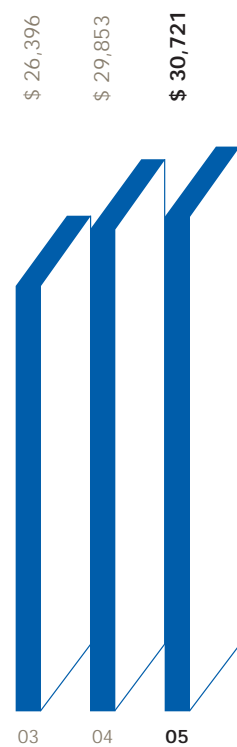




## Selected Financial Highlights

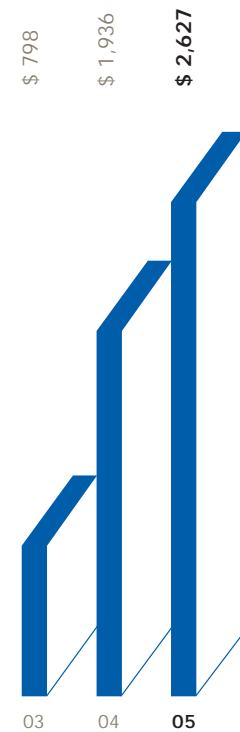
	2005	2004	2003
Revenue	\$ 30,721	\$ 29,853	\$ 26,396
Operating margin as a percentage of revenue	7.1%	6.7%	5.6%
Income from continuing operations	1,383	1,093	758
Diluted earnings per share from continuing operations	3.81	2.99	2.03
Cash from operations	2,627	1,936	798
Net debt	3,540	3,928	5,597



Revenue  
(\$ in millions)



Earnings Per Share



Cash From Operations  
(\$ in millions)

## Northrop Grumman Values

**we, the women and men of northrop grumman,** are guided by the following Values. They describe our company as we want it to be. We want our decisions and actions to demonstrate these Values. We believe that putting our Values into practice creates long-term benefits for shareholders, customers, employees, suppliers, and the communities we serve.

**we take responsibility for quality...**Our products and services will be “best in class” in terms of value received for dollars paid. We will deliver excellence, strive for continuous improvement and respond vigorously to change. Each of us is responsible for the quality of whatever we do.

**we deliver customer satisfaction...**We are dedicated to satisfying our customers. We believe in respecting our customers, listening to their requests and understanding their expectations. We strive to exceed their expectations in affordability, quality and on-time delivery.

**we provide leadership as a company and as individuals...**Northrop Grumman’s leadership is founded on talented employees effectively applying advanced technology, innovative manufacturing and sound business management. We add more value at lower cost with faster response. We each lead through our competence, creativity and teamwork.

**we act with integrity in all we do...**We are each personally accountable for the highest standards of behavior, including honesty and fairness in all aspects of our work. We fulfill our commitments as responsible citizens and employees. We will consistently treat customers and company resources with the respect they deserve.

**we value northrop grumman people...**We treat one another with respect and take pride in the significant contributions that come from the diversity of individuals and ideas. Our continued success requires us to provide the education and development needed to help our people grow. We are committed to openness and trust in all relationships.

**we regard our suppliers as essential team members...**We owe our suppliers the same type of respect that we show to our customers. Our suppliers deserve fair and equitable treatment, clear agreements and honest feedback on performance. We consider our suppliers’ needs in conducting all aspects of our business.

## Dear Fellow Shareholders:

**2005** was a very successful year for Northrop Grumman in nearly every dimension. We executed on our commitments and we drew on the full range of our capabilities to deliver outstanding results for our customers and shareholders. Over the previous decade this company has carefully assembled the right set of competencies to meet the future needs of our customers. Now we are driving operating performance. Our strategy is simple: we will continue to provide innovative, high technology solutions for our customers while increasing value for our shareholders.

### **BUILDING SHAREHOLDER VALUE**

Northrop Grumman's persistent focus on performance in 2005 resulted in record sales and significantly higher earnings and cash. This is the third consecutive year that this management team has grown earnings per share from continuing operations at a double-digit rate, primarily by expanding segment and total operating margin.

