, 2002,

To Our Clients:

Enclosed for your consideration is an Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange") and the related Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer") relating to the third party tender offer by Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), to exchange all of the outstanding shares of common stock of TRW Inc., an Ohio corporation (the "Company") par value \$0.625 per share (the "Common Shares," and the certificates representing such Common Shares, the "Common Share Certificates"), for shares of Northrop Grumman's common stock, par value \$1.00 per share (the "Northrop Grumman Share"), valued at \$47 per Common Share (the "Offer Price"), upon the terms and subject to the conditions set forth in the Offer. The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

We are the holder of record of Common Shares held by us for your account. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Common Shares held by us for your account. A tender of such Common Shares can be made only by us as the holder of record and pursuant to your instructions.

Accordingly, we request instructions as to whether you wish to have us tender on your behalf any or all of the Common Shares held by us for your account, in accordance with the terms and subject to the conditions set forth in the Offer.

Your attention is directed to the following:

1. The Common Share exchange ratio is based on the average of the closing sale prices for Northrop Grumman Shares on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day before Northrop Grumman completes the Offer, but in no event will the exchange ratio be more than .4563 (\$47.00/\$103.00) or less than .4159 (\$47.00/\$113.00).

2. The Offer is being made for all outstanding Common Shares.

3. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, on March 29, 2002, unless the Offer is extended.

4. Tendering shareholders will not be obligated to pay any commissions or fees to any broker, dealer or other person or, except as set forth in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the transfer and exchange of Common Shares to Northrop Grumman or to its order pursuant to the Offer.

5. The Offer is conditioned upon, among other things: (i) there being validly tendered and not properly withdrawn prior to the expiration or termination of the Offer a number of Common Shares, Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share of the Company, and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share of the Company, (together, the "Preference Shares"), which represents at least a majority of the total outstanding Common Shares on a fully-diluted basis; (ii) the expiration or termination of any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements as of 1976, as amended, Council Regulation (EEC) No. 4064/89 of the Council of the European Union, and any other applicable similar foreign laws or regulations; (iii) the requisite approval of the Company's shareholders under the Ohio control share acquisition law or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid; (iv) the expiration or termination of the waiting period during which the Ohio Division of Securities may suspend the Offer under Title 17 of the Ohio Revised Code, without the occurrence of any suspension or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid; (v) the approval of issuance of shares of the stockholders of Northrop Grumman Shares pursuant to the offer by Northrop Grumman; (vi) the Company's not having entered into or effectuated any other agreement or transaction with any person or entity having the effect of impairing Northrop Grumman's ability to acquire the Company or otherwise diminishing the value of the acquisition of the Company; and (vii) the registration statement relating to the Northrop Grumman Shares having become effective. The Offer also is subject to other terms and conditions.

6. Cash will be paid in lieu of any fractional shares.

If you wish to have us tender any or all of the Common Shares held by us for your account, please instruct us by completing, executing and returning to us the instruction form contained in this letter. If you authorize a tender of your Common Shares, all such Common Shares will be tendered unless otherwise specified in your instruction form. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf on or prior to the expiration of the Offer.

NORTHROP GRUMMAN CORPORATION
Instructions With Respect To The Offer To Exchange
Each Outstanding Share of Common Stock
of
TRW INC.
for
Shares of Common Stock
of

NORTHROP GRUMMAN CORPORATION
Valued at \$47.00
subject to the procedures and limitations described in
the Offer to Exchange and the Letter of Transmittal

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange") and the related Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer") relating to the third party tender offer by Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), to exchange all of the outstanding shares of common stock of TRW Inc., an Ohio corporation (the "Company") par value \$0.625 per share (the "Common Shares"), for shares of Northrop Grumman's common stock, par value \$1.00 per share (the "Northrop Grumman Shares"), valued at \$47 per Common Share, upon the terms and subject to the conditions set forth in the Offer. The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

This will instruct you to tender to Northrop Grumman the number of Common Shares indicated below (or, if no number is indicated below, all Common Shares) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Exchange and in the Letter of Transmittal furnished to the undersigned.

Number of Common Shares Common Shares*
to be Tendered:

SIGN BELOW

Signature(s)

Please print name(s)

Address

Account Number

Area Code and Telephone
Number

Taxpayer Identification Number(s) or
Social Security Number(s)

Dated: _____, 2002

* Unless otherwise indicated, it will be assumed that all of your Common Shares held by us for your account are to be tendered.

NORTHROP GRUMMAN CORPORATION
Offer To Exchange Each Outstanding Share

of

Serial Preference Stock II
of

TRW INC.

for

Shares of Common Stock

of

NORTHROP GRUMMAN CORPORATION

valued at \$47.00 multiplied by the then-effective conversion rate of the applicable Series of Serial Preference Stock II, in each case subject to the procedures and limitations described in the Offer to Exchange and the related Letter of Transmittal.

THE OFFER AND ASSOCIATED WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

March 4, 2002,

To Our Clients:

Enclosed for your consideration is an Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange") and the related Letter of Transmittal (the "Letter of Transmittal," which, together with the Offer to Exchange, as each may be amended or supplemented from time to time, collectively constitute the "Offer") relating to the third party tender offer by Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), to exchange all of the outstanding shares of Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share, and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share, (the "Preference Shares" and the certificates representing such Preference Shares, the "Preference Share Certificates") of TRW Inc., an Ohio Corporation ("the Company"), for shares of common stock of Northrop Grumman, par value \$1.00 per share (the "Northrop Grumman Shares"), valued at \$47.00 multiplied by the effective conversion rate of the applicable Preference Share subject to the procedures and limitations ("Preference Share Exchange Ratio") described in the Offer. The number of Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

We are the holder of record of Preference Shares held by us for your account. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Preference Shares held by us for your account. A tender of such Preference Shares can be made only by us as the holder of record and pursuant to your instructions.

Accordingly, we request instructions as to whether you wish to have us tender on your behalf any or all of the Preference Shares held by us for your account, in accordance with the terms and subject to the conditions set forth in the Offer.

Your attention is directed to the following:

1. The Preference Share Exchange Ratio is based on the average of the closing sale prices for Northrop Grumman Shares on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day before Northrop Grumman completes the Offer, but in no event will the exchange rate be more than .4563 (\$47.00/\$103.00) or less than .4159 (\$47.00/\$113.00).

2. The Offer is being made for all outstanding Preference Shares.

3. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, on Friday, March 29, 2002, unless the Offer is extended.

