

RAYTHEON CO/
Form 11-K
June 30, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K
FOR ANNUAL REPORTS OF EMPLOYEE STOCK
REPURCHASE SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2007.

.. **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number 1-13699

RAYTHEON SAVINGS AND INVESTMENT PLAN

(Full title of the plan)

RAYTHEON COMPANY

(Name of issuer of the securities held pursuant to the plan)

870 WINTER STREET, WALTHAM, MASSACHUSETTS 02451

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(Address of issuer's principal executive offices)

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Other supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of

The Raytheon Savings and Investment Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Raytheon Savings and Investment Plan (the Plan) at December 31, 2007 and December 31, 2006, and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts

June 26, 2008

Table of Contents**Raytheon Savings and Investment Plan****Statements of Net Assets Available for Benefits****December 31, 2007 and 2006**

| | 2007 | 2006 |
|--|--------------------------|--------------------------|
| Assets | | |
| Investments | | |
| At fair value (Notes 2 and 4) | | |
| Investment contracts | \$ 1,884,927,550 | \$ 1,923,023,816 |
| Registered investment companies | 5,998,492,694 | 5,424,491,652 |
| Common collective trusts | 811,426,221 | 821,036,498 |
| Raytheon Company common stock | 1,895,116,460 | 2,001,686,438 |
| Common stock | | 73,685,978 |
| Other investments | 455,510,421 | 419,746,216 |
| Participant loans | 208,034,801 | 230,513,292 |
| Total investments | 11,253,508,147 | 10,894,183,890 |
| Interest bearing cash and cash equivalents | 49,353,704 | 52,944,590 |
| Receivables | | |
| Receivable for investments sold on a delayed delivery basis (Note 7) | 68,968,205 | 24,067,293 |
| Employer contributions | 36,783 | 464,742 |
| Accrued investment income and other receivables | 10,341,397 | 11,986,831 |
| Total receivables | 79,346,385 | 36,518,866 |
| Total assets | 11,382,208,236 | 10,983,647,346 |
| Liabilities | | |
| Payable for investments purchased on a delayed delivery basis (Note 7) | 41,447,846 | |
| Payables for securities purchased | 2,629,280 | 2,644,828 |
| Accrued expenses | 117,419 | 414,350 |
| Other payables | 4,126,893 | 4,069,188 |
| Total liabilities | 48,321,438 | 7,128,366 |
| Net assets available for benefits at fair value | 11,333,886,798 | 10,976,518,980 |
| Adjustment from fair value to contract value for interest in fully benefit-responsive investment contracts | (23,559,372) | 7,312,707 |
| Net assets available for benefits | \$ 11,310,327,426 | \$ 10,983,831,687 |

The accompanying notes are an integral part of these financial statements.

Table of Contents**Raytheon Savings and Investment Plan****Statement of Changes in Net Assets Available for Benefits****Year Ended December 31, 2007**

| | |
|--|-------------------|
| Additions to net assets attributable to | |
| Net appreciation of investments (Notes 2 and 3) | \$ 259,502,756 |
| Interest and dividends (Notes 2 and 4) | 669,612,475 |
| | 929,115,231 |
| Contributions and deferrals | |
| Employee deferrals | 589,465,706 |
| Employer contributions | 220,062,111 |
| | 809,527,817 |
| Transfers in from affiliated benefit plan (Note 1) | 7,190,910 |
| Total additions | 1,745,833,958 |
| Deductions from net assets attributable to | |
| Distributions to participants | 1,418,796,937 |
| Administrative expenses | 541,282 |
| Total deductions | 1,419,338,219 |
| Increase in net assets | 326,495,739 |
| Net assets, beginning of year | 10,983,831,687 |
| Net assets, end of year | \$ 11,310,327,426 |

The accompanying notes are an integral part of these financial statements.

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Raytheon Savings and Investment Plan

Notes to Financial Statements

December 31, 2007 and 2006

1. Description of Plan

General

The following description of the Raytheon Savings and Investment Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions. The Plan is a defined contribution plan covering the majority of employees of Raytheon Company (the Company or the Plan Sponsor). Most employees are immediately eligible to enroll in the Plan on the first day of service. The purpose of the Plan is to provide participants with a tax-effective means of meeting both short-term and long-term investment objectives. From January 1, 2000 until December 31, 2001, the entire Plan was an employee stock ownership plan (ESOP) that included a qualified cash or deferred arrangement under the Internal Revenue Code (the Code). Effective January 1, 2002, the portion of the Plan that is invested in Raytheon Company stock is an ESOP that includes a cash or deferred arrangement, and the remaining portion of the Plan is a profit-sharing plan that includes a cash or deferred arrangement. The ESOP is intended to be an employee stock ownership arrangement in compliance with all of the related requirements for a qualified stock bonus plan as defined in the Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan's investments are principally held in the Raytheon Savings and Investment Plan Trust (the Trust).

In 2006, the Plan Sponsor acquired Virtual Technology Corporation. In May, 2007 the net assets of the Virtual Technology Corporation 401(k) Plan, amounting to \$7,190,910, were merged into the Plan.

Contributions and Deferrals

Eligible employees may contribute to the Plan up to 50% of their compensation, as defined in the Plan document. The Code limits the compensation the Plan may take into account to \$225,000 for the 2007 plan year. Employee contributions, including rollovers, are invested based on participant elections. For 2007, the annual employee pre-tax elective deferral contributions for a participant cannot exceed \$15,500, except for catch-up contributions. Participants also may make after-tax contributions, but total employee (pre-tax and after-tax) contributions and employer contributions may not exceed \$45,000 for the 2007 plan year, except for catch-up contributions. A participant who is eligible to make elective pre-tax contributions and is at least age 50 by the end of 2007 may make pre-tax catch-up contributions up to \$5,000.

For most employees, the Company matches 100% of the first 4% of compensation that a participant contributes to the Plan each pay period. Matching Company contributions made before January 1, 2005, were invested in the Raytheon Common Stock Fund and were required to be held in that fund until the beginning of the fifth plan year following the plan year for which the contribution was made or January 1 of the year the employee turns age 55, if earlier. For most participants, matching Company contributions made after December 31, 2004, are made in cash and are invested based on the investment allocation for employee contributions.

Effective January 1, 2007, eligible employees hired or rehired on or after January 1, 2007 participate in the Retirement Income Savings Program (RISP) (subject to any applicable collective bargaining agreements), in addition to having the right to participate in the other features of the Plan. Under RISP, the Company contributes a percentage of each RISP-eligible participant's compensation to the participant's RISP account in the Plan. The percentage contribution varies according to a schedule based on the participant's age at the most recent date of hire and years of service since the most recent date of hire.

Before January 1, 2005, the Company also made an ESOP contribution equal to one-half of one percent of the participant's compensation up to the applicable IRS limitation. The Company ceased to make that contribution for most participants effective December 31, 2004. The portion of the Plan consisting of ESOP contributions and earnings provided for investment primarily in the Raytheon Common Stock Fund; however, the Plan permitted limited diversification among other investment options, after a participant attained age 55 and completed 10 years of plan participation (including participation in the prior ESOP plans).

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Effective July 1, 2006, the Plan eliminated the restrictions described above on participants moving investments out of the Raytheon Common Stock Fund.

Participants may invest contributions in increments of 1% in any combination of investment alternatives available, subject to percentage limitations applicable to some funds. The investment objectives range from investments with an emphasis on preservation of capital to equity investments with an emphasis on capital gains. The underlying investments include cash and equivalents, investment contracts, registered investment companies, common collective trusts, common stock, Raytheon Company common stock, bonds and other investments.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's contributions and an allocation of Plan earnings. Plan earnings are allocated based on account balances by investment option. Expenses payable by the Plan are charged to participant accounts.

Participants are not permitted to make a direct exchange from the Fixed Income Fund to the Fidelity Institutional Money Market Fund because they are competing funds. All money has to be exchanged to a noncompeting fund for at least 90 days before being exchanged into the Fidelity Institutional Money Market Fund.

Vesting

With the exception of RISP participants and certain union groups, all employee and most employer contributions including ESOP contributions and earnings thereon are immediately 100% vested for each participant who performs an hour of service on or after January 1, 1999. Most RISP participants who did not perform an hour of service before January 1, 2007, become 100% vested in the employer RISP contributions after three years of service. Forfeitures of the nonvested portions of terminated participants' accounts are available to reduce Company contributions. At December 31, 2007 and 2006, unallocated plan forfeitures were \$1,484,727 and \$996,368, respectively. During 2007, the total amount of forfeitures created was \$352,412.

Distributions to Participants

A participant may make certain in-service withdrawals, including all or a portion of participant after-tax contributions and related earnings at any time and all or a portion of participant pre-tax contributions, employer contributions and related earnings upon attainment of age 59 1/2. For reasons of financial hardship, a participant may withdraw all or a portion of participant pre-tax contributions and related earnings subject to a reduction in the maximum participant pre-tax contribution rate for the next six months. On termination of employment, a participant will receive a lump-sum distribution unless the vested account is valued in excess of \$1,000, and the participant elects to defer distribution. Otherwise, a terminated participant may defer the distribution until April 1 of the year following the year in which the participant reaches age 70 1/2.

Participants who have investments in the Raytheon Common Stock Fund may elect to reinvest dividends within the Plan or receive dividends in cash. Any dividends received in cash by participants will be subject to taxes in the year of receipt. In 2007, the Company's Board of Directors declared dividends of \$1.02 per share. Of the \$33,957,321 in dividends paid to the Plan, approximately \$1,185,195 was received in cash by participants who elected the cash payment option.

Loans to Participants

A participant may borrow a portion of the balance in the participant's account, other than the RISP account, subject to certain restrictions. The maximum amount of a loan is the lesser of one-half of the participant's account balance or \$50,000. The minimum loan is \$500. Loans are secured by the balance in the participant's account and bear interest equal to the prime rate published in *The Wall Street Journal* on the first business day of the calendar quarter in which the loan is made. Loans must be repaid over a period of up to five years by means of payroll deductions, except that if the loan is used to acquire a dwelling which is to be used as a

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principal residence of the participant, the repayment period may extend to up to 15 years. Loan payments and interest payments are credited to the borrower's account in the investment fund or funds according to the participant's current investment election. Loans are valued at principal outstanding. As of December 31, 2007 and December 31, 2006, the interest rates on the outstanding loans ranged from 4.00% to 10.25% and 4.00% to 10.33%, respectively.

Administrative Expenses

Substantially all expenses of administering the Plan, such as legal and other administration fees, are charged to participant accounts, usually allocated evenly among all accounts based on the number of participants. Administrative expenses not paid by the Plan are paid by the Company.

2. Summary of Significant Accounting Policies

The accompanying financial statements are prepared on the accrual basis of accounting.

Plan investments are stated at fair value including the Plan's benefit-responsive investment contracts.

Investments in registered investment companies and common collective trusts are valued at the closing net asset value reported on the last business day of the year. Investments in securities (common stocks) traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Investments in fixed income securities (U.S. government, domestic bonds) are valued by a pricing service based upon market transactions at fair value as determined in good faith by the trustee of the trust. Future contracts are valued at the last settlement price at the end of each day on the exchange upon which they are traded. Cash equivalents are short-term money market instruments and are valued at cost, which approximates fair value. Investments denominated in foreign currencies are translated into U.S. dollars using the last reported exchange rate.

As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the "FSP"), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a stable value fund, the Raytheon Fixed Income Fund (the "Fund"), a fund specifically managed for the Plan. As required by the FSP, the statements of net assets available for benefits presents the fair value of the fully benefit responsive investment contracts in the Fund and the adjustment from fair value to contract value relating to the investment contracts. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Individual assets of the synthetic investment contract are valued at representative quoted market prices. The fair value of the wrap contract for the synthetic GIC is determined using a discounted cash flow model which considers recent rebids as determined by recognized dealers, discount rate and the duration of the underlying portfolio.

Security transactions are recorded on the trade date. Payables for outstanding purchases represent trades which have occurred but have not yet settled and are recorded on the statements of net assets available for benefits.

The Plan presents in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of its investments, excluding fully benefit-responsive investment contracts which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

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Raytheon Savings and Investment Plan

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Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis.

Distributions are recorded when paid.

The preparation of financial statements in conformity with generally accepted accounting principles, requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from the estimates included in the financial statements.

The Plan provides for various investment options in any combination of stocks, mutual funds, common collective trusts, investment contracts and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statements of changes in net assets available for benefits. Other investments consist of the Plan's interest in the Raytheon Company Combined DB/DC Master Trust, which primarily consists of common stock. Please refer to the Raytheon Company Defined Benefit Plan financials for further details.

The Plan invests a portion of its assets in securities with contractual cash flows such as asset backed securities, collateralized mortgage obligations and commercial mortgage backed securities. The value, liquidity and related income of these securities are sensitive to changes in economic conditions, including real estate value, delinquencies and/or defaults, and may be adversely affected by shifts in the market's perception of the issuer and changes in interest rates.

Certain reclassifications have been made to the presentation of prior year financial statements to conform to the current year presentation.

The Plan adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109* (FIN 48), as required, on January 1, 2007. FIN 48 requires the Plan Sponsor to determine whether a tax position of the Plan is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement which could result in the Plan recording a tax liability that would reduce net assets. FIN 48 must be applied to all existing tax positions upon initial adoption and the cumulative effect, if any, is to be reported as an adjustment to net assets as of January 1, 2007.

Based on its analysis, the Plan Sponsor has determined that the adoption of FIN 48 did not have a material impact to the Plan's financial statements upon adoption.

In September 2006, the FASB issued Statements of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 defines fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. FAS 157 applies to fair value measurements already required or permitted by existing standards. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. Management is currently evaluating what impact the adoption of FAS 157 will have on the Plan's financial statements.

In March 2008, the FASB issued Statement of Financial Accounting Standards No. 161 (FAS 161) Disclosures about Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133 (FAS 133), which expands the disclosure requirements in FAS 133 about an entity's derivative instruments and hedging activities. FAS 161 is effective for fiscal years and interim periods beginning after November 15, 2008. Management is currently evaluating the impact the adoption of these accounting pronouncements on the Plan's financial statements and related disclosures.

Table of Contents**Raytheon Savings and Investment Plan****Notes to Financial Statements****December 31, 2007 and 2006****3. Investments**

The following presents investments that represent five percent or more of the Plan's net assets:

| | 2007 | 2006 |
|-------------------------------------|------------------|------------------|
| Raytheon Stock Fund | \$ 1,912,531,979 | \$ 2,017,993,345 |
| Fidelity Equity Income Fund | 867,019,875 | 985,956,134 |
| S&P 500 Index Fund | 757,772,014 | 779,202,459 |
| Fidelity Balanced | 621,828,737 | 599,633,383 |
| Fidelity Institutional Money Market | 587,021,227 | N/A |
| State Street Bank and Trust GIC* | N/A | 584,503,401 |

* Presented at contract value

During the year ended December 31, 2007 the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$259,502,756 as follows:

| | |
|---------------------------------|-----------------|
| Registered investment companies | \$ (87,892,458) |
| Common collective trusts | 48,714,787 |
| Raytheon Company common stock | 269,277,907 |
| Other investments | 29,402,520 |
| | \$ 259,502,756 |

4. Investment Contracts

The Plan invests in benefit-responsive synthetic guaranteed investment contracts (Synthetic GICs) with financial institutions. Income from Synthetic GICs is reported net of administrative expenses. The GIC issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed by the Plan. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value with limited restrictions related to the transfer of funds into a competing fund investment option. The Plan considers such factors as the benefit responsiveness of the investment contracts, the ability of the parties to the contracts to perform in accordance with the terms of the contracts and the likelihood of default by an issuer of an investment security.

Synthetic GICs represent individual assets, usually a portfolio of high quality fixed income securities placed in a trust, with ownership by the Plan. The Plan purchases a third party issued benefit-responsive wrapper contract that guarantees that participant transactions are executed at contract value. Individual assets of the synthetic GICs are valued based on the policy in Note 2.

Wrap contracts accrue interest using a formula called the crediting rate. Wrap contracts use the crediting rate formula to convert market value changes in the covered assets into income distributions in order to minimize the difference between the market and contract value of the covered assets over time. Using the crediting rate formula, an estimated future market value is calculated by

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compounding the Fund's current market value at the Fund's current yield to maturity for a period equal to the Fund's duration. The crediting rate is the discount rate that equates estimated future market value with the Fund's current contract value. The crediting rate is most impacted by the change in the annual effective yield to maturity of the underlying securities, but is also affected by the differential between the contract value and the market value of the covered investments. The difference is amortized over the duration of the investments. Depending on the change in duration from reset period to reset period, the magnitude of the impact to the crediting rate of the contract's contract to market difference is heightened or

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Raytheon Savings and Investment Plan

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lessened. Crediting rates are reset quarterly. The wrap contracts provide a guarantee that the crediting rate will not fall below 0%. Events disqualifying an underlying investment from being wrapped include but are not limited to bankruptcy of the security issuer or the default or restricted liquidity of the security issuer.

If the Fund experiences significant redemptions when the market value is below the contract value, the Fund's yield may be reduced significantly, to a level that is not competitive with other investment options. This may result in additional redemptions, which would tend to lower the crediting rate further. If redemptions continued, the Fund's yield could be reduced to zero. If redemptions continued thereafter, the Fund might have insufficient assets to meet redemption requests, at which point the Fund would require payments from the wrap issuer to pay further shareholder redemptions.

The crediting rate, and hence the Fund's return, may be affected by many factors, including purchases and redemptions by participants. The precise impact on the Fund depends on whether the market value of the covered assets is higher or lower than the contract value of those assets. If the market value of the covered assets is higher than their contract value, the crediting rate will ordinarily be higher than the yield of the covered assets. Under these circumstances, cash from new investors will tend to lower the crediting rate and the Fund's return, and redemptions by existing participants will tend to increase the crediting rate and the Fund's return.

The Fund and the wrap contracts purchased by the Fund are designed to pay all participant-initiated transactions at contract value. Participant-initiated transactions are those transactions allowed by the Plan (typically this would include withdrawals for benefits, loans, or transfers to non-competing funds within the Plan). However, the wrap contracts limit the ability of the Fund to transact at contract value upon the occurrence of certain events. At this time, management believes the occurrence of any of these events is not probable. These events include:

1. The Plan's failure to qualify under Section 401(a) or Section 401(k) of the Internal Revenue Code.
2. The establishment of a defined contribution plan that competes with the Plan for employee contributions.
3. Any substantive modification of the Plan or the administration of the Plan that is not consented to by the wrap issuer.
4. Complete or partial termination of the Plan.
5. Any change in law, regulation or administrative ruling applicable to the Plan that could have a material adverse effect on the Fund's cashflow.
6. Merger or consolidation of the Plan with another plan, the transfer of Plan assets to another Plan, or the sale, spin-off or merger of a subsidiary or division of the plan Sponsor.

7. Any communication given to participants by the Plan Sponsor or any other plan fiduciary that is designed to induce or influence participants not to invest in the Fund or to transfer assets out of the Fund.
8. Exclusion of a group of previously eligible employees from eligibility in the Plan.
9. Any early retirement program, group termination, group layoff, facility closing, or similar program.
10. Any transfer of assets from the Fund directly to a competing option.
11. Bankruptcy of the Plan Sponsor or other Plan Sponsor events which cause a significant withdrawal from the Plan.

A wrap issuer may terminate a wrap contract at any time. In the event that the market value of the Fund's covered assets is below their contract value at the time of such termination, Fidelity Management Trust Company (FMTC), the trustee, may elect to keep the wrap contract in place until such time as the market value of the Fund's covered assets is equal to their contract value.

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A wrap issuer may also terminate a wrap contract if FMTC's investment management authority over the Fund is limited or terminated as well as if all of the terms of the wrap contract fail to be met. In the event that the market value of the Fund's covered assets is below their contract value at the time of such termination, the terminating wrap provider would not be required to make a payment to the Fund.

Synthetic investment contracts generally impose conditions on both the Plan and the issuer. If an event of default occurs and is not cured, the non-defaulting party may terminate the contract. The following may cause the Plan to be in default: a breach of material obligation under the contract; a material misrepresentation; or a material amendment to the Plan agreement. The issuer may be in default if it breaches a material obligation under the investment contract; makes a material misrepresentation; has a decline in its long term credit rating below a threshold set forth in the contract; is acquired or reorganized and the successor issuer does not satisfy the investment or credit guidelines applicable to issuers. If, in the event of default of an issuer, the Plan were unable to obtain a replacement investment contract, withdrawing plans may experience losses if the value of the Plan's assets no longer covered by the contract is below contract value. The Plan may seek to add additional issuers over time to diversify the Plan's exposure to such risk, but there is no assurance Plan may be able to do so. The combination of the default of an issuer and an inability to obtain a replacement agreement could render the Plan unable to achieve its objective of maintaining a stable contract value. The terms of an investment contract generally provide for settlement of payments only upon termination of the contract or total liquidation of the covered investments. Generally, payments will be made pro-rata, based on the percentage of investments covered by each issuer. Contract termination occurs whenever the contract value or market value of the covered investments reaches zero or upon certain events of default. If the contract terminates due to issuer default (other than a default occurring because of a decline in its rating), the issuer will generally be required to pay to the Plan the excess, if any, of contract value over market value on the date of termination. If a synthetic GIC terminates due to a decline in the ratings of the issuer, the issuer may be required to pay to the Plan the cost of acquiring a replacement contract (i.e. replacement cost) within the meaning of the contract. If the contract terminates when the market value equals zero, the issuer will pay the excess of contract value over market value to the Plan to the extent necessary for the Plan to satisfy outstanding contract value withdrawal requests. Contract termination also may occur by either party upon election and notice.

The crediting interest rates are adjusted quarterly to reflect the experienced and anticipated yields to be earned on such investments, based on their book value. The average yield and crediting interest rates were as follows:

| | Average Yield | Crediting Interest Rate |
|--------------------------------------|------------------|-------------------------------|
| December 31, 2007 | | |
| JP Morgan Chase (ARAYTHEON-2-07) | 4.87% | 5.05% |
| State Street Bank and Trust (107046) | 4.87% | 5.06% |
| AIG Financial Products Corp (969481) | 4.87% | 5.05% |
| RaboBank (RTN040701) | 4.87% | 5.05% |
| December 31, 2006 | | |
| Chase Manhattan Bank (429666) | 4.91% | 5.01% |
| State Street Bank and Trust (99054) | 4.91% | 5.02% |
| AIG Financial Products Corp (541687) | 4.91% | 5.01% |
| UBS Warburg (3088) | 4.91% | 5.00% |

5. Future Contracts

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A future contract is a contractual agreement to make or take delivery of a standardized quantity of a specified grade or type of commodity or financial instrument at a specified future date in accordance with terms specified by a regulated future exchange.

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As described in Note 4, the synthetic GICs represent individual assets placed in a trust, with ownership by the Plan. As of December 31, 2007 and 2006, the synthetic GICs contained future contracts. The Plan uses fixed income future contracts to manage exposure to the market. Buying futures tends to increase the Plan's exposure to the underlying instrument. Selling futures tends to decrease the Plan's exposure to the underlying instrument held, or hedge the fair value of other fund investments. The Plan does not employ leverage in its use of futures, thus cash balances are maintained at a level at least equal to the contract value of the futures.

Future contracts are valued at the last settlement price at the end of each day on the exchange upon which they are traded. Upon entering into a future contract, the Plan is required to deposit either in cash or securities an amount equal to a certain percentage of the nominal value of the contract (initial margin). Pursuant to the future contract, the Plan agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the future contract. Such receipts or payments are known as variation margin which are settled daily and are included in the realized gains (losses) on future contracts. In addition, the Plan pledges collateral, generally U.S. government bonds, for open fixed income future positions.

Future contracts involve, to varying degrees, credit and market risks. The Plan enters into future contracts on exchanges where the exchange acts as the counterparty to the transaction. Thus, credit risk on such transactions is limited to the failure of the exchange. The daily settlement on the future contracts serves to greatly reduce credit risk. Losses in value may arise from changes in the value of the underlying instrument or if there is an illiquid secondary market for the contracts. In addition, there is the risk that there may not be an exact correlation between a future contract and the underlying index or security.

A summary of the open fixed income futures as of December 31, 2007 and 2006 is presented below:

| | Long Contracts | | | | Short Contracts | | | |
|---|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|
| | 2007 | | 2006 | | 2007 | | 2006 | |
| | Number of Contracts | Aggregate Face Value | Number of Contracts | Aggregate Face Value | Number of Contracts | Aggregate Face Value | Number of Contracts | Aggregate Face Value |
| 10 Yr SWAP Note Future Exp Mar 2008 | | | | | 80 | \$ 8,837,500 | | |
| 3 Month Euro Euribor Future Exp Mar 2008 | 20 | \$ 6,966,446 | | | | | | |
| 3 Month Euro Euribor Future Exp Jun 2009 | 9 | 3,152,436 | | | | | | |
| 3 Month Euro Euribor Future Exp Mar 2009 | 13 | 4,551,855 | | | | | | |
| 3 Month Euro Euribor Future Exp Sep 2009 | 13 | 4,553,518 | | | | | | |
| 30-day Fed Fund Future Exp Jan 2008 | | | | | 186 | 74,281,942 | | |
| 30-day Fed Fund Future Exp Feb 2008 | | | | | 5 | 1,999,743 | | |
| 30-day Fed Fund Future Exp Mar 2008 | 5 | 2,001,514 | | | | | | |
| 5 Yr SWAP Note Future Exp Mar 2008 | | | | | 39 | 4,215,656 | | |
| 90-day Eurodollar Future Exp Dec 2007 | | | 1,438 | \$ 341,704,750 | | | 79 | \$ 18,772,375 |
| | 398 | 96,146,850 | | | | | | |

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| | | | | | | | | | |
|---|-------|----------------|-------|----------------|-------|----------------|-----|---------------|--|
| 90-day Eurodollar Future Exp Dec 2008 | | | | | | | | | |
| 90-day Eurodollar Future Exp Dec 2009 | 44 | 10,579,800 | | | | | | | |
| 90-day Eurodollar Future Exp Jun 2008 | 506 | 121,762,575 | | | | | | | |
| 90-day Eurodollar Future Exp Jun 2009 | 244 | 58,871,100 | | | 334 | 80,585,850 | | | |
| 90-day Eurodollar Future Exp Mar 2008 | 112 | 26,814,200 | 734 | 174,526,850 | | | | | |
| 90-day Eurodollar Future Exp Mar 2009 | 244 | 58,944,300 | | | 10 | 2,415,750 | | | |
| 90-day Eurodollar Future Exp Sep 2008 | 1,120 | 270,228,000 | | | | | | | |
| 90-day Eurodollar Future Exp Sep 2009 | 244 | 58,773,500 | | | 171 | 41,189,625 | | | |
| BOBL Eurodollar Future Exp Mar 2008 | 22 | 3,465,608 | | | 115 | 18,148,573 | | | |
| Euro-Bond Future Exp Mar 2008 | 38 | 6,272,764 | | | | | | | |
| Euro-Schatz Future Exp Mar 2008 | 280 | 42,310,850 | | | | | | | |
| US 10 Yr Treasury Note Future Exp Mar 2007 | | | 321 | 34,497,469 | | | 120 | 12,896,250 | |
| US 10 Yr Treasury Note Future Exp Mar 2007 | | | 39 | 7,922 | | | | | |
| US 10 Yr Treasury Note Future Exp Mar 2008 | 1,695 | 192,197,110 | | | | | | | |
| US 2 Yr Treasury Note Future Exp Mar 2008 | | | | | 113 | 23,758,250 | | | |
| US 20 Yr Treasury Note Future Exp Mar 2007 | | | | | | | 8 | 891,500 | |
| US 20 Yr Treasury Note Future Exp Mar 2007 | | | | | | | 132 | 14,709,750 | |
| US 20 Yr Treasury Note Future Exp Mar 2008 | | | | | 181 | 21,063,875 | | | |
| US 5 Yr Treasury Note Future Exp Mar 2007 | | | 23 | 2,416,438 | | | 93 | 9,770,813 | |
| US 5 Yr Treasury Note Future Exp Mar 2008 | | | | | 170 | 18,747,812 | | | |
| US Treasury BD Future Exp Mar 2008 | | | | | 275 | 32,003,126 | | | |
| | 5,007 | \$ 967,592,426 | 2,555 | \$ 553,153,429 | 1,679 | \$ 327,247,702 | 432 | \$ 57,040,688 | |

Table of Contents**Raytheon Savings and Investment Plan****Notes to Financial Statements****December 31, 2007 and 2006****6. Swaps and Swaptions**

The Plan may invest in interest rate swap contracts and swaptions. A swaption is an option to enter into a swap contract at an exercise price. As described in Note 4, the synthetic GICs represent individual assets placed in a trust, with ownership by the Plan. As of December 31, 2007 and 2006, the synthetic GICs contained contracts and swaptions. The Plan uses interest rate swap contracts to manage its exposure to interest rates. Interest rate swap contracts entered into by the Plan typically represent the exchange by the Plan with a counterparty of a commitment to make variable rate and fixed rate payments with respect to a notional amount of principal. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash, at which time both the value of the index or security and the specified interest rate are reset for the next settlement period. During the period that the swap contract is open, the contract is marked-to-market as the net amount due to or from the Plan in accordance with the terms of the contract based on the closing level of the relevant index or security and interest accrual through the valuation date. Changes in the value of the swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses. Swaption contracts are marked-to market as the net amount due to or from the Plan in accordance with the terms of the contract based on the closing level of the relevant market rate of interest.

The Plan may also invest in credit default swaps. Credit default swap contracts entered into by the Plan typically represent the exchange by the Plan with a counterparty of a commitment to provide a level of credit protection for a commitment to receive interest at a fixed rate based on the potential risk of default of the relevant underlying issuer. Providing credit protection to a counterparty tends to increase a Plan's exposure to the underlying instrument. Receiving credit protection from a counterparty tends to decrease a Plan's exposure to the underlying instrument held by a Plan, or hedge the fair value of other Plan investments. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash. During the period that the credit default swap contract is open, the contract is marked-to-market in accordance with the terms of the contract based on the current interest rate spreads and credit risk of the referenced obligation of the underlying issuer and interest accrual through valuation date. Changes in the value of the credit default swap are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

Entering into a swap contract involves, to varying degrees, elements of credit, market and interest rate risk in excess of the amounts reported in the statement of net assets available for benefits. Notional principal amounts are used to express the extent of involvement in the transactions, but are not delivered under the contracts. Accordingly, credit risk is limited to any amounts receivable from the counterparty. To reduce credit risk from potential counterparty default, the Plan enters into swap contracts with counterparties whose creditworthiness has been approved by the trustee of the Trust. The Plan bears the market risk arising from any change in index or security values or interest rates.

At December 31, 2007, the Plan had the following swap contracts outstanding:

| Counterparty | Fixed Payer | Fixed Rate | Floating Payer | Floating Rate | Settlement Period | Effective Date | Maturity Date | Notional Amount | Unrealized Gain/(Loss) |
|----------------------------|--------------|------------|----------------|---------------|-------------------|----------------|---------------|-----------------|------------------------|
| Interest Rate Swaps | | | | | | | | | |
| Merrill Lynch | Counterparty | 4.00% | Plan | 3-Month LIBOR | Semi-annual | 6/17/2009 | 6/17/2011 | \$ 36,300,000 | \$ (5,764) |
| Barclays | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2018 | 51,100,000 | 346,173 |
| Citibank | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2028 | 300,000 | (7,538) |
| Deutsche Bank | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2038 | 10,500,000 | (294,051) |
| JP Morgan Chase | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2018 | 3,900,000 | (64,569) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2018 | 21,700,000 | (300,463) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2038 | 3,900,000 | (112,456) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2038 | 100,000 | (2,827) |
| Bank of Scotland | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2018 | 3,700,000 | (5,599) |
| Bank of America | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 46,100,000 | (24,700) |
| Goldman Sachs | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 1,800,000 | (4,024) |

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|-----------------|--------------|-------|--------------|---------------|-------------|------------|------------|------------|-------------|
| Morgan Stanley | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 8,900,000 | (9,397) |
| Morgan Stanley | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2010 | 57,000,000 | (1,242,159) |
| Barclays | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2010 | 60,400,000 | 61,575 |
| Deutsche Bank | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2009 | 53,900,000 | 90,482 |
| Deutsche Bank | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2013 | 54,100,000 | 140,844 |
| JP Morgan Chase | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2008 | 5,200,000 | 1,289 |

Table of Contents**Raytheon Savings and Investment Plan****Notes to Financial Statements****December 31, 2007 and 2006**

| Counterparty | Fixed Payer | Fixed Rate | Floating Payer | Floating Rate | Settlement Period | Effective Date | Maturity Date | Notional Amount | Unrealized Gain/ (Loss) |
|---------------------------|-------------------|------------|-------------------|---------------|-------------------|----------------|---------------|-----------------------|-------------------------|
| Merrill Lynch | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2010 | 19,800,000 | (12,302) |
| Morgan Stanley | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2013 | 61,500,000 | 585,315 |
| Bank of Scotland | Plan | 4.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2013 | 37,300,000 | 410,976 |
| Barclays | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2013 | 1,900,000 | 3,676 |
| Barclays | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2010 | 23,400,000 | 72,830 |
| Merrill Lynch | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2015 | 900,000 | 5,044 |
| Bank of Scotland | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2009 | 1,100,000 | (433) |
| UBS AG | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2009 | 107,400,000 | (52,970) |
| Citibank | Counterparty | 4.55% | Plan | 3-Month LIBOR | Semi-annual | 10/3/2005 | 10/3/2010 | 1,600,000 | 28,260 |
| Deutsche Bank | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 11/7/2005 | 11/7/2010 | 1,800,000 | 52,950 |
| Bank of America | Counterparty | 5.63% | Plan | 3-Month LIBOR | Semi-annual | 7/12/2006 | 7/12/2009 | 4,100,000 | 105,976 |
| Deutsche Bank | Counterparty | 5.64% | Plan | 3-Month LIBOR | Semi-annual | 7/14/2006 | 7/14/2010 | 4,100,000 | 176,090 |
| Deutsche Bank | Counterparty | 5.16% | Plan | 3-Month LIBOR | Semi-annual | 9/12/2006 | 9/12/2009 | 3,600,000 | 75,449 |
| Deutsche Bank | Counterparty | 5.23% | Plan | 3-Month LIBOR | Semi-annual | 10/16/2006 | 10/16/2011 | 5,000,000 | 211,476 |
| Barclays | Counterparty | 5.03% | Plan | 3-Month LIBOR | Semi-annual | 11/21/2006 | 11/21/2011 | 1,200,000 | 42,337 |
| Bank of America | Counterparty | 4.95% | Plan | 3-Month LIBOR | Semi-annual | 12/12/2006 | 12/12/2011 | 7,600,000 | 242,032 |
| Deutsche Bank | Counterparty | 5.41% | Plan | 3-Month LIBOR | Semi-annual | 4/30/2007 | 4/30/2027 | 900,000 | 49,702 |
| Citibank | Counterparty | 5.27% | Plan | 3-Month LIBOR | Semi-annual | 8/6/2007 | 8/6/2012 | 13,200,000 | 627,440 |
| Barclays | Counterparty | 5.32% | Plan | 3-Month LIBOR | Semi-annual | 8/28/2007 | 8/28/2017 | 8,000,000 | 417,164 |
| Deutsche Bank | Counterparty | 4.86% | Plan | 3-Month LIBOR | Semi-annual | 10/19/2007 | 10/19/2012 | 6,200,000 | 184,219 |
| Deutsche Bank | Counterparty | 4.03% | Plan | 3-Month LIBOR | Semi-annual | 12/11/2007 | 12/11/2009 | 9,900,000 | 32,214 |
| Barclays | Counterparty | 4.05% | Plan | 3-Month LIBOR | Semi-annual | 12/11/2007 | 12/11/2009 | 3,400,000 | 12,071 |
| Lehman Brothers | Counterparty | 4.10% | Plan | 3-Month LIBOR | Semi-annual | 12/12/2007 | 12/12/2009 | 7,700,000 | 36,717 |
| Deutsche Bank | Counterparty | 6.65% | Plan | 3-Month LIBOR | Semi-annual | 12/23/2007 | 12/23/2015 | 1,450,000 | (78,481) |
| Deutsche Bank | Counterparty | 4.49% | Plan | 3-Month LIBOR | Semi-annual | 8/29/2007 | 8/29/2010 | 37,100,000 | (28,689) |
| Deutsche Bank | Plan | 5.07% | Counterparty | 3-Month LIBOR | Semi-annual | 4/30/2007 | 4/30/2009 | 7,000,000 | (101,315) |
| Citibank | Plan | 5.64% | Counterparty | 3-Month LIBOR | Semi-annual | 7/5/2007 | 7/5/2017 | 4,300,000 | (334,132) |
| Deutsche Bank | Plan | 5.78% | Counterparty | 3-Month LIBOR | Semi-annual | 7/9/2007 | 7/9/2017 | 8,100,000 | (712,235) |
| Deutsche Bank | Plan | 4.98% | Counterparty | 3-Month LIBOR | Semi-annual | 8/28/2007 | 8/29/2010 | 5,570,000 | (152,841) |
| Citibank | Plan | 5.31% | Counterparty | 3-Month LIBOR | Semi-annual | 10/15/2007 | 10/16/2017 | 17,500,000 | (893,736) |
| Subtotal | | | | | | | | \$ 831,520,000 | \$(428,380) |
| Total Return Swaps | | | | | | | | | |
| Bank of America | Counterparty/Plan | | Counterparty/Plan | Index | Monthly | 8/1/2007 | 1/31/2008 | \$ 2,395,000 | \$ 37,709 |
| Citibank | Counterparty/Plan | | Counterparty/Plan | Index | Monthly | 8/3/2007 | 1/31/2008 | 2,890,000 | 57,434 |
| Deutsche Bank | Counterparty/Plan | | Counterparty/Plan | Index | Monthly | 8/6/2007 | 1/31/2008 | 2,905,000 | 57,733 |
| Subtotal | | | | | | | | \$ 8,190,000 | \$ 152,876 |
| Swaptions | | | | | | | | | |
| Deutsche Bank | Plan | 5.78% | Counterparty | 3-Month LIBOR | Semi-annual | 8/11/2010 | 8/11/2020 | \$ 7,800,000 | \$(92,898) |
| Deutsche Bank | Counterparty | 5.78% | Plan | 3-Month LIBOR | Semi-annual | 8/11/2010 | 8/11/2020 | 7,800,000 | 258,180 |
| Citibank | Counterparty | 3.75% | Plan | 3-Month LIBOR | Semi-annual | 5/19/2009 | 5/15/2009 | 111,600,000 | 10,864 |
| Goldman Sachs | Counterparty | 4.50% | Plan | 3-Month LIBOR | Semi-annual | 12/23/2008 | 12/23/2010 | 42,000,000 | 401,361 |
| Morgan Stanley | Counterparty | 4.50% | Plan | 3-Month LIBOR | Semi-annual | 12/23/2008 | 12/23/2010 | 12,000,000 | 107,175 |
| Bank of Scotland | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/17/2008 | 12/17/2010 | 18,900,000 | 369,605 |
| Goldman Sachs | Plan | 4.77% | Counterparty | 3-Month LIBOR | Semi-annual | 3/10/2008 | 3/10/2010 | 27,000,000 | (120,658) |
| Goldman Sachs | Counterparty | 5.04% | Plan | 3-Month LIBOR | Semi-annual | 3/10/2008 | 3/10/2010 | 54,000,000 | 121,705 |
| Lehman Brothers | Plan | 5.30% | Counterparty | 3-Month LIBOR | Semi-annual | 5/19/2009 | 5/19/2039 | 8,900,000 | (181,451) |
| Lehman Brothers | Counterparty | 5.30% | Plan | 3-Month LIBOR | Semi-annual | 5/19/2009 | 5/19/2039 | 8,900,000 | 37,014 |
| Goldman Sachs | Counterparty | 5.10% | Plan | 3-Month LIBOR | Semi-annual | 3/18/2009 | 3/18/2014 | 8,800,000 | (19,649) |
| Goldman Sachs | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 12/23/2008 | 12/23/2015 | 14,000,000 | (260,857) |
| Morgan Stanley | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 12/23/2008 | 12/23/2015 | 4,000,000 | (66,931) |

