

TRW INC  
Form DEFC14A  
April 04, 2002  
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**SCHEDULE 14A INFORMATION**

**PROXY STATEMENT PURSUANT TO SECTION 14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

**TRW INC.**

(Name of Registrant as Specified in Its Charter)

**NORTHROP GRUMMAN CORPORATION**

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies: Common Stock, par value \$0.625 per share ( Common Shares ) and Serial Preference Stock II ( Preference Stock II ), no par value per share. The Preference Stock II is divided into two series: Cumulative Serial Preference Stock II, \$4.40 Convertible Series 1, no par value per share ( Series 1 Shares ) and Cumulative Serial Preference Stock II, \$4.50 Convertible Series 3, no par value per share ( Series 3 Shares ).
- (2) Aggregate number of securities to which transaction applies: 126,762,644 Common Shares and 81,894 shares of Preference Stock II, comprised of 28,660 Series 1 Shares and 53,324 Series 3 Shares.
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: \$51.68 in market value for each Common Share; \$454.78 in market value for each Series 1 Share (as converted pursuant to the formula below) and \$384.91 in market value for each Series 3 Share (as converted pursuant to the formula below).
- (4) Proposed maximum aggregate value of transaction: \$6,584,652,625.12.
- (5) Total fee paid: \$1,316,930.82.

Pursuant to, and as provided by, Rule 0-11(c), the aggregate filing fee of \$1,316,930.53 is based on  $\frac{1}{50}$ th of 1% of the transaction value. The transaction value is equal to the total number of outstanding (i) Common Shares, (ii) Series 1 Shares multiplied by the conversion rate for the Series 1 Shares; and (iii) Series 3 Shares multiplied by the conversion rate for the Series 3 Shares, multiplied by \$51.98 (the average of the high and low prices reported for the Common Shares as of March 26, 2002). According to TRW, as of March 28, 2002, there were 126,762,644 TRW Common Shares, 28,660 TRW Series 1 Shares and 53,324 TRW Series 3 Shares issued and outstanding. According to TRW, as of March 28, 2002, the conversion rate for the Series 1 Shares was 8.8 Common Shares per Series 1 Share and the conversion rate for the Series 3 Shares was 7.448 Common Shares per Series 3 Share.

x Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously

Paid: \$1,316,930.53.

(2) Form, Schedule or Registration Statement No.: Tender Offer Statement on Schedule TO (\$700,648.56 paid with filing, \$10,493.92, paid with Amendment No. 3), Registration Statement on Form S-4 (Registration No. 333-83672; \$596,849.08 paid with initial filing \$8,939.26 paid with Amendment No. 2).

(3) Filing Party: Northrop Grumman Corporation.

(4) Date Filed: Registration Statement on Form S-4 (Registration No. 333-83672) and Tender Offer Statement on Schedule TO filed on March 4, 2002; Amendment No. 2 to Registration Statement on Form S-4 and Amendment No. 3 to Tender Offer Statement on Schedule TO filed on April 4, 2002.

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**PROXY STATEMENT**  
**OF**  
**NORTHROP GRUMMAN CORPORATION**  
**FOR THE**  
**SPECIAL MEETING OF SHAREHOLDERS**  
**OF**  
**TRW INC.**

**To Be Held On April 22, 2002**

**CONTROL SHARE ACQUISITION**

This Proxy Statement and the accompanying BLUE proxy card are being furnished by Northrop Grumman Corporation in connection with the Special Meeting of Shareholders of TRW Inc., an Ohio corporation ( TRW ), to be held at Landerhaven, 6111 Landerhaven Drive, Mayfield Heights, Ohio at 8:30 a.m. local time on Monday, April 22, 2002, and at any adjournments or postponements thereof (the Special Meeting ). The record date for the Special Meeting is the close of business on March 28, 2002 (the Record Date ).

The date of this Proxy Statement is April 4, 2002. This Proxy Statement and the accompanying BLUE form of proxy are first being sent or given to TRW shareholders on or about April 5, 2002.

**IMPORTANT**

**TRW has adopted extraordinary procedures at this Special Meeting which require TRW shareholders to complete the form of certification on the back of their proxy card in addition to the proxy card itself in order for their votes to be counted fully in the vote on the Control Share Acquisition proposal. Be sure to complete the certification on the back of your proxy card!**

**It is important that all TRW shares be voted at the Special Meeting, including interested shares.**

**Don't allow your vote to be disregarded!**

Northrop Grumman is soliciting proxies to permit, in accordance with the Ohio Revised Code, the acquisition of TRW common stock (the Common Shares ) and Serial Preference Stock II (together with the Common Shares, the TRW shares ) pursuant to Northrop Grumman's Offer to Exchange dated March 4, 2002, as amended. The resolution to be voted on is referred to herein as the Control Share Acquisition proposal and the acquisition of TRW shares pursuant to the Offer to Purchase is sometimes referred to herein as the Control Share Acquisition. In addition, Northrop Grumman is soliciting authorization for its proxy holders to vote to adjourn the Special Meeting if deemed desirable by Northrop Grumman to allow additional time for the solicitation of proxies and completion of certifications to assure a quorum and, if possible, to obtain a vote in favor of the Control Share Acquisition proposal. As used herein, the term Offer to Exchange means the Offer to Exchange, as amended or supplemented from time to time. A copy of the Offer to Exchange, as amended to date, is attached as Annex A to this Proxy Statement.

On the terms and subject to the conditions specified in the Offer to Exchange, Northrop Grumman is offering to exchange:

each outstanding Common Share for a number of shares of Northrop Grumman common stock, par value \$1.00 per share, equal to \$47.00 divided by the average of the closing sale prices for a share of Northrop Grumman Common Stock on the New York Stock Exchange over the five consecutive trading days ending immediately prior to the second trading day prior to the expiration of the Offer to Exchange, as

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reported in the Wall Street Journal, but in no event will the number of shares of Northrop Grumman common stock exchanged for each Common Share be greater than 0.4563 (\$47.00/\$103.00) or less than 0.4159 (\$47.00/\$113.00) (such number, the Exchange Ratio );

each outstanding share of Cumulative Serial Preference II Stock, \$4.40 Convertible Series 1 (the Series 1 Shares ) for a number of shares of Northrop Grumman common stock equal to the Exchange Ratio multiplied by the effective common stock conversion rate for the Series 1 Shares; and

each outstanding share of Cumulative Serial Preference II Preferred Stock, \$4.50 Convertible Series 3 (the Series 3 Shares ) for a number of shares of Northrop Grumman common stock equal to the Exchange Ratio multiplied by the effective common stock conversion rate for the Series 3 Shares.

TRW has reported that, as of March 28, 2002, the conversion rate for the Series 1 Shares was 8.8 Common Shares for each Series 1 Share and the conversion rate for the Series 3 Shares was 7.448 Common Shares for each Series 3 Share.

As more fully described below in the section entitled Ohio Control Share Acquisition Law, TRW shareholder authorization must be obtained before Northrop Grumman may acquire TRW shares that would entitle it directly or indirectly to control 20% or more of the voting power of TRW in the election of its directors.

