

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): July 24, 2003

RAYTHEON COMPANY

(Exact name of registrant as specified in its charter)

Delaware

1-13699

95-1778500

(State of Incorporation) (Commission File Number)

(IRS Employer
Identification Number)

141 Spring Street
Lexington, Massachusetts

02421

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (781) 862-6600

Item 9. Regulation FD Disclosure

On July 24, 2003, Raytheon Company issued a press release relating to the Company's earnings for the second quarter of fiscal year 2003. A copy of the press release is attached as Exhibit 99.1.

This information set forth under "Item 9, Regulation FD Disclosure" is intended to be furnished under "Item 12. Results of Operations and Financial Condition" in accordance with SEC Release No. 33-8216. Such information, including the Exhibit attached hereto, shall not be deemed "Filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference to such filing.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 24, 2003

RAYTHEON COMPANY

By: /s/ Edward S. Pliner
Edward S. Pliner
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release dated July 24, 2003 issued by Raytheon Company.

EXHIBIT 99.1

RAYTHEON

Media Relations

News release

Media Contact:
James Fetig
781-860-2386

Investor Relations Contact:
Tim Oliver
781-860-2167

Raytheon Reports Second Quarter 2003 EPS of \$0.45 from Continuing Operations

Government and defense sales up 7 percent; 4 segments reported double digit sales growth

First half government and defense bookings exceed comparable period by \$3.2 billion

Free cash flow from continuing operations of \$649 million

EPS of \$0.24 including impact of discontinued operations

LEXINGTON, Mass., (July 24, 2003) - Raytheon Company (NYSE: RTN) reported second quarter 2003 income from continuing operations of \$186 million or \$0.45 per diluted share compared to \$223 million or \$0.54 per diluted share in the second quarter 2002. Income from continuing operations includes a net gain of \$15 million or \$0.03 per share primarily resulting from the sale of an investment. Non-cash pension expense (FAS/CAS pension adjustment) accounted for a \$0.14 decrease in earnings per diluted share on a year-over-year basis.

Second quarter 2003 net income was \$100 million or \$0.24 per diluted share compared to a net loss of \$136 million or \$0.33 per diluted share in 2002. Net income for the second quarter of 2003 includes an \$86 million after-tax loss in discontinued operations, or \$0.21 per diluted share.

Net sales for the second quarter 2003 were \$4.4 billion, up from \$4.1 billion in the comparable period in 2002. The government and defense sales for the quarter (after the elimination of intercompany sales) increased 7 percent to \$3.8 billion from \$3.5 billion in the comparable quarter.

Free cash flow for the second quarter 2003 was \$533 million, net of \$116 million consumed by discontinued operations. Free cash flow for the comparable quarter last year was \$162 million. Free cash flow represents a non-GAAP financial measure that the Company defines as operating cash flow less capital spending and internal use software spending. Attachment F is a table reconciling this measure to operating cash flow, the most directly comparable GAAP measure.

"We are seeing the benefits of aligning our Strategic Business Areas with our customer's priorities and concentrating on customer-focused metrics," said William H. Swanson, Raytheon CEO and president. "As a result, government and defense bookings in the first half of this year exceeded the first half of last year by \$3.2 billion." Swanson also stated, "We are pleased that Raytheon Aircraft Company continues to execute on its balanced operating plan in the face of tough market conditions."

In the first half of the year, the Missile Defense Strategic Business Area (SBA) won two strategically important missile defense contracts, Ballistic Missile Defense System (BMDS) and Sea-based TEST X-Band Radar. The Precision Engagement SBA won Miniature Air-Launched Decoy and U.K. Precision Guided Bomb (Paveway IV) contracts and the Intelligence Surveillance and Reconnaissance SBA has been awarded approximately \$1 billion of classified business.

In the government and defense businesses, strong second quarter bookings of \$3.8 billion lifted government and defense backlog to \$22.4 billion, up from \$19.8 billion in the 2002 comparable period.