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|------------------|------|-------|--------------|---------------|-------------|------------|------------|-------------------------|-------------------|
| Bank of Scotland | Plan | 5.20% | Counterparty | 3-Month LIBOR | Semi-annual | 12/17/2008 | 12/17/2015 | 6,300,000 | (223,605) |
| Goldman Sachs | Plan | 4.75% | Counterparty | 3-Month LIBOR | Semi-annual | 2/4/2008 | 2/4/2015 | 3,000,000 | (7,668) |
| Subtotal | | | | | | | | \$ 335,000,000 | \$ 332,187 |
| Total | | | | | | | | \$ 1,174,710,000 | \$ 56,683 |

Credit Default Swaps

| Counterparty | Fund Receives/ Provides Credit Protection | In Exchange for Premium Payments of (per annum) | Issuer | Premium Payment Frequency | Effective Date | Maturity Date | Notional Amount | Value |
|------------------|--|--|--------------------------------|---------------------------------|-------------------|------------------|----------------------|-------------------|
| Morgan Stanley | Receive | 1.40% | CDX North American High Vol. 9 | Semi-annual | 9/21/2007 | 12/20/2012 | \$ 8,400,000 | \$ 218,553 |
| Goldman Sachs | Receive | 0.60% | CDX North American 8 | Semi-annual | 3/21/2007 | 6/20/2017 | 2,200,000 | 55,595 |
| Morgan Stanley | Receive | 0.60% | CDX North American 9 | Semi-annual | 9/21/2007 | 12/20/2012 | 10,100,000 | 75,658 |
| Bank of Scotland | Receive | 0.28% | Glitnir Bank HF | Quarterly | 4/18/2007 | 6/20/2012 | 1,300,000 | 86,332 |
| Lehman Brothers | Receive | 0.45% | International Paper Company | Quarterly | 3/24/2007 | 6/20/2012 | 900,000 | 1,335 |
| Lehman Brothers | Receive | 0.51% | Meadwestvaco Company | Quarterly | 3/24/2007 | 6/20/2012 | 900,000 | 5,172 |
| Lehman Brothers | Receive | 0.45% | Weyerhaeuser Company | Quarterly | 3/24/2007 | 6/20/2012 | 900,000 | 15,429 |
| Subtotal | | | | | | | \$ 24,700,000 | \$ 458,074 |
| Total | | | | | | | \$ 24,700,000 | \$ 458,074 |

Table of Contents**Raytheon Savings and Investment Plan****Notes to Financial Statements****December 31, 2007 and 2006**

At December 31, 2006, the Plan had the following swap contracts outstanding:

| Counterparty | Fixed Payer | Fixed Rate | Floating Payer | Floating Rate | Settlement Period | Effective Date | Maturity Date | Notional Amount | Unrealized Gain/(Loss) |
|----------------------------|--------------|------------|----------------|---------------|-------------------|----------------|---------------|-----------------------|------------------------|
| Interest Rate Swaps | | | | | | | | | |
| Citibank | Counterparty | 4.550% | Plan | 3-Month LIBOR | Semi-annual | 10/3/2005 | 10/4/2010 | \$ 1,600,000 | \$ (33,008) |
| Deutsche Bank | Counterparty | 5.000% | Plan | 3-Month LIBOR | Semi-annual | 11/7/2005 | 11/7/2010 | 1,800,000 | (7,344) |
| Bank of America | Counterparty | 5.63% | Plan | 3-Month LIBOR | Semi-annual | 7/12/2006 | 7/13/2009 | 4,100,000 | 108,650 |
| Deutsche Bank | Counterparty | 5.64% | Plan | 3-Month LIBOR | Semi-annual | 7/14/2006 | 7/14/2010 | 4,100,000 | 136,079 |
| Deutsche Bank | Counterparty | 5.16% | Plan | 3-Month LIBOR | Semi-annual | 9/12/2006 | 9/12/2009 | 3,600,000 | 49,428 |
| Deutsche Bank | Counterparty | 5.231% | Plan | 3-Month LIBOR | Semi-annual | 10/16/2006 | 10/16/2011 | 5,000,000 | 24,578 |
| Barclays | Counterparty | 5.025% | Plan | 3-Month LIBOR | Semi-annual | 11/21/2006 | 11/21/2011 | 1,200,000 | (4,620) |
| Bank of America | Counterparty | 4.948% | Plan | 3-Month LIBOR | Semi-annual | 12/12/2006 | 12/12/2011 | 7,600,000 | (52,677) |
| Citibank | Counterparty | 6.65% | Plan | 3-Month LIBOR | Semi-annual | 12/23/2005 | 12/23/2015 | 1,450,000 | (18,551) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2017 | 600,000 | 8,093 |
| Bank of America | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 55,000,000 | 531,773 |
| Goldman Sachs | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 1,800,000 | 17,403 |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/21/2011 | 12/21/2016 | 8,900,000 | 86,051 |
| Merrill Lynch | Plan | 5.00% | Counterparty | 3-Month LIBOR | Semi-annual | 6/18/2008 | 6/18/2018 | 18,200,000 | 269,833 |
| Barclays | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2009 | 51,500,000 | (74,124) |
| Goldman Sachs | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2037 | 2,100,000 | (93,916) |
| Goldman Sachs | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/15/2015 | 12/15/2035 | 800,000 | (27,544) |
| Deutsche Bank | Counterparty | 5.00% | Plan | 3-Month LIBOR | Annual | 12/19/2007 | 12/19/2008 | 55,200,000 | 3,119 |
| UBS AG | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/19/2007 | 12/19/2008 | 107,400,000 | 6,068 |
| PIMG | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 12/20/2006 | 12/20/2011 | 8,700,000 | (38,106) |
| Lehman Brothers | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2012 | 1,500,000 | (4,585) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 2/20/2009 | 56,200,000 | (51,120) |
| Merrill Lynch | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2012 | 8,800,000 | (26,898) |
| UBS AG | Counterparty | 5.00% | Plan | 3-Month LIBOR | Semi-annual | 6/20/2007 | 6/20/2012 | 11,600,000 | (35,457) |
| Subtotal | | | | | | | | \$ 418,750,000 | \$ 773,125 |
| Swaptions | | | | | | | | | |
| Deutsche Bank | Counterparty | 4.4% | Plan | 3-Month LIBOR | Semi-annual | 12/17/2007 | 12/17/2017 | \$ 3,200,000 | \$ (13,483) |
| Deutsche Bank | Counterparty | 5.4% | Plan | 3-Month LIBOR | Semi-annual | 12/17/2007 | 12/17/2017 | 3,200,000 | (44,682) |
| Subtotal | | | | | | | | \$ 6,400,000 | \$ (58,165) |
| Total | | | | | | | | \$ 425,150,000 | \$ 714,960 |

7. Securities on a Delayed Delivery

The Plan may purchase securities on a delayed delivery (TBA securities) when issued, or forward commitment basis. Payment and delivery may take place one month or more after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The underlying securities are valued at current market value with daily fluctuations in the market value recorded as unrealized gains or losses. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under contract.

8. Plan Termination

Although it has not expressed any intention to do so, the Company reserves the right under the Plan at any time to discontinue its contributions and to terminate the Plan subject to the provisions of ERISA. Upon termination of the Plan, all participants become fully vested in their accounts. In the event of plan termination, after payment of all expenses and adjustment of accounts to reflect such expenses, fund losses or profits, and reallocations, each participant shall be entitled to receive all amounts then in his or her account.

9. Federal Income Tax Status

The Internal Revenue Service has determined and informed the Company by letter dated July 8, 2003 that the design of the Plan meets the requirements for qualification under Code section 401(a), on which the tax exemption of the Trust under Code section 501(a) is based. The Plan has been amended since receiving the determination letter. The plan administrator and the Company's benefits counsel believe that the current design and operation of the Plan are consistent with continued qualification of the Plan and exemption of the Trust.

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Raytheon Savings and Investment Plan

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10. Related Party Transactions

The trustee of the Plan is Fidelity Management Trust Company (the Trustee). Certain plan investments are shares of registered investment companies managed by affiliates of the Trustee and therefore, these transactions in addition to participant loans qualify as party-in-interest transactions. The Plan also pays a fee to the trustee and the trustee also is a security lending agent. These transactions qualify as party-in-interest transactions as well. In addition, Mellon Trust of New England, N.A. (the Custodian) serves as custodian for certain assets of the Plan. Certain plan investments are issued by this Custodian and therefore, these transactions qualify as party-in-interest transactions.

In accordance with the provisions of the Plan, the Trustee acts as the Plan's agent for purchases and sales of shares of Raytheon Company common stock. Purchases amounted to \$299,950,469 and sales amounted to \$644,629,604 for the year ended December 31, 2007. Dividend income from shares of Raytheon Company common stock amounted to \$33,957,213 for the year ended December 31, 2007.

11. Commitments and Contingencies

In September 2007, the Plan received proceeds from the settlement of class action lawsuits filed in 2003 on behalf of participants and beneficiaries in the Plan against the Company, its Pension and Investment Group and its Investment Committee. The Complaint, as amended, alleged that the defendants breached their ERISA fiduciary duties by failing to (1) prudently and loyally manage plan assets, (2) monitor the Pension and Investment Group and the Investment Committee and provide them with accurate information, (3) provide complete and accurate information to plan participants and beneficiaries, and (4) avoid conflicts of interest. On February 6, 2007, the District Court issued a final order approving a settlement and plaintiffs' attorneys' fees and expenses, pursuant to a settlement agreement that the parties had reached. In accordance with the settlement, by April 2007 the Company paid to the Escrow Fund established under the settlement agreement \$5.5 million, with part of that amount payable from the Escrow Fund directly to the Plan, part payable directly to certain participants and beneficiaries, and part payable for expenses. The Company also paid plaintiffs' attorneys' fees of \$1,400,000 and expenses of \$60,916.29, which were determined by a federal Magistrate. The class for purposes of the settlement consisted of any person who was a participant or beneficiary at any time between October 7, 1998, and April 30, 2006, and whose Plan accounts included investments in the Raytheon Common Stock Fund. In September 2007, the Settlement Claims Administrator distributed settlement proceeds in accordance with the Plan of Allocation provided in the settlement agreement. Included in the Plan of Allocation was \$2,229,393 which was allocated to participants' accounts and is included in employer contributions in the Statement of Changes in Net Assets Available for Plan Benefits.

In June 2006 the Plan, as a member of the plaintiff class, received proceeds from the settlement of a class action lawsuit filed in 1999 against the Company, certain Company officers and directors, and the Company's independent auditor, PricewaterhouseCoopers LLP. The Complaint alleged that the Company and certain officers and directors made material misrepresentations and omissions regarding certain business transactions. The plaintiff class included all persons who, with certain exceptions, purchased the Company's Class A or Class B common stock between October 7, 1998, and October 12, 1999. In accordance with a Stipulation and Settlement Agreement executed by the parties and a Distribution Order of the District Court, in June 2006, the Company paid the class members \$210 million in cash and issued 5-year warrants to purchase Raytheon common stock with a strike price of \$37.50 per share with a stipulated value upon issuance of \$200 million as calculated using the methodologies and criteria set forth in the Agreement. In addition, PricewaterhouseCoopers LLP paid the class members \$50 million in cash. In June 2006, the Plan received approximately \$25,623,164 in cash and 254,602 warrants in accordance with the Distribution Order. The cash component of settlement proceeds included amounts paid, in accordance with the Distribution Order, in lieu of warrants to any claimant (including any Plan participant's account) who would otherwise have received fewer than 100 warrants (with the exception of four class members who had objected to such cash payment in lieu of warrants). The settlement proceeds, net of expenses incurred in connection with the Plan's claim and the handling of settlement proceeds, was allocated among participants' accounts in accordance with the Distribution Order. Cash proceeds from disposition of warrants was only allocated to participants' accounts.

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after the Plan, upon direction of U.S. Trust Company, N.A. (US Trust), an independent fiduciary, disposed of all the warrants. The Company obtained an individual prohibited transaction exemption from the United States Department of Labor, effective February 13, 2006, with respect to the Plan's holding and exercise or other disposition of the warrants issued to the Plan.

In January 2006 five individuals, who are currently on leave from the Company while serving as business representatives of Electronic and Space Technicians Union Local 1553, sued the Company. The Complaint alleged that the termination of plaintiffs' ability to make contributions to, and receive matching contributions under, the Plan as of December 31, 2005 violated ERISA. The plaintiffs filed two amended complaints (the first of which added the Plan as a defendant). In response to the Complaint and the Amended Complaints, the defendants filed three Motions to Dismiss, the last one on June 22, 2006. On July 17, 2006, the Court granted defendants' Motion to Dismiss. On March 26, 2008, the Ninth Circuit Court of Appeals affirmed the District Court's July 17, 2006 grant of defendants' Motion to Dismiss.

On April 12, 2006, the Company filed an application with the Internal Revenue Service to avail the Plan of the Voluntary Correction Procedure (VCP) within the Employee Plans Compliance Resolution System. The application seeks voluntary correction of the fact that until December 31, 2005, the Plan accepted contributions by or on behalf of, and made matching contributions for, individuals on leave from the Company while serving as union business representatives in situations the same as or similar to the situations involved in the lawsuit described in the preceding paragraph. In the VCP application, the Company proposed that cessation of these contributions constitutes adequate correction. On May 28, 2008, the IRS sent the Plan a Compliance Statement that is consistent with the method of correction proposed by the Plan.

12. Subsequent Event

In 2005, the Plan Sponsor acquired UTD, Incorporated. In April, 2008 the net assets of the UTD, Incorporated 401K Profit Sharing Plan, amounting to \$12,328,213, were merged into the Plan.

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|---|---------------|----------------|
| | | /Principal | Current Value |
| *Fidelity | Fidelity Equity Inc | 15,718,272 | \$ 867,019,875 |
| *Fidelity | Fidelity Balanced | 31,709,778 | 621,828,737 |
| *Fidelity | Fidelity Inst Mmkt | 587,021,227 | 587,021,227 |
| *Fidelity | Fidelity Blue Chip | 8,372,549 | 368,894,507 |
| *Fidelity | Fid Freedom Income | 238,970 | 2,736,212 |
| *Fidelity | Fid Freedom 2000 | 121,019 | 1,496,999 |
| *Fidelity | Fid Freedom 2005 | 474,032 | 5,588,839 |
| *Fidelity | Fid Freedom 2010 | 2,505,571 | 37,132,562 |
| *Fidelity | Fid Freedom 2015 | 3,761,613 | 46,907,316 |
| *Fidelity | Fid Freedom 2020 | 3,466,649 | 54,807,728 |
| *Fidelity | Fid Freedom 2025 | 3,121,518 | 41,141,611 |
| *Fidelity | Fid Freedom 2030 | 1,571,091 | 25,954,424 |
| *Fidelity | Fid Freedom 2035 | 1,474,050 | 20,165,010 |
| *Fidelity | Fid Freedom 2040 | 2,639,028 | 25,677,745 |
| *Fidelity | Fidelity STIF | 52,084,785 | 52,084,785 |
| *FIDELITY INSTL CSH M CL A | FIDELITY INSTL CSH M CL A | 36,736,706 | 36,736,706 |
| *Interest in Raytheon Company Combined DB/DC Master Trust | Investment in Master Trust | 25,606,365 | 455,510,421 |
| *MELLON FDG CORP GTD SR NT | 3.250% 04/01/2009 DD 03/23/04 | 150,000 | 147,164 |
| *RAYTHEON CO. Common Stock | RAYTHEON CO (Cost of \$1,093,547,863) | 31,221,029 | 1,895,116,460 |
| *The Common Trust Cash Investment Fund Of Mellon Trust of New England, N.A. | VAR RT 12/31/2049 DD 08/06/03 | 62,269,485 | 6,269,485 |
| *The Common Trust Cash Investment Fund Of Mellon Trust of New England, N.A. | VAR RT 12/31/2049 DD 08/06/03 | 5,045,466 | 5,045,466 |
| *The Common Trust Cash Investment Fund Of Mellon Trust of New England, N.A. | VAR RT 12/31/2049 DD 08/06/03 | 4,362,907 | 4,362,907 |
| *The Common Trust Cash Investment Fund Of Mellon Trust of New England, N.A. | VAR RT 12/31/2049 DD 08/06/03 | 2,991,903 | 2,991,903 |
| 1ST EAGLE OVERSEAS I | 1ST EAGLE OVERSEAS I | 7,418,187 | 173,511,396 |
| AABST | 06-1 A1 1ML+8 1/37 | 857,080 | 834,515 |
| ABBOTT LABS | 5.6% 5/15/11 | 275,000 | 284,802 |
| ABSHE | 04-HE2 M1 1ML+55 4/34 | 410,000 | 350,818 |
| ABU DHABI NATL ENERGY MTN 144A | 5.620% 10/25/2012 DD 10/25/07 | 1,650,000 | 1,674,998 |
| ACCR | 03-2 A1 4.23% 10/33 | 283,045 | 246,028 |
| ACE | 06-HE1 A2A 1ML+8 2/36 | 254,867 | 253,829 |
| ACE INA HLDG INC SR NT | 5.700% 02/15/2017 DD 02/08/07 | 1,415,000 | 1,402,180 |
| ADELPHIA RECOVERY TRUST | 8.750% 10/01/2007 DD 09/29/97 | 250,094 | 107,540 |
| ADELPHIA RECOVERY TRUST ESCROW | ADELPHIA RECOVERY TRUST ESCROW | 294,426 | 10,305 |
| AEGON NV GLBL | 4.75% 6/01/13 | 855,000 | 837,045 |
| AIG SUN VII | 5.85% 8/01/08 144A | 1,385,000 | 1,388,737 |
| AIM BASIC VALUE INST | AIM BASIC VALUE INST | 1,198,756 | 38,923,622 |
| ALABAMA POWER | 4.85% 12/15/12 | 925,000 | 918,999 |
| ALCOA INC NT | 5.550% 02/01/2017 DD 01/25/07 | 210,000 | 203,734 |
| ALLISON TRANSMISSION | 11.000% 11/01/2015 DD 10/16/07 | 490,000 | 445,900 |
| ALLISON TRANSMISSION INC | 11.250% 11/01/2015 DD 10/17/07 | 125,000 | 110,313 |
| ALTERNATIVE LN P/T | 6.000% 09/25/2037 DD 07/01/07 | 500,000 | 433,630 |
| ALTERNATIVE LN TR | VAR RT 08/25/2036 DD 06/01/06 | 2,678,532 | 2,783,905 |
| ALTRIA GROUP INC | 7% 11/04/13 | 230,000 | 257,218 |

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|-------------------------------|-------------------------------|------------|------------|
| AM CENT SM CAP VAL I | AM CENT SM CAP VAL I | 11,941,329 | 90,634,685 |
| AMB PROPERTY LP | 5.9% 8/15/13 | 390,000 | 401,525 |
| AMCAR | 05-DA A4 5.02 11/12 | 805,000 | 807,114 |
| AMCAR | 04-1 D 5.07% 7/10 | 390,000 | 389,275 |
| AMCAR | 06-1 D 5.49 4/12 | 345,000 | 331,391 |
| AMCAR | 06-1 C 5.28 11/11 | 300,000 | 295,121 |
| AMCAR | 06-1 B 5.2 3/11 | 50,000 | 49,615 |
| AMCAR | 04-1 C 4.22% 7/09 | 16,087 | 16,065 |
| AMCAR | 06-1 A3 5.11 10/10 | 10,746 | 10,736 |
| AMEREN UNION ELEC | 6.4% 6/15/17 | 1,006,000 | 1,054,307 |
| AMERICA MOVIL | 4.125 3/1/09 | 340,000 | 337,860 |
| AMERICAN ELEC PWR INC SR NT | 5.375% 03/15/2010 DD 03/14/03 | 200,000 | 202,876 |
| AMERICAN EXPRESS CENTURION BK | 6.000% 09/13/2017 DD 09/13/07 | 2,500,000 | 2,514,050 |
| AMERICAN EXPRESS CR CORP NT | 3.000% 05/16/2008 DD 05/16/03 | 200,000 | 198,978 |
| AMERICAN EXPRESS CR TR 04-3 A | 4.350% 12/15/2011 DD 06/02/04 | 300,000 | 300,669 |
| AMERICAN GEN FIN CORP MEDIUM | 6.900% 12/15/2017 DD 12/17/07 | 930,000 | 930,865 |
| AMERICAN GEN FIN MTN | 5.375% 10/01/2012 DD 09/30/02 | 230,000 | 221,404 |
| AMERICAN HOME | VAR RT 09/25/2035 DD 09/01/05 | 700,000 | 693,637 |
| AMERICAN INTL | 5.85% 1/16/18 | 1,990,000 | 2,003,031 |
| AMERICAN INTL GRP INC | 4.250% 05/15/2013 DD 11/15/03 | 400,000 | 380,500 |
| AMERICAN REAL ESTATE | 8.125% 06/01/2012 DD 12/01/04 | 175,000 | 169,531 |
| AMERICAN WTR CAP 144A | 6.085% 10/15/2017 DD 10/22/07 | 150,000 | 149,484 |
| AMERICREDIT AUTO | 5.210% 10/06/2011 DD 09/26/06 | 1,500,000 | 1,498,530 |
| AMERICREDIT AUTO | 5.160% 04/06/2012 DD 04/19/07 | 1,010,000 | 1,015,161 |
| AMERICREDIT AUTO | 5.210% 09/06/2013 DD 09/26/06 | 840,000 | 842,680 |
| AMGEN INC SR NT | VAR RT 11/28/2008 DD 05/30/07 | 1,200,000 | 1,198,500 |
| AMR PASS TH | 7.858 04/1/13 CL A | 565,000 | 593,075 |
| AMR PASS THRU | 7.024% 4/15/2011 | 400,000 | 401,500 |
| AMR PTC | 01-2A1 6.978% 10/01/12 | 62,376 | 63,118 |
| AMR PTC | 99-1A1 6.855% 10/15/10 | 29,962 | 30,186 |
| ANADARKO PETRO | 5.95% 9/15/16 | 925,000 | 941,863 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units /Principal | Current Value |
|---|--|-----------------------------|---------------|
| AOL TIME WARNER | 6.875% 5/01/12 | 575,000 | 605,480 |
| AOL TIME WARNER | 6.75% 4/15/11 | 500,000 | 520,769 |
| ARAMARK CORP SR NT | 8.500% 02/01/2015 DD 08/01/07 | 445,000 | 450,563 |
| ARDEN REALTY LTD | 5.2% 9/01/11 | 340,000 | 349,601 |
| ARKLE | 2006-1A 3C 3ML+39 2/52 | 150,000 | 141,060 |
| ARMT | 04-1 9A2 1ML+40 1/34 | 41,616 | 40,825 |
| ARMT | 05-2 6A2 1ML+28 6/35 | 26,188 | 25,118 |
| ARSI | 04-W7 M1 1ML+55 5/34 | 295,000 | 257,763 |
| ARSI | 04-W7 M2 1ML+60 5/34 | 240,000 | 218,236 |
| ASIF GLOBAL FING XXIII SR NT | 3.900% 10/22/2008 DD 10/22/03 | 100,000 | 98,843 |
| ASSOCIATES CORP NORTH AMER DEB | 8.150% 08/01/2009 | 200,000 | 208,844 |
| ASTRAZENECA | 5.900% 09/15/2017 DD 09/12/07 | 1,100,000 | 1,155,000 |
| ASTRAZENECA | PLC 5.9% 9/15/17 | 1,015,000 | 1,065,806 |
| AT & T INC GLOBAL | 4.950% 01/15/2013 DD 12/06/07 | 1,230,000 | 1,236,531 |
| AT&T BROADBAND | 8.375% 3/15/13 | 1,275,000 | 1,430,401 |
| AT&T BROADBAND | 8.375% 3/15/13 | 1,048,000 | 1,175,733 |
| AT&T BROADBAND | 8.375% 03/15/2013 DD 11/18/02 | 250,000 | 280,470 |
| AT&T WIRE GLBL | 8.125 5/1/12 DT | 485,000 | 539,281 |
| AT&T WIRELESS | 7.875% 03/01/2011 DD 09/01/01 | 640,000 | 693,101 |
| AT&T WIRELESS | 7.875% 3/01/11 | 485,000 | 525,239 |
| ATOMS ENERGY CORP | 5.125% 01/15/2013 DD 01/16/03 | 290,000 | 284,246 |
| AUSTRALIAN DOLLAR CURRENCY | AUSTRALIAN DOLLAR CURRENCY | 125 | 109 |
| AVALONBAY COMM | 5.5% 1/15/12 | 685,000 | 683,727 |
| AXA FINL INC SR NT | 7.750% 08/01/2010 DD 07/28/00 | 480,000 | 515,472 |
| AXIS CAP HLDGS | 5.75% 12/01/14 | 80,000 | 78,418 |
| BACM | 04-2 A3 4.05% 11/38 | 2,415,000 | 2,382,627 |
| BACM | 2007-3 A3 CSTR 6/49 | 1,000,000 | 1,014,138 |
| BACM | 05-1 ASB 4.8594% 11/42 | 800,000 | 800,926 |
| BACM | 05-1 A3 4.877% 11/42 | 585,000 | 583,432 |
| BACM | 04-4 A3 4.128% 7/42 | 445,000 | 441,407 |
| BACM | 07-2 A1 5.421% 1/12 | 376,291 | 379,663 |
| BACM | 06-5 A1 5.185% 7/11 | 215,644 | 216,258 |
| BACM | 07-2 C 5.6984 4/49 | 220,000 | 199,245 |
| BACM | 07-2 D 5.6984 4/49 | 110,000 | 94,863 |
| BACM | 03-2 XP CSTR 3/41 | 9,990,449 | 83,182 |
| BACM | 07-2 B 5.6984 4/49 | 80,000 | 73,454 |
| BAE SYS HDLG | 4.75 8/15/10 144A | 565,000 | 569,004 |
| BAFU | 2001-3 H 6.562% 4/37 | 760,000 | 806,612 |
| BALL | 03-BBA2 K 1ML+260 11/15 | 58,191 | 57,618 |
| BALTA | 04-13 A1 1ML+37 11/34 | 716,366 | 698,772 |
| BANC AMER COML MTG | 5.889% 07/10/2044 DD 08/01/06 | 3,800,000 | 3,805,092 |
| BANC AMER COML MTG | 5.182% 09/10/2047 DD 12/01/05 | 400,000 | 399,460 |
| BANC AMER FDG | VAR RT 03/20/2035 DD 06/01/05 | 255,003 | 251,841 |
| BANC AMER FDG | 0.000% 11/25/2035 DD 11/01/05 | 179,401 | 123,249 |
| BANC AMER MTG | VAR RT 07/25/2034 DD 06/01/04 | 1,900,000 | 1,837,072 |
| BANC AMER MTG | VAR RT 06/25/2034 DD 05/01/04 | 750,000 | 738,030 |
| BANC AMER MTG | 5.000% 12/25/2018 DD 11/01/03 | 251,431 | 248,877 |
| BANC AMER MTG | VAR RT 11/25/2034 DD 10/01/04 | 202,469 | 201,781 |

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|--------------------------------|-------------------------------|-----------|-----------|
| BANC AMER MTG | 0.000% 05/25/2034 DD 04/01/04 | 72,951 | 54,285 |
| BANK AMER CORP NT | 7.800% 02/15/2010 DD 02/14/00 | 200,000 | 211,968 |
| BANK AMER CORP SR GLOBAL NT | 6.000% 09/01/2017 DD 08/23/07 | 300,000 | 306,513 |
| BANK AMER CORP SR GLOBAL NT | 5.125% 11/15/2014 DD 11/07/02 | 250,000 | 246,095 |
| BANK AMER CORP SR NT | 3.875% 01/15/2008 DD 11/26/02 | 500,000 | 499,845 |
| BANK AMER CORP SR NT | 4.875% 01/15/2013 DD 01/23/03 | 300,000 | 299,067 |
| BANK AMER CORP SUB NT | 5.750% 08/15/2016 DD 08/14/06 | 250,000 | 250,428 |
| BANK AMER CORP SUB NT | 7.400% 01/15/2011 DD 01/23/01 | 200,000 | 214,968 |
| BANK AMER FDG CORP | VAR RT 05/25/2035 DD 06/01/05 | 2,564,852 | 2,525,815 |
| BANK AMER N A CHARLOTTE N C | 5.300% 03/15/2017 DD 03/13/07 | 800,000 | 777,872 |
| BANK AMERICA CORP SUB NTS | 7.125% 10/15/2011 DD 10/24/96 | 217,000 | 233,140 |
| BANK NY MELLO GLB | 4.95 11/12 | 917,000 | 916,990 |
| BANK OF AMERICA | 6% 9/01/17 | 640,000 | 653,870 |
| BANK OF AMERICA CORP SR NT | 5.625% 10/14/2016 DD 10/26/06 | 250,000 | 251,445 |
| BANK ONE | 3.7% 1/15/08 | 1,000,000 | 999,453 |
| BANKAMER | 5.75% 12/1/17 | 1,630,000 | 1,633,739 |
| BANKAMER | 4.875% 1/15/13 | 640,000 | 633,976 |
| BANKAMER | 4.5% 8/01/10 | 418,000 | 418,205 |
| BANKAMER GLBL | 7.4% 1/15/11 DT | 3,630,000 | 3,901,553 |
| BANKAMERICA CORP SR NTS | 5.875% 02/15/2009 DD 02/08/99 | 365,000 | 370,249 |
| BARCLAYS BANK PLC | 5.450% 09/12/2012 DD 09/12/07 | 2,200,000 | 2,255,638 |
| BARCLAYS BANK PLC | 5.450% 09/12/2012 DD 09/12/07 | 250,000 | 256,323 |
| BARCLAYS BK | 6.05% 12/4/17 144A | 1,000,000 | 990,202 |
| BARCLAYS BK PLC CALL PEPR 144A | VAR RT 12/31/2049 DD 09/28/06 | 415,000 | 386,141 |
| BARCLAYS BK PLC SUB HYBRID TIE | VAR RT 09/29/2049 DD 09/25/07 | 600,000 | 623,526 |
| BARCLAYS BK PLC SUB HYBRID TIE | VAR RT 09/29/2049 DD 09/25/07 | 260,000 | 270,195 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units /Principal | Current Value |
|---|--|-----------------------------|---------------|
| BARCLAYS BK PLC SUB NT 144A | 6.050% 12/04/2017 DD 12/04/07 | 3,600,000 | 3,627,540 |
| BARCLAYS BK PLC SUB NT 144A | 6.050% 12/04/2017 DD 12/04/07 | 250,000 | 251,913 |
| BARCLAY S EAFE INDEX FUND E | BARCLAY S EAFE INDEX FUND E | 938,546 | 32,088,871 |
| BASAT | 2006-G1 A4 5.17 12/10 | 1,990,000 | 2,006,140 |
| BAYC | 05-4A A2 1ML+39 1/36 | 396,074 | 373,299 |
| BAYC | 04-3 A1 1ML+37 1/35 | 247,461 | 240,539 |
| BAYC | 04-1 A 1ML+36 4/34 | 219,498 | 213,633 |
| BAYC | 04-2 A 1ML+43 8/34 | 215,744 | 210,114 |
| BAYC | 05-4A M1 1ML+45 1/36 | 158,429 | 149,147 |
| BAYC | 07-3 B2 1ML+160 7/37 | 114,776 | 111,906 |
| BAYC | 07-3 M4 1ML+50 7/37 | 105,594 | 104,010 |
| BAYC | 04-1 IO 1.25 4/34 | 2,340,892 | 74,674 |
| BAYC | 05-4A M2 1ML+47 1/36 | 79,215 | 73,893 |
| BAYC | 05-4A M3 1ML+50 1/36 | 79,215 | 72,321 |
| BAYC | 04-2 M1 1ML+58 8/34 | 70,490 | 67,847 |
| BAYC | 07-3 M3 1ML+37 7/37 | 64,274 | 63,551 |
| BAYC | 07-3 B3 1ML+400 7/37 | 59,683 | 57,893 |
| BAYC | 07-2 M-6 1ML+100 7/37 | 62,751 | 51,603 |
| BAYC | 07-2 M4 1ML+65 7/37 | 57,924 | 49,498 |
| BAYC | 07-3 M5 1ML+60 7/37 | 50,501 | 49,491 |
| BAYC | 04-3 M1 1ML+50 1/35 | 49,492 | 47,505 |
| BAYC | 07-3 M2 1ML+34 7/37 | 41,319 | 40,906 |
| BAYC | 07-3 M6 1ML+80 7/37 | 41,319 | 40,493 |
| BAYC | 07-3 B1 1ML+95 7/37 | 41,319 | 40,286 |
| BAYC | 07-2 M-5 1ML+75 7/37 144A | 48,270 | 40,245 |
| BAYC | 07-2 B-1 1M+160 7/37 | 48,270 | 37,047 |
| BAYC | 07-3 M1 1ML+31 7/37 | 36,728 | 36,361 |
| BAYC | 04-1 M1 1ML+56 4/34 | 36,583 | 35,234 |
| BAYC | 04-1 B 1ML+190 4/34 | 36,583 | 31,593 |
| BAYC | 07-2 B-3 1ML+335 7/37 | 43,443 | 30,892 |
| BAYC | 07-2 B-2 1ML+225 7/37 | 38,616 | 27,049 |
| BAYC | 07-2 M2 1ML+41 7/37 | 28,962 | 26,717 |
| BAYC | 07-2 M3 1ML+49 7/37 144A | 28,962 | 26,591 |
| BAYC | 04-3 A2 1ML+42 1/35 | 24,746 | 23,880 |
| BAYC | 04-3 M2 1ML+100 1/35 | 24,746 | 22,960 |
| BEAR STEARNS | 6.95% 8/10/12 | 1,120,000 | 1,151,584 |
| BEAR STEARNS | 6.95% 8/10/12 | 845,000 | 868,829 |
| BEAR STEARNS | MTN 4.55% 6/23/10 | 125,000 | 120,870 |
| BEAR STEARNS & CO INC | 5.700% 11/15/2014 DD 11/06/02 | 500,000 | 474,545 |
| BEAR STEARNS 05-PWR9 CL A-AB | 4.804% 09/15/2042 DD 09/01/05 | 200,000 | 196,816 |
| BEAR STEARNS 06-SD1 CL A | VAR RT 04/25/2036 DD 03/14/06 | 164,715 | 150,922 |
| BEAR STEARNS ARM 03-4 CL III | VAR RT 07/25/2033 DD 05/01/03 | 1,501,677 | 1,478,206 |
| BEAR STEARNS ARM TR 04-7 1-A-1 | VAR RT 10/25/2034 DD 08/01/04 | 1,247,506 | 1,252,109 |
| BEAR STEARNS ARM TR 2006-1 1A1 | VAR RT 11/25/2035 DD 02/01/06 | 997,744 | 982,728 |
| BEAR STEARNS CO | 6.4% 10/2/17 | 650,000 | 628,004 |
| BEAR STEARNS COML 04-TOP14 A3 | 4.800% 01/12/2041 DD 05/01/04 | 100,000 | 99,561 |
| BEAR STEARNS COML 04-TOP16 A-2 | 3.700% 08/13/2046 DD 11/01/04 | 3,849 | 3,841 |
| BEAR STEARNS COML 06-PWR11 A4 | VAR RT 03/11/2039 DD 03/01/06 | 320,000 | 324,771 |

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|--------------------------------|--------------------------------|-----------|------------|
| BEAR STEARNS COML MTG 00WF1 A1 | 7.640% 02/15/2032 DD 02/01/00 | 24,404 | 24,608 |
| BEAR STEARNS COS INC GLOBAL NT | VAR RT 04/29/2008 DD 04/29/05 | 2,085,000 | 2,064,150 |
| BEAR STEARNS COS INC GLOBAL NT | VAR RT 01/31/2011 DD 01/31/06 | 600,000 | 541,686 |
| BEAR STEARNS COS INC GLOBAL NT | 4.000% 01/31/2008 DD 12/26/02 | 400,000 | 399,376 |
| BEAR STEARNS COS INC MTN | 6.950% 08/10/2012 DD 08/10/07 | 400,000 | 411,248 |
| BEAR STEARNS COS INC NT | 3.250% 03/25/2009 DD 03/25/04 | 500,000 | 484,140 |
| BEAR STEARNS COS INC SR NT | 6.400% 10/02/2017 DD 10/02/07 | 700,000 | 676,263 |
| BEAR STEARNS COS INC SR NT | 5.350% 02/01/2012 DD 01/25/07 | 300,000 | 292,173 |
| BEAR STEARNS COS INC SR NT | 6.400% 10/02/2017 DD 10/02/07 | 300,000 | 289,827 |
| BEAR STEARNS MTG 2006-PW14 A1 | 5.044% 12/01/2038 DD 12/01/06 | 450,298 | 449,443 |
| BEAR STERNS CO GLB | 5.5 8/15/11 | 1,025,000 | 1,012,078 |
| BEARS STEARNS 03-7 MTCL III-A | VAR RT 10/25/2033 DD 09/01/03 | 240,448 | 238,871 |
| BELLSOUTH CORP | VAR RT 004/26/2021 DD 04/26/05 | 2,100,000 | 2,092,440 |
| BELLSOUTH CORP NT | 4.200% 09/15/2009 DD 09/13/04 | 1,260,000 | 1,252,516 |
| BELLSOUTH CORP NT | 5.200% 09/15/2014 DD 09/13/04 | 250,000 | 249,493 |
| BELLSOUTH GLBL | 4.2% 9/15/09 DT | 585,000 | 581,518 |
| BERRY PLASTICS HLDG CORP 2ND | 8.875% 09/15/2014 DD 09/20/06 | 310,000 | 294,500 |
| BF SAUL REAL ESTATE | 7.500% 03/01/2014 DD 02/25/04 | 500,000 | 460,000 |
| BGI US DEBT INDEX FUND CL F | BGI US DEBT INDEX FUND CL F | 1,361,369 | 28,302,861 |
| BHP FIN USA LTD GTD DEB | 7.250% 03/01/2016 DD 03/01/96 | 162,000 | 176,883 |
| BMW VEH OWNER TR 2006 A CL A3 | 5.130% 09/27/2010 DD 09/22/06 | 595,000 | 596,529 |
| BNP PARIBAS SUB NT | VAR RT 06/29/2049 DD 06/29/05 | 1,800,000 | 1,638,270 |
| BOAMS | 2004-A 2A2 CSTR 2/34 | 700,225 | 686,913 |
| BOAMS | 05-E 2A7 CSTR 6/35 | 425,000 | 414,763 |
| BOAMS | 03-J 2A2 CSTR 11/33 | 278,110 | 273,573 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | | /Principal | |
| BOAMS | 04-J 2A1 CSTR 11/34 | 254,575 | 250,379 |
| BOAMS | 04-A 2A1 CSTR 2/34 | 162,483 | 158,749 |
| BOAMS | 05-H 2A2 CSTR 9/35 | 91,217 | 90,589 |
| BOAMS | 05-H 1A1 CSTR 9/35 | 87,265 | 86,105 |
| BOAMS | 04-D 2A1 CSTR 5/34 | 80,068 | 78,027 |
| BOIT | 02-A6 A 1ML+19 6/12 | 1,650,000 | 1,648,195 |
| BOIT | 04-B2 B2 4.37% 4/12 | 1,300,000 | 1,280,907 |
| BONY INC | 3.4/3ML+148 3/15/13 | 1,000,000 | 994,175 |
| BONY INC | 6.375% 4/01/12 | 625,000 | 654,805 |
| BOSTON PPTY LTD | 6.25% 1/15/13 | 780,000 | 783,428 |
| BOSTON SCIENTIFIC CORP NT | 6.400% 06/15/2016 DD 06/09/06 | 300,000 | 282,000 |
| BOWATER INC DEB | 9.000% 08/01/2009 DD 08/01/89 | 790,000 | 766,300 |
| BRANCH BKG & TR CO MTN TR00028 | 4.875% 01/15/2013 DD 12/23/02 | 150,000 | 146,272 |
| BRANDYWIN | 5.625% 12/15/10 | 580,000 | 585,628 |
| BRANDYWIN RLTY | 4.5% 11/01/09 | 1,280,000 | 1,266,388 |
| BRANDYWIN RLTY | 5.75% 4/1/12 | 215,000 | 212,831 |
| BRE PROPERTIES | 4.875% 5/15/10 | 515,000 | 522,051 |
| BRITISH G STEP | 12/10 DT | 1,175,000 | 1,289,385 |
| BRITISH TELECOMMUNICATIONS NT | STEP UP 12/15/2010 DD 12/12/00 | 90,000 | 98,761 |
| BRITISH TELECOMMUNICATIONS PLC | 5.150% 01/15/2013 DD 12/12/07 | 1,000,000 | 997,810 |
| BROADVIEW NETWORKS HLDGS INC | 11.375% 09/01/2012 DD 09/01/07 | 215,000 | 224,138 |
| BSABS | 06-3 A1 1ML+15 5/36 | 653,676 | 636,985 |
| BSARM | 05-6 1A1 CSTR 8/35 | 629,145 | 621,782 |
| BSCMS | 03-T12 A4 4.68% 8/39 | 750,000 | 740,470 |
| BSCMS | 2007-PW15 X2 CSTR 2/44 | 24,910,000 | 442,180 |
| BSCMS | 04-PWR5 A2 4.254 7/42 | 415,000 | 412,662 |
| BSCMS | 07-PW15 A1 5.016% 2/44 | 339,739 | 339,691 |
| BSCMS | 04-ESA E 5.064% 5/16 | 305,000 | 309,571 |
| BSCMS | 03-T12 X2 CSTR 8/39 | 7,750,997 | 110,418 |
| BSCMS | 03-PWR2 X2 CSTR 5/39 | 7,096,268 | 107,304 |
| BSCMS | 04-ESA D 4.986% 5/16 | 100,000 | 101,395 |
| BSCMS | 04-ESA F 5.182% 5/16 | 75,000 | 76,242 |
| BSCMS | 04-ESA C 4.937% 5/16 | 40,000 | 40,532 |
| *BSDT-LATE MONEY DEPOSIT ACCT | 0.550% 12/31/2049 DD 06/26/97 | 7,900,000 | 7,900,000 |
| *BSDT-LATE MONEY DEPOSIT ACCT | 0.550% 12/31/2049 DD 06/26/97 | 10,503 | 10,503 |
| BUCKEYE OHIO TOB SETTLEMENT | 5.875% 06/01/2047 DD 10/29/07 | 900,000 | 862,119 |
| BURLINGTON NORTH SANTE FE | 6.125% 03/15/2009 DD 03/10/99 | 155,000 | 157,035 |
| BURLINGTON NORTHN SANTA FE COR | 6.150% 05/01/2037 DD 04/13/07 | 700,000 | 680,533 |
| C BASS MTG LN 07-CB2 CL A2C | VAR RT 02/25/2037 DD 02/01/07 | 1,000,000 | 890,290 |
| CAF GLBL | 6.875% 3/15/12 | 445,000 | 474,826 |
| CALPINE CORP 2ND PRIORITY 144A | VAR RT 007/15/2007 DD 07/16/03 | 288,363 | 304,222 |
| CAMDEN PROPERTY | 5.875 11/30/12 | 550,000 | 555,728 |
| CAMDEN PROPERTY | 4.375% 1/15/10 | 430,000 | 419,319 |
| CANADA NATURAL | 5.7% 5/15/17 | 200,000 | 198,782 |
| CANADIAN NAT RES LTD NT | 5.700% 05/15/2017 DD 03/19/07 | 695,000 | 690,767 |
| CANADIAN NATL RAIL | 4.25 8/1/09 | 485,000 | 482,688 |
| CANADIAN OIL | 4.8% 8/10/09 144A | 615,000 | 618,593 |
| CAPITAL ONE | 4.950% 08/15/2012 DD 10/19/07 | 3,700,000 | 3,724,642 |