**Accordingly, TRW shareholders who want the opportunity to exchange their TRW shares for the consideration specified in Northrop Grumman s Offer to Exchange, as it may be amended, should vote FOR the Control Share Acquisition proposal by signing, dating and promptly mailing the enclosed BLUE proxy and a completed certification of eligibility. A vote FOR the Control Share Acquisition proposal will not obligate a TRW shareholder to tender TRW shares pursuant to the Offer to Exchange.**

Any TRW shareholder who has questions about voting TRW shares, completing the certification of eligibility included in the BLUE proxy card, the terms and conditions of the Offer to Exchange or the Control Share Acquisition proposal, should call D.F. King & Co., Inc., the Information Agent for the Offer to Exchange, toll free at (800) 755-7250.

**If you previously signed and returned a gold proxy card to TRW, you have every right to change your mind. Whether or not you signed the gold proxy card, Northrop Grumman urges you to vote FOR the Control Share Acquisition proposal and GRANT AUTHORITY to vote to adjourn the Special Meeting by signing, dating and returning the enclosed BLUE proxy card with a completed certification of eligibility in the postage-paid envelope provided. Regardless of the number of TRW shares you own, your proxy is important. Please act today.**

**If your TRW shares are held in the name of a bank, broker or other nominee holder, Northrop Grumman urges you to sign, date and return the voting instruction form, including the certification of eligibility provided by the nominee holder, and call the person responsible for your account and instruct them to vote your TRW shares FOR the Control Share Acquisition proposal and Grant Authority to vote to adjourn the Special Meeting.**

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**VOTING AT THE SPECIAL MEETING**

At the Special Meeting, TRW shareholders will be asked to approve the Control Share Acquisition proposal authorizing the acquisition of TRW shares pursuant to the Offer to Exchange.

Approval of the Control Share Acquisition proposal requires:

the affirmative vote of the holders of a majority of the voting power in the election of TRW directors represented at the Special Meeting in person or by proxy *including* any shares which are interested shares, as defined below in the section entitled Ohio Control Share Acquisition Law ; and

the affirmative vote of the holders of a majority of the portion of the voting power in the election of TRW directors *excluding* the voting power of interested shares represented at the Special Meeting in person or by proxy.

The majority vote described above which *includes* interested shares is referred to as the First Majority Approval in this Proxy Statement, and the majority vote described above which *excludes* interested shares is referred to as the Second Majority Approval in this Proxy Statement.

Because of the extraordinary procedures adopted by TRW for the Special Meeting, some TRW shareholders may not have an adequate opportunity to return proxies with the required certification in order for their votes to count towards the Second Majority Approval on the Control Share Acquisition proposal, and there could even be difficulty obtaining a quorum for the Special Meeting. In either case, if deemed desirable by Northrop Grumman, Northrop Grumman may propose a resolution to adjourn the Special Meeting to allow additional time for the solicitation of proxies and completion of certifications to assure a quorum and, if possible, to obtain a vote in favor of the Control Share Acquisition proposal.

TRW has indicated in its Proxy Statement for the Special Meeting, which we refer to in this Proxy Statement as the TRW Proxy Statement, that:

A quorum will be deemed present at the Special Meeting if at least a majority of the voting power in the election of TRW directors is represented at the Special Meeting in person or by proxy. In accordance with Ohio law, the holders of a majority of the voting power in the election of TRW directors represented at the Special Meeting in person or by proxy, whether or not a quorum is present, may adjourn the Special Meeting from time to time, but not to a date later than April 23, 2002. Pursuant to Section 1701.831 of the Ohio Revised Code, unless Northrop agrees in writing to another date, the Special Meeting shall be held within fifty days after receipt by TRW of the acquiring person statement. Since the acquiring person statement was received by TRW on March 4, 2002, the Special Meeting must be held by April 23, 2002. [TRW] currently has no plans to request that Northrop agree to postpone or adjourn the Special Meeting past April 23, 2002 and [TRW] has not received any request from Northrop to postpone or adjourn this Special Meeting past April 23, 2002. In the event that the Special Meeting is not held because of the absence of a quorum, the Control Share Acquisition would not be authorized.

If Northrop Grumman agrees in writing, Northrop Grumman believes that the Special Meeting may be adjourned to another time, either on or after April 23, 2002, in accordance with the general provisions of Ohio law.

TRW has stated in the TRW Proxy Statement that it will institute procedures and presumptions which will, among other things, require each TRW shareholder to certify that its TRW shares are not interested shares, as defined below in the section entitled Ohio Control Share Acquisition Law. TRW also has stated that any TRW shares without such a certification will be presumed by TRW to be interested shares and therefore will not be counted in determining whether the Second Majority Approval has been obtained. Northrop Grumman believes that the TRW presumption will unfairly disenfranchise shareholders who actually are entitled to vote, and is contrary to law. Northrop Grumman has filed a lawsuit to resolve this and other questions, as described below in the section entitled Ohio Litigation. Since Northrop Grumman cannot predict the outcome of the Ohio litigation, TRW shareholders are urged to strictly comply with the eligibility certification requirements imposed by TRW in order to be sure that their votes will be counted.

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**IMPORTANT**

**YOU MUST COMPLETE YOUR CERTIFICATION OF ELIGIBILITY**

**According to the TRW Proxy Statement, any TRW shares subject to proxies that are returned without a certification specifying that such TRW Shares are not interested shares will be presumed by TRW to be interested shares and will NOT be counted in determining whether the Second Majority Approval has been obtained. Therefore, please make sure to complete the certification included on the back of the BLUE proxy card so that TRW cannot disregard your vote. Even if you hold interested shares, you should vote because your vote will be counted in the First Majority Approval.**

Based on the TRW Proxy Statement, as of the close of business on March 28, 2002, the Record Date, there were 126,762,644 TRW Common Shares, 28,660 TRW Series 1 Shares and 53,324 TRW Series 3 Shares issued and outstanding. Each Common Share, Series 1 Share and Series 3 Share entitles the holder thereof to one vote per share on the Control Share Acquisition proposal (provided that, as described herein, interested shares may be excluded in determining whether the Second Majority Approval has been obtained).

**A vote FOR the Control Share Acquisition proposal will not obligate a TRW shareholder to tender TRW shares pursuant to the Offer to Exchange. However, if the Control Share Acquisition proposal is not approved, Northrop Grumman will be prohibited from acquiring TRW shares pursuant to the Offer to Exchange even if a majority of TRW shareholders desire to exchange their shares for Northrop Grumman common stock.**

Each shareholder of record on the Record Date will be entitled to vote at the Special Meeting, even if such shareholder has tendered its TRW shares pursuant to the Offer to Exchange or sold its TRW shares after the Record Date.

Whether or not a TRW shareholder plans to attend the Special Meeting, Northrop Grumman urges all TRW shareholders to vote FOR the Control Share Acquisition proposal and to GRANT AUTHORITY to Northrop Grumman to vote to adjourn the Special Meeting to allow additional time for the solicitation of proxies and completion of certifications, should Northrop Grumman deem it desirable, by so indicating on the accompanying BLUE proxy card and immediately mailing it with a completed certification of eligibility in the enclosed postage paid envelope.