4. Tendering shareholders will not be obligated to pay any commissions or fees to any broker, dealer or other person or, except as set forth in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the transfer and exchange of Preference Shares to Purchaser or to its order pursuant to the Offer.

5. The Offer is conditioned upon, among other things: (i) there being validly tendered and not properly withdrawn prior to the expiration or termination of the Offer a number of shares of common stock, par value \$0.625 per share of the Company (the "Common Shares"), and Preference Shares, which represents at least a majority of the total outstanding Common Shares on a fully-diluted basis; (ii) the expiration or termination of any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements as of 1976, as amended, Council Regulation (EEC) No. 4064/89 of the Council of the European Union, and any other applicable similar foreign laws or regulations; (iii) the requisite approval of the Company's shareholders under the Ohio control share acquisition law or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid; (iv) the expiration or termination of the waiting period during which the Ohio Division of Securities may suspend the Offer under Title 17 of the Ohio Revised Code, without the occurrence of any suspension or Northrop Grumman's being satisfied, in its sole discretion, that such law is inapplicable or invalid; (v) the approval of issuance of shares of the Northrop Grumman Shares pursuant to the Offer by the stockholders of Northrop Grumman; (vi) the Company's not having entered into or effectuated any other agreement or transaction with any person or entity having the effect of impairing Northrop Grumman's ability to acquire the Company or otherwise diminishing the value of the acquisition of the Company; and (vii) the registration statement relating to the Northrop Grumman Shares having become effective. The Offer also is subject to other terms and conditions.

6. Cash will be paid in lieu of any fractional Shares.

If you wish to have us tender any or all of the Preference Shares held by us for your account, please instruct us by completing, executing and returning to us the instruction form contained in this letter. If you authorize a tender of your Preference Shares, all your Preference Shares will be tendered unless otherwise specified in such instruction form. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf on or prior to the expiration of the Offer.

NORTHROP GRUMMAN CORPORATION
 Instructions With Respect To The Offer To Exchange
 Offer To Exchange Each Outstanding Share
 of
 Serial Preference Stock II
 of
 TRW INC.
 for
 Shares of Common Stock
 of
 NORTHROP GRUMMAN CORPORATION

Valued at \$47.00 Multiplied by the Effective Conversion Rate of the applicable Preference Share subject to the procedures and limitations described in the Offer to Exchange and the related Letter of Transmittal.

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Exchange, dated March 4, 2002, and the related Letter of Transmittal, relating to the third party tender offer by Northrop Grumman Corporation, a Delaware corporation ("Northrop Grumman"), to exchange all of the outstanding shares of Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share, and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share, (the "Preference Shares") of TRW Inc. ("the Company"), for shares of common stock of Northrop Grumman, par value \$1.00 per share (the "Northrop Grumman Shares"), valued at \$47.00 multiplied by the effective conversion rate of the applicable preference share subject to the procedures and limitations described in the Offer. The Northrop Grumman Shares issued pursuant to the Offer will not bear any interest and will be reduced by the applicable withholding taxes.

This will instruct you to tender to Northrop Grumman the number of Preference Shares indicated below (or, if no number is indicated below, all Preference Shares) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Exchange and in the related Letter of Transmittal furnished to the undersigned.

Number of Series 1 Preference Shares to be Tendered*:	Number of Series 3 Preference Shares be Tendered*:
---	--

SIGN BELOW

 Signature(s)

 Please print name(s)

 Address

 Account Number

 Area Code and Telephone Number

 Taxpayer Identification Number(s) or
 Social Security Number(s)

Dated: _____, 2002

- -----
 * Unless otherwise indicated, it will be assumed that all of your Preference Shares held by us for your account are to be tendered.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number to Give the Payer
 - - Social Security numbers have nine digits separated by two hyphens: i.e.
 000-00-0000. Employer identification numbers have nine digits separated by only
 one hyphen: i.e. 00-0000000. The table below will help determine the number to
 give the payer.

For this type of account:	Give the SOCIAL SECURITY number of:
1. An individual's account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act) Gift to Minors Act)	The minor(2)
4. a. The usual revocable savings trust account (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under State law	The grantor-trustee(1) The actual owner(1)
5. Sole proprietorship account	The owner(3)

For this type of account:	Give the EMPLOYER IDENTIFICATION number of:
6. Sole proprietorship account	The owner(3)
7. A valid trust, estate, or pension trust	Legal entity(4)
8. Corporate account	The corporation
9. Association, club, religious, charitable, educational or other tax--exempt organization account	The organization
10. Partnership account	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district or prison) that receives agricultural program payments	The public entity

- (1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.
- (2) Circle the minor's name and furnish the minor's social security number.
- (3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number or employer identification number.
- (4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title).

Note: If no name is circled when there is more than one name listed, the number will be considered to be that of the first name listed.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9
Page 2

How to Obtain a TIN

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card for individuals, or Form SS-4, Application for Employer Identification Number (for business and other entities), or Form W-7, Application for IRS Individual Taxpayer Identification Number (for certain resident aliens), at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

If you return the Substitute Form W-9 with the "Awaiting TIN" box checked in Part 3, you must provide the payer with a Certificate of Awaiting Taxpayer Identification Number and, within 60 days, a TIN. If you do not provide the TIN by the date of payment, 30% of all reportable payments will be withheld. If your certified TIN is received within the 60-day period and you were not subject to backup withholding during that period, the amounts withheld will be refunded to you. If no certified TIN is provided to the payer within 60 days, the amounts withheld will be paid to the IRS.

As soon as you receive your TIN, complete another Substitute Form W-9, include your TIN, sign and date the form, and give it to the payer.

For interest, dividends and broker transactions, you must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to a payer, you must cross out item 2 in the certification before signing the form.

Payees Exempt from Backup Withholding

Payees specifically exempted from backup withholding on ALL payments by the Payer include the following:

- . A corporation.
- . A financial institution.
- . An organization exempt from tax under section 501(a), or an individual retirement plan, or a custodial account under section 403(b)(7) if the account satisfies the requirements of Section 401(f)(2).
- . The United States or any agency or instrumentality thereof.
- . A State, the District of Columbia, a possession of the United States or any political subdivision or instrumentality thereof.
- . A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- . An international organization or any agency or instrumentality thereof.
- . A registered dealer in securities or commodities registered in the U.S., the District of Columbia or a possession of the U.S.
- . A real estate investment trust.
- . A common trust fund operated by a bank under section 584(a).
- . An entity registered at all times under the Investment Company Act of 1940.
- . A foreign central bank of issue.
- . A futures commission merchant registered with the Commodity Futures Trading Commission.
- . A middleman known in the investment community as a nominee or custodian.
- . A trust exempt from tax under section 664 or described in section 4947.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- . Payments to nonresident aliens subject to withholding under section 1441.
- . Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident alien partner.
- . Payments of patronage dividends not paid in money.
- . Payments made by certain foreign organizations.
- . Section 404(K) payments made by an ESOP.