These excellent results enabled us to continue to make capital deployment decisions that benefit our shareholders through share repurchases and increased dividends. Our exceptional operating cash performance, coupled with cash from the sale of shares of TRW Automotive Holdings Corp. and Endwave common stock, allowed us to accelerate the rate at which we returned cash to our shareholders in 2005. Through our share repurchase programs, we continued to lower the number of shares outstanding, retiring a total of 22 million shares of Northrop Grumman common stock during the year. We also raised our dividend 13 percent—the second year in a row in which we increased the dividend by a double-digit rate. These activities were accomplished while we continued to improve our balance sheet. Based on our financial strength, two of the three credit rating agencies raised our rating to BBB+, the highest in Northrop Grumman's history.

### **THE KATRINA FACTOR**

I am especially proud that this year's strong financial results and cash deployment were achieved despite the significant impact of Hurricane Katrina on our Gulf Coast operations. I witnessed the devastation and the recovery efforts first hand, and I can't speak highly enough about the leadership and dedication displayed by our employees across the company in the face of this unprecedented event. Our company's response to Hurricane Katrina



**Ronald D. Sugar**  
*Chairman, Chief Executive Officer and President*

demonstrated the power and success of the One Northrop Grumman culture we have been building over the past several years.

**OUTSTANDING CONTRACT WINS**

Our efforts to capitalize on our capabilities across the company in pursuit of new business have resulted in some outstanding contract wins in the past year. For example: the Joint National Integration Center (JNIC) award; the Virginia Information Technologies Agency (VITA) contract; the San Diego County IT outsourcing award; refueling and complex overhaul on the USS *Carl Vinson*; the LHA 6 amphibious assault ship program; continued production work on the F/A-18 Super Hornet; the Joint Surveillance Target Attack Radar System (Joint STARS) System Improvement Program; Directional Infrared Countermeasures (DIRCM); and Airborne Laser Mine Detection System (ALMDS); and, we signed the E-3D Sentry Airborne Warning and Control System (AWACS) contract for the United Kingdom.

Our strategy is simple: we will continue to provide  
**innovative, high technology solutions for our customers**

while increasing value for our shareholders.

In the meantime we are focused firmly on the pursuit of several extremely important new contracts. Particularly significant are NASA's Crew Exploration Vehicle (CEV) and the U.S. Air Force's Aerial Refueling Tanker Replacement program—both exceptional opportunities for this company. Other major pursuits include eBorders, an integrated border security system for the United Kingdom; CG(X), the U.S. Navy's next-generation air warfare, surface combatant ship; and, in keeping with our successes with unmanned aerial vehicles, the Navy's Unmanned Combat Air System (UCAS).

**ACHIEVING COMPETITIVE EXCELLENCE**

In concert with the pursuit of new opportunities, throughout 2005 Northrop Grumman continued its enterprise-wide Achieving Competitive Excellence—or ACE—effort aimed at improving performance and competitiveness across the company. The ACE effort heads into 2006 with a momentum fueled by a number of key accomplishments in the areas of cost reduction, portfolio optimization and business development.

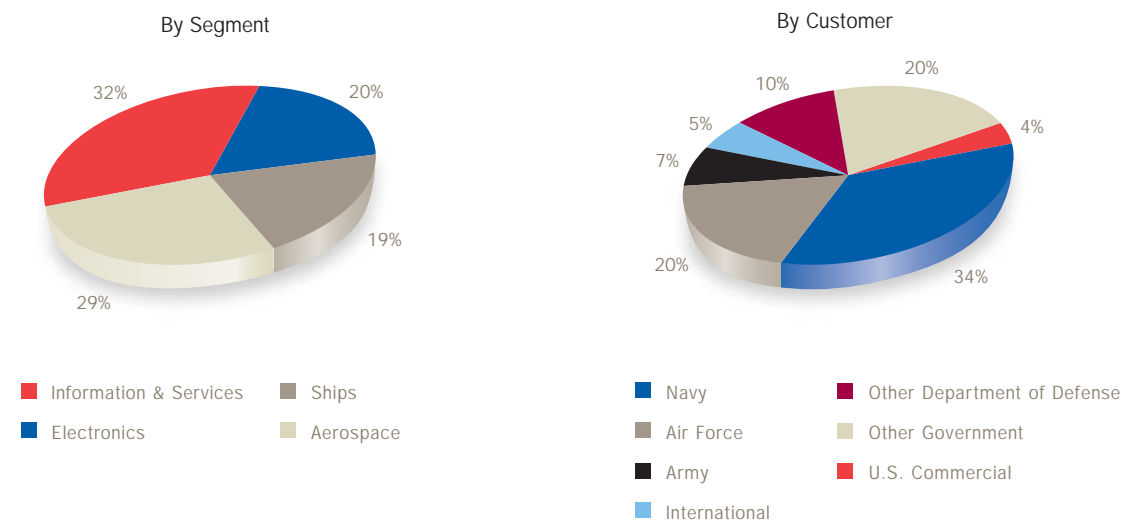
The formation of our new Technical Services sector in January of this year resulted from the ACE portfolio optimization effort. This new sector, which comprises programs and businesses drawn from our Electronic Systems, Integrated Systems, Mission Systems and Information Technology sectors, will leverage our existing business strengths and synergies in the expanding logistics support, sustainment and technical services markets. The continuing analysis of our portfolio also led us to the decision earlier this year to exit our IT reseller business, which is no longer a strategic fit for our company.

