  

RTX

COLLINS AEROSPACE | PRATT & WHITNEY | RAYTHEON

1Q 2024 Earnings Conference Call

April 23, 2024

Forward-Looking Statements

Note: All results and expectations in the presentation reflect continuing operations unless otherwise noted.

This press release contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. From time to time, oral or written forward- looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide RTX Corporation (“RTX”) management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid and are not statements of historical fact. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “outlook,” “goals,” “objectives,” “confident,” “on track,” “designed to” and other words of similar meaning. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases, tax payments and rates, research and development spending, cost savings, other measures of financial performance, potential future plans, strategies or transactions, credit ratings and net indebtedness, the Pratt powder metal matter and related matters and activities, including without limitation other engine models that may be impacted, anticipated benefits to RTX of its segment realignment, pending disposition Collins’ actuation and flight control business, the merger (the “merger”) between United Technologies Corporation (“UTC”) and Raytheon Company (“Raytheon”) or the spin-offs by UTC of Otis Worldwide Corporation and Carrier Global Corporation into separate independent companies (the “separation transactions”) in 2020, targets and commitments (including for share repurchases or otherwise), and other statements that are not solely historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward- looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of changes in economic, capital market and political conditions in the U.S. and globally, such as from the global sanctions and export controls with respect to Russia, and any changes therein, including related to financial market conditions, banking industry disruptions, fluctuations in commodity prices or supply (including energy supply), inflation, interest rates and foreign currency exchange rates, disruptions in global supply chain and labor markets, and geopolitical risks; (2) risks associated with U.S. government sales, including changes or shifts in defense spending due to budgetary constraints, spending cuts resulting from sequestration, a continuing resolution, a government shutdown, the debt ceiling or measures taken to avoid default, or otherwise, and uncertain funding of programs; (3) risks relating to our performance on our contracts and programs, including our ability to control costs, and our inability to pass some or all costs on fixed price contracts through to the customer; (4) challenges in the development, production, delivery, support, and performance of RTX advanced technologies and new products and services and the realization of the anticipated benefits (including our expected returns under customer contracts), as well as the challenges of operating in RTX’s highly-competitive industries; (5) risks relating to RTX’s reliance on U.S. and non-U.S. suppliers and commodity markets, including the effect of sanctions, delays and disruptions in the delivery of materials and services to RTX or its suppliers and price increases; (6) risks relating to RTX international operations from, among other things, changes in trade policies and implementation of sanctions, foreign currency fluctuations, economic conditions, political factors, sales methods, and U.S. or local government regulations; (7) the condition of the aerospace industry; (8) the ability of RTX to attract, train and retain qualified personnel and maintain its culture and high ethical standards, and the ability of our personnel to continue to operate our facilities and businesses around the world; (9) the scope, nature, timing and challenges of managing acquisitions, investments, divestitures and other transactions, including the realization of synergies and opportunities for growth and innovation, the assumption of liabilities and other risks and incurrence of related costs and expenses, and risks related to completion of announced divestitures; (10) compliance with legal, environmental, regulatory and other requirements, including, among other things, export and import requirements such as the International Traffic in Arms Regulations and the Export Administration Regulations, anti-bribery and anticorruption requirements, such as the Foreign Corrupt Practices Act, industrial cooperation agreement obligations, and procurement and other regulations in the U.S. and other countries in which RTX and its businesses operate; (11) the outcome of pending, threatened and future legal proceedings, investigations and other contingencies, including those related to U.S. government audits and disputes; (12) factors that could impact RTX’s ability to engage in desirable capital-raising or strategic transactions, including its credit rating, capital structure, levels of indebtedness and related obligations, capital expenditures and research and development spending, and capital deployment strategy including with respect to share repurchases, and the availability of credit, borrowing costs, credit market conditions, and other factors; (13) uncertainties associated with the timing and scope of future repurchases by RTX of its common stock, including the ability to complete the accelerated share repurchase (“ASR”), the purchase price of the shares acquired pursuant to the ASR agreement, and the timing and duration of the ASR program or declarations of cash dividends, which may be discontinued, accelerated, suspended or delayed at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (14) risks relating to realizing expected benefits from, incurring costs for, and successfully managing, the Company’s segment realignment effective July 1, 2023, and other RTX strategic initiatives such as cost reduction, restructuring, digital transformation and other operational initiatives; (15) risks of additional tax exposures due to new tax legislation or other developments, in the U.S. and other countries in which RTX and its businesses operate; (16) risks relating to addressing the identified rare condition in powder metal used to manufacture certain Pratt & Whitney engine parts requiring accelerated removals and inspections of a significant portion of the PW1100G-JM Geared Turbofan (GTF) fleet, including, without limitation, the number and expected timing of shop visits, inspection results and scope of work to be performed, turnaround time, availability of new parts, available capacity at overhaul facilities, outcomes of negotiations with impacted customers, and risks related to other engine models that may be impacted by the powder metal matter, and in each case the timing and costs relating thereto, as well as other issues that could impact RTX product performance, including quality, reliability or durability; (17) changes in production volumes of one or more of our significant customers as a result of business or other challenges, and the resulting effect on its or their demand for our products and services; (18) risks relating to a RTX product safety failure or other failure affecting RTX’s or its customers’ or suppliers’ products or systems; (19) risks relating to cybersecurity, including cyber-attacks on RTX’s information technology infrastructure, products, suppliers, customers and partners, and cybersecurity-related regulations; (20) threats to RTX facilities and personnel, as well as other events outside of RTX’s control such as public health crises, damaging weather or other acts of nature; (21) the effect of changes in accounting estimates for our programs on our financial results; (22) the effect of changes in pension and other postretirement plan estimates and assumptions and contributions; (23) risks relating to an impairment of goodwill and other intangible assets; (24) the effects of climate change and changing climate-related regulations, customer and market demands, products and technologies; and (25) the intended qualification of (i) the merger as a tax-free reorganization and (ii) the separation transactions and other internal restructurings as tax-free to UTC and former UTC shareowners, in each case, for U.S. federal income tax purposes. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the reports of RTX, UTC and Raytheon on Forms S-4, 10-K, 10-Q and 8-K filed with or furnished to the Securities and Exchange Commission from time to time. Any forward-looking statement speaks only as of the date on which it is made, and RTX assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