Payments of interest not generally subject to backup withholding include the following:

- . Payments of interest on obligations issued by individuals. Note: You are subject to information reporting if this interest is \$600 or more and is paid in the course of the payer's trade of business and backup withholding if you have not provided your correct TIN to the payer.
- . Payments of tax-exempt interest (including exempt interest dividends under section 852).
- . Payments described in section 6049(b)(5) to nonresident aliens.
- . Payments on tax-free covenant bonds under section 1451.
- . Payments made by certain foreign organizations.
- . Mortgage or student loan interest paid to you.

Exempt payees described above should file Substitute Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TIN, WRITE "EXEMPT" ON THE FACE OF THE FORM IN PART 2, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYER.

Certain payments, other than interest, dividends and patronage dividends that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041A(a), 6042, 6044, 6045, 6049, 6050A and 6050N and the regulations thereunder.

Privacy Act Notice.--Section 6109 requires most recipients of dividend, interest or other payments to give their correct TIN to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of tax returns. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states and the District of Columbia to carry out their tax laws. Payers must be given the TIN whether or not recipients are required to file tax

returns. Payers must generally withhold 30% of taxable interest, dividend and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

Penalties

(1) Penalty for Failure to Furnish TIN.--If you fail to furnish your correct TIN to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information With Respect to Withholding.--If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) Criminal Penalty for Falsifying Information.--Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

(4) Misuse of TINs.--If the payor discloses or uses TINs in violation of Federal law, the payor may be subject to civil and criminal penalties.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

Telephone: STATE OF OHIO File No.
(614) 644-7381 Department of Commerce
Division of Securities
77 South High Street,
22nd Floor,
Columbus, Ohio 43215

FORM 041

FILING OF INFORMATION PERTAINING TO A CONTROL BID
Pursuant to Section 1707.041 of the Revised Code of Ohio

Division Record
Do Not Fill In Date Checked By Notation

Received by Division

Record Made

Other Filings under this
Section by this Offeror:

File No.

File No.

INSTRUCTIONS: Responses may be made either directly on this form, by reference to documents and exhibits filed with this form, or a combination of both. If the space provided on this form is inadequate for full response, or if response will be made by referring to a document or exhibit filed with this form, attach an exhibit numbered to correspond to the number of the item being answered, and note the reference to the exhibit in the space provided. If the exhibit consists of more than one page, indicate the relevant page number(s). If there is more than one Offeror, each Offeror should fill out Part Two of this form. Please DO NOT LEAVE ANY ITEM BLANK. If an item will not be answered, note either that the item is not applicable (NA), or, if reasonable investigation of information actually or publicly available to the Offeror has not revealed the answer, that the answer is unknown (UK).

-
1. State the name and principal place of business of the Subject Company, including the street address, telephone number and facsimile number. State the name, address, telephone number and facsimile number of the Subject Company's legal counsel: Exhibit A 1707.01(Y)(1)
 2. State the location of the principal executive office of the Subject Company, including the address, telephone number and facsimile number: Exhibit A 1707.01(Y)(1)
 3. State the form of organization of the Subject Company, the date on which it was formed, and jurisdiction in which it was organized: Exhibit A 1707.041(A)(2)(h)
1707.23(A)
 4. Indicate if the Subject Company is any of the following: 1707.041(C)
A banking corporation subject to regulation by the Ohio Division of Financial Institutions 1707.01(M)
 YES NO 1707.01(O)
A savings and loan association subject to regulation by the Ohio Division of Financial Institutions.
 YES NO
A public utility corporation subject to regulation by the Ohio Public Utilities Commission
 YES NO
 5. Identify the current executive officers and directors of the Subject Company, including the title, city and state of residence and beneficial share ownership of each person: Exhibit A 1707.01(Y)
1707.041(A)(2)(h)
1707.23(A)
 6. Describe each of the Subject Company's outstanding securities (include all kinds and classes of stocks, bonds, debentures, promissory notes, warrants, options, or other securities), authorized by the Articles of Incorporation or other document of the Subject Company, and the terms of each security. For EACH security, state the number or amount authorized, the number or amount outstanding, the market on which it is traded, its trading symbol, and the name and address of its transfer agent: Exhibit A 1707.01(Y)
1707.041(A)(2)(h)
1707.23(A)
 7. The Subject Company has _____ (Number) record and _____ (Number) beneficial holders, respectively, of its equity securities. _____ (Number), or _____%, of the record and beneficial holder, are residents of Ohio and their ownership constitutes _____% of the record and _____% of the beneficial holders of such equity securities, respectively. Exhibit A 1707.01(Y)(1)
1707.01(Z)
1707.01(BB)
1707.23(A)
 8. State the approximate fair market value, in dollars, of the assets located in Ohio which the Subject Company owns or controls: Exhibit A 1707.01(Y)(1)
1707.23(A)
 9. Describe the location and general character of the principal physical properties of the Subject Company and its subsidiaries: Exhibit A 1707.041(A)(2)(d)
1707.041(A)(2)(h)
1707.23(A)
 10. State the locations in Ohio where the Subject Company has employees, and the approximate number of employees in each location: Exhibit A 1707.041(A)(2)(d)
1707.23(A)

