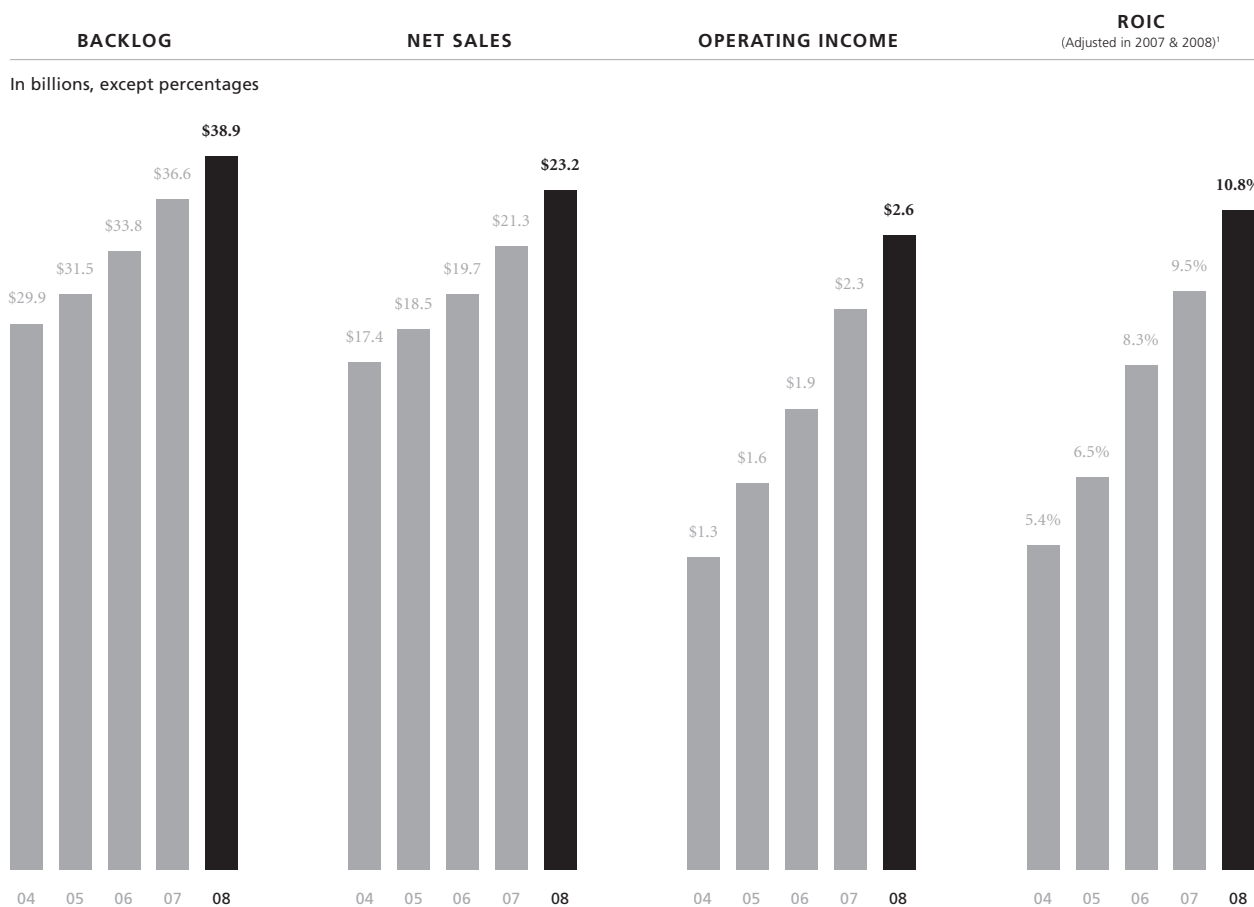


# Raytheon Financial Highlights

Years ended December 31	2006	2007	2008
In millions, except per share amounts and percentages			
Backlog	\$33,838	\$36,614	<b>\$38,884</b>
Net Sales	19,707	21,301	<b>23,174</b>
Operating Income	1,944	2,328	<b>2,596</b>
Income from Continuing Operations <i>(Adjusted in 2007 &amp; 2008)<sup>1</sup></i>	1,187	1,474	<b>1,719</b>
Diluted EPS from Continuing Operations <i>(Adjusted in 2007 &amp; 2008)<sup>1</sup></i>	2.63	3.31	<b>4.06</b>
Operating Cash Flow from Continuing Operations	2,477	1,249	<b>2,036</b>
Dividends Declared per Share	0.96	1.02	<b>1.12</b>
Debt to Capital	26.3%	15.3%	<b>20.3%</b>
Return on Invested Capital <i>(Adjusted in 2007 &amp; 2008)<sup>1</sup></i>	8.3%	9.5%	<b>10.8%</b>



<sup>1</sup> 2008 income from continuing operations, diluted EPS from continuing operations and return on invested capital have all been adjusted to exclude the \$45 million (\$69 million pretax) or \$0.11 per diluted share unfavorable adjustment due to the impact of pension investment returns on existing contracts (CAS Pension Adjustment). 2007 income from continuing operations, diluted EPS from continuing operations and return on invested capital have all been adjusted to exclude the \$219 million or \$0.49 per diluted share favorable adjustment due to certain tax-related benefits. These measures are non-GAAP financial measures. Please see the page that precedes the back cover of this report for a reconciliation of these measures to GAAP and a discussion of why the Company is presenting this information.