1Q 2024 Highlights

- Sales **up 12%** organically* year-over-year with **10%** adjusted segment operating profit* growth
- Commercial OE sales **up 33%** year-over-year
- Commercial aftermarket sales **up 11%** year-over-year; Collins **up 14%** and Pratt **up 9%**
- Defense sales **up 7%** year-over-year
- **Record** RTX backlog of **$202B**; Received over **$25B** of new awards; **1.34** Q1 book-to-bill
- Completed the previously announced divestiture of our Cybersecurity business in Q1 with gross proceeds of **$1.3B**
- Pratt & Whitney **executing** fleet management plans; financial and operational impact **remains consistent with prior guidance**






Strong topline with organic sales growth* across all three businesses

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*See Appendix for additional information regarding these non-GAAP financial measures

CORE in Action

In Focus – Customer Oriented Results and Excellence

Collins Aerospace

Drove 8% improvement in on-time delivery via 100 CORE projects across seven A320neo nacelle factories.

Raytheon

Achieved 40% reduction in manufacturing hours per unit on circuit cards for the TPY-2 program leveraging CORE.

Pratt & Whitney

Reduced preliminary design review execution by 3 months with implementation of Agile methods.

Opportunity: 25M assembly and test hours | 14,000 product suppliers | 167 manufacturing sites

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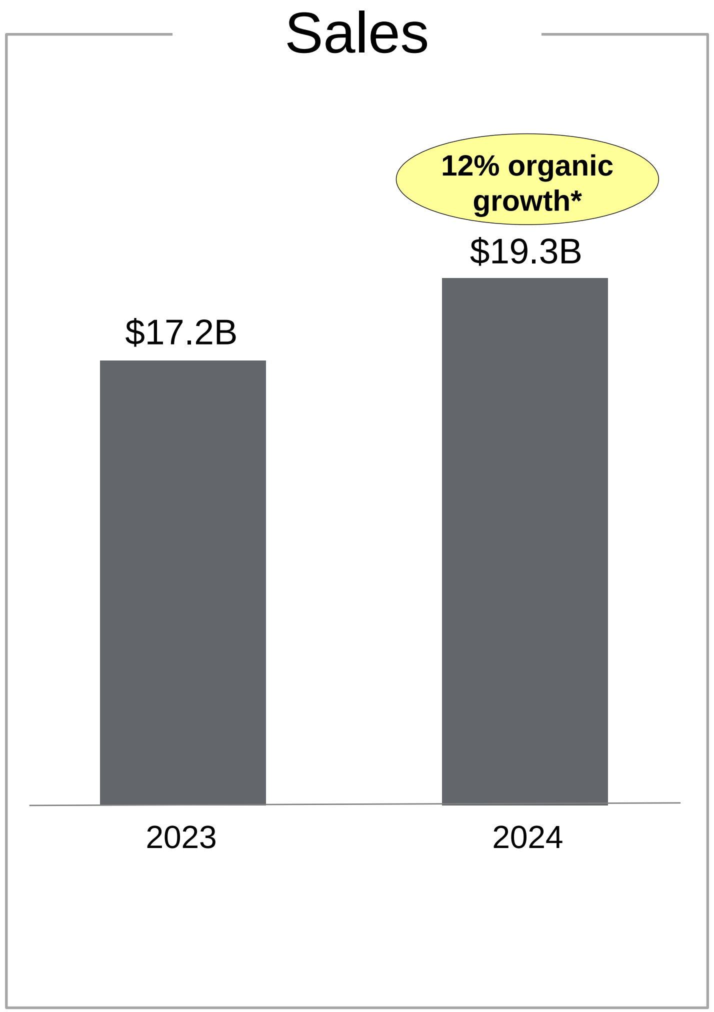
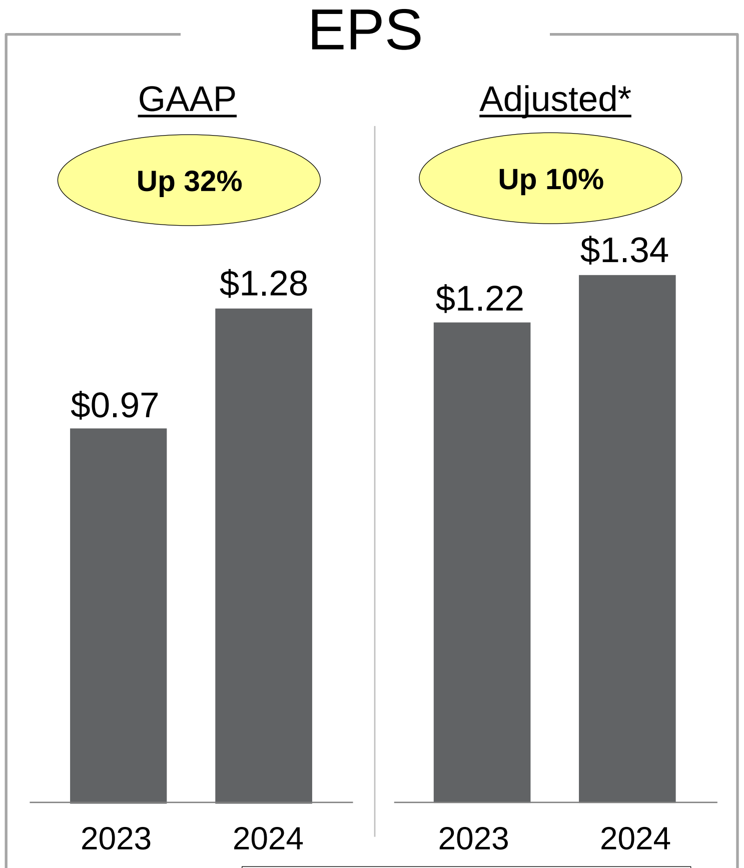
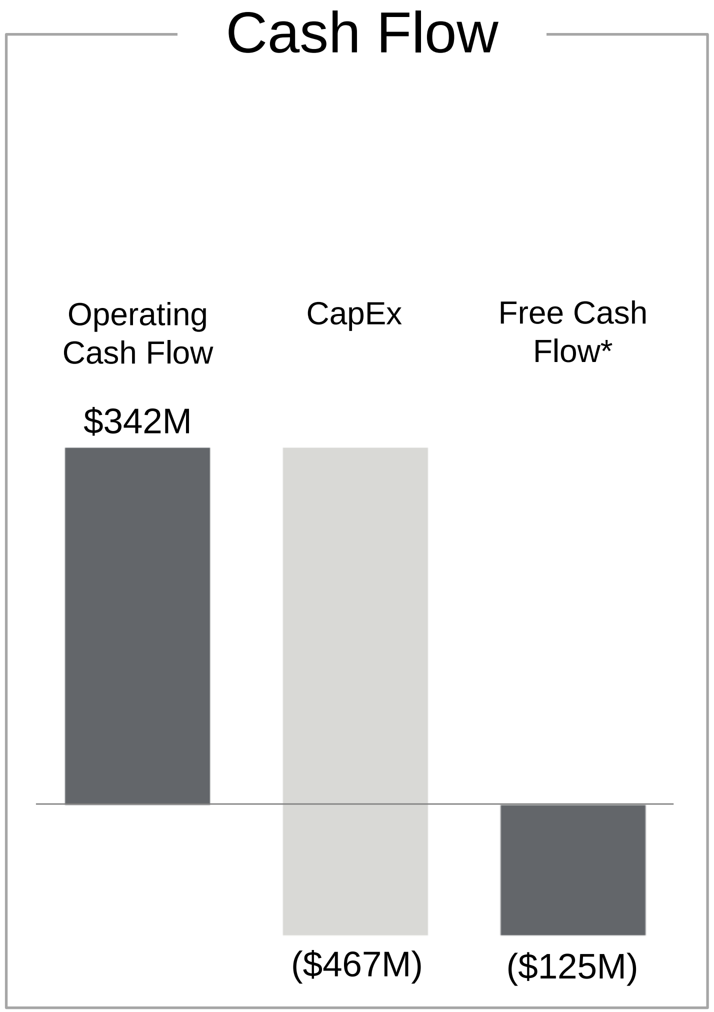
1Q 2024





