

RHOADS REBECCA R  
Form 4  
February 12, 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 \*  
RHOADS REBECCA R

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)  
02/08/2007

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Vice President and CIO

WALTHAM, MA 02451

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

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

(City) (State) (Zip)

**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	02/08/2007		M			942	A	\$ 46.0615	21,130	D	
Common Stock	02/08/2007		M			3,080	A	\$ 19.375	24,210	D	
Common Stock	02/08/2007		M			15,000	A	\$ 29.685	39,210	D	
Common Stock	02/08/2007		M			11,400	A	\$ 29.685	50,610	D	
Common Stock	02/08/2007		S			30,422	D	\$ 54.7359	20,188	D	

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Common Stock    02/09/2007    I    1,401    D    \$ 54.63    1,291 <sup>(1)</sup>    I    401(k)

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**    SEC 1474 (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)	Amount or Number of	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of
Employee Stock Option	\$ 46.0615	02/08/2007		M	471	05/01/1998	05/02/2007	Common Stock	4
Employee Stock Option	\$ 46.0615	02/08/2007		M	471	05/01/1999	05/02/2007	Common Stock	4
Employee Stock Option	\$ 19.375	02/08/2007		M	2,000	02/25/2003	02/24/2010	Common Stock	2
Employee Stock Option	\$ 19.375	02/08/2007		M	1,080	02/25/2001	02/25/2010	Common Stock	1
Employee Stock Option	\$ 29.685	02/08/2007		M	2,937	05/23/2002	05/23/2011	Common Stock	2
Employee Stock Option	\$ 29.685	02/08/2007		M	2,937	05/23/2003	05/23/2011	Common Stock	2
Employee Stock Option	\$ 29.685	02/08/2007		M	1,632	05/23/2004	05/23/2011	Common Stock	1
Employee Stock Option	\$ 29.685	02/08/2007		M	2,063	05/23/2002	05/22/2011	Common Stock	2
Employee Stock Option	\$ 29.685	02/08/2007		M	2,063	05/23/2003	05/22/2011	Common Stock	2
Employee Stock Option	\$ 29.685	02/08/2007		M	3,368	05/23/2004	05/22/2011	Common Stock	3
Performance Stock Option	\$ 29.685	02/08/2007		M	11,400	09/11/2006 <sup>(2)</sup>	05/23/2011	Common Stock	11

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RHOADS REBECCA R 870 WINTER STREET WALTHAM, MA 02451			Vice President and CIO	

## Signatures

Rebecca R.  
Rhoads

02/12/2007

\_\_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 Reporting Person indirectly beneficially owns 1,291 shares of the Issuer's Common Stock based on funds in the Reporting Person's Excess Savings Plan Account divided by \$54.63, the closing price of the Issuer's Common Stock on February 9, 2007.  
The options become exercisable in three equal installments. The first installment became exercisable on February 22, 2002, upon the Issuer's Common Stock sustaining (for a period of twenty (20) consecutive trading days) a market price of at least \$34.14 per share; the
- (2) second installment became exercisable on May 16, 2002, upon the Issuer's Common Stock sustaining a market price of at least \$39.26 per share; and the third installment became exercisable on September 11, 2006, upon the Issuer's Common Stock sustaining a market price of at least \$45.15 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.