

Integrated Defense Systems

Dan Smith, President

With 2008 sales of \$5.1 billion, Integrated Defense Systems (IDS) is Raytheon's leader in global capabilities integration, providing affordable integrated solutions to a broad international and domestic customer base.

The year ended with an order representing up to \$3.3 billion from the United Arab Emirates for the Patriot air and missile defense system, underscoring its resurgence as the premier system in the world. UAE joins 11 other countries, including the U.S., that rely on Patriot as a key component of their air and missile programs.

Also during 2008, IDS achieved Capability Maturity Model Integration (CMMI®) Level 5, validating engineering processes as a performance predictor on defense contracts; delivered 300 Rapid Aerostat Initial Deployment (RAID) towers that are saving lives at forward operating bases; and successfully completed a series of reviews that are enabling the Zumwalt-class destroyer program to transition to full production, successfully meeting or exceeding all cost and schedule requirements.

Intelligence and Information Systems

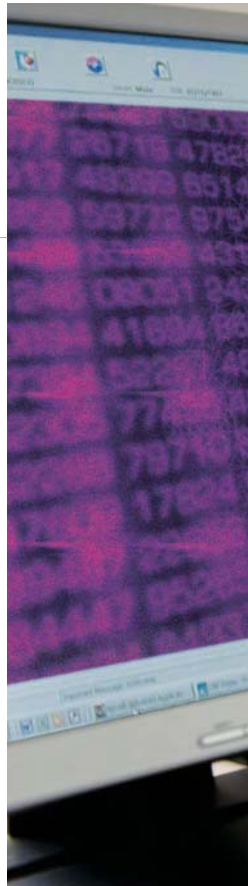
Lynn Dugle, President

Intelligence and Information Systems (IIS), with 2008 sales of \$3.1 billion, is a leading provider of intelligence systems and solutions for customers worldwide. Leveraging key capabilities in systems integration, geospatial intelligence, command and control, and environmental solutions, IIS serves four key market areas: national and tactical Intelligence, Surveillance and Reconnaissance, DoD/Civil Space, Homeland Security/Federal IT, and Information Operations/Information Assurance.

Additionally, Raytheon offers innovative security solutions that support today's global economies from emerging 21st century threats. In 2008,

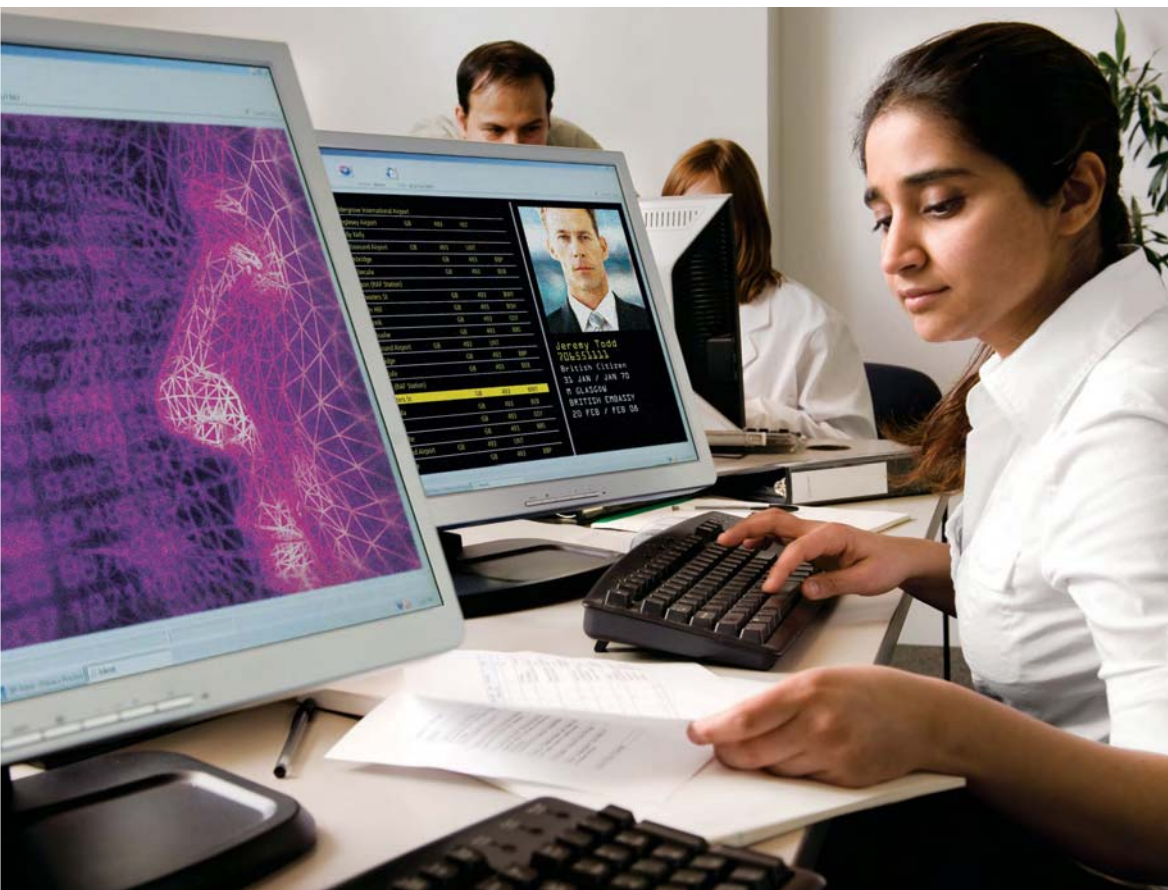
Raytheon acquired SI Government Solutions and Telemus Solutions to meet customer demand and offer a full spectrum of capabilities in all major dimensions of information security.

IIS continues to support key growth areas in homeland security by developing technologies that protect borders and ensure visitor legitimacy. Through Raytheon's Intelligent Border Architecture, Knowledge Management and Knowledge Discovery, world leading biometric systems, and robust modeling and simulation, IIS provides solutions to meet a variety of border security needs.





Ship mission center
at the Seapower
Capability Center



Operational Centre for
the e-Borders Programme