7,000,000 Shares

NORTHROP GRUMMAN
Common Stock
($1.00 PAR VALUE)

ALL OF THE SHARES OF COMMON STOCK, PAR VALUE $1.00 PER SHARE ("COMMON STOCK"), OF NORTHROP GRUMMAN CORPORATION (THE "COMPANY") OFFERED HEREBY ARE BEING SOLD BY THE COMPANY. OF THE 7,000,000 SHARES OF COMMON STOCK BEING OFFERED, 5,950,000 SHARES ARE INITIALLY BEING OFFERED IN THE UNITED STATES AND CANADA (THE "U.S. SHARES") BY THE U.S. UNDERWRITERS (THE "U.S. OFFERING") AND 1,050,000 SHARES ARE INITIALLY BEING CONCURRENTLY OFFERED OUTSIDE THE UNITED STATES AND CANADA (THE "INTERNATIONAL SHARES") BY THE MANAGERS (THE "INTERNATIONAL OFFERING" AND, TOGETHER WITH THE U.S. OFFERING, THE "OFFERINGS"). THE OFFERING PRICE AND UNDERWRITING DISCOUNTS AND COMMISSIONS OF THE U.S. OFFERING AND THE INTERNATIONAL OFFERING ARE IDENTICAL.

THE COMMON STOCK OF THE COMPANY IS LISTED ON THE NEW YORK STOCK EXCHANGE (THE "NYSE") AND THE PACIFIC STOCK EXCHANGE UNDER THE SYMBOL "NOC." ON JUNE 3, 1996, THE LAST REPORTED SALE PRICE OF THE COMMON STOCK ON THE NYSE WAS $63.25. SEE "PRICE RANGE OF COMMON STOCK AND DIVIDENDS."

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS	PROCEEDS TO COMPANY(1)
PER SHARE..	$63.25	$1.97	$61.28
TOTAL (2)..	$442,750,000	$13,790,000	$428,960,000

(1) BEFORE DEDUCTION OF EXPENSES PAYABLE BY THE COMPANY, ESTIMATED AT $700,000.

(2) THE COMPANY HAS GRANTED THE U.S. UNDERWRITERS AND THE MANAGERS AN OPTION, EXERCISABLE BY CS FIRST BOSTON CORPORATION FOR THIRTY (30) DAYS FROM THE DATE OF THIS PROSPECTUS, TO PURCHASE A MAXIMUM OF 1,050,000 ADDITIONAL SHARES TO COVER OVER-ALLOTMENTS OF SHARES. IF THE OPTION IS EXERCISED IN FULL, THE TOTAL PRICE TO PUBLIC WILL BE $509,162,500, UNDERWRITING DISCOUNTS AND COMMISSIONS WILL BE $15,858,500 AND PROCEEDS TO COMPANY WILL BE $493,304,000.

THE U.S. SHARES ARE OFFERED BY THE SEVERAL U.S. UNDERWRITERS WHEN, AS AND IF ISSUED BY THE COMPANY, DELIVERED TO AND ACCEPTED BY THE U.S. UNDERWRITERS AND SUBJECT TO THEIR RIGHT TO REJECT ORDERS IN WHOLE OR IN PART. IT IS EXPECTED THAT THE U.S. SHARES WILL BE READY FOR DELIVERY ON OR ABOUT JUNE 7, 1996, AGAINST PAYMENT IN IMMEDIATELY AVAILABLE FUNDS.

CS First Boston

Merrill Lynch & Co.

Salomon Brothers Inc

THE DATE OF THIS PROSPECTUS IS JUNE 3, 1996.

IN CONNECTION WITH THE OFFERINGS, CS FIRST BOSTON CORPORATION ON BEHALF OF THE U.S. UNDERWRITERS AND THE MANAGERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, THE PACIFIC STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

DURING THIS OFFERING, CERTAIN PERSONS AFFILIATED WITH PERSONS PARTICIPATING IN THE DISTRIBUTION MAY ENGAGE IN TRANSACTIONS FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS IN THE COMMON STOCK OF THE COMPANY PURSUANT TO EXEMPTIONS CONTAINED IN RULES 10B-6, 10B-7 AND 10B-8 UNDER THE SECURITIES EXCHANGE ACT OF 1934.

FORWARD LOOKING STATEMENTS

THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS, CONCERNING, AMONG OTHER THINGS, FUTURE RESULTS OF OPERATIONS, DELIVERIES, TRENDS, CASH FLOWS, MARKETS AND PROGRAMS ARE PROJECTIONS AND ARE NECESSARILY SUBJECT TO VARIOUS RISKS AND UNCERTAINTIES. ACTUAL OUTCOMES ARE DEPENDENT UPON 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, TERMINATION OF GOVERNMENT CONTRACTS, POLITICAL PROCESSES, LEGAL, FINANCIAL AND GOVERNMENTAL RISKS RELATED TO INTERNATIONAL TRANSACTIONS AND GLOBAL NEEDS FOR MILITARY AND COMMERCIAL AIRCRAFT AND ELECTRONIC SYSTEMS AND SUPPORT, AS WELL AS OTHER ECONOMIC, POLITICAL AND TECHNOLOGICAL RISKS AND UNCERTAINTIES.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information may be inspected and copies may be obtained at the principal office of the Commission at 450 Fifth Street, N.W, Washington, D.C. 20549, and at the following regional offices of the Commission: Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661; and 7 World Trade Center, 13th Floor, New York, New York 10048. Copies of such materials can be obtained from the Public Reference Section of the Commission, 450 Fifth Street, N.W, Washington, D.C. 20549, at prescribed rates. Reports, proxy statements and other information concerning the Company can also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005; and the Pacific Stock Exchange, Inc., 233 South Beaudry Avenue, Los Angeles, California 90012, and 301 Pine Street, San Francisco, California 94104.

The Company has filed with the Commission a Registration Statement (herein, together with all amendments thereto, called the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities offered hereby. This Prospectus does not contain all of the information included in the Registration Statement and the exhibits and schedules thereto. Statements contained in this Prospectus as to the contents of any contract or other document referred to herein and filed as an exhibit to the Registration Statement are not necessarily complete, and, in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference. For further information with respect to the Company and the securities being offered hereby, reference is hereby made to the Registration Statement and the exhibits and schedules thereto.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company has filed with the Commission, pursuant to Section 13 of the Exchange Act:

(i) an Annual Report on Form 10-K for the year ended December 31, 1995;

(ii) a Current Report on Form 8-K filed March 18, 1996, as amended on Form 8-K/A dated May 31, 1996;

(iii) a Quarterly Report on Form 10-Q for the quarter ended March 31, 1996;

(iv) a description of the Common Stock of the Company set forth in a Registration Statement on Form 8-B dated June 20, 1985; and

(v) a description of the Common Stock Purchase Rights of the Company set forth in a Registration Statement on Form 8-A filed September 22, 1988, as amended on Form 8 filed August 2, 1991, as further amended on Form 8-A/A filed October 7, 1994;

which are hereby incorporated by reference in and made a part of this Prospectus.

All documents hereafter filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in and to be a part of this Prospectus from the date of filing of such documents. Any statement contained in a document incorporated by reference or deemed to be incorporated herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

In this Prospectus, references to "dollars" and "$" are to United States dollars.

THIS PROSPECTUS INCORPORATES DOCUMENTS BY REFERENCE WHICH ARE NOT PRESENTED HEREIN OR DELIVERED HEREWITH. THESE DOCUMENTS (NOT INCLUDING EXHIBITS TO SUCH DOCUMENTS, UNLESS SUCH EXHIBITS ARE INCORPORATED BY REFERENCE IN SUCH DOCUMENTS) ARE AVAILABLE WITHOUT CHARGE UPON WRITTEN OR ORAL REQUEST DIRECTED TO: JAMES C. JOHNSON, CORPORATE VICE PRESIDENT AND SECRETARY, NORTHROP GRUMMAN CORPORATION, 1840 CENTURY PARK EAST, LOS ANGELES, CALIFORNIA 90067 (TELEPHONE: (310) 553-6262).

PROSPECTUS SUMMARY

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY, AND SHOULD BE READ IN CONJUNCTION WITH, THE MORE DETAILED INFORMATION AND FINANCIAL DATA (INCLUDING FINANCIAL STATEMENTS, PRO FORMA FINANCIAL DATA AND THE NOTES THERETO) INCLUDED ELSEWHERE IN THIS PROSPECTUS OR INCORPORATED HEREIN BY REFERENCE.

THE COMPANY

Northrop Grumman Corporation (the "Company") is an advanced technology aerospace and defense company operating primarily in two business segments: electronics and systems integration and military and commercial aircraft. Within the electronics and systems integration segment, the Company is engaged in the design, development and manufacture of a wide variety of complex electronic products such as airborne radar, surveillance and battle management systems, electronic countermeasures, precision weapons, antisubmarine warfare systems and air traffic control systems. Within the military and commercial aircraft segment, the Company is engaged in the design, development, manufacture and modification of military aircraft and commercial aerostructures. The Company is also engaged in the design, development and manufacture of information systems, marine propulsion and power generation systems and a variety of other products and services. Approximately three-fourths of the Company's revenues in 1996 are expected to be generated from the U.S. Department of Defense (the "DOD"), with the balance provided by contracts with commercial aerospace manufacturers, other U.S. government agencies and various foreign customers.

The Company has a balance of programs in both the production and development phases. While production programs generally involve less risk and generate greater cash flow than development programs, development programs are essential for future growth opportunities. Based on its backlog and business mix, the Company believes that its cash flow from operations as compared to its investment requirements will result in significant cash flow available for debt reduction, dividends and other uses over the next several years.

Many of the Company's programs are among the principal programs for the various branches of the U.S. military. The Company is the prime contractor on the B-2 Stealth Bomber, the only strategic bomber currently in production; the principal subcontractor on the F/A-18C/D Hornet, the U.S. Navy's primary strike/attack aircraft, as well as on the next generation F/A-18E/F Super Hornet; the prime contractor on the E-2C Hawkeye, the U.S. Navy's principal early warning, command and control aircraft; the prime contractor for the E-8 Joint STARS aircraft radar system, which will be the primary airborne ground surveillance and battle management system for the U.S. Air Force and Army; the prime contractor on the BAT "Brilliant" self-guided submunition under development for the U.S. Army; the supplier of the APG-68 Fire Control Radar used on the F-16, one of the most widely used fighter aircraft in the world; the supplier of the ARSR-4 Long Range Radar, a three-dimensional air traffic control radar system used by the U.S. Air Force and the U.S. Federal Aviation Administration; and the supplier of the AN/APY-1, 2 surveillance radar which provides real-time, all-altitude and beyond-the-horizon target detection, identification and tracking for the E-3 AWACS surveillance aircraft.

The Company is also one of the world's leading manufacturers of commercial aerostructures and components. The Company manufactures major portions of the Boeing 747, 757 and 767 jetliners as well as significant subassemblies and components for other commercial aircraft, including the Boeing 777 jetliner.