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|--------------------------------|-------------------------------|-----------|-----------|
| CAPITAL ONE AUTO 07-B CL A3A | 5.030% 04/15/2012 DD 05/10/07 | 400,000 | 401,164 |
| CAPITAL ONE AUTO FIN 05-C A4A | 4.710% 06/15/2012 DD 10/12/05 | 2,440,000 | 2,419,162 |
| CAPITAL ONE AUTO FIN 2006-A A3 | 5.330% 11/15/2010 DD 05/04/06 | 1,682,299 | 1,682,535 |
| CAPITAL ONE BK MTN SR #TR00176 | 5.750% 09/15/2010 DD 09/08/03 | 65,000 | 65,010 |
| CAPITAL ONE FINL | 5.7% 9/15/11 | 1,300,000 | 1,255,879 |
| CAPITAL ONE FINL CORP SR NT | 6.250% 11/15/2013 DD 11/06/03 | 325,000 | 312,507 |
| CAPITAL ONE FINL CORP SR NT | 6.750% 09/15/2017 DD 09/04/07 | 100,000 | 95,906 |
| CAPITAL ONE VIRGINIA C/D | VAR RT 03/13/2009 DD 03/15/07 | 3,200,000 | 3,199,398 |
| CAPMARK FINL | 5.875% 5/12 144A | 600,000 | 474,938 |
| CARAT | 07-SN1 D 6.05% 1/17/12 | 270,000 | 269,992 |
| CARAT | 07-SN1 B 5.52% 3/15/11 | 190,000 | 188,902 |
| CARAT | 06-1 B 5.26 10/10 | 155,000 | 156,760 |
| CARAT | 06-1 A3 5.03 10/09 | 139,645 | 139,725 |
| CARAT | 2006-SN1A D 6.15% 4/11 | 115,000 | 115,178 |
| CARAT | 07-SN1 C 5.73% 3/15/11 | 110,000 | 110,391 |
| CARAT | 2006-SN1A B 5.5% 4/10 | 70,000 | 70,566 |
| CARAT | 2006-SN1A C 5.77% 5/10 | 70,000 | 70,236 |
| CARMAX AUTO OWNER 2006-2 A-3 | 5.150% 02/15/2011 DD 09/14/06 | 960,000 | 960,797 |
| CARMX | 07-2 ABS 5.61% 11/13 | 720,000 | 706,227 |
| CAROLINA PWR & LT CO 1ST MTG | 5.125% 09/15/2013 DD 09/11/03 | 160,000 | 160,301 |
| CARR | 07-RFC1 A1 1ML+5 12/36 | 1,209,368 | 1,181,695 |
| CARR | 2006-NC5 A1 1ML+5 1/37 | 990,251 | 968,781 |
| CARR | 06-NC3 A1 1ML+5 9/25/36 | 388,111 | 381,523 |
| CARR | 06-FRE1 A1 1ML+6.5 7/36 | 160,246 | 159,231 |
| CARROLS CORP SR SUB NT | 9.000% 01/15/2013 DD 07/15/05 | 675,000 | 614,250 |
| CASELLA WASTE SYS INC SR SUB | 9.750% 02/01/2013 DD 08/01/03 | 700,000 | 714,000 |
| CATERPILLAR FINL MTN #TR 00762 | 3.450% 01/15/2009 DD 01/16/04 | 120,000 | 118,850 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| CATERPILLAR FINL SVCS CORP MTN | 5.500% 03/15/2016 DD 03/10/06 | 75,000 | 75,457 |
| CBA CAP TR II TR PFD SECS 144A | 6.024% 03/29/2049 DD 03/15/06 | 735,000 | 685,042 |
| CCCIT | 05-B1 B1 4.4 9/10 | 2,146,000 | 2,139,459 |
| CCCIT | 03-A1 A1 3ML+10 1/10 | 1,750,000 | 1,750,414 |
| CCCIT | 06-B2 B2 5.15% 3/11 | 360,000 | 360,534 |
| CCH I HLDGS LLC / CAP CORP | STEP 01/15/2014 DD 01/15/06 | 650,000 | 465,563 |
| CCI | 05-1A B 4.878% 6/35 | 335,000 | 329,921 |
| CCI | 05-1A C 5.074% 6/35 | 304,000 | 296,923 |
| CD 2007-CD4 | 5.293% 12/49 | 1,010,000 | 1,003,345 |
| CD 2007-CD4 | 4.977% 12/49 | 542,525 | 541,122 |
| CD 2007-CD5 | 5.866% 11/44 | 450,000 | 462,814 |
| CDCMT | 02-FX1 XCL CSTR 5/35 | 6,449,566 | 304,029 |
| CDTIM | 05-1A A1 4.67 5/17 | 105,267 | 103,376 |
| CENTENNIAL COMMUNICATIONS CORP | VAR RT 01/01/2013 DD 12/21/05 | 290,000 | 296,525 |
| CENTERPOINT ENERGY HOUSTON | 5.750% 01/15/2014 DD 09/09/03 | 250,000 | 252,110 |
| CENTERPOINT ENERGY RES CORP | 6.125% 11/01/2017 DD 10/23/07 | 50,000 | 50,883 |
| CHAIT | 05-A1 A1 1ML+1 12/10 | 1,665,000 | 1,664,224 |
| CHAIT | 2007-A17 A 5.12% 10/14 | 1,600,000 | 1,638,698 |
| CHAIT | 05-A5 A5 0% 2/12 | 1,000,000 | 996,875 |
| CHARTER COMMN HLDGS SR DISC NT | STEP UP 01/15/2011 | 825,000 | 680,625 |
| CHARTER COMMUNICATIONS INC DEL | CL A | 13,500 | 15,795 |
| CHASE | 07-A2 3A1 CSTR 7/37 | 446,313 | 439,614 |
| CHASE | 07-A1 5A1 CSTR 2/37 | 434,754 | 425,533 |
| CHASE | 07-A2 2A1 CSTR 7/37 | 248,729 | 247,445 |
| CHASE | 2007-A1 1A5 CSTR 2/37 | 50,662 | 49,914 |
| CHESAPEAKE ENERGY CORP SR NT | 6.625% 01/15/2016 DD 07/15/05 | 430,000 | 420,325 |
| CHICAGO ILL PJ-SER C | 5.000% 01/01/2035 DD 11/13/03 | 3,600,000 | 3,705,156 |
| CISCO SYSTEMS INC | 5.500% 02/22/2016 DD 02/22/06 | 80,000 | 81,362 |
| CIT GROUP FDG CO CDA SR NT | STEP 07/01/2010 DD 10/15/05 | 150,000 | 142,664 |
| CIT GROUP INC MTN #SR00111 | VAR RT 02/21/2008 DD 02/21/06 | 2,000,000 | 1,982,180 |
| CIT GROUP INC SR NT | VAR RT 06/08/2009 DD 06/08/06 | 2,300,000 | 2,151,926 |
| CIT GROUP INC SR NT | 7.625% 11/30/2012 DD 11/30/07 | 400,000 | 405,436 |
| CITEC | 06-VT1 A3 5.13 12/08 | 358,691 | 359,856 |
| CITGROUP COML MTG 06-C5 CL A4 | 5.431% 10/15/2049 DD 11/01/06 | 2,500,000 | 2,514,300 |
| CITGROUP INC NEW GLOBAL SR NT | 5.000% 02/13/2014 DD 02/13/04 | 455,000 | 400,541 |
| CITIBANK | CITIBANK OMNI M 0% 12/23/13 | 1,850,000 | 1,850,000 |
| CITIBANK CR 2005-B1 | 4.400% 09/15/2010 DD 09/15/05 | 250,000 | 248,435 |
| CITIBANK CR CARD 2006-A2 A2 | 4.850% 02/10/2011 DD 02/06/06 | 3,200,000 | 3,206,560 |
| CITIBANK CR CARD ISSUANCE 04A8 | 4.900% 12/12/2016 DD 12/09/04 | 975,000 | 963,261 |
| CITICORP MTG | 5.500% 12/25/2033 DD 12/01/03 | 1,048,182 | 1,049,471 |
| CITICORP MTG | 4.500% 08/25/2034 DD 08/01/04 | 1,007,541 | 984,216 |
| CITICORP MTG | 4.750% 01/25/2034 DD 01/01/04 | 584,399 | 574,009 |
| CITIGROUP | 4.625% 8/03/10 | 325,000 | 323,228 |
| CITIGROUP | 5.125% 2/14/11 | 250,000 | 251,397 |
| CITIGROUP | VAR RT 03/15/2049 DD 06/01/06 | 226,004 | 229,141 |
| CITIGROUP | 3.5% 2/01/08 | 220,000 | 219,717 |
| CITIGROUP GLBL | 4.125% 2/22/10 | 1,050,000 | 1,034,635 |
| CITIGROUP INC | 5.3% 10/17/12 | 3,250,000 | 3,292,283 |

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| CITIGROUP INC GLB | 6.2% 3/15/09 | 110,000 | 111,511 |
| CITIGROUP INC GLOBAL NT | VAR RT 01/30/2009 DD 01/31/06 | 1,900,000 | 1,884,249 |
| CITIGROUP INC GLOBAL NT | 4.250% 07/29/2009 DD 07/29/04 | 100,000 | 99,250 |
| CITIGROUP INC GLOBAL SR NT | VAR RT 05/18/2011 DD 05/18/06 | 1,900,000 | 1,856,053 |
| CITIGROUP INC GLOBAL SR NT | 6.000% 08/15/2017 DD 08/15/07 | 1,190,000 | 1,214,169 |
| CITIGROUP INC GLOBAL SR NT | 5.125% 05/05/2014 DD 05/05/04 | 335,000 | 326,886 |
| CITIGROUP INC GLOBAL SR NT | 6.000% 08/15/2017 DD 08/15/07 | 210,000 | 214,265 |
| CITIGROUP INC GLOBAL SR NT | 3.500% 02/01/2008 DD 01/31/03 | 185,000 | 184,776 |
| CITIGROUP INC GLOBAL SR NT | 6.125% 11/21/2017 DD 11/21/07 | 165,000 | 169,486 |
| CITIGROUP INC GLOBAL SR NT | 6.125% 11/21/2017 DD 11/21/07 | 140,000 | 143,807 |
| CITIGROUP INC GLOBAL SR NT | 4.700% 05/29/2015 DD 05/31/05 | 100,000 | 94,563 |
| CITIGROUP INC GLOBAL SUB NT | 5.500% 02/15/2017 DD 02/12/07 | 400,000 | 388,752 |
| CITIGROUP INC GLOBAL SUB NT | 5.625% 08/27/2012 DD 08/26/02 | 200,000 | 202,594 |
| CITIGROUP INC NT | 6.200% 03/15/2009 DD 03/31/99 | 115,000 | 116,581 |
| CITIGROUP INC SUB NT | 5.000% 09/15/2014 DD 09/16/04 | 188,000 | 179,128 |
| CITIGROUP MTG 02-11 CL IIA-1 | 5.250% 11/25/2032 DD 11/01/02 | 1,132,868 | 1,128,903 |
| CITIGROUP MTG 04-UST1 CL A-6 | VAR RT 08/25/2034 DD 10/01/04 | 1,167,285 | 1,162,300 |
| CITIGROUP MTG LN 2005-1 CL 21A | VAR RT 04/25/2035 DD 03/01/05 | 141,705 | 144,549 |
| CITIGROUP MTG LN TR 03-UP3 A-3 | 7.000% 09/25/2033 DD 11/01/03 | 98,112 | 100,381 |
| CITIGROUP MTG LN TR 03-UST1 A1 | 5.500% 09/25/2033 DD 11/01/03 | 528,401 | 531,207 |
| CITIGROUP MTG LN TR 05-6 CL A2 | VAR RT 08/25/2035 DD 08/01/05 | 234,273 | 230,874 |
| CITIGROUP MTG LN TR 05-6 CL A3 | VAR RT 08/25/2035 DD 08/01/05 | 82,432 | 81,060 |
| CITIGROUP MTG SECS 04-2 CL A-1 | 5.000% 03/25/2034 DD 03/01/04 | 750,823 | 742,646 |
| CLEVELAND ELEC | 5.65% 12/15/13 | 640,000 | 632,551 |
| CMAOT | 05-B A4 4.88 6/12 | 1,800,000 | 1,802,439 |
| CMAT | 99-C2 A2 CSTR 11/32 | 491,089 | 506,461 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current |
|---|--|---------------|-------------|
| | | /Principal | Value |
| CMLTI | 07-AHL2 A3A 1ML+9 5/37 | 1,508,690 | 1,449,050 |
| CMLTI | 2004-UST1 A4 CSTR 8/34 | 723,946 | 710,776 |
| CMLTI | 07-AMC3 A2A 1ML+11 3/37 | 648,937 | 619,329 |
| CMLTI | 06-HE2 A2A 1ML+5 8/36 | 535,118 | 526,005 |
| CNH | 06-A A3 5.2 8/10 | 381,469 | 381,901 |
| CNH EQUIP TR 07-A CL A-3 | 5.047% 10/15/2010 DD 03/16/07 | 385,000 | 388,827 |
| CNH EQUIP TR 2003-B NT CL A-4B | 3.380% 02/15/2011 DD 11/25/03 | 50,871 | 50,640 |
| CODELCO | 6.375% 11/30/12 144A | 1,135,000 | 1,214,856 |
| COL/ACRON SELECT Z | COL/ACRON SELECT Z | 4,997,923 | 141,991,002 |
| COLONIAL PROPS | 4.75% 2/1/10 | 1,205,000 | 1,176,442 |
| COLONIAL RLTY | 6.05% 9/01/16 | 220,000 | 204,054 |
| COMCAST CORP | 5.45% 11/15/10 | 1,200,000 | 1,224,488 |
| COMCAST CORP | 5.9% 3/15/16 | 1,150,000 | 1,157,005 |
| COMCAST CORP | 4.95% 6/15/16 | 510,000 | 480,249 |
| COMCAST CORP NEW GTD NT | 5.900% 03/15/2016 DD 03/02/06 | 100,000 | 100,488 |
| COMCAST CORP NEW NT | 5.500% 03/15/2011 DD 03/14/03 | 600,000 | 605,718 |
| COMCAST CORP NEW NT | 6.300% 11/15/2017 DD 08/23/07 | 530,000 | 549,875 |
| COMCAST CORP NEW NT | 5.300% 01/15/2014 DD 05/15/03 | 100,000 | 98,062 |
| COMET | 04-B6 B6 4.155 7/12 | 750,000 | 741,755 |
| COMET | 03-B5 B5 4.79 8/13 | 395,000 | 393,450 |
| COMM | 05-C6 A2 CSTR 6/44 | 900,000 | 899,323 |
| COMM | 99-1 A2 6.455 5/32 | 472,066 | 473,442 |
| COMM | 04-LBN2 X2 CSTR 3/39 | 1,118,150 | 22,596 |
| COMMERCIAL CR GROUP INC NT | 8.700% 06/15/2009 | 91,000 | 96,161 |
| COMMERCIAL CREDIT MTN | 6.250% 01/01/2008 DD 01/01/98 | 674,000 | 674,000 |
| COMMERCIAL MTG 07-GG9 CL A4 | 5.444% 01/10/2017 DD 03/01/07 | 950,000 | 955,605 |
| COMMERCIAL MTG 07 C4 CL A-3 | VAR RT 09/15/2039 DD 09/01/07 | 1,750,000 | 1,789,620 |
| COMPAGNIE GENERALE DE GEOPHYS | 7.750% 05/15/2017 DD 02/09/07 | 75,000 | 75,750 |
| COMPTON PETE FIN CORP SR NT | 7.625% 12/01/2013 DD 11/22/05 | 500,000 | 465,000 |
| COMWLTH EDISON | 6.15% 9/15/17 | 450,000 | 463,731 |
| COMWLTH EDISON | 5.4% 12/15/11 | 377,000 | 380,999 |
| CONOCO FDG CO NT | 6.350% 10/15/2011 DD 10/11/01 | 130,000 | 138,085 |
| CONOCOPHILLIPS CDA FDG CO I NT | 5.625% 10/15/2016 DD 10/13/06 | 275,000 | 283,506 |
| CONOCOPHILLIPS CDA FDG CO II | 5.300% 04/15/2012 DD 10/13/06 | 160,000 | 164,299 |
| CONSOLIDATED EDISON NY DEC 04C | 4.700% 06/15/2009 DD 06/17/04 | 50,000 | 50,235 |
| CONSTELLATION EC | 7% 4/01/12 | 1,300,000 | 1,390,506 |
| CONSTELLATION BRANDS SR SUB NT | 8.125% 01/15/2012 DD 01/23/02 | 505,000 | 506,263 |
| CONTL AIR | 991B 6.795% 8/02/18 | 813,922 | 724,797 |
| CONTL AIR | 981A 6.648% 9/15/17 | 336,151 | 337,832 |
| COOPER STANDARD AUTO INC SR | 8.375% 12/15/2014 DD 12/23/04 | 540,000 | 427,950 |
| COUNTRYWIDE FINL CORP MEDIUM | 5.800% 06/07/2012 DD 06/07/07 | 440,000 | 321,407 |
| COUNTRYWIDE HOME LNS MTN #0034 | 3.250% 05/21/2008 DD 05/21/03 | 100,000 | 91,181 |
| COUNTRYWIDE HOME MTN #TR00313 | 4.000% 03/22/2011 DD 03/22/04 | 500,000 | 361,015 |
| COUNTRYWIDE HOME MTN #TR00324 | 4.125% 09/15/2009 DD 09/16/04 | 80,000 | 58,687 |
| COVIDIEN INT | 5.45 10/15/12 144A | 325,000 | 334,616 |
| COX COMM | 4.625% 1/15/10 | 200,000 | 198,448 |
| COX COMM INC | 4.625% 6/01/13 | 795,000 | 760,584 |
| COX COMM INC | 6.75 3/15/11 | 700,000 | 734,338 |

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|--------------------------------|--------------------------------|-----------|-----------|
| COX COMM INC | 5.45% 12/15/14 | 700,000 | 686,023 |
| CPG INTL I INC | 10.500% 07/01/2013 DD 07/01/06 | 325,000 | 307,125 |
| CRC HEALTH CORP SR SUB NT | 10.750% 02/01/2016 DD 08/01/06 | 570,000 | 584,250 |
| CREDIT AGRICOLE S A NT 144A | VAR RT 05/29/2049 DD 05/31/07 | 535,000 | 496,378 |
| CREDIT SUISSE | 5.86/VAR PERP | 805,000 | 720,634 |
| CREDIT SUISSE 98-2 CL A2 | 6.300% 11/15/2030 DD 11/11/98 | 790,974 | 795,593 |
| CREDIT SUISSE FB | 4.875% 01/15/2015 DD 12/15/04 | 200,000 | 195,532 |
| CREDIT SUISSE FB 03-23 CL 2A5 | 5.000% 10/25/2018 DD 09/01/03 | 704,202 | 690,836 |
| CREDIT SUISSE FB INC NT | 6.125% 11/15/2011 DD 11/06/01 | 350,000 | 364,165 |
| CREDIT SUISSE FB SR NT | 5.125% 01/15/2014 DD 01/09/04 | 200,000 | 199,468 |
| CREDIT SUISSE FB USA INC | 4.700% 06/01/2009 DD 05/27/04 | 225,000 | 225,070 |
| CREDIT SUISSE FB USA INC NT | 6.500% 01/15/2012 DD 01/11/02 | 180,000 | 189,760 |
| CREDIT SUISSE FB USA INC SR NT | 5.125% 08/15/2015 DD 08/17/05 | 125,000 | 124,160 |
| CREDIT SUISSE USA INC | 5.500% 08/16/2011 DD 08/16/06 | 400,000 | 411,000 |
| CREDIT SUISSE USA INC | 5.500% 08/16/2011 DD 08/16/06 | 230,000 | 236,325 |
| CRICKET COMMUNICATIONS INC SR | 9.375% 11/01/2014 DD 05/01/07 | 325,000 | 304,688 |
| CSFB | 99-C1 A2 7.29 9/41 | 1,191,814 | 1,227,722 |
| CSFB | 98-C1 C 6.78 5/40 | 1,000,000 | 1,010,471 |
| CSFB | 2002-CKS4 A2 5.183 11/36 | 855,000 | 865,472 |
| CSFB | 2002-CKP1 A3 6.439 12/35 | 750,000 | 794,072 |
| CSFB | 98-C1 A1B 6.48% 5/40 | 442,543 | 443,423 |
| CSFB | 01-CKN5 AX CSTR 9/34 | 6,813,755 | 326,155 |
| CSFB | 04-AR7 2A1 CSTR 11/34 | 270,374 | 265,825 |
| CSFB | 04-C1 ASP CSTR 1/37 | 5,568,992 | 117,175 |
| CSFB | 03-C4 ASP CSTR 8/36 | 5,254,542 | 58,814 |
| CSFB | 04-AR6 9A2 1ML+37 10/34 | 32,387 | 32,103 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units /Principal | Current Value |
|---|--|-----------------------------|---------------|
| CSFB | 04-AR5 11A2 1ML+37 6/34 | 20,213 | 19,979 |
| CSFB | 04-AR3 6A2 1ML+37 4/34 | 5,793 | 5,713 |
| CSMC | 07-C3 A4 CSTR 6/39 | 1,475,000 | 1,516,743 |
| CSMC | 07-C1 A1 5.227 2/40 | 213,884 | 214,495 |
| CSMC | 07-C2 A1 5.237 1/49 | 196,791 | 197,523 |
| CSX CORP MTN TR 00037 | 6.500% 06/02/2008 DD 06/01/98 | 200,000 | 200,280 |
| CURRENCY CONTRACT - EUR | CURRENCY CONTRACT - EUR | 335,475 | 489,804 |
| CURRENCY CONTRACT - EUR | CURRENCY CONTRACT - EUR | 497,430 | (497,430) |
| CURRENCY CONTRACT - USD | CURRENCY CONTRACT - USD | 867,204 | 867,204 |
| CURRENCY CONTRACT - USD | CURRENCY CONTRACT - USD | 612,000 | (893,540) |
| CVS CAREMARK | MTN 3ML+30 6/1/10 | 2,295,000 | 2,270,384 |
| CVS CAREMARK | 6.302 6/1/37 | 660,000 | 637,918 |
| CWABS ASSET BKD 06-26 CL 2A1 | VAR RT 06/25/2037 DD 12/29/06 | 2,986,682 | 2,908,430 |
| CWABS INC 03-5 ASSET CL MF-1 | 5.413% 01/25/2034 DD 11/01/03 | 724,358 | 706,155 |
| CWABS INC 04-1 3A | VAR RT 04/25/2034 DD 02/26/04 | 1,725 | 1,532 |
| CWABS INC 04-AB2 ASSET CL A-2 | VAR RT 10/25/2033 DD 12/29/04 | 76,182 | 76,139 |
| CWALT | 05-20CB 2A3 5.5 7/35 | 1,010,149 | 1,013,602 |
| CWALT | 06-OC11 2A1 1ML+10 3/28 | 968,140 | 956,541 |
| CWALT | 06-OC10 2A1 1ML+7 11/36 | 748,993 | 736,544 |
| CWALT INC 04-16CB CL 2-A-2 | 5.000% 08/25/2019 DD 06/01/04 | 302,976 | 299,104 |
| CWALT INC 05-22T1 MTG A2 IO | VAR RT 06/25/2035 DD 04/25/05 | 1,250,383 | 17,105 |
| CWALT INC 05-28CB CL 1A4 | 5.500% 08/25/2035 DD 06/01/05 | 500,000 | 474,370 |
| CWALT INC 05-36 CB P/T CL A-10 | VAR RT 07/25/2035 DD 05/25/05 | 134,671 | 134,233 |
| CWALT INC 05-J1 MTG P/T 1-A-4 | VAR RT 02/25/2035 DD 01/25/05 | 954,830 | 14,351 |
| CWALT INC 2004-2 1-A-9 04-2CB | 5.750% 03/25/2034 DD 01/01/04 | 625,952 | 518,682 |
| CWALT INC 2005-54CB CL 1A11 | 5.500% 11/25/2035 DD 09/01/05 | 500,000 | 464,200 |
| CWALT INC 2005-5R CL A1 | 5.250% 12/25/2018 DD 01/01/05 | 231,071 | 231,226 |
| CWL | 07-5 2A1 1ML+10 4/37 | 1,793,215 | 1,741,946 |
| CWL | 07-6 2A1 1ML+10 9/37 | 1,518,938 | 1,485,947 |
| CWL | 07-7 2A1 1ML+8 2/25/37 | 1,361,876 | 1,322,982 |
| CWL | 07-1 2A1 1ML+5 7/37 | 1,202,986 | 1,164,583 |
| CWL | 06-22 2A1 1ML+5 5/37 | 849,226 | 837,247 |
| CWL | 06-14 2A1 1ML+5 10/36 | 804,515 | 793,706 |
| CWL | 06-19 2A1 1ML+6 7/36 | 812,045 | 790,145 |
| CWMBS INC 03-34 CL A-11 | 5.250% 09/25/2033 DD 07/01/03 | 74,470 | 69,093 |
| CWMBS INC 04-7 2A1 | VAR RT 06/25/2034 DD 04/01/04 | 145,535 | 143,123 |
| CWMBS INC 05-R1 TR 144A CL 2A1 | 6.000% 03/25/2035 DD 03/01/05 | 4,653,432 | 4,695,685 |
| CWMBS INC 05-R2 MTG 1AF | VAR RT 06/25/2035 DD 06/25/05 | 2,060,675 | 2,014,804 |
| CWMBS INC 2003-J14 2A-1 | 6.250% 12/25/2033 DD 11/01/03 | 1,116,868 | 1,123,569 |
| CWMBS INC 2004-12CHL CL 11A2 | 4.431% 08/25/2034 DD 06/01/04 | 1,031,719 | 1,025,374 |
| CWMBS INC 2004-HYB1 CL 2-A | VAR RT 05/20/2034 DD 02/01/04 | 227,933 | 225,061 |
| CWMBS INC 2005-22 CL 2A1 | VAR RT 11/25/2035 DD 09/01/05 | 684,576 | 681,331 |
| CWMBS INC PASS THRU 03-J2 A-17 | VAR RT 04/25/2033 DD 02/25/03 | 165,355 | 6,479 |
| DAIMLER CHRYSLER NORTH AMER | 4.750% 01/15/2008 DD 01/16/03 | 250,000 | 249,960 |
| DAIMLER CHRYSLER NT | 7.750% 01/18/2011 DD 01/18/01 | 90,000 | 96,708 |
| DAIMLER NA MTN | 5.75% 9/08/11 | 525,000 | 532,796 |
| DAIMLERCHRYSLER | 4.875% 6/15/10 | 475,000 | 472,889 |
| DAIMLERCHRYSLER N A HLDG CORP | 5.875% 03/15/2011 DD 03/14/06 | 1,865,000 | 1,892,397 |

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|------------------------------|--------------------------------|-----------|-----------|
| DAIMLERCHRYSLER NORTH AMER | VAR RT 03/13/2009 DD 03/14/06 | 2,100,000 | 2,085,552 |
| DCAT | 06-D A4 0% 2/12 | 1,450,000 | 1,460,042 |
| DCMT | 03-2 A 1ML+13 8/10 | 1,685,000 | 1,685,467 |
| DCMT | 05-1 A 1ML+1 9/10 | 825,000 | 824,611 |
| DEERE JOHN CAP MTN #TR00330 | 4.400% 07/15/2009 DD 07/15/05 | 200,000 | 200,844 |
| DEL LABS INC SR SUB NT | 8.000% 02/01/2012 DD 01/27/05 | 270,000 | 280,800 |
| DELPHI CORPORATION NT | 6.500% 05/01/2009 DD 05/04/99 | 105,000 | 63,000 |
| DELTA AIR | 6.821% 8/10/22 144A | 450,000 | 453,478 |
| DELTA AIR | 00-1A2 7.57 11/18/10 | 425,000 | 429,250 |
| DENNYS HLDGS INC SR NT | 10.000% 10/01/2012 DD 04/01/05 | 575,000 | 552,719 |
| DEUTSCHE BK AG | 5.375% 10/12/12 | 1,325,000 | 1,357,672 |
| DEUTSCHE BK AG GLOBAL MEDIUM | 5.375% 10/12/2012 DD 10/12/07 | 1,110,000 | 1,137,395 |
| DEUTSCHE BK AG LONDON SR NT | 6.000% 09/01/2017 DD 08/29/07 | 5,500,000 | 5,703,665 |
| DEUTSCHE BK AG MTN | MTN 5% 10/12/10 | 1,035,000 | 1,055,866 |
| DEUTSCHE BK CAP FDG TR VII | VAR RT 01/19/2049 DD 01/19/06 | 720,000 | 654,523 |
| DEUTSCHE TEL GLB | 5.25 7/22/13DT | 390,000 | 388,432 |
| DEVELOPERS DIV | 4.625% 8/01/10 | 815,000 | 793,751 |
| DEVELOPERS DIV | 5% 5/03/10 | 405,000 | 398,519 |
| DEVELOPERS DIV | 3.875 1/30/09 | 160,000 | 156,339 |
| DEVON FING CORP | 6.875% 9/30/11 | 1,200,000 | 1,285,069 |
| DEX MEDIA WEST LLC | 9.875% 08/15/2013 DD 02/15/04 | 300,000 | 312,000 |
| DIAGEO CAP PLC | 5.75% 10/23/17 | 1,200,000 | 1,206,815 |
| DIAGEO CAP PLC GLOBAL NT | 3.375% 03/20/2008 DD 03/20/03 | 350,000 | 349,346 |
| DIAGEO CAP PLC GTD NT | 5.200% 01/30/2013 DD 10/26/07 | 495,000 | 497,242 |
| DIAGEO CPTL GLB | 5.2 1/30/13 | 1,325,000 | 1,331,049 |
| DIAGEO CPTL GLB | 5.2 1/30/13 | 555,000 | 557,534 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current |
|---|--|---------------|-------------|
| | | /Principal | Value |
| DIGICEL GROUP LTD SR NT 144A | 8.875% 01/15/2015 DD 02/27/07 | 350,000 | 320,250 |
| DIGICEL LTD GTD SR NT 144A | 9.250% 09/01/2012 DD 07/28/05 | 375,000 | 382,031 |
| DISCOVER FIN | FRN3ML+55 6/10144 | 1,175,000 | 1,118,295 |
| DLJ COML MTG 99-CG2 CL A-1B | 7.300% 06/10/2032 DD 06/01/99 | 222,534 | 228,743 |
| DLJCM | 1998-CG1 B1 6.91 6/31 | 970,000 | 976,631 |
| DLJCM | 00-CKP1 A1B 7.18% 11/33 | 718,868 | 757,303 |
| DODGE & COC INTL STK | DODGE & COC INTL STK | 3,500,331 | 161,085,241 |
| DOMINION RES INC | 4.75 12/15/10 | 580,000 | 581,122 |
| DOMINION RESOURCE | 7.5/VAR 6/66 | 595,000 | 588,255 |
| DOMINION RESOURCE | 6.3/VAR 9/66 | 295,000 | 286,867 |
| DOMINION RESRCE | 6.25% 6/30/12 | 1,107,000 | 1,159,799 |
| DONALDSON LUFKIN & JEN SR NTS | 6.500% 06/01/2008 DD 06/08/98 | 175,000 | 175,929 |
| DOW CHEM CO NT | 6.000% 10/01/2012 DD 08/29/02 | 210,000 | 218,301 |
| DOW CHEM CO NT | 6.125% 02/01/2011 DD 02/08/01 | 150,000 | 155,625 |
| DRIVE | 06-2 A-3 5.33% 4/14 | 790,000 | 794,657 |
| DRIVE | 06-1 A4 5.54% 12/13 | 630,000 | 640,181 |
| DTAOT | 07-A A3 XCLA 5.60% 3/13 | 865,000 | 852,431 |
| DTE ENERGY CO | 7.05% 6/01/11 | 590,000 | 626,507 |
| DUKE CAP CORP | 6.25% 2/15/13 | 2,600,000 | 2,695,350 |
| DUKE CAP CORP | 4.37% 3/01/09 | 620,000 | 615,090 |
| DUKE ENERGY CORP SR NT | 4.200% 10/01/2008 DD 09/23/03 | 300,000 | 298,125 |
| DUKE REALTY | 4.625 5/15/13 | 145,000 | 137,435 |
| DUKE REALTY LP | 5.625% 8/15/11 | 355,000 | 357,003 |
| DUKE REALTY LP | 6.95% 3/15/11 | 260,000 | 272,554 |
| DUKE REALTY LP | 5.5% 3/01/16 | 200,000 | 189,387 |
| DUKE REALTY LP | 5.95% 2/15/17 | 60,000 | 58,085 |
| DYNEGY HLDGS INC SR NT | 7.750% 06/01/2019 DD 05/24/07 | 135,000 | 124,538 |
| E TRADE FINL CORP SR NT | 8.000% 06/15/2011 DD 12/15/04 | 640,000 | 555,200 |
| ECLSR VAL & RSTG IS | ECLSR VAL & RSTG IS | 3,300,510 | 187,468,982 |
| EDP FINANCE | BV5.375 11/12 144A | 2,825,000 | 2,827,862 |
| EDP FINANCE | BV5.375 11/12 144A | 1,000,000 | 1,001,013 |
| EDUCATION MGMT LLC/ED MGMT FIN | 10.250% 06/01/2016 DD 12/01/06 | 445,000 | 458,350 |
| ELWOOD ENERGY LLC SR SECD BD | 8.159% 07/05/2026 DD 12/23/01 | 348,687 | 348,575 |
| EMBARQ CORP | 6.738% 6/01/13 | 595,000 | 615,454 |
| EMPRESA NACL | 6.75 11/15/12144A | 415,000 | 442,499 |
| ENCANA HLDGS | 5.8 5/1/14 | 430,000 | 440,602 |
| ENCANA HLDGS | 5.8 5/1/14 | 215,000 | 220,301 |
| ENEL FIN INTL | 6.25% 9/15/17 144 | 2,431,000 | 2,459,963 |
| ENEL FIN INTL S A GTD NT 144A | 6.250% 09/15/2017 DD 09/20/07 | 1,000,000 | 1,011,870 |
| ENERGY FUTURE HLDGS CORP 144A | 10.875% 11/01/2017 DD 10/31/07 | 245,000 | 246,225 |
| ENERGY PARTNERS LTD SR NT | 9.750% 04/15/2014 DD 10/15/07 | 365,000 | 344,925 |
| ENTERPRISE GLBL | 4.625% 10/15/09 | 410,000 | 409,355 |
| ENTERPRISE PROD | 4.95% 6/01/10 | 775,000 | 775,516 |
| ENTERPRISE PRODS OPER LLC NT | 6.300% 09/15/2017 DD 09/04/07 | 545,000 | 557,606 |
| EQUITY ONE INC | 6% 9/15/17 WI | 295,000 | 276,879 |
| EQUITY ONE INC | 6.25% 1/15/17 | 180,000 | 175,480 |
| ERP OPER LTD PARTNERSHIP SR NT | 4.750% 06/15/2009 DD 06/04/04 | 45,000 | 44,395 |
| ERP OPERAT LP | 5.5% 10/1/12 | 265,000 | 262,696 |