**Northrop Grumman urges TRW s shareholders NOT to sign any gold proxy card sent by TRW.**

Any proxy for the Special Meeting may be revoked as to all matters covered thereby at any time prior to the time a vote is taken by (a) filing with the Secretary of TRW a later dated written revocation, (b) submitting a duly executed BLUE proxy bearing a later date to Northrop Grumman or (c) attending and voting at the Special Meeting in person. Attendance at the Special Meeting will not in and of itself constitute a revocation.

If you previously voted or returned TRW s proxy card before receiving your BLUE Northrop Grumman proxy card, you have every right to change your vote simply by signing, dating and mailing the enclosed BLUE proxy card. This will revoke your earlier vote or proxy. Only your latest dated card will count.

If you deliver a revocation to the Secretary of TRW, please also send a copy of such notice of revocation to:

Northrop Grumman Corporation  
c/o D.F. King & Co., Inc.  
Wall Street Station - P.O. Box 411  
New York, New York 10269-0069

Unless revoked in the manner set forth above, BLUE proxies received by Northrop Grumman in the accompanying form will be voted at the Special Meeting only in accordance with the written instructions of the beneficial owner of the underlying shares. In the absence of written instructions, BLUE proxies in the form accompanying this Proxy Statement will be voted FOR the Control Share Acquisition proposal and, if

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Northrop Grumman proposes an adjournment of the Special Meeting to provide additional time for the solicitation of proxies and completion of certifications, FOR adjournment of the Special Meeting.

**Information relating to voting by participants in TRW's stock-based employee benefit plans is set forth below under the caption Employee Plan Voting.**

**Abstentions and Broker Non-Votes**

The TRW Proxy Statement states that TRW will treat abstentions and so-called broker non-votes as follows:

Any abstention from voting on a proxy which has not been revoked will be included in computing the number of TRW shares present for purposes of determining whether a quorum is present at the Special Meeting and will have the same effect as an AGAINST vote. When brokers do not receive voting instructions from a customer, they are permitted to, and generally do, exercise discretionary voting authority with respect to the customer's shares on routine matters being voted on at the meeting. If there are non-routine matters also being voted upon at the same meeting, the broker is not permitted to exercise discretionary voting authority on such matters, and the shares voted by the broker in its discretion on routine matters are considered broker non-votes with respect to the non-routine matters. The Control Share Acquisition proposal is a non-routine matter and the brokers may not exercise discretionary voting authority. Since there are no other matters expected to be voted upon at the Special Meeting, [TRW] does not believe there will be any broker non-votes. If, however, there are any broker non-votes, such broker non-votes will be included in the quorum and have the same effect as a vote AGAINST the proposal.

Northrop Grumman believes that TRW's stated intention to treat broker non-votes as having the same effect as votes against the Control Share Acquisition proposal would improperly allow the outcome of the vote to be decided by persons who have provided no indication of how they wish their shares to be voted, and is contrary to law. This issue, and other issues, are the subject of the litigation described under Ohio Litigation.

**The First Majority Approval and the Second Majority Approval**

Holders of TRW shares as of the Record Date are entitled to vote at the Special Meeting. Each TRW share entitles the holder to one vote, and the TRW Common Shares, Series 1 Shares and Series 3 Shares vote together as a single class. The following information as to which TRW shares are eligible to be voted in the First Majority Approval and the Second Majority Approval is excerpted from the TRW Proxy Statement:

TRW shares are the only shares entitled to be voted at the Special Meeting. The TRW Common Shares, Series 1 Shares and Series 3 Shares are entitled to one vote per share and vote together as a single class. As of March 28, 2002, there were 126,762,644 Common Shares, 28,660 Series 1 Shares and 53,324 Series 3 Shares issued and outstanding, all of which are eligible to be voted in determining whether the Control Share Acquisition has been approved by the First Majority Approval required under the Ohio Control Share Acquisition [Law].

The number of TRW shares eligible to be voted in determining whether the Control Share Acquisition has been approved by the Second Majority Approval required under the Ohio Control Share Acquisition [Law], consisting of the voting power of all the outstanding TRW shares excluding the voting power of Interested Shares, will be determined as of the time of the Special Meeting in the manner described in this Proxy Statement. The categories of

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Interested Shares that will not be eligible to be voted in determining the Second Majority Approval are as follows:

1. TRW shares owned by Northrop. According to the Schedule TO filed by Northrop on March 4, 2002, Northrop owns in the aggregate four shares of TRW capital stock, which are, for this purpose, Interested Shares. As such, these TRW shares will not be eligible to be voted in determining the Second Majority Approval.
2. TRW shares owned by officers of [TRW] elected or appointed by its Board of Directors or owned by any employee of TRW who is also a director of TRW. As of March 25, 2002, these individuals own, in the aggregate, 267,931 TRW shares, which are, for this purpose, Interested Shares. TRW shares acquired for the benefit of non-employee directors with the deferred portion of non-employee director compensation are held in a rabbi trust and are voted by a committee of certain executive officers of [TRW]. As of March 25, 2002, there were 34,412 TRW shares held in this rabbi trust, which are, for this purpose, Interested Shares. As such, these TRW shares will not be eligible to be voted in determining the Second Majority Approval.
3. TRW shares owned by any person who acquired such TRW shares for valuable consideration during the period (such period being referred to herein as the Restricted Period ) beginning February 22, 2002, the date of the first public disclosure of the proposed acquisition, and ending on March 28, 2002, the Record Date, if (A) the aggregate consideration paid by such person for such TRW shares exceeds \$250,000 or (B) the number of shares so acquired exceeds 0.5% of the TRW shares outstanding.
4. TRW shares owned by any such person that transfers TRW shares for valuable consideration after March 28, 2002 (the Record Date) as to such TRW shares so transferred, if accompanied by the voting power in the form of a blank proxy, an agreement to vote as instructed by the transferee, or otherwise.

For purpose[s] of the foregoing, the term owned means shares as to which a person may exercise or direct the exercise of the voting power in the election of directors.

Shareholders who own, prior to the commencement of the Restricted Period, TRW shares that are not Interested Shares and who acquire TRW shares during the Restricted Period for an aggregate consideration in excess of \$250,000 will be entitled to have their TRW shares acquired prior to the Restricted Period voted in determining whether the Second Majority Approval has been obtained if an appropriate certification of eligibility, as described above, is provided.

Under Ohio law, all TRW shares, including the first \$250,000 worth of such shares, acquired during the Restricted Period for an aggregate purchase price of more than \$250,000 will be considered Interested Shares.

Furthermore, TRW shares that are considered Interested Shares because they were purchased during the Restricted Period as part of an aggregate purchase of \$250,000 or more of TRW shares will remain Interested Shares if owned by such purchaser as of the Record Date even if the purchaser of such shares at some point during that period disposes of some of such shares. For example, in the case of a person who buys \$1,000,000 worth of TRW shares during the relevant period, then sells \$800,000 worth of TRW shares during that period, all of such person's TRW shares acquired during that period and still owned as of the Record Date are Interested Shares.

