

Raytheon

RAYTHEON CO.
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Employment: 76,000

Officers:

CEO & President William H. Swanson; **Executive VP of Business Development & Chairman/CEO Raytheon International** Thomas M. Culligan; **Senior VP & CFO** Edward S. Pliner

Aerospace Organization/Products:

Integrated Defense Systems [IDS] (Tewksbury, MA, USA):

Provides integrated air and missile defense and naval and maritime warfighting systems, including modeling and simulation capabilities for the US Missile Defense Agency and strong global integrated capabilities for US Army, US Navy, US Marine Corps and technology customers. IDS combines the former Electronic Systems' Air & Missile Defense Systems and Naval & Maritime Integrated Systems businesses. Products and systems include the HAWK air defense system, the Patriot Air and Missile Defense system, the Surface-Launched AMRAAM system, the ground-based radar for the THAAD system, the ground-based radar prototype, the X-Band radar and, BMEWS, the Clear Radar Upgrade Program, Cobra Dane, Cobra Judy, JLENS and Pave PAWS. Also makes naval weapons and combat systems such as: AEGIS components, LPD-17 Ship System Integration, Mk46, Mk48 and Mk50 torpedoes. **Raytheon Marine-High Seas Division** (Kiel, Germany): Manufactures, distributes and services marine electronic products to merchant shipping, government and commercial fishing markets. **RF Components** (Andover, MA, USA): Provides high-performance integrated circuits and modules for wireless system manufacturers.

Intelligence & Information Systems [IIS] (Garland, TX, USA):

Provides intelligence and information technology including ground infrastructure solutions for signal and image intelligence and weather/environmental systems; command and control for air/space platforms; worldwide operations, maintenance, and engineering services; and information technology solutions including high-performance computing. Major customers include US Dept. of Education, NASA, DoD, USAF, Army Research Lab, US Navy and Marines. Products include Earth-Observing System Data and Information System (EOSDIS); Global Broadcast Service (GBS); National polar-orbiting Environmental Satellite System and U2 Consolidated Field Support. Raytheon's Homeland Security business, which integrates technologies, products and services from across the company to solve customer homeland security problems, reports to IIS. Major IIS locations are the AN/AAS-52 Multispectral Targeting System for the Predator UAV; Aurora, CO; Landover and Linthicum, both MD; Garland, TX; Falls Church, Reston and Springfield, all VA.

Missile Systems [MS] (Tucson, AZ, USA):

Designs, develops and produces: missile systems that include air-to-air, strike, surface Navy air defense, and land combat; guided projectiles; kill vehicles and directed energy weapons. Products include AGM-65 Maverick (68,000), AGM-88 HARM (21,000), AGM-154 JSOW (720), AIM-7 Sparrow/RIM-7 SeaSparrow and Evolved SeaSparrow (73,000), AIM-9 Sidewinder (46,600), AIM-9X Sidewinder (150), AIM-120 AMRAAM (13,000), BGM-71 TOW (636,700), BGM-109 Tomahawk (2,700), FIM-92 Stinger (60,800), RIM-66/-67 Standard Missile (20,900), RIM-116A Rolling Airframe Missile (RAM) (1,400). Also produces Javelin anti-armor missile (joint venture with Lockheed Martin) (8,800), Paveway family of laser-guided bombs (219,500), Phalanx Close-in Weapon System (900). Is also developing EX171 Extended-Range Guided Munition (ERGM) and XM-982 Excalibur guided artillery round. All production numbers as of 6/03.

Network Centric Systems [NCS] (McKinney, TX, USA)

Develops and produces network-centric solutions that integrate sensors, systems and secure communications to manage battlespace and airspace. NCS combines the former ES Tactical Systems and C3I/C3S businesses. Produces air traffic control systems, including: Digital Airport Surveillance Radar/ASR-11, Air Traffic Control Beacon Interrogator (ATCBI-6), Standard Terminal Automation Replacement System (STARS), Wide Area Augmentation System (WAAS), Precision Runway Monitor and Skytrack air traffic management systems. Makes the Cooperative Engagement Capability (CEC) and communications systems including the Advanced Field Artillery Tactical Data System. Also produces airborne communications products that include: ARC-164, ARC-187, ARC-222; Enhanced Position Location Reporting System (EPLRS); Identification Friend or Foe (IFF) transponder and interrogator systems; Joint Tactical Terminal; MILSTAR terminals; Navy EHF/SHF