Excludes:	2023	2024
Acq. Accounting Adj.	($0.26)	($0.29)
Restructuring	($0.02)	($0.02)
Other	$0.03	$0.25



Strong backlog of $202B, up 12% year-over-year

*See Appendix for additional information regarding these non-GAAP financial measures.

1Q 2024 Collins Aerospace Results

($ millions)

Highlights

- Organic sales* up 9%
- Adjusted sales* up 9%
  - Commercial aftermarket up 14%
  - Commercial OE up 14%
  - Defense up 1%
- Adjusted operating profit* up 16%
  - Higher commercial aftermarket volume
  - Unfavorable OE mix
  - Higher space program costs
  - Higher R&D expense

	Reported	Adjusted*	YOY Var.*
Sales	$6,673	$6,673	9%
Operating Profit	$849	$1,048	16%
ROS	12.7%	15.7%	90 bps

Collins Aerospace was selected by HNA Aviation Group to provide nacelle maintenance, repair, and overhaul (MRO) services to the air service providers' subsidiaries. Each agreement between the HNA Aviation Group airlines and Collins' MRO facility in Tianjin, China, includes preferred nacelle MRO services for A320 and A320neo aircraft including the Pratt & Whitney V2500 and 1100G engines.

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*See Appendix for additional information regarding these non-GAAP financial measures

1Q 2024 Pratt & Whitney Results

($ millions)

Highlights

- Organic sales* up 23%
- Adjusted sales* up 23%
  - Commercial OE up 64%
  - Military up 21%
  - Commercial aftermarket up 9%
- Adjusted operating profit* down 1%
  - Favorable commercial OE mix and increased deliveries
  - Higher commercial aftermarket volume and unfavorable mix
  - Higher military volume and favorable mix
  - Absence of a prior year favorable contract matter
  - Higher R&D and SG&A expenses

	Reported	Adjusted*	YOY Var.*
Sales	$6,456	$6,456	23%
Operating Profit	$412	$430	(1%)
ROS	6.4%	6.7%	(160 bps)

In March, Pratt & Whitney announced Icelandair selected GTF engines to power up to 35 Airbus A320neo family aircraft, making it a first-time GTF customer. During the quarter, the GTF engine garnered over 200 orders and commitments from customers, including Breeze Airways, Cebu Pacific, JetSMART and Vietjet.