The Ohio Control Share Acquisition Statute requires that TRW shares acquired by persons acting in concert be aggregated for the purpose of calculating the \$250,000 threshold for determination of Interested Share status. In the event that TRW shares are entitled to be voted



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by more than one person all of such TRW shares will be considered to be owned by each such person for purposes of determining whether such shares are Interested Shares.

On or about March 15, 2002, Georgeson Shareholder Communications Inc. ( Georgeson ) distributed a notification to banks and brokers advising them of the procedures (the Bank and Broker Procedures ) that would need to be followed in order to assure that TRW shares owned by their customers are eligible to be voted in the Second Majority Approval. TRW shareholders who hold their shares in street name are urged to contact their bank, broker or account executive for determining the procedures to be followed in completing your proxy card and related certification of eligibility.

Each investment advisor or other person who holds TRW shares for different beneficial owners, based on its own circumstances and arrangements with its clients, will need to make its own determination as to whether any of the TRW shares held in its accounts for the benefit of such beneficial owners are Interested Shares.

Under the Ohio Control Share Acquisition Statute, TRW shares owned by Directors who are not employees of [TRW], and who do not fall into any other category described in subparagraph (1), (2), (3) or (4) immediately above, would not be Interested Shares. [TRW] s Directors (excluding Howard V. Knicely) owned an aggregate of 28,352 TRW shares as of March 25, 2002 and, to the best of TRW s knowledge, none of these TRW shares are Interested Shares. To the best of TRW s knowledge, these Directors intend to vote their TRW shares AGAINST approval of the Control Share Acquisition in determining the First Majority Approval and the Second Majority Approval.

All TRW shares as to which a signed certification of eligibility, as described above, has been provided on the proxy card or ballot relating to such TRW shares will be presumed by [TRW] to be eligible to be voted in determining whether the Control Share Acquisition is approved by the Second Majority Approval. This presumption may be rebutted if a shareholder signing the proxy card or ballot provides subsequent information indicating that some or all of the TRW shares represented by the original proxy card or ballot are, or have become, Interested Shares or a successful challenge is made to such certification on the basis of information available to the challenging party. It is [TRW] s position that TRW shares subject to a proxy card or ballot without a certification of eligibility completed by the shareholder shall be presumed to be Interested Shares and, therefore, not eligible to be voted in determining whether the Control Share Acquisition has been approved by the Second Majority Approval.

TRW has stated that shares allocated to the accounts of participants in the TRW Employee Stock Ownership and Savings Plan (the U.S. Plan ) the TRW Canada Stock Savings Plan (the Canada Plan ) and the TRW UK Share Purchase Plan (the UK Share Purchase Plan ) prior to February 22, 2002 will be treated differently from other TRW shares for purposes of the voting procedures and presumptions at the Special Meeting. Regardless of whether a letter of certification of eligibility has been completed, such shares will be presumed to be shares which are not interested shares.

According to the TRW Proxy Statement, all TRW shareholders who intend to vote at the Special Meeting will be required to certify as to the eligibility of their TRW shares and the same presumptions and procedures adopted by TRW for the Special Meeting will apply to all TRW shares (except as described above), regardless of whether they are represented by a proxy given to Northrop Grumman or a proxy given to TRW.

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Northrop Grumman believes that a number of the procedures and presumptions which TRW has adopted for the Special Meeting are contrary to law. These include:

TRW's position that all shares, including the first \$250,000 worth of shares, acquired during the Restricted Period for an aggregate purchase price of more than \$250,000 will be considered interested shares ;

TRW's position that all shares for which certifications of eligibility are not received, other than shares allocated prior to February 22, 2002 to the accounts of participants in the U.S. Plan, the UK Plan or the Canada Plan, will be presumed to be interested shares ; and

TRW's position that the Restricted Period commenced on February 22, 2002 rather than March 4, 2002, the date on which Northrop Grumman delivered its Acquiring Person's Statement to TRW.

These and other issues are the subject of the litigation described under Ohio Litigation.

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**THE OFFER TO EXCHANGE**

Over the past twelve months, TRW Common Shares have traded as low as \$28.01 per Common Share. Based on the respective prices of TRW and Northrop Grumman stock on February 21, 2001 (the date Northrop Grumman proposed a business combination of TRW and Northrop Grumman), the value of the consideration offered in the Offer to Exchange represents an 18% premium over the closing price per Common Share on February 21, 2001, a 22% premium over the average trading price of the TRW Common Shares for the 12 months preceding February 21, 2001 and a 4% premium over the highest closing price of the TRW Common Shares for the 12 months preceding February 21, 2001.

A Registration Statement on Form S-4 (which includes the Offer to Exchange) and a Tender Offer Statement on Schedule TO relating to the Offer to Exchange were filed by Northrop Grumman with the Securities and Exchange Commission (the Commission) on March 4, 2002 and were amended on March 28, 2002. Those documents and any further amendments may be obtained from the Commission, upon payment of the Commission's customary charges, by writing to the Commission's principal office at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Such materials also are available for inspection and copying at the principal office of the Commission at the address set forth immediately above, and at the Commission's regional offices at 233 Broadway, New York, New York 10279 and 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604. This information also is available on the Commission's website at <http://www.sec.gov>.

If the acquisition of TRW shares pursuant to the Offer to Exchange is not authorized by TRW's shareholders at the Special Meeting or any adjournment thereof, TRW shares will not be accepted for exchange pursuant to the Offer to Exchange unless Northrop Grumman is satisfied, in its reasonable discretion, that the provisions of the Ohio Control Share Acquisition Law are invalid or inapplicable to the acquisition of TRW shares by Northrop Grumman pursuant to the Offer to Exchange. Other conditions to Northrop Grumman's acceptance of TRW shares pursuant to the Offer to Exchange are described in detail in the Offer to Exchange.

**A TRW shareholder who votes for the Control Share Acquisition proposal is NOT obligated to tender TRW shares pursuant to the Offer to Exchange, and will NOT be prohibited from later voting against any other proposed control share acquisition or business combination involving TRW and Northrop Grumman. Shareholder approval for the acquisition of TRW shares pursuant to the Offer to Exchange, to the extent required by law, only provides TRW's shareholders the opportunity to decide for themselves whether to exchange their TRW shares pursuant to the Offer to Exchange.**

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**OHIO CONTROL SHARE ACQUISITION LAW**

The Ohio Control Share Acquisition Law (Section 1710.831 of the Ohio Revised Code) provides that, unless the articles of incorporation or the regulations of an issuing public corporation provide otherwise, any control share acquisition of such corporation shall be made only with the prior authorization of the shareholders. An issuing public corporation is defined in the Ohio Revised Code as a corporation, such as TRW, organized for profit under the laws of Ohio, with 50 or more shareholders, that has its principal place of business, principal executive offices or substantial assets in Ohio, and as to which there is no close corporation agreement in existence.

A control share acquisition is defined in the Ohio Revised Code as the acquisition, directly or indirectly, by any person of shares of an issuing public corporation that, when added to all other shares of the issuing public corporation in respect of which such person may exercise or direct the exercise of voting power, would entitle such acquiring person, immediately after such acquisition, directly or indirectly, alone or with others, to control any of the following ranges of voting power of such issuing public corporation in the election of directors:

one-fifth or more but less than one-third of such voting power;

one-third or more but less than a majority of such voting power;  
or

a majority or more of such voting power.