PART TWO: OFFEROR

EXHIBIT

REFERENCES

PART TWO: OFFEROR	EXHIBIT	REFERENCES
11. State the name and principal place of business of the Offeror, including its street address and telephone number:	Exhibit A	1707.01(W) 1707.041(A)(2)(b) 1707.041(A)(2)(g)
12. State the form of organization of the Offeror (e.g., partnership, corporation, association), the date on which it was formed, and jurisdiction in which it was organized (including country and state, province, or other political subdivision):	Exhibit A	1707.01(W) 1707.041(A)(2)(g)
13. Indicate if the Offeror is any of the following: A banking corporation subject to regulation by the Ohio Division of Financial Institutions <input type="checkbox"/> YES <input type="checkbox"/> NO A savings and loan association subject to regulation by the Ohio Division of Financial Institutions <input type="checkbox"/> YES <input type="checkbox"/> NO A public utility corporation subject to regulation by the Ohio Public Utilities Commission <input type="checkbox"/> YES <input type="checkbox"/> NO		1707.041(C) 1707.01(M) 1707.01(O)
14. Identify the executive officers and directors (or partners, if the Offeror is a partnership, or other similar persons if the Offeror is in another form or entity) of the Offeror for the past three years, including the title, term of office, and city and state of residence of each person (in an exhibit, supply a biography for all persons identified in this item):	Exhibit A	1707.01(W) 1707.041(A)(2)(g)
15. Describe each of the Offeror's outstanding securities (include all kinds and classes of stocks, bonds, debentures, promissory notes, warrants, options, or other securities), authorized by the Articles of Incorporation or other document of the Offeror, and the terms of each security. For EACH security, state the number or amount authorized, the number or amount outstanding, the market on which it is traded, its trading symbol, and the name and address of its transfer agent:	Exhibit A	1707.01(W) 1707.041(A)(2)(c) 1707.041(A)(2)(g)
16. List the subsidiaries and affiliates of the Offeror, including its name, form of organization, the jurisdiction in which it was organized and, if different, the jurisdiction of its principal executive offices and the owner and percentage of ownership of each subsidiary and affiliate:	Exhibit A	1707.01(W) 1707.041(A)(2)(g) 1707.041(A)(2)(h)
17. Describe the location and general character of the principal physical properties of the Offeror, including those of the related entities described in item No. 16:	Exhibit B (Northrop 10-K/A): Item 2. Properties (p. 2-3)	1707.01(W) 1707.041(A)(2)(g)
18. Describe any pending legal proceedings, other than routine litigation to which the Offeror, including the related entities described in Item No. 16, is a party or of which any of their property is the subject:	Exhibit B (Northrop 10-K/A): Item 3. Legal Proceedings (p. 4)	1707.01(W) 1707.041(A)(2)(g)

PART TWO: OFFEROR

EXHIBIT

REFERENCES

- | PART TWO: OFFEROR | EXHIBIT | REFERENCES |
|--|---|---------------------------------------|
| 19. Describe the business done and projected by the Offeror, including the related entities described in Item 16, and the general development of such business over the past three years: | Exhibit B (Northrop 10-K/A): Item 1. Business (p. 1). | 1707.01(W)
1707.041(A)(2)(g) |
| 20. Describe the approximate amount of any material interest, direct or indirect, of any of the directors or officers of the Offeror in any material transaction during the past three years, or in any proposed material transaction to which the Offeror, including the related entities described in Item No. 16, was or is to be a party: | Exhibit A | 1707.01(W)
1707.041(A)(2)(g) |
| 21. Identify all persons and entities, including the city and state of legal and actual residence or location, on whose behalf the acquisition of any equity security of the Subject Company has been or is to be effected, and describe the securities of the Subject Company of which each is the beneficial or record owner, or which each has a right to acquire, directly or indirectly, and the amount of each type of security owned by each person or entity (in an exhibit, supply the background for all persons identified in this item): | Exhibit A | 1707.01(A)(2)(b)
1707.041(A)(2)(e) |
| 22. If the Offeror is also the Subject Company, is there a pending control bid by a person other than the issuer?
<input type="checkbox"/> YES <input type="checkbox"/> NO
If "yes," answer both of the following:
Will the number of issued and outstanding shares of the Subject Company be reduced by more than 10%?
<input type="checkbox"/> YES <input type="checkbox"/> NO
State the name(s) of other Offeror(s) and the date(s) on which the control bid(s) commenced: | | 1707.041(V)(1)(b) |

PART THREE: CONTROL BID

EXHIBIT

REFERENCES

- | PART THREE: CONTROL BID | EXHIBIT | REFERENCES |
|--|-----------|---|
| 23. Describe the equity securities of the Subject Company for which the offer will be made, and the percentage of ownership of each class of which the Offeror would directly or indirectly be the beneficial owner after the purchase: | Exhibit A | 1707.01(V)(1)(a)
1707.01(BB)
1707.041(A)(2)(b)
1707.041(A)(2)(f)
1707.23(A) |
| 24. Give the aggregate value of the securities of the Subject Company for which a purchase offer is being made (include the number of each type of security to be acquired and the price to be paid for each interest): | Exhibit A | 1707.01(V)(1)(a)
1707.041(A)(2)(c)
1707.23(A) |
| 25. Describe the terms of the control bid, including the consideration to be paid for each class of security of the Subject Company. If any of the consideration is cash, describe the source and amount of funds to be used. If any of the consideration is other than cash, describe the consideration, including any security, which is being offered, and its value (in an exhibit, describe the method of determining the value of any such consideration). | Exhibit A | 1707.041(A)(2)(c)
1707.23(A) |
| 26. State the aggregate value of all the consideration to be given for securities of the Subject Company: | Exhibit A | 1707.041(A)(2)(c)
1707.23(A) |

PART THREE: CONTROL BID	EXHIBIT	REFERENCES
27. State any plans or proposals that the Offeror, upon gaining control, may have to liquidate the Subject Company, sell its assets, effect a merger or consolidation of it, establish, terminate, convert, or amend employee benefit plans, close any plant or facility of the Subject Company or of any of its subsidiaries or affiliates, change or reduce the work force of the Subject Company or any of its subsidiaries or affiliates, or make any other major change in its business, corporate structure, management personnel, or policies of employment:	Exhibit A	1707.041(A)(2)(d) 1707.23(A)
28. State the particulars as to any contracts, arrangements, or understandings to which any person named in response to Items 14, 16, or 21, or the Offeror, is a party with respect to any equity security of the subject company, including transfers of any equity security, joint ventures, loan or option arrangements, puts and calls, guarantees of loan, guarantees against loss, guarantees of profits, division of losses or profits, or the giving or withholding of proxies, naming the persons with whom such contracts, arrangements, and under-standings have been entered:	Exhibit A	1707.041(A)(2)(f)
29. Provide the name, address, and telephone number of any Ohio-licensed securities dealer(s) to be used in connection with the control bid:	Exhibit A	1707.041(B)(1) 1707.14(A) 1707.01(E)