*See Appendix for additional information regarding these non-GAAP financial measures

1Q 2024 Raytheon Results

($ millions)

Highlights

- Organic sales* up 6%
- Adjusted sales* up 6%
  - Higher volume on land and air defense systems and advanced technology programs
- Adjusted operating profit* up 8%
  - Higher volume
  - Improved net productivity
  - Unfavorable mix
- 1Q book-to-bill ratio 1.23
  - $1.7B Three GEM-T awards
  - $1.6B Classified bookings
  - $1.2B Germany Patriot
- Backlog $53 billion**
- Completed the divestiture of the Cybersecurity business

	Reported	Adjusted*	YOY Var.*
Sales	$6,659	$6,659	6%
Operating Profit	$996	$630	8%
ROS	15.0%	9.5%	20 bps

Germany has awarded Raytheon a $1.2 billion contract for new Patriot radars, launchers, command and control stations, associated spares, and support. These systems will augment Germany's existing air defense infrastructure with additional Patriot equipment. Patriot is the backbone of air defense for 19 countries, including Germany, the U.S. and Ukraine.

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*See Appendix for additional information regarding these non-GAAP financial measures

**Included in the backlog is a $1.1 billion reduction related to the divestiture of the Cybersecurity business

Strong and Balanced A&D Portfolio

Collins Aerospace




Pratt & Whitney




Raytheon




Full Year Outlook

Sales	Adjusted EPS*	Free Cash Flow*
$78.0B - $79.0B	$5.25 - $5.40	~$5.7B
Organic sales growth % 7% - 8%*		

Reaffirming full year 2024 outlook

*See Appendix for additional information regarding these non-GAAP financial measures

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Appendix

Use and Definitions of Non-GAAP Financial Measures

RTX Corporation ("RTX" or "the Company") reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information but should not be considered in isolation or as substitutes for the related GAAP measures. We believe that these non-GAAP measures provide investors with additional insight into the Company's ongoing business performance. Other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. Below are our non-GAAP financial measures:

Non-GAAP Measure	Definition
Adjusted net sales	Represents consolidated net sales (a GAAP measure), excluding net significant and/or non-recurring items[1] (hereinafter referred to as "net significant and/or non-recurring items").
Organic sales	Organic sales represents the change in consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and net significant and/or non-recurring items
Adjusted operating profit (loss) and margin	Adjusted operating profit (loss) represents operating profit (loss) (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items. Adjusted operating profit margin represents adjusted operating profit (loss) as a percentage of adjusted net sales.
Segment operating profit (loss) and margin	Segment operating profit (loss) represents operating profit (loss) (a GAAP measure) excluding Acquisition Accounting Adjustments[2], the FAS/CAS operating adjustment[3], Corporate expenses and other unallocated items, and Eliminations and other. Segment operating profit margin represents segment operating profit (loss) as a percentage of segment sales (net sales, excluding Eliminations and other).
Adjusted segment sales	Represents consolidated net sales (a GAAP measure) excluding eliminations and other and net significant and/or non-recurring items.
Adjusted segment operating profit (loss) and margin	Adjusted segment operating profit (loss) represents segment operating profit (loss) excluding restructuring costs, and net significant and/or non-recurring items. Adjusted segment operating profit margin represents adjusted segment operating profit (loss) as a percentage of adjusted segment sales (adjusted net sales excluding Eliminations and other).
Adjusted net income	Adjusted net income represents net income (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items.
Adjusted earnings per share (EPS)	Adjusted EPS represents diluted earnings per share (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items.
Free cash flow	Free cash flow represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing RTX's ability to fund its activities, including the financing of acquisitions, debt service, repurchases of RTX's common stock and distribution of earnings to shareowners.

[1] Net significant and/or non-recurring items represent significant nonoperational items and/or significant operational items that may occur at irregular intervals.
[2] Acquisition Accounting Adjustments include the amortization of acquired intangible assets related to acquisitions, the amortization of the property, plant and equipment fair value adjustment acquired through acquisitions, the amortization of customer contractual obligations related to loss making or below market contracts acquired, and goodwill impairment.
[3]The FAS/CAS operating adjustment represents the difference between the service cost component of our pension and postretirement benefit (PRB) expense under the Financial Accounting Standards (FAS) requirements of GAAP and our pension and PRB expense under US Government Cost Accounting Standards (CAS) primarily related to our Raytheon segment.

When we provide our expectation for adjusted net sales, organic sales, adjusted operating profit (loss) and margin, adjusted segment operating profit (loss) and margin, adjusted EPS and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures, as described above, generally are not available without unreasonable effort due to potentially high variability, complexity, and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

2024 Segment Outlook

($ millions)

		Adjusted Sales VPY %*	Organic Sales VPY %*	Adjusted Operating Profit VPY*
	**Collins Aerospace**	Up mid to high-single digits	Up mid to high-single digits	$650 - $725
	**Pratt & Whitney**	Up low double digits	Up low double digits	$400 - $475
	**Raytheon**	Down slightly to flat[1]	Up low to mid-single digits	$100 - $200[1]

[1]Cybersecurity business sale completed on March 29, 2024

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*See Appendix for additional information regarding these non-GAAP financial measures.

Additional 2024 Items

	FY 2024
Adjusted Tax Rate*	~19.5%
Interest Expense	~$2,050M
Corporate Expense and Other Unallocated Items	~$225M
FAS/CAS Operating Adjustment	~$775M
Non-Service Pension Income	~$1,500M
Capex Spending	~$2.5 - $2.6B

*See Appendix for additional information regarding these non-GAAP financial measures.