**THE RIGHT CAPABILITIES**

The results of the 2005 Quadrennial Defense Review (QDR) show requirements for systems and capabilities highly aligned with Northrop Grumman core competencies. Northrop Grumman's expertise in intelligence, surveillance and reconnaissance (ISR), precision strike, unmanned aerial vehicles (UAVs), information technology, military ships, space platforms, net-centricity and defense electronics positions the company extremely well in areas identified by the Department of Defense (DoD) as essential to our national security.

Further, the 2006 defense budget, signed into law December 30, 2005, and the President's \$439.3 billion defense budget request for fiscal 2007 submitted in February, confirm the DoD's priorities and strongly support Northrop Grumman programs.

**BUSINESS PORTFOLIO**  
 2005 Revenues – \$30.7 Billion



## Corporate Lead Executive Program Provides One Face to the Customer

Northrop Grumman's innovative Corporate Lead Executive program is fully engaged and making a positive impact in regions where several of the company's business sectors and customers operate. The Corporate Lead Executive, or CLE, is responsible for creating a business strategy for the region that provides one face to the customer and taps into the company's full range of capabilities to satisfy current and future customer needs.

Since the launch of the program in 2004, nearly 20 regional offices—from Los Angeles to Omaha to Boston and recently to London—have been staffed with at least one CLE, who serves as the principal corporate point of contact for Northrop Grumman business in the designated region. The CLE is responsible for creating, promoting and coordinating a team approach among Northrop Grumman employees and sectors, while developing and maintaining key customer relationships to ensure that the company is competitive, responsive and working together in the location as One Northrop Grumman.

To date the program has been very successful in part due to the cooperation of all the company's business sectors in embracing the CLE concept as a valuable business development tool. Business managers across the company routinely make the CLE their first point of contact when dealing with a customer based in one of the designated regions.

More information about the Northrop Grumman Corporate Lead Executive Program is available at: <http://www.northropgrumman.com>

### STRONG LEADERSHIP TEAM

A key component of our company's continuing success is the assurance of superior leadership, and we have made excellent progress to date with our renewed leadership development and succession planning efforts. Since I reported to you in April of last year, we have elected four new sector presidents and a senior corporate executive, all from within the company. New sector presidents are Jim Pitts, Electronic Systems; Jerry Agee, Mission Systems; Phil Teel, Ship Systems; and Jim Cameron, heading up the new Technical Services sector. Ian Ziskin was elected chief human resources and administrative officer. Each of these individuals is a highly capable and experienced addition to our strong top leadership team.

We also welcomed two new members to Northrop Grumman's Board of Directors—Stephen E. Frank, former chairman, president and chief executive officer of Southern California Edison, one of the largest electric utilities in the United States; and General Richard B. Myers, who retired in 2005 as Chairman of the Joint Chiefs of Staff.

Northrop Grumman delivers on its commitments with a highly talented, dedicated and diverse workforce, and we continue to develop our team through programs designed for employees at all levels. We strengthened our focus on diversity over the past year, adding to the number of women and people of color in our vice presidential ranks and emphasizing diversity in our executive development programs. We will increase the intensity of these efforts as we continue along this important track for our company.

### NEW REPORTING FORMAT

In 2006 we introduced a new financial reporting format that more clearly portrays our portfolio. While we are organized in eight operating sectors, including the new Technical Services sector, for the purpose of financial reporting we have categorized the sectors into four major businesses. Mission Systems, Information Technology and Technical Services sectors will be presented as Information and Services. Integrated Systems and Space Technology sectors will be presented as Aerospace. Electronic Systems will be reported as Electronics, and Newport News and Ship Systems sectors continue to be reported as Ships.