STRATEGY

The Company intends to strengthen its position as a leader in the aerospace and defense industry by pursuing the following strategies: (i) focusing on segments of defense markets that are growing and where the Company has premier technological capabilities, particularly in electronics and electronics systems integration; and (ii) leveraging its airframe design expertise and manufacturing strengths to remain a key competitor in military aircraft and commercial aerostructures. The Company has been pursuing these strategies since 1992 through both internal initiatives and acquisitions and, as a result, enjoys leading positions in those market segments in which it chooses to compete. The Company's primary objective in pursuit of these strategies is to maximize total return on investment.

The Company is transforming itself from primarily an aircraft designer/manufacturer to an electronics and systems integration company with a leading airframe and aerostructures business. In early 1994, the Company significantly expanded its electronics business with the acquisition of Grumman Corporation ("Grumman"), a leading electronic systems integration company. In March of 1996, the Company acquired the Electronics Systems Group of Westinghouse Electric Corporation ("ESG"). ESG is a leading producer of sophisticated electronics for defense, government and commercial applications. As a result of these acquisitions, the Company expects that its electronics and systems integration revenues will approximate 50% of total revenues in 1996 and that this percentage will continue to increase in the future.

This strategic transformation positions the Company to meet the growing needs of the DOD for more sophisticated electronics and integrated electronics systems. Since the end of the Cold War, the DOD has recognized the necessity of maintaining an effective fighting force with fewer defense dollars, thereby placing a premium on sophisticated systems that provide long-range surveillance, battle management and precision-strike capabilities. As military systems have become more complex, integration of the electronic functions of the various platforms, weapons and support systems has become increasingly important. Budget constraints have also encouraged spending on program modifications, upgrades and extensions rather than on new development programs, further increasing demand for sophisticated electronics systems. As a technological leader in designing, manufacturing and integrating the sophisticated electronics systems that provide long-range surveillance, battle management and precision-strike capabilities, the Company believes that it is well positioned to serve the electronic systems market.

The Company has also strengthened its military and commercial aircraft segment. In 1992, the Company acquired 49% of Vought Aircraft Company ("Vought"), a leading manufacturer of commercial and military aerostructures, and in 1994 acquired the remaining 51% of Vought and the military aircraft business of Grumman. These acquisitions and the Company's internal initiatives have enabled the Company to establish a leading position in military aircraft and commercial aerostructures. The Company believes that it will maintain this leadership position as a result of its airframe design experience, including stealth technology, as well as its cost-competitive manufacturing capabilities.

ACQUISITION OF ESG

On March 1, 1996, the Company completed the acquisition of ESG for approximately $2.9 billion in cash (the "Acquisition"). For the year ended December 31, 1995, ESG generated revenue of $2.6 billion. The Acquisition was financed with a combination of bank borrowings and intermediate and long-term notes and debentures. The business of ESG is now operated as the Company's new Electronic Sensors and Systems Division ("ESSD").

ESSD is a leading supplier of electronic systems for defense, government and commercial applications. It employs nearly 12,000 people worldwide at 15 operating locations, primarily in the United States. ESSD has a diversified portfolio of programs with no single program accounting for more than 10% of revenues in 1995. Approximately one-half of ESSD's 1995 revenues were attributable to radar technology applied to surveillance, fire control, air traffic control and other purposes. ESSD also designs and manufactures other avionics products, electro-optical systems, undersea and marine products and material handling systems.

The Acquisition represents a substantial step in the Company's continuing transformation from an aircraft designer/manufacturer to a defense electronics and systems integration company with a leading aircraft and aerostructures business. The Acquisition enables the Company to serve a larger customer base, domestically and internationally, and is expected to provide the opportunity to achieve revenue growth and greater cash flow stability. The Acquisition will also enable the Company to enhance its role on important programs such as E-8 Joint STARS and BAT, and to expand its business into the areas of air traffic control and anti-submarine warfare systems.

THE OFFERINGS

Common Stock Offered (1):	
U.S. Offering	5,950,000 shares
International Offering	1,050,000 shares
Total	7,000,000 shares
Common Stock Outstanding:	
Before the Offerings (at May 30, 1996)	49,638,407 shares
After the Offerings (1)	56,638,407 shares
Dividends	For historical information related to dividends declared and the Company's future dividend policy, see "Price Range of Common Stock and Dividends."
Use of Proceeds	The net proceeds of the Offerings will be used to repay a portion of the bank borrowings incurred by the Company in connection with the Acquisition. See "Use of Proceeds" and "The Company -- Acquisition of ESG."
New York Stock Exchange and Pacific Stock Exchange Symbol	NOC

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(1) Does not include up to 1,050,000 shares of Common Stock subject to the over-allotment option granted by the Company to the U.S. Underwriters and the Managers.

SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA

The following summary historical financial data with respect to the five years ended December 31, 1995, have been derived from and are qualified by reference to the audited consolidated financial statements and notes thereto filed by the Company with the Commission which are incorporated herein by reference. The data for the three months ended March 31, 1996 and 1995 are unaudited but, in the opinion of management, reflect all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations and financial position for such periods. Operating results for the three months ended March 31, 1996 may not be indicative of the results that may be expected for the year ending December 31, 1996, or any future period. All such summary historical financial data should be read in conjunction with "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," included or incorporated by reference herein. The summary pro forma data for December 31, 1995 and March 31, 1996 and the periods then ended have been derived from the "Unaudited Pro Forma Condensed Combined Financial Data" included herein which are based upon the historical consolidated financial statements of the Company and the historical combined financial statements of ESG which are also incorporated herein by reference, adjusted to give effect to the Acquisition using the purchase method of accounting. The pro forma Operating Data for the year ended December 31, 1995 and the three months ended March 31, 1996 give effect to the Acquisition as if it had occurred as of January 1, 1995. The pro forma Balance Sheet Data give effect to the Acquisition as if it had occurred on December 31, 1995. The pro forma financial data do not give effect to the proposed issuance of shares in the Offerings and the use of proceeds therefrom. See also "Available Information," "Incorporation of Certain Documents by Reference" and "Unaudited Pro Forma Condensed Combined Financial Data."

	PRO FORMA 1995 (UNAUDITED)	FOR FISCAL YEAR ENDED DECEMBER 31, 1995	1994	1993	1992	1991
		($ IN MILLIONS, EXCEPT PER SHARE DATA)				
Operating Data:						
Net sales	$ 9,158	$ 6,818	$ 6,711	$ 5,063	$ 5,550	$ 5,694
Cost of sales						
Operating costs	7,230	5,319	5,477	4,385	4,877	4,817
Administrative and general expenses	1,283	963	753	485	455	531
Special termination benefits			282			
Restructuring charges	51					
Operating margin	594	536	199	193	218	346
Other, net	(5)	9	(31)	13	5	
Interest expense, net	(346)	(136)	(103)	(36)	(43)	(69)
Income before income taxes and cumulative effect of accounting principle changes	243	409	65	170	180	277
Federal and foreign income taxes	107	157	30	74	59	9
Income before cumulative effect of accounting principle changes	136	252	35	96	121	268
Cumulative effect of accounting principle changes						(67)
Net income	$ 136	$ 252	$ 35	$ 96	$ 121	$ 201
Earnings per share before cumulative effect of accounting principle changes	$ 2.75	$ 5.11	$ .72	$ 1.99	$ 2.56	$ 5.69
Cumulative effect of accounting principle changes, per share						(1.43)
Earnings per share	$ 2.75	$ 5.11	$ .72	$ 1.99	$ 2.56	$ 4.26
Balance Sheet Data:						
Total assets	$ 9,646	$ 5,455	$ 6,047	$ 2,939	$ 3,162	$ 3,128
Net working capital	321	357	467	481	354	611
Total debt	4,344	1,372	1,934	160	510	550
Shareholders' equity	1,459	1,459	1,290	1,322	1,254	1,182
Other Data:						
Capital expenditures	$ 188	$ 133	$ 134	$ 135	$ 123	$ 118
Depreciation and amortization	471	283	269	214	160	171
Funded order backlog	13,433	9,947	12,173	6,919	7,175	8,561
Dividends per share	$ 1.60	$ 1.60	$ 1.60	$ 1.60	$ 1.20	$ 1.20
Weighted average shares outstanding (in millions)	49.4	49.4	49.2	48.1	47.2	47.1

	THREE MONTHS ENDED MARCH 31, (UNAUDITED)		
	PRO FORMA 1996	1996	1995
	($ IN MILLIONS, EXCEPT PER SHARE DATA)		
Operating Data:			
Net sales	$ 1,850	$ 1,603	$ 1,617
Cost of sales			
Operating costs	1,476	1,273	1,299
Administrative and general expenses	231	191	201
Operating margin	143	139	117
Interest expense, net	(81)	(46)	(34)
Other, net	8	9	5
Income before income taxes	70	102	88
Federal and foreign income taxes	29	41	34
Net income	$ 41	$ 61	$ 54
Earnings per share	$ .83	$ 1.23	$ 1.10
Balance Sheet Data:			
Total assets		$ 9,495	$ 6,090
Net working capital		339	469
Total debt		4,201	1,787
Shareholders' equity		1,505	1,326
Other Data:			
Capital expenditures		$ 41	$ 45
Depreciation and amortization		71	67
Funded order backlog		12,543	11,477
Dividends per share		$ .40	$ .40
Weighted average shares outstanding (in millions)		49.6	49.3

USE OF PROCEEDS

The Company intends to apply the net proceeds from the Offerings, estimated to be approximately $428.3 million (or approximately $492.6 million if the overallotment option is exercised), to repay a portion of the Company's bank borrowings incurred to finance the Acquisition in March 1996. The indebtedness to be repaid with the proceeds of the Offerings currently bears interest at 5.94% and has a maturity date of March 1, 1998.

CAPITALIZATION

The following table sets forth (i) the capitalization of the Company as at March 31, 1996, and (ii) the capitalization as adjusted to reflect the sale pursuant to the Offerings of 7,000,000 shares of Common Stock and the application of the estimated net proceeds therefrom. See "Use of Proceeds."

	AS OF MARCH 31, 1996	
	ACTUAL	AS ADJUSTED (A)
	($ IN MILLIONS)	
Current portion of long-term debt	$ 250	$ 250
Long-term debt:		
Bank term loans and revolving credit facility (b)	2,350	1,922
8 5/8% Notes due 2004	350	350
7% Notes due 2006	400	400
7 3/4% Debentures due 2016	300	300
9 3/8% Debentures due 2024	250	250
7 7/8% Debentures due 2026	300	300
Other	1	1
Total long-term debt	3,951	3,523
Total debt	4,201	3,773
Shareholders' equity:		
Preferred stock, 10,000,000 shares authorized; none issued		
Common stock (c), 200,000,000 shares authorized; 49,632,060 shares issued; 56,632,060 shares issued as adjusted (d)	276	704
Retained earnings	1,241	1,241
Unfunded pension losses, net of taxes	(12)	(12)
Total shareholders' equity	1,505	1,933
Total capitalization	$ 5,706	$ 5,706

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(a) Based on estimated proceeds net of underwriting discounts and estimated expenses.