RTX: P&W Engine Shipments to Customers

	2023					2024
	Q1	Q2	Q3	Q4	FY	Q1
Military	42	74	55	35	206	43
Large Commercial	167	191	261	256	875	232
Pratt & Whitney Canada[1]	499	507	500	557	2,063	496

1) Excludes APUs

RTX: Free Cash Flow Reconciliation

($ millions)

	1Q 2024
Net income	1,743
Depreciation & amortization	1,059
Change in working capital	(1,690)
Other	(770)
Cash flow from operating activities	342
Capital expenditures	(467)
Free cash flow	(125)

1Q 2024: RTX Sales Reconciliation

	Total Reported Growth	Organic	Acquisitions and Divestitures	FX / Other
Collins Aerospace	9%	9%	-	-
Pratt & Whitney	23%	23%	-	-
Raytheon	6%	6%	-	-
Elims & Other	13%	13%	-	-
Total	**12%**	**12%**	**-**	**-**

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1Q 2024: RTX Restructuring Costs

($ millions)

	2024	2023				
Restructuring impact to:	**Q1 2024**	**Q1 2023**	**Q2 2023**	**Q3 2023**	**Q4 2023**	**FY 2023**
Operating profit (loss)						
Collins Aerospace	$ (6)	$ (3)	$ (5)	$ (64)	$ 1	$ (71)
Pratt & Whitney	(18)	(19)	(25)	(7)	(23)	(74)
Raytheon	(9)	(7)	(17)	(9)	(9)	(42)
Total segment operating profit	(33)	(29)	(47)	(80)	(31)	(187)
Corporate expenses and other unallocated items	(1)	(1)	(21)	(24)	(13)	(59)
Eliminations and other	—	—	—	—	—	—
Total consolidated operating profit	(34)	(30)	(68)	(104)	(44)	(246)
Non-service pension income	(2)	(2)	—	—	(2)	(4)
Income before income taxes	**$ (36)**	**$ (32)**	**$ (68)**	**$ (104)**	**$ (46)**	**$ (250)**

RTX: 2023 Reported to Adjusted

($ millions)

	Reported (Unaudited)					Restructuring & net significant and/or non-recurring items[1]					Adjusted[1] (Unaudited)				
Net Sales	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Collins Aerospace	$ 6,120	$ 6,384	$ 6,629	$ 7,120	$ 26,253	$ —	$ —	$ (57)	$ 112	$ 55	$ 6,120	$ 6,384	$ 6,686	$ 7,008	$ 26,198
Pratt & Whitney	5,230	5,701	926	6,439	18,296	—	—	(5,401)	—	(5,401)	5,230	5,701	6,327	6,439	23,697
Raytheon	6,292	6,700	6,472	6,886	26,350	—	—	—	—	—	6,292	6,700	6,472	6,886	26,350
Total segment	17,642	18,785	14,027	20,445	70,899	—	—	(5,458)	112	(5,346)	17,642	18,785	19,485	20,333	76,245
Eliminations and other	(428)	(470)	(563)	(518)	(1,979)	—	—	(30)	(9)	(39)	(428)	(470)	(533)	(509)	(1,940)
Consolidated Net Sales	**$ 17,214**	**$ 18,315**	**$ 13,464**	**$ 19,927**	**$ 68,920**	**$ —**	**$ —**	**$ (5,488)**	**$ 103**	**$ (5,385)**	**$ 17,214**	**$ 18,315**	**$ 18,952**	**$ 19,824**	**$ 74,305**
Operating Profit (Loss)															
Collins Aerospace	$ 897	$ 899	$ 903	$ 1,126	$ 3,825	$ (6)	$ (16)	$ (140)	$ 91	$ (71)	$ 903	$ 915	$ 1,043	$ 1,035	$ 3,896
Pratt & Whitney	415	230	(2,482)	382	(1,455)	(19)	(206)	(2,895)	(23)	(3,143)	434	436	413	405	1,688
Raytheon	571	644	560	604	2,379	(13)	(18)	(10)	(14)	(55)	584	662	570	618	2,434
Total segment	1,883	1,773	(1,019)	2,112	4,749	(38)	(240)	(3,045)	54	(3,269)	1,921	2,013	2,026	2,058	8,018
Eliminations and other	51	(16)	(69)	(8)	(42)	68	10	(30)	(9)	39	(17)	(26)	(39)	1	(81)
Corporate expenses and other unallocated items	(43)	(59)	(63)	(110)	(275)	(3)	(31)	(32)	(40)	(106)	(40)	(28)	(31)	(70)	(169)
FAS/CAS operating adjustment	289	284	272	282	1,127	—	—	—	—	—	289	284	272	282	1,127
Acquisition accounting adjustments	(493)	(489)	(517)	(499)	(1,998)	(493)	(489)	(517)	(499)	(1,998)	—	—	—	—	—
Consolidated Operating Profit (Loss)	**$ 1,687**	**$ 1,493**	**$ (1,396)**	**$ 1,777**	**$ 3,561**	**$ (466)**	**$ (750)**	**$ (3,624)**	**$ (494)**	**$ (5,334)**	**$ 2,153**	**$ 2,243**	**$ 2,228**	**$ 2,271**	**$ 8,895**
Non-service pension income	$ (444)	$ (447)	$ (443)	$ (446)	$ (1,780)	$ 2	$ —	$ —	$ 2	$ 4	$ (446)	$ (447)	$ (443)	$ (448)	$ (1,784)
Interest expense, net	315	333	369	488	1,505	—	—	—	(11)	(11)	315	333	369	499	1,516
Income (loss) before income taxes	1,816	1,607	(1,322)	1,735	3,836	(468)	(750)	(3,624)	(485)	(5,327)	2,284	2,357	2,302	2,220	9,163
Income tax expense (benefit)	335	248	(389)	262	456	(101)	(165)	(818)	(155)	(1,239)	436	413	429	417	1,695
Net income (loss)	1,481	1,359	(933)	1,473	3,380	(367)	(585)	(2,806)	(330)	(4,088)	1,848	1,944	1,873	1,803	7,468
Less: Noncontrolling interest in subsidiaries' earnings	55	32	51	47	185	—	(17)	—	(3)	(20)	55	49	51	50	205
Net income (loss) attributable to common shareowners	**$ 1,426**	**$ 1,327**	**$ (984)**	**$ 1,426**	**$ 3,195**	**$ (367)**	**$ (568)**	**$ (2,806)**	**$ (327)**	**$ (4,068)**	**$ 1,793**	**$ 1,895**	**$ 1,822**	**$ 1,753**	**$ 7,263**
Earnings (loss) per share attributable to common shareowners															
Basic earnings (loss) per share	$ 0.98	$ 0.91	$ (0.68)	$ 1.05	$ 2.24						$ 1.23	$ 1.30	$ 1.26	$ 1.29	$ 5.09
Diluted earnings (loss) per share	$ 0.97	$ 0.90	$ (0.68)	$ 1.05	$ 2.23						$ 1.22	$ 1.29	$ 1.25	$ 1.29	$ 5.06
Weighted average number of shares outstanding (millions)															
Basic shares	1,462.2	1,457.5	1,448.1	1,354.9	1,426.0						1,462.2	1,457.5	1,448.1	1,354.9	1,426.0
Diluted shares	1,474.2	1,468.7	1,448.1	1,361.7	1,435.4						1,474.2	1,468.7	1,455.7	1,361.7	1,435.4