Northrop Grumman delivers on its commitments with a  
**highly talented, dedicated  
and diverse workforce.**

### THE VIEW AHEAD

We are striving for flawless program performance and excellent financial results in 2006 as we work to heighten our competitiveness and provide greater value for our customers and shareholders. We are taking steps to remain agile in response to changes in the marketplace, and are paying close attention to any shifts in our customers' priorities to ensure that we are optimally positioned for the future.

Northrop Grumman truly is defining the future for our customers, our shareholders and our employees. We continue to earn our position as one of the world's leading defense companies, equipping our armed forces and allies with the technologies they rely on today even as we envision and develop new, advanced solutions for the future. At the same time, we are applying our broad range of information technology and other skills to non-defense opportunities both in the U.S. and abroad. We have only just begun to realize the full potential of our capabilities at Northrop Grumman, and we look forward to great strides in 2006 and beyond.



Ronald D. Sugar  
Chairman, Chief Executive Officer and President  
March 21, 2006

# Northrop Grumman...

## FIRST QUARTER 2005



- Received from the U.S. Missile Defense Agency a \$142 million follow-on contract for systems engineering, planning and logistics support for its Airborne Laser boost phase missile defense program.
- Delivered the 17th and final production E-8C Joint Surveillance Target Attack Radar System (Joint STARS) aircraft to the U.S. Air Force.
- Completed the first fuselage section for the U.S. Navy's next-generation electronic attack aircraft, the EA-18G. The EA-18G is expected to begin replacing the Navy's EA-6B Prowler aircraft by the end of the decade.



- Delivered the first fire-control radar for the F-35 Joint Strike Fighter.
- Completed the purchase of Integic and the sale of Teldix GmbH.
- Laid the keel for the First U.S. Coast Guard National Security Cutter (WMSL 750)

## SECOND QUARTER 2005



- Launched the second *Virginia*-class submarine, *Texas* (SSN 775)
- Received from Boeing a \$3.2 billion multi-year contract to continue production work on the U.S. Navy's F/A-18 Super Hornet.
- Shipped the 23rd and final satellite in the long-running Defense Support Program (DSP) series to the U.S. Air Force's Cape Canaveral Air Station for launch preparation. The program has produced many technical innovations and provided the nation with a reliable missile-warning system for more than 35 years.



- Teamed with Boeing, was selected by NASA for an award to design and build the space agency's planned Crew Exploration Vehicle, a human space-transportation system that will serve as the Space Shuttle's replacement.
- Received from NASA an indefinite delivery/indefinite quantity contract, valued at up to \$200 million over five years, for software assurance services that will provide the space agency the capability to independently verify and validate mission-critical software.

## THIRD QUARTER 2005



- Received a contract, valued at \$109.8 million, from the U.S. Navy for advanced planning, long-lead material and systems engineering on the LHA(R) amphibious assault ship program. The total contract value, if all options are exercised, will be \$264 million.
- Signed a contract, valued at approximately \$1 billion, with the United Kingdom for the E-3D AWACS support program.
- Received a contract, valued at approximately \$208 million over five years, from the U.S. Navy to provide operations, maintenance and engineering support for the Navy and U.S. Marine Corps East and West Coast training ranges.



- Received an indefinite delivery/indefinite quantity contract, potentially worth \$1 billion over 10 years, from the Missile Defense Agency to continue its prime contractor role for the Joint National Integration Center (JNIC) Research and Development program.
- Announced that it will compete as the prime contractor for the U.S. Air Force's next-generation air refueling tanker with EADS as its principal subcontractor and teammate.

## FOURTH QUARTER 2005



- Received a contract from the commonwealth of Virginia to help transform and improve its information technology infrastructure to ensure quality services are delivered to state agencies and the citizens they serve. The interim contract phase is funded at \$3.5 million. Upon review by Virginia's General Assembly, the interim contract will transition to a 10-year contract valued at approximately \$2 billion.

- Received from the U.S. Navy a contract valued at approximately \$1.94 billion for the refueling and complex overhaul of the aircraft carrier USS *Carl Vinson*.

- Received from the U.S. Air Force a five-year, \$532 million contract for the Joint Surveillance Target Attack Radar System (Joint STARS) Improvement Program to provide systems design and development improvements to the E-8C Joint STARS fleet.

- Developed a high-energy, solid-state laser for the U.S. military, which fired one of the most powerful beams yet produced by an electric laser of more than 27 kilowatts with a run time of 350 seconds.



- Received a \$558.6 million contract modification to exercise an option under a previously awarded contract for continuation of work on the new generation nuclear-powered aircraft carrier, CVN 21.