(b) Amended bank credit facility consisting of a $1.8 billion revolving credit facility expiring in March 2002 and two term loan facilities aggregating $2 billion ($500 million due March 1998 and $1.5 billion due in quarterly installments of $62.5 million through March 2002), the proceeds of which, together with $1 billion of institutionally placed notes and debentures, were utilized to finance the Acquisition.

(c) Includes an equal number of Common Stock Purchase Rights. See "Description of Capital Stock -- Common Stock Purchase Rights."

(d) Excludes 3,959,423 shares of Common Stock reserved for issuance pursuant to outstanding options and rights granted under the Company's stock plans.

PRICE RANGE OF COMMON STOCK AND DIVIDENDS

The Company's Common Stock is traded on the New York Stock Exchange and the Pacific Stock Exchange under the symbol NOC. The table below sets forth the high and low trading prices of the Common Stock as reported on the New York Stock Exchange Composite Tape and quarterly cash dividends declared per share of Common Stock during the periods indicated. For a recent closing price of the Common Stock, see the cover page of this Prospectus.

	PRICE RANGE		CASH DIVIDENDS DECLARED
	LOW	HIGH	
1994			
First Quarter ended March 31, 1994	36 7/8	45 7/8	$ .40
Second Quarter ended June 30, 1994	34 1/2	39 3/4	.40
Third Quarter ended September 30, 1994	35 3/4	45 3/8	.40
Fourth Quarter ended December 31, 1994	40 1/4	47 3/8	.40
1995			
First Quarter ended March 31, 1995	39 3/4	49 3/4	.40
Second Quarter ended June 30, 1995	47	54	.40
Third Quarter ended September 30, 1995	51 7/8	62 5/8	.40
Fourth Quarter ended December 31, 1995	56	64 1/4	.40
1996			
First Quarter ended March 31, 1996	58 3/8	67 3/8	.40
Second Quarter (through June 3, 1996)	57 3/4	63 3/4	.40

Dividends on the Common Stock of the Company are payable at the discretion of the Company's Board of Directors out of funds legally available therefor. Future dividend policy will depend on the Company's earnings, capital requirements, financial condition and other factors considered relevant by the Company's Board of Directors. The record date for the second quarter dividend in 1996 was May 28, 1996.

SELECTED CONSOLIDATED FINANCIAL DATA

The following table sets forth certain selected consolidated financial data for the Company for each of the periods indicated which have been derived from, and are qualified by reference to, the audited consolidated financial statements and notes thereto filed by the Company with the Commission which are incorporated herein by reference. The data for the three months ended March 31, 1996 and 1995 are unaudited but, in the opinion of management, reflect all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations and financial position for such periods. Operating results for the three months ended March 31, 1996 may not be indicative of the results that may be expected for the year ending December 31, 1996, or any future period. See also "Available Information," "Incorporation of Certain Documents by Reference" and "Unaudited Pro Forma Condensed Combined Financial Data."

	THREE MONTHS ENDED MARCH 31,		FISCAL YEAR ENDED DECEMBER 31,				
	1996(B)	1995	1995	1994(A)	1993	1992	1991
	(UNAUDITED)		($ IN MILLIONS, EXCEPT PER SHARE DATA)				
Operating Data:							
Net sales	$ 1,603	$1,617	$6,818	$ 6,711	$5,063	$5,550	$5,694
Cost of sales							
Operating costs	1,273	1,299	5,319	5,477	4,385	4,877	4,817
Administrative and general expenses	191	201	963	753	485	455	531
Special termination benefits				282			
Operating margin	139	117	536	199	193	218	346
Other, net	9	5	9	(31)	13	5	
Interest expense, net	(46)	(34)	(136)	(103)	(36)	(43)	(69)
Income before income taxes and cumulative effect of accounting principle changes	102	88	409	65(b)	170	180	277
Federal and foreign taxes	41	34	157	30	74	59	9
Income before cumulative effect of accounting principle changes	61	54	252	35	96	121	268
Cumulative effect of accounting principle changes							(67)(c)
Net income	$ 61	$ 54	$ 252	$ 35	$ 96	$ 121	$ 201
Earnings per share before cumulative effect of accounting principle changes	$ 1.23	$ 1.10	$ 5.11	$ .72	$ 1.99	$ 2.56	$ 5.69
Cumulative effect of accounting principle changes, per share							(1.43)(c)
Earnings per share	$ 1.23	$ 1.10	$ 5.11	$ .72	$ 1.99	$ 2.56	$ 4.26
Balance Sheet Data:							
Total assets	$ 9,495	$6,090	$5,455	$ 6,047	$2,939	$3,162	$3,128
Net working capital	339	469	357	467	481	354	611
Total debt (d)	4,201	1,787	1,372	1,934	160	510	550
Shareholders' equity	1,505	1,326	1,459	1,290	1,322	1,254	1,182
Other Data:							
Net cash provided by operating activities	$ 230	$ 191	$ 744	$ 441	$ 380	$ 284	$ 609
Capital expenditures	41	45	133	134	135	123	118
Depreciation and amortization	71	67	283	269	214	160	171
Funded order backlog	12,543	11,477	9,947	12,173	6,919	7,175	8,561
Dividends per share	$ .40	$ .40	$ 1.60	$ 1.60	$ 1.60	$ 1.20	$ 1.20
Weighted average shares outstanding (in millions)	49.6	49.3	49.4	49.2	48.1	47.2	47.1

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(a) Includes Grumman Corporation data from April 1994 and Vought Aircraft Company data from August 1994.

(b) Includes ESSD data from March 1, 1996.

(c) The Financial Accounting Standards Board's (FASB) accounting standard No. 106 EMPLOYER'S ACCOUNTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS was adopted by the Company in 1991. The liability representing previously unrecognized costs of $145 million for all years prior to 1991 was recorded as of January 1, 1991, with an after-tax effect on earnings of $88 million. In 1991 the Company adopted the FASB standard No. 109 ACCOUNTING FOR INCOME TAXES and recorded, as of January 1, 1991, a benefit of $21 million.

(d) Total debt includes long-term, short-term and current portion of long-term debt.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The following unaudited pro forma condensed combined financial statements reflect the ESG acquisition and are based upon the historical financial statements of the Company and ESG for the period indicated, combined and adjusted to give effect to the ESG acquisition using the purchase method of accounting. The unaudited pro forma condensed combined statement of financial position gives effect to the ESG acquisition as if it had occurred on December 31, 1995. The unaudited pro forma condensed combined statements of income give effect to the ESG acquisition as if it had occurred on January 1, 1995. The adjustments to the unaudited pro forma financial statements do not give effect to the proposed issuance of shares in the Offerings and the use of proceeds therefrom. The pro forma adjustments are described in the accompanying notes.

The purchase price has been allocated to the assets and liabilities acquired based upon preliminary estimates of their respective fair values. The liabilities acquired include contingent liabilities of the type normally associated with the conduct of the business including product warranty, employee, environmental and litigation claims. As to certain contingent liabilities, the Company's exposure has been limited, above certain thresholds, by indemnification from or a participation agreement with the seller up to limits that the Company believes, based on its investigations and negotiations to date, will not be exceeded as the liabilities are settled or otherwise satisfied. Based upon available information, the Company expects that those contingent liabilities for which loss provisions have not been included in the purchase price adjustment will not have a material adverse impact on the Company's results of operations or financial position. The Company does not presently anticipate that the changes to the purchase price allocation presented will be material. The unaudited pro forma financial information does not give effect to any synergies or cost savings that the Company may realize as a result of the ESG acquisition. The Company is compiling data to determine those business areas and facilities that do not fit in its long-term strategy and intends to complete this process by December 31, 1996. During the remainder of 1996, the estimates of fair value for other assets and liabilities will be refined and changes, if any, will be reflected in the Company's periodic Exchange Act filings for 1996.

The unaudited pro forma condensed combined financial statements are not necessarily indicative of the results of operations or financial position of the combined company that would have occurred had the ESG acquisition occurred on the dates indicated above, nor are they necessarily indicative of future operating results or financial position.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, of the Company in its Annual Report on Form 10-K for the year ended December 31, 1995 and of ESG contained in the Company's Current Report on Form 8-K/A dated May 31, 1996, and the unaudited consolidated financial statements, including the notes thereto, of the Company in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1996, which are incorporated herein by reference. See "Available Information" and "Incorporation of Certain Documents by Reference."

PRO FORMA CONDENSED COMBINED
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
DECEMBER 31, 1995
ASSETS

	NORTHROP GRUMMAN	ESG	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
			($ IN MILLIONS)	
Cash and cash equivalents	$ 18	$ 4	$	$ 22
Accounts receivable	1,197	462	66(c)	1,725
Inventoried costs	771	182	(85)(a)(c)	868
Deferred income taxes	25	136	(121)(a)	40
Prepaid expenses	61	14		75
Total current assets	2,072	798	(140)	2,730
Property, plant and equipment, net	1,176	404	112(a)	1,692
Goodwill	1,403	119	1,946(a)	3,468
Other purchased intangibles	356		646(a)	1,002
Prepaid pension cost, intangible pension asset and benefit trust fund	99	19	(19)(b)	99
Deferred income taxes	255	173	76(a)(b)	504
Investments in and advances to affiliates and sundry assets	94	12	45(a)	151
	$5,455	$1,525	$2,666	$9,646

LIABILITIES AND SHAREHOLDERS' EQUITY

	NORTHROP GRUMMAN	ESG	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
Notes payable	$ 65	$	$ (65)(a)	$
Current portion of long-term debt	144		188(a)	332
Trade accounts payable	360	105		465
Accrued employees' compensation	203			203
Income taxes	528			528
Other current liabilities	415	443	23(a)	881
Total current liabilities	1,715	548	146	2,409
Long-term debt	1,163		2,849(a)	4,012
Accrued retiree benefits	1,048	648	(40)(b)	1,656
Deferred income taxes	31			31
Other liabilities and deferred gain	39	15	25(a)	79
Shareholders' equity				
Common stock	272			272
Retained earnings	1,187	314	(314)(a)	1,187
	1,459	314	(314)	1,459
	$5,455	$1,525	$2,666	$9,646

PRO FORMA CONDENSED COMBINED
STATEMENTS OF INCOME
(UNAUDITED)
YEAR ENDED DECEMBER 31, 1995

	NORTHROP GRUMMAN	ESG	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
	($ IN MILLIONS, EXCEPT PER SHARE DATA)			
Net sales	$6,818	$2,554	$ (214)(c)(h)	$9,158
Cost of sales				
Operating costs	5,319	1,997	(86)(c)(d)(h)	7,230
Administrative and general expenses	963	320		1,283
Restructuring charges		51		51
Operating margin	536	186	(128)	594
Interest expense, net	(136)		(210)(e)	(346)
Other, net	9	(14)		(5)
Income before income taxes	409	172	(338)	243
Federal and foreign income taxes	157	65	(115)(f)	107
Net income	$ 252	$ 107	$ (223)	$ 136
Earnings per share	$ 5.11			$ 2.75
Weighted average shares outstanding (in millions)	49.4			49.4

THREE MONTHS ENDED MARCH 31, 1996

	NORTHROP GRUMMAN(G)	ESG(G)	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
	($ IN MILLIONS, EXCEPT PER SHARE DATA)			
Net sales	$1,603	$ 259	$ (12)(h)	$1,850
Cost of sales				
Operating costs	1,273	194	9 (d)(h	1,476
Administrative and general expenses	191	40		231
Operating margin	139	25	(21)	143
Interest expense, net	(46)		(35)(e)	(81)
Other, net	9	(1)		8
Income before income taxes	102	24	(56)	70
Federal and foreign income taxes	41	8	(20)(f)	29
Net income	$ 61	$ 16	$ (36)	$ 41
Earnings per share	$ 1.23			$ .83
Weighted average shares outstanding (in millions)	49.6			49.6

NOTES TO PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

(a) Adjustments to record $3 billion in loans obtained to finance the acquisition of ESG, and to assign the purchase price to assets acquired and liabilities assumed. The allocation of the purchase price to assets and liabilities is based upon preliminary estimates of their respective fair values. The Company is compiling data to determine the final allocation of the purchase price, which process will be completed by December 31, 1996. The Company does not presently anticipate material changes in the purchase price allocations.