[1] For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 20-22. For the full reconciliation of our non-operating results, net income and EPS refer to slide 24.

RTX: 2024 Reported to Adjusted

($ millions)

	Reported (Unaudited) Q1 2024	Restructuring & net significant and/or non-recurring items[1] Q1 2024	Adjusted[1] (Unaudited) Q1 2024
Net Sales			
Collins Aerospace	$ 6,673	$ —	$ 6,673
Pratt & Whitney	6,456	—	6,456
Raytheon	6,659	—	6,659
Total segment	19,788	—	19,788
Eliminations and other	(483)	—	(483)
Consolidated Net Sales	**$ 19,305**	**$ —**	**$ 19,305**
Operating Profit			
Collins Aerospace	$ 849	$ (199)	$ 1,048
Pratt & Whitney	412	(18)	430
Raytheon	996	366	630
Total segment	2,257	149	2,108
Eliminations and other	(5)	—	(5)
Corporate expenses and other unallocated items	(96)	(71)	(25)
FAS/CAS operating adjustment	214	—	214
Acquisition accounting adjustments	(500)	(500)	—
Consolidated Operating Profit	**$ 1,870**	**$ (422)**	**$ 2,292**
Non-service pension income	$ (386)	$ (7)	$ (379)
Interest expense, net	405	(78)	483
Income before income taxes	1,851	(337)	2,188
Income tax expense	108	(255)	363
Net income	1,743	(82)	1,825
Less: Noncontrolling interest in subsidiaries' earnings	34	—	34
Net income attributable to common shareowners	**$ 1,709**	**$ (82)**	**$ 1,791**
Earnings per share attributable to common shareowners			
Basic earnings per share	$ 1.29		$ 1.35
Diluted earnings per share	$ 1.28		$ 1.34
Weighted average number of shares outstanding (millions)			
Basic shares	1,329.4		1,329.4
Diluted shares	1,337.3		1,337.3

RTX

[1] For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 20-22. For the full reconciliation of our non-operating results, net income and EPS refer to slide 24.

RTX: Reconciliation of GAAP to Adjusted

($ millions)

Collins Aerospace

	(Unaudited) 2024	(Unaudited) 2023				
	Q1 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Collins Aerospace						
Net sales	$ 6,673	$ 6,120	$ 6,384	$ 6,629	$ 7,120	$ 26,253
Certain customer litigation matters	—	—	—	(57)	112	55
Adjusted net sales	$ 6,673	$ 6,120	$ 6,384	$ 6,686	$ 7,008	$ 26,198
Operating profit	$ 849	$ 897	$ 899	$ 903	$ 1,126	$ 3,825
Restructuring	(6)	(3)	(5)	(64)	1	(71)
Segment and portfolio transformation costs	(18)	(3)	(11)	(19)	(29)	(62)
Charge associated with initiating alternative titanium sources	(175)	—	—	—	—	—
Certain customer litigation matters	—	—	—	(57)	119	62
Adjusted operating profit	$ 1,048	$ 903	$ 915	$ 1,043	$ 1,035	$ 3,896
Adjusted operating profit margin	15.7%	14.8%	14.3%	15.6%	14.8%	14.9%
Total Net Sales Adjustments	**$ —**	**$ —**	**$ —**	**$ (57)**	**$ 112**	**$ 55**
Total Operating Profit Adjustments	**$ (199)**	**$ (6)**	**$ (16)**	**$ (140)**	**$ 91**	**$ (71)**

RTX: Reconciliation of GAAP to Adjusted

($ millions)

Pratt & Whitney

	(Unaudited) 2024	(Unaudited) 2023				
	Q1 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Pratt & Whitney						
Net sales	$ 6,456	$ 5,230	$ 5,701	$ 926	$ 6,439	$ 18,296
Powder metal charge	—	—	—	(5,401)	—	(5,401)
Adjusted net sales	$ 6,456	$ 5,230	$ 5,701	$ 6,327	$ 6,439	$ 23,697
Operating profit (loss)	$ 412	$ 415	$ 230	$ (2,482)	$ 382	$ (1,455)
Restructuring	(18)	(19)	(25)	(7)	(23)	(74)
Charges related to a customer insolvency	—	—	(181)	—	—	(181)
Powder metal charge	—	—	—	(2,888)	—	(2,888)
Adjusted operating profit	$ 430	$ 434	$ 436	$ 413	$ 405	$ 1,688
Adjusted operating profit margin	6.7%	8.3%	7.6%	6.5%	6.3%	7.1%
Total Net Sales Adjustments	**$ —**	**$ —**	**$ —**	**$ (5,401)**	**$ —**	**$ (5,401)**
Total Operating Profit Adjustments	**$ (18)**	**$ (19)**	**$ (206)**	**$ (2,895)**	**$ (23)**	**$ (3,143)**