Aircraft backlog at the end of the second quarter was \$2.2 billion down from \$4.7 billion a year ago. During the quarter, aircraft backlog was impacted by two events. First, the consolidation of Flight Options LLC reduced reported backlog by \$834 million. Second, NetJets canceled its order for 50 Hawker Horizon aircraft resulting in an \$895 million backlog reduction. The first scheduled delivery of a Hawker Horizon to NetJets was to be mid-year 2005. The Company believes that this cancellation will not materially impact financial results in 2003 or 2004.

OUTLOOK

The Company is increasing its guidance for sales growth. For 2003, consolidated sales growth is expected to be 9 to 10 percent versus the prior period, up from earlier guidance of 6 to 7 percent. Government and defense sales are expected to increase 8.5 to 9 percent versus 2002 and earlier guidance of 6 to 7 percent. As a result of the consolidation of Flight Options LLC, we expect Raytheon Aircraft Company (RAC) 2003 sales to increase by approximately \$300 million to \$350 million.

The Company has not changed its guidance for 2003 earnings per share from continuing operations of \$1.70-\$1.80 per diluted share. Increased profit from higher forecasted government and defense sales is expected to be offset by performance issues on several Network Centric Systems (NCS) programs.

The Company is increasing its guidance on free cash flow from continuing operations by \$100 million to a range of \$1,050 million to \$1,150 million. Cash outflow from discontinued operations is expected to increase by approximately \$100 million to a range of \$425 million to \$475 million. Total free cash flow from operations is expected to be between \$575 million to \$725 million.

SEGMENT RESULTS

Integrated Defense Systems

Integrated Defense Systems (IDS) second quarter 2003 net sales were \$701 million, up 17 percent compared to \$599 million in the second quarter 2002 due primarily to continued growth in DD(X), the Navy's future destroyer program, as well as strong missile defense sales. IDS generated \$80 million of operating income compared to \$72 million in the 2002 comparable quarter.

During the quarter, IDS booked two important missile defense contracts. IDS received a sole-source contract to engineer, construct, integrate and test a forward-deployable Ballistic Missile Defense System (BMDS) radar valued at approximately \$350 million and the Sea-based Test-XBR contract valued at approximately \$419 million to fabricate, assemble and test a radar mounted on an ocean-going platform.

Intelligence and Information Systems

Intelligence and Information Systems (IIS) second quarter 2003 net sales were \$525 million, up 15 percent compared to \$457 million in the second quarter 2002 due primarily to strong growth in new classified programs as well as growth in the National Polar-orbiting Operational Environmental Satellite System (NPOESS) program. IIS earned \$46 million of operating income compared to \$41 million in the comparable quarter a year ago.

Missile Systems

Missile Systems (MS) second quarter 2003 net sales were \$833 million, up 14 percent compared to \$729 million in the second quarter 2002 driven by work on the Tomahawk remanufacturing program and an increase in production for Air Intercept Missile (AIM-9x), Tactical Tomahawk and Enhanced Sea Sparrow Missile. MS generated \$104 million of operating income compared to \$93 million in the comparable quarter.

During the quarter, MS was selected by the United Kingdom Ministry of Defence to supply Paveway IV to meet the Royal Air Force's requirement for a new Precision Guided Bomb (PGB), an award estimated at approximately \$175 million. In addition, MS was selected by the U.S. Air Force for an \$88 million contract to develop and demonstrate a Miniature Air-Launched Decoy (MALD) and received a \$96 million contract for the continued production of the AIM-120 Advanced Medium Range Air-to-Air Missile (AMRAAM).

Network Centric Systems

Network Centric Systems (NCS) second quarter 2003 net sales were \$716 million, down 6 percent compared to \$760 million in the second quarter 2002. NCS earned \$20 million in operating income compared to \$58 million in the comparable quarter a year ago. The decline in operating income is due to performance issues on several programs.