(b) Adjustment to record the preliminary estimate of ESG retiree benefits liabilities in excess of the market value of related assets at December 31, 1995. The Company is reviewing the actuarial data relative to the ESG retiree benefit plans and based on the results of the review the liability may be adjusted.

(c) Adjustment to reflect a change in the method of recognizing contract revenue from the milestone method applied by ESG to conform with the Company's method of revenue recognition, the cost-to-cost type of percentage of completion, on similar type contracts (adjustment for the year ended December 31, 1995: net sales -- $113 million; operating costs -- $103 million).

(d) Adjustment to amortize goodwill over a 40-year period on a straight-line basis and other purchased intangibles on a straight-line basis over periods ranging from 1 to 10 years, with a combined weighted average life of 33 years which results in amortization for the twelve-month period ended December 31, 1995 of $118 million and amortization for the three-month period ended March 31, 1996 of $21 million.

(e) Adjustment to record interest expense on $3 billion of borrowings incurred in connection with the acquisition of ESG at an average annual effective interest rate of 7%. A change of 1/8% in the assumed annual interest rate on the variable rate debt of approximately $2 billion would change the annual interest expense by approximately $2.5 million.

(f) Adjustment to record the income tax effects of pretax pro forma adjustments.

(g) Northrop Grumman data includes one month of combined operations of Northrop Grumman and ESG. ESG data reflects operations for the two months ended February 29, 1996.

(h) Adjustment to eliminate intercompany sales between ESG and the Company (for the year ended December 31, 1995: net sales -- $101 million; for the three months ended March 31, 1996: net sales -- $12 million).

THE COMPANY

GENERAL

Northrop Grumman Corporation (the "Company") is an advanced technology aerospace and defense company operating primarily in two business segments: electronics and systems integration and military and commercial aircraft. Within the electronics and systems integration segment, the Company is engaged in the design, development and manufacture of a wide variety of complex electronic products such as airborne radar, surveillance and battle management systems, electronic countermeasures, precision weapons, antisubmarine warfare systems and air traffic control systems. Within the military and commercial aircraft segment, the Company is engaged in the design, development, manufacture and modification of military aircraft and commercial aerostructures. The Company is also engaged in the design, development and manufacture of information systems, marine propulsion and power generation systems and a variety of other products and services. Approximately three-fourths of the Company's revenues in 1996 are expected to be generated from the U.S. Department of Defense (the "DOD"), with the balance provided by contracts with commercial aerospace manufacturers, other U.S. government agencies and various foreign customers.

On March 1, 1996, the Company completed the acquisition of the Electronic Systems Group of Westinghouse Electric Corporation which is now the Company's Electronic Sensors and Systems Division ("ESSD"). ESSD is a leading supplier of electronics systems for defense, government and commercial applications. This acquisition further enhances the Company's electronics and systems integration capabilities, broadens the Company's product offerings and provides growth opportunities in key defense and commercial markets. See "-- Acquisition of ESG" and "-- Divisions -- Electronic Sensors and Systems Division."

In 1992 the Company acquired a 49% interest in Vought Aircraft Company ("Vought"), a leading manufacturer of commercial and military aerostructures. In 1994 the Company acquired Grumman Corporation ("Grumman") and the remaining portion of Vought. With Grumman, the Company acquired a premier supplier of electronic surveillance and electronic systems integration products as well as military aircraft.

The Company has a balance of programs in both the production and development phases. While production programs generally involve less risk and generate greater cash flow than development programs, development programs are essential for future growth opportunities. Based on its backlog and business mix, the Company believes that its cash flow from operations as compared to its investment requirements will result in significant cash flow available for debt reduction, dividends and other uses over the next several years.

Many of the Company's programs are among the principal programs for the various branches of the U.S. military. The Company is the prime contractor on the B-2 Stealth Bomber, the only strategic bomber currently in production; the principal subcontractor on the F/A-18C/D Hornet, the U.S. Navy's primary strike/attack aircraft, as well as on the next generation F/A-18E/F Super Hornet; the prime contractor on the E-2C Hawkeye, the U.S. Navy's principal early warning, command and control aircraft; the prime contractor for the E-8 Joint STARS aircraft radar system, which will be the primary airborne ground surveillance and battle management system for the U.S. Air Force and Army; the prime contractor on the BAT "Brilliant" self-guided submunition under development for the U.S. Army; the supplier of the APG-68 Fire Control Radar used on the F-16, one of the most widely used fighter aircraft in the world; the supplier of the ARSR-4 Long Range Radar, a three-dimensional air traffic control radar system used by the U.S. Air Force and the U.S. Federal Aviation Administration; and the supplier of the AN/APY-1, 2 surveillance radar which provides real-time, all-altitude and beyond-the-horizon target detection, identification and tracking for the E-3 AWACS surveillance aircraft.

The Company is also one of the world's leading manufacturers of commercial aerostructures and components. The Company manufactures major portions of the Boeing 747, 757 and 767 jetliners, as well as significant subassemblies and components for other commercial aircraft, including the Boeing 777 jetliner.

The Company was founded in 1939 and reincorporated in 1985 in Delaware. The Company's executive offices are located at 1840 Century Park East, Los Angeles, California 90067 and its telephone number is (310) 553-6262.

STRATEGY

The Company intends to strengthen its position as a leader in the aerospace and defense industry by pursuing the following strategies: (i) focusing on segments of defense markets that are growing and where the Company has premier technological capabilities, particularly in electronics and electronics systems integration; and (ii) leveraging its airframe design expertise and manufacturing strengths to remain a key competitor in military aircraft and commercial aerostructures. The Company has been pursuing these strategies since 1992 through both internal initiatives and acquisitions and, as a result, enjoys leading positions in those market segments in which it chooses to compete. The Company's primary objective in pursuit of these strategies is to maximize total return on investment.

The Company is transforming itself from being primarily an aircraft designer/manufacturer to an electronics and systems integration company with a leading airframe and aerostructures business. In early 1994, the Company significantly expanded its electronics business with the acquisition of Grumman. In March of 1996, the Company acquired ESG, a leading producer of sophisticated electronics for defense, government and commercial applications. As a result of these acquisitions, the Company expects that its electronics and systems integration revenues will approximate nearly 50% of total revenues in 1996 and that this percentage will continue to increase in the future.

This strategic transformation positions the Company to meet the growing needs of the DOD for more sophisticated electronics and integrated electronics systems. Since the end of the Cold War, the DOD has recognized the necessity of maintaining an effective fighting force with fewer defense dollars, thereby placing a premium on sophisticated systems that provide long-range surveillance, battle management and precision-strike capabilities. As military systems have become more complex, integration of the electronic functions of the various platforms, weapons and support systems has become increasingly important. Budget constraints have also encouraged spending on program modifications, upgrades and extensions rather than on new development programs, further increasing demand for sophisticated electronics systems. As a technological leader in designing, manufacturing and integrating the sophisticated electronics systems that provide long-range surveillance, battle management and precision-strike capabilities, the Company believes that it is well positioned to serve the electronic systems market.

The Company has also strengthened its military and commercial aircraft segment. In 1992, the Company acquired 49% of Vought and in 1994 acquired Grumman and the remaining 51% of Vought. These acquisitions and the Company's internal initiatives have enabled the Company to establish a leading position in military aircraft and commercial aerostructures. The Company believes that it will maintain this leadership position as a result of its airframe design experience, including stealth technology, as well as its cost-competitive manufacturing capabilities.

ACQUISITION OF ESG

On March 1, 1996, the Company completed the acquisition of ESG for approximately $2.9 billion in cash (the "Acquisition"). For the year ended December 31, 1995, ESG generated revenue of $2.6 billion. The Acquisition was financed with a combination of bank borrowings and intermediate and long-term notes and debentures. The business of ESG is now operated as the Company's new Electronic Sensors and Systems Division ("ESSD").

ESSD is a leading supplier of electronic systems for defense, government and commercial applications. It employs nearly 12,000 people worldwide at 15 operating locations, primarily in the United States. ESSD has a diversified portfolio of programs with no single program accounting for more than 10% of revenues in 1995. Approximately one-half of ESSD's 1995 revenues were attributable to radar technology applied to surveillance, fire control, air traffic control and other purposes. ESSD also designs and manufactures other avionics products, electro-optical systems, undersea and marine products and material handling systems.

The Acquisition represents a substantial step in the Company's continuing transformation from an aircraft designer/manufacturer to an electronics and systems integration company with a leading aircraft and aerostructures business. The Acquisition enables the Company to serve a larger customer base, domestically and internationally, and is expected to provide the opportunity to achieve revenue growth and greater cash flow stability. The Acquisition will also enable the Company to enhance its role on important programs such as E-8 Joint STARS and BAT, and to expand its business into the areas of air traffic control and anti-submarine warfare systems.

DIVISIONS

The Company is organized into five operating divisions: Military Aircraft Systems Division; Electronic Sensors and Systems Division; Electronics and Systems Integration Division; Commercial Aircraft Division; and Data Systems and Services Division. In addition, the Company's Advanced Technology and Development Center provides product development and technology functions for all of the operating divisions, drawing on technologies and skills in each of the divisions.

MILITARY AIRCRAFT SYSTEMS DIVISION

The Military Aircraft Systems Division is responsible for the development and manufacture of several types of military aircraft. The Company is the prime contractor for the B-2, a strategic, long-range, large payload bomber with advanced stealth technology that is capable of operating at both high and low altitudes. The B-2 is able to penetrate the most sophisticated air-defenses and is capable of responding more quickly, from greater distances and with more accurate firepower than any other U.S. aircraft.