RTX: Reconciliation of GAAP to Adjusted

Raytheon

($ millions)

	(Unaudited) 2024	(Unaudited) 2023				
	Q1 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Raytheon						
Net sales	$ 6,659	$ 6,292	$ 6,700	$ 6,472	$ 6,886	$ 26,350
Adjusted net sales	$ 6,659	$ 6,292	$ 6,700	$ 6,472	$ 6,886	$ 26,350
Operating profit	$ 996	$ 571	$ 644	$ 560	$ 604	$ 2,379
Restructuring	(9)	(7)	(17)	(9)	(9)	(42)
Segment and portfolio transformation costs	—	(6)	(1)	(1)	(5)	(13)
Gain on sale of business, net of transaction and other related costs	375	—	—	—	—	—
Adjusted operating profit	$ 630	$ 584	$ 662	$ 570	$ 618	$ 2,434
Adjusted operating profit margin	9.5%	9.3%	9.9%	8.8%	9.0%	9.2%
Total Net Sales Adjustments	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Total Operating Profit Adjustments	**$ 366**	**$ (13)**	**$ (18)**	**$ (10)**	**$ (14)**	**$ (55)**

RTX: Reconciliation of GAAP to Adjusted

($ millions)

Non-Segment Operating Profit

	(Unaudited) 2024	(Unaudited) 2023				
	Q1 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Eliminations and other						
Net sales	$ (483)	$ (428)	$ (470)	$ (563)	$ (518)	$ (1,979)
Prior year impact from R&D capitalization IRS notice	—	—	—	(30)	(9)	(39)
Adjusted net sales	(483)	(428)	(470)	(533)	(509)	(1,940)
Operating profit (loss)	$ (5)	$ 51	$ (16)	$ (69)	$ (8)	$ (42)
Gain on sale of land	—	68	—	—	—	68
Charges related to a customer insolvency	—	—	10	—	—	10
Prior year impact from R&D capitalization IRS notice	—	—	—	(30)	(9)	(39)
Adjusted operating profit (loss)	$ (5)	$ (17)	$ (26)	$ (39)	$ 1	$ (81)
Corporate and other unallocated items						
Operating loss	$ (96)	$ (43)	$ (59)	$ (63)	$ (110)	$ (275)
Restructuring	(1)	(1)	(21)	(24)	(13)	(59)
Tax audit settlements	(68)	—	—	—	—	—
Segment and portfolio transformation costs	(2)	(2)	(10)	(8)	(11)	(31)
Adjustments related to expiration of tax statute of limitations	—	—	—	—	(16)	(16)
Adjusted operating loss	$ (25)	$ (40)	$ (28)	$ (31)	$ (70)	$ (169)
FAS/CAS Operating Adjustment						
Operating profit	$ 214	$ 289	$ 284	$ 272	$ 282	$ 1,127
Acquisition Accounting Adjustments						
Operating loss	$ (500)	$ (493)	$ (489)	$ (517)	$ (499)	$ (1,998)
Acquisition accounting adjustments	(500)	(493)	(489)	(517)	(499)	(1,998)
Adjusted operating profit	$ —	$ —	$ —	$ —	$ —	$ —
Total Net Sales Adjustments - Eliminations and other	**$ —**	**$ —**	**$ —**	**$ (30)**	**$ (9)**	**$ (39)**
Total Operating Profit Adjustments - Eliminations and other	**$ —**	**$ 68**	**$ 10**	**$ (30)**	**$ (9)**	**$ 39**
Total Operating Profit Adjustments - Corporate and other unallocated items	**$ (71)**	**$ (3)**	**$ (31)**	**$ (32)**	**$ (40)**	**$ (106)**
Total Operating Profit Adjustments - Acquisition accounting adjustments	**$ (500)**	**$ (493)**	**$ (489)**	**$ (517)**	**$ (499)**	**$ (1,998)**

RTX: Reconciliation of GAAP to Adjusted

Consolidated Income, Earnings Per Share

($ millions)

