

SWANSON WILLIAM H  
Form 4  
March 19, 2008

**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 \*  
SWANSON WILLIAM H

(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)  
03/17/2008

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)  
Chairman and CEO

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	03/17/2008		M	3,576 (1)	\$ 55.9063	560,846	D
Common Stock	03/17/2008		M	96,424 (1)	\$ 55.9063	657,270	D
Common Stock	03/17/2008		M	3,368 (1)	\$ 29.685	660,638	D
Common Stock	03/17/2008		M	96,632 (1)	\$ 29.685	757,270	D
Common Stock	03/17/2008		M	90,300 (1)	\$ 29.48	847,570	D

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Common Stock	03/17/2008	S	<u>3,576</u> (1)	D	\$ 63.43	843,994	D
Common Stock	03/17/2008	S	<u>96,424</u> (1)	D	\$ 63.4864	747,570	D
Common Stock	03/17/2008	S	<u>3,368</u> (1)	D	\$ 63.3	744,202	D
Common Stock	03/17/2008	S	<u>96,632</u> (1)	D	\$ 63.3575	647,570	D
Common Stock	03/17/2008	S	<u>90,300</u> (1)	D	\$ 63.0397	557,270	D

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

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(9-02)

**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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Employee Stock Option	\$ 55.9063	03/17/2008		M	3,576	06/24/2000 <sup>(2)</sup> 06/23/2008	Common Stock 3
Employee Stock Option	\$ 55.9063	03/17/2008		M	96,424	06/24/2000 <sup>(2)</sup> 06/24/2008	Common Stock 96
Employee Stock Option	\$ 29.685	03/17/2008		M	3,368	05/23/2004 05/22/2011	Common Stock 3
Employee Stock Option	\$ 29.685	03/17/2008		M	96,632	05/23/2004 <sup>(3)</sup> 05/23/2011	Common Stock 96
Performance Stock Option	\$ 29.48	03/17/2008		M	90,300	09/19/2007 <sup>(4)</sup> 01/22/2013	Common Stock 90

## Reporting Owners

Reporting Owner Name / Address

Relationships

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Director    10% Owner    Officer    Other

SWANSON WILLIAM H  
870 WINTER STREET  
WALTHAM, MA 02451

X

Chairman and CEO

## Signatures

Jay B. Stephens,  
Attorney-in-fact

03/19/2008

\_\_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 sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on February 15, 2008.
- (2) The option became exercisable in two annual installments beginning on June 24, 1999.
- (3) The option became exercisable in three annual installments beginning on May 23, 2002.

The options became exercisable in three equal installments. The first installment became exercisable on December 2, 2004, upon the Issuer's Common Stock sustaining (for a period of twenty (20) trading days) a market price of at least \$36.85 per share; the second

- (4) installment became exercisable on September 13, 2006, upon the Issuer's Common Stock sustaining a market price of at least \$46.063 per share; and the third installment became exercisable on September 19, 2007, upon the Issuer's Common Stock sustaining a market price of at least \$57.578 per share.

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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