The Company is currently under contract to provide 20 operational and one test B-2 aircraft. All 21 aircraft are fully funded. To date, the Company has delivered six test aircraft and 11 of 15 production aircraft. At least five out of the six test aircraft will be refurbished to an operational configuration and delivered to the U.S. Air Force. The Clinton Administration has announced its intent, and the Company has been asked to provide a proposal, to refurbish the remaining test aircraft for subsequent delivery to the U.S. Air Force as an operational vehicle. The U.S. Air Force currently operates a squadron of 10 B-2s at Whiteman Air Force Base in Missouri. In addition, the B-2 program is expected to generate maintenance and support revenues upon completion of production. While the Company continues to seek funding for additional B-2s, there is no assurance that such funding will be available.

The Company is the prime or principal subcontractor on all of the U.S. Navy's carrier-based fighter, attack and early warning aircraft, including the F/A-18. For more than two decades the Company has been teamed with prime contractor McDonnell Douglas on the F/A-18 program. The F/A-18C/D Hornet is the U.S. Navy's primary strike/attack aircraft and is deployed by the Navy from aircraft carriers and by the Marines from air bases. In total, more than 1,300 F/A-18 Hornets have been delivered to the U.S. and to certain foreign governments. The Company produces approximately 40% of each F/A-18C/D Hornet, including the center and aft fuselage, twin vertical tails and all associated subsystems. The Company is also the principal subcontractor on the U.S. Navy's newest combat aircraft, the F/A-18E/F Super Hornet, which successfully completed its first test flight in November 1995. The F/A-18E/F Super Hornet has greater range and payload, more powerful engines and more advanced avionics and weapon systems than the F/A-18C/D Hornet. The Company will also produce approximately 40% of each F/A-18E/F Super Hornet. The first production deliveries are scheduled to begin in 1999, with initial operating capability expected in 2001.

Modification and enhancement of existing airborne platforms has become an important part of the military aircraft market. With U.S. and foreign defense planners seeking modern systems at affordable costs, upgrading existing aircraft can be an attractive alternative to the purchase of new aircraft. The Company provides a broad array of aircraft upgrade, modification, overhaul and support services for several operational aircraft, including the F-5, T-38, F-14, C-2 and A-10. The Company is also responsible for remanufacturing Boeing 707 aircraft as the platform for the Company's E-8 Joint STARS program, for structural enhancements of the EA-6B Prowler and for airframe upgrades of the E-2C Hawkeye.

ELECTRONIC SENSORS AND SYSTEMS DIVISION

The Electronic Sensors and Systems Division ("ESSD") represents the acquired business of ESG. ESSD has a diversified portfolio of programs with no single program accounting for more than 10% of revenues in 1995. Approximately one-half of ESSD's 1995 revenues were attributable to radar technology applied to surveillance, fire control, air traffic control and other purposes. ESSD also designs and manufactures other avionics products, electro-optical systems, underseas and marine products and material handling systems.

With its state-of-the-art surveillance and imaging technologies, ESSD has gained significant positions on a wide variety of high priority platforms for the DOD and certain foreign governments. ESSD produces radars and electronics for military aircraft and battlespace management systems, including those for the F-16 fighter, Apache Longbow helicopter, B-1B bomber, C-130 transport and E-3 AWACS and E-8 Joint STARS surveillance aircraft.

ESSD's products are also present on numerous development programs such as the F-22 fighter and the Comanche helicopter. Should budget pressures force the stretch-out of these next generation programs, ESSD is expected to benefit from an increased demand for electronic upgrades and retrofits to existing aircraft. For example, ESSD is currently providing mid-life fire control radar upgrades for the F-16.

ESSD is also a leading supplier of air traffic control radars to the U.S. Federal Aviation Administration and to countries in Europe, the Middle East, Africa, Asia and South America. ESSD is the prime contractor on the ASR-9 terminal radar system which detects and displays aircraft and weather conditions simultaneously, helping air traffic controllers guide aircraft through traffic-dense regions surrounding airports. The international air traffic control market is expected to increase significantly, due in large part to the growth of international air traffic and infrastructure development in Asia and Eastern Europe. The Company believes that ESSD is well positioned to benefit from this anticipated growth in the international air traffic control market. ESSD also develops electronic countermeasures, tactical communication equipment, space products and underseas and marine technologies, including anti-submarine combat systems, surface ship propulsion and power generation equipment.

International sales are also an increasingly important component of ESSD's military electronics business. The F-16 radar system, ESSD's longest running program, is installed in the F-16s of 23 countries. In addition to the F-16, many other DOD weapon systems with ESSD subsystems, such as the E-3 AWACS surveillance aircraft and the AH-64 Apache helicopter, have been sold internationally.

ELECTRONICS AND SYSTEMS INTEGRATION DIVISION

The Electronics and Systems Integration Division manages major electronics systems programs. The Company is the overall systems integrator and prime contractor for the E-8 Joint STARS, the U.S. military's primary airborne radar system which is designed to provide real-time detection, location, classification and tracking of hostile moving and stationary ground targets. The surveillance capabilities of the E-8 Joint STARS will enable it to be a critical part of future battle management systems. The E-8 Joint STARS program is in limited production and funding has been approved for the first six E-8 Joint STARS production aircraft (designated the E-8C). One aircraft has been delivered, a second is expected to be delivered in 1996 and the remaining four aircraft are scheduled to be delivered in 1997 and 1998. The Company believes that U.S. government support for the E-8 Joint STARS program is strong, due in part to successful tests and operational activity of prototype aircraft in combat conditions in the Persian Gulf and Bosnia. The U.S. government has approved the sale of E-8 Joint STARS aircraft to NATO, although no such purchases have been committed to or funded.

The Company is the prime contractor for the E-2C Hawkeye, the U.S. Navy's principal early warning, command and control aircraft. The E-2C Hawkeye is designed for missions such as air defense, strike control, air traffic control and search and rescue. The U.S. Navy recently received approval for a program of 36 E-2C aircraft, of which seven are under contract for delivery during 1997 and 1998. The Company is also involved with the Navy's upgrade program for existing E-2C aircraft. In response to upgraded threat capabilities, the U.S. Navy continues to plan additional E-2C avionics improvements including data processing and capacity increases, passive detection systems, radar anti-jamming improvements, tactical program updates and jam resistant communication systems.

The Company is the prime contractor on the BAT "Brilliant" self-guided submunition program under development for the U.S. Army. This weapon may be carried by a variety of air vehicles and is designed to autonomously locate, attack and destroy tanks, armored vehicles and other mobile targets by using acoustic and infrared sensors working in combination with a high speed onboard computer. Prototype manufacture began in 1992, and the BAT is now in a testing phase to verify that the system meets all established requirements.

COMMERCIAL AIRCRAFT DIVISION

The Commercial Aircraft Division is one of the world's leading suppliers of aerostructures, as well as a major supplier of aircraft components for commercial and military use. The Company manufactures the fuselage and the tail section for the Boeing 747, the tail section for the Boeing 757 and 767, various other components for the Boeing 757, 767 and 777 and major subassemblies (including the tail section) for the McDonnell Douglas C-17 military transport. In April 1995, the Company entered into an agreement with Boeing to continue production of the major sections of the 747, 757 and 767 aircraft into the next century. The Company also produces wings for the new Gulfstream V ("G-V") business jet program and components for other aircraft. The G-V's first flight was in November 1995, and aircraft deliveries to customers are expected to begin in January 1997.

While the Company's commercial aircraft deliveries declined in 1995 compared to 1994, the three leading jet-airliner manufacturers collectively recorded substantially increased orders for new aircraft in 1995 compared to 1994. Boeing, the Company's largest customer for commercial aerostructures, announced in December 1995 and March 1996, planned increases in production rates for 1996 and 1997 for its 747, 767 and 777 models and a return to current levels of production in the second quarter of 1997 for its 757 model following a reduction in the fourth quarter of 1996. The Boeing labor strike, settled in January 1996, will cause some deliveries scheduled for 1996 to be made in 1997. The Company has made substantial investments in productivity improvements and capital equipment to further improve its competitive position in the growing commercial aerostructure marketplace.

DATA SYSTEMS AND SERVICES DIVISION

The Data Systems and Services Division provides data processing system services for external customers as well as the Company's various divisions. Included among these services are space station program support services, flight simulator maintenance services and the development of data processing systems for a wide variety of U.S. Government entities and applications. The Division also provides operational and support services to U.S. Air Force bases, an area of potential growth if the U.S. Government increases the outsourcing of maintenance and support activities.

DESCRIPTION OF CAPITAL STOCK

AUTHORIZED CAPITAL STOCK

Under the Company's Certificate of Incorporation, the total number of shares of stock which the Company has authority to issue is 210,000,000, consisting of 200,000,000 shares of Common Stock, par value $1.00 per share, and 10,000,000 shares of Preferred Stock, $1.00 par value per share. As of May 30, 1996, 49,638,407 shares of Common Stock were issued and outstanding, not including shares reserved for issuance under the Company's stock plans. No shares of Preferred Stock were issued and outstanding on such date. The Common Stock is listed on the New York Stock Exchange and the Pacific Stock Exchange.

PREFERRED STOCK

Under the Company's Certificate of Incorporation, the Board of Directors of the Company is authorized, without further stockholder action, to provide for the issuance of Preferred Stock in one or more series, with such designations of titles, dividend rates, redemption provisions, special or relative rights in the event of liquidation, dissolution, distribution or winding up of the Company, sinking fund provisions, conversion provisions, voting rights, and any other preferences, privileges, powers, rights, qualifications, limitations and restrictions, as shall be set forth as and when established by the Board of Directors of the Company.

DESCRIPTION OF COMMON STOCK

The holders of Common Stock are entitled to receive such dividends as may be declared from time to time by the Board of Directors out of funds legally available therefor subject to restrictions on the declaration of dividends on the Common Stock which may be imposed in connection with the issuance of shares of any class or series of Preferred Stock. The Company's principle credit agreement contains provisions restricting dividends and other distributions and the purchase or redemption of shares of Common Stock under certain circumstances. Except as otherwise provided by law, the holders of Common Stock are entitled to one vote per share on all matters submitted to a vote of stockholders and do not have cumulative voting rights. Holders of Common Stock are entitled to receive, upon any liquidation of the Company, all remaining assets available for distribution to stockholders after satisfaction of the Company's liabilities and the preferential rights of any Preferred Stock that may then be issued and outstanding. The outstanding shares of Common Stock are, and the shares offered hereby will be, upon payment therefore by the purchasers thereof, fully paid and nonassessable. The holders of Common Stock have no preemptive, conversion or redemption rights. The registrar and transfer agent for the Common Stock is ChaseMellon Shareholder Services L.L.C., New York.

COMMON STOCK PURCHASE RIGHTS

In 1988, the Company's Board of Directors authorized the distribution of one Common Stock Purchase Right (a "Right") for each outstanding share of Common Stock.