Any person who proposes to make a control share acquisition must deliver an acquiring person statement to the issuing public corporation, which statement must include:

the identity of the acquiring person;

a statement that the acquiring person statement is being given pursuant to Section 1710.831 of the Ohio Revised Code;

the number of shares of the issuing public corporation owned, directly or indirectly, by such acquiring person;

the range of voting power in the election of directors under which the proposed acquisition would, if consummated, fall (i.e., in excess of 20%, 33 1/3% or 50%);

a description of the terms of the proposed acquisition;  
and

representations of the acquiring person that the acquisition will not be contrary to the law and that such acquiring person has the financial capacity to make the proposed acquisition (including the facts upon which such representations are based).

Northrop Grumman delivered an acquiring person statement (the Northrop Acquiring Person Statement ) to TRW on March 4, 2002.

Within 10 days of receipt of a qualifying acquiring person statement, the directors of the issuing public corporation must call a special shareholders meeting to vote on the proposed acquisition. The special shareholders meeting must be held within 50 days of receipt of the acquiring person statement, unless the acquiring person otherwise agrees.

The issuing public corporation is required to send a notice of the special meeting as promptly as reasonably practicable to all shareholders of record as of the record date set for such meeting, together with a copy of the acquiring person statement and a statement of the issuing public corporation, authorized by its directors, of the issuing public corporation's position or recommendation, or that it is taking no position, with respect to the proposed control share acquisition.

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The acquiring person may make the proposed control share acquisition only if:

at a meeting at which a quorum is present, the control share acquisition is authorized by a majority of the holders of the voting power entitled to vote in the election of directors represented in person or by proxy at such meeting *and* the control share acquisition is authorized by a majority of the portion of the voting power represented at the meeting in person or by proxy, excluding interested shares; and

such acquisition is consummated, in accordance with the terms so authorized, within 360 days following such authorization.

Interested shares are defined in the Ohio Revised Code as shares as to which any of the following persons may exercise or direct the exercise of voting power in the election of directors:

an acquiring person;

an officer of the issuing public corporation elected or appointed by its directors;

any employee of the issuing public corporation who is also a director of such corporation; or

any person who acquires such shares for valuable consideration during the period beginning with the date of the first public disclosure of a proposed control share acquisition of the issuing public corporation or any proposed merger, consolidation or other transaction that would result in a change in control of the corporation or all or substantially all of its assets and ending on the Record Date, if either of the following apply:

the aggregate consideration paid or otherwise given by the person who acquired the shares and any other persons acting in concert with such persons exceeds \$250,000; or

the number of shares acquired by the person who acquired the shares and any other persons acting in concert with such person exceeds 1/2 of 1% of the outstanding shares of the issuing public corporation entitled to vote in the election of directors.

Interested shares also include interested shares held by a person who transfers such interested shares after the record date if accompanied by an instrument (such as a proxy or voting agreement) that gives the transferee the power to vote those shares.

**The foregoing summary does not purport to be a complete statement of the provisions of the Ohio Control Share Acquisition Law. The foregoing summary is qualified in its entirety by reference to the Ohio Control Share Acquisition Law (a copy of which is attached as Annex B to this Proxy Statement, along with excerpts from Section 1701.01 of the Ohio Revised Code, which defines certain terms used in the Ohio Control Share Acquisition Law) and the Ohio Revised Code.**

Dissenters' rights are not available to shareholders of an issuing public corporation in connection with the authorization of a control share acquisition.

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**EMPLOYEE PLAN VOTING**

The following text is excerpted from the TRW Proxy Statement, and describes additional procedures and presumptions which will apply to TRW shares held in TRW's stock-based benefit plans.

**EMPLOYEE PLAN VOTING**

Certain Common Shares are held for the benefit of plan participants of The TRW Employee Stock Ownership and Savings Plan (the U.S. Plan), The TRW Canada Stock Savings Plan (the Canada Plan), and the TRW UK Share Purchase Plan (the UK Plan and together with the U.S. Plan and the Canada Plan, the Plans). The Plans contain pass-through voting provisions for the participants of the Plans, with Common Shares that are allocated to a participant's account voted in accordance with the instructions of the participant by the trustees of the respective Plan responsible for voting (the Trustees).

**PARTICIPANTS IN THE PLANS CAN ONLY VOTE COMMON SHARES HELD IN THE PLANS ON THEIR BEHALF BY INSTRUCTING THE RELEVANT TRUSTEE ON THE TRUSTEE'S VOTING INSTRUCTION CARD PROVIDED TO PARTICIPANTS FOR THAT PURPOSE.**

**U.S. Plan**

With respect to TRW shares held in the U.S. Plan, shares allocated to a participant who signs a voting instruction card but does not indicate or give instructions how such shares are to be voted, will be voted by the Trustees of such Plan in accordance with the Trustees' fiduciary judgment. At the insistence of the Trustees of the U.S. Plan, shares allocated to a participant's account prior to February 22, 2002 who (i) signs a voting instruction card, (ii) indicates how such shares are to be voted and (iii) does not certify whether or not the shares are Interested Shares will be voted in accordance with the instructions of the plan participant, and will be presumed to be eligible to vote with respect to the Second Majority Approval; however, any such shares allocated to a participant's account after February 22, 2002 will be presumed to be Interested Shares unless the voting instructions are accompanied by a completed certification of eligibility to vote on the Second Majority Approval. All shares as to which instructions are given will be voted in connection with the First Majority Approval.

In the event the Trustees of the U.S. Plan determine, in the exercise of their fiduciary responsibilities under ERISA, they cannot follow the participant's instructions, or the participant does not return or properly complete the voting instruction card, the Trustees will vote the shares allocated to such participant's account in accordance with their fiduciary judgment.

**In order to permit sufficient time to tabulate voting instruction cards, a participant's instructions must be received on or prior to April 18, 2002.**

**UK Plan**

With respect to TRW shares held in the UK Plan, shares allocated to a participant who signs a voting instruction card but does not indicate or give instructions how such shares are to be voted will not be voted by the Trustee of the Plan. At the request of the Trustee of the UK Plan, shares allocated to a participant's account prior to February 22, 2002 who (i) signs a voting instruction card, (ii) indicates how such shares are to be voted and (iii) does not certify whether or not the shares are Interested Shares will be voted in accordance with the

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instructions of the plan participant, and will be presumed to be eligible to vote with respect to the Second Majority Approval; however, any such shares allocated to a participant's account after February 22, 2002 will be presumed to be Interested Shares unless the voting instructions are accompanied by a completed certification of eligibility to vote on the Second Majority Approval. All shares as to which instructions are given will be voted in connection with the First Majority Approval.

In the event the participant does not specify voting instructions, the shares allocated to such participant's account will not be voted at the Special Meeting.