During the quarter, NCS was awarded a contract valued at approximately \$90 million for the Navy's Cooperative Engagement Capabilities (CEC) program to produce 13 self-defense systems. Subsequent to the quarter, NCS was selected by the U.S. Army to enter into negotiations on a contract to serve as Ground Sensor Integrator (GSI) for Future Combat Systems (FCS). In addition, NCS was selected to enter into a contract to develop the Battle Command Mission Execution (BCME) component for FCS.

Space and Airborne Systems

Space and Airborne Systems (SAS) second quarter 2003 net sales were \$886 million, up 11 percent compared to \$798 million in the second quarter 2002, due primarily to stronger classified sales. SAS generated \$127 million of operating income compared to \$108 million in the comparable quarter.

During the quarter, SAS was awarded a \$242 million contract with the Hellenic Ministry of National Defense to produce the Advanced Self-Protection Integrated Suite (ASPIS II) for its F-16 aircraft fleet, a \$110 million contract by the U.S. Army's Special Operations Command for the design and delivery of electro-optic sensor systems for use on board helicopters during day or night operations, and a \$63 million contract to continue the modernization of the radar on the U.S. Air Force's B-2 "Spirit" Bomber.

Technical Services

Technical Services (TS) second quarter 2003 net sales were \$465 million, down 8 percent from \$505 million in the second quarter 2002, due primarily to the loss of the Kwajalein missile range contract in 2002. TS generated \$34 million of operating income compared to \$5 million in the comparable quarter last year. Prior period results included a \$28 million write-down.

During the quarter, the Defense Threat Reduction Agency selected TS to perform on three Cooperative Threat Reduction Integrating Contract (CTRIC) task orders. The combined potential value of the contracts, including all options, is approximately \$300 million, subject to final negotiations.

Aircraft

Raytheon Aircraft Company(RAC) second quarter 2003 net sales were \$627 million, up from \$526 million in the second quarter 2002. RAC's operating income in the quarter was \$7 million, compared to \$11 million in the comparable quarter in 2002. The net impact of Flight Options' consolidation this quarter is a \$54 million increase in sales and no impact on operating income.

RAC delivered 67 commercial aircraft in the second quarter of 2003, compared to 60 in the same quarter last year.

DISCONTINUED OPERATIONS

The total pretax loss from discontinued operations for the quarter was \$133 million. During the quarter, the Company recorded a \$106 million pretax charge associated with increased costs for two construction projects and recorded a \$13 million pretax charge for period and other costs associated with its former engineering and construction businesses. Also, the Company recorded a \$14 million pretax charge related to cost growth on the Boeing Business Jet (BBJ) program and further write-down of BBJ inventory retained after the disposition of its former Aircraft Integration Systems business.

Raytheon Company (NYSE: RTN), with 2002 sales of \$16.8 billion, is an industry leader in defense, government and commercial electronics, space, information technology, technical services, and business and special mission aircraft. With headquarters in Lexington, Mass., Raytheon employs more than 76,000 people worldwide.