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| EURO MONETARY UNIT. | EURO MONETARY UNIT. | 20,461 | 29,861 |
| EVERGREEN INTL BOND I | EVERGREEN INTL BOND I | 2,427,598 | 27,334,751 |
| EXCO RES INC SR NT | 7.250% 01/15/2011 DD 01/20/04 | 735,000 | 707,438 |
| EXELON CORP | 6.75% 5/01/11 | 750,000 | 783,866 |
| EXELON CORP | 4.9% 6/15/15 | 825,000 | 776,587 |
| EXELON GENERATION CO LLC SR NT | 6.950% 06/15/2011 DD 12/15/01 | 335,000 | 349,549 |
| EX-IMP BK KOR | 5.125% 2/14/11 | 815,000 | 817,183 |
| FARMER MAC GTD NTS 07-1 144A | 5.125% 04/19/2017 DD 04/19/07 | 2,730,000 | 2,826,833 |
| FBG FIN LTD | 5.125% 6/15/15 144A | 360,000 | 350,032 |
| FED DEPT ST DEL | 6.625% 9/01/08 | 250,000 | 251,904 |
| FED REALTY TR | 6% 7/15/12 | 595,000 | 610,679 |
| FED REALTY TR | 5.4% 12/01/13 | 220,000 | 217,488 |
| FED REALTY TR | 6.2% 1/15/17 | 105,000 | 104,698 |
| FEDERAL HOME LN BKS | 4.720% 09/20/2012 DD 09/20/05 | 780,619 | 780,814 |
| FEDERAL HOME LN BKS CONS BD | 4.430% 04/07/2008 DD 04/07/05 | 2,800,000 | 2,798,740 |
| FEDERAL HOME LN MTG CORP DEBS | 4.500% 07/15/2013 DD 07/18/03 | 1,500,000 | 1,539,930 |
| FEDERAL HOME LN MTG CORP MTN | 5.500% 01/18/2008 DD 07/12/06 | 3,550,000 | 3,551,420 |
| FEDERAL HOME LN MTG CORP MTN | 4.000% 06/12/2013 DD 06/12/03 | 3,000,000 | 2,970,990 |
| FEDERAL HOME LN MTG CORP MTN | 4.250% 06/23/2008 DD 06/23/05 | 1,000,000 | 998,700 |
| FEDERAL HOME LN MTG DEB | 4.125% 07/12/2010 DD 06/21/05 | 2,736,000 | 2,771,158 |
| FEDERAL HOME LN MTG DEBS | 6.875% 09/15/2010 DD 09/22/00 | 914,000 | 989,590 |
| FEDERAL NATL MTG ASSN | 6.625% 11/15/2010 DD 11/03/00 | 4,000,000 | 4,336,560 |
| FEDERAL NATL MTG ASSN | 6.625% 11/15/2010 DD 11/03/00 | 2,000,000 | 2,168,280 |
| FEDERAL NATL MTG ASSN | 6.000% 05/15/2011 DD 05/25/01 | 1,000,000 | 1,063,800 |
| FEDERAL NATL MTG ASSN DEBS | 7.125% 06/15/2010 DD 06/09/00 | 3,400,000 | 3,686,178 |
| FEDERAL NATL MTG ASSN DEBS | 4.750% 03/12/2010 DD 03/08/07 | 2,550,000 | 2,612,201 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| FEDERAL NATL MTG ASSN DEBS | 5.750% 02/15/2008 DD 02/05/98 | 1,500,000 | 1,503,930 |
| FEDERAL NATL MTG ASSN DEBS | 7.250% 01/15/2010 DD 1/14/2000 | 1,200,000 | 1,283,736 |
| FEDERAL NATL MTG ASSN DEBS | 5.125% 01/02/2014 DD 11/06/03 | 1,000,000 | 1,029,920 |
| FEDERAL NATL MTG ASSN DEBS | 6.125% 03/15/2012 DD 03/26/02 | 500,000 | 543,775 |
| FEDERAL NATL MTG ASSN DEBS | 6.625% 09/15/2009 DD 09/01/99 | 400,000 | 420,052 |
| FHLB | 5.375% 8/19/11 | 1,135,000 | 1,197,588 |
| FHLG | 5.50% 1/38 | 4,000,000 | 3,992,051 |
| FHLG | 6.00% 8/26 #G00587 | 257,161 | 265,317 |
| FHLG | 6.00% 8/28 #C13910 | 249,974 | 254,963 |
| FHLM | ARM 6.54% 2/37 #1J1516 | 2,104,276 | 2,148,820 |
| FHLM | ARM 6.39% 5/37 #1N1477 | 1,316,371 | 1,338,470 |
| FHLM | 4.75% 1/18/11 | 1,065,000 | 1,099,162 |
| FHLM | ARM 6.74% 1/37 #1N0345 | 864,643 | 882,808 |
| FHLM | ARM 6.85% 10/36 #1J1345 | 841,937 | 858,317 |
| FHLM | ARM 6.64% 7/36 #1J1302 | 774,467 | 792,901 |
| FHLM | ARM 6.74% 10/36 #1A1096 | 633,767 | 647,429 |
| FHLM | ARM 6.52% 10/36 #1N0247 | 601,701 | 613,053 |
| FHLM | ARM 6.04% 7/37 #1J1803 | 602,238 | 610,240 |
| FHLM | ARM 5.57% 1/36 #1N0107 | 324,513 | 327,876 |
| FHLM | ARM 5.15% 4/35 #1N0006 | 262,200 | 263,981 |
| FHLM | ARM 5.034% 4/35 #1N0002 | 257,361 | 260,419 |
| FHLM | ARM 6.08% 4/36 #1G1886 | 183,465 | 186,550 |
| FHLM | 4.77% 10/34 #1B2053 | 179,687 | 179,989 |
| FHLM | ARM 4.232% 1/35 #782988 | 127,445 | 128,347 |
| FHLM | ARM 5.451% 11/35 #1G1790 | 125,641 | 126,960 |
| FHLM | ARM 5.87% 6/36 #1G1894 | 117,731 | 119,458 |
| FHLM | ARM 4.401% 2/35 #1G0103 | 118,220 | 117,678 |
| FHLM | ARM 6.04% 6/36 #1G2426 | 112,368 | 113,946 |
| FHLM | ARM 6.10% 6/36 #1G2425 | 106,390 | 108,394 |
| FHLM | ARM 4.55% 2/35 #1G0068 | 103,481 | 103,236 |
| FHLM | ARM 6.70% 8/36 #1N0188 | 99,890 | 102,116 |
| FHLM | ARM 4.37% 3/35 #1G0125 | 99,970 | 99,509 |
| FHLM | ARM 4.434% 2/35 #783032 | 97,357 | 97,707 |
| FHLM | ARM 5.21% 3/36 #1G1851 | 92,266 | 92,813 |
| FHLM | ARM 5.78% 10/35 #1N0063 | 89,631 | 90,788 |
| FHLM | 4.82% 9/34 #1B1946 | 86,642 | 86,892 |
| FHLM | ARM 4.444% 3/35 #1G0133 | 72,586 | 72,264 |
| FHLM | ARM 4.504% 3/35 #1G0145 | 59,642 | 59,422 |
| FHLM | ARM 4.314% 12/34 #1B2670 | 57,120 | 56,855 |
| FHLM | ARM 4.497% 6/35 #1B2907 | 52,053 | 52,378 |
| FHLM | ARM 4.441% 2/34 #781229 | 51,543 | 51,321 |
| FHLM | ARM 4.307% 3/35 #783067 | 46,281 | 46,418 |
| FHLM | ARM 4.889% 3/33 #847126 | 17,677 | 17,939 |
| FHLMC | 5.25% 7/18/11 | 7,027,000 | 7,384,492 |
| FHLMC | 4.75% 3/5/12 | 5,300,000 | 5,472,250 |
| FHLMC | 5.5% 8/23/17 | 4,230,000 | 4,538,676 |
| FHLMC | 5% 1/30/14-07 | 1,580,000 | 1,653,167 |
| FHLMC POOL #1B-1513 | 4.518% 02/01/2034 DD 02/01/04 | 1,694,206 | 1,680,788 |

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|---------------------|-------------------------------|-----------|-----------|
| FHLMC POOL #1B-1665 | VAR RT 04/01/2034 DD 04/01/04 | 402,445 | 398,151 |
| FHLMC POOL #1B-2892 | VAR RT 04/01/2035 DD 04/01/05 | 1,222,020 | 1,231,173 |
| FHLMC POOL #1B-3485 | VAR RT 07/01/2037 DD 07/01/07 | 795,337 | 802,773 |
| FHLMC POOL #1J-0282 | VAR RT 02/01/2037 DD 02/01/07 | 932,986 | 951,804 |
| FHLMC POOL #1Q-0105 | VAR RT 09/01/2036 DD 08/01/06 | 389,447 | 399,409 |
| FHLMC POOL #78-1087 | VAR RT 12/01/2033 DD 11/01/03 | 381,263 | 377,832 |
| FHLMC POOL #78-1385 | VAR RT 04/01/2034 DD 03/01/04 | 1,223,014 | 1,265,232 |
| FHLMC POOL #78-1605 | VAR RT 06/01/2034 DD 05/01/04 | 1,007,975 | 1,028,860 |
| FHLMC POOL #84-7415 | VAR RT 06/01/2035 DD 06/01/05 | 1,413,762 | 1,413,224 |
| FHLMC POOL #A2-1170 | 6.500% 04/01/2034 DD 04/01/04 | 491,018 | 505,827 |
| FHLMC POOL #A2-8796 | 6.500% 11/01/2034 DD 11/01/04 | 200,703 | 206,576 |
| FHLMC POOL #A4-0503 | 5.000% 12/01/2035 DD 12/01/05 | 439,204 | 429,028 |
| FHLMC POOL #A4-6973 | 5.000% 09/01/2035 DD 09/01/05 | 865,930 | 845,996 |
| FHLMC POOL #A4-6987 | 5.500% 07/01/2035 DD 09/01/05 | 389,256 | 389,416 |
| FHLMC POOL #A5-4679 | 6.500% 06/01/2036 DD 06/01/06 | 454,707 | 467,634 |
| FHLMC POOL #B1-2459 | 4.500% 10/01/2018 DD 02/01/04 | 272,875 | 269,101 |
| FHLMC POOL #B1-3051 | 4.500% 04/01/2019 DD 03/01/04 | 224,887 | 221,427 |
| FHLMC POOL #B1-4730 | 4.000% 05/01/2014 DD 05/01/04 | 1,022,830 | 1,004,685 |
| FHLMC POOL #B1-4961 | 4.500% 06/01/2019 DD 06/01/04 | 616,511 | 607,028 |
| FHLMC POOL #C0-2660 | 6.500% 11/01/2036 DD 11/01/06 | 825,710 | 849,036 |
| FHLMC POOL #C9-0781 | 3.500% 10/01/2023 DD 10/01/03 | 352,430 | 333,959 |
| FHLMC POOL #C9-0985 | 6.500% 08/01/2026 DD 08/01/06 | 416,148 | 427,962 |
| FHLMC POOL #D9-5395 | 6.500% 05/01/2022 DD 05/01/02 | 353,262 | 361,613 |
| FHLMC POOL #E0-1205 | 6.500% 08/01/2017 DD 08/01/02 | 2,097,805 | 2,168,627 |
| FHLMC POOL #E0-1254 | 6.500% 10/01/2017 DD 10/01/02 | 81,642 | 84,377 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| FHLMC POOL #E8-3211 | 6.500% 04/01/2016 DD 04/01/01 | 53,847 | 55,732 |
| FHLMC POOL #E9-0325 | 6.500% 06/01/2017 DD 06/01/02 | 194,554 | 200,444 |
| FHLMC POOL #E9-6973 | 4.000% 06/01/2018 DD 06/01/03 | 941,043 | 908,973 |
| FHLMC POOL #E9-9955 | 5.000% 10/01/2018 DD 10/01/03 | 261,350 | 262,712 |
| FHLMC POOL #G0-1864 | 5.000% 01/01/2034 DD 07/01/05 | 3,009,769 | 2,942,124 |
| FHLMC POOL #G1-1406 | 4.000% 06/01/2013 DD 06/01/03 | 339,883 | 334,914 |
| FHLMC POOL #G1-1565 | 4.500% 01/01/2019 DD 05/01/04 | 573,808 | 565,786 |
| FHLMC POOL #J0-2203 | 6.000% 04/01/2020 DD 06/01/05 | 555,252 | 564,730 |
| FHLMC POOL #J0-2204 | 6.500% 01/01/2020 DD 06/01/05 | 350,423 | 359,264 |
| FHLMC POOL #P6-0089 | 7.000% 12/01/2014 DD 01/01/03 | 61,017 | 64,192 |
| FHLMC POOL #P6-0090 | 7.000% 03/01/2016 DD 01/01/03 | 54,874 | 57,675 |
| FHLMC GROUP #C0-0710 | 5.500% 11/01/2028 DD 11/01/98 | 1,621,924 | 1,625,655 |
| FHLMC GROUP #E2-0252 | 7.000% 07/01/2011 DD 07/01/96 | 40,501 | 41,663 |
| FHLMC GROUP #E2-0257 | 7.000% 08/01/2011 DD 08/01/96 | 85,903 | 88,390 |
| FHLMC INT PMT | 5.750% 01/15/2012 DD 01/14/02 | 800,000 | 852,984 |
| FHLMC MULTI MTG 3068 AO PO | 0.000% 01/15/2035 DD 11/01/05 | 681,931 | 580,794 |
| FHLMC MULTICLASS MTG | 0.000% 09/15/2036 DD 09/15/06 | 469,346 | 369,047 |
| FHLMC MULTICLASS 04-21 CO PO | 0.000% 04/25/2034 DD 03/01/04 | 62,767 | 27,013 |
| FHLMC MULTICLASS CTF 2344 ZJ | 6.500% 08/15/2031 DD 08/01/01 | 45,541 | 47,634 |
| FHLMC MULTICLASS CTF 2362 PD | 6.500% 06/15/2020 DD 09/01/01 | 89,590 | 90,130 |
| FHLMC MULTICLASS CTFS 1617 PM | 6.500% 11/15/2023 DD 11/01/93 | 473,326 | 490,318 |
| FHLMC MULTICLASS CTFS 1671 I | 7.000% 02/15/2024 DD 02/01/94 | 1,000,000 | 1,065,960 |
| FHLMC MULTICLASS CTFS 2169 TB | 7.000% 06/15/2029 DD 06/01/99 | 300,000 | 313,677 |
| FHLMC MULTICLASS CTFS 2262 Z | 7.500% 10/15/2030 DD 10/01/00 | 211,962 | 223,935 |
| FHLMC MULTICLASS CTFS 2355 BP | 6.000% 09/15/2016 DD 09/01/01 | 291,682 | 300,823 |
| FHLMC MULTICLASS CTFS 2399 OH | 6.500% 01/15/2032 DD 01/01/02 | 452,899 | 462,292 |
| FHLMC MULTICLASS CTFS 2410 NG | 6.500% 02/15/2032 DD 02/01/02 | 803,664 | 820,316 |
| FHLMC MULTICLASS CTFS 2425 OB | 6.000% 03/15/2017 DD 03/01/02 | 333,793 | 341,036 |
| FHLMC MULTICLASS CTFS 2460 VZ | 6.000% 11/15/2029 DD 06/01/02 | 347,456 | 360,694 |
| FHLMC MULTICLASS CTFS 2474 NR | 6.500% 07/15/2032 DD 07/01/02 | 300,000 | 306,426 |
| FHLMC MULTICLASS CTFS 2484 LZ | 6.500% 07/15/2032 DD 07/01/02 | 426,203 | 444,474 |
| FHLMC MULTICLASS CTFS 2494 VA | 6.000% 03/15/2014 DD 04/01/03 | 161,753 | 164,330 |
| FHLMC MULTICLASS CTFS 2557 WJ | 5.000% 07/15/2014 DD 01/01/03 | 510,956 | 510,410 |
| FHLMC MULTICLASS CTFS 2565 MB | 6.000% 05/15/2030 DD 01/01/03 | 162,894 | 164,777 |
| FHLMC MULTICLASS CTFS 2619 HR | 3.500% 11/15/2031 DD 05/01/03 | 279,625 | 265,738 |
| FHLMC MULTICLASS CTFS 2628 WA | 4.000% 07/15/2028 DD 06/01/03 | 500,000 | 485,810 |
| FHLMC MULTICLASS CTFS 2686 GB | 5.000% 05/15/2020 DD 10/01/03 | 653,100 | 657,156 |
| FHLMC MULTICLASS CTFS 2695 DE | 4.000% 01/15/2017 DD 10/01/03 | 500,000 | 489,670 |
| FHLMC MULTICLASS CTFS 2769 PO | 0.000% 03/15/2034 DD 03/01/04 | 39,830 | 20,999 |
| FHLMC MULTICLASS CTFS 2780 JG | 4.500% 04/15/2019 DD 04/01/04 | 268,151 | 258,093 |
| FHLMC MULTICLASS CTFS 2841 YA | 5.500% 07/15/2027 DD 08/01/04 | 1,053,665 | 1,060,946 |
| FHLMC MULTICLASS CTFS 2931 GA | 5.000% 11/15/2028 DD 02/01/05 | 788,123 | 788,485 |
| FHLMC MULTICLASS CTFS 2989 PO | 0.000% 06/15/2023 DD 05/01/05 | 66,067 | 48,124 |
| FHLMC MULTICLASS CTFS 3047 OB | 5.500% 12/15/2033 DD 10/01/05 | 300,000 | 305,172 |
| FHLMC MULTICLASS CTFS 3110 TU | 5.500% 08/15/2013 DD 02/01/06 | 826,662 | 840,930 |
| FHLMC MULTICLASS CTFS 3138 PO | 0.000% 04/15/2036 DD 04/01/06 | 362,898 | 285,673 |
| FHLMC MULTICLASS CTFS T-54 3A | 7.000% 02/25/2043 DD 02/01/03 | 98,035 | 103,502 |
| FHLMC MULTICLASS CTS 2752 JB | 4.500% 02/15/2019 DD 02/01/04 | 1,000,000 | 956,470 |

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|----------------------|--------------------------------|-----------|-----------|
| FHLMC MULTICLASS MTG | 6.000% 01/15/2017 DD 01/01/02 | 1,094,586 | 1,133,662 |
| FHLMC MULTICLASS MTG | 5.000% 11/15/2022 DD 09/01/03 | 1,000,000 | 999,730 |
| FHLMC MULTICLASS MTG | 4.500% 05/15/2018 DD 05/01/03 | 1,000,000 | 952,540 |
| FHLMC MULTICLASS MTG | 4.500% 07/15/2018 DD 07/01/03 | 975,539 | 950,546 |
| FHLMC MULTICLASS MTG | 4.500% 06/15/2018 DD 06/01/03 | 800,000 | 789,352 |
| FHLMC MULTICLASS MTG | VAR RT 07/15/2036 DD 07/15/06 | 6,905,034 | 647,623 |
| FHLMC MULTICLASS MTG | 4.500% 05/15/2018 DD 05/01/06 | 560,000 | 532,454 |
| FHLMC MULTICLASS MTG | VAR RT 05/15/2036 DD 04/15/06 | 4,176,021 | 390,834 |
| FHLMC MULTICLASS MTG | 5.000% 02/15/2022 DD 09/01/02 | 369,875 | 370,777 |
| FHLMC MULTICLASS MTG | 6.500% 08/15/2028 DD 08/01/98 | 325,625 | 335,472 |
| FHLMC MULTICLASS MTG | 0.000% 02/15/2036 DD 02/01/06 | 424,817 | 327,326 |
| FHLMC MULTICLASS MTG | VAR RT 05/15/2030 DD 02/15/04 | 260,865 | 252,137 |
| FHLMC MULTICLASS MTG | VAR RT 10/15/2015 DD 09/15/03 | 209,506 | 198,538 |
| FHLMC MULTICLASS MTG | 0.000% 12/15/2032 DD 07/01/03 | 231,477 | 189,714 |
| FHLMC MULTICLASS MTG | VAR RT 05/15/2036 DD 04/15/06 | 1,877,896 | 171,846 |
| FHLMC MULTICLASS MTG | VAR RT 01/15/2019 DD 07/15/04 | 113,891 | 116,743 |
| FHLMC MULTICLASS MTG | 10.000% 11/15/2022 DD 06/01/98 | 98,075 | 108,515 |
| FHLMC MULTICLASS MTG | VAR RT 02/15/2032 DD 02/15/02 | 100,000 | 102,796 |
| FHLMC MULTICLASS MTG | VAR RT 08/15/2036 DD 07/15/06 | 771,783 | 83,430 |
| FHLMC MULTICLASS MTG | 6.500% 05/15/2008 DD 05/01/93 | 50,897 | 50,918 |
| FHLMC MULTICLASS MTG | VAR RT 03/15/2033 DD 05/15/03 | 641,792 | 45,490 |
| FHLMC MULTICLASS MTG | VAR RT 10/15/2021 DD 10/15/03 | 487,641 | 35,817 |
| FHLMC MULTICLASS MTG | VAR RT 06/15/2023 DD 06/15/03 | 433,966 | 29,974 |
| FHLMC MULTICLASS MTG | VAR RT 02/15/2025 DD 08/15/03 | 28,737 | 28,727 |
| FHLMC MULTICLASS MTG | VAR RT 10/15/2033 DD 10/15/03 | 36,888 | 27,070 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

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|---|--|-----------------------------|---------------|
| FHLMC MULTICLASS MTG | VAR RT 08/15/2008 DD 08/15/93 | 24,828 | 24,661 |
| FHLMC MULTICLASS MTG | VAR RT 02/15/2033 DD 04/15/03 | 394,892 | 22,051 |
| FHLMC MULTICLASS MTG | VAR RT 02/15/2033 DD 04/15/03 | 276,568 | 18,287 |
| FHLMC MULTICLASS MTG | 6.500% 03/15/2033 DD 03/01/03 | 79,009 | 17,548 |
| FHLMC MULTICLASS MTG 1837 Z | 6.500% 04/15/2026 DD 04/01/96 | 394,422 | 407,604 |
| FHLMC MULTICLASS MTG 2102 TC | 6.000% 12/15/2013 DD 12/01/98 | 747,022 | 768,275 |
| FHLMC MULTICLASS MTG 2505 KE | 6.000% 06/15/2031 DD 09/01/02 | 1,037,915 | 1,039,347 |
| FHLMC MULTICLASS MTG 2508 AQ | 5.500% 10/15/2017 DD 10/01/02 | 1,000,000 | 1,013,040 |
| FHLMC MULTICLASS MTG 2513 TG | 6.000% 02/15/2032 DD 10/01/02 | 318,119 | 321,374 |
| FHLMC MULTICLASS MTG 2513 YO | 0.000% 02/15/2032 DD 10/01/02 | 147,962 | 129,230 |
| FHLMC MULTICLASS MTG 2519 BT | 8.500% 09/15/2031 DD 11/01/02 | 22,175 | 24,003 |
| FHLMC MULTICLASS MTG 2527 TB | 6.000% 11/15/2032 DD 11/01/02 | 100,000 | 99,426 |
| FHLMC MULTICLASS MTG 2537 TE | 5.500% 12/15/2017 DD 12/01/02 | 1,000,000 | 1,008,890 |
| FHLMC MULTICLASS MTG 2591 QU | 3.750% 06/15/2017 DD 03/01/03 | 1,084,359 | 1,066,760 |
| FHLMC MULTICLASS MTG 2645 DA | 4.500% 07/15/2018 DD 07/01/03 | 868,935 | 835,768 |
| FHLMC MULTICLASS MTG 2650 QN | 4.500% 01/15/2033 DD 07/01/03 | 629,377 | 612,655 |
| FHLMC MULTICLASS MTG 2657 MD | 5.000% 12/15/2020 DD 08/01/03 | 1,000,000 | 1,000,510 |
| FHLMC MULTICLASS MTG 2684 PO | 0.000% 01/15/2033 DD 10/01/03 | 500,000 | 343,725 |
| FHLMC MULTICLASS MTG 2766 SW I | VAR RT 09/15/2029 DD 03/15/04 | 1,041,936 | 57,536 |
| FHLMC MULTICLASS MTG 3036 NS I | VAR RT 08/15/2035 DD 09/15/05 | 672,379 | 63,762 |
| FHLMC MULTICLASS MTG 3117 OK | 0.000% 02/15/2036 DD 02/01/06 | 165,730 | 121,142 |
| FHLMC MULTICLASS MTG 3134 PO | 0.000% 03/15/2036 DD 03/01/06 | 224,371 | 178,395 |
| FHLMC MULTICLASS MTG 3150 PO | 0.000% 05/15/2036 DD 05/01/06 | 274,196 | 215,672 |
| FHLMC MULTICLASS MTG 3158 LX | VAR RT 05/15/2036 DD 05/01/06 | 227,984 | 204,937 |
| FHLMC MULTICLASS MTG 3260 CS I | VAR RT 01/15/2037 DD 01/15/07 | 422,728 | 18,862 |
| FHLMC MULTICLASS MTG 3274 JO P | 0.000% 02/15/2037 DD 02/01/07 | 490,877 | 357,628 |
| FHLMC MULTICLASS MTG 3299 KA | 5.000% 12/15/2027 DD 04/01/07 | 6,536,721 | 6,597,512 |
| FHLMC MULTICLASS MTG 3331 PO P | 0.000% 06/15/2037 DD 06/15/07 | 358,162 | 271,666 |
| FHLMC MULTICLASS MTG GTD 3117 | VAR RT 02/15/2036 DD 02/15/06 | 2,207,644 | 205,995 |
| FHLMC MULTICLASS MTG P/C 1668D | 6.500% 02/15/2014 | 354,930 | 365,947 |
| FHLMC MULTICLASS MTG T-61 1A1 | VAR RT 07/25/2044 DD 06/01/04 | 2,421,426 | 2,479,540 |
| FHLMC MULTICLASS PO 3179 OA | 0.000% 07/15/2036 DD 07/01/06 | 200,000 | 161,792 |
| FHLMC MULTICLASS SER T-54 2A | 6.500% 02/25/2043 DD 02/01/03 | 213,180 | 218,443 |
| FHLT | 05-E 2A2 1ML+17 1/36 | 435,241 | 432,453 |
| FHLT | 04-A M1 1ML+55 1/34 | 281,414 | 259,015 |
| FHLT | 06-2 2A1 1ML+6 2/36 | 221,455 | 220,070 |
| FHLT | 05-A M2 1ML+46 1/35 | 150,000 | 136,757 |
| FHLT | 05-A M1 1ML+43 1/35 | 100,000 | 85,890 |
| FHLT | 05-A M3 1ML+49 1/35 | 75,000 | 69,028 |
| FHLT | 05-A M4 1ML+68 1/35 | 75,000 | 62,831 |
| FHR | 2760 EB 4.5 9/2016 | 2,500,000 | 2,499,822 |
| FHR | 3200 AD 5.5% 5/29 | 2,250,786 | 2,275,704 |
| FHR | 3294 NA 5.5% 7/27 | 1,596,179 | 1,622,095 |
| FHR | 2965 GC 4.5 11/18 | 1,545,000 | 1,545,315 |
| FHR | 2866 XE 4 12/18 | 1,365,000 | 1,335,926 |
| FHR | 2892 QR 4 11/23 | 1,225,000 | 1,220,215 |
| FHR | 3242 QA 0 3/30 | 1,148,244 | 1,167,336 |
| FHR | 2770 UD 4.5% 5/17 | 1,135,000 | 1,131,302 |

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|----------------------------|-------------------------------|---------|---------|
| FHR | 2553 FB 1ML+50 3/29 | 919,340 | 921,930 |
| FHR | 3013 VJ 5 1/14 | 870,156 | 877,372 |
| FHR | 2626 NA 5 6/23 | 803,218 | 806,454 |
| FHR | 2952 EC 5.5% 11/28 | 755,000 | 767,146 |
| FHR | 2777 AB 4.5 6/29 | 760,194 | 753,851 |
| FHR | 3049 DB 5.5 6/31 | 675,000 | 687,060 |
| FHR | 2643 LC 4.5% 7/18 | 700,000 | 684,794 |
| FHR | 2577 FW 1ML+50 1/30 | 628,354 | 629,871 |
| FHR | 2543 QT 5.5 4/22 | 585,000 | 593,164 |
| FHR | 3018 UD 5.5 9/30 | 470,000 | 478,368 |
| FHR | 2810 PD 6 6/33 | 465,000 | 477,225 |
| FHR | 2104 PG 6% 12/28 | 351,047 | 360,082 |
| FHR | 2363 PF 6% 9/16 | 308,969 | 316,619 |
| FHR | 3033 UD 5.5% 10/30 | 290,000 | 295,182 |
| FHR | 2356 GD 6% 9/16 | 224,369 | 230,024 |
| FHR | 2809 UA 4 12/14 | 153,234 | 152,262 |
| FHR | 2861 GF 1ML+30 1/21 | 143,659 | 143,887 |
| FHR | 2399 PG 6% 1/17 | 138,928 | 141,975 |
| FHR | 2516 AH 5% 1/16 | 116,111 | 116,081 |
| FHR | 2640 QG 2% 4/22 | 25,652 | 25,465 |
| FHR | 2625 QX 2.25% 3/22 | 12,566 | 12,501 |
| FIFTH THIRD BANCORP SUB NT | 5.450% 01/15/2017 DD 12/20/06 | 300,000 | 286,734 |
| FIRST DATA CORP BANK LOAN | VAR RT 09/24/2014 DD 09/24/07 | 625,000 | 592,356 |
| FIRST DATA CORP SR NT 144A | 9.875% 09/24/2015 DD 10/24/07 | 325,000 | 302,250 |
| FIRST HORIZON 2004-AA4 A-1 | VAR RT 10/25/2034 DD 09/01/04 | 361,996 | 361,453 |

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|---|--|-----------------------------|---------------|
| FIRST HORIZON MTG 04-AR7 2A1 | VAR RT 02/25/2035 DD 12/01/04 | 300,181 | 297,611 |
| FIRST HORIZON MTG P/T 05-AR1 | VAR RT 04/25/2035 DD 02/01/05 | 293,547 | 291,568 |
| FIRST HORIZON P/T 06-FA4 1A1 | 6.000% 08/25/2036 DD 06/01/06 | 136,691 | 135,906 |
| FIRST UN NATL BK 99-C2 CL A2 | 6.645% 06/15/2031 DD 05/01/99 | 196,022 | 198,812 |
| FIRSTENERGY 6.45% 11/15/11 | 6.45% 11/15/11 | 2,095,000 | 2,163,331 |
| FLEETBOSTON FINL CORP SR NT | 3.850% 02/15/2008 DD 02/13/03 | 385,000 | 384,338 |
| FMIC 06-2 2A1 1ML+9 7/36 | 06-2 2A1 1ML+9 7/36 | 996,856 | 974,834 |
| FNGT 02-T6 A1 3.31 2/32 | 02-T6 A1 3.31 2/32 | 393,912 | 374,063 |
| FNMA | 4.375% 10/15/15 | 10,600,000 | 10,686,125 |
| FNMA | 5% 2/16/12 | 7,000,000 | 7,295,313 |
| FNMA | 5.000% 02/01/2036 DD 01/01/06 | 7,079,933 | 6,925,307 |
| FNMA | 5.50% 11/32 #254548 | 4,317,699 | 4,321,431 |
| FNMA | 6.50% 9/36 #831799 | 4,165,000 | 4,283,534 |
| FNMA | 5.50% 6/36 #888877 | 4,100,000 | 3,952,656 |
| FNMA | 5.00% 5/36 #745515 | 3,865,044 | 3,773,389 |
| FNMA | 4.500% 12/01/2018 DD 11/01/07 | 3,506,435 | 3,457,321 |
| FNMA | 6.000% 10/01/2026 DD 09/01/06 | 3,346,799 | 3,405,000 |
| FNMA | 5.50% 9/36 #888635 | 3,090,398 | 3,093,069 |
| FNMA | ARM 4.63% 2/35 #810417 | 3,070,354 | 3,078,712 |
| FNMA | 5.68 2/23/17 | 2,775,000 | 2,822,675 |
| FNMA | 5.50% 5/33 #888876 | 2,800,000 | 2,699,375 |
| FNMA | 4.500% 04/01/2019 DD 03/01/04 | 2,222,420 | 2,196,995 |
| FNMA | 5.500% 02/01/2037 DD 02/01/07 | 1,983,569 | 1,982,022 |
| FNMA | 4.000% 12/01/2018 DD 04/01/05 | 1,953,137 | 1,883,098 |
| FNMA | 5.500% 06/01/2036 DD 06/01/06 | 1,807,290 | 1,806,585 |
| FNMA | 5.000% 11/01/2035 DD 12/01/06 | 1,836,802 | 1,800,856 |
| FNMA | ARM 4.41% 12/33 #888158 | 1,775,919 | 1,774,250 |
| FNMA | 7.000% 04/01/2037 DD 04/01/07 | 1,562,347 | 1,627,075 |
| FNMA | VAR RT 10/01/2035 DD 06/01/07 | 1,603,023 | 1,620,484 |
| FNMA | 5.50% 1/37 #906274 | 1,555,017 | 1,553,446 |
| FNMA | ARM 5.81% 7/46 #887094 | 1,514,850 | 1,544,543 |
| FNMA | 4.000% 07/01/2019 DD 07/01/04 | 1,586,791 | 1,530,886 |
| FNMA | ARM 5.72% 8/36 #884762 | 1,429,897 | 1,456,674 |
| FNMA | ARM 4.02% 4/34 #766924 | 1,459,666 | 1,455,764 |
| FNMA | 5.000% 07/01/2033 DD 07/01/03 | 1,459,002 | 1,430,887 |
| FNMA | 6.500% 06/01/2022 DD 05/01/02 | 1,369,431 | 1,413,184 |
| FNMA | 5.000% 01/01/2018 DD 01/01/03 | 1,358,171 | 1,367,067 |
| FNMA | 4.500% 08/01/2018 DD 08/01/03 | 1,245,057 | 1,232,445 |
| FNMA | VAR RT 11/01/2034 DD 09/01/05 | 1,146,782 | 1,176,599 |
| FNMA | 4.500% 08/01/2028 DD 09/01/03 | 1,184,468 | 1,128,916 |
| FNMA | ARM 4.61% 7/34 #735737 | 1,108,055 | 1,115,881 |
| FNMA | 6.500% 11/01/2022 DD 12/01/04 | 1,067,114 | 1,102,905 |
| FNMA | 6.50% 7/32 #545891 | 1,059,732 | 1,095,853 |
| FNMA | ARM 4.78% 5/35 #888548 | 1,076,128 | 1,086,154 |
| FNMA | 5.500% 09/01/2036 DD 03/01/07 | 1,079,952 | 1,081,065 |
| FNMA | 15YR 5.50% 1/18 #684247 | 1,010,684 | 1,028,841 |
| FNMA | ARM 3.854% 10/33 #879906 | 983,200 | 990,013 |
| FNMA | 5.500% 04/01/2037 DD 03/01/07 | 989,029 | 988,287 |

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|------|--------|-------------------------|----|----------|---------|---------|
| FNMA | 5.500% | 02/01/2037 | DD | 02/01/07 | 987,221 | 986,422 |
| FNMA | 5.500% | 01/01/2037 | DD | 01/01/07 | 975,059 | 974,328 |
| FNMA | 6.000% | 12/01/2036 | DD | 12/01/06 | 935,605 | 950,790 |
| FNMA | 5.000% | 12/01/2034 | DD | 07/01/07 | 967,053 | 948,418 |
| FNMA | | VAR RT 04/01/2035 | DD | 04/01/05 | 948,967 | 944,830 |
| FNMA | 6.000% | 01/01/2037 | DD | 01/01/07 | 926,352 | 941,322 |
| FNMA | 6.000% | 02/01/2036 | DD | 02/01/06 | 922,621 | 938,085 |
| FNMA | 6.000% | 05/01/2036 | DD | 05/01/06 | 882,880 | 897,536 |
| FNMA | 6.000% | 01/01/2037 | DD | 01/01/07 | 881,772 | 896,022 |
| FNMA | 6.000% | 10/01/2036 | DD | 10/01/06 | 867,980 | 882,163 |
| FNMA | 6.000% | 02/01/2036 | DD | 02/01/06 | 865,067 | 879,523 |
| FNMA | 6.000% | 02/01/2036 | DD | 02/01/06 | 864,714 | 879,207 |
| FNMA | 5.500% | 06/01/2036 | DD | 06/01/06 | 872,518 | 872,178 |
| FNMA | | VAR RT 02/01/2036 | DD | 12/01/06 | 852,520 | 861,702 |
| FNMA | 5.500% | 11/01/2036 | DD | 10/01/06 | 860,272 | 859,989 |
| FNMA | 5.000% | 07/01/2033 | DD | 07/01/03 | 864,665 | 848,003 |
| FNMA | 6.000% | 03/01/2036 | DD | 03/01/06 | 813,421 | 826,965 |
| FNMA | 4.971% | 07/01/2033 | DD | 07/01/03 | 739,343 | 739,572 |
| FNMA | 6.000% | 04/01/2024 | DD | 02/01/06 | 707,982 | 721,604 |
| FNMA | 4.902% | 08/01/2035 | DD | 08/01/05 | 723,203 | 720,889 |
| FNMA | | ARM 5.50% 2/36 #880373 | | | 707,376 | 716,947 |
| FNMA | 5.000% | 11/01/2018 | DD | 10/01/03 | 713,616 | 716,847 |
| FNMA | | ARM 5.238% 4/36 #745670 | | | 692,445 | 699,852 |
| FNMA | 4.500% | 08/01/2033 | DD | 08/01/03 | 731,984 | 693,635 |
| FNMA | | VAR RT 06/01/2035 | DD | 07/01/06 | 683,824 | 680,323 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | | /Principal | |
| FNMA | 4.500% 03/01/2019 DD 03/01/04 | 686,905 | 678,903 |
| FNMA | 4.000% 06/01/2019 DD 06/01/04 | 674,338 | 649,360 |
| FNMA | 5.118% 11/01/2033 DD 10/01/03 | 644,893 | 649,156 |
| FNMA | 5.245% 08/01/2034 DD 09/01/04 | 642,089 | 648,427 |
| FNMA | 6.50% 3/35 #735723 | 607,012 | 627,702 |
| FNMA | 15YR 4.00% 3/19 #773886 | 645,766 | 622,677 |
| FNMA | ARM 6.64% 9/36 #898176 | 597,481 | 613,719 |
| FNMA | VAR RT 05/01/2035 DD 05/01/05 | 592,516 | 596,806 |
| FNMA | 4.500% 11/01/2014 DD 11/01/04 | 598,385 | 596,248 |
| FNMA | 4.580% 08/01/2035 DD 08/01/05 | 601,778 | 596,103 |
| FNMA | 6.50% 7/32 #545759 | 572,453 | 591,965 |
| FNMA | 4.000% 09/01/2018 DD 08/01/03 | 608,517 | 586,696 |
| FNMA | 5.500% 04/01/2033 DD 03/01/03 | 580,858 | 581,887 |
| FNMA | ARM 4.526% 2/35 #745226 | 576,440 | 576,824 |
| FNMA | ARM 4.68% 5/35 #824488 | 559,848 | 565,306 |
| FNMA | 5.000% 05/01/2033 DD 05/01/03 | 570,319 | 559,448 |
| FNMA | ARM 5.10% 5/35 #827782 | 549,312 | 556,795 |
| FNMA | 4.625% 5/01/13 SUBS | 535,000 | 543,090 |
| FNMA | 5.000% 06/01/2018 DD 06/01/03 | 534,864 | 537,286 |
| FNMA | 4.500% 08/01/2018 DD 08/01/03 | 544,001 | 536,382 |
| FNMA | 4.500% 07/01/2018 DD 07/01/03 | 526,282 | 521,182 |
| FNMA | ARM 5.31% 2/36 #822116 | 507,514 | 514,223 |
| FNMA | VAR RT 01/01/2035 DD 12/01/04 | 503,892 | 504,058 |
| FNMA | 5.000% 07/01/2033 DD 06/01/03 | 511,563 | 501,705 |
| FNMA | ARM 5.84% 3/36 #865958 | 484,456 | 493,636 |
| FNMA | 4.500% 06/01/2018 DD 06/01/03 | 498,184 | 493,357 |
| FNMA | 4.109% 09/01/2033 DD 09/01/03 | 496,353 | 492,109 |
| FNMA | 5.000% 03/01/2018 DD 03/01/03 | 469,688 | 471,816 |
| FNMA | ARM 5.221% 5/35 #827786 | 463,416 | 468,578 |
| FNMA | 5.25% 8/01/12 SUBS | 450,000 | 467,770 |
| FNMA | ARM 3.83% 10/33 #879911 | 459,556 | 458,816 |
| FNMA | 6.000% 02/01/2036 DD 01/01/06 | 449,403 | 456,913 |
| FNMA | ARM 4.87% 10/34 #803596 | 453,929 | 456,405 |
| FNMA | 15YR 5.50% 4/18 #254686 | 448,583 | 456,081 |
| FNMA | 5.500% 04/01/2036 DD 04/01/06 | 456,227 | 456,077 |
| FNMA | 15YR 6.00% 4/16 #725336 | 444,826 | 455,352 |
| FNMA | ARM 4.587% 2/35 #735355 | 444,503 | 445,126 |
| FNMA | 5.500% 06/01/2036 DD 05/01/06 | 443,564 | 443,440 |
| FNMA | ARM 3.841% 4/22 #556945 | 423,518 | 428,465 |
| FNMA | 4.000% 06/01/2018 DD 05/01/03 | 442,932 | 427,221 |
| FNMA | ARM 5.177% 5/35 #827784 | 419,635 | 423,769 |
| FNMA | 15YR 5.00% 2/18 #703710 | 413,810 | 416,779 |
| FNMA | 4.000% 09/01/2013 DD 01/01/04 | 422,625 | 415,673 |
| FNMA | 5.500% 02/01/2037 DD 01/01/07 | 414,148 | 413,825 |
| FNMA | 5.844% 12/01/2036 DD 12/01/06 | 404,550 | 413,208 |
| FNMA | 6.00% 5/36 #891172 | 403,273 | 409,682 |
| FNMA | VAR RT 04/01/2035 DD 08/01/06 | 399,962 | 400,282 |
| FNMA | 7.000% 12/01/2036 DD 12/01/06 | 380,030 | 399,636 |