**In order to permit sufficient time to tabulate voting instruction cards, a participant's instructions must be received on or prior to April 17, 2002.**

### **Canada Plan**

With respect to TRW shares held in the Canada Plan, shares allocated to a participant who signs a Gold voting instruction card but does not indicate or give instructions how such shares are to be voted will be voted AGAINST the Control Share Acquisition proposal. At the request of the Trustee of the Canada Plan, shares allocated to a participant's account prior to February 22, 2002 who (i) signs a voting instruction card, (ii) indicates how such shares are to be voted and (iii) does not certify whether or not the shares are Interested Shares will be voted in accordance with the instructions of the plan participant, and will be presumed to be eligible to vote with respect to the Second Majority Approval; however, any such shares allocated to a participant's account after February 22, 2002 will be presumed to be Interested Shares unless the voting instructions are accompanied by a completed certification of eligibility to vote on the Second Majority Approval. All shares as to which instructions are given will be voted in connection with the First Majority Approval.

In the event the participant does not return or sign a voting instruction card, the shares allocated to such participant's account will not be voted. If a signed voting instruction card is received, but no selection has been made, then the shares allocated to such participant's account will be voted AGAINST the proposal.

**In order to permit sufficient time to tabulate voting instruction cards, a participant's instructions must be received on or prior to April 16, 2002.**

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**OHIO LITIGATION**

On March 4, 2002, Northrop Grumman filed a lawsuit in the United States District for the Northern District of Ohio against TRW and certain other persons, seeking declaratory and injunctive relief with respect to the Ohio Control Share Acquisition Law, the Ohio business combination law (Section 1704.01 et seq. of the Ohio Revised Code) and the Ohio control bid law (Section 1707.01 et seq. of the Ohio Revised Code). The lawsuit alleges that such statutes conflict with the United States constitution and United States laws governing the conduct of tender offers. The complaint seeks declaratory and injunctive relief, as well as the costs of the lawsuit. Northrop Grumman also is requesting declarations from the Court that: (a) the date of the first public disclosure of the Offer to Exchange, for purposes of the Control Share Acquisition Law, was March 4, 2002 and (b) the solicitation, acceptance and voting of proxies at the Special Meeting does not make Northrop Grumman an interested shareholder as defined in Ohio's business combination law. No assurance can be provided as to the time which may be required for a final decision with respect to the issues presented, or as to the outcome of this lawsuit.

On March 4, 2002, TRW filed a lawsuit in the United States District Court for the Southern District of Ohio against Northrop Grumman, the Attorney General of Ohio, the Director of Ohio's Department of Commerce and the Commissioner of Ohio's Division of Securities. The lawsuit seeks a judgment that Ohio's Control Share Acquisition Law, business combination law and control bid law are constitutional. The complaint seeks declaratory relief, as well as the costs of the lawsuit.

The Southern District action has been stayed by orders of both the Southern District Court and the Northern District Court. On March 18, 2002, Northrop Grumman filed a motion seeking a preliminary injunction, preventing the application of the Ohio Control Share Acquisition Law and the Ohio Merger Moratorium Law (i.e. Section 1704 of the Ohio Revised Code) to the Offer to Exchange. In the alternative, Northrop Grumman seeks (a) to enjoin the application of the provision of the Ohio Control Share Acquisition Law requiring the exclusion of votes relating to interested shares, to the extent it seeks to disenfranchise independent shareholders who purchased \$250,000 or more in TRW shares, either alone or in concert with others, after the public announcement of the Offer to Exchange, or (b) to prevent TRW from employing various restrictive and discriminatory presumptions and procedures at the Special Meeting. The parties were ordered to and did file position papers by March 29, 2002, after which the Northern District Court will determine how and when to decide Northrop Grumman's motion.



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**OTHER MATTERS**

Except as set forth herein, Northrop Grumman is not aware of any other substantive matter to be considered at the Special Meeting. However, if any other matter (other than with respect to the election of TRW directors) properly comes before the Special Meeting, the accompanying BLUE proxy also confers authority to the persons named in the accompanying proxy to vote the TRW shares to which the proxy relates on such other matters at their discretion. The proxies will have this discretionary authority even if the TRW shareholder delivering the proxy has voted against the Control Share Acquisition proposal or has withheld authorization to vote to adjourn the Special Meeting. Northrop Grumman is not requesting, and the accompanying BLUE proxy does not grant, discretionary authority to vote TRW shares subject to the proxy with respect to the election of TRW directors.

A copy of the Northrop Acquiring Person Statement (without exhibits) is attached as Annex C to this Proxy Statement. The Northrop Acquiring Person Statement and the Offer to Exchange contain important information and should be read by TRW shareholders before making any decision with respect to voting.

Only holders of record of TRW shares as of the close of business on the Record Date will be entitled to vote. Any TRW shareholder of record on the Record Date will be entitled to vote at the Special Meeting even if such shareholder (a) sold the TRW shares it held on the Record Date after the Record Date or (b) tenders such TRW shares for exchange pursuant to the Offer to Exchange, whether before or after the Record Date. The tender of TRW shares pursuant to the Offer to Exchange does not constitute the grant to Northrop Grumman of a proxy or any voting rights with respect to the tendered TRW shares until such time as such TRW shares are accepted for exchange by Northrop Grumman. Accordingly, it is important that each TRW shareholder vote the TRW shares held by it on the Record Date, or grant a proxy to vote such TRW shares on the accompanying BLUE proxy card, even if the shareholder decides to sell such TRW shares after the Record Date or to tender such TRW shares for exchange pursuant to the Offer to Exchange.

If TRW shares are held in the name of a brokerage firm, bank, bank nominee or other institution on the Record Date, only the brokerage firm, bank, bank nominee or other institution can execute a proxy for such TRW shares and will do so only upon receipt of specific instructions from the beneficial owner of such TRW shares. Accordingly, each TRW shareholder who holds TRW shares through a nominee such as a brokerage firm, bank, bank nominee or other institution must contact the person responsible for its account and advise that person to promptly execute and return the accompanying BLUE proxy card with a completed certification of eligibility with a vote FOR the Control Share Acquisition proposal as promptly as possible.

**Please promptly sign, date and mail (or direct any nominee holder to sign, date and mail) the enclosed BLUE proxy card with a completed certification of eligibility. No postage is required if mailed in the United States. By signing and mailing the enclosed BLUE proxy card, any proxy previously delivered by a TRW shareholder with respect to the proposal to authorize the acquisition of TRW shares pursuant to the Offer to Exchange automatically will be revoked.**

**SOLICITATION OF PROXIES**

Proxies may be solicited by mail, telephone, telecopier, in person and over the internet. Solicitations may be made by directors, officers, investor relations personnel and other employees of Northrop Grumman, none of whom will receive additional compensation for such solicitations. Northrop Grumman has requested banks, brokerage houses and other custodians, nominees and fiduciaries to forward all of its solicitation materials to the beneficial owners of the TRW shares they hold of record. Northrop Grumman will reimburse these record holders for customary clerical and mailing expenses incurred by them in forwarding these materials to their customers.

