

NORTHROP GRUMMAN CORP /DE/
Form 10-Q
July 25, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 2012

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-16411

NORTHROP GRUMMAN CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

2980 Fairview Park Drive, Falls Church, Virginia 22042

www.northropgrumman.com

(Address of principal executive offices and internet site)

(703) 280-2900

(Registrant's telephone number, including area code)

80-0640649

(I.R.S. Employer

Identification No.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes

No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of July 20, 2012, 247,210,252 shares of common stock were outstanding.

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NORTHROP GRUMMAN CORPORATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME

(Unaudited)

	Three Months Ended June		Six Months Ended June 30	
	2012	2011	2012	2011
\$ in millions, except per share amounts				
Sales				
Product	\$3,399	\$3,709	\$ 6,740	\$ 7,572
Service	2,875	2,851	5,732	5,722
Total sales	6,274	6,560	12,472	13,294
Operating costs and expenses				
Product	2,604	2,860	5,131	5,863
Service	2,316	2,303	4,630	4,655
General and administrative expenses	580	556	1,141	1,124
Operating income	774	841	1,570	1,652
Other (expense) income				
Interest expense	(52) (53) (105) (111
Other, net	5	—	18	5
Earnings from continuing operations before income taxes	727	788	1,483	1,546
Federal and foreign income tax expense	247	268	497	530
Earnings from continuing operations	480	520	986	1,016
Earnings from discontinued operations, net of tax	—	—	—	34
Net earnings	\$ 480	\$ 520	\$ 986	\$ 1,050
Basic earnings per share				
Continuing operations	\$ 1.91	\$ 1.84	\$ 3.91	\$ 3.54
Discontinued operations	—	—	—	0.12
Basic earnings per share	\$ 1.91	\$ 1.84	\$ 3.91	\$ 3.66
Weighted-average common shares outstanding, in millions	250.8	282.6	252.0	287.2
Diluted earnings per share				