

[21827001]

Northrop Corp. 's third-quarter net income fell 25 % to \$ 21.5 million , or 46 cents a share , while General Dynamics Corp. reported nearly flat earnings of \$ 76.5 million , or \$ 1.83 a share .

[21827003]

The aerospace concern earned \$ 28.8 million , or 61 cents a share , a year earlier .

[21827004]

Sales in the latest period were \$ 1.25 billion , down from \$ 1.36 billion in the 1988 quarter .

[21827005]

At St. Louis-based General Dynamics , sales rose 10 % to \$ 2.52 billion from \$ 2.29 billion .

[21827006]

It earned \$ 76.4 million , or \$ 1.82 a share , in the 1988 quarter .

[21827007]

General Dynamics credited significant earnings gains in its general aviation and material service segments , an earnings recovery in submarine operations , and higher military aircraft sales .

[21827008]

Northrop said sales fell because of the decline in B-2 development dollars from the government as the plane continues its initial production stage and because fewer F/A-18 fighter sections are being produced in its subcontract work with prime contractor McDonnell Douglas Corp .

[21827009]

In composite trading on the New York Stock Exchange , Northrop shares closed at \$ 21.125 , off 25 cents .

[21827010]

General Dynamics closed at \$ 54.875 , up 50 cents .

[21827011]

Northrop , which since early 1988 has declined to accept fixed-price contracts for research and development , said earnings were hurt by excessive costs on a number of such contracts won years ago .

[21827013]

Northrop 's interest expense also soared to \$ 35 million from \$ 17 million a year ago .

[21827014]

[21827015]

It said debt remained at the \$ 1.22 billion that has prevailed since early 1989 , although that compared with \$ 911 million at Sept. 30 , 1988 .

[21827016]

The backlog of undelivered orders at Northrop on Sept. 30 was \$ 4.68 billion , down from \$ 5.16 billion a year earlier .

[21827017]

For the nine months , Northrop reported a net loss of \$ 46.9 million , or \$ 1 a share , compared with profit of \$ 190.3 million , or \$ 4.05 a share , in 1988 .

[21827018]

Sales dipped 3.6 % to \$ 3.92 billion from \$ 4.07 billion .

[21827019]

At General Dynamics , factors reducing earnings in the military aircraft segment included higher levels of cost-sharing in development of the Advanced Tactical Fighter , and the high cost of an advanced version of the F-16 fighter .

[21827020]

F-16 deliveries also have fallen " slightly behind schedule , " although a return to the previous schedule is expected in 1990 , the company said .

[21827021]

Backlog at General Dynamics rose to \$ 16.5 billion from \$ 15.8 billion .

[21827022]

Its interest expense surged to \$ 21.5 million from \$ 12.4 million .

[21827023]

For the nine months , General Dynamics earned \$ 210.3 million , or \$ 5.03 a share , up marginally from \$ 208.8 million , or \$ 4.97 a share , on a 4.9 % rise in sales to \$ 7.41 billion from \$ 7.06 billion .