

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

(Amendment No. 2)

LITTON INDUSTRIES, INC.

(Name of Subject Company (issuer))

NORTHROP GRUMMAN CORPORATION
LII ACQUISITION CORP.

(Name of Filing Persons (offeror))

Common Stock, Par Value \$1.00 Per Share
(including associated rights)
(Title of Class of Securities)

5380211061
(CUSIP Number of Class of Securities)

Series B \$2 Cumulative Preferred Stock, Par Value \$5.00 Per Share

(Title of Class of Securities)

5380214032
(CUSIP Number of Class of Securities)

W. Burks Terry
Corporate Vice President and General Counsel
Northrop Grumman Corporation
1840 Century Park East
Los Angeles, California 90067
(310) 553-6262

(Name, Address and Telephone Number of Person Authorized to Receive Notices
and Communications on Behalf of the Person(s) Filing Statement)

Copy to:

Andrew E. Bogen
Gibson, Dunn & Crutcher LLP
333 South Grand Avenue
Los Angeles, California 90071-3197
(213) 229-7159

Check the box if the filing relates solely to preliminary communications
made before the commencement of a tender offer.

Check the appropriate boxes to designate any transactions to which this
statement relates:

third party tender offer
subject to Rule 14d-1

going-private transaction
subject to Rule 13e-3

issuer tender offer
subject to Rule 13e-4

amendment to Schedule 13D
under Rule 13d-2

Check the following box if the filing is a final amendment reporting the
results of the tender offer.

Northrop Grumman Corporation, a Delaware corporation ("Parent"), and LII Acquisition Corp., a Delaware corporation ("Purchaser") and wholly owned subsidiary of Parent hereby amend and supplement their Tender Offer Statement on Schedule TO originally filed on January 5, 2001 (the "Schedule TO"), as subsequently amended from time to time, with respect to Purchaser's Offer to Purchase (a) all of the issued and outstanding shares of common stock, par value \$1.00 per share (the "Common Stock") of Litton Industries, Inc., a Delaware corporation (the "Company"), together with any associated rights to purchase preferred stock of the Company (the "Rights," and, together with the Common Stock, the "Common Shares") at a price per Common Share of \$80.00 (the "Common Offer Price") and (b) all of the outstanding shares of Series B \$2 Cumulative Preferred Stock, par value \$5.00 per share (the "Preferred Shares"), of the Company at a price per Preferred Share of \$35.00 (the "Preferred Offer Price" and, together with the Common Offer Price, the "Offer Price"). Capitalized terms used but not defined herein have the respective meanings assigned to such terms in the Schedule TO and the Offer to Purchase dated January 5, 2001, filed as Exhibit (a)(i)(i) thereto.

Item 12 Exhibits

Item 12 of the Schedule T0 is hereby amended and supplemented to include the following exhibits:

- (a)(1)(iv) Notice to Participants in the Litton Industries Employees Stock Purchase Plan prior to December 1, 1993, dated January 5, 2001.
- (a)(1)(v) Notice to Participants in the Litton Industries Employees Stock Purchase Plan after November 1, 1994, dated January 5, 2001.
- (a)(5)(vii) Press release issued by Parent on January 16, 2001.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

LII ACQUISITION CORP.

By: /s/ John H. Mullan

Name: John H. Mullan

Title: Secretary

NORTHROP GRUMMAN CORPORATION

By: /s/ John H. Mullan

Name: John H. Mullan

Title: Corporate Vice President and Secretary

Dated: January 16, 2001

EXHIBIT INDEX

- (a)(1)(i)* Offer to Purchase, dated January 5, 2001.
- (a)(1)(ii)* Letter of Transmittal, Common Stock and Preferred Stock, each dated January 5, 2001.
- (a)(1)(iii)* Notice of Guaranteed Delivery, Common Stock and Preferred Stock, each dated January 5, 2001.
- (a)(1)(iv) Notice to Participants in the Litton Industries Employees Stock Purchase Plan prior to December 1, 1993, dated January 5, 2001.
- (a)(1)(v) Notice to Participants in the Litton Industries Employees Stock Purchase Plan after November 1, 1994, dated January 5, 2001.
- (a)(2) None.
- (a)(3) Not applicable.
- (a)(4) Not applicable.
- (a)(5)(i)* Letter to Brokers, Dealers, Commercial Banks, Trust Companies and other Nominees, Common Stock and Preferred Stock, dated January 5, 2001.
- (a)(5)(ii)* Letter to Clients, Common Stock and Preferred Stock, each dated January 5, 2001.
- (a)(5)(iii)* Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
- (a)(5)(iv)* Press release issued by Parent on December 21, 2000 (incorporated by reference to Schedule TO-C filed with the Securities and Exchange Commission on December 20, 2000).
- (a)(5)(v)* Summary Advertisement as published in the Wall Street Journal on January 5, 2001.
- (a)(5)(vi)* Press release issued by Parent on January 8, 2001.
- (a)(5)(vii) Press release issued by Parent on January 16, 2001.
- (b)(i)* Financing Commitment Letter dated December 20, 2000 from Credit Suisse First Boston and The Chase Manhattan Bank relating to \$6,000,000,000 aggregate principal amount of senior credit facilities.
- (c) Not applicable.
- (d)(1)* Merger Agreement, dated as of December 21, 2000, by and among Parent, Purchaser and the Company.
- (d)(2)* Confidentiality Agreement dated June 23, 2000, between Parent and the Company.
- (d)(3)* Letter Agreement dated December 21, 2000, between Ronald D. Sugar and Parent.
- (e) Not applicable.
- (f)* Section 262 of the Delaware General Corporation Law (included as Schedule II to the Offer to Purchase).
- (g) None.
- (h) None.