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| | | | |
|------|-------------------------------|---------|---------|
| FNMA | ARM 4.96% 8/34 #796987 | 395,167 | 397,666 |
| FNMA | VAR RT 05/01/2035 DD 05/01/05 | 388,951 | 390,433 |
| FNMA | 5.00% 3/37 #914071 | 391,698 | 382,226 |
| FNMA | VAR RT 11/01/2033 DD 11/01/03 | 375,034 | 379,231 |
| FNMA | 5.000% 06/01/2018 DD 06/01/03 | 375,572 | 377,751 |
| FNMA | 15YR 6.50% 6/14 #323794 | 336,180 | 346,884 |
| FNMA | 6.500% 05/01/2022 DD 04/01/02 | 333,440 | 344,110 |
| FNMA | 6.50% 12/31 #545333 | 332,737 | 344,078 |
| FNMA | ARM 6.18% 4/36 #891328 | 331,644 | 338,380 |
| FNMA | ARM 5.541% 11/36 #745972 | 322,152 | 325,796 |
| FNMA | 15YR 5.00% 6/18 #721630 | 321,580 | 323,183 |
| FNMA | 4.500% 12/01/2019 DD 02/01/05 | 322,194 | 318,369 |
| FNMA | ARM 3.592% 4/16 #556948 | 317,830 | 318,250 |
| FNMA | 6.50% 1/33 #555254 | 306,800 | 317,257 |
| FNMA | VAR RT 11/01/2033 DD 10/01/03 | 309,018 | 313,551 |
| FNMA | 4.000% 07/01/2018 DD 07/01/03 | 321,338 | 311,220 |
| FNMA | ARM 5.08% 9/34 #790765 | 304,128 | 306,098 |
| FNMA | 7.000% 07/01/2017 DD 09/01/02 | 294,005 | 305,991 |
| FNMA | VAR RT 05/01/2035 DD 04/01/05 | 294,388 | 294,477 |
| FNMA | ARM 5.15% 1/36 #846594 | 284,255 | 286,527 |
| FNMA | 5.00% 5/37 #919381 | 291,422 | 284,374 |
| FNMA | 3.500% 04/01/2019 DD 04/01/04 | 300,968 | 283,316 |
| FNMA | 7.000% 05/01/2017 DD 05/01/02 | 271,123 | 282,234 |
| FNMA | ARM 4.725% 3/35 #820598 | 267,892 | 271,956 |
| FNMA | 15YR 5.50% 9/14 #545728 | 263,591 | 268,290 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | |
| FNMA | ARM 5.59% 9/36 #893081 | 258,473 | 261,634 |
| FNMA | 5.000% 11/01/2018 DD 10/01/03 | 252,159 | 253,472 |
| FNMA | ARM 5.30% 12/35 #850837 | 248,387 | 251,445 |
| FNMA | 15YR 5.50% 3/20 #735521 | 234,055 | 237,748 |
| FNMA | 4.000% 07/01/2018 DD 07/01/03 | 235,454 | 227,072 |
| FNMA | ARM 5.8170% 5/35 #827781 | 216,793 | 219,734 |
| FNMA | 15YR 5.50% 4/17 #633279 | 212,243 | 216,056 |
| FNMA | ARM 5.63% 1/36 #880368 | 210,845 | 214,105 |
| FNMA | 6.000% 05/01/2033 DD 05/01/03 | 209,573 | 213,766 |
| FNMA | ARM 5.73% 9/35 #843020 | 206,394 | 209,553 |
| FNMA | 15YR 5.50% 3/17 #629035 | 204,357 | 208,822 |
| FNMA | ARM 3.791% 6/34 #783545 | 209,224 | 208,219 |
| FNMA | 6.000% 03/01/2018 DD 03/01/03 | 197,641 | 202,669 |
| FNMA | ARM 4.573% 2/35 #816591 | 197,369 | 200,498 |
| FNMA | ARM 3.75% 9/33 #751927 | 178,131 | 178,850 |
| FNMA | ARM 4.81% 6/35 #828449 | 177,149 | 178,785 |
| FNMA | 15YR 5.50% 2/18 #555249 | 173,019 | 176,127 |
| FNMA | 8.000% 09/01/2015 DD 08/01/00 | 166,902 | 173,850 |
| FNMA | 6.50% 9/32 #646562 | 166,017 | 171,676 |
| FNMA | ARM 5.26% 11/36 #901494 | 167,755 | 169,555 |
| FNMA | ARM 5.203% 6/35 #830605 | 161,754 | 163,914 |
| FNMA | 15YR 6.50% 5/13 #420033 | 158,512 | 163,448 |
| FNMA | 15YR 5.50% 9/19 #725796 | 159,328 | 161,842 |
| FNMA | ARM 5.92% 1/1 #745376 | 157,463 | 160,232 |
| FNMA | ARM 4.499% 3/35 #783587 | 154,659 | 154,750 |
| FNMA | 5.500% 09/01/2017 DD 09/01/02 | 151,733 | 151,097 |
| FNMA | ARM 4.694% 11/34 #813184 | 149,630 | 150,149 |
| FNMA | ARM 5.65% 7/37 #942609 | 144,061 | 146,340 |
| FNMA | ARM 4.53% 3/35 #735448 | 144,362 | 144,452 |
| FNMA | ARM 4.085% 10/29 #556946 | 141,152 | 143,286 |
| FNMA | 15YR 6.50% 6/15 #555720 | 139,091 | 143,219 |
| FNMA | ARM 4.74% 10/34 #794794 | 141,312 | 141,684 |
| FNMA | 5.500% 05/01/2013 DD 05/01/03 | 138,554 | 140,288 |
| FNMA | ARM 4.555% 7/35 #832099 | 138,991 | 139,957 |
| FNMA | ARM 4.584% 7/35 #815646 | 137,869 | 138,425 |
| FNMA | 6.50% 4/32 #254311 | 133,843 | 138,405 |
| FNMA | 7.000% 09/01/2031 DD 08/01/01 | 129,680 | 135,681 |
| FNMA | ARM 4.57% 9/34 #794611 | 133,358 | 133,663 |
| FNMA | ARM 5.180% 5/35 #827785 | 129,064 | 130,325 |
| FNMA | 15YR 5.50% 10/19 #795064 | 127,450 | 129,342 |
| FNMA | 7.000% 03/01/2017 DD 03/01/02 | 123,347 | 128,414 |
| FNMA | ARM 5.81% 2/36 #865519 | 125,280 | 127,605 |
| FNMA | 5.500% 04/01/2034 DD 03/01/04 | 126,953 | 127,071 |
| FNMA | ARM 4.85% 11/34 #799812 | 123,462 | 123,914 |
| FNMA | ARM 4.67% 11/34 #799727 | 121,137 | 121,203 |
| FNMA | ARM 4.748% 7/34 #793028 | 120,396 | 120,890 |
| FNMA | 15YR 5.50% 9/19 #725793 | 118,188 | 120,163 |
| FNMA | ARM 4.625% 2/35 #809931 | 117,845 | 118,048 |

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|------|-------------------------------|---------|---------|
| FNMA | ARM 4.493% 8/34 #735360 | 117,231 | 117,347 |
| FNMA | 5.500% 03/01/2017 DD 03/01/02 | 116,855 | 116,365 |
| FNMA | ARM 3.828% 4/33 #688969 | 113,951 | 114,467 |
| FNMA | ARM 4.409% 5/35 #829985 | 111,271 | 111,684 |
| FNMA | 4.000% 09/01/2018 DD 10/01/03 | 114,803 | 110,671 |
| FNMA | ARM 4.255% 1/34 #736515 | 109,646 | 109,847 |
| FNMA | 15YR 5.00% 1/18 #254590 | 106,413 | 107,176 |
| FNMA | 6.500% 03/01/2017 DD 03/01/02 | 99,840 | 103,288 |
| FNMA | ARM 6.12% 4/36 #891326 | 101,130 | 103,251 |
| FNMA | 5.500% 03/01/2034 DD 03/01/04 | 102,880 | 102,975 |
| FNMA | ARM 4.893% 10/35 #847787 | 101,801 | 102,527 |
| FNMA | 6.000% 03/01/2033 DD 03/01/03 | 99,748 | 101,754 |
| FNMA | 5.500% 05/01/2013 DD 04/01/03 | 98,842 | 100,064 |
| FNMA | 6.500% 03/01/2029 DD 02/01/99 | 95,023 | 98,418 |
| FNMA | ARM 4.202% 1/35 #797418 | 97,350 | 96,953 |
| FNMA | ARM 6.31% 4/36 #868955 | 93,973 | 96,105 |
| FNMA | ARM 4.825% 12/34 #800297 | 91,145 | 91,412 |
| FNMA | 5.50% 12/17 #676658 | 89,750 | 91,362 |
| FNMA | 6.000% 11/01/2017 DD 11/01/02 | 85,479 | 87,633 |
| FNMA | 15YR 5.50% 12/16 #616425 | 85,345 | 87,188 |
| FNMA | ARM 4.368% 2/34 #769940 | 85,769 | 85,975 |
| FNMA | 7.000% 05/01/2017 DD 04/01/02 | 76,563 | 79,709 |
| FNMA | 6.000% 09/01/2033 DD 03/01/04 | 76,513 | 77,736 |
| FNMA | 15YR 5.50% 1/18 #680143 | 76,159 | 77,432 |
| FNMA | 6.000% 06/01/2016 DD 06/01/01 | 73,425 | 75,355 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | |
| FNMA | ARM 4.305% 8/33 #555696 | 73,768 | 74,020 |
| FNMA | ARM 4.455% 3/35 #773281 | 72,071 | 72,022 |
| FNMA | 15YR 4.00% 8/18 #728852 | 73,921 | 71,347 |
| FNMA | 8.500% 11/01/2012 DD 11/01/03 | 68,910 | 71,345 |
| FNMA | 5.500% 03/01/2034 DD 03/01/04 | 66,923 | 66,985 |
| FNMA | ARM 4.4% 2/35 #783588 | 66,001 | 65,924 |
| FNMA | ARM 5.409% 2/36 #865319 | 64,582 | 65,160 |
| FNMA | ARM 4.118% 1/35 #807221 | 63,046 | 63,900 |
| FNMA | 6.50% 3/32 #636870 | 58,695 | 60,696 |
| FNMA | ARM 4.801% 2/33 #695019 | 59,600 | 60,510 |
| FNMA | ARM 5.349% 12/34 #843013 | 59,375 | 59,961 |
| FNMA | ARM 6.25% 6/36 #886983 | 53,097 | 53,896 |
| FNMA | ARM 5.229% 8/33 #735030 | 52,900 | 53,307 |
| FNMA | 5.00% 8/37 #256877 | 54,210 | 52,899 |
| FNMA | ARM 4.351 1/35 #783580 | 52,155 | 52,132 |
| FNMA | 6.000% 03/01/2033 DD 03/01/03 | 50,949 | 51,974 |
| FNMA | ARM 4.5% 5/35 #820996 | 49,682 | 50,200 |
| FNMA | ARM 4.302% 1/35 #827592 | 49,356 | 49,294 |
| FNMA | 5.00% 1/37 #909428 | 49,697 | 48,495 |
| FNMA | ARM 4.25% 2/35 #255658 | 46,633 | 46,492 |
| FNMA | 6.50% 11/32 #671506 | 44,592 | 46,140 |
| FNMA | 6.50% 10/21 #254044 | 41,382 | 43,403 |
| FNMA | 6.50% 8/32 #545819 | 40,008 | 41,371 |
| FNMA | ARM 4.319% 5/35 #735538 | 39,913 | 40,438 |
| FNMA | ARM 3.750% 1/34 #761058 | 40,278 | 40,318 |
| FNMA | ARM 4.293% 3/35 #815586 | 39,291 | 39,526 |
| FNMA | ARM 3.752% 10/33 #755148 | 38,970 | 39,166 |
| FNMA | 5.500% 12/01/2036 DD 12/01/06 | 37,802 | 37,774 |
| FNMA | ARM 4.292% 3/33 #701296 | 36,943 | 37,385 |
| FNMA | ARM 4.57% 2/35 #811803 | 36,905 | 37,376 |
| FNMA | ARM 3.753% 10/33 #746320 | 35,809 | 35,821 |
| FNMA | ARM 5.106% 9/34 #790762 | 35,112 | 35,367 |
| FNMA | 6.50% 4/31 #535889 | 31,828 | 32,933 |
| FNMA | ARM 4.845% 12/34 #800335 | 32,743 | 32,829 |
| FNMA | 8.000% 06/01/2027 DD 04/01/03 | 30,687 | 32,404 |
| FNMA | ARM 4.832% 8/34 #725858 | 29,568 | 29,618 |
| FNMA | ARM 4.055% 10/18 #749296 | 24,795 | 24,852 |
| FNMA | ARM 5.280% 3/35 #843014 | 22,589 | 22,790 |
| FNMA | ARM 4.372% 4/35 #820407 | 21,412 | 21,661 |
| FNMA | ARM 5.344% 7/35 #834917 | 20,693 | 20,954 |
| FNMA | 6.50% 10/32 #662208 | 19,755 | 20,428 |
| FNMA | ARM 4.318% 3/33 #694530 | 20,410 | 20,345 |
| FNMA | ARM 5.05% 7/34 #801635 | 19,814 | 19,931 |
| FNMA | ARM 4.115% 2/35 #735343 | 19,551 | 19,795 |
| FNMA | ARM 4.639% 2/35 #816599 | 19,261 | 19,560 |
| FNMA | ARM 4.351% 6/33 #720921 | 18,184 | 18,392 |
| FNMA | ARM 4.358% 10/33 #754672 | 17,097 | 17,207 |
| FNMA | 20YR 6.50% 12/21 #545419 | 13,510 | 14,169 |

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|--------------------------------|-------------------------------|-----------|-----------|
| FNMA | ARM 4.653% 3/35 #816322 | 10,533 | 10,701 |
| FNMA | 6.50% 1/29 #323621 | 9,902 | 10,258 |
| FNMA | 6.50% 11/31 #607400 | 9,426 | 9,748 |
| FNMA | 6.00% 4/08 #251725 | 8,668 | 8,644 |
| FNMA | ARM 3.984% 5/33 #703915 | 8,424 | 8,505 |
| FNMA | 6.50% 4/32 #642821 | 6,586 | 6,811 |
| FNMA | ARM 4.079% 4/33 #708221 | 6,707 | 6,772 |
| FNMA | 6.50% 8/32 #645174 | 6,468 | 6,688 |
| FNMA | 6.50% 5/31 #580862 | 6,213 | 6,425 |
| FNMA | 6.50% 12/31 #610362 | 5,277 | 5,456 |
| FNMA | 6.00% 7/08 #426525 | 4,329 | 4,322 |
| FNMA GTD REM P/T 06-115 OK PO | 0.000% 12/25/2036 DD 11/25/06 | 955,397 | 700,201 |
| FNMA GTD REMIC CTF 329 1 PO | 0.000% 12/01/2032 DD 12/01/02 | 49,175 | 37,265 |
| FNMA GTD REMIC CTF93-217H PO | 0.000% 08/25/2023 DD 10/01/93 | 53,769 | 46,074 |
| FNMA GTD REMIC P/T | 4.000% 10/25/2019 DD 09/01/04 | 2,000,000 | 1,896,780 |
| FNMA GTD REMIC P/T | 7.000% 12/25/2023 DD 12/01/93 | 1,042,255 | 1,074,117 |
| FNMA GTD REMIC P/T | 6.000% 03/25/2017 DD 02/01/02 | 1,000,000 | 1,019,710 |
| FNMA GTD REMIC P/T | 6.000% 12/25/2016 DD 11/01/01 | 660,319 | 681,700 |
| FNMA GTD REMIC P/T | VAR RT 07/25/2034 DD 06/25/04 | 287,735 | 284,101 |
| FNMA GTD REMIC P/T | 5.500% 06/25/2022 DD 12/01/02 | 17,720 | 2,479 |
| FNMA GTD REMIC P/T 01-44 PD | 7.000% 09/25/2031 DD 08/01/01 | 79,850 | 83,533 |
| FNMA GTD REMIC P/T 01-7 PF | 7.000% 03/25/2031 DD 02/01/01 | 37,255 | 38,766 |
| FNMA GTD REMIC P/T 01-81 SL IO | VAR RT 01/18/2032 DD 12/18/01 | 499,053 | 49,641 |
| FNMA GTD REMIC P/T 02-58 HC | 5.500% 09/25/2017 DD 08/01/02 | 662,055 | 669,019 |
| FNMA GTD REMIC P/T 02-63 KC | 5.000% 10/25/2017 DD 09/01/02 | 987,671 | 985,350 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | Current Value |
| FNMA GTD REMIC P/T 02-80 A1 | 6.500% 11/25/2042 DD 10/01/02 | 3,096,325 | 3,242,286 |
| FNMA GTD REMIC P/T 02-81 SJ IO | VAR RT 04/25/2032 DD 11/25/02 | 2,771,941 | 173,052 |
| FNMA GTD REMIC P/T 02-94 BK | 5.500% 01/25/2018 DD 12/01/02 | 1,611,454 | 1,624,265 |
| FNMA GTD REMIC P/T 03-106 US | VAR RT 11/25/2023 DD 10/01/03 | 50,000 | 34,852 |
| FNMA GTD REMIC P/T 03-113 PC | 4.000% 03/25/2015 DD 10/01/03 | 500,000 | 496,945 |
| FNMA GTD REMIC P/T 03-35 BC | 5.000% 05/25/2018 DD 04/01/03 | 1,000,000 | 978,370 |
| FNMA GTD REMIC P/T 03-35 UC | 3.750% 05/25/2033 DD 04/01/03 | 178,337 | 167,726 |
| FNMA GTD REMIC P/T 03-47 PE | 5.750% 06/25/2033 DD 05/01/03 | 300,000 | 281,844 |
| FNMA GTD REMIC P/T 03-52 SX | VAR RT 10/25/2031 DD 05/25/03 | 125,770 | 140,143 |
| FNMA GTD REMIC P/T 03-55 CD | 5.000% 06/25/2023 DD 05/01/03 | 1,124,343 | 1,103,149 |
| FNMA GTD REMIC P/T 03-57 NK | 5.000% 06/25/2018 DD 05/01/03 | 331,991 | 331,828 |
| FNMA GTD REMIC P/T 03-68 QP | 3.000% 07/25/2022 DD 06/01/03 | 221,418 | 210,276 |
| FNMA GTD REMIC P/T 03-71 PS | VAR RT 08/25/2033 DD 07/01/03 | 55,127 | 38,765 |
| FNMA GTD REMIC P/T 03-80 SV IO | VAR RT 06/25/2023 DD 07/25/03 | 504,420 | 50,038 |
| FNMA GTD REMIC P/T 03-91 SD | VAR RT 09/25/2033 DD 08/25/03 | 56,309 | 53,479 |
| FNMA GTD REMIC P/T 03-W4 2A | 6.500% 10/25/2042 DD 03/01/03 | 45,572 | 47,639 |
| FNMA GTD REMIC P/T 03-W6 1A41 | 5.398% 10/25/2032 DD 04/01/03 | 545,506 | 556,754 |
| FNMA GTD REMIC P/T 04-14 SD | VAR RT 03/25/2034 DD 02/25/04 | 98,944 | 74,746 |
| FNMA GTD REMIC P/T 04-27 HB | 4.000% 05/25/2019 DD 04/01/04 | 500,000 | 463,055 |
| FNMA GTD REMIC P/T 04-3 HA | 4.000% 07/25/2017 DD 01/01/04 | 2,403,611 | 2,368,951 |
| FNMA GTD REMIC P/T 04-36 PC | 5.500% 02/25/2034 DD 04/01/04 | 600,000 | 601,098 |
| FNMA GTD REMIC P/T 04-36 SA | VAR RT 05/25/2034 DD 04/25/04 | 241,960 | 253,419 |
| FNMA GTD REMIC P/T 04-36 SN | VAR RT 07/25/2033 DD 04/25/04 | 294,726 | 279,877 |
| FNMA GTD REMIC P/T 04-4 QM | VAR RT 06/25/2033 DD 01/25/04 | 190,381 | 188,256 |
| FNMA GTD REMIC P/T 04-70 BA | 4.500% 11/25/2017 DD 09/01/04 | 377,306 | 373,491 |
| FNMA GTD REMIC P/T 04-70 JA | 4.500% 10/25/2019 DD 09/01/04 | 356,058 | 339,530 |
| FNMA GTD REMIC P/T 05-116 PB | 6.000% 04/25/2034 DD 12/01/05 | 1,000,000 | 1,023,850 |
| FNMA GTD REMIC P/T 05-56 S IO | VAR RT 07/25/2035 DD 06/25/05 | 542,327 | 32,442 |
| FNMA GTD REMIC P/T 05-84 XM | 5.750% 10/25/2035 DD 09/01/05 | 1,000,000 | 1,020,900 |
| FNMA GTD REMIC P/T 06-110 PO | 0.000% 11/25/2036 DD 10/01/06 | 901,028 | 681,466 |
| FNMA GTD REMIC P/T 06-22 AO | 0.000% 04/25/2036 DD 03/01/06 | 170,586 | 124,224 |
| FNMA GTD REMIC P/T 06-43 CL G | 6.500% 09/25/2033 DD 05/01/06 | 898,290 | 916,372 |
| FNMA GTD REMIC P/T 06-44 P PO | 0.000% 12/25/2033 DD 05/01/06 | 334,993 | 241,051 |
| FNMA GTD REMIC P/T 06-56 PO | 0.000% 07/25/2036 DD 06/01/06 | 200,000 | 156,024 |
| FNMA GTD REMIC P/T 06-59 DA | 6.500% 12/25/2033 DD 06/01/06 | 832,147 | 852,268 |
| FNMA GTD REMIC P/T 06-59 QD PO | 0.000% 01/25/2033 DD 06/01/06 | 417,657 | 343,431 |
| FNMA GTD REMIC P/T 06-63 AE | 6.500% 10/25/2033 DD 06/01/06 | 850,055 | 870,728 |
| FNMA GTD REMIC P/T 06-63 CL AB | 6.500% 10/25/2033 DD 06/01/06 | 839,975 | 860,403 |
| FNMA GTD REMIC P/T 06-65 QO PO | 0.000% 07/25/2036 DD 06/01/06 | 416,912 | 323,165 |
| FNMA GTD REMIC P/T 06-78 BC | 6.500% 01/25/2034 DD 07/01/06 | 808,118 | 828,855 |
| FNMA GTD REMIC P/T 06-90 AO PO | 0.000% 09/25/2036 DD 08/01/06 | 850,017 | 660,030 |
| FNMA GTD REMIC P/T 07-106 A7 | VAR RT 10/25/2037 DD 10/01/07 | 978,614 | 981,687 |
| FNMA GTD REMIC P/T 07-14 OP PO | 0.000% 03/25/2037 DD 02/01/07 | 385,633 | 288,939 |
| FNMA GTD REMIC P/T 07-51 PA | 5.500% 05/25/2037 DD 05/01/07 | 968,344 | 979,015 |
| FNMA GTD REMIC P/T 07-79 PB | 5.000% 04/25/2029 DD 07/01/07 | 500,000 | 498,285 |
| FNMA GTD REMIC P/T 1994-34 DZ | 6.000% 03/25/2009 | 108,051 | 108,526 |
| FNMA GTD REMIC P/T 2003-74 KQ | 4.000% 08/25/2018 DD 07/01/03 | 977,663 | 914,936 |
| FNMA GTD REMIC P/T 2003-92 PC | 4.500% 05/25/2015 DD 08/01/03 | 500,000 | 497,975 |

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|--------------------------------|-------------------------------|-----------|-----------|
| FNMA GTD REMIC P/T 2005-110 GJ | 5.500% 11/25/2030 DD 11/01/05 | 1,000,000 | 1,013,430 |
| FNMA GTD REMIC P/T 2005-68 PG | 5.500% 08/25/2035 DD 07/01/05 | 1,000,000 | 1,016,560 |
| FNMA GTD REMIC P/T 2006-72 GO | VAR RT 08/25/2036 DD 07/01/06 | 839,622 | 653,637 |
| FNMA GTD REMIC P/T 2006-WI 1A1 | 6.500% 12/25/2045 DD 03/01/06 | 769,781 | 806,815 |
| FNMA GTD REMIC P/T 2006-WI 1A2 | 7.000% 12/25/2045 DD 03/01/06 | 898,756 | 958,271 |
| FNMA GTD REMIC P/T 2007-47 PC | 5.000% 07/25/2033 DD 04/01/07 | 500,000 | 490,665 |
| FNMA GTD REMIC P/T 99-15 S IO | VAR RT 02/25/2024 DD 02/25/94 | 499,664 | 40,043 |
| FNMA GTD REMIC P/T CTF 92-205Z | 7.00% 11/25/2022 | 564,050 | 597,910 |
| FNMA GTD REMIC P/T CTF 94-40-Z | 6.500% 03/25/2024 | 1,171,374 | 1,230,107 |
| FNMA STRPD SMBA 000340 CL 1 PO | 0.000% 08/01/2033 DD 08/01/03 | 88,392 | 64,490 |
| FNR | 06-26 QA 5.5 6/26 | 1,090,688 | 1,100,358 |
| FNR | 05-29 WB 4.75% 4/35 | 833,218 | 824,798 |
| FNR | 05-109 PV 6% 10/32 | 788,765 | 806,889 |
| FNR | 05-67 HD 5.5% 12/30 | 770,000 | 782,712 |
| FNR | 2006-4 PB 6% 9/35 | 743,519 | 761,477 |
| FNR | 04-95 AN 5.5% 1/25 | 647,502 | 655,267 |
| FNR | 05-57 PA 5.5% 5/27 | 642,137 | 646,058 |
| FNR | 05-41 LA 5.5% 5/35 | 608,379 | 616,618 |
| FNR | 05-29 AT 4.5% 4/35 | 539,623 | 534,456 |
| FNR | 03-84 GC 4.5 5/15 | 425,000 | 424,042 |
| FNR | 04-91 AH 4.5% 5/29 | 320,928 | 318,279 |
| FNR | 04-45 AV 4.5 10/22 | 244,260 | 243,044 |
| FNR | 2002-56 MC 5.5% 9/17 | 209,752 | 212,391 |
| FNR | 02-73 QC 5.5 1/26 | 129,513 | 129,174 |
| FNR | 03-131 FM 1ML+40 12/29 | 111,990 | 112,318 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | | /Principal | |
| FNR | 2004-3 BA 4% 7/17 | 25,709 | 25,329 |
| FNS | 378 19 IO 5% 6/1/35 | 2,015,639 | 484,689 |
| FONTAINEBLEAU LAS VEGAS 144A | 10.250% 06/15/2015 DD 06/06/07 | 625,000 | 542,188 |
| FORD CR AUTO 06-B A-4 | 5.250% 09/15/2011 DD 08/29/06 | 700,000 | 708,169 |
| FORD MOTOR COMPANY TERM LOAN | VAR RT 12/15/2013 DD 12/12/06 | 348,250 | 320,609 |
| FORD MOTOR CR CO NT | 9.875% 08/10/2011 DD 08/10/06 | 285,000 | 269,547 |
| FORD MTR CO DEL GBL LANDMARK | 7.450% 07/16/2031 DD 07/16/99 | 225,000 | 167,063 |
| FORD MTR CR CO GLOBAL LAND SEC | 7.375% 10/28/2009 DD 10/28/99 | 325,000 | 305,906 |
| FORD MTR CR CO NT | VAR RT 01/13/2012 DD 12/18/06 | 150,000 | 126,000 |
| FORDO | 2006-B A2A 5.42% 7/09 | 561,431 | 562,122 |
| FORDO | 06-A A3 5.05% 03/10 | 265,929 | 266,363 |
| FORTUNE BRANDS | 5.125% 1/15/11 | 1,655,000 | 1,651,642 |
| FOSSE | 06-1 M2 3ML+25 10/54 144 | 400,000 | 364,240 |
| FOSSE | 06-1 C2 3ML+47 10/54 144 | 255,000 | 228,506 |
| FOSTER WHEELER LTD | COMM STOCK | 502 | 77,789 |
| FREDDIE MAC | FXD PFD SHS | 5,950 | 155,593 |
| FREEMONT MCMORAN COPPER & GOLD | 8.250% 04/01/2015 DD 03/19/07 | 350,000 | 371,000 |
| FREESCALE SEMICONDUCTOR INC SR | 10.125% 12/15/2016 DD 06/15/07 | 1,050,000 | 866,250 |
| FTI CONSULTING INC SR NT | 7.625% 06/15/2013 DD 12/15/05 | 500,000 | 512,500 |
| FUBOA | 2001-C1 D 6.484 3/33 | 485,000 | 510,143 |
| FUBOA | 01-C1 G 6.936 3/33 | 155,000 | 162,015 |
| FUJI JGB INVLT LLC PFD SEC 144A | VAR RT 11/23/2049 DD 03/16/98 | 3,700,000 | 3,733,522 |
| FUJI JGB INVLT LLC PFD SEC 144A | VAR RT 11/23/2049 DD 03/16/98 | 700,000 | 706,342 |
| FUNBC | 2001-C3 A3 6.423 8/33 | 1,515,847 | 1,585,723 |
| FUNBC | 2001-C4 A2 6.223 12/33 | 775,000 | 811,708 |
| G E EQUIP SMALL 05-1 CL A-3 | 4.380% 07/22/2009 DD 09/01/05 | 131,204 | 131,039 |
| GALAXY ENTMT FIN CO LTD 144A | 9.875% 12/15/2012 DD 12/14/05 | 550,000 | 580,250 |
| GAYLORD ENTMT CO NEW SR NT | 8.000% 11/15/2013 DD 05/15/04 | 325,000 | 323,375 |
| GAZPROM INTL SA | 7.201% 01-FEB-2020 | 385,222 | 393,042 |
| GAZSTREAM (DB) | 5.625 7/13 144A | 951,482 | 937,210 |
| GCCFC | 04-GG1 A4 4.755 6/36 | 665,000 | 666,701 |
| GCCFC | 04-GG1 A4 4.755 6/36 | 580,000 | 581,484 |
| GCCFC | 05-GG3 XP CSTR 8/42 | 16,562,044 | 344,684 |
| GCCFC | 07-GG9 A1 5.233% 03/39 | 265,614 | 266,649 |
| GCCFC | 03-C1 XP CSTR 7/35 | 3,721,392 | 155,458 |
| GCCFC | 03-C2 XP CSTR 1/36 | 6,499,011 | 152,933 |
| GCOSL 06-1A NOTE | 06-1A NOTE 5.72 3/22 | 380,500 | 386,341 |
| GE CAP COML MTG CORP 02-1A A3 | 6.269% 12/10/2035 DD 04/01/02 | 715,000 | 752,859 |
| GE CAP SER A MTN | 5% 12/1/10 | 5,725,000 | 5,825,628 |
| GE-CAP CORP GLBL | 6% 6/15/12 DT | 3,500,000 | 3,669,183 |
| GE-CAP CORP GLBL | 6% 6/15/12 EC | 650,000 | 681,420 |
| GECAP MTN | 4.875% 10/21/10 | 765,000 | 776,372 |
| GECAP MTN GLOBAL | 5% 11/15/11 | 110,000 | 111,333 |
| GECMC | 2002-2A A3 5.349 8/36 | 925,000 | 943,367 |
| GECMC | 4.97% 8/36 | 788,111 | 794,454 |
| GECMC | 04-C3 A2 4.433 7/39 | 600,000 | 597,687 |
| GECMC | 04-C2 A2 4.119% 3/40 | 375,000 | 371,503 |
| GE-CORP | 5.25% 12/6/17 | 1,500,000 | 1,496,799 |

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|--------------------------------|-------------------------------|-----------|-----------|
| GENERAL DYNAMICS CORP NT | 4.250% 05/15/2013 DD 05/15/03 | 190,000 | 186,348 |
| GENERAL ELEC CAP CORP #TR00747 | 5.650% 06/09/2014 DD 06/09/06 | 650,000 | 675,896 |
| GENERAL ELEC CAP CORP MEDIUM | 5.250% 10/19/2012 DD 10/19/07 | 2,515,000 | 2,572,367 |
| GENERAL ELEC CAP MTN #TR 00443 | 7.375% 01/19/2010 DD 01/19/00 | 560,000 | 593,600 |
| GENERAL ELEC CAP MTN #TR 00551 | 6.000% 06/15/2012 DD 06/07/02 | 510,000 | 534,623 |
| GENERAL ELEC CAP MTN #TR 00775 | 5.400% 02/15/2017 DD 02/13/07 | 1,000,000 | 1,011,090 |
| GENERAL ELEC CAP MTN #TR00482 | 6.125% 02/22/2011 DD 02/21/01 | 585,000 | 611,506 |
| GENERAL ELEC CAP MTN #TR00635 | 3.125% 04/01/2009 DD 03/29/04 | 400,000 | 394,688 |
| GENERAL ELEC CAP MTN TR 00521 | 5.875% 02/15/2012 DD 02/15/02 | 1,340,000 | 1,396,119 |
| GENERAL ELEC CO NT | 5.250% 12/06/2017 DD 12/06/07 | 6,600,000 | 6,585,546 |
| GENERAL ELEC CO NT | 5.250% 12/06/2017 DD 12/06/07 | 520,000 | 518,861 |
| GENERAL ELEC CORP MTN #TR00590 | 3.500% 05/01/2008 DD 05/02/03 | 200,000 | 199,408 |
| GENERAL MILLS INC NT | 5.650% 09/10/2012 DD 08/29/07 | 75,000 | 76,219 |
| GENERAL MTRS ACCEP CORP GLOBAL | 5.125% 05/09/2008 DD 05/09/03 | 175,000 | 173,058 |
| GENERAL MTRS ACCEP CORP NT | 8.000% 11/01/2031 DD 11/02/01 | 450,000 | 377,505 |
| GENERAL MTRS CORP SR DEB | 8.375% 07/15/2033 DD 07/03/03 | 650,000 | 523,250 |
| GENERAL MTRS CORP SR DEB | 8.250% 07/15/2023 DD 07/03/03 | 170,000 | 135,150 |
| GENWORTH FINL INC SR NT | 5.231% 05/16/2009 DD 05/16/07 | 1,940,000 | 1,954,240 |
| GENWORTH GLOBAL FDG TRS SECD | 5.200% 10/08/2010 DD 10/11/07 | 650,000 | 659,341 |
| GEORGIA PAC CORP DEB | 9.500% 12/01/2011 DD 12/01/91 | 350,000 | 367,500 |
| GEORGIA PAC CORP NT | 8.875% 05/15/2031 DD 05/08/01 | 200,000 | 193,000 |
| GERMANY BUNDES | 4.25% 7/4/39 07 | 300,000 | 412,610 |
| GLITNIR BANKI HF MTN 144A | VAR RT 01/21/2011 DD 11/21/06 | 960,000 | 932,246 |
| GMACC | 2004-C3 A3 CSTR 12/41 | 805,000 | 799,272 |
| GMACC | 04-C2 A2 CSTR 8/38 | 285,000 | 285,670 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | | /Principal | |
| GMACC | 03-C3 X2 CSTR 12/38 | 6,342,486 | 99,863 |
| GMACC | 4-C3 X2 CSTR 12/41 | 3,212,206 | 58,272 |
| GMACM MTG LN TR | VAR RT 06/25/2034 DD 04/01/04 | 416,956 | 413,457 |
| GMACM MTG LN TR | VAR RT 06/19/2035 DD 05/01/05 | 300,000 | 296,754 |
| GMFM | 06-1 D2 3ML+47 11/20/2056 | 630,000 | 509,922 |
| GNII | ARM 4.50% 10/34 #081113 | 1,375,093 | 1,383,350 |
| GNII | ARM 4.50% 2/37 #081844 | 1,131,708 | 1,127,887 |
| GNII | ARM 3.750% 1/34 #080817 | 263,509 | 264,724 |
| GNMA | 7.00% 7/28 #462643 | 333,441 | 350,571 |
| GNMA | 7.00% 10/28 #481353 | 148,680 | 156,318 |
| GNMA | 7.00% 5/32 #552576 | 79,131 | 82,899 |
| GNMA | 7.00% 8/28 #416611 | 75,143 | 79,003 |
| GNMA | 15YR 6.50% 7/09 #780470 | 49,317 | 50,968 |
| GNMA | 7.00% 2/28 #468709 | 22,860 | 24,034 |
| GNMA | 8.00% 11/29 #186997 | 17,384 | 19,076 |
| GNMA | 7.00% 8/28 #458917 | 12,504 | 13,147 |
| GNMA | 7.00% 2/28 #462548 | 6,220 | 6,540 |
| GNMA | 8.00% 8/30 #536951 | 5,687 | 5,965 |
| GNMA POOL #0466542 | 6.500% 02/15/2029 DD 02/01/99 | 7,646 | 7,927 |
| GNMA POOL #0479334 | 8.500% 05/15/2030 DD 05/01/00 | 2,275 | 2,436 |
| GNMA POOL #0486123 | 8.500% 08/15/2030 DD 08/01/00 | 9,408 | 10,072 |
| GNMA POOL #0489890 | 8.500% 06/15/2030 DD 06/01/00 | 6,727 | 7,203 |
| GNMA POOL #0490157 | 6.500% 03/15/2029 DD 03/01/99 | 1,668 | 1,729 |
| GNMA POOL #0491155 | 6.500% 01/15/2029 DD 01/01/99 | 53,155 | 55,110 |
| GNMA POOL #0491603 | 8.500% 11/15/2029 DD 11/01/99 | 27,366 | 29,284 |
| GNMA POOL #0497229 | 6.500% 05/15/2029 DD 05/01/99 | 1,598 | 1,657 |
| GNMA POOL #0502020 | 8.500% 10/15/2029 DD 10/01/99 | 19,679 | 21,067 |
| GNMA POOL #0506244 | 8.500% 06/15/2030 DD 06/01/00 | 3,400 | 3,637 |
| GNMA POOL #0507880 | 6.500% 05/15/2029 DD 05/01/99 | 10,548 | 10,935 |
| GNMA POOL #0508360 | 8.500% 07/15/2030 DD 07/01/00 | 7,106 | 7,600 |
| GNMA POOL #0515099 | 7.000% 02/15/2015 DD 02/01/00 | 85,576 | 89,209 |
| GNMA POOL #0520979 | 8.500% 09/15/2030 DD 09/01/00 | 14,667 | 15,694 |
| GNMA POOL #0522578 | 8.500% 01/15/2030 DD 01/01/00 | 1,941 | 2,070 |
| GNMA POOL #0522679 | 8.500% 03/15/2030 DD 03/01/00 | 2,551 | 2,732 |
| GNMA POOL #0522730 | 8.500% 04/15/2030 DD 04/01/00 | 396 | 424 |
| GNMA POOL #0529295 | 8.500% 03/15/2030 DD 03/01/00 | 21,764 | 23,303 |
| GNMA POOL #0529481 | 8.500% 07/15/2030 DD 07/01/00 | 1,810 | 1,937 |
| GNMA POOL #0530795 | 6.500% 01/15/2023 DD 01/01/03 | 505,976 | 518,028 |
| GNMA POOL #0531251 | 8.500% 07/15/2030 DD 07/01/00 | 15,119 | 16,189 |
| GNMA POOL #0531778 | 8.500% 07/15/2030 DD 07/01/00 | 7,726 | 8,268 |
| GNMA POOL #0532248 | 8.500% 05/15/2030 DD 07/01/00 | 388 | 415 |
| GNMA POOL #0532746 | 8.500% 07/15/2030 DD 07/01/00 | 4,130 | 4,421 |
| GNMA POOL #0532769 | 8.500% 08/15/2030 DD 08/01/00 | 24,656 | 26,392 |
| GNMA POOL #0537549 | 8.500% 07/15/2030 DD 07/01/00 | 3,277 | 3,508 |
| GNMA POOL #0540101 | 8.500% 12/15/2030 DD 12/01/00 | 3,829 | 4,100 |
| GNMA POOL #0540964 | 8.500% 10/15/2030 DD 10/01/00 | 1,236 | 1,324 |
| GNMA POOL #0541025 | 8.500% 02/15/2031 DD 02/01/01 | 32,785 | 35,015 |
| GNMA POOL #0593677 | 6.500% 04/15/2023 DD 04/01/03 | 282,300 | 289,039 |