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Northrop Grumman has retained D.F. King & Co., Inc. ( D.F. King ) for solicitation and advisory services in connection with this proxy solicitation. D.F. King will be paid a fee estimated not to exceed \$2,750,000 for acting (a) as proxy solicitor in connection with this Proxy Statement, (b) as proxy solicitor in connection with TRW s 2002 Annual Meeting of Shareholders and (c) as Information Agent in connection with the Offer to Exchange. D.F. King may also receive additional reasonable and customary compensation for providing additional advisory services in connection with this proxy solicitation. Northrop Grumman has also agreed to reimburse D.F. King for its reasonable out-of-pocket expenses and to indemnify D.F. King against certain liabilities and expenses, including liabilities and expenses under U.S. federal securities laws. D.F. King will solicit proxies from individuals, brokers, banks, bank nominees and other institutional holders.

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

In connection with Salomon Smith Barney's engagement as dealer manager and financial advisor, Northrop Grumman anticipates that certain employees of Salomon Smith Barney may communicate in person, by telephone or otherwise with a limited number of institutions, brokers or other persons who are shareholders of TRW, which activities could involve or be deemed to constitute the solicitation of proxies. Salomon Smith Barney will not receive any additional fee for or in connection with such activities by employees of Salomon Smith Barney apart from the fees it is otherwise entitled to receive as described above.

Northrop Grumman has retained Kekst and Company as its public relations advisor in connection with this proxy solicitation. Kekst and Company will be paid reasonable and customary compensation for its services, and Northrop Grumman has agreed to reimburse Kekst and Company for any out-of-pocket expenses incurred in connection with those services.

The entire expense of soliciting proxies for the Special Meeting is being borne by Northrop Grumman. Northrop Grumman will not seek reimbursement for such expenses from TRW. Costs incidental to this proxy solicitation include expenditures for printing, postage, legal and related expenses and are expected to be approximately \$3,000,000.

If Northrop Grumman should ultimately elect to amend or supplement the terms of any of the shareholder proposals described in this Proxy Statement or present additional proposals to the Special Meeting, Northrop Grumman will distribute information regarding such changes or additions to TRW shareholders in compliance with applicable law and, in appropriate circumstances, will provide TRW shareholders with a reasonable opportunity to revoke any shareholder proxies previously given prior to the Special Meeting.

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**PROPOSALS FOR 2003 ANNUAL MEETING**

According to TRW's Definitive Proxy Statement for the 2002 Annual Meeting of Shareholders, shareholder proposals for the 2003 annual shareholders meeting must be received by TRW no later than November 4, 2002 in order to be eligible to be included in the TRW's proxy statement and form of proxy for that meeting. Proposals for the 2003 annual shareholders meeting must be submitted in writing and sent to TRW at TRW Inc., 1900 Richmond Road, Cleveland, Ohio 44124, attention: Secretary.

According to TRW's Definitive Proxy Statement for the 2002 Annual Meeting of Shareholders, any TRW shareholder who intends to present a shareholder proposal at TRW's 2003 annual shareholders meeting, other than pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, must provide TRW notice of the proposal no later than January 18, 2003, or TRW's management will have discretionary voting authority with respect to such proposal without providing any advice on the nature of the matter in TRW's proxy statement for TRW's 2003 annual shareholders meeting.

**INFORMATION ABOUT TRW**

TRW is an Ohio corporation with its principal executive offices located at 1900 Richmond Road, Cleveland, Ohio 44124. The telephone number of TRW is (216) 291-7000.

TRW is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Commission. Reports, proxy statements and other information filed by TRW may be obtained on the Commission's website at <http://www.sec.gov> and directly from the Commission, upon payment of the Commission's customary charges, by writing to its principal office at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Such materials also are available for inspection and copying at the principal office of the Commission at the address set forth immediately above, at the Commission's regional offices at 233 Broadway, New York, New York 10279 and 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604.

**INFORMATION ABOUT NORTHROP GRUMMAN**

Northrop Grumman is a leading global aerospace and defense company providing a wide range products and services in defense and commercial electronics, systems integration, information technology and nuclear and non-nuclear shipbuilding and systems. As a prime contractor, principal subcontractor, partner, or preferred supplier, Northrop Grumman participates in many high-priority defense and commercial technology programs in the United States and abroad. Northrop Grumman is aligned into six business sectors: Electronic Systems, Information Technology, Integrated Systems, Newport News, Ship Systems and Component Technologies.

Northrop Grumman is a Delaware holding company formed in connection with the acquisition of Litton Industries, Inc. in April 2001. Northrop Grumman's principal executive offices are located at 1840 Century Park East, Los Angeles, California 90067 and its telephone number is (310) 553-6262.

Northrop Grumman is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Commission. Reports, proxy statements and other information filed by Northrop Grumman may be obtained from the Commission at the same locations and by following the same procedures described above in the section entitled "Information About TRW."

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**OTHER INFORMATION**

Certain directors, executive officers, employees and other representatives of Northrop Grumman who may also assist D.F. King in soliciting proxies are listed on the attached Schedule I. Schedule II sets forth certain information regarding TRW shares owned by Northrop Grumman, its Directors, executive officers, employees and other potential participants in this proxy solicitation. Schedule III sets forth certain information, as made available in public documents, regarding TRW shares held by TRW's principal shareholders and its management. Schedule IV contains pro forma financial information regarding Northrop Grumman, its subsidiaries and affiliates, and TRW. The information in Schedule IV is excerpted from the Offer to Exchange, as amended to date, attached as Annex A to this Proxy Statement.

**This Proxy Statement is neither a request for the tender or exchange of TRW shares nor an offer with respect thereto. Northrop Grumman's Offer to Exchange is being made only by means of the Offer to Exchange, as filed with the Commission.**

**Please indicate support FOR the Control Share Acquisition proposal and GRANT AUTHORITY to Northrop Grumman to vote to adjourn the Special Meeting, if deemed desirable by Northrop Grumman, to allow additional time for the solicitation of proxies and completion of certifications to assure a quorum and, if possible, a vote at the Special Meeting in favor of the Control Share Acquisition proposal. Please complete, sign and date the enclosed BLUE proxy card, and complete the certification of eligibility on the reverse side, and promptly return it in the enclosed envelope to:**

**Northrop Grumman Corporation  
c/o D.F. King & Co., Inc.  
Wall Street Station - P.O. Box 411  
New York, New York 10269-0069**

**No postage is necessary if the envelope is mailed in the United States.**

**Northrop Grumman requests your vote and your support! Your vote is important! Please sign, date and mail the enclosed BLUE proxy card, including the certificate of eligibility, and promptly advise each bank, broker or other nominee holder of TRW shares to vote your TRW shares FOR the Control Share Acquisition proposal and GRANT AUTHORITY to adjourn the Special Meeting.**

**IMPORTANT**

**TRW has adopted extraordinary procedures at this Special Meeting which require TRW shareholders to complete the form of certification on the back of each proxy card in addition to the proxy card itself in order for their votes to be counted fully in the vote on the Control Share Acquisition proposal. Be sure to complete the certification on the back of your proxy card!**

**It is important that all TRW shares be voted at the Special Meeting, including interested shares.**

**Don't allow your vote to be disregarded!**

**NORTHROP GRUMMAN CORPORATION**

April 4, 2002

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The following tables set forth the name of each Director, executive officer, and certain employees and other representatives of Northrop Grumman who may assist D.F. King in soliciting proxies from TRW shareholders. Unless otherwise noted, each person's business address is 1840 Century Park East, Los Angeles, California 90067. None of the officers, directors or employees of Northrop Grumman will receive compensation for soliciting proxies other than their ordinary compensation as an officer, director or employee, as the case may be.

