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**News
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DD 21 Gold Team Selects Newport News Team for Permanent Magnet Motor Development

ARLINGTON, VIRGINIA, June 14, 2000 ... The Ingalls Shipbuilding division of Litton Industries, Inc. (NYSE: LIT), leader of the DD 21 Gold Team, announced today it has selected an industry team led by Newport News Shipbuilding (NYSE: NNS) for the preliminary design of an electric drive propulsion system. The Gold Team will incorporate Newport News' Permanent Magnet Motor (PMM) design into its Initial System Design proposal for the U.S. Navy's next-generation surface combatant, the DD 21 Land Attack Destroyer.

The selection of the Newport News team's PMM design is a result of the Gold Team's independent, three-month evaluation of competing Permanent Magnet Motor proposals. Many factors including acquisition cost, life cycle cost, maintenance, manning, efficiency, risk were analyzed and compared between the two motors. The final selection was accomplished by using a systems engineering process, as required by the DD 21 contract.

"The Gold Team conducted a vigorous and thorough competition," said Jerry St. Pé, Litton executive vice president and chief operating officer of Litton Ship Systems. "In the final analysis, the Newport News team concept provides the best value system for our Gold Team ship baseline." The Newport News PMM team, which also includes Kaman Aerospace Corporation (KAC) and Power Technologies, Inc. (PTI), will be prepared to deliver a prototype PMM in 2004 and the first production units in mid-2006. The team's proposed PMM design, based on a Brushless Direct Current, Segmented Stator Motor concept, is easier to manufacture and maintain than other technologies. Also, it is scaleable to sizes required for main propulsion drives on DD 21.

The DD 21 Gold Team is a fully integrated team consisting of Litton Ingalls Shipbuilding, Raytheon and The Boeing Company. This DD 21 Gold Team partnership enjoys the support of more than 30 geographic and technically diverse companies throughout the United States and Canada, and several U.S. Navy Warfare Centers providing unique technical expertise.

The Gold Team has successfully completed its Phase I Concept Design, its first Phase II major review with the Navy's DD 21 Program Office, PMS-500, and is now fully engaged in completion of its Initial System Design, which will be submitted for evaluation in October 2000.

Litton Ship Systems (LSS), headquartered in Pascagoula, Mississippi, includes Litton Ingalls Shipbuilding and the Litton Ship Systems Full Service Center, both located in Pascagoula, as well as Litton Avondale Industries, located in New Orleans, Louisiana. LSS, which currently employs more than 17,000 shipbuilding professionals, primarily in Mississippi and Louisiana, is one of the nation's leading full service systems companies for the design, engineering, construction, and life cycle support of major surface ships for the U.S. Navy, U.S. Coast Guard and international navies, and for commercial vessels of all types. LSS has a firm business backlog exceeding \$5.6 billion, in a variety of naval and commercial shipbuilding programs.

Litton is the nation's largest builder of non-nuclear ships for the U.S. Navy and designs, builds, and overhauls surface ships for government and commercial customers worldwide. The company is a leading information technology (IT) contractor to the U.S. government and provides specialized IT services to commercial customers and government customers in local/foreign jurisdictions. Litton is a leading provider of defense and commercial electronics technology, components, and materials for customers worldwide. Headquartered in Woodland Hills, California, Litton has more than 40,000 employees and more than \$5 billion in annual revenue. For more information, visit Litton's Web site at www.litton.com.

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