PART FOUR: MISCELLANEOUS	EXHIBIT	REFERENCES
30. Describe the manner in which the Offeror is sending or delivering the material items of the proposed offer and the materials specified in R.C. (S)1707.041(A)(2) to the Offerees:	Exhibit A	1707.041(A)(1) 1707.041(A)(2)(h) 1707.23(A)
31. Attach the following materials: Copies of the prospectuses, brochures, advertisements, circulars, letters, or other documents and information necessary for the Offeror to make a fair, full and effective disclosure to an offeree of information material to a decision to accept or reject the offer. The Offeror's financial statements for the current period and for the three most recent annual accounting periods.	Exhibit A Exhibit C Exhibit D	1707.041(A)(2)(a) 1707.041(A)(2)(g)
32. Pursuant to R.C. (S)1707.23(A), attach the materials listed below: All filings, if any, made by the Offeror during the last twelve months with the U.S. Securities and Exchange Commission pursuant to Sections 12 and 13 of the Securities and Exchange Act of 1934, 15 U.S.C. (S)(S)78l and 78m. All filings, if any, made by the Subject Company during the last twelve months with the U.S. Securities and Exchange Commission pursuant to Sections 12 and 13 of the Securities Exchange Act of 1934, 15 U.S.C. (S)(S)78l and 78m	Exhibit E Exhibit F	1707.23(A) 1707.23(A)

(NOTE: The materials listed in Item 32 are not being requested pursuant to R.C. (S)1707.041(A), and the Offeror is therefore not required to furnish the materials to Offerees under that section, although it may if it chooses.)

33. Provide the name of an individual (including the title, company or form with which the individual is associated, complete address, telephone number, and relationship of the individual to the Offeror) whom the Division may contact regarding this filing:

John L. Filippone, Esq. (Attorney for the Offeror)
Gibson, Dunn & Crutcher LLP
333 S. Grand Ave.
Los Angeles, CA 90071
(213) 229-7000

CERTIFICATION

I certify that I am an officer, partner, or other person authorized to act as an agent of the Offeror and authorized to execute and file this Form 041 on behalf of the Offeror. I further certify that a copy of the information specified in R.C. (S)1707.041(A)(2) has been delivered, by personal service, to the Subject Company at its principal office not later than the time of the filing with the Division of Securities. I further certify that copies of the information specified in R.C. (S)1707.041(A)(2) have been delivered to any other Offeror.

\\s\

Signature	Date	
W. Burks Terry, Esq.	March 2, 2002	

Title	Street Address	
Corporate Vice President and General Counsel	c/o Northrop Grumman, 1840 Century Park East	

Company or Firm	City, State	ZIP...
Northrop Grumman Corporation	Los Angeles, California	90067.....

Relationship to Offeror	Telephone Number	Facsimile Number.....
Executive Officer	(310) 201-3418	(310) 556-4558.....

ACQUIRING PERSON STATEMENT

This Acquiring Person Statement (this "Statement"), dated as of March 4, 2002, is being delivered to the principal executive offices of TRW Inc., an Ohio corporation (the "Company") at 1900 Richmond Road, Cleveland, Ohio 44124 on behalf of Northrop Grumman Corporation, a Delaware corporation (the "Acquiring Person")./(1)/ The Acquiring Person is delivering this Statement pursuant to Section 1701.831 of Title 17 of the Ohio Revised Code in connection with the Acquiring Person's exchange offer (the "Offer") for all outstanding shares of capital stock of the Company pursuant to the Offer to Exchange filed by the Acquiring Person as a part of the Registration Statement on Form S-4 filed with the Securities and Exchange Commission on March 4, 2002 (as amended from time to time, the "Offer to Exchange"), a copy of which is attached as Exhibit A hereto and incorporated herein by this reference. The principal executive office of the Acquiring Person is 1840 Century Park East, Los Angeles, California 90067.

The Acquiring Person currently owns, directly and indirectly, four shares of the outstanding capital stock of the Company. On the terms and subject to the conditions set forth in the Offer to Exchange and the related Letters of Transmittal, the Acquiring Person proposes to exchange shares of common stock of the Acquiring Person for up to 100% of the outstanding shares of the capital stock of the Company, which consists of Common Stock, \$0.625 par value per share ("Common Shares"), Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share ("Series 1 Shares") and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share ("Series 3 Shares"). If consummated, the proposed transaction (the "Control Share Acquisition") would result in the acquisition of a majority or more of the voting power of the capital stock of the Company as described in Section 1701.01(Z)(1)(c) of Title 17 of the Ohio Revised Code.

Based on the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, as of November 2, 2001 there were 126,286,307 Common Shares issued and outstanding. Based on the Company's Definitive Proxy Statement relating to its 2001 Annual Meeting of Shareholders filed on March 21, 2001, as of February 9, 2001 there were 31,710 Series 1 Shares and 59,216 Series 3 Shares issued and outstanding. Pursuant to the Offer to Exchange, each Company shareholder may exchange (i) each Common Share for a number of shares of the Acquiring Person's common stock equal to \$47.00 per Common Share divided by the average of the closing sale prices for a share of the Acquiring Person's common stock on the New York Stock Exchange as reported in the Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day before the Acquiring Person completes the Offer; provided, however, that in no event will the number of shares of the Acquiring Person's common stock exchanged for each Common Share be more than .4563 (\$47.00/\$103) or less than .4159 (\$47.00/\$113) (such number, the "Exchange Rate"), (ii) each Series 1 Share for a number of shares of the Acquiring Person's common stock equal to the Exchange Rate multiplied by the then effective conversion rate for Series 1 Shares and (iii) each Series 3 Share for a number of shares of the Acquiring Person's common stock equal to the Exchange Rate multiplied by the then effective conversion rate for Series 3 Shares. As of March 13, 2001, the conversion rate for Series 1 Shares was 8.8 Common Shares for each Series 1 Share and the conversion rate for the Series 3 Shares was 7.448 Common Shares for each Series 3 Share, calculated as provided in the Company's Amended Articles of Incorporation.

- - - - -
/(1)/ Notwithstanding the making and delivery of this Statement, the Acquiring Person reserves all rights to (i) challenge the constitutionality, validity and/or legality of all or any part of Section 1701.831 and related provisions of the Ohio Revised Code and the application of such provisions to the Acquiring Person's acquisition of capital stock of the Company or the Offer to Exchange (as defined herein) and/or (ii) seek an amendment to the Articles of Incorporation or Regulations of the Company to provide that Section 1701.831 and related provisions of the Ohio Revised Code do not apply to control share acquisitions of capital stock, including, but not limited to, pursuant to the Offer to Exchange.