As distributed, the Rights trade together with the Common Stock. They may be exercised or traded separately 10 business days after a person or group of persons acquires 15% or more of the outstanding Common Stock, or announces the intention to make a tender offer for 30% or more of the Company's outstanding Common Stock. Upon exercise, each Right entitles the holder thereof to buy one share of Common Stock at a price of $105. If a Person acquires 15% of the outstanding voting power of the Company, each Right (other than those held by the acquiror) will entitle its holder to purchase, at the Right's exercise price, shares of Common Stock having a market value of two times the Right's exercise price. Additionally, if the Company is acquired in a merger or other business combination, each Right (other than those held by the surviving or acquiring company) will entitle its holder to purchase, at the Right's exercise price, shares of the acquiring company's common stock (or Common Stock of the Company if it is the surviving corporation) having a market value of two times the Right's exercise price.

Rights may be redeemed at the option of the Board of Directors for $.02 per Right at any time prior to the earlier of the expiration of the Rights or the date that a person or persons acquire 15% of the general voting power of the Company. The Board may amend the Rights at any time without stockholder approval. The Rights will expire by their terms in October 1998.

CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES FOR NON-UNITED STATES HOLDERS

The following is a general discussion of certain United States federal income and estate tax consequences of the ownership and disposition of Common Stock by a holder of such stock that, for United States federal income tax purposes, is not a "United States person" (a "Non-United States Holder"). This discussion is not intended to be exhaustive and is based on statutes, regulations, rulings and court decisions as currently in effect all of which may be changed either retroactively or prospectively. This discussion does not consider any specific facts or circumstances that may apply to a particular Non-United States Holder (including, for example, the fact that, in the case of a Non-United States Holder that is a partnership, the U.S. tax consequences of purchasing, holding and disposing of Common Stock may be affected by determinations made both at the partnership and the partner level) and applies only to Non-United States Holders that hold Common Stock as a capital asset. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE UNITED STATES FEDERAL TAX CONSEQUENCES OF ACQUIRING, HOLDING AND DISPOSING OF COMMON STOCK (INCLUDING SUCH INVESTOR'S STATUS AS A UNITED STATES PERSON OR NON-UNITED STATES HOLDER) AS WELL AS ANY TAX CONSEQUENCES THAT MAY ARISE UNDER THE LAWS OF ANY STATE, MUNICIPALITY OR OTHER TAXING JURISDICTION.

For purposes of this discussion, "United States person" means a citizen or resident of the United States, a corporation or partnership created or organized in the United States or under the laws of the United States or of any political subdivision thereof, or an estate or trust whose income is includable in gross income for United States federal income tax purposes regardless of its source. An alien individual generally is treated as a United States person for any calendar year if either (i) the individual is present in the United States 183 days or more during such calendar year or (ii) the individual is present in the United States at least 31 days during such calendar year and the sum of the number of days present during such calendar year, one-third the number of days present during the first preceding year and one-sixth the number of days present during the second preceding year is 183 or more.

DIVIDENDS

Dividends paid to a Non-United States Holder generally will be subject to withholding of United States federal income tax at the rate of 30%, unless the withholding rate is reduced under an applicable income tax treaty between the United States and the country of tax residence of the Non-United States Holder. No U.S. withholding will apply if the dividend is effectively connected with a trade or business conducted within the United States by the Non-United States Holder (or, alternatively, where an income tax treaty applies, if the dividend is effectively connected with a permanent establishment maintained within the United States by the Non-United States Holder), but, instead, the dividend will be subject to the United States federal income tax on net income that applies to United States persons (and, with respect to corporate holders, may also be subject to the branch profits tax). A Non-United States Holder may be required to satisfy certain certification requirements in order to claim treaty benefits or to otherwise claim a reduction of or exemption from withholding under the foregoing rules. A Non-United States Holder that is eligible for a reduced rate of U.S. withholding tax pursuant to a tax treaty may obtain a refund of any excess amounts currently withheld by filing an appropriate claim for refund with the United States Internal Revenue Service (the "Service").

GAIN ON DISPOSITION

Subject to special rules described below, a Non-United States Holder will generally not be subject to United States federal income tax on gain recognized on a sale or other disposition of Common Stock unless the gain is effectively connected with a trade or business conducted within the United States by the Non-United States Holder (or, alternatively, where an income tax treaty applies, unless the gain is effectively connected with a permanent establishment maintained within the United States by the Non-United States Holder). Any such effectively connected gain would be subject to the United States federal income tax on net income that applies to United States persons (and, with respect to corporate holders, may also be subject to the branch profits tax). Such tax is not collected by withholding.

In addition, an individual Non-United States Holder who holds Common Stock would generally be subject to tax at a 30% rate on any gain recognized on the disposition of such Common Stock if such individual is present in the United States for 183 days or more in the taxable year of disposition and either (i) has a "tax home" in the United States (as specifically defined for purposes of the United States federal income tax) or (ii) maintains an office or other fixed place of business in the United States and the income from the sale of the stock is attributable to such office or other fixed place of business. Individual Non-United States Holders may also be subject to tax pursuant to provisions of United States federal income tax law applicable to certain United States expatriates.

Also, special rules apply to Non-United States Holders if the Company is or becomes a "United States real property holding corporation" for United States federal income tax purposes. The Company believes that it has not been, is not currently, and is not likely to become, a United States real property holding corporation. If the Company were a United States real property holding corporation, gain or loss on a sale of the Common Stock by any Non-United States Holder (other than, in most cases, a Non-United States Holder that owns or owned (directly or constructively) 5% or less of the Common Stock during the five-year period ending on the date of such sale) would be treated as income effectively connected with the conduct of a trade or business within the United States by the holder and subject to the net income tax described above.

UNITED STATES FEDERAL ESTATE TAXES

Common Stock owned or treated as owned by an individual who is not a citizen or resident (as specially defined for United States federal estate tax purposes) of the United States at the date of death, or Common Stock subject to certain lifetime transfers made by such an individual, will be included in such individual's estate for United States federal estate tax purposes and may be subject to United States federal estate tax, unless an applicable estate tax treaty provides otherwise. Estates of nonresident aliens are generally allowed a credit that is equivalent to an exclusion of $60,000 of assets from the estate for United States federal estate tax purposes.

INFORMATION REPORTING AND BACKUP WITHHOLDING

The Company must report annually to the Service and to each Non-United States Holder the amount of dividends paid to, and the tax withheld with respect to, such holder, regardless of whether any tax was actually withheld. That information may also be made available to the tax authorities of the country in which a Non-United States Holder resides.

United States federal backup withholding tax (which, generally, is imposed at the rate of 31% on certain payments to persons not otherwise exempt who fail to furnish information required under United States information reporting requirements) generally will not apply to dividends paid to a Non-United States Holder either at an address outside the United States (provided that the payor does not have actual knowledge that the payee is a United States person) or if the dividends are subject to withholding at the 30% rate (or lower treaty rate). As a general matter, information reporting and backup withholding also will not apply to a payment of the proceeds of a sale of Common Stock by a foreign office of a broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a sale of Common Stock by a foreign office of a broker that is a United States person, or by a foreign office of a foreign broker that derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, or that is a "controlled foreign corporation" as to the United States, unless the broker has documentary evidence in its records that the holder is a Non-United States Holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment by a United States office of a broker of the proceeds of a sale of Common Stock is subject to both backup withholding and information reporting unless the holder certifies as to its non-United States status under penalties of perjury or otherwise establishes an exemption (and the broker has no actual knowledge to the contrary.) The backup withholding tax is not an additional tax and may be credited against the Non-United States Holder's United States federal income tax liability or refunded to the extent excess amounts are withheld, provided that the required information is supplied to the Service.

NEW PROPOSED REGULATIONS

The United States Treasury recently proposed new regulations regarding the withholding and information reporting rules discussed above. Among other changes, the proposed regulations would unify certification forms and procedures, require certification of residence to claim treaty benefits, and clarify reliance standards and make other changes affecting withholding agents and intermediaries. If finalized in their current form, the proposed regulations would generally be effective for payments made after December 31, 1997, subject to certain transition rules.

UNDERWRITING

Under the terms and subject to the conditions contained in an Underwriting Agreement dated June 3, 1996 (the "U.S. Underwriting Agreement"), the underwriters named below (the "U.S. Underwriters"), for whom CS First Boston Corporation, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc are acting as representatives (the "Representatives"), have severally and not jointly agreed to purchase from the Company the following respective numbers of U.S. Shares:

U.S. UNDERWRITER	NUMBER OF U.S. SHARES
CS First Boston Corporation	1,400,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	1,400,000
Salomon Brothers Inc	1,400,000
Bear, Stearns & Co. Inc.	175,000
BT Securities Corporation	175,000
Cowen & Company	175,000
Deutsche Morgan Grenfell/C.J. Lawrence Inc.	175,000
Goldman, Sachs & Co.	175,000
Lehman Brothers Inc.	175,000
J.P. Morgan Securities Inc.	175,000
Oppenheimer & Co., Inc.	175,000
PaineWebber Incorporated	175,000
Scotia Capital Markets (USA) Inc.	175,000
Total	5,950,000

The U.S. Underwriting Agreement provides that the obligations of the U.S. Underwriters are subject to certain conditions precedent and that the U.S. Underwriters will be obligated to purchase all of the U.S. Shares offered hereby (other than those shares covered by the overallotment option described below) if any are purchased. The U.S. Underwriting Agreement provides that, in the event of a default by a U.S. Underwriter, in certain circumstances the purchase commitments of non-defaulting U.S. Underwriters may be increased or the U.S. Underwriting Agreement may be terminated.

The Company has entered into a Subscription Agreement (the "Subscription Agreement") with the Managers of the International Offering (the "Managers") providing for the concurrent offer and sale of the International Shares outside the United States and Canada. The closing of the U.S. Offering is a condition to the closing of the International Offering and vice versa.

The Company has granted to the U.S. Underwriters and the Managers an option, exercisable by CS First Boston Corporation, expiring at the close of business on the thirtieth (30th) day after the date of this Prospectus, to purchase up to 1,050,000 additional shares at the initial public offering price, less the underwriting discounts or commissions, all as set forth on the cover page of this Prospectus. Such option may be exercised only to cover over-allotments in the sale of the Common Stock offered hereby. To the extent that this option to purchase is exercised, each U.S. Underwriter and each Manager will become obligated, subject to certain conditions, to purchase approximately the same percentage of additional shares being sold to the U.S. Underwriters and the Managers as the number of U.S. Shares set forth next to such U.S. Underwriter's name in the preceding table and as the number of International Shares set forth next to such Manager's name in the corresponding table in the prospectus relating to the International Offering bears to the sum of the total number of shares of Common Stock in such tables.

The Company has been advised by the Representatives that the U.S. Underwriters propose to offer the U.S. Shares to the public in the United States and Canada initially at the offering price set forth on the cover page of this Prospectus and, through the Representatives, to certain dealers at such price less a concession of $1.20 per share, and the U.S. Underwriters and such dealers may allow a discount of $.10 per share on sales to certain other dealers. After the initial public offering, the public offering price and concession and discount to dealers may be changed by the Representatives.

