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EXECUTIVE SUMMARY

Market Value
The United States aerospace and defense market grew by 4.9% in 2009 to reach a value of $368.9 billion.

Market Value Forecast
In 2014, the United States aerospace and defense market is forecast to have a value of $413.6 billion, an increase of 12.1% since 2009.

Market Segmentation I
The defense segment accounts for 77% of the market's total value.

Market Segmentation II
The US accounts for 49.6% of the global market's value.

Market Share
The Boeing Company accounts for 10.5% of the US market's value.
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Key Metrics

Northrop Grumman Corporation generated revenues of $33,887 million in the financial year ended December 2008, an increase of 5.8% compared to the previous year. The company reported a net loss of $1,281 million in fiscal 2008 compared to a net income of $1,790 million the previous year.

Northrop generated 91% of its income in the United States for the financial year ending in December 2008.

Table 2: Key Financials: Northrop Grumman Corporation

<table>
<thead>
<tr>
<th>Metric</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>29,853.0</td>
<td>29,978.0</td>
<td>30,113.0</td>
<td>32,018.0</td>
<td>33,887.0</td>
</tr>
<tr>
<td>Net Income</td>
<td>1,084.0</td>
<td>1,400.0</td>
<td>1,542.0</td>
<td>1,790.0</td>
<td>-1,281.0</td>
</tr>
<tr>
<td>Profit Margin</td>
<td>3.6%</td>
<td>4.7%</td>
<td>5.1%</td>
<td>5.6%</td>
<td>-3.8%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>33,369.0</td>
<td>34,211.0</td>
<td>32,009.0</td>
<td>33,373.0</td>
<td>30,197.0</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>16,669.0</td>
<td>17,386.0</td>
<td>15,394.0</td>
<td>15,686.0</td>
<td>18,277.0</td>
</tr>
<tr>
<td>Employees</td>
<td>124,600</td>
<td>122,800</td>
<td>121,400</td>
<td>121,700</td>
<td>123,600</td>
</tr>
</tbody>
</table>

All in $ millions, except for employee numbers and margins

Source: Company Filings

Figure 1: Revenues & Profitability: Northrop Grumman Corporation

Source: Company Filings
Key Metrics

Boeing generated revenues of $60,909 million in the financial year ended December 2008, a decrease of 8.3% compared to the previous year. The company's net income totaled $2,672 million in fiscal 2008, a decrease of 34.4% compared with 2007.

Boeing generated 61% of its revenues in the United States for the financial year ending in December 2008.

Table 6: Key Financials: Boeing Company, The

<table>
<thead>
<tr>
<th>Metric</th>
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<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
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<tbody>
<tr>
<td>Revenues</td>
<td>51,400.0</td>
<td>53,621.0</td>
<td>61,530.0</td>
<td>66,387.0</td>
<td>60,909.0</td>
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<tr>
<td>Net Income</td>
<td>1,872.0</td>
<td>2,572.0</td>
<td>2,215.0</td>
<td>4,074.0</td>
<td>2,672.0</td>
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<tr>
<td>Profit Margin</td>
<td>3.6%</td>
<td>4.8%</td>
<td>3.6%</td>
<td>6.1%</td>
<td>4.4%</td>
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<tr>
<td>Total Assets</td>
<td>56,224.0</td>
<td>59,996.0</td>
<td>51,794.0</td>
<td>58,986.0</td>
<td>53,779.0</td>
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<tr>
<td>Total Liabilities</td>
<td>44,938.0</td>
<td>48,937.0</td>
<td>51,794.0</td>
<td>58,986.0</td>
<td>53,779.0</td>
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<tr>
<td>Employees</td>
<td>159,000</td>
<td>153,000</td>
<td>154,000</td>
<td>159,300</td>
<td>162,200</td>
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</tbody>
</table>

All in $ millions, except for employee numbers and margins

Source: Company Filings

Figure 3: Revenues & Profitability: Boeing Company, The

Source: Company Filings