The purpose of the Offer is for the Acquiring Person to acquire control of, and ultimately the entire equity interest in, the Company. Promptly after the completion of the Offer, and subject to the requirements of applicable law, the Acquiring Person intends to seek to have the Company complete a merger with the Acquiring Person or a wholly owned subsidiary of the Acquiring Person in which each outstanding share of capital stock of the Company (except for treasury shares of the Company and shares beneficially owned directly or indirectly by the Acquiring Person for its own account) would be converted into the right to receive shares of the Acquiring Person's common stock at the same Exchange Rate as used in the Offer to Exchange, subject to dissenters' rights available under Ohio law. For a more detailed description of the terms and conditions of the Control Share Acquisition, reference is made to the information set forth in the Offer to Exchange.

The Acquiring Person hereby represents that, if consummated, the proposed Control Share Acquisition will not be contrary to applicable law and that the Acquiring Person has the financial capacity to fully consummate such proposed Control Share Acquisition upon the terms and subject to the conditions described herein and in the Offer to Exchange and the related Letters of Transmittal. The facts upon which the foregoing representations are based are set forth in the Offer to Exchange.

IN WITNESS WHEREOF, Northrop Grumman Corporation has caused this Acquiring Person Statement to be executed by its duly authorized officer as of the date first set forth above.

NORTHROP GRUMMAN CORPORATION

By: -----
Name: W. Burks Terry, Esq.
Title: Corporate Vice President and
General Counsel

Contact: Frank Moore (Media) (310) 201-3335
Gaston Kent (Investors) (310) 201-3423

For Immediate Release

NORTHROP GRUMMAN COMMENCES EXCHANGE OFFER FOR ALL OUTSTANDING SHARES OF TRW INC.
AT \$47 PER COMMON SHARE

LOS ANGELES - March 3, 2002 - Northrop Grumman Corporation (NYSE:NOC) announced today that it has commenced an exchange offer for all outstanding shares of common stock and preference stock of TRW Inc. (NYSE:TRW).

Each share of TRW common stock may be exchanged for a number of shares of common stock of Northrop Grumman equal to \$47. The exact exchange ratio will be determined by dividing the average of the closing price of Northrop Grumman common stock for the five consecutive trading days ending immediately prior to the second trading day prior to the expiration of the offer, but in no event will the number of Northrop Grumman shares exchanged be more than 0.4563 (\$47/\$103) or less than 0.4159(\$47/\$113). Each share of TRW's Series 1 preference stock II and Series 3 preference stock II may be exchanged for a number of Northrop Grumman shares equal to the exchange rate described above multiplied by the effective conversion rate for the shares of preference stock. The offer to exchange and withdrawal rights will expire at 12:00 midnight, New York City time, on March 29, 2002, unless extended.

NORTHROP GRUMMAN IS FILING A REGISTRATION STATEMENT AND A TENDER OFFER STATEMENT WITH THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO THE OFFER TO EXCHANGE, WHICH CONTAIN

IMPORTANT INFORMATION. TRW SHAREHOLDERS SHOULD READ THESE DOCUMENTS, COPIES OF WHICH MAY BE OBTAINED WITHOUT CHARGE AT THE SECURITIES AND EXCHANGE COMMISSION'S WEBSITE AT WWW.SEC.GOV. COPIES OF THE OFFERING MATERIALS MAY ALSO BE OBTAINED FROM D.F. KING & CO., INC., THE INFORMATION AGENT FOR THE OFFER TO EXCHANGE, AT 800-755-7520.

Kent Kresa, chairman and chief executive officer of Northrop Grumman, stated "We have not received a substantive response from TRW regarding our February 21 letter to enter into negotiations for a proposed business combination. We continue to believe that such a transaction would be in the best interests of both companies' shareholders. Accordingly, we are moving ahead to make this offer available to TRW shareholders and to initiate all the steps that are necessary to see it through to conclusion, including requesting that the TRW board of directors call the special meeting of shareholders required under Ohio law to authorize our acquisition of TRW shares. We expect that the TRW shareholders will respond favorably. In addition, we are filing a lawsuit in Ohio challenging elements of its anti-takeover laws."

Mr. Kresa added, "as we stated on February 22, the proposed strategic combination of Northrop Grumman and TRW will create a third major contributor to the nation's satellite and missile defense requirements. Following completion of the acquisition, we intend to promptly separate TRW's automotive business from the rest of the combined company either through a sale to a third party or parties or a spin off to the shareholders of the combined companies," Kresa added.

Mr. Kresa noted that Northrop Grumman remains willing to entertain negotiations with TRW regarding a transaction and would welcome the opportunity to consider non-public information about TRW in order to consider any enhanced values that might be demonstrated by such information.

TRW provides advanced-technology products and services for the aerospace, information systems and automotive markets worldwide. The company generated year-end 2001 sales of \$16.4 billion.

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.

Note: Certain statements and assumptions in this release contain or are based on "forward-looking" information (that the company believes to be within the definition in the Private Securities Litigation Reform Act of 1995) and involve risks and uncertainties. Such "forward-looking" information includes the statements above as to the impact of the proposed acquisition on revenues and earnings. Such statements are subject to numerous assumptions and uncertainties, many of which are outside the company's control. These include governmental regulatory processes, the company's ability to successfully integrate the operations of TRW, achieve a successful transaction or other resolution with respect to the TRW automotive sector, assumptions with respect to future revenues, expected program performance and cash flows, the outcome of contingencies including litigation, environmental remediation, divestitures of businesses, and anticipated costs of capital investments. The company's operations are subject to various additional risks and uncertainties resulting from its position as a supplier, either directly or as subcontractor or team member, to the U.S. Government and its agencies as well as to foreign governments and agencies; actual outcomes are dependent upon factors, including, without limitation, the company's successful performance of internal plans; government customers' budgetary restraints; customer changes in short-range and long-range plans; domestic and international competition in both the defense and commercial areas; product performance; continued development and acceptance of new products; performance issues with key suppliers and subcontractors; government import and export policies; acquisition or termination of government contracts; the outcome of political and legal processes; legal, financial, and governmental risks related to international transactions and global needs for military aircraft, military and civilian electronic systems and support and information technology; as well as other economic, political and technological risks and uncertainties and other risk factors set out in the company's filings from time to time with the Securities and Exchange Commission, including, without limitation, the company's reports on Form 10-K and Form 10-Q.

This announcement is neither an offer to purchase nor a solicitation of an offer to sell shares of TRW or Northrop Grumman. Should any such offer be commenced, Northrop Grumman will file and deliver all forms, notices and documents required under state and federal law.

