Raytheon Company – with 2016 sales of $24 billion and 63,000 employees, is a technology and innovation leader specializing in defense, civil government and cybersecurity solutions. With a history of innovation spanning 95 years, Raytheon provides state-of-the-art electronics, mission systems integration, CSITM products and services, sensing, effects, and mission support for customers in more than 80 countries.

**CORE MARKETS & GROWTH FOCUS AREAS**

Raytheon’s domain knowledge and technological leadership have created expanding opportunities in our defense markets as well as our growth focus areas:

**COMMAND, CONTROL & INTELLIGENCE**
Raytheon integrates proven radars, sensors, navigation systems, and cyber technology to enable customers to collect, analyze and distribute information in real-time, giving them new ways to perceive and manage data.

**ELECTRONIC WARFARE**
Raytheon’s advanced electronic warfare systems and capabilities give our warfighters the continued strategic advantage to effectively and safely execute their mission in the modern threat environment.

**MISSILE DEFENSE**
Raytheon’s proven missile defense systems deliver protection against a broad range of current and emerging threats — ensuring peace of mind for the United States and its allies and making Raytheon the world’s most trusted partner in missile defense.

**PRECISION WEAPONS**
Raytheon’s reliable and cost-effective precision weapons hit the target, and only the target, while protecting warfighters and helping to manage the cost of battle over the long term.

**TRAINING & SERVICES**
Raytheon’s innovative approaches and proven tools help customers successfully train staff, sustain skills and maintain operations for a wide variety of high-consequence missions worldwide.

**CYBER**
With decades of cyber and intelligence expertise, Raytheon offers unmatched end-to-end capabilities that help customers secure their space and confidently navigate the cyberdomain.

**FINANCIAL HIGHLIGHTS**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Backlog</strong></td>
<td>$33,571</td>
<td>$34,669</td>
<td>$36,855</td>
</tr>
<tr>
<td><strong>Net Sales</strong></td>
<td>$22,826</td>
<td>$23,247</td>
<td>$24,069</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$3,179</td>
<td>$3,013</td>
<td>$3,240</td>
</tr>
<tr>
<td><strong>EPS from Continuing Operations</strong></td>
<td>$6.97</td>
<td>$6.75</td>
<td>$7.44</td>
</tr>
<tr>
<td><strong>Operating Cash Flow from Continuing Operations</strong></td>
<td>$2,064</td>
<td>$2,346</td>
<td>$2,852</td>
</tr>
<tr>
<td><strong>Dividends Declared per Share</strong></td>
<td>$2.42</td>
<td>$2.68</td>
<td>$2.93</td>
</tr>
</tbody>
</table>

* in millions, except per share amounts
RAYTHEON BUSINESSES

INTEGRATED DEFENSE SYSTEMS
HQ: Tewksbury, Massachusetts
Specializes in air and missile defense, large land- and seabased radars, and systems for managing command, control, communications, computer, cyber and intelligence. It also produces sonars, torpedoes and electronic systems for ships.

SPACED AND AIRBORNE SYSTEMS
HQ: McKinney, Texas
Builds radars and other sensors for aircraft, spacecraft and ships. The business also provides communications, electronic warfare and high-energy laser solutions, and performs research in areas ranging from linguistics to quantum computing.

INTELLIGENCE, INFORMATION AND SERVICES
HQ: Dulles, Virginia
Designs and delivers solutions and services that leverage its deep expertise in cyber, analytics and automation. Software, systems integration, and the support and sustainment of Raytheon and other companies’ systems for intelligence, military and civil applications are delivered across five markets: space, digital battlespace, cyber, intelligent transportation and high-consequence training.

FORCEPOINT POWERED BY RAYTHEON
HQ: Austin, Texas
Safeguards users, data and networks against accidental or malicious insider threats and advanced outside attacks across the entire threat lifecycle, in the cloud, on the road and in the office. A joint venture of Raytheon and Vista Equity Partners, Forcepoint enables better decision-making, more efficient security and simplifies compliance as it protects and empowers more than 20,000 commercial and government organizations worldwide.

MISSILE SYSTEMS
HQ: Tucson, Arizona
Is the world’s premier missile maker, providing defensive and offensive weapons for air, land, sea, and space, including interceptors for U.S. ballistic missile defense. The business also builds net-enabled battlefield sensors and includes Raytheon UK.

FINANCIALS

Net Sales* (in millions)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Defense Systems</td>
<td>$5,600</td>
<td>$5,847</td>
<td>$5,476</td>
</tr>
<tr>
<td>Intelligence, Information and Services</td>
<td>$6,222</td>
<td>$6,111</td>
<td>$6,194</td>
</tr>
<tr>
<td>Missile Systems</td>
<td>$6,309</td>
<td>$6,556</td>
<td>$7,071</td>
</tr>
<tr>
<td>Space and Airborne Systems</td>
<td>$6,075</td>
<td>$5,796</td>
<td>$6,199</td>
</tr>
<tr>
<td>Forcepoint</td>
<td>$104</td>
<td>$328</td>
<td>$566</td>
</tr>
<tr>
<td>Eliminations</td>
<td>$(1,481)</td>
<td>$(1,330)</td>
<td>$(1,360)</td>
</tr>
<tr>
<td>Total Business Segment Sales</td>
<td>$22,829</td>
<td>$23,308</td>
<td>$24,146</td>
</tr>
<tr>
<td>Acquisition Accounting Adjustments(1)</td>
<td>$(3)</td>
<td>$(61)</td>
<td>$(77)</td>
</tr>
<tr>
<td>Total</td>
<td>$22,826</td>
<td>$23,247</td>
<td>$24,069</td>
</tr>
</tbody>
</table>

* in millions

(1) Acquisition accounting adjustments include the adjustments to record acquired deferred revenue at fair value as part of our purchase price allocation process and the amortization of acquired intangible assets related to historical acquisitions.

STRONG INTERNATIONAL PRESENCE

31% International Sales

69% Domestic Sales

Raytheon Investor Relations
Todd Ernst, Vice President
Investor Relations
Jim Singer, Director
Investor Relations
Contact Investor Relations at:
781-522-5123
invest@raytheon.com

Raytheon Company
870 Winter Street
Waltham, Massachusetts
02451-1449 USA
www.raytheon.com

Approved for public release. ©2017, Raytheon Company. All rights reserved.