- Received a blanket purchase agreement, valued at up to \$153 million over five years, for the installation, engineering and maintenance of the U.S. Social Security Administration's local area network.

- Delivered one of the most technologically advanced and sailor-friendly U.S. Navy warships ever built, the amphibious transport dock ship USS *San Antonio* (LPD 17). LPD 17 represents the first in a class that will form a solid foundation for the Navy's new expeditionary warfare strategy.

# Northrop Grumman...

FIRST QUARTER 2006



→ Announced the return of Global Hawk unmanned air vehicle 3 to Edwards Air Force Base after 167 missions and more than 4,800 flight hours in Southwest Asia. Built as a demonstrator to test and evaluate technologies, vehicle 3 was never intended for combat but was deployed shortly after the Sept. 11, 2001 terrorist attacks. Global Hawks have now flown 233 missions, accumulating more than 8,000 total flight hours. The U.S. Air Force also deployed the first two production RQ-4A Global Hawk unmanned aerial vehicles to theater and granted to Global Hawk the first ever unmanned aerial vehicle airworthiness certification.

→ Received a follow-on contract to provide technical support to the U.S. Air Force's Rocket Systems Launch Program (RSLP), with a potential value of approximately \$100 million over five years.

→ Wrote a new chapter in naval aviation history, when two RQ-8A Fire Scout unmanned aerial vehicles (UAV) completed nine autonomous shipboard landings on board USS *Nashville* (LPD 13), marking the first time a Navy UAV has performed vertical landings on a moving ship without a pilot controlling the aircraft.



→ Received from the U.S. Air Force a \$225 million contract for 27 months to continue the full-rate production phase of the intercontinental ballistic missile (ICBM) Propulsion Replacement Program.

→ Received from the San Diego County, California Board of Supervisors a contract to manage the county's information technology and telecommunications services, valued in excess of \$650 million over seven years.

→ Delivered to the U.S. Navy the Aegis guided missile destroyer USS *Forrest Sherman* (DDG 98).

## Community Involvement

As Part of its Commitment to good corporate citizenship Northrop Grumman supports wide ranging programs that help educate America's youth, provide human services and support cultural activities in all 50 states. Embracing the communities in which we live and work, the company supports these programs through its Charitable Giving Program and the Northrop Grumman Foundation.



*Northrop Grumman Vice President Sandra Evers-Manly participates in a hands-on discussion about sea urchins at the Saturday Science Academy, in South Los Angeles.*

The Charitable Giving Program addresses the differing needs of the diverse communities in which the company has a presence. Northrop Grumman supports youth programs, career and employment counseling, pre-college education, human services, and environmental, civic and cultural organizations. In 2005, the company partnered with organizations such as the Special Olympics, Smithsonian Air and Space Museum, United Through Reading and Teach For America, among others. The company's efforts were complemented by a large number of Northrop Grumman employees who contributed money and volunteered their time in their communities. Their contributions included tutoring and mentoring students and working directly with organizations such as Habitat for Humanity.

The Northrop Grumman Foundation supports diverse and sustainable programs that improve the educational experience for students, especially in the subjects of literacy, math, science and technology. As part of its mission to advance education, the Foundation has been a major partner with the Sally Ride Science Festivals since 2003. This organization focuses on empowering young girls to explore the world of science and encourages them to consider careers as scientists, engineers and mathematicians. Northrop Grumman has also established a partnership with Scholastic Marketing Partners, the in-school marketing division of Scholastic, to develop and distribute educational materials that promote engineering at the middle school level. Another major partner is Operation Outreach USA. This organization provides books, teachers' curriculum and a guide for parents in an effort to enhance reading skills at the elementary school level. The Foundation currently provides books to 14 schools across the nation, and in 2005 distributed more than 26,000 books.

The company further supports education with a matching gift program, through which the Northrop Grumman Foundation matches employees' financial contributions to educational institutions. In 2005, the Foundation matched more than \$1.1 million in employee giving.

# Hurricane Katrina



*Hurricane Katrina ravages the Gulf Coast, August 28, 2005.*

We Began 2005 responding to the needs of people half way around the world who were devastated by a tsunami, and wound up responding to needs much closer to home and to our company, itself, with Hurricane Katrina.

Underscoring Northrop Grumman's commitment to its employees and the communities in which it operates has been its ongoing response to Hurricane Katrina which ravaged the Gulf Coast and severely damaged the company's shipyards and left thousands of its employees without homes and their belongings. As the largest manufacturing

employer in both Louisiana and Mississippi, the company undertook a wide range of actions, from immediate aid to long-term assistance toward rebuilding affected communities.