Disclosure Regarding Forward-looking Statements

Certain statements made in this release, including any statements relating to the Company's future plans, objectives, and projected future financial performance, contain or are based on, forward-looking statements within the meaning of the federal securities laws. Specifically, statements that are not historical facts, including statements accompanied by words such as "believe", "expect", "estimate", "intend", or "plan", and variations of these words and similar expressions, are intended to identify forward-looking statements and convey the uncertainty of future events or outcomes. The Company cautions readers that any such forward-looking statements are based on assumptions that the Company believes are reasonable, but are subject to a wide range of risks, and actual results may differ materially. The Company expressly disclaims any current intention to provide updates to forward-looking statements, and the estimates and assumptions associated with them, after the date of this release. Important factors that could cause actual results to differ include, but are not limited to: the ability to obtain or the timing of obtaining future government awards; the availability of government funding; changes in government or customer priorities due to program reviews or revisions to strategic objectives; difficulties in developing and producing operationally advanced technology systems; termination of government contracts; program performance and timing of contract payments; the performance of critical subcontractors; government import and export policies and other government regulations; the ultimate resolution of contingencies and legal matters, including investigations; the effect of market conditions, particularly in relation to the general aviation and commuter aircraft markets; the uncertainty of the timing and amount of net realizable value of Boeing Business Jet-related assets; the Company's lack of construction industry expertise resulting from the Company's sale of its Engineers and Constructors business; the timing of project completion and customer acceptance of two Massachusetts construction projects; further delays and cost growth arising from testing and commissioning processes conducted at the Massachusetts projects; the final determination by the Company of the required expenditure to complete the Massachusetts projects; and the impact of change orders, the recoverability of the Company's claims and the outcome of defending claims asserted against the Company. Further information regarding the factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's SEC filings, including Item 1-Business of the Company's Annual Report on Form 10-K for the year ended December 31, 2002 and Quarterly Report on Form 10-Q for the quarter ended March 30, 2003.

Conference Call on the Second Quarter 2003 Financial Results

Raytheon's financial results conference call will be Thursday, July 24, 2003 at 9 a.m. Participants will be William Swanson chief executive officer and president, Edward Pliner senior vice president and CFO and other company executives.

The dial in number for the conference call will be (800) 299-9630 with a participant access code of 91291306. The conference call will also be audiocast on the Internet at www.raytheon.com. Individuals may listen to the call and download charts that will be used during the call. These charts will be available for printing prior to the call.

Interested parties are urged to check the website ahead of time to ensure their computers are configured for the audio stream. Instructions for obtaining the free required downloadable software are posted on the site.

Attachment A

Raytheon Company
Financial Information
Second Quarter 2003(In millions, except
per share amounts)

	Three Months Ended		Six Months Ended	
	29-Jun-03	30-Jun-02	29-Jun-03	30-Jun-02
Net sales	\$4,429	\$4,095	\$8,630	\$8,006
Cost of sales	3,570	3,207	7,050	6,367
Administrative and selling expenses	345	313	647	607
Research and development expenses	131	121	237	225
Total operating expenses	4,046	3,641	7,934	7,199
Operating income	383	454	696	807
Interest expense	135	130	278	270
Interest income	(11)	(9)	(23)	(17)
Other (income) expense	(8)	13	15	21
Non-operating expense, net	116	134	270	274
Income from continuing operations before taxes	267	320	426	533
Federal and foreign income taxes	81	97	129	161
Income from continuing operations	186	223	297	372
Loss from discontinued operations, net of tax	(86)	(359)	(102)	(583)
Income (loss) before extraordinary item and accounting change	100	(136)	195	(211)
Extraordinary gain from debt repurchases, net of tax	-	-	-	1
Cumulative effect of change in accounting principle, net of tax	-	-	-	(509)
Net income (loss)	\$100	\$(136)	\$195	\$(719)
Earnings per share from continuing operations				
Basic	\$0.45	\$0.56	\$0.72	\$0.94
Diluted	\$0.45	\$0.54	\$0.72	\$0.91
Loss per share from discontinued operations				
Basic	\$(0.21)	\$(0.90)	\$(0.25)	\$(1.47)
Diluted	\$(0.21)	\$(0.87)	\$(0.25)	\$(1.43)
Loss per share from cumulative effect of change in accounting principle				
Basic	\$-	\$-	\$-	\$(1.28)
Diluted	\$-	\$-	\$-	\$(1.25)
Earnings (loss) per share				
Basic	\$0.24	\$(0.34)	\$ 0.48	\$(1.81)
Diluted	\$0.24	\$(0.33)	\$ 0.47	\$(1.76)
Average shares outstanding				
Basic	411.6	400.0	410.1	397.8
Diluted	414.9	412.9	412.8	408.6