Income (Expense)	(Unaudited) 2024 Q1 2024	(Unaudited) 2023 Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Net income (loss) attributable to common shareowners	$ 1,709	$ 1,426	$ 1,327	$ (984)	$ 1,426	$ 3,195
Total Restructuring included in Operating Profit	(34)	(30)	(68)	(104)	(44)	(246)
Total Acquisition accounting adjustments	(500)	(493)	(489)	(517)	(499)	(1,998)
Total net significant and/or non-recurring items included in Operating Profit [(1)]	112	57	(193)	(3,003)	49	(3,090)
Significant and/or non-recurring items included in non-service pension income						
Non-service pension income	$ 386	$ 444	$ 447	$ 443	$ 446	$ 1,780
Pension curtailment related to sale of business	9	—	—	—	—	—
Non-service pension restructuring	(2)	(2)	—	—	(2)	(4)
Adjusted non-service pension income	$ 379	$ 446	$ 447	$ 443	$ 448	$ 1,784
Significant non-recurring and non-operational items included in interest						
Interest expense, net	$ (405)	$ (315)	$ (333)	$ (369)	$ (488)	(1,505)
Tax audit settlements	78	—	—	—	—	—
Legal settlement	—	—	—	—	1	1
Adjustments related to expiration of tax statute of limitations	—	—	—	—	10	10
Adjusted interest expense, net	$ (483)	$ (315)	$ (333)	$ (369)	$ (499)	$ (1,516)
Significant and/or non-recurring items included in Income Tax (Expense) Benefit						
Income tax (expense) benefit	$ (108)	$ (335)	$ (248)	$ 389	$ (262)	$ (456)
Tax effect of restructuring and net significant and/or non-recurring items above	(41)	101	165	826	99	1,191
Tax audit settlements	296	—	—	—	—	—
Adjustments related to expiration of tax statute of limitations	—	—	—	—	61	61
Prior year impact from R&D capitalization IRS notice	—	—	—	(8)	(5)	(13)
Adjusted income tax expense	$ (363)	$ (436)	$ (413)	$ (429)	$ (417)	$ (1,695)
Significant and/or non-recurring items included in Noncontrolling Interest						
Noncontrolling interest in subsidiaries' earnings	$ 34	$ 55	$ 32	$ 51	$ 47	$ 185
Adjustments to noncontrolling interest	—	—	(17)	—	(3)	(20)
Adjusted Noncontrolling interest in subsidiaries' earnings	$ 34	$ 55	$ 49	$ 51	$ 50	$ 205
Less: Impact on net income attributable to common shareowners	**(82)**	**(367)**	**(568)**	**(2,806)**	**(327)**	**(4,068)**
Adjusted net income attributable to common shareowners	**$ 1,791**	**$ 1,793**	**$ 1,895**	**$ 1,822**	**$ 1,753**	**$ 7,263**
Diluted Earnings (Loss) Per Share	**$ 1.28**	**$ 0.97**	**$ 0.90**	**$ (0.68)**	**$ 1.05**	**$ 2.23**
Impact on Diluted Earnings (Loss) Per Share	(0.06)	(0.25)	(0.39)	(1.93)	(0.24)	(2.83)
Adjusted Diluted Earnings Per Share	**$ 1.34**	**$ 1.22**	**$ 1.29**	**$ 1.25**	**$ 1.29**	**$ 5.06**
Weighted Average Number of Shares Outstanding						
Reported Diluted	1,337.3	1,474.2	1,468.7	1,448.1	1,361.7	1,435.4
Impact of dilutive shares [(2)]	—	—	—	(7.6)	—	—
Adjusted Diluted	**1,337.3**	**1,474.2**	**1,468.7**	**1,455.7**	**1,361.7**	**1,435.4**
Total Non-service pension income adjustments	**$ 7**	**$ (2)**	**$ —**	**$ —**	**$ (2)**	**$ (4)**
Total Interest expense adjustments	**$ 78**	**$ —**	**$ —**	**$ —**	**$ 11**	**$ 11**
Total Income tax adjustments	**$ 255**	**$ 101**	**$ 165**	**$ 818**	**$ 155**	**$ 1,239**
Total Noncontrolling interest adjustments	**$ —**	**$ —**	**$ (17)**	**$ —**	**$ (3)**	**$ (20)**

[1] Refer to slides 20 - 22 for individual operating profit adjustments.

[2] The computation of reported diluted earnings per share excludes the effect of the potential exercise of stock awards, including stock appreciation rights and stock options, because their effect was antidilutive in the quarter ended September 30, 2023, due to the reported loss from operations. On an adjusted basis, the Company reported income from continuing operations and the dilutive effect of such awards is included in the calculation of Adjusted Diluted Earnings Per Share.

RTX: Reconciliation of GAAP to Adjusted

Segment Net Sales and Operating Profit (Loss) and Margin

($ millions)

	(Unaudited) 2024	(Unaudited) 2023				
Income (Expense)	Q1 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Net Sales	$ 19,305	$ 17,214	$ 18,315	$ 13,464	$ 19,927	$ 68,920
Reconciliation to segment net sales:						
Eliminations and other	483	428	470	563	518	1,979
Segment Net Sales	19,788	17,642	18,785	14,027	20,445	70,899
Reconciliation to adjusted segment net sales:						
Net significant and/or non-restructuring items [1]	—	—	—	(5,458)	112	(5,346)
Adjusted Segment Net Sales	$ 19,788	$ 17,642	$ 18,785	$ 19,485	$ 20,333	$ 76,245
Operating Profit (Loss)	$ 1,870	$ 1,687	$ 1,493	$ (1,396)	$ 1,777	$ 3,561
Operating Profit (Loss) Margin	*9.7 %*	*9.8 %*	*8.2 %*	*(10.4)%*	*8.9 %*	*5.2 %*
Reconciliation to segment operating profit (loss):						
Eliminations and other	5	(51)	16	69	8	42
Corporate expenses and other unallocated items	96	43	59	63	110	275
FAS/CAS operating adjustment	(214)	(289)	(284)	(272)	(282)	(1,127)
Acquisition accounting adjustments	500	493	489	517	499	1,998
Segment Operating Profit (Loss)	2,257	1,883	1,773	(1,019)	2,112	4,749
Segment Operating Profit (Loss) Margin	*11.4 %*	*10.7 %*	*9.4 %*	*(7.3)%*	*10.3 %*	*6.7 %*
Reconciliation to adjusted segment operating profit:						
Restructuring & net significant and/or non-restructuring items [1]	149	(38)	(240)	(3,045)	54	(3,269)
Adjusted Segment Operating Profit	$ 2,108	$ 1,921	$ 2,013	$ 2,026	$ 2,058	$ 8,018
Adjusted Segment Operating Profit Margin	*10.7 %*	*10.9 %*	*10.7 %*	*10.4 %*	*10.1 %*	*10.5 %*

RTX

[1] Refer to slides 20-22 for individual net sales and operating profit adjustments