**DIRECTORS AND EXECUTIVE OFFICERS OF NORTHROP GRUMMAN**

<b>Name</b>	<b>Present Principal Occupation or Employment</b>
John T. Chain, Jr.	Director of Northrop Grumman; General, United States Air Force (Ret.) and Chairman of the Board, Thomas Group, Inc.
Lewis W. Coleman	Director of Northrop Grumman; President, Gordon and Betty Moore Foundation.
Vic Fazio	Director of Northrop Grumman; Senior Partner, Clark & Weinstock.
Phillip Frost	Director of Northrop Grumman; Chairman of the Board of Directors and Chief Executive Officer of IVAX Corporation.
Kent Kresa	Director of Northrop Grumman; Chairman and Chief Executive Officer of Northrop Grumman.
Charles R. Larson	Director of Northrop Grumman; Admiral, United States Navy (Ret.).
Jay H. Nussbaum	Director of Northrop Grumman; Executive Vice President of KPMG Consulting, Inc.
Aulana L. Peters	Director of Northrop Grumman; Retired partner of the law firm of Gibson, Dunn & Crutcher LLP.
John Brooks Slaughter	Director of Northrop Grumman; President and Chief Executive Officer, The National Action Council for Minorities in Engineering, Inc.
Ronald D. Sugar	Director of Northrop Grumman; President and Chief Operating Officer.
Herbert W. Anderson	Corporate Vice President and President, Information Technology Sector of Northrop Grumman.
Frank G. Brandenburg	Corporate Vice President and President, Component Technologies Sector of Northrop Grumman
Phillip A. Dur	Corporate Vice President and President, Ship Systems Sector of Northrop Grumman.
J. Michael Hateley	Corporate Vice President and Chief Human Resources and Administrative Officer of Northrop Grumman.
Robert W. Helm	Corporate Vice President, Government Relations of Northrop Grumman.
Robert P. Iorizzo	Corporate Vice President and President, Electronic Systems Sector of Northrop Grumman.
John H. Mullan	Corporate Vice President and Secretary of Northrop Grumman.
Albert F. Myers	Corporate Vice President and Treasurer of Northrop Grumman.

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<u>Name</u>	<u>Present Principal Occupation or Employment</u>
Rosanne P. O'Brien	Corporate Vice President, Communications of Northrop Grumman.
W. Burks Terry	Corporate Vice President and General Counsel of Northrop Grumman.
Thomas C. Schievelbein	Corporate Vice President and President, Newport News Sector of Northrop Grumman.
Scott J. Seymour	Corporate Vice President and President, Integrated Systems Sector of Northrop Grumman.
Richard B. Waugh, Jr.	Corporate Vice President and Chief Financial Officer of Northrop Grumman.
Sandra J. Wright	Corporate Vice President and Controller of Northrop Grumman.

**CERTAIN EMPLOYEES OF NORTHROP GRUMMAN WHO MAY ALSO SOLICIT PROXIES**

<u>Name</u>	<u>Present Principal Occupation or Employment</u>
Gaston Kent	Vice President, Investor Relations of Northrop Grumman.
Frank Moore	Director, Media Relations of Northrop Grumman.

**OTHER REPRESENTATIVES OF NORTHROP GRUMMAN WHO MAY ALSO SOLICIT PROXIES**

Although Salomon Smith Barney does not admit that it or any of its directors, officers, employees or affiliates is a "participant" as defined in Schedule 14A promulgated by the Commission under the Securities Exchange Act of 1934, as amended, or that Schedule 14A requires the disclosure of certain information concerning them, the following employees of Salomon Smith Barney may communicate with shareholders in a manner that could involve or be deemed to be assisting Northrop Grumman in soliciting proxies from TRW's shareholders. The principal business address of each Salomon Smith Barney employee named below is Salomon Smith Barney Inc., 388 Greenwich Street, New York, NY 10013.

<u>Name</u>	<u>Present Office or Other Principal Occupation or Employment</u>
Petros G. Kitsos	Managing Director
Brian C. Link	Vice President
Brian D. Yick	Associate
Nathan Gordon	Financial Analyst
Matthew Nimitz	Financial Analyst

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**SCHEDULE II**

**SHARES OF TRW COMMON STOCK OWNED BY NORTHROP GRUMMAN, ITS DIRECTORS,  
OFFICERS AND EMPLOYEES, AND BY OTHERS WHO MAY SOLICIT PROXIES**

On the date hereof, the Ronald D. Sugar Revocable Trust dated as of October 20, 1995, of which Ronald D. Sugar, a Director and the President and Chief Executive Officer of Northrop Grumman, serves as Trustee, owns 21,475 Common Shares.

Northrop Grumman beneficially owns four Common Shares.

Salomon Smith Barney engages in a full range of investment banking, securities trading, market-making and brokerage services for institutional and individual clients. In the ordinary course of its brokerage business, Salomon Smith Barney trades securities of TRW and has engaged in numerous transactions for its own account and for the accounts of its customers during the past two years. The total number of such transactions during this period was approximately 34,700. Accordingly, it is impracticable to list each such transaction. As of April 1, 2002, Salomon Smith Barney and its affiliates were the holders of record of 515,936 Common Shares, of which 68,822 Common Shares were held for its own account and 447,114 Common Shares were held for customer accounts.

In the past, Salomon Smith Barney has acted as financial advisor to third parties in connection with possible transactions with TRW. In addition, Salomon Smith Barney's affiliate, Citibank, N.A., has in the past participated and currently participates as a lender in syndicated loans to TRW.

Except as disclosed above, neither Northrop Grumman, its Directors, its executive officers nor any of the other persons named in Schedule I above, (i) is the beneficial or record owner of any securities of TRW or (ii) has purchased or sold any securities of TRW within the past two years, borrowed any funds for the purpose of acquiring or holding any securities of TRW, or is or was within the past year a party to any contract, arrangement or understanding with any person with respect to any securities of TRW. Except as disclosed above, there have not been any transactions between TRW and Northrop Grumman or any of the other persons named in Schedule I above since the beginning of TRW's last fiscal year and, other than the proposed acquisition of TRW described in this document, none of Northrop Grumman or any of such other persons, or any associate of the foregoing persons or any other person who may be deemed a participant in this proxy solicitation has any arrangement or understanding with any person with respect to any future employment by TRW or its affiliates, or with respect to any future transactions to which TRW or its affiliates will or may be a party.

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**SCHEDULE III**

**BENEFICIAL OWNERSHIP OF TRW COMMON SHARES**

Set forth below is information as of December 31, 2001 regarding Common Shares owned by (i) those persons owning more than 5% of the outstanding TRW Common Shares and (ii) directors and executive officers of TRW as a group. Such information is derived from TRW's proxy statement for the 2002 Annual Meeting and certain filings on Schedule 13G, as described in the footnotes below.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class
The TRW Employee Stock Ownership and Savings Plan 1900 Richmond Road		