Immediate assistance started hours after the storm's passing in the form of company grants to help affected employees obtain basic necessities—food, water, temporary housing and transportation. The company mobilized resources from across the enterprise to help its Gulf Coast work force access company, government and humanitarian emergency relief; arrange for special needs medical care; provide on-site company housing to more than 1,000 employees; deliver paychecks in a region whose infrastructure had been destroyed; launch a wide-ranging communications



*Northrop Grumman's shipyards take the brunt of the storm.*



*Employees work to clear the destroyed buildings, damaged equipment, trash and debris covering the shipyard.*

contributed food, water, fuel and other basics and also raised funds in conjunction with organizations such as the Red Cross.

And the giving hasn't stopped. While more than 4,432 employees received emergency grants from the Foundation's relief fund, assistance continues to flow to many more whose homes were destroyed or damaged by Katrina. Northrop Grumman also continues to reach out to local communities through a grant program for the region's schools and partnerships with local nonprofit agencies and the United Way to help rebuild the Gulf Coast.

campaign to help re-establish contact with employees dispersed in 34 states and two foreign countries; and provide transportation so that employees could return to work.

The company donated \$2 million to help with relief efforts and via the Northrop Grumman Foundation, established a giving program through which employees contributed an additional \$2.1 million to help their co-workers.

The company also arranged for employees to donate their accrued vacation time to their Gulf Coast counterparts.

Other Northrop Grumman employees across the nation



*Northrop Grumman employees are back at work and building ships.*

## Corporate Policy Council

Northrop Grumman's Corporate Policy Council (CPC) assists the Chief Executive Officer and President by serving as management's key deliberative body for all major policy-level problems, issues, and opportunities facing the company.



Ronald D. Sugar  
Chairman, Chief Executive Officer and President



Alexis C. Livanos  
Corporate Vice President and President, Space Technology



Scott J. Seymour  
Corporate Vice President and President, Integrated Systems



Jerry B. Agee  
Corporate Vice President and President, Mission Systems



Rosanne P. O'Brien  
Corporate Vice President, Communications



Philip A. Teel  
Corporate Vice President and President, Ship Systems



Wesley G. Bush  
Corporate Vice President and Chief Financial Officer



James R. O'Neill  
Corporate Vice President and President, Information Technology



W. Burks Terry  
Corporate Vice President and General Counsel



James L. Cameron  
Corporate Vice President and President, Technical Services



C. Michael Petters  
Corporate Vice President and President, Newport News



Ian V. Ziskin  
Corporate Vice President and Chief Human Resources and Administrative Officer



Robert W. Helm  
Corporate Vice President, Business Development and Government Relations



James F. Pitts  
Corporate Vice President and President, Electronic Systems

## Financial Highlights by Segment

CONTRACT ACQUISITIONS		\$ in millions		
		2005	2004	2003
Information & Services	Mission Systems	\$ 4,744	\$ 5,209	\$ 4,878
	Information Technology	5,382	5,300	4,854
Aerospace	Integrated Systems	4,669	5,135	4,380
	Space Technology	2,645	3,460	3,073
Electronics		6,238	6,706	6,018
Ships		2,750	5,668	4,839
Other		19	216	187
Intersegment Eliminations		(1,261)	(1,207)	(1,023)
Total Segments		\$ 25,186	\$ 30,487	\$ 27,206

REVENUE		\$ in millions		
		2005	2004	2003
Information & Services	Mission Systems	\$ 5,362	\$ 4,947	\$ 4,172
	Information Technology	5,254	5,051	4,651
Aerospace	Integrated Systems	5,612	4,742	3,847
	Space Technology	3,395	3,269	2,823
Electronics		6,642	6,417	6,039
Ships		5,786	6,252	5,451
Other		42	230	191
Intersegment Eliminations		(1,372)	(1,055)	(778)
Total Segments		\$ 30,721	\$ 29,853	\$ 26,396

OPERATING MARGIN		\$ in millions		
		2005	2004	2003
Information & Services	Mission Systems	\$ 381	\$ 321	\$ 266
	Information Technology	355	301	269
Aerospace	Integrated Systems	474	412	384
	Space Technology	255	222	193
Electronics		710	670	590
Ships		241	389	295
Other		(17)	(3)	(74)
Total Segments		\$ 2,399	\$ 2,312	\$ 1,923

## General Information



### Northrop Grumman on the Internet

Information on Northrop Grumman and its sectors, including press releases and this annual report, can be found on our home page at [www.northropgrumman.com](http://www.northropgrumman.com). Shareholders can also receive copies of this report or quarterly earnings statements by mail from The Wall Street Journal Annual Report Service. To request information by mail, call (800) 654-2582 or fax your request to (800) 965-5679.

