

**NOC Value Creation = Products, Performance & Cash**

**Products** - Northrop Grumman is a leading global security company with cutting edge technologies and capabilities that address the most critical, emerging security missions of our nation and our allies. From undersea to outer space and cyber space, Northrop Grumman is focused on our highest priority national security challenges.

**Performance** - Northrop Grumman's performance-based culture is aimed at maximizing financial results for our shareholders, customers and employees.

**Cash** - Northrop Grumman's cash flow has been deployed effectively for our shareholders, including dividend increases and share repurchases.

**NYSE: NOC**  
**PRICE: \$57.75\***

*\*As of 10/31/11*



## Highlights

<b>2010 Total Shareholder Return</b>	<b>19.6%</b>
<b>Annualized Dividend</b>	<b>\$2.00</b>
<b>Dividend Yield*</b>	<b>3.5%</b>
<b>Dividend Increase April 2011</b>	<b>6.4%</b>

[www.northropgrumman.com](http://www.northropgrumman.com)  
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# Selected Financial Highlights

## Sales

(\$ in Billions)



## Adjusted Fully Diluted EPS\*

(\$)



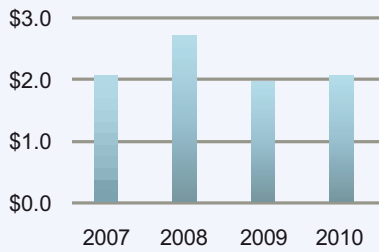
## Dividends

\$ Per Common Share



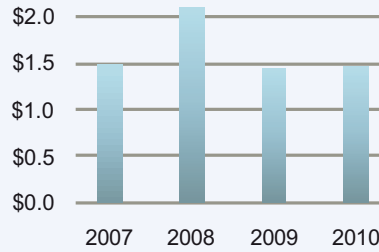
## Cash Provided by Continuing Operations

(\$ in Billions)



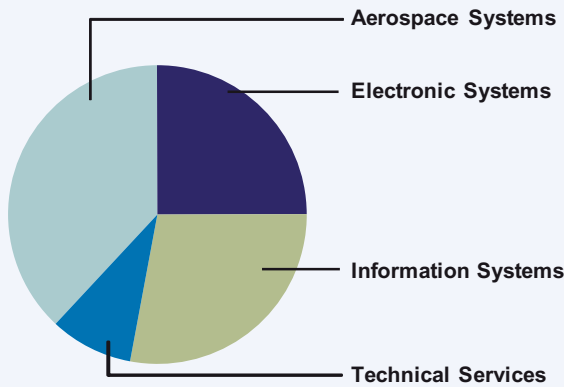
## Free Cash Flow

(\$ in Billions)



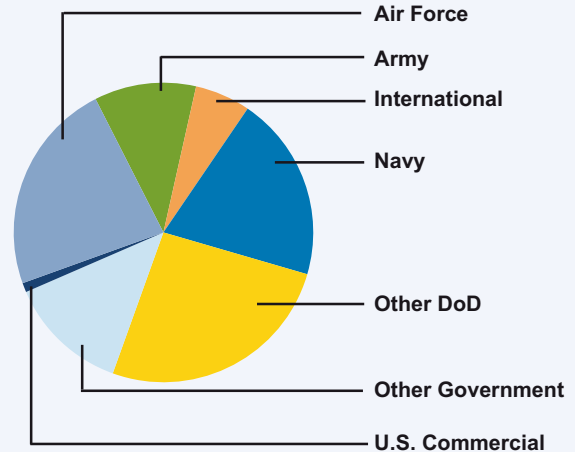
## Business Groups

2010 Sales



## Customer Sales

2010 Sales



\*Non-GAAP measures

Non-GAAP definitions and reconciliations:

Adjusted fully diluted EPS for 2008 represents adjusted earnings from continuing operations of \$1.588 billion, which excludes the \$570 million 2008 goodwill impairment charge, divided by diluted weighted average common shares outstanding of 341.6 million. GAAP diluted EPS for 2008 totaled \$2.98 representing earnings from continuing operations of \$1.018 billion divided by diluted weighted average shares of 341.6 million.

Free cash flow is calculated as cash provided by continuing operations less capital expenditures and outsourcing contract and related software costs.

Non-GAAP Reconciliation

\$ in Millions	2007	2008	2009	2010
Cash provided by continuing operations	\$2,050	\$2,705	\$1,995	\$2,056
Capital expenditures	435	463	473	579
Outsourcing contract costs	137	110	68	6
<b>Free cash flow</b>	<b>1,478</b>	<b>2,132</b>	<b>1,454</b>	<b>1,411</b>

**NORTHROP GRUMMAN**