

RAYTHEON CO/  
Form 4  
October 02, 2007

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KEEBAUGH MICHAEL D**

(Last) (First) (Middle)  
  
870 WINTER STREET  
  
(Street)

WALTHAM, MA 02451

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**RAYTHEON CO/ [RTN]**

3. Date of Earliest Transaction (Month/Day/Year)  
**09/28/2007**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount (A) or (D) Price   |  |   |
| Common Stock                    | 09/28/2007                           |  | M                              |   | 7,322 (1) A \$ 19.375   | 89,505   | D   |
| Common Stock                    | 09/28/2007                           |  | M                              |   | 3,368 (1) A \$ 29.685   | 92,873   | D   |
| Common Stock                    | 09/28/2007                           |  | M                              |   | 2,249 (1) A \$ 44.45  | 95,122   | D   |
| Common Stock                    | 09/28/2007                           |  | M                              |   | 3,180 (1) A \$ 31.445   | 98,302   | D   |
| Common Stock                    | 09/28/2007                           |  | S                              |   | 8,800 (1) D \$ 64.1414  | 89,502   | D   |

Common Stock 1,278 <sup>(2)</sup> I 401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Employee Stock Option                      | \$ 19.375  | 09/28/2007                           |  | M                              | 7,322   | 02/25/2003 <sup>(3)</sup> 02/24/2010                     | Common Stock  | 7,322                      |
| Employee Stock Option                      | \$ 29.685  | 09/28/2007                           |  | M                              | 3,368   | 05/23/2004 05/22/2011                                    | Common Stock  | 3,368                      |
| Employee Stock Option                      | \$ 44.45   | 09/28/2007                           |  | M                              | 2,249   | 05/13/2005 05/12/2012                                    | Common Stock  | 2,249                      |
| Employee Stock Option                      | \$ 31.445  | 09/28/2007                           |  | M                              | 3,180   | 05/14/2006 05/13/2013                                    | Common Stock  | 3,180                      |

## Reporting Owners

| Reporting Owner Name / Address                               | Relationships |           |                |       |
|--|---------------|-----------|----------------|-------|
|  | Director      | 10% Owner | Officer        | Other |
| KEEBAUGH MICHAEL D<br>870 WINTER STREET<br>WALTHAM, MA 02451 |               |           | Vice President |       |

## Signatures

Dana Ng,  
Attorney-in-fact

10/02/2007

\_\_Signature of Reporting  
Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The stock option exercises and sale reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on August 28, 2007.  
  
The Reporting Person indirectly beneficially owns 1,278 shares of the Issuer's Common Stock based on funds in the Reporting Person's
- (2) Savings and Investment Plan/Excess Savings Plan Account divided by \$63.82, the closing price of the Issuer's Common Stock on September 28, 2007.
- (3) The option became exercisable in two annual installments beginning on February 25, 2002.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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