

TRW INC  
Form DFAN14A  
April 01, 2002

**SCHEDULE 14A INFORMATION**

**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

**TRW INC.**

(Name of Registrant as Specified in Its Charter)

**NORTHROP GRUMMAN CORPORATION**

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: .

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4)

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Date  
Filed:

March 29, 2002

**A VOTE FOR ON THE GREEN PROXY CARD WILL PAVE THE WAY FOR A NEGOTIATED TRANSACTION BETWEEN TRW AND NORTHROP GRUMMAN**

**A VOTE AGAINST LEAVES TRW SHAREHOLDERS WITH ONLY A RISKY MANAGEMENT PLAN**

Dear TRW Shareholder:

About one month ago, Northrop Grumman made an offer to buy TRW at what we believe is a full and fair price based on the public information that is available. Your board of directors rejected that offer as financially inadequate and said it could do better.

We think the debate is pretty simple. It boils down to this. Our view is that the plan TRW's board of directors adopted in response to our offer involves considerable risk, may well take a long time to execute and is subject to important contingencies that are not in TRW's control. Even if TRW is able to complete the plan, there is no assurance whatsoever of what value it will produce for stockholders. We don't believe that such a plan is in your best interests.

We are not trying to buy your company at a discount. Our offer of \$47 per share represents an 18% premium over the last trade in TRW stock prior to our offer on February 21 and a premium of 22% over the average market price of TRW common stock during the prior twelve months. Moreover, unlike TRW's plan the Northrop Grumman offer is not contingent on TRW's ability to reduce its debt, TRW's ability to sell portions of its business or the value of the new automotive company that TRW intends to spin off to stockholders.

We have stated publicly that we are prepared to pay a full and fair value for all TRW shares. Northrop Grumman is prepared to raise its current \$47 per share exchange offer if an increase is warranted by an examination of the non-public information, which TRW's board has thus far refused to show us.

On April 24, 2002, there will be an annual meeting of TRW shareholders, at which you can vote your shares and make your voice heard.

Our three proposals, which we are asking you to vote FOR, represent a win-win for you and all TRW shareholders. They ask the TRW board of directors:

1. to provide Northrop Grumman with non-public information to determine if an increase to our \$47 per share offer is warranted;

2. to establish an independent committee of the board to evaluate our offer and any other third-party proposals which may be received; and
3. to take such actions as are within the board's authority to permit TRW shareholders to decide for themselves whether to exchange their TRW shares for Northrop Grumman common stock.

If the Northrop Grumman proposals are approved, you will be sending a strong message to your board of directors that you want them to maximize the value of Northrop Grumman's offer so that you may decide for yourselves whether to exchange your shares, period. If, after fully considering your options and the final price in Northrop Grumman's offer to exchange, you don't believe our price fairly values TRW, you will have no obligation to tender. We believe this represents a win-win for you.

Your management and board of directors have only recently adopted a plan which contains considerable uncertainty in terms of both time and value while our offer is real and immediate.

Again, we think the decision before you is simple. You probably know by now that Northrop Grumman has a great track record. We are one of the top-tier defense companies in the nation, and our stock has outperformed TRW's consistently. In the two-year period ended 2001 alone, Northrop Grumman's stock nearly doubled, while TRW's stock declined at a compound annual rate of more than 15% (see attached charts).

It's your choice. We are urging you to vote FOR Northrop Grumman's proposals by returning the GREEN proxy card. We hope you do so. Thank you.

Sincerely,

Kent Kresa

Chairman and Chief Executive Officer

**Please note that in addition to this proxy material, you will also be receiving information pertaining to a special meeting of TRW shareholders on April 22, 2002, which is being held to vote on whether Northrop Grumman may proceed with its exchange offer. We urge you to pay close attention to the matters at both meetings and vote to protect your interests as a shareholder of TRW.**