* Previously filed.

NOTICE TO PARTICIPANTS IN
THE LITTON INDUSTRIES
EMPLOYEES STOCK PURCHASE PLAN

January 5, 2001

You are the owner of shares of common stock of Litton Industries, Inc. ("Litton") purchased for your account as a participant in the Litton Employees Stock Purchase Plan prior to December 1, 1993 (the "Old Plan"). These shares are held in an account at The Bank of New York, which currently acts as the Custodian for the Old Plan.

Enclosed are materials that are being sent to all Litton stockholders describing an offer by LII Acquisition Corp., a wholly owned subsidiary of Northrop Grumman Corporation, to purchase all of the outstanding common shares of Litton for \$80.00 per share in cash. The materials enclosed contain important background information regarding the offer and how to tender your shares. Please read these materials carefully.

Please note that because your Litton shares are held in an account at the Bank of New York, you do not hold an actual stock certificate(s) reflecting your investment in Litton. You may therefore disregard references in the enclosed material to lost stock certificate(s) or the return of stock certificates.

If you want to tender all or part of the Litton shares held in your Old Plan account, you must complete the enclosed CREAM letter of transmittal and

return it to Equiserve Trust Company, as provided in the enclosed materials. Your letter of transmittal must be received by 12:00 midnight, New York City time, on Friday, February 2, 2001, unless the offer is extended. If you return a letter of transmittal and do not specify the number of Litton shares you wish to tender, all of your shares will be tendered. If you do not want to tender any shares, you do not need to do anything.

Please note that if you hold Litton shares other than through the Old Plan, to tender those shares you must complete and return the Blue, Green or Purple letter of transmittal regarding those shares sent to you separately.

If you have any questions regarding the enclosed material, please call Georgeson Shareholder Communications, Inc. at (800) 223-2064.

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Contact: Jim Taft (Media) (310) 201-3335
Gaston Kent (Investors) (310) 201-3423

For Immediate Release

NORTHROP GRUMMAN DISCUSSING AMENDMENT

TO POST-TENDER MERGER TERMS FOR LITTON STOCK

LOS ANGELES -- Jan. 16, 2001 -- Northrop Grumman Corporation (NYSE: NOC) announced today that it is holding discussions with Litton Industries Inc. (NYSE: LIT) and Litton's largest shareholder, Unitrin Inc. (NASDAQ: UNIT), to potentially amend the post-tender merger terms of its previously announced tender offer for all outstanding shares of Litton stock. The amendment would include the option for Litton shareholders to receive a limited number of shares of Northrop Grumman stock on a tax-free basis in lieu of cash.

If such an amendment is implemented, it is not expected to affect the pending cash tender offer for all of Litton's outstanding stock, which commenced on Jan. 5, 2001, and will expire on Feb. 2, 2001, unless extended. Northrop Grumman and Litton jointly announced on Dec. 21, 2000, that they had signed a definitive agreement under which Northrop Grumman will acquire for cash all Litton common stock for \$80 per share and Series B preferred stock for \$35 per share in a transaction valued at approximately \$5.1 billion, which includes the assumption of Litton's \$1.3 billion in net debt.

The amendment under discussion would provide Litton shareholders with the opportunity to receive stock of the combined company in a second step merger designed to allow a tax-free exchange for shares of Litton common stock for Northrop Grumman stock. The stock offering would consist of not more than 14 million shares of

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NORTHROP GRUMMAN DISCUSSING AMENDMENT

TO POST-TENDER MERGER TERMS FOR LITTON STOCK

common stock and approximately \$350 million of new convertible preferred Northrop Grumman stock. Stockholders electing to receive stock in the merger would be subject to proration if such elections exceeded the amount of stock made available. All Litton common stock not exchanged for Northrop Grumman stock would be exchanged for \$80 per share in cash. As part of the amendment, the parties would seek to avoid any discrepancy between the value of the stock issued in the second step merger and the \$80 per share cash price.

Northrop Grumman also stated that because of the complex issues involved, there is no assurance that the amendment under discussion will be implemented. If an amendment is not agreed upon, Northrop Grumman and Litton will continue the current tender offer and associated merger as previously announced.

Northrop Grumman stated that the amendment would not affect the value of the transaction as previously reported and that the company continues to expect the acquisition will be 7 to 10 percent accretive to economic earnings (earnings excluding pension income and amortization) and neutral to GAAP earnings per share in 2001. The company said it expects the acquisition to be double-digit accretive to both economic and GAAP earnings per share in 2002 and beyond.

Northrop Grumman Corporation, headquartered in Los Angeles, is a world-class, high technology company providing innovative solutions in systems integration, defense electronics and information technology for its U.S. and international military, government and commercial customers, as a prime contractor, principal subcontractor, team member or preferred supplier. The company had revenues of \$7.6 billion in 1999 (restated) and has a workforce of approximately 39,000 employees.

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NORTHROP GRUMMAN DISCUSSING AMENDMENT

TO POST-TENDER MERGER TERMS FOR LITTON STOCK

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 the company's ability to successfully integrate the operations of Litton, 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.

If the amendment is adopted, the company will file the appropriate documentation with the Securities and Exchange Commission and will distribute a supplement to the offering materials to Litton shareholders. Litton shareholders are urged to read carefully the complete offering materials which contain important information.

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