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| GNMA POOL #0641437 | 6.500% 06/15/2020 DD 06/01/05 | 291,261 | 301,237 |
| GNMA POOL #0780462 | 7.500% 06/15/2009 DD 11/01/96 | 4,698 | 4,698 |
| GNMA POOL #0780470 | 6.500% 07/15/2009 DD 11/01/96 | 42,884 | 43,645 |
| GNMA POOL #0781163 | 8.500% 04/15/2030 DD 04/01/00 | 867 | 928 |
| GNMA POOL #0781570 | 8.000% 01/15/2016 DD 03/01/03 | 61,475 | 64,067 |
| GNMA GTD P/T 06-028 GO PO | 0.000% 03/20/2035 DD 06/01/06 | 182,988 | 144,120 |
| GNMA GTD REMIC 00-9 CL ZJ | 8.500% 02/16/2030 DD 02/01/00 | 321,729 | 348,101 |
| GNMA GTD REMIC 02-47 PG | 6.500% 07/16/2032 DD 07/01/02 | 500,000 | 510,390 |
| GNMA GTD REMIC 02-51 SG | VAR RT 04/20/2031 DD 07/20/02 | 14,383 | 16,332 |
| GNMA GTD REMIC 03-18 OV | 7.000% 10/20/2031 DD 03/01/03 | 401,724 | 417,018 |
| GNMA GTD REMIC 2000-27 CL Z | 7.500% 09/20/2030 | 72,376 | 73,385 |
| GNMA GTD REMIC 2002-54 GB | 6.500% 08/20/2032 DD 08/01/02 | 243,612 | 248,459 |
| GNMA GTD REMIC P/T 02-24 AG IO | VAR RT 04/16/2032 DD 04/16/02 | 170,020 | 16,721 |
| GNMA GTD REMIC P/T 02-31 S IO | VAR RT 01/16/2031 DD 05/16/02 | 104,247 | 14,120 |
| GNMA GTD REMIC P/T 02-60 KZ | 6.000% 08/20/2032 DD 08/01/02 | 1,409,055 | 1,434,347 |
| GNMA GTD REMIC P/T 02-79 KV | 6.000% 11/20/2013 DD 11/01/02 | 307,386 | 312,529 |
| GNMA GTD REMIC P/T 03-24 PO | 0.000% 03/16/2033 DD 03/01/03 | 17,025 | 13,853 |
| GNMA GTD REMIC P/T 03-4 NI | 5.500% 01/20/2032 DD 01/01/03 | 148,903 | 20,339 |
| GNMA GTD REMIC P/T 03-52 PA PO | ZEROC PN 06/16/2033 DD 06/01/03 | 67,468 | 51,795 |
| GNMA GTD REMIC P/T 04-73 AE | VAR RT 08/17/2034 DD 09/17/04 | 174,444 | 173,875 |
| GNMA GTD REMIC P/T 07-49 NO | 0.000% 12/20/2035 DD 08/01/07 | 986,772 | 794,105 |
| GNMA GTD REMIC P/T 2002-40 UK | 6.500% 06/20/2032 DD 06/01/02 | 482,955 | 505,668 |
| GNMA GTD REMIC P/T 94-7 PQ | 6.500% 10/16/2024 DD 10/01/94 | 1,000,000 | 1,037,830 |
| GNMA GTD REMIC TR 2000-14 PD | 7.000% 02/16/2030 | 212,632 | 222,581 |
| GNMA GTD REMIC TR 2000-6 Z | 7.500% 02/20/2030 | 75,091 | 78,150 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| GNMA II POOL #0080395 | VAR RT 04/20/2030 DD 04/01/00 | 312,911 | 318,969 |
| GNR | 05-58 NJ 4.5 8/35 | 1,470,000 | 1,463,739 |
| GNR | 03-47 C 4.227 10/27 | 821,174 | 814,200 |
| GNR | 02-35 C CSTR 10/23 | 30,832 | 31,169 |
| GOLDEN WEST FINL CORP DEL SR | 4.750% 10/01/2012 DD 09/26/02 | 200,000 | 197,468 |
| GOLDMAN SACH GLB | 5.25 10/15/13 | 1,980,000 | 1,980,679 |
| GOLDMAN SACHS | 6.6% 1/15/12 | 750,000 | 793,499 |
| GOLDMAN SACHS | 4.5% 6/15/10 | 405,000 | 403,668 |
| GOLDMAN SACHS CAPITAL II | VAR RT 12/29/2049 DD 05/15/07 | 545,000 | 485,219 |
| GOLDMAN SACHS GLB | 5.7% 9/01/12 | 600,000 | 617,293 |
| GOLDMAN SACHS GROUP INC | 5.750% 10/01/2016 DD 09/19/06 | 1,625,000 | 1,649,375 |
| GOLDMAN SACHS GROUP INC | 5.350% 01/15/2016 DD 01/17/06 | 220,000 | 218,007 |
| GOLDMAN SACHS GROUP INC NT | 6.875% 01/15/2011 DD 01/16/01 | 275,000 | 291,673 |
| GOLDMAN SACHS GROUP INC NT | 7.350% 10/01/2009 DD 09/29/99 | 150,000 | 156,704 |
| GOLDMAN SACHS GROUP INC SR NT | 6.250% 09/01/2017 DD 08/30/07 | 5,400,000 | 5,617,674 |
| GOLDMAN SACHS GROUP INC SR NT | 4.500% 06/15/2010 DD 06/28/05 | 1,755,000 | 1,759,969 |
| GOLDMAN SACHS GROUP INC SR NT | 6.600% 01/15/2012 DD 01/10/02 | 1,110,000 | 1,174,347 |
| GOLDMAN SACHS GROUP INC SR NT | 5.500% 11/15/2014 DD 11/15/02 | 700,000 | 706,125 |
| GOLDMAN SACHS GROUP INC SR NT | 6.250% 09/01/2017 DD 08/30/07 | 400,000 | 416,124 |
| GOLDMAN SACHS GROUP INC SR NT | 5.150% 01/15/2014 DD 01/13/04 | 400,000 | 395,936 |
| GOLDMAN SACHS GROUP INC SR NT | 3.875% 01/15/2009 DD 01/13/04 | 135,000 | 133,608 |
| GOLDMAN SACHS GROUP INC SR NT | 4.750% 07/15/2013 DD 07/15/03 | 100,000 | 97,953 |
| GOLDMAN SACHS GROUP MTN 00226 | VAR RT 12/22/2008 DD 12/22/05 | 1,900,000 | 1,894,642 |
| GOLDMAN SACHS GRP MTN #TR00207 | VAR RT 07/23/2009 DD 07/23/04 | 1,800,000 | 1,798,308 |
| GOODYEAR 2ND LIEN TERM LOAN | VAR RT 04/30/2010 DD 04/15/05 | 150,000 | 150,813 |
| GOODYEAR TIRE & RUBR CO SR | 8.625% 12/01/2011 DD 06/01/07 | 146,000 | 152,205 |
| GRANM | 07-1 1C1 3ML+30 12/20/54 | 320,000 | 241,344 |
| GRANM | 06-1A C2 1ML+60 12/54 | 300,000 | 178,740 |
| GRANM | 07-1 2C1 3ML+43 12/54 | 170,000 | 97,580 |
| GREEN TREE FINL 98-3 CTF A5 | 6.220% 03/01/2030 DD 04/28/98 | 792,410 | 827,617 |
| GS MTG SECS CORP 04-10F 1A-1 | 4.500% 08/25/2019 DD 08/01/04 | 403,322 | 400,858 |
| GS MTG SECS CORP 04-10F CL 2A1 | 5.000% 08/25/2019 DD 08/01/04 | 572,188 | 571,833 |
| GS MTG SECS CORP 04-6F IIIA-4 | 6.500% 05/25/2034 DD 05/01/04 | 717,000 | 732,215 |
| GS MTG SECS TR 06-GG8 P/T A-AB | 5.572% 10/15/2048 DD 10/01/06 | 3,600,000 | 3,654,413 |
| GSAMP | 06-HE4 A2A 1ML+7 6/36 | 457,005 | 452,939 |
| GSAMP | 02-HE M1 1ML+125 11/32 | 212,317 | 196,725 |
| GSBA | 6.344% 8/01/11 | 590,756 | 605,972 |
| GSMS | 04-C1 A1 3.659% 10/28 | 1,140,551 | 1,129,113 |
| GSMS | 07-GG10 A4 CSTR 8/45 | 1,030,000 | 1,060,776 |
| GSMS | 98-C1 A3 6.135% 10/30 | 760,470 | 761,195 |
| GSMS | 06-GG6 A2 CSTR 4/38 | 745,000 | 753,332 |
| GSMS | 07-GG10 B CSTR 8/45 | 765,000 | 709,153 |
| GSMS | 2007-GG10 A1 5.69% 8/45 | 326,417 | 331,003 |
| GSMS | 05-GG4 XP CSTR 7/39 | 12,123,058 | 295,198 |
| GSMS | 01-LIBA C 6.733% 2/16 | 275,000 | 293,877 |
| GSMS | 03-C1 A2A 3.59% 1/40 | 276,060 | 275,506 |
| GSMS | 07-EOP C 1ML+32 3/20 | 285,000 | 275,025 |
| GSMS | 2007-EOP E 1ML+44 3/20 | 140,000 | 134,400 |

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|--------------------------------|-------------------------------|-----------|-------------|
| GSMS | 2007-EOP D 1ML+37 3/20 | 85,000 | 81,508 |
| GSMS | 2007-EOP J 1ML+85 3/20 | 85,000 | 80,750 |
| GSMS | 2007-EOP F 1ML+48 3/20 | 70,000 | 67,025 |
| GSMS | 2007-EOP H 1ML+65 3/20 | 60,000 | 57,150 |
| GSMS | 2007-EOP G 1ML+52 3/20 | 35,000 | 32,988 |
| GSR | 05-AR2 2A1 CSTR 4/35 | 261,954 | 257,879 |
| GTE CORP | 8.750% 11/01/2021 DD 11/01/91 | 150,000 | 183,386 |
| HALLIBURTON GBL | 5.5 10/15/10 | 250,000 | 256,988 |
| HANCOCK JOHN GBL MTN #TR00046 | 3.500% 01/30/2009 DD 01/27/04 | 200,000 | 197,218 |
| HANCOCK JOHN II MTN 00001 144A | 7.900% 07/02/2010 DD 06/30/00 | 815,000 | 888,725 |
| HANCOCK JOHN MTN TR 00008 144A | 6.500% 03/01/2011 DD 02/28/01 | 170,000 | 178,340 |
| HARBORVIEW MTG 05-4 CL 3-A1 | VAR RT 07/19/2035 DD 05/01/05 | 568,314 | 567,462 |
| HARRAHS OPER INC GTD SR NT | 6.500% 06/01/2016 DD 06/09/06 | 475,000 | 353,875 |
| HART | 06-1 A-3 5.13 6/10 | 80,765 | 80,939 |
| HART | 06-1 A-3 5.13 6/10 | 63,649 | 63,204 |
| HART | 06-1 A-3 5.13 6/10 | 48,961 | 49,187 |
| HARTFORD CAP APP IA | HARTFORD CAP APP IA | 5,174,779 | 271,468,900 |
| HASC | 06-OPT4 2A1 1ML+6 3/36 | 137,531 | 136,632 |
| HAWKER BEEHCRAFT ACQUISITION | 9.750% 04/01/2017 DD 03/26/07 | 395,000 | 393,025 |
| HBOS PLC ADR PREF SER B 144A | VAR RT 12/31/2049 DD 09/29/05 | 600,000 | 523,308 |
| HBOS PLC ADR REPSTG PREF 144A | VAR RT 05/29/2049 DD 05/21/07 | 1,300,000 | 1,076,959 |
| HBOS PLC MTN | 3.75 9/30/08 144A | 330,000 | 327,575 |
| HCA INC SR SECD TOGGLE NT | 9.625% 11/15/2016 DD 05/15/07 | 250,000 | 264,375 |
| HDMOT | 07-2 A3 5.09% 5/12 | 2,350,000 | 2,362,445 |
| HDMOT | 2007-1 A3 0 3/12 | 1,325,000 | 1,336,147 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | |
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| | rate of interest, collateral, par, or maturity value | /Principal | Current Value |
| HEALTHSOUTH CORP SR NT | 10.750% 06/15/2016 DD 12/15/06 | 600,000 | 627,000 |
| HEAT | 03-2 M1 1ML+88 8/33 | 194,823 | 179,565 |
| HEINZ CO | 6.428 12/01/08 144A | 460,000 | 468,303 |
| HELIX ENERGY SOLUTIONS 144A | 9.500% 01/15/2016 DD 12/21/07 | 360,000 | 366,300 |
| HEWLETT PACKARD CO GLOBAL NT | 5.400% 03/01/2017 DD 02/27/07 | 300,000 | 299,343 |
| HFCHC | 05-2 M1 1ML+46 1/35 | 72,703 | 67,483 |
| HFCHC | 04-1 M 1ML+52 9/33 | 66,683 | 64,814 |
| HFCHC | 05-2 M2 1ML+49 1/35 | 54,527 | 51,564 |
| HHPT | 00-HLTA A1 7.055 10/15 | 520,204 | 541,662 |
| HILCORP ENERGY I LP 144A | 9.000% 06/01/2016 DD 06/27/06 | 325,000 | 336,375 |
| HMI | 07-2 2C1 3ML+41 7/21 | 325,000 | 300,008 |
| HMPT | 99-HMTA B 7.3% 8/15 | 155,000 | 161,798 |
| HMPT | 99-HMTA D 7.97 8/15 | 140,000 | 147,356 |
| HOME DEPOT INC SR NT | 5.250% 12/16/2013 DD 12/19/06 | 715,000 | 695,559 |
| HOME EQ MTG LN INABS 06 C 3A1 | VAR RT 08/25/2036 DD 06/15/06 | 104,325 | 103,872 |
| HOSPITAL PROP | 5.625% 3/15/17 | 715,000 | 661,651 |
| HOUSEHOLD FIN CORP | 4.750% 05/15/2009 DD 05/26/04 | 300,000 | 299,016 |
| HOUSEHOLD FIN CORP #TR 00107 | 7.100% 12/15/2011 DD 12/27/01 | 250,000 | 261,953 |
| HOUSEHOLD FIN CORP GLOBAL NT | 4.625% 01/15/2008 DD 01/14/03 | 660,000 | 659,894 |
| HOUSEHOLD FIN CORP GLOBAL NT | 4.750% 07/15/2013 DD 07/21/03 | 400,000 | 385,564 |
| HOUSEHOLD FIN CORP NT | 6.375% 11/27/2012 DD 11/27/02 | 600,000 | 631,602 |
| HOUSEHOLD FIN CORP NT | 6.375% 10/15/2011 DD 10/23/01 | 250,000 | 257,578 |
| HOUSTON TEX INDPT SCH SER 494 | VAR RT 02/15/2022 DD 05/10/01 | 750,000 | 778,380 |
| HRPT PPTYS TR SR NT | 6.650% 01/15/2018 DD 09/18/07 | 225,000 | 227,742 |
| HRPT PROPERTIES | 6.25% 6/15/17 | 730,000 | 685,340 |
| HRPT PROPERTIES | 5.75 11/1/15 | 105,000 | 98,298 |
| HRTFRD MIDCAP HLS IA | HRTFRD MIDCAP HLS IA | 7,362,602 | 193,930,947 |
| HSBC AUTO TR SER 2005-1 CL A-4 | 4.350% 06/18/2012 DD 06/22/05 | 220,000 | 219,032 |
| HSBC AUTO USA 2006 1 A-3 | 5.430% 06/17/2011 DD 06/08/06 | 382,991 | 387,005 |
| HSBC AUTOMOTIVE 07-1 CL A3 | 5.300% 11/17/2011 DD 01/31/07 | 4,300,000 | 4,360,028 |
| HSBC AUTOMOTIVE TR 05-3 CL A4 | 4.940% 11/19/2012 DD 11/03/05 | 500,000 | 502,800 |
| HSBC FIN CORP NT | 5.000% 06/30/2015 DD 06/27/05 | 400,000 | 381,500 |
| HSBC FIN CORP NT | 5.250% 01/15/2014 DD 11/21/06 | 350,000 | 345,408 |
| HSBC FIN CORP NT | 6.750% 05/15/2011 DD 05/09/01 | 250,000 | 259,335 |
| HSBC FINANCE CO | 5% 6/30/15 | 500,000 | 476,860 |
| HSBC USA ASSET BKD A | 5.100% 06/15/2012 DD 09/15/06 | 600,000 | 605,622 |
| HTFD INT; CAPAPPR IA | HTFD INT; CAPAPPR IA | 3,380,773 | 48,919,780 |
| HUB INTL HLDGS INC SR SUB 144A | 10.250% 06/15/2015 DD 06/13/07 | 550,000 | 467,500 |
| HUGHES NETWORK SYS LLC | 9.500% 04/15/2014 DD 10/15/06 | 565,000 | 572,063 |
| HUTCH WHAMPOA 3/33 GTD NT | 5.450% 24-NOV-2010 | 1,000,000 | 1,018,650 |
| HUTCHISON WH | 6.5 2/13/13 144DT | 2,105,000 | 2,212,864 |
| HUTCHISON WH | 5.45 11/24/10 144 | 500,000 | 504,951 |
| IBJ PFD CAP UC PFD SECS A 144A | VAR RT 12/29/2049 DD 02/23/98 | 600,000 | 605,250 |
| IBJ PFD CAP UC PFD SECS SER A | VAR RT 12/29/2049 DD 02/23/98 | 110,000 | 110,963 |
| IBM | 5.7% 9/14/17 | 600,000 | 620,257 |
| IDEARC INC SR NT | 8.000% 11/15/2016 DD 05/15/07 | 255,000 | 233,963 |
| IMMARSAT FIN II PLC SR DISC NT | VAR RT 11/15/2012 DD 11/24/04 | 610,000 | 592,463 |
| INABS | 2007-B 2A1 1ML+8 7/37 | 2,084,259 | 2,041,821 |

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|--------------------------------|--------------------------------|-----------|-----------|
| INDEPENDENCE | 3.75%VAR 4/1/14 | 755,000 | 745,646 |
| INDEPENDENCE COM | 3.5/VR 6/20/13 | 140,000 | 138,992 |
| INDUSTRIAL BK KOREA 144A | VAR RT 05/19/2014 DD 03/16/04 | 315,000 | 311,850 |
| INDX | 06-AR41 A3 1ML+18 1/37 | 1,012,267 | 876,181 |
| INDX | 06-AR27 1A1 1ML+7 10/36 | 671,673 | 668,093 |
| INDYMAC | 06-D 2A1 1ML+5 11/36 | 420,596 | 415,263 |
| INDYMAC MBS INC | VAR RT 07/25/2035 DD 06/29/05 | 544,211 | 515,613 |
| INDYMAC MBS INC | 6.000% 05/25/2036 DD 03/01/06 | 373,549 | 379,997 |
| INERGY L P & INERGY FIN CORP | 6.875% 12/15/2014 DD 06/15/05 | 250,000 | 243,453 |
| INERGY LP & INERGY FIN CORP SR | 8.250% 03/01/2016 DD 03/01/06 | 75,000 | 77,625 |
| ING CAP FDG TR III GTD TR | VAR RT 12/29/2049 DD 12/15/00 | 860,000 | 911,058 |
| INGLES MKTS INC SR SUB NT | 8.875% 12/01/2011 DD 12/11/01 | 350,000 | 355,250 |
| INTELSAT/ZEUS LTD SR NTS | VAR RT 02/01/2015 DD 02/11/05 | 790,000 | 645,825 |
| INTERATIONAL LEASE #TR 00583 | 5.625% 09/20/2013 DD 09/19/06 | 330,000 | 330,772 |
| INTERFACE INC SR NT | 10.375% 02/01/2010 DD 01/17/02 | 510,000 | 534,225 |
| INTERNATIONAL BUSINESS MACHS | 5.700% 09/14/2017 DD 09/14/07 | 1,200,000 | 1,240,500 |
| INTERNATIONAL LEASE CORP | 4.875% 09/01/2010 DD 08/23/05 | 1,365,000 | 1,360,086 |
| INTERNATIONAL LEASE FIN CORP | 5.875% 05/01/2013 DD 04/29/03 | 575,000 | 584,522 |
| INTERNATIONAL LEASE FIN CORP | 6.375% 03/15/2009 DD 03/08/02 | 450,000 | 455,063 |
| INTERNATIONAL LEASE FIN CORP | 5.300% 05/01/2012 DD 04/24/07 | 250,000 | 249,490 |
| INTERNATIONAL LEASE FIN CORP | 3.500% 04/01/2009 DD 03/24/04 | 200,000 | 196,592 |
| INTERNATIONAL PAPER CO NT | 4.000% 04/01/2010 DD 03/18/04 | 125,000 | 123,770 |
| INTERNATIONAL PAPER CO SR NT | 4.250% 01/15/2009 DD 12/15/03 | 80,000 | 79,254 |
| INTERTAPE POLYMER | 8.500% 08/01/2014 DD 07/28/04 | 210,000 | 191,888 |
| INTL LEASE FIN | 4.375% 11/01/09 | 750,000 | 743,905 |

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|---|--|---------------|---------------|
| | | /Principal | Current Value |
| INTL LEASE FIN CORP NT | 4.500% 05/01/2008 DD 04/29/03 | 75,000 | 74,867 |
| INTL PAPER CO | 4.25% 1/15/09 | 320,000 | 316,760 |
| IRS NZD | 6.65% 12/23/15 | 1,450,000 | (81,290) |
| IRS USD | 4.948% 12/12/11 | 7,600,000 | 240,236 |
| IRS USD | 3ML BBA 11/07/10 DB | 1,800,000 | 53,046 |
| IRS USD | 3ML BBA 10/03/2007 | 1,600,000 | 25,136 |
| ISRAEL GLBL | 4.625% 6/15/13 DT | 90,000 | 91,368 |
| ISTAR FINANCIAL | 5.375 4/15/10 | 190,000 | 175,896 |
| ISTAR FINL INC | 5.8% 3/15/11 | 765,000 | 685,319 |
| ISTAR FINL INC | 5.65% 9/15/11 | 100,000 | 89,362 |
| JANUS CAPITAL | 6.25% 6/15/12 | 1,005,000 | 1,028,993 |
| JANUS CAPITAL | 5.875% 9/15/11 | 325,000 | 328,455 |
| JP MORGAN CHASE | 6.625% 3/15/12 | 975,000 | 1,028,116 |
| JP MORGAN CHASE | 5.75% 1/02/13 | 500,000 | 509,528 |
| JP MORGAN CHASE | 5.6% 6/01/11 | 1,780,000 | 1,836,798 |
| JP MORGAN CHASE NK NA NEW YORK | 6.000% 10/01/2017 DD 09/24/07 | 3,500,000 | 3,559,605 |
| JP MORGAN CHSE | 5.375% 10/01/12 | 1,350,000 | 1,374,017 |
| JPMCC | 04-CB9 A2 CSTR 6/41 | 1,950,000 | 1,971,536 |
| JPMCC | 2001-CIB3 A3 6.465 11/35 | 1,010,000 | 1,066,502 |
| JPMCC | 04-CB8 A2 3.837 1/39 | 1,030,000 | 1,006,526 |
| JPMCC | 07-CB18 A3 CSTR 6/47 | 935,000 | 931,328 |
| JPMCC | 06-LDP9 A2 CSTR 05/47 | 800,000 | 783,600 |
| JPMCC | 06-LDP9 A3 CSTR 5/47 | 640,000 | 637,614 |
| JPMCC | 2001-CIB2 A2 6.244 4/35 | 553,132 | 558,973 |
| JPMCC | 07-CB19 D 5.7462% 2/49 | 345,000 | 311,256 |
| JPMCC | 07-CB19 C 5.746% 2/49 | 330,000 | 301,848 |
| JPMCC | 07-CB19 B 5.744% 2/49 | 125,000 | 115,605 |
| JPMCC | 04-CB8 X2 CSTR 1/39 | 1,741,241 | 45,853 |
| JPMCC | 04-C1 X2 CSTR 1/38 | 1,440,610 | 32,790 |
| JPMMT | 2007-A1 3A2 CSTR 7/35 | 1,367,011 | 1,349,069 |
| JPMMT | 06-A3 3A3 CSTR 5/36 | 1,285,000 | 1,244,523 |
| JPMMT | 06-A2 5A3 CSTR 11/33 | 996,070 | 988,396 |
| JPMMT | 06-A3 6A1 CSTR 8/34 | 427,834 | 417,266 |
| JPMMT | 05-A8 2A3 CSTR 11/35 | 120,000 | 117,555 |
| JPMMT | 06-A4 1A1 CSTR 6/36 | 85,408 | 85,245 |
| JPMORGAN CHAS | 6% 10/1/17 | 800,000 | 813,617 |
| JPMORGAN CHAS | 4.891/VAR 9/15 | 355,000 | 341,863 |
| JPMORGAN CHASE & CO SR NT | 01/15/2018 DD 12/20/07 | 2,900,000 | 2,950,286 |
| JPMRGN-CHS BANK | 6% 7/05/17 | 1,025,000 | 1,037,939 |
| JPY/USD SPOT OPTION | CALL MAR 07 104.000 ED 3/17/10 | 14 | 74,075 |
| JPY/USD SPOT OPTION | PUT MAR 10 104.000 ED 03/17/10 | 14 | 63,305 |
| JPY/USD SPOT OPTION | PUT MAR 10 104.000 ED 03/17/10 | 5,000 | (22,609) |
| JPY/USD SPOT OPTION | CALL MAR 10 104.000 ED 3/17/10 | 5,000 | (26,455) |
| KANSAS CITY SOUTH N RY CO SR NT | 7.500% 06/15/2009 DD 06/12/02 | 125,000 | 125,156 |
| KAR HLDGS INC SR SUB NT | 10.000% 05/01/2015 DD 04/20/07 | 525,000 | 468,563 |
| KAUPTHING BK HF MTN | 5.750% 10/04/2011 DD 10/04/06 | 500,000 | 470,230 |
| KELLOGG CO SR NT | 5.125% 12/03/2012 DD 12/03/07 | 60,000 | 60,506 |
| KEY BK NA | 7% 2/01/11 | 845,000 | 901,275 |

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| KEYBANK NATL ASSN CLEVELAND | 5.500% 09/17/2012 DD 09/10/07 | 250,000 | 254,140 |
| KEYCORP MEDIUM TRM SR | 4.700% 05/21/2009 DD 05/21/04 | 300,000 | 299,295 |
| KEYSPAN GAS EAST MTN | 7.875% 02/01/2010 DD 02/01/00 | 125,000 | 132,675 |
| KINDER MORGAN | 6.5% 9/01/12 | 1,365,000 | 1,356,809 |
| KINDER MORGAN | 5.125% 11/15/14 | 440,000 | 428,714 |
| KINDER MORGAN ENERGY PARTNERS | 7.125% 03/15/2012 DD 03/14/02 | 3,000,000 | 3,206,730 |
| KINDER MORGAN ENERGY PARTNERS | 5.850% 09/15/2012 DD 08/28/07 | 1,280,000 | 1,317,798 |
| KINDER MORGAN ENERGY PARTNERS | 6.950% 01/15/2038 DD 06/21/07 | 1,000,000 | 1,049,530 |
| KOHL'S CORP NT | 6.250% 12/15/2017 DD 09/28/07 | 565,000 | 567,650 |
| KOREA DEV BANK | 3.875% 3/02/09 | 1,420,000 | 1,406,230 |
| KOREA DEV BK USD NT | VAR RT 04/03/2010 DD 04/03/07 | 1,800,000 | 1,794,366 |
| KRAFT FOOD INC BD | 6.000% 02/11/2013 DD 08/13/07 | 780,000 | 801,941 |
| KRAFT FOODS INC | 6.5% 8/11/17 | 1,400,000 | 1,448,364 |
| KRAFT FOODS INC | 6.125% 2/1/18 | 895,000 | 901,842 |
| KRAFT FOODS INC | 6% 2/11/13 | 315,000 | 323,853 |
| KRAFT FOODS INC NT | 6.125% 02/01/2018 DD 12/12/07 | 1,900,000 | 1,914,535 |
| KRAFT FOODS INC NT | 6.125% 02/01/2018 DD 12/12/07 | 500,000 | 503,825 |
| KROGER CO SR NT | 6.400% 08/15/2017 DD 08/15/07 | 320,000 | 334,701 |
| LABRANCHE & CO INC SR NT | 9.500% 05/15/2009 DD 05/18/04 | 450,000 | 448,313 |
| LABRANCHE & CO INC SR NT | 11.000% 05/15/2012 DD 05/18/04 | 325,000 | 318,094 |
| LANDESBANKI IS HF | 6.100% 08/25/2011 DD 08/25/06 | 385,000 | 379,464 |
| LB UBS COML MTG TR | 5.430% 02/15/2040 DD 04/11/07 | 3,600,000 | 3,441,456 |
| LB UBS COML MTG TR | 3.973% 03/15/2029 DD 03/11/04 | 2,865,000 | 2,794,922 |
| LB UBS COML MTG TR | 5.156% 02/15/2031 DD 01/11/06 | 775,000 | 766,274 |
| LB UBS COML MTG TR | VAR RT 06/15/2038 DD 06/11/06 | 595,000 | 594,703 |

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|---|--|---------------|---------------|
| | | /Principal | Current Value |
| LBCMT | 07-C3 G CSTR 7/44 | 515,000 | 414,824 |
| LBCMT | 07-C3 F CSTR 7/44 | 290,000 | 240,067 |
| LBFRC | 03-LLFA J 1ML+205 12/14 | 435,000 | 420,631 |
| LBFRC | 03-LLFA K1 1ML+255 12/14 | 225,000 | 204,953 |
| LBUBS | 00-C5 A2 6.51 12/26 | 1,385,000 | 1,447,849 |
| LBUBS | 2000-C5 E 7.29% 12/32 | 1,000,000 | 1,055,318 |
| LBUBS | 00-C3 A2 7.95 1/10 | 639,800 | 675,627 |
| LBUBS | 04-C4 A2 CSTR 6/29 | 630,000 | 628,289 |
| LBUBS | 03-C3 A2 3.086 5/27 | 595,000 | 590,557 |
| LBUBS | 07-C2 XCP CSTR 2/40 | 18,490,000 | 473,806 |
| LBUBS | 04-C6 A2 4.187% 8/29 | 475,000 | 471,611 |
| LBUBS | 2001-C3 B 6.512 6/36 | 295,000 | 311,682 |
| LBUBS | 2006-C6 A1 5.23 9/39 | 254,177 | 255,402 |
| LBUBS | 01-C2 A2 6.653 11/27 | 215,000 | 227,156 |
| LBUBS | 07-C1 A1 CSTR 2/15/40 | 174,166 | 175,509 |
| LBUBS | 07-C2 A1 5.226 2/40 | 167,697 | 168,526 |
| LBUBS | 2006-C7 A1 5.279 11/38 | 134,352 | 135,262 |
| LBUBS | 04-C2 XCP CSTR 3/36 | 3,898,274 | 87,067 |
| LEAR CORP SR NT SER B | 8.750% 12/01/2016 DD 11/24/06 | 590,000 | 536,900 |
| LEHMAN BR HLDGS | 3ML+14 5/25/10 | 1,525,000 | 1,465,946 |
| LEHMAN BR MTN | 5.75% 4/25/11 | 520,000 | 525,443 |
| LEHMAN BR MTN | 5% 1/14/11 | 425,000 | 418,753 |
| LEHMAN BR MTN | 6.625% 1/18/12 | 400,000 | 415,440 |
| LEHMAN BR MTN | 7.19438% 9/15/22 | 375,000 | 370,514 |
| LEHMAN BROS | 3ML+78 8/19/65 | 400,000 | 375,794 |
| LEHMAN BROS HLD | 6.75% 12/28/17 | 725,000 | 747,257 |
| LEHMAN BROS HLDGS INC DTD | VAR RT 12/31/2049 DD 05/17/07 | 1,105,000 | 984,831 |
| LEHMAN BROS HLDGS INC GBL NT | 4.000% 01/22/2008 DD 01/21/03 | 500,000 | 499,660 |
| LEHMAN BROS HLDGS INC MEDIUM | 6.750% 12/28/2017 DD 12/21/07 | 50,000 | 51,531 |
| LEHMAN BROS HLDGS INC NT | 7.875% 08/15/2010 DD 08/15/00 | 70,000 | 74,189 |
| LEHMAN BROS HLDGS INC SR NTS | 7.200% 08/15/2009 DD 08/19/97 | 104,000 | 107,218 |
| LEHMAN BROS HLDGS INC SUB NT | 5.750% 01/03/2017 DD 10/24/06 | 65,000 | 62,441 |
| LEHMAN BROS MTN | 6.2% 9/26/14 | 1,240,000 | 1,262,900 |
| LEHMAN BROS MTN | 5.75% 7/18/11 | 280,000 | 282,094 |
| LEHMAN BROS MTN | VAR RT 01/23/2009 DD 01/25/06 | 2,000,000 | 1,960,920 |
| LEHMAN BROTHERS HLDGS | 5.500% 04/04/2016 DD 03/29/06 | 125,000 | 119,610 |
| LEHMAN BROTHERS HLDGS INC | 5.250% 02/06/2012 DD 01/12/07 | 1,280,000 | 1,266,598 |
| LEHMAN BROTHERS HLDGS INC MTN | 6.000% 07/19/2012 DD 07/19/07 | 400,000 | 407,312 |
| LEHMAN BROTHERS HLDGS TR | 6.625% 01/18/2012 DD 01/10/02 | 125,000 | 129,824 |
| LEHMAN BROTHERS MTN | 5.750% 05/17/2013 DD 05/16/06 | 320,000 | 321,750 |
| LEHMAN BROTHERS MTN | 4.800% 03/13/2014 DD 02/25/04 | 200,000 | 191,089 |
| LEHMAN MTG TR | 5.500% 01/25/2036 DD 12/01/05 | 1,187,415 | 1,183,734 |
| LEHMAN MTG TR | VAR RT 04/25/2036 DD 03/01/06 | 558,701 | 569,344 |
| LENFEST COM | 7.625% 2/15/08 | 100,000 | 100,244 |
| LEVEL 3 FING INC GTD SR NT | 8.750% 02/15/2017 DD 02/14/07 | 670,000 | 574,525 |
| LIBERTY PROP LP | 5.5% 12/15/16 | 270,000 | 252,618 |
| LIBERTY PROP LP | 5.125 3/2/15 | 210,000 | 195,375 |
| LINCOLN NATIONAL | 7%/VAR5/17/66 | 305,000 | 306,227 |

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|-------------------------------|-------------------------------|-----------|------------|
| LINCOLN NATL CORP IND | VAR RT 05/17/2066 DD 05/17/06 | 610,000 | 612,477 |
| MACDERMID INC SR SUB NT | 9.500% 04/15/2017 DD 04/12/07 | 565,000 | 531,100 |
| MACK CALI LP | 5.05% 4/15/10 | 275,000 | 278,685 |
| MACK CALI RLTY | 7.25% 3/15/09 | 395,000 | 405,629 |
| MAJESTIC STAR CASINO | 9.500% 10/15/2010 DD 10/07/03 | 350,000 | 330,750 |
| MANDALAY RESORT GRP SR SUB NT | 9.375% 02/15/2010 DD 12/20/01 | 125,000 | 129,375 |
| MANUFACTURERS & TRADERS TR CO | 6.625% 12/04/2017 DD 12/04/07 | 350,000 | 349,888 |
| MARATHON OIL CORP SR NT | 6.000% 10/01/2017 DD 09/27/07 | 300,000 | 305,484 |
| MARINER ENERGY INC SR NT | 8.000% 05/15/2017 DD 04/30/07 | 250,000 | 237,813 |
| MARISCO FOCUS | MARISCO FOCUS | 2,643,144 | 52,836,441 |
| MARSH & MCLEN | 7.125% 6/15/09 | 1,140,000 | 1,178,686 |
| MARSHALL & ILSLEY MTN | 5.350% 04/01/2011 DD 03/28/06 | 350,000 | 353,773 |
| MASSMUTUAL GLOBAL FDG | 3.500% 03/15/2010 DD 03/15/04 | 200,000 | 198,000 |
| MASSMUTUAL MTN | 2.55% 7/08 144A | 500,000 | 494,179 |
| MASTER ASSET SEC TR | 5.000% 05/25/2018 DD 04/01/03 | 183,997 | 182,969 |
| MASTER ASSET SEC TR | 0.000% 09/25/2033 DD 07/01/03 | 77,130 | 54,337 |
| MASTER ASSET SEC TR | 5.000% 12/25/2033 DD 12/01/03 | 663,376 | 635,528 |
| MASTER ASSET SECUR | 5.000% 05/25/2018 DD 04/01/03 | 406,428 | 404,087 |
| MASTR ADJ RATE MTGS | VAR RT 01/25/2034 DD 11/01/03 | 1,483,627 | 1,486,045 |
| MASTR ADJ RATE MTGS | VAR RT 11/21/2034 DD 11/01/94 | 500,000 | 490,125 |
| MASTR ADJ RT MTGS | VAR RT 04/21/2034 DD 11/01/04 | 450,542 | 445,974 |
| MASTR ALT LN TR | 6.000% 07/25/2034 DD 06/01/04 | 247,396 | 239,086 |
| MASTR ALT LN TR | VAR RT 01/25/2034 DD 12/01/03 | 219,585 | 212,793 |
| MASTR ALTERNATIVE LN | 4.500% 09/25/2019 DD 09/01/04 | 323,769 | 316,688 |
| MASTR ALTERNATIVE LN | 4.750% 06/25/2019 DD 05/01/04 | 476,275 | 467,602 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units /Principal | Current Value |
|---|--|-----------------------------|---------------|
| MASTR ASSET SEC | 4.000% 12/25/2033 DD 11/01/03 | 453,371 | 446,988 |
| MASTR ASSET SECUR | 4.500% 04/25/2019 DD 03/01/04 | 535,836 | 521,818 |
| MASTR ASSET SECUR | 5.000% 04/25/2018 DD 03/01/03 | 277,979 | 275,914 |
| MASTR ASSET SECURITIZ | 4.500% 03/25/2018 DD 02/01/03 | 290,026 | 283,149 |
| MASTR RESECUR | 0.000% 05/28/2035 DD 07/29/05 | 776,653 | 589,861 |
| MAY DEPT STORES CO NTS | 7.625% 08/15/2013 DD 08/15/95 | 125,000 | 134,649 |
| MAY DEPT STR GLBL | 4.8 7/15/09 | 850,000 | 845,177 |
| MBNA CORP | 7.5% 3/15/12 | 400,000 | 436,288 |
| MBNA CR CARD | VAR RT 06/15/2012 DD 02/04/03 | 100,000 | 99,688 |
| MBNA CR CARD MASTER NT | 3.300% 07/15/2010 DD 02/27/03 | 1,445,000 | 1,441,922 |
| MBNAS | 2006-A4 A4 1ML-1 9/11 | 1,300,000 | 1,296,771 |
| MBNAS | 05-A3 A3 4.1% 10/15/2012 | 1,100,000 | 1,097,759 |
| MBNAS | 03-B2 B2 1ML+39 10/10 | 110,000 | 110,126 |
| MCDONALDS CORP MEDIUM TERM NTS | 5.800% 10/15/2017 DD 10/18/07 | 950,000 | 983,545 |
| MCFI | 98-MC2 A2 6.423 6/30 | 137,966 | 137,733 |
| MEDIACOM LLC/MEDIACOM CAP | 9.500% 01/15/2013 DD 07/15/01 | 1,200,000 | 1,114,500 |
| MEDTRONIC INC SR NT | 4.750% 09/15/2015 DD 09/15/05 | 250,000 | 241,250 |
| MERRILL LYNCH | 4.25% 2/8/10 | 2,095,000 | 2,053,724 |
| MERRILL LYNCH & CO | 4.125% 01/15/2009 DD 12/04/03 | 150,000 | 148,055 |
| MERRILL LYNCH & CO INC MEDIUM | 6.050% 08/15/2012 DD 08/15/07 | 315,000 | 321,054 |
| MERRILL LYNCH & CO INC MEDIUM | 6.050% 08/15/2012 DD 08/15/07 | 300,000 | 305,766 |
| MERRILL LYNCH & CO INC MEDIUM | 6.050% 08/15/2012 DD 08/15/07 | 280,000 | 285,382 |
| MERRILL LYNCH & CO INC MTN | 6.400% 08/28/2017 DD 08/28/07 | 1,100,000 | 1,117,534 |
| MERRILL LYNCH & CO INC MTN | 6.400% 08/28/2017 DD 08/28/07 | 400,000 | 406,376 |
| MERRILL LYNCH & CO INC NTS | 6.000% 02/17/2009 DD 02/17/99 | 1,490,000 | 1,502,114 |
| MERRILL LYNCH & CO INC SUB NT | 6.050% 05/16/2016 DD 05/16/06 | 365,000 | 358,613 |
| MERRILL LYNCH & CO MTN | 5.450% 07/15/2014 DD 07/19/04 | 550,000 | 540,722 |
| MERRILL LYNCH & CO MTN | 5.000% 01/15/2015 DD 11/22/04 | 570,000 | 535,067 |
| MERRILL LYNCH & CO MTN | 3.700% 04/21/2008 DD 04/21/03 | 400,000 | 397,124 |
| MERRILL LYNCH CR CORP MTG LN | FLTG RT 03/15/2025 DD 12/21/99 | 331,136 | 324,149 |
| MERRILL LYNCH MTG | VAR RT 05/12/2039 DD 05/01/06 | 380,000 | 374,061 |
| MERRILL LYNCH MTG | 4.674% 05/12/2043 DD 06/01/05 | 350,000 | 338,041 |
| MERRILL LYNCH MTG | VAR RT 01/12/2044 DD 12/01/05 | 100,000 | 99,714 |
| MET LIFE GBL | 4.25 7/30/09 144A | 375,000 | 375,229 |
| MEXICO (UTD MEX ST) MTN | 8.000% 24-SEPT-2022 | 415,000 | 510,035 |
| MEXICO GOV GLB | 6.375 1/16/13DT | 2,000,000 | 2,123,000 |
| MEXICO GVT GLB | 5.875 1/15/14DT | 150,000 | 156,000 |
| MICHAELS STORES INC SR SUB NT | 11.375% 11/01/2016 DD 05/01/07 | 630,000 | 578,025 |
| MIDAMERICAN ENERGY CO SR NT | 5.950% 07/15/2017 DD 06/29/07 | 530,000 | 550,119 |
| MIDAMERICAN ENR | 5.875% 10/1/12 | 1,710,000 | 1,772,393 |
| MIDWEST GENERATION CTF SER A | 8.300% 07/02/2009 DD 01/02/01 | 275,058 | 279,608 |
| MIRANT AMERICAS GENERATION LLC | 8.300% 05/01/2011 DD 01/04/06 | 425,000 | 426,063 |
| MIRANT CORP NEW | MIRANT CORP NEW | 2,147 | 83,690 |
| MIZUHO CAP INVT | VAR RT 06/30/2016 DD 03/13/06 | 178,000 | 166,540 |
| ML CFC COML MTG | 5.485% 03/12/2051 DD 04/01/07 | 1,050,000 | 1,056,710 |
| ML CFC COML MTG TR | VAR RT 02/12/2039 DD 03/01/06 | 330,000 | 334,534 |
| MLCC | 05-B A2 6ML+23 7/30 | 108,837 | 106,840 |
| MLCC | 03-H XA1 1% 1/29 | 1,075,112 | 22 |