The public offering price and the aggregate underwriting discounts and commissions per share and per share concession and discount to dealers for the U.S. Offering and the concurrent International Offering will be identical. Pursuant to an Agreement between the U.S. Underwriters and the Managers (the "Intersyndicate Agreement") relating to the Offerings, changes in the public offering price, concession and discount to dealers will be made only upon mutual agreement of CS First Boston Corporation, as representative of the U.S. Underwriters, and CS First Boston Limited ("CSFBL") on behalf of the Managers.

Pursuant to the Intersyndicate Agreement, each of the U.S. Underwriters has agreed that, as part of the distribution of the U.S. Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock to any person outside the United States or Canada or to any other dealer who does not so agree. Each of the Managers has agreed or will agree that, as part of the distribution of the International Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock in the United States or Canada or to any dealer who does not so agree. The foregoing limitations do not apply to stabilization transactions or to transactions between the U.S. Underwriters and the Managers pursuant to the Intersyndicate Agreement. As used herein, "United States" means the United States of America (including the States and the District of Columbia), its territories, possessions and other areas subject to its jurisdiction, "Canada" means Canada, its provinces, territories, possessions and other areas subject to its jurisdiction, and an offer or sale shall be in the United States or Canada if it is made to (i) any individual resident of the United States or Canada or (ii) any corporation, partnership, pension, profit-sharing or other trust or other entity (including any such entity acting as an investment advisor with discretionary authority) whose office most directly involved with the purchase is located in the United States or Canada.

Pursuant to the Intersyndicate Agreement, sales may be made between the U.S. Underwriters and the Managers of such number of shares of Common Stock as may be mutually agreed upon. The price of any shares so sold will be the public offering price, less such amount as may be mutually agreed upon by CS First Boston Corporation, as representative of the U.S. Underwriters, and CSFBL, on behalf of the Managers, but such amount will not exceed the selling concession applicable to such shares. To the extent there are sales between the U.S. Underwriters and the Managers pursuant to the Intersyndicate Agreement, the number of shares of Common Stock initially available for sale by the U.S. Underwriters or by the Managers may be more or less than the amount appearing on the cover page of this Prospectus. Neither the U.S. Underwriters nor the Managers are obligated to purchase from the other any unsold shares of Common Stock.

The Company has agreed that it will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), relating to any additional shares of its Common Stock or securities convertible into or exchangeable or exercisable for any shares of its Common Stock, or publicly disclose the intention to make any such offer, sale, pledge, disposal or filing, without the prior written consent of CS First Boston Corporation for a period of 90 days after the date of this Prospectus, except for issuances of Common Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants, rights or options in each case outstanding as of the date of this Prospectus, grants of employee stock options or rights pursuant to a plan in effect on the date of this Prospectus, issuances pursuant to the exercise of such options or rights, issuances pursuant to the Company's dividend reinvestment plan as in effect on the date of this Prospectus, and any filing of a registration statement under the Securities Act with respect to any of the foregoing permitted issuances or grants.

The Company has agreed to indemnify the U.S. Underwriters and the Managers against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments that the U.S. Underwriters and the Managers may be required to make in respect thereof.

Certain of the U.S. Underwriters and Managers and their affiliates have from time to time performed, and continue to perform, various investment banking and commercial banking services for the Company, for which customary compensation has been received.

NOTICE TO CANADIAN RESIDENTS

RESALE RESTRICTIONS

The distribution of the Common Stock in Canada is being made only on a private placement basis exempt from the requirement that the Company prepare and file a prospectus with the securities regulatory authorities in each province where trades of the Common Stock are effected. Accordingly, any resale of the Common Stock in Canada must be made in accordance with applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with available statutory exemptions or pursuant to a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Common Stock.

REPRESENTATIONS OF PURCHASERS

Each purchaser of Common Stock in Canada who receives a purchase confirmation will be deemed to represent to the Company and the dealer from whom such purchase confirmation is received that (i) such purchaser is entitled under applicable provincial securities laws to purchase such Common Stock without the benefit of a prospectus qualified under such securities laws, (ii) where required by law, that such purchaser is purchasing as principal and not as agent, and (iii) such purchaser has reviewed the text above under "Resale Restrictions."

RIGHTS OF ACTION AND ENFORCEMENT

The securities being offered are those of a foreign issuer and Ontario purchasers will not receive the contractual right of action prescribed by section 32 of the Regulation under the Securities Act (Ontario). As a result, Ontario purchasers must rely on other remedies that may be available, including common law rights of action for damages or rescission or rights of action under the civil liability provisions of the U.S. federal securities laws.

All of the issuer's directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Ontario purchasers to effect service of process within Canada upon the issuer or such persons. All or a substantial portion of the assets of the issuer and such persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the issuer or such persons in Canada or to enforce a judgment obtained in Canadian courts against such issuer or persons outside of Canada.

NOTICE TO BRITISH COLUMBIA RESIDENTS

A purchaser of Common Stock to whom the Securities Act (British Columbia) applies is advised that such purchaser is required to file with the British Columbia Securities Commission a report within ten days of the sale of any shares of Common Stock acquired by such purchaser pursuant to this Offering. Such report must be in the form attached to British Columbia Securities Commission Blanket Order BOR #95/17, a copy of which may be obtained from the Company. Only one such report must be filed in respect of shares of Common Stock acquired on the same date and under the same prospectus exemption.

EXPERTS

The consolidated financial statements of the Company as of December 31, 1995, 1994, 1993, 1992 and 1991, and for each of the five years in the period ended December 31, 1995 incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 1995, 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 combined financial statements of Electronic Systems (a unit of Westinghouse Electric Corporation) incorporated in this Prospectus by reference to the Current Report on Form 8-K/A of the Company dated May 31, 1996 have been so incorporated in reliance on the report of Price Waterhouse LLP, independent accountants, given upon the authority of said firm as experts in accounting and auditing.

LEGAL MATTERS

The validity of the issuance of the shares of Common Stock and certain other legal matters related to the Offerings will be passed upon for the Company by Sheppard, Mullin, Richter & Hampton LLP, Los Angeles, California. Latham & Watkins, Los Angeles, California, will pass on certain legal matters for the U.S. Underwriters and Managers.

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NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER OR MANAGER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF OR THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE SUCH DATE.

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NORTHROP GRUMMAN

7,000,000 Shares

Common Stock
($1.00 PAR VALUE)

P R O S P E C T U S

CS First Boston
Merrill Lynch & Co.
Salomon Brothers Inc

- --

7,000,000 Shares

NORTHROP GRUMMAN
Common Stock
($1.00 PAR VALUE)

ALL OF THE SHARES OF COMMON STOCK, PAR VALUE $1.00 PER SHARE ("COMMON STOCK"), OF NORTHROP GRUMMAN CORPORATION (THE "COMPANY") OFFERED HEREBY ARE BEING SOLD BY THE COMPANY. OF THE 7,000,000 SHARES OF COMMON STOCK BEING OFFERED, 1,050,000 SHARES ARE INITIALLY BEING OFFERED OUTSIDE THE UNITED STATES AND CANADA (THE "INTERNATIONAL SHARES") BY THE MANAGERS (THE "INTERNATIONAL OFFERING") AND 5,950,000 SHARES ARE INITIALLY BEING CONCURRENTLY OFFERED IN THE UNITED STATES AND CANADA (THE "U.S. SHARES") BY THE U.S. UNDERWRITERS (THE "U.S. OFFERING" AND, TOGETHER WITH THE INTERNATIONAL OFFERING, THE "OFFERINGS"). THE OFFERING PRICE AND UNDERWRITING DISCOUNTS AND COMMISSIONS OF THE INTERNATIONAL OFFERING AND THE U.S. OFFERING ARE IDENTICAL.

THE COMMON STOCK OF THE COMPANY IS LISTED ON THE NEW YORK STOCK EXCHANGE (THE "NYSE") AND THE PACIFIC STOCK EXCHANGE UNDER THE SYMBOL "NOC." ON JUNE 3, 1996, THE LAST REPORTED SALE PRICE OF THE COMMON STOCK ON THE NYSE WAS $63.25. SEE "PRICE RANGE OF COMMON STOCK AND DIVIDENDS."

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS	PROCEEDS TO COMPANY(1)
PER SHARE	$63.25	$1.97	$61.28
TOTAL (2)	$442,750,000	$13,790,000	$428,960,000

(1) BEFORE DEDUCTION OF EXPENSES PAYABLE BY THE COMPANY, ESTIMATED AT $700,000.

(2) THE COMPANY HAS GRANTED THE MANAGERS AND THE U.S. UNDERWRITERS AN OPTION, EXERCISABLE BY CS FIRST BOSTON CORPORATION FOR THIRTY (30) DAYS FROM THE DATE OF THIS PROSPECTUS TO PURCHASE A MAXIMUM OF 1,050,000 ADDITIONAL SHARES TO COVER OVER-ALLOTMENTS OF SHARES. IF THE OPTION IS EXERCISED IN FULL, THE TOTAL PRICE TO PUBLIC WILL BE $509,162,500, UNDERWRITING DISCOUNTS AND COMMISSIONS WILL BE $15,858,500 AND PROCEEDS TO COMPANY WILL BE $493,304,000.

THE INTERNATIONAL SHARES ARE OFFERED BY THE SEVERAL MANAGERS WHEN, AS AND IF ISSUED BY THE COMPANY, DELIVERED TO AND ACCEPTED BY THE MANAGERS AND SUBJECT TO THEIR RIGHT TO REJECT ORDERS IN WHOLE OR IN PART. IT IS EXPECTED THAT THE INTERNATIONAL SHARES WILL BE READY FOR DELIVERY ON OR ABOUT JUNE 7, 1996, AGAINST PAYMENT IN IMMEDIATELY AVAILABLE FUNDS.

CS First Boston   Merrill Lynch International

Salomon Brothers International Limited

Credit Lyonnais Securities   Deutsche Morgan Grenfell

NatWest Securities Limited   Societe Generale

THE DATE OF THIS PROSPECTUS IS JUNE 3, 1996.

IN CONNECTION WITH THE OFFERINGS, CS FIRST BOSTON CORPORATION ON BEHALF OF THE U.S. UNDERWRITERS AND THE MANAGERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, THE PACIFIC STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

DURING THIS OFFERING, CERTAIN PERSONS AFFILIATED WITH PERSONS PARTICIPATING IN THE DISTRIBUTION MAY ENGAGE IN TRANSACTIONS FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS IN THE COMMON STOCK OF THE COMPANY PURSUANT TO EXEMPTIONS CONTAINED IN RULES 10B-6, 10B-7 AND 10B-8 UNDER THE SECURITIES EXCHANGE ACT OF 1934.