### Annual Shareholders' Meeting

Wednesday, May 17, 2006  
10 a.m. PDT  
Space Technology  
Presentation Center  
One Space Park  
Redondo Beach, California 90278  
(310) 813-1002

### Independent Auditors

Deloitte & Touche LLP,  
Los Angeles

### Stock Listing

Northrop Grumman Corporation common stock is listed on the New York Stock Exchange (trading symbol NOC).

### Certifications

The CEO/CFO certifications required to be filed with the SEC pursuant to Section 302 of the Sarbanes-Oxley Act are included as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K. In addition, an annual CEO certification was submitted by the Corporation's CEO to the NYSE on June 2, 2005 in accordance with the NYSE's listing standards.

### Dividend Reinvestment Program

Registered owners of Northrop Grumman Corporation common stock are eligible to participate in the company's Automatic Dividend Reinvestment Plan. Under this plan, shares are purchased with reinvested cash dividends and voluntary cash payments of up to a specified amount per calendar year.

For information on the company's Dividend Reinvestment Service or for assistance with other stock ownership inquiries, contact our Transfer Agent and Registrar, Computershare, (800) 756-8200 or send a message via the Internet. Computershare's address is [www.computershare.com](http://www.computershare.com).

Questions regarding stock ownership may also be directed to Northrop Grumman's Shareholder Services at (310) 201-3286.

### Duplicate Mailings

Stockholders with more than one account or who share the same address with another stockholder may receive more than one annual report. To eliminate duplicate mailings or to consolidate accounts, contact Computershare. Separate dividend checks and proxy materials will continue to be sent for each account on our records.

### Investor Relations

Securities analysts, institutional investors and portfolio managers should contact Northrop Grumman Investor Relations at (310) 201-3423 or send an e-mail to [investors@ngc.com](mailto:investors@ngc.com).

### Media Relations

Inquiries from the media should be directed to Northrop Grumman Corporate Communications at (310) 201-3335 or send an e-mail to [newsbureau@ngc.com](mailto:newsbureau@ngc.com).

## Elected Officers

### Elected Officers

Ronald D. Sugar  
*Chairman, Chief Executive Officer and President,  
Northrop Grumman Corporation*

Jerry B. Agee  
*Corporate Vice President and President,  
Mission Systems*

Wesley G. Bush  
*Corporate Vice President and Chief Financial Officer*

James L. Cameron  
*Corporate Vice President and President,  
Technical Services*

Kenneth N. Heintz  
*Corporate Vice President, Controller and  
Chief Accounting Officer*

Robert W. Helm  
*Corporate Vice President, Business Development and  
Government Relations*

Alexis C. Livanos  
*Corporate Vice President and President,  
Space Technology*

John H. Mullan  
*Corporate Vice President and Secretary*

Albert F. Myers  
*Corporate Vice President*

Rosanne P. O'Brien  
*Corporate Vice President,  
Communications*

James R. O'Neill  
*Corporate Vice President and President,  
Information Technology*

C. Michael Petters  
*Corporate Vice President and President,  
Newport News*

James F. Pitts  
*Corporate Vice President and President,  
Electronic Systems*

James L. Sanford  
*Corporate Vice President and Treasurer*

Scott J. Seymour  
*Corporate Vice President and President,  
Integrated Systems*

Philip A. Teel  
*Corporate Vice President and President,  
Ship Systems*

W. Burks Terry  
*Corporate Vice President and General Counsel*

Ian V. Ziskin  
*Corporate Vice President and Chief Human Resources and  
Administrative Officer*

## Board of Directors



**Ronald D. Sugar**  
Chairman, Chief Executive Officer and President  
Northrop Grumman Corporation



**Stephen E. Frank**  
Former Chairman, President and Chief Executive Officer,  
Southern California Edison  
(electric utility company)



**Philip A. Odeen**  
Chairman, Reynolds and Reynolds Company  
(automotive software company)



**John T. Chain, Jr.**  
General, U.S. Air Force (Ret.)  
Chairman of the Board,  
Thomas Group, Inc.  
(management consulting company)