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|-------------------------------|-------------------------------|-----------|-----------|
| MLCFC | 2007-5 A1 4.275 12/11 | 156,409 | 154,193 |
| MLCFC | 07-7 B 5.750 6/50 | 130,000 | 117,716 |
| MLMI | 03-OPT1 M1 1ML+65 7/34 | 435,000 | 413,464 |
| MLMI | 03-HE1 M1 1ML+70 7/34 | 205,000 | 192,776 |
| MLMT | 04-MKB1 A2 4.353% 2/42 | 1,310,000 | 1,302,695 |
| MLMT | 04-KEY2 A2 4.166% 8/39 | 813,404 | 806,269 |
| MLMT | 05-MCP1 A2 4.556 6/43 | 725,000 | 717,049 |
| MLMT | 07-C1 A4 CSTR 6/50 | 605,000 | 627,925 |
| MOMENTIVE PERFORMANCE | 9.750% 12/01/2014 DD 12/04/06 | 745,000 | 684,625 |
| MONSANTO CO NEW SR NT | 7.375% 08/15/2012 DD 08/14/02 | 300,000 | 327,093 |
| MONUMENTAL GLOBAL FDG | 4.375% 07/30/2009 DD 07/22/04 | 300,000 | 301,263 |
| MONY GROUP INC SR NT | 8.350% 03/15/2010 DD 03/08/00 | 570,000 | 621,118 |
| MORGAN STANLEY | 5.05% 1/21/11 | 2,390,000 | 2,389,732 |
| MORGAN STANLEY | VAR RT 12/15/2043 DD 12/01/06 | 1,500,000 | 1,497,765 |
| MORGAN STANLEY | 5.05% 1/21/11 | 575,000 | 574,936 |
| MORGAN STANLEY | VAR RT 12/15/2043 DD 12/01/06 | 345,898 | 347,174 |
| MORGAN STANLEY | 5.682% 08/12/2041 DD 08/01/06 | 98,540 | 99,924 |
| MORGAN STANLEY & CO INC SR NT | 4.250% 05/15/2010 DD 05/07/03 | 135,000 | 132,890 |
| MORGAN STANLEY CAP | 4.490% 01/13/2041 DD 03/01/04 | 2,870,000 | 2,812,198 |
| MORGAN STANLEY CAP | 5.731% 07/20/2044 DD 08/01/06 | 900,000 | 892,242 |
| MORGAN STANLEY DW | 4.920% 03/12/2035 DD 03/01/03 | 455,000 | 443,302 |
| MORGAN STANLEY DW & CO GL NT | 6.750% 04/15/2011 DD 04/23/01 | 700,000 | 731,374 |
| MORGAN STANLEY DW & CO NT | 6.600% 04/01/2012 DD 04/03/02 | 300,000 | 314,114 |
| MORGAN STANLEY FRN | FRN 01/09/12 | 2,905,000 | 2,807,360 |
| MORGAN STANLEY GLOBAL MTN | 5.750% 08/31/2012 DD 08/31/07 | 100,000 | 102,078 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| MORGAN STANLEY GLOBAL NT | 5.300% 03/01/2013 DD 02/26/03 | 1,050,000 | 1,047,375 |
| MORGAN STANLEY GLOBAL SUB NT | 4.750% 04/01/2014 DD 03/30/04 | 200,000 | 187,376 |
| MORGAN STANLEY MTN SER F | VAR RT 02/09/2009 DD 02/09/06 | 1,900,000 | 1,876,535 |
| MORGAN STANLEY NT | 5.450% 01/09/2017 DD 01/09/07 | 1,405,000 | 1,362,850 |
| MORGAN STANLEY NT | 4.000% 01/15/2010 DD 11/12/04 | 300,000 | 294,984 |
| MORGAN STANLEY NT | 5.375% 10/15/2015 DD 10/21/05 | 300,000 | 291,657 |
| MORGAN STANLEY SR MEDIUM TERM | 5.950% 12/28/2017 DD 12/28/07 | 145,000 | 144,885 |
| MORGAN STANLEY SR MTN SER F | 5.625% 01/09/2012 DD 08/09/06 | 200,000 | 203,436 |
| MORTGAGE IT TR | VAR RT 02/25/2035 DD 01/19/05 | 248,884 | 242,896 |
| MSAC | 07-HE4 A2A 1ML+11 2/37 | 1,928,739 | 1,863,945 |
| MSAC | 03-NC7 M1 1ML+70 6/33 | 170,435 | 155,949 |
| MSAC | 07-NC1 A2A 1ML+5 11/36 | 948,677 | 920,411 |
| MSC | 07-IQ15 A4 6.078% 6/49 | 1,775,000 | 1,848,864 |
| MSC | 05-HQ6 A2A 4.882 8/42 | 1,300,000 | 1,294,132 |
| MSC | 07-T25 A3 5.514 11/49 | 1,150,000 | 1,163,347 |
| MSC | 05-IQ9 A3 4.54% 7/56 | 910,000 | 887,888 |
| MSC | 07-IQ16 A4 5.809% 12/49 | 825,000 | 844,019 |
| MSC | 2007-HQ11 A31 CSTR 2/44 | 720,000 | 718,345 |
| MSC | 07-T27 A4 5.804% 6/42 | 665,000 | 676,954 |
| MSC | 07-IQ14 A1 5.38 4/49 | 657,201 | 661,402 |
| MSC | 06-HQ10 A1 5.131% 11/41 | 621,047 | 622,013 |
| MSC | 2006-IQ12 A4 CSTR 12/43 | 495,000 | 494,262 |
| MSC | 07-IQ13 A1 5.05% 3/44 | 315,676 | 314,993 |
| MSC | 2007-HQ11 A1 CSTR 2/44 | 290,574 | 291,573 |
| MSC | 06-HE2 A2A 1ML+7 3/36 | 235,675 | 234,029 |
| MSC | 98-HF2 A2 6.48 11/30 | 218,460 | 218,773 |
| MSC | 2006-T23 A1 5.682% 8/41 | 181,313 | 183,861 |
| MSC | 05-IQ9 X2 CSTR 7/56 | 4,180,202 | 137,119 |
| MSC | 03-IQ6 X2 CSTR 12/41 | 5,085,228 | 100,656 |
| MSC | 03-IQ5 X2 CSTR 4/38 | 2,859,646 | 71,268 |
| MSDWC | 03-TOP9 A1 3.98 11/36 | 1,734,972 | 1,714,936 |
| MSDWC | 01-NC4 M1 1ML+100 1/32 | 39,276 | 35,382 |
| MSHEL | 07-2 A1 1ML+10 4/37 | 1,723,670 | 1,667,919 |
| MSHEL | 05-1 M2 1ML+47 12/34 | 300,000 | 270,067 |
| MSI SMALL CO GROWTH A | MSI SMALL CO GROWTH A | 3,071,792 | 40,301,916 |
| MSSTR | 04-1 1A1 CSTR 8/17 | 237,457 | 243,877 |
| MSTDW | 6.6% 4/01/12 | 450,000 | 472,825 |
| MSTDW | 5.55% 4/27/17 | 385,000 | 375,440 |
| MSTDW FRN | 3ML+30 1/9/14 | 825,000 | 785,660 |
| MSTDW GLBL | GLBL 6.75% 4/15/11 | 175,000 | 183,425 |
| MSTDW MTN | 6.25% 8/28/17 | 1,600,000 | 1,626,565 |
| MUFG CAP FIN 1 LTD USD | VAR RT 07/29/2049 DD 03/17/06 | 760,000 | 719,857 |
| MUNDER MDCPCORE GR Y | MUNDER MDCPCORE GR Y | 1,514,027 | 45,965,857 |
| NATIONAL SEMI | 6.15% 6/15/12 | 885,000 | 902,153 |
| NATIONSBANK CORP SUB NOTES | 7.750% 08/15/2015 DD 09/05/95 | 175,000 | 197,531 |
| NATIONSBANK MTN SR | 7.230% 08/15/2012 DD 08/15/97 | 125,000 | 136,758 |
| NCNB CORP SUB NT | 9.375% 09/15/2009 DD 09/27/89 | 150,000 | 160,769 |
| NCSLT | 04-2 AIO 9.75% 10/14 | 580,000 | 186,853 |

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|-------------------------------|-------------------------------|-----------|-----------|
| NCSLT | 04-GT1 IO1 CSTR 6/10 | 605,000 | 108,995 |
| NCSLT | 05-1 AIO 6.75% 12/09 | 300,000 | 37,641 |
| NEW YORK LIFE GBL MTN | 3.875% 01/15/2009 DD 01/12/04 | 100,000 | 99,421 |
| NEW YORK LIFE MTN | 5.375% 09/15/2013 DD 09/10/03 | 250,000 | 250,115 |
| NEW YORK N Y CITY MUN WTR FIN | 5.000% 06/15/2038 DD 12/11/07 | 100,000 | 103,892 |
| NEW ZEALAND DOLLAR CURRENCY | NEW ZEALAND DOLLAR CURRENCY | 17,176 | 13,164 |
| NEWS AMER HLDGS | 9.5% 7/15/24 | 130,000 | 166,152 |
| NEWS AMER HLDGS | 8.5% 2/23/25 | 200,000 | 238,337 |
| NEWS AMER INC SR NTS | 6.625% 01/09/2008 DD 01/09/98 | 70,000 | 70,011 |
| NEXEN INC | 5.05% 11/20/13 | 435,000 | 422,409 |
| NEXEN INC | 5.2% 3/10/15 | 350,000 | 341,299 |
| NGPL PIPECO LLC SR NT | 7.119% 12/15/2017 DD 12/21/07 | 1,100,000 | 1,127,841 |
| NGTPLC MTN | 6.3% 8/01/16 | 1,365,000 | 1,393,526 |
| NHEL | 06-WF1 A1 1ML+6.5 3/36 | 549,228 | 542,167 |
| NHEL | 06-2 A2A 1ML+5 6/36 | 148,348 | 144,565 |
| NISOURCE FIN | 6.4% 3/15/18 | 1,040,000 | 1,037,661 |
| NISOURCE FIN | 3ML+57 11/23/09 | 800,000 | 792,274 |
| NISOURCE FIN | 7.875% 11/15/10 | 660,000 | 700,141 |
| NISOURCE FIN | 5.4% 7/15/14 | 625,000 | 612,174 |
| NISOURCE FIN | 7.875% 11/15/10 | 325,000 | 344,767 |
| NISSAY | 4.875% 08/09/2010 DD 08/09/05 | 225,000 | 227,320 |
| NOMURA ASSET ACCEP | 6.000% 05/25/2033 DD 04/01/03 | 47,047 | 47,215 |
| NOMURA ASSET ACCEP CORP | 7.000% 04/25/2033 DD 04/01/03 | 9,203 | 9,188 |
| NORFOLK SOUTHERN CORP BDS | 7.700% 05/15/2017 DD 05/19/97 | 250,000 | 283,085 |
| NORMURA ASSET ACCEP CORP | 5.500% 05/25/2033 DD 04/01/03 | 124,509 | 122,804 |

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| | Description of investment including maturity date, | Shares/ Units | |
|---|--|---------------|---------------|
| Identity of Issue, borrower, lessor, or similar party | rate of interest, collateral, par, or maturity value | /Principal | Current Value |
| NORSKE SKOG CDA LTD SR NT | 8.625% 06/15/2011 DD 06/15/03 | 690,000 | 572,700 |
| NORTHRUP GRUMMAN CORP NT | 7.125% 02/15/2011 DD 02/27/01 | 250,000 | 266,445 |
| NORTHWEST AIRLINES CRP SR ESC | 10.000% 02/01/2009 DD 01/29/04 | 70,000 | 2,275 |
| NORTHWEST AIRLS CORP COM | 10.000% 02/01/2009 DD 01/29/04 | 1,924 | 27,917 |
| NORWEST FINL INC NTS | 6.850% 07/15/2009 DD 07/17/97 | 115,000 | 119,115 |
| NRG ENERGY INC SR NT | 7.375% 02/01/2016 DD 02/02/06 | 375,000 | 365,625 |
| NSTAR | 8% 2/15/10 | 260,000 | 278,526 |
| NSTR | 2006-B AV1 1ML+7 9/36 | 378,918 | 374,843 |
| NTGI-QM COL DLY | SP500 EQ INDX | 185,330 | 751,034,489 |
| NTL CABLE PLC SR NT | 9.125% 08/15/2016 DD 07/25/06 | 620,000 | 613,800 |
| NUVEEN INVESTMENTS | 5% 9/15/10 | 145,000 | 132,313 |
| NY LIFE GLBL | 5.25% 10/12 144A | 1,305,000 | 1,335,250 |
| NY SALE TX FGIC | 3.83% 10/15/09 | 415,000 | 409,783 |
| O CHARLEYS INC SR SUB NT | 9.000% 11/01/2013 DD 05/01/04 | 475,000 | 457,188 |
| OAKMARK EQ & INC | OAKMARK EQ & INC | 5,124,954 | 137,758,754 |
| OAKMARK GLOBAL | OAKMARK GLOBAL | 7,402,665 | 178,404,225 |
| OHIO PWR CO SR NT SER K | 6.000% 06/01/2016 DD 06/12/06 | 760,000 | 768,193 |
| ONEOK INC | 5.51% 2/16/08 | 420,000 | 419,708 |
| ONEOK PARTNERS LP GTD SR NT | 5.900% 04/01/2012 DD 09/25/06 | 285,000 | 293,017 |
| ONYX | 05-B A4 4.34% 5/12 | 295,000 | 293,867 |
| OOMLT | 07-5 2A1 1ML+12 5/25/37 | 1,530,337 | 1,488,014 |
| OPMAC | 2006-2 A1A 1ML+6 7/36 | 460,614 | 454,393 |
| OPMAC | 05-3 A1PT 1ML+29 7/35 | 184,473 | 148,095 |
| OPPHMR INTL SM CO Y | OPPHMR INTL SM CO Y | 5,278,204 | 141,930,908 |
| OPTI CDA INC GTD SR SECD | 8.250% 12/15/2014 DD 12/15/06 | 255,000 | 252,450 |
| OR SCH TAX PEN A FGIC | 0% 6/09 | 1,600,000 | 1,501,360 |
| ORACLE CORP | 5% 1/15/11 | 625,000 | 633,265 |
| ORACLE CORP/OZARK HLDG INC | 5.250% 01/15/2016 DD 01/13/06 | 250,000 | 249,490 |
| ORION PWR HLDGS INC SR NT | 12.000% 05/01/2010 DD 05/01/01 | 375,000 | 408,750 |
| OWENS CORNING NEW SR NT | 6.500% 12/01/2016 DD 06/01/07 | 820,000 | 750,940 |
| PACIFIC GAS & ELEC CO SR NT | 5.625% 11/30/2017 DD 12/04/07 | 200,000 | 200,592 |
| PACIFIC LIFE GBL | 3.750% 01/15/2009 DD 01/15/04 | 100,000 | 98,828 |
| PACIFICORP 1ST MTG | 4.950% 08/15/2014 DD 08/24/04 | 420,000 | 412,255 |
| PACIFICORP AUSTRALIA LLC | 6.150% 01/15/2008 DD 01/15/98 | 820,000 | 820,254 |
| PCAT | 2006-A B 5.51% 9/09 | 230,000 | 230,130 |
| PCAT | 2006-A C 5.77% 5/10 | 215,000 | 215,261 |
| PEMEX FINANCE A/BKD | 8.875% 15-NOV-2010 USD1000 | 712,000 | 751,295 |
| PEMEX PR | 3ML+130 6/15/10 144A | 500,000 | 502,000 |
| PEMEX PROJ FD | 6.125% 8/15/08 | 17,000 | 17,053 |
| PEMEX PROJ FRN | 3ML+60 12/12/144A | 300,000 | 295,350 |
| PENN ELEC | 6.05% 9/1/17 144A | 450,000 | 447,231 |
| PENN MUTUAL | 6.65% 6/15/34 | 750,000 | 797,593 |
| PEPCO HOLDINGS | 4% 5/15/10 | 350,000 | 343,965 |
| PEPCO HOLDINGS | 6.45% 8/15/12 | 265,000 | 277,321 |
| PETROHAWK ENERGY CORP SR NT | 9.125% 07/15/2013 DD 07/12/06 | 450,000 | 473,625 |
| PETRONAS CAP | 7% 5/22/12 144A | 1,370,000 | 1,489,520 |
| PHILLIPS PETE GLB | 8.75 5/25/10 | 400,000 | 438,224 |
| PIMCO | 5.0000% 06/18/2038 | 10,500,000 | 52,134 |

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|-----------------------------|--------------------------------|-------------|------------|
| PIMCO FDS PAC INVT MGMT SER | SHORT TERM PORTFOLIO INSTL CL | 10,683,723 | 40,082,192 |
| PIMCO SWAP | 5.000% 06/18/2009 DD 07/01/05 | 107,400,000 | 1,488,220 |
| PIMCO SWAP | CALL MAY 09 003.750 ED 5/15/09 | 111,600,000 | 922,525 |
| PIMCO SWAP | CALL DEC 08 004.500 ED 121908 | 42,000,000 | 716,361 |
| PIMCO SWAP | 5.000% 06/18/2010 DD 07/01/07 | 23,400,000 | 587,513 |
| PIMCO SWAP | CALL DEC08 005.000 ED 12/15/08 | 18,900,000 | 447,766 |
| PIMCO SWAP | 4.000% 06/18/2010 DD 06/18/08 | 60,400,000 | 385,273 |
| PIMCO SWAP | 4.000% 06/18/2010 DD 07/01/07 | 53,900,000 | 343,812 |
| PIMCO SWAP | CALL FEB 07 005.000 ED 2/01/08 | 11,700,000 | 273,831 |
| PIMCO SWAP | 4.0000% 06/18/2009 | 54,100,000 | 233,896 |
| PIMCO SWAP | 1.4000% 12/20/2012 | 8,400,000 | 214,633 |
| PIMCO SWAP | CALL DEC 08 004.500 ED 121908 | 12,000,000 | 204,675 |
| PIMCO SWAP | 5.000% 12/21/2016 DD 12/21/11 | 46,100,000 | 192,892 |
| PIMCO SWAP | 4.000% 06/18/2010 DD 06/18/08 | 19,800,000 | 126,298 |
| PIMCO SWAP | 0.2800% 06/20/2012 | 1,300,000 | 86,211 |
| PIMCO SWAP | 0.6000% 12/20/2012 | 10,100,000 | 73,638 |
| PIMCO SWAP | 5.0000% 06/18/2013 | 1,900,000 | 67,801 |
| PIMCO SWAP | 0.600% 06/20/2017 DD 03/21/07 | 2,200,000 | 55,155 |
| PIMCO SWAP | 5.000% 12/21/2016 DD 12/21/11 | 8,900,000 | 37,239 |
| PIMCO SWAP | W/MERRILL MAT 6/17/2011 | 36,300,000 | 32,351 |
| PIMCO SWAP | 5.0000% 06/18/2015 | 900,000 | 29,641 |
| PIMCO SWAP | 5.0000% 06/18/2038 | 3,900,000 | 19,364 |
| PIMCO SWAP | PUT JAN 08 004.750 ED 01/31/08 | 30 | 16,838 |
| PIMCO SWAP | 0.450% 06/20/2012 DD 03/24/07 | 900,000 | 15,294 |
| PIMCO SWAP | 5.000% 06/18/2009 DD 06/18/08 | 1,100,000 | 15,242 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | |
| PIMCO SWAP | 5.000% 12/21/2016 DD 12/21/11 | 1,800,000 | 7,532 |
| PIMCO SWAP | 0.510% 06/20/2012 DD 03/24/07 | 900,000 | 5,014 |
| PIMCO SWAP | PUT MAR 10 004.770 ED 03/10/10 | 270 | 2,462 |
| PIMCO SWAP | 0.450% 06/20/2012 DD 03/24/07 | 900,000 | 1,200 |
| PIMCO SWAP | 5.0000% 06/18/2038 | 100,000 | 497 |
| PIMCO SWAP | 5.0000% 06/18/2028 | 300,000 | (293) |
| PIMCO SWAP | PUT MAR 10 005.035 ED 03/06/10 | 540 | (1,415) |
| PIMCO SWAP | 4.000% 06/18/2013 DD 07/01/07 | 5,200,000 | (43,353) |
| PIMCO SWAP | 5.0000% 06/18/2018 | 3,700,000 | (88,231) |
| PIMCO SWAP | PUT MAR 09 005.100 ED 03/16/09 | 8,800,000 | (89,169) |
| PIMCO SWAP | 5.0000% 06/18/2018 | 3,900,000 | (93,000) |
| PIMCO SWAP | CALL DEC 08 005.000 ED 121908 | 4,000,000 | (159,131) |
| PIMCO SWAP | CALL FEB 08 005.100 ED 2/01/08 | 5,100,000 | (212,813) |
| PIMCO SWAP | CALL DEC08 005.200 ED 12/15/08 | 6,300,000 | (297,439) |
| PIMCO SWAP | 4.0000% 06/18/2013 | 37,300,000 | (310,978) |
| PIMCO SWAP | PUT MAY 09 005.300 ED 05/15/09 | 8,900,000 | (472,511) |
| PIMCO SWAP | 4.0000% 06/18/2013 | 61,500,000 | (512,738) |
| PIMCO SWAP | 5.000% 06/18/2018 DD 06/18/08 | 21,700,000 | (517,463) |
| PIMCO SWAP | CALL DEC 08 005.000 ED 121908 | 14,000,000 | (556,957) |
| PIMCO SWAP | CALL MAY 09 005.300 ED 5/15/09 | 8,900,000 | (690,976) |
| PIMCO SWAP | 5.000% 06/18/2018 DD 06/18/08 | 51,100,000 | (1,218,541) |
| PIMCO SWAP | 5.000% 06/18/2018 DD 06/18/06 | 57,000,000 | (1,359,233) |
| PIMCO TOTAL RETURN INST | PIMCO TOTAL RETURN INST | 15,828,460 | 169,206,237 |
| PINNACLE FOODS FIN LLC 144A | 10.625% 04/01/2017 DD 04/02/07 | 550,000 | 473,000 |
| PMNT | 06-B1A B1 5.35 3/13 | 745,000 | 739,534 |
| PNC FDG CORP SUB NT | 5.250% 11/15/2015 DD 11/03/03 | 400,000 | 387,688 |
| POKAGON GAMING AUTH SR NT | 10.375% 06/15/2014 DD 06/22/06 | 600,000 | 645,000 |
| POPLR | 06-D A1 1ML+6 11/36 | 636,350 | 623,922 |
| POPULAR NORTH AMER INC MTN | 4.250% 04/01/2008 DD 03/28/03 | 100,000 | 99,511 |
| PORT TOWNSEND HLDGS CO INC COM | COMM STOCK | 525 | 465,925 |
| POST APT HOMES | 5.45% 6/01/12 | 525,000 | 533,142 |
| POTASH CORP OF SASKATCHEWAN | 7.750% 05/31/2011 DD 05/21/01 | 300,000 | 325,638 |
| POTLATCH CORP | STEP 12/01/2009 DD 12/01/89 | 450,000 | 508,428 |
| PPL CAP FDG | 6.7/VAR 3/30/67 | 755,000 | 694,674 |
| PPL ENERGY SUPP | 5.7% 10/15/35 | 850,000 | 827,354 |
| PRICOA GLB FDG | 5.4% 10/12 144A | 1,150,000 | 1,192,657 |
| PRICOA GLOBAL FDG | 3.900% 12/15/2008 DD 12/16/03 | 975,000 | 964,480 |
| PRIME PPTY FDG | 5.5 1/15/14 144 | 370,000 | 368,177 |
| PRIME PRTY FDG | 5.7 4/15/17 144 | 160,000 | 152,756 |
| PRINCIPAL LIFE | 6.25% 2/15/12 | 700,000 | 745,735 |
| PRINCIPAL LIFE GLOBAL | 2.800% 06/26/2008 DD 06/26/03 | 300,000 | 296,295 |
| PRINCIPAL LIFE GLOBAL FDG | 3.625% 04/30/2008 DD 04/11/03 | 435,000 | 432,281 |
| PRINCIPAL LIFE INC FDG | 3.200% 04/01/2009 DD 03/29/04 | 95,000 | 93,255 |
| PRINCIPAL LIFE INCOME FUNDINGS | 5.300% 12/14/2012 DD 12/14/07 | 300,000 | 300,702 |
| PRINCIPAL LIFE | 6.250% 02/15/2012 DD 02/20/02 | 100,000 | 106,531 |
| PROCTER & GAMBLE ESOP DEB SR-A | 9.360% 01/01/2021 DD 12/04/90 | 285,474 | 363,800 |
| PROGRESS ENERGY | 7.1% 3/01/11 | 758,000 | 806,659 |

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|--------------------------------|-------------------------------|-----------|-----------|
| PROGRESSIVE CORP OH FXD/VAR RT | VAR RT 06/15/2037 DD 06/21/07 | 1,500,000 | 1,392,645 |
| PROTECTIVE LIFE MTN | 3.700% 11/24/2008 DD 11/24/03 | 740,000 | 729,943 |
| PROTECTIVE LIFE SECD | 4.000% 10/07/2009 DD 10/07/04 | 300,000 | 300,984 |
| PROTECTIVE LIFE SECS #TR00002 | 4.000% 04/01/2011 DD 04/07/04 | 225,000 | 225,457 |
| PRUDENTIAL MTN | 5.8% 6/15/12 | 525,000 | 538,027 |
| PRUDENTIAL MTN | 6.6 5/15/08 144 | 450,000 | 451,670 |
| PSE&G TRANSITION FDG | 6.610% 06/15/2015 DD 01/31/01 | 430,000 | 460,208 |
| PSEG PWR LLC SR NT | 3.750% 04/01/2009 DD 03/30/04 | 95,000 | 93,901 |
| PSEG PWR LLC SR NT | 7.750% 04/15/2011 DD 10/15/01 | 40,000 | 43,037 |
| QBE CAP FDG II L P | VAR RT 06/01/2049 DD 05/02/07 | 350,000 | 335,125 |
| QUEBEC PROV MTN | 6.35% 1/30/26A | 1,375,000 | 1,583,038 |
| QUEBECOR WORLD CAP CORP | 4.875% 11/15/2008 DD 11/03/03 | 355,000 | 319,944 |
| QUEBECOR WORLD CAP CORP GTD | 6.125% 11/15/2013 DD 11/03/03 | 185,000 | 144,069 |
| QUEBECOR WORLD INC SR NT | 9.750% 01/15/2015 DD 12/18/06 | 290,000 | 217,863 |
| QWEST CORP NT | 7.500% 10/01/2014 DD 08/08/06 | 260,000 | 263,900 |
| QWEST CORP NT | VAR RT 06/15/2013 DD 12/15/05 | 200,000 | 204,000 |
| RAINBOW NATL SVCS LLC | 8.750% 09/01/2012 DD 08/20/04 | 400,000 | 411,500 |
| RALI SER | 6.000% 06/25/2036 DD 06/01/06 | 3,246,250 | 3,226,286 |
| RALI SER | 6.000% 11/25/2036 DD 11/01/06 | 1,527,255 | 1,466,455 |
| RALI SER | 6.000% 01/25/2037 DD 01/01/07 | 414,896 | 427,575 |
| RAMP | 2006-EFC2 A1 1ML+7 12/36 | 743,753 | 726,565 |
| RAMP | 06-RS4 A1 1ML+8 7/36 | 438,506 | 430,582 |
| RAMP | 03-SL1 A31 7.125% 4/31 | 201,700 | 205,368 |
| RAMP | 04-SL2 AII 6.5 10/16 | 33,973 | 34,903 |
| RAS LAF YANK | 8.294 3/15/14 144A | 480,000 | 535,381 |
| RAS LAFFAN | 5.832% 9/30/16 144A | 380,000 | 386,148 |

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|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | |
| RAS LAFFAN LIQ SER C | 5.832% 09/30/2016 DD 09/26/06 | 310,000 | 315,716 |
| RAS LAFFAN LIQUEFIED NG | 3.437% 09/15/2009 DD 03/15/04 | 659,600 | 658,564 |
| RAS LAFFAN LIQUEFIELD | 5.838% 09/30/2027 DD 08/09/05 | 900,000 | 849,654 |
| RASC | 06-EMX7 A1 1ML+6 8/36 | 686,080 | 676,931 |
| RASC | 06-KS7 A1 1ML+5 9/36 | 346,338 | 343,312 |
| REABLE THERAPEUTICS | 10.875% 11/15/2014 DD 11/20/07 | 250,000 | 245,625 |
| REALOGY CORP SR NT | 10.500% 04/15/2014 DD 04/10/07 | 525,000 | 392,438 |
| REALOGY CORP SR SUB NT | 12.375% 04/15/2015 DD 04/10/07 | 300,000 | 189,000 |
| RECKSON OPERATNG | 5.15% 1/15/11 | 125,000 | 126,002 |
| REGENCY CTRS LP | 5.875% 6/15/17 | 500,000 | 483,171 |
| REGENCY ENERGY PARTNERS LP/ | 8.375% 12/15/2013 DD 06/15/07 | 341,000 | 351,230 |
| REINSURANCE GROUP AMER INC | VAR RT 12/15/2065 DD 12/08/05 | 375,000 | 336,911 |
| REPUBLIC N Y CORP SUB NT | 9.700% 02/01/2009 DD 02/01/89 | 100,000 | 104,734 |
| RESIDENTIAL | 6.000% 07/25/2036 DD 05/01/06 | 500,000 | 473,225 |
| RESIDENTIAL ACCREDIT | VAR RT 02/25/2018 DD 02/25/03 | 51,355 | 53,915 |
| RESIDENTIAL ACCREDIT | 5.000% 07/25/2018 DD 07/01/03 | 847,033 | 838,724 |
| RESIDENTIAL ACCREDIT | VAR RT 10/25/2017 DD 10/25/02 | 37,332 | 39,267 |
| RESIDENTIAL ACCREDIT | VAR RT 05/25/2018 DD 05/25/03 | 519,752 | 35,172 |
| RESIDENTIAL ACCREDIT | VAR RT 02/25/2018 DD 02/25/03 | 327,859 | 19,993 |
| RESIDENTIAL ASSET | 6.000% 08/25/2036 DD 06/01/06 | 1,552,522 | 1,429,563 |
| RESIDENTIAL ASSET | VAR RT 07/25/2032 DD 07/02/02 | 19,532 | 18,227 |
| RESIDENTIAL ASSET SECURITIES | VAR RT 07/25/2033 DD 06/27/03 | 30,828 | 29,884 |
| RESIDENTIAL CAP CORP SUB | VAR RT 04/17/2009 DD 04/17/06 | 75,000 | 36,938 |
| RESIDENTIAL CAP LLC NT | STEP 06/01/2012 DD 05/25/07 | 610,000 | 375,150 |
| RESIDENTIAL CAP LLC NT | VAR RT 05/22/2009 DD 05/25/07 | 300,000 | 213,000 |
| RESIDENTIAL FDG | VAR RT 09/25/2035 DD 08/01/05 | 538,712 | 544,471 |
| RESIDENTIAL FDG | 0.000% 06/25/2034 DD 06/01/04 | 210,913 | 154,620 |
| RESIDENTIAL FDG MTG | 5.250% 03/25/2034 DD 03/01/04 | 1,607,584 | 1,592,328 |
| RESIDENTIAL FDG MTG | 4.500% 12/25/2032 DD 05/01/03 | 200,000 | 194,634 |
| RESONA BK USD | VAR RT 09/29/2049 DD 09/15/05 | 1,400,000 | 1,301,552 |
| REYNOLDS AMERN | 6.75% 6/15/17 | 640,000 | 651,855 |
| REYNOLDS AMERN | 7.25% 6/15/37 | 500,000 | 505,340 |
| REYNOLDS AMERN INC SR SECD NT | 6.750% 06/15/2017 DD 06/21/07 | 1,000,000 | 1,018,590 |
| RFSC | 03-RP2 A1 1ML+45 6/33 | 120,262 | 101,885 |
| RH DONNELLEY CORP SR NT | 8.875% 01/15/2016 DD 07/15/06 | 165,000 | 154,275 |
| RIDDELL BELL HLDGS INC SR SUB | 8.375% 10/01/2012 DD 04/01/05 | 210,000 | 189,000 |
| ROGERS CABLE | 6.25% 6/15/13 | 700,000 | 710,500 |
| ROUSE CO | 3.625% 3/15/09 | 450,000 | 428,741 |
| ROUSE CO NT | 7.200% 09/15/2012 DD 09/10/02 | 75,000 | 71,414 |
| ROYAL BK CDA MONTREAL QUE SR | 3.875% 05/04/2009 DD 04/29/04 | 190,000 | 188,325 |
| ROYAL BK SCOTLAND GROUP | VAR RT 10/29/2049 DD 10/04/07 | 600,000 | 598,218 |
| ROYAL BK SCOTLAND GROUP | VAR RT 10/29/2049 DD 10/04/07 | 400,000 | 398,812 |
| ROYAL BK SCOTLAND GROUP PLC | VAR RT 03/31/2049 DD 10/04/07 | 900,000 | 925,308 |
| ROYAL BK SCOTLAND GROUP PLC | VAR RT 03/31/2049 DD 10/04/07 | 400,000 | 411,248 |
| RURAL CELLULAR CORP SR NT | 9.875% 02/01/2010 DD 08/01/03 | 250,000 | 259,375 |
| RURAL CELLULAR CORP SR SUB NT | VAR RT 11/01/2012 DD 05/01/06 | 75,000 | 76,500 |
| RUSSIA FEDN BDS REG S | 12.750% 24-JUN-2028 | 250,000 | 454,750 |