Attachment B

Raytheon Company
Segment Information
Second Quarter 2003

(In millions)

	Net Sales	
	Three Months Ended	
	29-Jun-03	30-Jun-02
Integrated Defense Systems	\$ 701	\$ 599
Intelligence and Information Systems	525	457
Missile Systems	833	729
Network Centric Systems	716	760
Space and Airborne Systems	886	798
Technical Services	465	505
Aircraft	627	526
FAS/CAS Pension Adjustment	-	-
Corporate and Eliminations	(324)	(279)
	-----	-----
Total	\$4,429	\$4,095
	=====	=====

	Operating Income	
	Three Months Ended	
	29-Jun-03	30-Jun-02
Integrated Defense Systems	\$ 80	\$ 72
Intelligence and Information Systems	46	41
Missile Systems	104	93
Network Centric Systems	20	58
Space and Airborne Systems	127	108
Technical Services	34	5
Aircraft	7	11
FAS/CAS Pension Adjustment	(29)	53
Corporate and Eliminations	(6)	13
	-----	-----
Total	\$ 383	\$ 454
	=====	=====

	Operating Income	
	As a Percent of Sales	
	Three Months Ended	
	29-Jun-03	30-Jun-02
Integrated Defense Systems	11.4%	12.0%
Intelligence and Information Systems	8.8%	9.0%
Missile Systems	12.5%	12.8%
Network Centric Systems	2.8%	7.6%
Space and Airborne Systems	14.3%	13.5%
Technical Services	7.3%	1.0%
Aircraft	1.1%	2.1%
FAS/CAS Pension Adjustment		
Corporate and Eliminations		
Total	8.6%	11.1%

Attachment C

Raytheon Company
Other Information
Continuing Operations
Second Quarter 2003

	Backlog (In millions)	
	29-Jun-03	30-Jun-02
Integrated Defense Systems	\$ 5,720	\$ 4,117
Intelligence and Information Systems	3,673	2,885
Missile Systems	4,167	3,517
Network Centric Systems	2,960	2,782
Space and Airborne Systems	4,418	4,673
Technical Services	1,477	1,815
Aircraft	2,170	4,672
Corporate	202	278
	-----	-----
	\$ 24,787	\$ 24,739
	=====	=====
U.S. government backlog included above	\$ 19,481	\$ 16,669
	=====	=====

	Bookings (In millions) Three Months Ended		Bookings (In millions) Six Months Ended	
	29-Jun-03	30-Jun-02	29-Jun-03	30-Jun-02
Government and Defense businesses	\$ 3,766	\$ 2,920	\$ 8,810	\$ 5,659
Commercial businesses	517	562	853	1,974
	-----	-----	-----	-----
	\$ 4,283	\$ 3,482	\$ 9,663	\$ 7,633
	=====	=====	=====	=====

	Aircraft Deliveries (Units) Three Months Ended	
	29-Jun-03	30-Jun-02
Hawker	13	11
Premier I	8	7
Beechjet	7	5
King Air	21	12
1900D Commuter	1	3
Pistons	20	26
T-6A	17	17
	-----	-----
Total	87	81
	=====	=====

	Aircraft Bookings (Units) Three Months Ended	
	29-Jun-03	30-Jun-02
Hawker	12	9
Premier I	4	8
Beechjet	6	3
King Air	17	12
1900D Commuter	1	-
Pistons	13	37
T-6A	-	9
	-----	-----
Total	53	78
	=====	=====

Attachment D

Raytheon Company
Preliminary Financial Information
Second Quarter 2003

(In millions)