FORWARD LOOKING STATEMENTS

THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS, CONCERNING, AMONG OTHER THINGS, FUTURE RESULTS OF OPERATIONS, DELIVERIES, TRENDS, CASH FLOWS, MARKETS AND PROGRAMS ARE PROJECTIONS AND ARE NECESSARILY SUBJECT TO VARIOUS RISKS AND UNCERTAINTIES. ACTUAL OUTCOMES ARE DEPENDENT UPON 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, TERMINATION OF GOVERNMENT CONTRACTS, POLITICAL PROCESSES, LEGAL, FINANCIAL AND GOVERNMENTAL RISKS RELATED TO INTERNATIONAL TRANSACTIONS AND GLOBAL NEEDS FOR MILITARY AND COMMERCIAL AIRCRAFT AND ELECTRONIC SYSTEMS AND SUPPORT, AS WELL AS OTHER ECONOMIC, POLITICAL AND TECHNOLOGICAL RISKS AND UNCERTAINTIES.

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AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information may be inspected and copies may be obtained at the principal office of the Commission at 450 Fifth Street, N.W, Washington, D.C. 20549, and at the following regional offices of the Commission: Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661; and 7 World Trade Center, 13th Floor, New York, New York 10048. Copies of such materials can be obtained from the Public Reference Section of the Commission, 450 Fifth Street, N.W, Washington, D.C. 20549, at prescribed rates. Reports, proxy statements and other information concerning the Company can also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005; and the Pacific Stock Exchange, Inc., 233 South Beaudry Avenue, Los Angeles, California 90012, and 301 Pine Street, San Francisco, California 94104.

The Company has filed with the Commission a Registration Statement (herein, together with all amendments thereto, called the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities offered hereby. This Prospectus does not contain all of the information included in the Registration Statement and the exhibits and schedules thereto. Statements contained in this Prospectus as to the contents of any contract or other document referred to herein and filed as an exhibit to the Registration Statement are not necessarily complete, and, in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference. For further information with respect to the Company and the securities being offered hereby, reference is hereby made to the Registration Statement and the exhibits and schedules thereto.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company has filed with the Commission, pursuant to Section 13 of the Exchange Act:

(i) an Annual Report on Form 10-K for the year ended December 31, 1995;

(ii) a Current Report on Form 8-K filed March 18, 1996, as amended on Form 8-K/A dated May 31, 1996;

(iii) a Quarterly Report on Form 10-Q for the quarter ended March 31, 1996;

(iv) a description of the Common Stock of the Company set forth in a Registration Statement on Form 8-B dated June 20, 1985; and

(v) a description of the Common Stock Purchase Rights of the Company set forth in a Registration Statement on Form 8-A filed September 22, 1988, as amended on Form 8 filed August 2, 1991, as further amended on Form 8-A/A filed October 7, 1994;

which are hereby incorporated by reference in and made a part of this Prospectus.

All documents hereafter filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in and to be a part of this Prospectus from the date of filing of such documents. Any statement contained in a document incorporated by reference or deemed to be incorporated herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

In this Prospectus, references to "dollars" and "$" are to United States dollars.

THIS PROSPECTUS INCORPORATES DOCUMENTS BY REFERENCE WHICH ARE NOT PRESENTED HEREIN OR DELIVERED HEREWITH. THESE DOCUMENTS (NOT INCLUDING EXHIBITS TO SUCH DOCUMENTS, UNLESS SUCH EXHIBITS ARE INCORPORATED BY REFERENCE IN SUCH DOCUMENTS) ARE AVAILABLE WITHOUT CHARGE UPON WRITTEN OR ORAL REQUEST DIRECTED TO: JAMES C. JOHNSON, CORPORATE VICE PRESIDENT AND SECRETARY, NORTHROP GRUMMAN CORPORATION, 1840 CENTURY PARK EAST, LOS ANGELES, CALIFORNIA 90067 (TELEPHONE: (310) 553-6262).

SUBSCRIPTION AND SALE

The Institutions named below (the "Managers"), have, pursuant to a Subscription Agreement dated June 3, 1996 (the "Subscription Agreement"), severally but not jointly agreed to subscribe and pay for, the following respective numbers of International Shares as set forth opposite their names:

MANAGER	NUMBER OF INTERNATIONAL SHARES
CS First Boston Limited	450,000
Merrill Lynch International	200,000
Salomon Brothers International Limited	200,000
Credit Lyonnais Securities	50,000
Morgan Grenfell & Co. Limited	50,000
NatWest Securities Limited	50,000
Societe Generale	50,000
Total	1,050,000

The Subscription Agreement provides that the obligations of the Managers are such that, subject to certain conditions precedent, the Managers will be obligated to purchase all of the International Shares offered hereby (other than those shares covered by the over allotment option described below) if any are purchased. The Subscription Agreement provides that, in the event of a default by a Manager, in certain circumstances the purchase commitments of non-defaulting Managers may be increased or the Subscription Agreement may be terminated.

The Company has entered into an Underwriting Agreement (the "Underwriting Agreement") with the U.S. Underwriters of the U.S. Offering (the "U.S. Underwriters") providing for the concurrent offer and sale of the U.S. Shares in the United States and Canada. The closing of the U.S. Offering is a condition to the closing of the International Offering and vice versa.

The Company has granted to the Managers and the U.S. Underwriters an option, exercisable by CS First Boston Corporation ("CSFBC"), expiring at the close of business on the thirtieth (30th) day after the date of this Prospectus, to purchase up to 1,050,000 additional shares, at the initial public offering price, less the underwriting discounts or commissions, all as set forth on the cover page of this Prospectus. Such option may be exercised only to cover over-allotments in the sale of the shares of Common Stock offered hereby. To the extent that this option to purchase is exercised, each Manager and U.S. Underwriter will become obligated, subject to certain conditions, to purchase approximately the same percentage of additional shares being sold to the Managers and the U.S. Underwriters as the number of International Shares set forth next to such Manager's name in the preceding table and as the number of U.S. Shares set forth next to such U.S. Underwriter's name in the corresponding table in the prospectus relating to the U.S. Offering bears to the sum of the total number of shares of Common Stock in such tables.

The Company has been advised by CS First Boston Limited ("CSFBL"), on behalf of the Managers, that the Managers propose to offer the International Shares outside the United States and Canada initially at the public offering price set forth on the cover page of this Prospectus and, through the Managers, to certain dealers at such price less a commission of $1.20 per share, and the Managers and such dealers may allow a commission of $.10 per share on sales to certain other dealers. After the initial public offering, the public offering price and commission and reallowance may be changed by the Managers.

The offering price and the aggregate underwriting discounts and commissions per share and per share commission and reallowance to dealers for the International Offering and the concurrent U.S. Offering will be identical. Pursuant to an Agreement between the U.S. Underwriters and the Managers (the "Intersyndicate Agreement") relating to the Offerings, changes in the offering price, the aggregate Underwriting discounts and commissions per share and per share commission and reallowance to dealers, will be made only upon mutual agreement of CSFBL, on behalf of the Managers, and CSFBC on behalf of the U.S. Underwriters.

Pursuant to the Intersyndicate Agreement, each of the Managers has agreed that, as part of the distribution of the International Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock to any person in the United States or Canada or to any other dealer who does not so agree. Each of the U.S. Underwriters has agreed that, as part of the distribution of the U.S. Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock to any person outside the United States or Canada or to any dealer who does not so agree. The foregoing limitations do not apply to stabilization transactions or to transactions between the Managers and the U.S. Underwriters pursuant to the Intersyndicate Agreement. As used herein, "United States" means the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction, "Canada" means Canada, its provinces, territories and possessions and other areas subject to its jurisdiction, and an offer or sale shall be in the United States or Canada if it is made to (i) any individual resident of the United States or Canada or (ii) any corporation, partnership, pension, profit-sharing or other trust or other entity (including any such entity acting as an investment advisor with discretionary authority) whose office most directly involved with the purchase is located in the United States or Canada.

Pursuant to the Intersyndicate Agreement, sales may be made between the Managers and the U.S. Underwriters of such number of shares of Common Stock as may be mutually agreed upon. The price of any shares of Common Stock so sold will be the public offering price less such amount agreed upon by CSFBL, on behalf of the Managers, and CSFBC, as representative of the U.S. Underwriters, but such amount will not exceed the selling concession applicable to such shares. To the extent there are sales between the Managers and the U.S. Underwriters pursuant to the Intersyndicate Agreement, the number of shares of Common Stock initially available for sale by the Managers or by the U.S. Underwriters may be more or less than the amount appearing on the cover page of this Prospectus. Neither the Managers nor the U.S. Underwriters are obligated to purchase from the other any unsold shares of Common Stock.

Prior to the expiry of the period of six months from the closing of the Offerings no Common Stock may be offered or sold in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances that have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995. All applicable provisions of the Public Offers of Securities Regulations 1995 and the Financial Services Act 1986 must be complied with in respect of anything done in relation to any Common Stock in, from or otherwise involving the United Kingdom. No document issued in connection with the issue of any Common Stock may be issued or passed on in the United Kingdom to a person, unless that person is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1995 or is a person to whom the document may otherwise lawfully be issued or passed on. The Company has not authorized any offer of Common Stock to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (the "Regulations"). The Common Stock may not lawfully be offered or sold to persons in the United Kingdom except in circumstances that do not result in an offer to the public in the United Kingdom within the meaning of the Regulations or otherwise in compliance with all applicable provisions of the Regulations.

The Company has agreed that it will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), relating to any additional shares of its Common Stock or securities convertible into or exchangeable or exercisable for any shares of its Common Stock, or publicly disclose the intention to make any such offer, sale, pledge, disposal or filing, without the prior written consent of CSFBC for a period of 90 days after the date of this Prospectus, except for issuances of Common Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants, rights or options in each case outstanding as of the date of this Prospectus, grants of employee stock options or rights pursuant to a plan in effect on the date of this Prospectus, issuances pursuant to the exercise of such options or rights, issuances pursuant to the Company's dividend reinvestment plan as in effect on the date of this Prospectus, and any filing of a registration statement under the Securities Act with respect to any of the foregoing permitted issuances or grants.

The Company has agreed to indemnify the Managers and the U.S. Underwriters against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments that the Managers and the U.S. Underwriters may be required to make in respect thereof.

Certain of the Managers and U.S. Underwriters and their affiliates have from time to time performed, and continue to perform, various investment banking and commercial banking services for the Company, for which customary compensation has been received.

EXPERTS

The consolidated financial statements of the Company as of December 31, 1995, 1994, 1993, 1992 and 1991, and for each of the five years in the period ended December 31, 1995 incorporated by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 1995, 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 combined financial statements of Electronic Systems (a unit of Westinghouse Electric Corporation) incorporated in this Prospectus by reference to the Current Report on Form 8-K/A of the Company dated May 31, 1996 have been so incorporated in reliance on the report of Price Waterhouse LLP, independent accountants, given upon the authority of said firm as experts in accounting and auditing.

LEGAL MATTERS

The validity of the issuance of the shares of Common Stock and certain other legal matters related to the Offerings will be passed upon for the Company by Sheppard, Mullin, Richter & Hampton LLP, Los Angeles, California. Latham & Watkins, Los Angeles, California, will pass on certain legal matters for the U.S. Underwriters and Managers.