#

A registration statement relating to the securities proposed to be issued in the Offer has been filed with the Securities and Exchange Commission but has not yet become effective. Such securities may not be issued nor may offers to receive such securities be accepted prior to the time the registration statement becomes effective. This announcement is neither an offer to sell nor the solicitation of an offer to buy such securities nor shall there be any sale thereof in any state in which such offer, solicitation or sale, or the timing thereof, would be unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Northrop Grumman by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

Notice of Offer to Exchange
Each Outstanding Share of Common Stock
of

TRW Inc.

for

Shares of Common Stock of Northrop Grumman Corporation valued at \$47.00
and

Each Outstanding Share of Serial Preference Stock II
of

TRW Inc.

for

Shares of Common Stock of Northrop Grumman Corporation valued at \$47.00
multiplied by the then-effective conversion rate of the applicable
Series of Serial Preference Stock II,

in each case subject to the procedures and limitations
described in the Offer to Exchange and the related Letters of Transmittal
by

Northrop Grumman Corporation

Each Common Share may be exchanged for a number of shares of Northrop Grumman's common stock equal to \$47.00 per Common Share divided by the average of the closing sale prices of Northrop Grumman common stock on the New York Stock Exchange as reported in The Wall Street Journal over the five consecutive trading days ending immediately prior to the second trading day prior to the expiration of the Offer (the "Exchange Ratio"), but in no event will the Exchange Ratio be more than 0.4563 (\$47.00/\$103.00) or less than 0.4159 (\$47.00/\$113.00). Each Series 1 Share and each Series 3 Share of Serial Preference Stock II may be exchanged for a number of shares of Northrop Grumman's common stock equal to the then-effective conversion rate for such preferred shares multiplied by the Exchange Ratio. As of March 13, 2001, TRW reported that the conversion rate for the Series 1 Shares was 8.8 Common Shares for each Series 1 Share and the conversion rate for the Series 3 Shares was 7.448 Common Shares for each Series 3 Share, calculated as provided in TRW's Amended Articles of Incorporation. The Offer is made upon the terms and subject to the conditions set forth in the Offer to Exchange, dated March 4, 2002 (the "Offer to Exchange") and in the related Letters of Transmittal (the terms and conditions set forth in the Offer to Exchange and the Letters of Transmittal, as each may be amended or supplemented from time to time, collectively constitute the "Offer"). Holders of Shares will not receive any fractional shares of Northrop Grumman common stock. Instead, they will receive cash in an amount equal to the value of the fractional Northrop Grumman shares they otherwise would have been entitled to receive. As used herein, the term "Common Shares" refers to shares of common stock of TRW, \$0.625 par value per share, the term "Series 1 Shares" refers to shares of Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1 of TRW, no par value per share, the term "Series 3 Shares" refers to shares of Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3 of TRW, no par value per share, and the term "Shares" refers to Common Shares, Series 1 Shares and Series 3 Shares, collectively. In order to permit Northrop Grumman to disseminate the Offer to Exchange, Northrop Grumman will request a list of TRW's shareholders of record and security position listings.

If TRW shareholders of record tender Shares, they will not be obligated to pay any charges or expenses of EquiServe Trust Company (the "Exchange Agent") or any brokerage commissions. Except as set forth in the instructions to the Letters of Transmittal, transfer taxes on the exchange of Shares pursuant to the Offer to Exchange will be paid by Northrop Grumman or on its behalf.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY
TIME, ON FRIDAY, MARCH 29, 2002, UNLESS THE OFFER IS EXTENDED.

The purpose of the Offer is for Northrop Grumman to acquire control of, and ultimately the entire equity interest in, TRW. Northrop Grumman intends promptly after the completion of the Offer to seek to have TRW complete a merger with Northrop Grumman or a wholly owned subsidiary of Northrop Grumman in which each outstanding share of capital stock of TRW (except for treasury shares of TRW and Shares beneficially owned directly or indirectly by Northrop Grumman for its own account) would be converted into the right to receive shares of Northrop Grumman common stock at the same exchange ratio as provided in the Offer to Exchange, subject to dissenters' rights under Ohio law.

The rights of Northrop Grumman stockholders differ in certain material respects from the rights of TRW shareholders as described in the Offer to Exchange. Among other things, the rights of TRW shareholders are governed by Ohio corporate law and the rights of Northrop Grumman stockholders are governed by Delaware corporate law.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (1) THE TENDER OF ENOUGH SHARES SO THAT, AFTER THE COMPLETION OF THE OFFER, NORTHROP GRUMMAN OWNS A NUMBER OF SHARES WHICH, TOGETHER WITH ANY SHARES THAT NORTHROP GRUMMAN BENEFICIALLY OWNS FOR ITS OWN ACCOUNT, CONSTITUTES A MAJORITY OF THE TOTAL OUTSTANDING COMMON SHARES ON A FULLY DILUTED BASIS, (2) THE EXPIRATION OR TERMINATION OF ANY APPLICABLE WAITING PERIODS UNDER THE HART-SCOTT-RODINO ANTI-TRUST IMPROVEMENT ACT OF 1976, AS AMENDED, COUNCIL REGULATION (EEC) NO. 4064/89 OF THE COUNCIL OF THE EUROPEAN UNION AND ANY OTHER APPLICABLE SIMILAR FOREIGN LAWS OR REGULATIONS, (3) THE REQUISITE APPROVAL OF TRW'S SHAREHOLDERS UNDER THE OHIO CONTROL SHARE ACQUISITION LAW OR NORTHROP GRUMMAN'S BEING SATISFIED, IN ITS SOLE DISCRETION, THAT SUCH LAW IS INAPPLICABLE OR INVALID, (4) THE EXPIRATION OR TERMINATION OF THE WAITING PERIOD DURING WHICH THE OHIO DIVISION OF SECURITIES MAY SUSPEND THE OFFER UNDER TITLE 17 OF THE OHIO REVISED CODE, WITHOUT THE OCCURRENCE OF ANY SUCH SUSPENSION, OR NORTHROP GRUMMAN'S BEING SATISFIED, IN ITS SOLE DISCRETION, THAT SUCH LAW IS INAPPLICABLE OR INVALID, (5) THE APPROVAL OF THE ISSUANCE OF SHARES OF NORTHROP GRUMMAN COMMON STOCK PURSUANT TO THE OFFER TO EXCHANGE AND THE PROPOSED MERGER BY THE STOCKHOLDERS OF NORTHROP GRUMMAN, (6) TRW'S NOT HAVING ENTERED INTO OR EFFECTUATED ANY OTHER AGREEMENT OR TRANSACTION WITH ANY PERSON OR ENTITY HAVING THE EFFECT OF IMPAIRING NORTHROP GRUMMAN'S ABILITY TO ACQUIRE TRW OR OTHERWISE DIMINISHING THE VALUE OF THE ACQUISITION OF TRW AND (7) THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, RELATING TO THE SECURITIES TO BE ISSUED IN THE OFFER, HAVING BECOME EFFECTIVE. THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS DESCRIBED IN THE OFFER AND THE RELATED LETTERS OF TRANSMITTAL.