satellite communications terminals; Secure Mobile Anti-Jam Reliable Tactical Terminal (SMART-T); and System for the Vigilance of the Amazon (SIVAM). Manufactures infrared and thermal imaging systems such as: AN/AAQ-27 thermal imager, Horizontal Technology Integration (HTI), second-generation Flir program, Commanders Independent Thermal Viewer (CITV) for the M1A2 main battle tank, Improved Bradley Acquisition Subsystem (IBAS), High-performance Infrared (HIRE) fire control sight, driver's vision enhancer. **Air Traffic Management Systems (ATMS)** (Marlboro, MA): Produces automation and surveillance systems suitable for civil and military applications and runway surveillance systems. **Commercial Infrared** (Dallas, TX, USA): Produces infrared thermal-imaging cameras and technology for firefighting, law enforcement, security, industrial and automotive applications. **ELCAN Optical Technologies** (Malaga, Spain, Midland, Ontario and Richardson, TX, all USA): Design and manufacturing complex for precision opto-mechanical and electro-optical systems and subsystems for projection display, medical, industrial, automotive, defense and entertainment markets. Electronics contract manufacturing operation for chip-on-board, surface-mount technology, wave soldering, and prototype development and production capabilities.

Raytheon Aircraft Co. (Wichita, KS, USA):

Produces and supports piston-powered Beech Bonanza and Beech Baron; Beech King Air turboprop family, Beech T-6A trainer for JPATS program operating as the T-6A Texan 2; Beech Premier I, Hawker 400XP and Hawker 800XP business jets. Hawker Horizon super mid-size business jet is in flight test. Operates a network of business aviation service operations at airports across USA and in the UK and Mexico.

Raytheon Technical Services Co. (Reston, VA, USA):

Provides technical, scientific and professional services for defense, federal and commercial customers in three primary business areas: technical services, product support and depot services. Specializes in maintenance of customer facilities, equipment and systems; logistics and life-cycle support; overhaul and repair depot operations; engineering, logistics and personnel support; space and earth sciences; test and training range support; and privatization of government services.

Space & Airborne Systems [SAS] (El Segundo, CA, USA):

Designs, develops and manufactures advanced systems for: precision engagement; missile defense; and intelligence, surveillance, and reconnaissance. Key programs include airborne radar, such as the AN/APG-65 for AV-8B and F/A-18; AN/APG-181 for B-2; AN/APG-73 AESA radar for the F/A-18 Super Hornet; AN/AWG-9 for F-14 and the AN/APG-63 and AN/APG-70 for F-15. Delivers a wide range of airborne and spaceborne sensor systems, including the AN/AAS-52 Multispectral Targeting System for the Predator UAV; AN/ASQ-228 ATFLIR targeting pod; Integrated Sensor Suite for the Global Hawk UAV; advanced synthetic aperture radar system (ASARS-2) for U-2; sensor systems for the Space Tracking and Surveillance System (STSS), numerous civil space sensors for remote sensing applications; and spaceborne sensors for national customers. Also provides electronic warfare systems, such as the AN/ALR-67(V)3 radar warning receiver; and a family of towed decoys that includes the AN/ALE-50.

Subsidiaries:

Raytheon Australia (Canberra, Australia): Provides defense electronics and systems integration. **Raytheon Systems Ltd. (RSL)** (London, UK): Designs and manufactures technologies in defense and commercial electronics.

Joint Ventures:

Alliance Logistics Ltd., partner: PIK Facilities (Scotland, UK). **COMLOG**, partner: EADS (The Netherlands). **CSR**, partner: Computer Sciences Corp. (USA). **Kongsberg Defense and Aerospace**, partner: Kongsberg (Norway). **RGE Government Services Co.**, partner: Lockheed Martin Government Services (USA). **SpacePort Canada**, partner: Akjuit Aerospace Ltd. (Canada). **Systems for Defense/Gesellschaft für Vertidigungs Systeme GmbH (GVS)**, partner: EADS (The Netherlands). **Thales Raytheon Systems**, partner: Thales (France). **Thoray Electronics**, partner: Thales Sintra ASM (France).

FINANCIALS (\$ MILLIONS):

	2001†	2002	% Change
Operating Revenues	16,017	16,760	4.5%
Operating Expenses	15,251	15,006	(1%)
Net Profits	(763)	(640)	16%
Debt to Equity Ratio	—	—	—

† Values updated from 2003 Source Book.