Balance sheets

	29-Jun-03	31-Dec-02	30-Jun-02
Assets			
Cash and cash equivalents	\$ 364	\$ 544	\$ 1,642
Accounts receivable	571	675	461
Contracts in process	3,490	3,016	3,563
Inventories	2,114	2,032	2,230
Deferred federal and foreign income taxes	507	601	600
Prepaid expenses and other current assets	221	247	119
Assets from discontinued operations	63	75	105
	-----	-----	-----
Total current assets	7,330	7,190	8,720
Property, plant and equipment, net	2,461	2,396	2,319
Deferred federal and foreign income taxes	316	281	-
Goodwill	11,488	11,170	11,168
Other assets, net	2,698	2,909	3,588
	-----	-----	-----
Total assets	\$24,293	\$23,946	\$25,795
	=====	=====	=====
Liabilities and Stockholders' Equity			
Notes payable and current portion of long-term debt	\$ 968	\$ 1,153	\$ 1,783
Advance payments, less contracts in process	932	819	845
Accounts payable	824	776	767
Accrued salaries and wages	670	710	560
Other accrued expenses	1,240	1,316	1,475
Liabilities from discontinued operations	56	333	609
	-----	-----	-----
Total current liabilities	4,690	5,107	6,039
Accrued retiree benefits and other long-term liabilities	2,882	2,831	1,269
Deferred federal and foreign income taxes	-	-	835
Long-term debt	6,746	6,280	6,038
Mandatorily redeemable equity securities	859	858	857
Stockholders' equity	9,116	8,870	10,757
	-----	-----	-----
Total liabilities and stockholders' equity	\$24,293	\$23,946	\$25,795
	=====	=====	=====
Debt-to-capital ratio			
	29-Jun-03	31-Dec-02	30-Jun-02
Debt	\$ 7,714	\$ 7,433	\$ 7,821
Capital	17,689	17,161	19,435
	-----	-----	-----
Debt-to-capital ratio	43.6%	43.3%	40.2%
	=====	=====	=====

Attachment E

Raytheon Company
Preliminary Cash Flow Information
Second Quarter 2003

(In millions)

Cash flow information

	Three Months Ended	
	29-Jun-03	30-Jun-02
Income from continuing operations	\$ 186	\$ 223
Depreciation	78	73
Amortization	14	14
Working capital	220	15
Discontinued operations	(116)	(259)
Capital spending	(79)	(105)
Internal use software spending	(28)	(26)
Other	258	227
	-----	-----
Subtotal - free cash flow (a)	533	162
Net activity in financing receivables	54	(6)
Divestitures and sale of investments	40	-
Dividends	(82)	(80)
Issuance of common stock	18	53
Debt repayments	(602)	(11)
Other	16	40
	-----	-----
Total cash flow	\$ (23)	\$ 158
	=====	=====

Segment free cash flow information

	Three Months Ended	
	29-Jun-03	30-Jun-02
Integrated Defense Systems	\$ 196	\$ 58
Intelligence and Information Systems	61	11
Missile Systems	(59)	2
Network Centric Systems	46	44
Space and Airborne Systems	131	125
Technical Services	33	82
Aircraft	7	(70)
Discontinued operations	(116)	(259)
Other	234	169
	-----	-----
	\$ 533	\$ 162
	=====	=====

(a) See Attachment F for a description of free cash flow.

Attachment F

Raytheon Company
 Reconciliation of Non-GAAP Financial Measure
 Second Quarter 2003

(In millions)

Reconciliation of Non-GAAP Financial Measure

	Three Months Ended	
	29-Jun-03	30-Jun-02
Operating cash flow	\$ 640	\$ 293
Less: Capital spending	(79)	(105)
Internal use software spending	(28)	(26)
	-----	-----
Free cash flow	\$ 533	\$ 162
	=====	=====

Note: Free cash flow represents a non-GAAP financial measure defined as operating cash flow less capital spending and internal use software spending. The Company's management uses non-GAAP financial measures to evaluate the operating performance of its business and as a component for determining incentive-based compensation. In addition, the Company believes that free cash flow is an important measure of performance used by some investors, equity analysts and others to make informed investment decisions. The definitions used here may differ from those used by other companies.