

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q/A

AMENDMENT NO. 1

/X/ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended July 2, 2000

/ / Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ..... to .....

Commission File Number 1-13699

RAYTHEON COMPANY

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

95-1778500

(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)

141 SPRING STREET, LEXINGTON, MASSACHUSETTS 02421 (Address of Principal Executive Offices) (Zip Code)

(781) 862-6600

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No

Number of shares of common stock outstanding as of July 2, 2000: 340,012,000, consisting of 100,805,000 shares of Class A common stock and 239,207,000 shares of Class B common stock.

The following text represents an amendment to Form 10-Q filed with the Commission on August 16, 2000 which changes the last line of the text of the paragraph on p. 14 beginning "Electronic Systems had sales of \$1.8 billion..." to read as follows: "...recorded on three contracts in the second quarter of 2000."

"PAGE

14

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Income from continuing operations was \$95 million in the second quarter of 2000, or \$0.28 per diluted share on 340.0 million average shares outstanding versus \$277 million in the second quarter of 1999, or \$0.81 per diluted share on 343.7 million average shares outstanding.

On July 7, 2000, the Company completed the sale of its Raytheon Engineers & Constructors (RE&C) subsidiary for approximately \$50 million in cash, subject to purchase price adjustments. The Company also retained approximately \$30 million of cash on the balance sheet of RE&C at closing. Pursuant to the agreement, the Company retained the responsibility for four large, fixed price international turnkey projects that are close to completion, partially indemnified the buyer on the completion of one other existing project, and retained certain significant assets and liabilities. In the second quarter of 2000, the Company recorded an additional loss on disposal of discontinued operations of \$46 million after-tax, or \$0.14 per diluted share. The additional loss on disposal was due primarily to cost growth on one of the retained projects.

Net income for the second quarter of 2000 was \$49 million, or \$0.14 per diluted share versus \$290 million for the second quarter of 1999, or \$0.84 per diluted share.

Total employment related to continuing operations was approximately 94,300 at July 2, 2000, and approximately 97,600 at December 31, 1999. The decrease was primarily a result of divestitures and the continuing restructuring initiatives at the Electronics businesses.

Electronic Systems had sales of \$1.8 billion in the second quarter of 2000, compared with \$2.1 billion in the second quarter of 1999. The decrease in sales was due to a decrease in volume for missiles and missile defense systems. Operating income was \$209 million in the second quarter of 2000 versus \$345 million a year ago. During the second quarter of 2000, the Company recorded a \$19 million favorable adjustment to cost of sales to reflect a change in estimate on restructuring initiatives. The decrease in operating income was due to lower volume from missiles and missile defense systems, a decline in higher margin foreign direct programs, certain positive contract completion adjustments recorded in the second quarter of 1999, and negative contract adjustments recorded on three contracts in the second quarter of 2000.

Command, Control, Communication and Information Systems had sales of \$846 million in the second quarter of 2000, compared with \$988 million in the second quarter of 1999. Sales were lower due to the divestiture of the flight simulator business and the planned wind-down of certain international projects. Operating income was \$93 million in the second quarter of 2000 compared with \$148 million in the second quarter of 1999. The decline in operating income was driven by lower volume, negative contracts adjustments on two communications-related programs, and certain positive prior year contract completion adjustments.

Technical Services had second quarter 2000 sales of \$466 million, versus \$501 million in the second quarter of 1999. Operating income was \$38 million in the second quarter of 2000, compared with \$42 million in the second quarter of 1999. The decline in sales and operating income was due primarily to the divestiture of the flight simulator business in the first quarter of 2000.

Aircraft Integration Services had sales of \$303 million in the second quarter of 2000, compared with sales of \$288 million in the second quarter of 1999. Sales from the Airborne Standoff Radar (ASTOR) contract accounted for the increase. Operating income was \$31 million in both the second quarter of 2000 and 1999."

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 thereunto duly authorized.

RAYTHEON COMPANY (Registrant)

By:           /s/ Edward S. Pliner  
                  Edward S. Pliner  
                  Vice President and  
                  Corporate Controller  
                  (Chief Accounting Officer)

August 17, 2000