**Phillip Frost**  
Vice Chairman,  
Teva Pharmaceutical Industries, Ltd.  
(pharmaceutical company)



**Aulana L. Peters**  
Retired Partner,  
Gibson, Dunn & Crutcher  
(law firm)



**Lewis W. Coleman**  
President, DreamWorks Animation SKG  
(film animation studio)



**Charles R. Larson**  
Admiral, U.S. Navy (Ret.)



**Kevin Sharer**  
Chairman, Chief Executive Officer and President  
Amgen, Inc.  
(biotechnology company)



**Vic Fazio**  
Senior Advisor, Akin Gump Strauss Hauer & Feld LLP  
(law firm)



**Richard B. Myers**  
General, U.S. Air Force (Ret.)  
and former chairman of the  
Joint Chiefs of Staff



**John Brooks Slaughter**  
President and CEO,  
National Action Council for  
Minorities in Engineering, Inc.

## Committees of the Board

### Committees of the Board

#### COMPLIANCE, PUBLIC ISSUES AND POLICY

Aulana L. Peters, *Chairman*  
Vic Fazio  
Charles R. Larson  
Richard B. Myers  
Philip A. Odeen  
John Brooks Slaughter

#### FINANCE

Lewis W. Coleman, *Chairman*  
John T. Chain Jr.  
Stephen E. Frank  
Phillip Frost  
Philip A. Odeen  
Kevin W. Sharer

#### NOMINATING AND CORPORATE GOVERNANCE

Phillip Frost, *Chairman*  
John T. Chain Jr.  
Vic Fazio  
Charles R. Larson  
Aulana L. Peters

#### AUDIT

John Brooks Slaughter, *Chairman*  
Lewis W. Coleman  
Vic Fazio  
Stephen E. Frank  
Charles R. Larson  
Aulana L. Peters

#### COMPENSATION AND MANAGEMENT DEVELOPMENT

John T. Chain Jr., *Chairman*  
Lewis W. Coleman  
Phillip Frost  
Philip A. Odeen  
Kevin W. Sharer

### PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements and assumptions herein contain or are based on "forward-looking" information within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risk and uncertainties, including statements and assumptions with respect to future revenues, program performance and cash flows, the outcome of contingencies including litigation and environmental remediation, the successful negotiation of collective bargaining agreements and the results of divestitures of non-core business. The Company's operations are necessarily subject to various risks and uncertainties; actual outcomes are dependent upon many factors, including without limitation the Company's successful performance of internal plans; government customers' budgetary constraints; 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 and, in the case of fixed price development contracts, the Company's successful performance of such programs is subject to its ability to control cost growth in meeting production specifications and delivery rates; performance issues with key suppliers and subcontractors; tax payments or refunds; pension expense or income; government import and export policies; termination of government contracts; the outcome of political and legal processes; legal, financial, and governmental risks related to international transactions and global needs for the Company's products and services, including without limitation, military and commercial electronic systems and support; as well as other economic, political, and technological risks and uncertainties. Further discussion of these and other important risks factors can be found in the Company's filings with the SEC, including, without limitation, Form 10-K.

## Corporate Directory

### **Northrop Grumman Corporation**

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1840 Century Park East  
Los Angeles, California 90067-2199  
Phone: (310) 553-6262  
Fax: (310) 201-3023  
www.northropgrumman.com

### **Northrop Grumman Corporation Electronic Systems**

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1580A W. Nursery Road  
Linthicum, Maryland 21090  
Phone: (410) 765-1000  
Fax: (410) 993-8771

### **Northrop Grumman Corporation Information Technology**

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7575 Colshire Drive  
McLean, Virginia 22102  
Phone: (703) 713-4000  
Fax: (703) 713-4127

### **Northrop Grumman Corporation Integrated Systems**

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One Northrop Grumman Avenue  
El Segundo, California 90245  
Phone: (310) 332-1000  
Fax: (310) 332-7310

### **Northrop Grumman Corporation Mission Systems**

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Phone: (703) 968-1000  
Fax: (703) 345-7078

### **Northrop Grumman Corporation Newport News**

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4101 Washington Avenue  
Newport News, Virginia 23607  
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Fax: (757) 380-3867

### **Northrop Grumman Corporation Ship Systems**

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P.O. Box 149  
Pascagoula, Mississippi 39568-0149  
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Fax: (228) 935-1126

### **Northrop Grumman Corporation Space Technology**

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Fax: (310) 814-8141

### **Northrop Grumman Corporation Technical Services**

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### **Northrop Grumman Electronic Systems International**

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### **Northrop Grumman International, Inc.**

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