Tender of Shares pursuant to the Offer will only become effective, and Northrop Grumman shall have the right to acquire tendered Shares, only at such time as Section 1704 of Title 17 of the Ohio Revised Code shall not prohibit or delay the contemplated merger. No tender of Shares shall be effective, and Northrop Grumman shall have no right to acquire tendered Shares, prior to such time.

For purposes of the Offer, Northrop Grumman will be deemed to have accepted for exchange Shares validly tendered and not withdrawn if and when Northrop Grumman notifies the Exchange Agent of Northrop Grumman's acceptance for exchange of the tenders of those Shares pursuant to the Offer. The Exchange Agent will act as agent for tendering shareholders for the purpose of receiving Northrop Grumman common stock (including cash to be paid in lieu of fractional shares of Northrop Grumman common stock) and transmitting the stock and cash to shareholders. Pursuant to the Offer, the Exchange Agent will deliver shares of Northrop Grumman common stock and cash to be paid in lieu of fractional shares of Northrop Grumman common stock in exchange for Shares as soon as practicable after receipt of such notice from Northrop Grumman. Upon the terms and subject to the conditions of the Offer, the exchange of Shares accepted for exchange pursuant to the Offer will be made by deposit of certificates representing shares of Northrop Grumman common stock exchangeable therefor (or cash payable in lieu of fractional shares) with the Exchange Agent. In all cases, delivery of certificates representing shares of Northrop Grumman common stock (and cash paid in lieu of fractional shares) issued pursuant to the Offer will be made only after timely receipt by the Exchange Agent of (i) certificates representing the Shares or a Book-Entry Confirmation (as defined in the Offer to Exchange) with respect to such Shares, (ii) a duly executed Letter of Transmittal to tender Shares or an agent's message in connection with a book-entry transfer and (iii) any other documents or instruments required by such Letter of Transmittal.

Under no circumstances will any interest be paid on cash amounts payable in lieu of fractional shares, regardless of any extension of the offer or any delay in making such payment.

The Offer and the merger are expected to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code provided that certain factual assumptions are satisfied. If the transactions so qualify, holders of Shares generally will not recognize any gain or loss for United States federal income tax purposes on the exchange of their Shares for Northrop Grumman common stock in the Offer and the merger, except for any gain or loss attributable to the receipt of cash in lieu of a fractional share of Northrop Grumman common stock.

Subject to the applicable rules and regulations of the Securities and Exchange Commission and other applicable law, Northrop Grumman expressly reserves the right, in its sole discretion, at any time or from time to time, to extend the period of time during which the Offer remains open by giving oral or written notice of such extension to the Exchange Agent. Any such extension will be followed as promptly as practicable with a public announcement thereof not later than 9:00 a.m., New York City time, on the next business day after the scheduled expiration date. During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer, subject to the right of a tendering shareholder to withdraw tendered Shares.

Shares tendered pursuant to the Offer may be withdrawn at any time prior to the expiration of the Offer. Following the expiration of the Offer, such tenders are irrevocable, except that they may be withdrawn at any time after Friday, May 3, 2002, unless accepted for payment prior to such date as provided in the Offer to Exchange.

For a withdrawal to be effective, a written or facsimile transmission notice of withdrawal containing the information and satisfying the requirements set forth in the Offer to Exchange must be timely received by the Exchange Agent at one of its addresses set forth on the back cover of the Offer to Exchange. The signature(s) on the notice of withdrawal must be guaranteed by a financial institution that is a participant in the Securities Transfer Agents Medallion Program (an "Eligible Institution") unless such Shares have been tendered for the account of any Eligible Institution. Shares properly withdrawn will be deemed not to have been validly tendered for purposes of the Offer. However, shareholders may re-tender withdrawn Shares prior to the expiration date by following the procedures discussed in the Offer. Northrop Grumman will decide all questions as to the form and validity of any notice of withdrawal in its sole and absolute discretion.

Northrop Grumman may elect to provide a subsequent offering period of up to 20 business days after the acceptance of Shares pursuant to the Offer if the requirements under Rule 14d-11 of the General Rules and Regulations under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), have been met. Shareholders will not have the right to withdraw Shares tendered in the subsequent offering period, if any.

The information required to be disclosed by paragraph (d)(1) of Rule 14d-6 of the Exchange Act is contained in the Offer to Exchange and is incorporated herein by this reference.

The Offer to Exchange, the related Letters of Transmittal and other relevant materials will be mailed to record holders of Shares and will be furnished to brokers, banks and similar persons whose names, or the names of whose nominees, appear on the shareholder list for the Shares or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

THE OFFER TO EXCHANGE AND THE LETTERS OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER. SUCH DOCUMENTS MAY BE EXAMINED AT THE WEB SITE OF THE SECURITIES AND EXCHANGE COMMISSION AT WWW.SEC.GOV.

Questions and requests for assistance may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers set forth below. Shareholders may request additional copies of the Offer to Exchange, the related Letters of Transmittal and other tender offer materials from the Information Agent, the Dealer Manager or their broker, dealer, commercial bank or trust company. Such additional copies will be furnished at Northrop Grumman's expense. No fees or commissions will be paid to brokers, dealers or other persons (other than the Information Agent and the Dealer Manager) for soliciting tenders of Shares pursuant to the Offer.

The Information Agent for the Offer to Exchange is:

D. F. King & Co., Inc.

U.S. and Canada	Europe
77 Water Street	No. 2 London Wall Buildings, 2nd Floor
New York, New York 10005	London Wall
Banks and Brokers Call Collect: 1-212-269-5550	London EC2M 5PP, United Kingdom
All Others Call Toll-Free: 1-800-755-7250	Tel.: +(44) 207 920 9700

The Dealer Manager for the Offer is:

Salomon Smith Barney
388 Greenwich Street
New York, New York 10013
Call Toll-Free: (888) 328-4596

March 4, 2002