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Northrop Grumman Awarded Contract to Develop New Submarine Technology

NEWPORT NEWS, Va. – July 26, 2007 – Northrop Grumman Corporation (NYSE: NOC) was awarded funding by the U.S. Navy for research and development of advanced technologies for current and future submarines.

Northrop Grumman's Newport News sector is the prime contractor for the work, which is valued at approximately \$16.9 million. An additional \$5 million funding option could also be awarded in the next 12 months.

The contract supports the assessment and development of future submarine technologies such as external torpedo launchers, electric ship systems to replace current hydraulic systems and other potential improvements. Design work may also be performed on the Large Scale Vehicle, *Cutthroat* (LSV2), a scaled-down submarine test vehicle used to evaluate new concepts.

“We are committed to designing and building the most advanced submarines in the world,” said Becky Stewart, vice president of submarine programs at Northrop Grumman. “The concepts and ideas we are formulating today are in an effort to reduce cost and improve performance for future submarines.”

In July 2006, Northrop Grumman was awarded the original contract of approximately \$1 million to begin research and development. Currently about 15 people work under the contract with anticipated growth in the future to carry out work until the contract expires in July of 2009.

Northrop Grumman Corporation is a \$30 billion global defense and technology company whose 120,000 employees provide innovative systems, products, and solutions in information and services, electronics, aerospace and shipbuilding to government and commercial customers worldwide.

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