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| RYERSON INC SR NT | 12.000% 11/01/2015 DD 10/19/07 | 425,000 | 419,688 |
| SABR | 06-HE2 A2A 1ML+5 7/36 | 690,105 | 664,388 |
| SACO I TR | VAR RT 03/25/2034 DD 04/28/06 | 477,546 | 390,179 |
| SAFEWAY INC NT | 6.350% 08/15/2017 DD 08/17/07 | 315,000 | 328,337 |
| SALOMON BROS MTG | 0.000% 12/25/2018 DD 07/01/03 | 30,670 | 25,352 |
| SALOMON SMITH BARNEY HLDGS NT | 6.500% 02/15 /2008 DD 02/06/01 | 350,000 | 350,655 |
| SANTANDER | 5.805/VAR 6/20/16 | 675,000 | 688,858 |
| SANTANDER PERP S A | VAR RT 10/29/2049 DD 10/24/07 | 1,400,000 | 1,403,710 |
| SANTANDER PERP S A | VAR RT 10/29/2049 DD 10/24/07 | 700,000 | 701,855 |
| SANTANDER US DEBT SA SR | VAR RT 02/06/2009 DD 02/06/06 | 1,900,000 | 1,889,303 |
| SAPPI PAPIER HLDG AG GTN | 7.500% 06/15/2032 DD 06/10/02 | 550,000 | 479,958 |
| SARM | 05-14 A1 1ML+31 7/35 | 389,975 | 365,487 |
| SARM | 04-13 2A1 1ML+30 9/34 | 229,930 | 224,268 |
| SASC | 07-BC1 A2 1ML+5 2/37 | 950,074 | 923,126 |
| SASCO | 03-AL1 A 3.3565 4/25 | 948,139 | 880,167 |
| SB TREAS CO LLC PFD SER A | VAR RT /12/29/2049 DD 02/18/98 | 200,000 | 203,936 |
| SBC COMM GLBL | 5.875% 2/01/12 | 2,950,000 | 3,044,078 |
| SBC COMMUNICATIONS | 5.100% 09/15/2014 DD 11/03/04 | 300,000 | 296,907 |
| SBM7 | 00-C3 A2 6.592 12/33 | 680,000 | 707,041 |
| SBM7 | 03-UP1 A 3.45% 4/32 | 139,670 | 128,628 |
| SCHERING PLOUGH | 5.3% 12/01/13 | 255,000 | 258,004 |
| SCOTLAND INTL | 7.7% 8/15/10144A | 500,000 | 540,185 |
| SCOTTISH POWR GLB | 4.91 3/15/10 | 550,000 | 547,498 |
| SEABULK INTL INC SR NT | 9.500% 08/15/2013 DD 08/05/03 | 225,000 | 237,938 |
| SEALED AIR | 6.95% 5/15/09 144A | 355,000 | 362,100 |
| SEITEL INC SR NT | 9.750% 02/15/2014 DD 08/15/07 | 490,000 | 417,725 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|---|--|---------------|---------------|
| | | /Principal | Current Value |
| SEMT 04-10 A4 | 04-10 A4 6ML+34 11/34 | 145,806 | 144,722 |
| SHINSEI FIN II CAYMAN LTD PFD | 07/29/2049 DD 03/23/06 | 1,335,000 | 1,126,820 |
| SIMON PPTY GLB | 5.375 6/1/11 | 980,000 | 967,601 |
| SIMON PROP GROUP | 7.75% 1/20/11 | 95,000 | 101,666 |
| SIMON PROPERTY | 4.875% 8/15/10 | 630,000 | 624,338 |
| SIMON PROPERTY | 5.1% 6/15/15 | 365,000 | 343,169 |
| SIMON PROPERTY | 5.6% 9/1/11 | 590,000 | 591,926 |
| SIMON PROPERTY0 | 4.6% 6/15/10 | 455,000 | 452,299 |
| SLM CORP | 4.5% 7/26/10 | 245,000 | 224,714 |
| SLM CORP FRN | 3ML+16 7/26/10 | 994,000 | 914,948 |
| SLM CORP FRN | CPI+212 1/31/14 | 925,000 | 756,798 |
| SLM CORP MEDIUM TERM NTS BOOK | VAR RT 03/15/2011 DD 03/17/06 | 1,900,000 | 1,729,285 |
| SLM CORP MTN # TR 00013 | 3.625% 03/17/2008 DD 02/20/03 | 1,285,000 | 1,269,452 |
| SLM CORP MTN # TR 00077 | 4.000% 01/15/2010 DD 12/20/04 | 300,000 | 276,327 |
| SLMA | 05-8 A4 4.25% 1/28 | 1,650,000 | 1,636,140 |
| SLMA | 05-10 A2 3ML+1 4/15 | 181,667 | 181,665 |
| SMALL BUS ADMIN GTD | 5.120% 12/01/2026 DD 12/13/06 | 96,305 | 95,602 |
| SMALL BUS CTF 2005-201 | 4.760% 09/01/2025 DD 09/14/05 | 13,204,485 | 13,059,896 |
| SMALL BUSINESS ADMIN 04-20 F | 5.520% 06/01/2024 DD 06/16/04 | 7,915,482 | 8,144,239 |
| SMALL BUSINESS ADMIN 05-20E | 4.840% 05/01/2025 DD 05/11/05 | 4,253,637 | 4,176,434 |
| SMALL BUSINESS ADMIN 06-20F | 5.820% 06/01/2026 DD 06/14/06 | 5,561,506 | 5,726,071 |
| SMALL BUSINESS ADMIN GTD DEV | 4.890% 12/01/2023 DD 12/17/03 | 5,244,915 | 5,258,290 |
| SMGF PFD CAP USD I LTD 144A | VAR RT 01/29/2049 DD 12/18/06 | 365,000 | 336,256 |
| SMRTF | 07-1 B 1ML+22 6/12 | 375,000 | 363,874 |
| SMRTF | 07-1 C 1ML+50 6/12 | 225,000 | 218,836 |
| SOCIETE GENERALE SUB NT 144A | VAR RT 12/31/2049 DD 04/05/07 | 590,000 | 545,933 |
| SOUTHERN CO SR NT SER 2007 A | 5.300% 01/15/2012 DD 01/18/07 | 2,015,000 | 2,051,532 |
| SOUTHWESTERNBELL TEL CO DEB | 7.000% 07/01/2015 DD 07/01/93 | 255,000 | 276,038 |
| SP POWERASSET 3.8 10/22/08 144 | 3.8 10/22/08 144 | 700,000 | 695,386 |
| SPRINT CAP CORP | 7.625% 01/30/2011 DD 01/25/01 | 300,000 | 312,609 |
| SPRINT CAP CORP NT | 8.375% 03/15/2012 DD 03/14/02 | 300,000 | 324,891 |
| SPRINT CAP GLBL | 7.625% 1/30/11 | 345,000 | 359,524 |
| SPRINT CAP GLBL | 7.625% 1/30/11 | 350,000 | 364,735 |
| SPRINT NEXTEL CORP NT | 6% 12/01/16 | 771,000 | 738,458 |
| SPRINT NEXTEL CORP NT | 6.000% 12/01/2016 DD 11/20/06 | 670,000 | 641,733 |
| SPRINT NEXTEL CORP NT | 6.000% 12/01/2016 DD 11/20/06 | 600,000 | 574,686 |
| SSBK GOVT STIF FUND | SSBK GOVT STIF FUND | 877,971 | 877,971 |
| ST PAUL COS | 8.125% 4/15/10 | 700,000 | 756,148 |
| STALLION OILFIELD 144A | 9.750% 02/01/2015 DD 01/24/07 | 325,000 | 299,000 |
| STALLION OILFIELD SERVICES | 5.320% 06/12/2013 DD 08/16/07 | 410,000 | 385,400 |
| STANDARD CHARTERED PLC 144A | 6.409% 12/31/2049 DD 12/08/06 | 500,000 | 452,810 |
| STARW | 99-C1A B 6.92 2/14 | 120,000 | 123,646 |
| STATE STR SUB NT | 7.650% 06/15/2010 DD 06/20/00 | 100,000 | 106,719 |
| STATION CASINOS INC SR SUB NT | 6.625% 03/15/2018 DD 03/13/06 | 825,000 | 565,125 |
| STEEL DYNAMICS INC SR NT 144A | 6.750% 04/01/2015 DD 04/03/07 | 150,000 | 144,750 |
| STONE CONTAINER CORP SR NT | 8.375% 07/01/2012 DD 06/26/02 | 570,000 | 565,725 |
| STRUCTURED ADJ RATE MTG LN TR | VAR RT 01/25/2035 DD 12/01/04 | 586,358 | 583,274 |
| STRUCTURED ASSET 04-20 CL 1-A3 | 5.250% 11/25/2034 DD 10/01/04 | 346,356 | 344,977 |

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| STRUCTURED ASSET MTG I-1A-1 | VAR RT 04/25/2036 DD 04/28/06 | 4,105,082 | 4,025,607 |
| SUNGARD DATA SYS INC SR SUB NT | 10.250% 08/15/2015 DD 02/15/06 | 310,000 | 316,975 |
| SUNTRUST BKS INC | 4% 10/15/08 | 255,000 | 253,352 |
| SUNTRUST BKS INC SR NT | 5.250% 11/05/2012 DD 11/05/07 | 325,000 | 327,486 |
| SUNTRUST BKS INC SR NT | 6.000% 09/11/2017 DD 09/10/07 | 110,000 | 110,515 |
| SURFN 2006-AB2 N1 | 2006-AB2 N1 5.75% 6/37 | 153,931 | 38,483 |
| SVHE 07-OPT1 | 07-OPT1 2A1 1ML+12 6/37 | 1,359,407 | 1,296,974 |
| SWAP: USD | USD 5.272% 8/06/12 | 13,200,000 | 807,840 |
| SWAPTION | 10YR RTR 5.78 8/9/2010 | 7,800,000 | 556,920 |
| SWAPTION | 10YR RTR 5.78 8/9/2010 PUT | 7,800,000 | 200,460 |
| SWEDEN (KINGDOM OF) MTN | 3.000% 22-DEC-2008 USD1000 | 2,845,000 | 2,821,956 |
| SWEDISH KRONA CURRENCY | SWEDISH KRONA CURRENCY | 497 | 77 |
| SWIFT | 05-A12 B 1ML+48 6/10 | 405,000 | 396,004 |
| SWIFT | 05-A12 C 1ML+120 6/10 | 200,000 | 195,823 |
| SWISS RE CAP I LP PFD 144A | VAR RT 05/29/2049 DD 05/11/06 | 1,405,000 | 1,380,623 |
| SWP SEK | 4.492 8/28/10 | 37,100,000 | 33,739 |
| SWP: USD | USD 4.1 12/12/09 SWP | 7,700,000 | 30,877 |
| SWP: USD | USD 4.034 12/11/09 SWP | 9,900,000 | 24,750 |
| SWP: USD | USD 4.05 12/11/09 SWP | 3,400,000 | 9,520 |
| SYMETRA | 6.125% 4/01/16 | 605,000 | 602,420 |
| T. ROWE PRICE SMALL CAP STOCK | T. ROWE PRICE SMALL CAP STOCK | 8,798,638 | 104,087,887 |
| TALECRIS BIOTHERAPEUTICS 2ND | 13.500% 12/06/2014 DD 12/06/06 | 175,000 | 173,688 |
| TANGER PROP LTD | 9.125% 2/15/08 | 50,000 | 50,185 |
| TANGER PROP LTD | 6.15% 11/15/15 | 1,180,000 | 1,196,880 |
| TCW VALUE OPPTS I | TCW VALUE OPPTS I | 2,409,236 | 45,895,948 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | Current Value |
| TELE COMMUNICATIONS INC DEB | 7.875% 08/01/2013 DD 08/03/93 | 600,000 | 657,558 |
| TELECOM ITALIA | 4.95% 9/30/14 | 1,340,000 | 1,290,530 |
| TELECOM ITALIA | 6.2% 7/18/11 | 975,000 | 1,002,035 |
| TELECOM ITALIA | 5.25% 11/15/13 | 815,000 | 805,489 |
| TELECOM ITALIA | 4% 1/15/10 | 430,000 | 421,157 |
| TELECOM ITALIA | 5.25% 10/01/15 | 175,000 | 170,494 |
| TELECOM ITALIA CAP GTD SR NT B | 5.250% 11/15/2013 DD 05/15/04 | 210,000 | 207,539 |
| TELEFONICA EMIS | 6.421% 6/20/16 | 2,140,000 | 2,252,050 |
| TELEFONICA EMIS | 5.984% 6/20/11 | 800,000 | 822,950 |
| TELEFONICA EMIS | 6.421% 6/20/16 | 325,000 | 342,017 |
| TELEFONICA EMISI | 5.855% 2/4/13 | 800,000 | 823,139 |
| TELEFONICA EMISIONES S A U | VAR RT 06/19/2009 DD 06/20/06 | 1,900,000 | 1,886,035 |
| TELEFONICA EMISIONES S A U SR | 5.855% 02/04/2013 DD 07/02/07 | 1,000,000 | 1,028,910 |
| TELEFONICA GLBL | 7.75% 9/15/10 | 75,000 | 80,276 |
| TELEFONOS MEXICO | 4.75% 1/27/10 | 715,000 | 715,765 |
| TEMBEC INDUSTRIES INC | NOW CUSIP 87974D100 | 600,000 | 289,500 |
| TEVA PHARM FIN | 5.55% 2/01/16 | 350,000 | 345,866 |
| TEXAS COMPETITIVE 144A | 10.250% 11/01/2015 DD 10/31/07 | 465,000 | 460,350 |
| TEXAS EAST | 7.3% 12/01/10 | 505,000 | 541,342 |
| TEXAS EASTN TRANSMISSION CORP | 7.300% 12/01/2010 DD 12/04/00 | 75,000 | 80,402 |
| TEXTRON FINL CORP MTN #TR00641 | 5.125% 02/03/2011 DD 02/03/06 | 165,000 | 166,800 |
| TFM S A DE CV SR NT | 9.375% 05/01/2012 DD 11/01/05 | 650,000 | 680,875 |
| THORNBURG MTG SECS 05-2 CL A-4 | VAR RT 07/25/2045 DD 06/29/05 | 1,226,089 | 1,225,721 |
| TIAA | 07-C4 A1 CSTR 8/39 | 2,096,436 | 2,129,656 |
| TIAA | 01-C1A A4 6.68% 6/31 144A | 1,280,000 | 1,311,192 |
| TIAA | 2007-C4 A3 CSTR 8/39 | 575,000 | 592,145 |
| TIAA GLOBAL | 5.125% 10/10/12 144A | 2,300,000 | 2,344,312 |
| TIAA GLOBAL | 3.875 1/22/08 144A | 90,000 | 89,987 |
| TIAA GLOBAL MKTS INC NT | 3.875% 01/22/2008 DD 01/16/03 | 1,010,000 | 1,009,838 |
| TIAA SEASONED COML 07-C4 CL A3 | VAR RT 08/15/2039 DD 07/10/07 | 1,240,000 | 1,247,217 |
| TIM HELLAS TELE 144A | VAR RT 01/15/2015 DD 12/21/06 | 500,000 | 471,250 |
| TIME WARNER CAB | 5.85 5/1/17W/I | 525,000 | 526,296 |
| TIME WARNER CAB | 5.85 5/1/17W/I | 415,000 | 416,024 |
| TIME WARNER CABLE | CL A W/I | 6,112 | 168,691 |
| TIME WARNER CABLE INC | 5.850% 05/01/2017 DD 04/09/07 | 300,000 | 300,750 |
| TIME WARNER COS INC | 7.57% 2/24 | 500,000 | 542,275 |
| TIME WARNER ENTMT CO LP SR DEB | 8.375% 03/15/2023 DD 09/15/93 | 300,000 | 353,388 |
| TIME WARNER ENTMT CO LP SR NT | 10.150% 05/01/2012 DD 11/01/92 | 291,000 | 342,059 |
| TIME WARNER INC NEW NT | 5.500% 11/15/2011 DD 11/13/06 | 1,340,000 | 1,345,440 |
| TIME WARNER TELECOM HLDGS INC | 9.250% 02/15/2014 DD 02/20/04 | 290,000 | 296,525 |
| TIME WARNR INC | 5.875% 11/15/16 | 740,000 | 735,453 |
| TMTS | 03-4HE A 1ML+43 9/34 | 17,145 | 16,356 |
| TOBACCO SETTLEMENT REV SER B | 6.375% 05/15/2028 DD 03/22/01 | 2,180,000 | 2,215,011 |
| TOKAI PFD CAP CO LLC 144A BDS | STEP 12/29/2049 DD 03/26/98 | 400,000 | 405,312 |
| TOYOTA MTR CR CORP NT | 2.875% 08/01/2008 DD 07/14/03 | 100,000 | 98,687 |
| TRANSATLANTIC HLDGS INC SR NT | 5.750% 12/14/2015 DD 12/14/05 | 615,000 | 639,022 |
| TRANSCANADA PIPELINES LTD NT | 4.000% 06/15/2013 DD 06/12/03 | 175,000 | 167,097 |
| TRANSOCEAN INC | 5.25% 3/15/13 | 1,275,000 | 1,277,825 |

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| TRANSOCEAN INC | 5.25% 3/15/13 | 575,000 | 576,274 |
| TRANSOCEAN INC SR NT | 5.250% 03/15/2013 DD 12/11/07 | 405,000 | 405,883 |
| TRINIDAD & TOGAGO REP NT 144A | 5.875% 05/17/2027 DD 05/17/07 | 325,000 | 320,479 |
| TRITON PCS INC GTD SR NT | 8.500% 06/01/2013 DD 06/13/03 | 625,000 | 646,875 |
| TRIZE | 01-TZHA C3 6.522 3/13 | 561,726 | 562,458 |
| TRS BOA CMBS AAA | 10YR INDEX | 2,395,000 | 37,721 |
| TRS LEH CMBS AAA | 8.5+INDEX 1/8 | 2,905,000 | 53,452 |
| TRS LEH CMBS AAA | 8.5% 1/31/08 | 2,890,000 | 53,176 |
| TRUE MOVE CO LTD GTD NT 144A | 10.375% 08/01/2014 DD 08/01/07 | 300,000 | 297,000 |
| TRUE MOVE CO LTD NT 144A | 10.750% 12/16/2013 DD 12/14/06 | 125,000 | 126,250 |
| TRUE TEMPER SPORTS INC SR SUB | 8.375% 09/15/2011 DD 03/15/04 | 355,000 | 214,775 |
| TUBE CITY IMS CORP SR SUB NT | 9.750% 02/01/2015 DD 01/25/07 | 345,000 | 310,500 |
| TURNER EMERGING GROWTH | TURNER EMERGING GROWTH | 4,557,736 | 257,557,662 |
| TWIN REEFS PASS THROUGH 144A | VAR RT 12/31/2049 DD 12/10/04 | 200,000 | 130,156 |
| TX EASTERN TRNSMSSN | 6% 9/15/17 | 950,000 | 974,596 |
| TYCO ELECTRONICS GRP S A 144A | 6.000% 10/01/2012 DD 09/25/07 | 900,000 | 922,212 |
| U S DEPT VETERANS 02-3 J | 6.000% 04/15/2009 DD 09/01/02 | 80,785 | 80,954 |
| U S I HLDGS CORP SR SUB NT144A | 9.750% 05/15/2015 DD 05/04/07 | 475,000 | 382,375 |
| U S TREAS BD STRIP PRIN PMT | 0.000% 05/15/2016 DD 05/15/86 | 5,000,000 | 3,542,000 |
| U S TREAS NTS | 3.375% 11/30/2012 DD 11/30/07 | 805,000 | 802,505 |
| U S TREAS STRIP GEN INT PMT | 0.000% 05/15/2017 DD 06/16/90 | 3,350,000 | 2,250,530 |
| U S TREAS STRIP GENERIC TINT | 02/15/2014 | 9,300,000 | 7,399,080 |
| U S TREAS STRIP GENERIC TINT | 11/15/2012 | 5,245,000 | 4,437,795 |
| U S TREAS STRIP GENERIC TINT | 02/15/2011 | 4,680,000 | 4,235,868 |
| U S TREAS STRIP GENERIC TINT | 0.000% 08/15/2012 DD 02/15/85 | 3,600,000 | 3,077,640 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | Current Value |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | |
| U S TREAS STRIP GENERIC TINT | 0.000% 05/15/2012 DD 11/15/85 | 3,150,000 | 2,745,225 |
| U S TREAS STRIP GENERIC TINT | 05/15/2014 | 2,850,000 | 2,238,105 |
| U S TREAS STRIP GENERIC TINT | 02/15/2016 | 1,250,000 | 896,875 |
| U S TREAS STRIP GENERIC TINT | 0.000% 02/15/2015 DD 02/15/85 | 900,000 | 680,670 |
| U S TREAS STRIP GENERIC TINT | 0.000% 08/15/2013 DD 02/15/85 | 600,000 | 490,920 |
| U S TREAS STRIP GENERIC TINT | 08/15/2011 | 520,000 | 462,540 |
| U S TREAS STRIP GENERIC TINT | 0.000% 11/15/2014 DD 11/15/85 | 550,000 | 422,345 |
| U S TREAS STRIP GENERIC TINT | 0.000% 08/15/2014 DD 02/15/85 | 300,000 | 233,340 |
| U S TREAS STRIP GENERIC TINT | 0.000% 08/15/2016 DD 12/11/90 | 300,000 | 210,180 |
| U S TREAS STRIP GENERIC TINT | 0.000% 05/15/2016 DD 08/15/87 | 250,000 | 176,950 |
| U S TREAS STRIP GENERIC TINT | 0.000% 11/15/2013 DD 11/15/85 | 200,000 | 161,920 |
| U S TREAS STRIP GENERIC TINT | 02/15/2023 | 200,000 | 99,220 |
| U S TREAS STRIP GENERIC TINT | 0.000% 11/15/2017 DD 05/15/87 | 150,000 | 98,370 |
| U S TREASURY BILL | 0.000% 03/13/2008 DD 09/13/07 | 5,970,000 | 5,927,493 |
| U S TREASURY BILL | 0.000% 02/28/2008 DD 08/30/07 | 2,345,000 | 2,328,244 |
| U S TREASURY BONDS | 11.250% 02/15/2015 DD 02/15/85 | 3,000,000 | 4,383,270 |
| U S TREASURY BONDS | 12.000% 08/15/2013 DD 08/15/83 | 3,900,000 | 4,103,541 |
| U S TREASURY BONDS | 9.875% 11/15/2015 DD 11/15/85 | 1,100,000 | 1,541,546 |
| U S TREASURY NOTES | 06.500% 02/15/2010 DD 02/15/00 | 14,800,000 | 15,831,412 |
| U S TREASURY NOTES | 4.500% 03/31/2012 DD 03/31/07 | 11,665,000 | 12,195,758 |
| U S TREASURY NOTES | 4.625% 02/29/2012 DD 02/28/07 | 9,470,000 | 9,940,659 |
| U S TREASURY NOTES | 4.750% 05/15/2014 DD 05/15/04 | 6,500,000 | 6,914,050 |
| U S TREASURY NOTES | 4.500% 09/30/2011 DD 09/30/06 | 4,000,000 | 4,174,400 |
| U S TREASURY NOTES | 4.875% 08/15/2016 DD 08/15/06 | 3,640,000 | 3,876,964 |
| U S TREASURY NOTES | 05.625% 05/15/2008 DD 05/15/98 | 3,650,000 | 3,680,806 |
| U S TREASURY NOTES | 4.750% 01/31/2012 DD 01/31/07 | 3,000,000 | 3,163,200 |
| U S TREASURY NOTES | 4.000% 02/15/2014 DD 02/15/04 | 3,000,000 | 3,065,700 |
| U S TREASURY NOTES | 4.625% 07/31/2009 DD 07/31/07 | 2,875,000 | 2,942,850 |
| U S TREASURY NOTES | 6.000% 08/15/2009 DD 08/15/99 | 2,400,000 | 2,510,256 |
| U S TREASURY NOTES | 5.125% 06/30/2011 DD 06/30/06 | 2,000,000 | 2,125,400 |
| U S TREASURY NOTES | 4.500% 05/15/2010 DD 05/15/07 | 1,285,000 | 1,328,305 |
| U S TREASURY NOTES | 4.500% 05/15/2017 DD 05/15/07 | 1,160,000 | 1,202,688 |
| U S TREASURY NOTES | 4.625% 02/15/2017 DD 02/15/07 | 1,100,000 | 1,150,380 |
| U S TREASURY NOTES | 5.000% 07/31/2008 DD 07/31/06 | 1,000,000 | 1,009,100 |
| U S TREASURY NOTES | 3.125% 09/15/2008 DD 09/15/03 | 700,000 | 699,090 |
| U S TREASURY NOTES | 3.375% 10/15/2009 DD 10/15/04 | 500,000 | 503,250 |
| U S TREASURY NOTES | 4.875% 02/15/2012 DD 02/15/02 | 400,000 | 424,438 |
| U S TREASURY NOTES | 4.750% 02/28/2009 DD 02/28/07 | 350,000 | 356,545 |
| U S TREASURY NOTES | 4.500% 04/30/2012 DD 04/30/07 | 305,000 | 318,695 |
| U S TREASURY NOTES | 3.250% 08/15/2008 DD 08/15/03 | 200,000 | 199,960 |
| U S TREASURY NOTES | 3.625% 01/15/2010 DD 01/15/05 | 150,000 | 151,785 |
| U S TREASURY NOTES | 4.750% 05/31/2012 DD 05/31/07 | 100,000 | 105,570 |
| U S TREASURY NOTES | 5.125% 05/15/2016 DD 05/15/06 | 85,000 | 92,021 |
| U S TREASURY NTS | 4.625% 10/31/2011 DD 10/31/06 | 10,900,000 | 11,426,470 |
| U S TREASURY NTS | 4.875% 05/31/2009 DD 05/31/07 | 1,440,000 | 1,476,000 |
| UBS AG STAM MTN | 5.875 12/20/17 | 1,205,000 | 1,213,489 |
| UBS FIN DEL INC DISC | 01/02/2008 | 7,900,000 | 7,898,244 |
| UDR INC MTN | 5.5% 4/1/14 | 460,000 | 433,055 |

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| UMBRELLA ACQUISITION INC 144A | 9.750% 03/15/2015 DD 03/29/07 | 505,000 | 460,181 |
| UNION PAC CORP NT | 5.650% 05/01/2017 DD 04/18/07 | 100,000 | 98,703 |
| UNION PAC CORP SR NT | 4.875% 01/15/2015 DD 11/23/04 | 185,000 | 176,329 |
| UNITED AIR LINES | 6.636% 7/2/22 | 505,000 | 474,195 |
| UNITED DOM RLTY | 5.25% 1/15/15 | 140,000 | 130,077 |
| UNITED MEXICAN STS MTN TR00011 | 6.625% 03/03/2015 DD 03/03/03 | 250,000 | 270,600 |
| UNITED MEXICAN STS MTN TR00012 | 4.625% 10/08/2008 DD 04/11/03 | 125,000 | 124,375 |
| UNITED MEXICAN STS MTN TR00015 | 5.875% 01/15/2014 DD 10/14/03 | 350,000 | 364,000 |
| UNITED MEXICAN STS TR# 00010 | 6.375% 01/16/2013 DD 01/16/03 | 205,000 | 218,003 |
| UNITED STATES TREAS NTS | 4.625% 07/31/2012 DD 07/31/07 | 5,405,000 | 5,676,872 |
| UNITED STATES TREAS NTS | 4.750% 03/31/2011 DD 03/31/06 | 1,800,000 | 1,888,920 |
| UNITED STATES TREASURY NOTES | 4.750% 08/15/2017 DD 08/15/07 | 3,710,000 | 3,919,615 |
| UNITED STATES TREASURY NTS | 4.000% 04/15/2010 DD 04/15/05 | 2,000,000 | 2,041,160 |
| UNITED STS DEPT VET 94-1 CL2ZB | 6.500% 02/15/2024 DD 02/01/94 | 958,922 | 1,022,843 |
| UNITED STS DEPT VET 98-1 2E | 7.000% 09/15/2027 | 259,307 | 273,475 |
| UNITED TECH CORP | 3ML+7 6/01/09 | 400,000 | 397,470 |
| UNITEDHEALTH GRP | 5.25% 3/15/11 | 450,000 | 455,034 |
| UNIVISION COMM | 3.875% 10/15/08 | 440,000 | 429,550 |
| US 10 YR TREAS NTS FUT MAR 08 | CALL MAR 08 111.000 ED 2/22/08 | 5,500,000 | (156,406) |
| US 10 YR TREAS NTS FUTURE MAR | PUT MAR 08 107.000 ED 02/22/08 | 19,500,000 | (9,141) |
| US AIRWAYS | 99-1A 8.36% 7/20/20 | 921,489 | 953,741 |
| US AIRWAYS | 98-1A 6.85% 7/30/19 | 247,763 | 244,666 |
| US CENTRAL CR UN | 2.75% 5/30/08 | 265,000 | 262,667 |
| US ONCOLOGY INC SR NT | 9.000% 08/15/2012 DD 02/15/05 | 50,000 | 49,313 |
| US ONCOLOGY INC SR SUB NT | 10.750% 08/15/2014 DD 02/15/05 | 500,000 | 493,750 |

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| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units /Principal | Current Value |
|--|--|---|--------------------------|
| US TREAS NTS STRIP PRIN PMT | 0.000% 11/15/2012 DD 11/15/02 | 5,420,000 | 4,594,534 |
| US TREAS-CPI INFLATION INDEX | 3.875% 01/15/2009 DD 01/15/99 | 52,904,944 | 54,475,692 |
| US TREAS-CPI INFLATION INDEX | 2.625% 07/15/2017 DD 07/15/07 | 1,592,687 | 1,718,988 |
| US TREAS-CPI INFLATION INDEX | 2.625% 07/15/2017 DD 07/15/07 | 404,372 | 436,439 |
| USB CAP IX NORMAL INCOME TR | VAR RT 04/15/2049 DD 03/17/06 | 2,000,000 | 1,810,000 |
| USD SWAP | USD 5.317500 08/28/17 SWP | 8,000,000 | 524,320 |
| USD SWAP | USD 5.64% SWP 7/14/10 | 4,100,000 | 235,504 |
| USD SWAP | USD 5.231 SWAP 10/16/11 | 5,000,000 | 210,100 |
| USD SWAP | USD 4.856 10/19/12 SWAP | 6,200,000 | 178,188 |
| USD SWAP | USD 5.63% SWAP 7/12/2009 | 4,100,000 | 165,927 |
| USD SWAP | USD 5.16% SWAP 9/12/09 DB | 3,600,000 | 121,428 |
| USD SWAP | USD 5.409% 4/30/27 | 900,000 | 50,103 |
| USD SWAP | USD 5.025% SWAP 11/21/11 | 1,200,000 | 42,228 |
| USD SWAP | USD 5.0675 4/30/09 | 7,000,000 | (100,380) |
| USD SWAP | USD 4.981000 8/29/10 SWP | 5,570,000 | (222,744) |
| USD SWAP | USD 5.6425 7/5/17 | (4,300,000) | (397,621) |
| USD SWAP | USD 3ML 7/9/17 | 8,100,000 | (836,649) |
| USD SWAP | USD 5.30500 10/15/17 SWP | 17,500,000 | (890,925) |
| UST | 5YR FUT MAR08 CAL 02/22/08 FVH8C | 24 | (10,500) |
| USTB | 4.75% 5/15/14 | 51,488,000 | 54,750,228 |
| USTB | 4.75% 2/15/37 | 1,775,000 | 1,857,648 |
| USTB | 5% 5/15/37 | 1,025,000 | 1,115,648 |
| USTB | 6% 2/15/26 | 150,000 | 177,516 |
| USTN | 4.25% 8/15/13 | 21,546,000 | 22,332,084 |
| USTN | 3.375% 11/30/12 | 12,170,000 | 12,129,121 |
| USTN | 4.625% 11/15/16 | 11,000,000 | 11,519,926 |
| USTN | 4.5% 9/30/11 | 10,000,000 | 10,432,810 |
| USTN | 4.5% 2/28/11 | 9,215,000 | 9,598,722 |
| USTN | 5.125% 5/15/16 | 6,975,000 | 7,549,349 |
| USTN | 4.5% 4/30/12 | 3,074,000 | 3,211,128 |
| USTN | 4.25% 8/15/14 | 3,000,000 | 3,101,952 |
| USTN | 4.875% 6/30/12 | 1,640,000 | 1,739,425 |
| USTN | 4.25% 8/15/14 | 565,000 | 584,201 |
| USTN | 4.25% 11/15/17 | 450,000 | 457,840 |
| USTN TII | 2% 1/15/14 | 12,000,000 | 14,026,160 |
| USTN TII | 2% 7/15/14 | 12,000,000 | 13,742,926 |
| USTN TII | .875% 4/15/2010 | 8,000,000 | 8,796,960 |
| USTN TII | 2.375% 1/15/27 | 1,825,000 | 2,000,097 |
| USTN TII | 2.375% 1/15/25 | 400,000 | 465,632 |
| VALERO ENERGY CORP NT | 6.625% 06/15/2037 DD 06/08/07 | 700,000 | 704,921 |
| VANGUARD HEALTH HLDG | STEP 10/01/2015 DD 09/23/04 | 900,000 | 666,000 |
| VANGUARD MORGAN GROWTH ADM | VANGUARD MORGAN GROWTH ADM | 3,218,024 | 194,980,096 |
| VANGUARD PRIMECAP ADM | VANGUARD PRIMECAP ADM | 5,809,400 | 434,368,871 |
| VANGUARD WINDSOR ADM | VANGUARD WINDSOR ADM | 3,415,242 | 181,076,153 |
| VENTAS RLTY LTD PARTNERSHIP | 6.750% 06/01/2010 DD 06/07/05 | 700,000 | 705,250 |
| VERIZON COMMUNICATIONS INC NT | 5.550% 02/15/2016 DD 02/15/06 | 600,000 | 606,468 |
| VERIZON COMMUNICATIONS INC NT | 5.350% 02/15/2011 DD 02/15/06 | 575,000 | 589,019 |
| VERIZON COMMUNICATIONS INC NT | 5.500% 04/01/2017 DD 04/03/07 | 300,000 | 301,407 |

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| | | | |
|--------------------------------|-------------------------------|-----------|-----------|
| VERIZON FLA INC DEB SER F | 6.125% 01/15/2013 DD 10/01/02 | 475,000 | 490,290 |
| VERIZON GLBL | 7.25% 12/1/10 | 430,000 | 460,930 |
| VERIZON MD INC DEB SER A | 6.125% 03/01/2012 DD 02/25/02 | 700,000 | 727,888 |
| VERIZON NEW YOR | 6.875% 4/01/12 | 340,000 | 360,742 |
| VERIZON NJ GLBL | 5.875% 1/17/12 | 1,200,000 | 1,235,758 |
| VERIZON VA INC DEB | 4.625% 03/15/2013 DD 03/14/03 | 275,000 | 265,634 |
| VIACOM INC | 5.75% 4/30/11 | 720,000 | 729,056 |
| VIACOM INC SR NT | VAR RT 06/16/2009 DD 09/18/06 | 1,000,000 | 987,960 |
| VIRGINIA ELEC & PWR CO SR NT | 6.350% 11/30/2037 DD 12/04/07 | 1,200,000 | 1,230,552 |
| VIRGINIA ELEC & PWR CO SR NT | 5.100% 11/30/2012 DD 12/04/07 | 1,045,000 | 1,049,567 |
| VIRGINIA ELEC & PWR CO SR NT | 5.100% 11/30/2012 DD 12/04/07 | 300,000 | 301,311 |
| VIRGINIA ELEC & PWR CO SR NT | 5.950% 09/15/2017 DD 09/11/07 | 200,000 | 206,156 |
| VITRO S A B D E C V SR NT | 9.125% 02/01/2017 DD 08/01/07 | 315,000 | 289,800 |
| VODAFONE GLBL | 5% 12/16/13 | 365,000 | 358,843 |
| VODAFONE GROUP | 3.95% 1/30/08 | 375,000 | 374,665 |
| VODAFONE GRP | 7.75% 2/15/10 DT | 375,000 | 395,583 |
| VODAFONE GRP | 7.75% 2/15/10 DT | 345,000 | 363,937 |
| VODAFONE GRP PLC | 5.5% 6/15/11 | 655,000 | 661,950 |
| WACHOVIA ASSET SECS 02 HE2 | VAR RT 12/25/2032 DD 12/19/02 | 44,699 | 44,673 |
| WACHOVIA AUO TR 06 A A3 | 5.350% 02/22/2011 DD 06/23/06 | 105,901 | 105,964 |
| WACHOVIA BANK NA | 4.875% 2/1/15 | 400,000 | 380,783 |
| WACHOVIA BK COML MTG 04-C15 A2 | 4.039% 10/15/2041 DD 11/01/04 | 500,000 | 490,055 |
| WACHOVIA BK NATL ASSN #SB00005 | 5.600% 03/15/2016 DD 03/09/06 | 100,000 | 98,125 |
| WACHOVIA CAP TR III FIXED FLTG | VAR RT 03/15/2042 DD 02/01/06 | 725,000 | 647,853 |
| WACHOVIA CORP | 5.625% 12/15/08 | 600,000 | 598,834 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, | Shares/ Units | |
|---|--|---------------|---------------|
| | rate of interest, collateral, par, or maturity value | /Principal | Current Value |
| WACHOVIA CORP | 4.875% 2/15/14 | 490,000 | 470,527 |
| WACHOVIA CORP 2ND NEW NT | 3.625% 02/17/2009 DD 02/06/04 | 755,000 | 739,432 |
| WACHOVIA CORP 2ND NEW NT | 4.875% 02/15/2014 DD 02/06/04 | 100,000 | 96,031 |
| WACHOVIA CORP NEW SR NT | 5.750% 06/15/2017 DD 06/08/07 | 600,000 | 596,346 |
| WAL MART STORES INC NT | 5.375% 04/05/2017 DD 04/05/07 | 540,000 | 551,308 |
| WAL MART STORES INC NT | 5.800% 02/15/2018 DD 08/24/07 | 420,000 | 433,583 |
| WAMMS | 04-RA2 2A 7% 7/33 | 66,998 | 68,819 |
| WAMMS | 03-MS9 2A1 7.5% 12/33 | 57,361 | 60,464 |
| WAMU | 04-AR7 A6 CSTR 7/34 | 120,000 | 118,617 |
| WAMU MTG 2003-AR4 CL A-6 | VAR RT 05/25/2033 DD 03/01/03 | 125,572 | 125,411 |
| WAMU MTG P/T 03-AR10 A-6 | VAR RT 10/25/2033 DD 09/01/03 | 930,000 | 924,569 |
| WAMU MTG P/T 04-S3 MTG 2-A-3 | VAR RT 07/25/2034 DD 06/25/04 | 271,613 | 270,570 |
| WAMU MTG P/T CTF 04-AR3 A2 | VAR RT 06/25/2034 DD 04/01/04 | 282,354 | 279,618 |
| WAMU MTG P/T CTF 05-AR13 A1A1 | VAR RT 10/25/2045 DD 10/25/05 | 344,699 | 323,883 |
| WAMU MTG P/T CTF 2006 AR9 2A | VAR RT 08/25/2046 DD 07/01/06 | 1,423,365 | 1,390,585 |
| WAMU MTG PASS THROUGH 03-AR7 | VAR RT 08/25/2033 DD 06/01/03 | 1,000,000 | 993,670 |
| WAMU MTG PASS THROUGH 03-AR8 A | VAR RT 08/25/2033 DD 07/01/03 | 53,329 | 54,585 |
| WAMU MTG PASS THRU 04-AR9 A7 | VAR RT 08/25/2034 DD 07/01/04 | 858,000 | 844,212 |
| WAMU MTG PASSTHRU 05-6 CL 2A4 | 5.500% 08/25/2035 DD 07/01/05 | 196,975 | 192,395 |
| WARNER MUSIC GROUP SR SUB NT | 7.375% 04/15/2014 DD 10/15/04 | 700,000 | 539,000 |
| WASH MUTUAL INC | 4.625% 4/01/14 | 450,000 | 351,586 |
| WASHINGTON MUN INC SUB NT | 8.250% 04/01/2010 DD 04/04/00 | 150,000 | 143,250 |
| WASHINGTON MUT BK FA #SB00002 | 5.650% 08/15/2014 DD 08/05/04 | 250,000 | 218,750 |
| WASHINGTON MUT BK MTN #SB00001 | 6.875% 06/15/2011 DD 06/20/01 | 250,000 | 233,750 |
| WASHINGTON MUT FIN CORP SR NT | 6.875% 05/15/2011 DD 05/24/01 | 350,000 | 370,719 |
| WASHINGTON MUT INC SR NT | 5.250% 09/15/2017 DD 09/26/05 | 250,000 | 208,515 |
| WASHINGTON MUT INC SUB NT | 4.625% 04/01/2014 DD 03/24/04 | 400,000 | 312,500 |
| WASHINGTON MUT INC SUB NT | 7.250% 11/01/2017 DD 11/01/07 | 125,000 | 110,098 |
| WASHINGTON MUT MTG 03-MS7 CL P | 0.000% 03/25/2033 DD 02/01/03 | 97,621 | 75,560 |
| WASHINGTON MUT MTG 05-2 1-A-4 | VAR RT 04/25/2035 DD 03/25/05 | 1,082,767 | 20,313 |
| WASHINGTON MUT MTG 05-4 CL CB7 | 5.500% 06/25/2035 DD 05/01/05 | 500,000 | 475,120 |
| WASHINGTON MUT MTG 06-5 2-CB-1 | 6.000% 07/25/2036 DD 06/01/06 | 836,693 | 829,741 |
| WASHINGTON MUT PFD FDG 144A | VAR RT 12/31/2049 DD 05/24/07 | 100,000 | 59,000 |
| WASHINGTON MUT PFD IV 144A | VAR RT 10/29/2049 DD 10/25/07 | 500,000 | 400,000 |
| WASHINGTON REIT | 5.95% 6/15/11 | 290,000 | 288,370 |
| WBCMT | 03-C8 A3 4.445% 11/35 | 1,000,000 | 994,145 |
| WBCMT | 07-C30 D CSTR 12/43 | 965,000 | 831,222 |
| WBCMT | 2007-C30 E CSTR 12/43 | 900,000 | 756,132 |
| WBCMT | 05-C22 A4 CSTR 12/44 | 750,000 | 750,636 |
| WBCMT | 2007-C33 B CSTR 2/51 | 765,000 | 707,570 |
| WBCMT | 2007-C33 A4 CSTR 2/51 | 660,000 | 689,123 |
| WBCMT | 2007-C30 A5 5.342 12/43 | 605,000 | 603,153 |
| WBCMT | 05-C16 A2 4.38% 10/41 | 411,314 | 406,601 |
| WBCMT | 05-C16 APB 4.692% 10/41 | 325,000 | 319,168 |
| WBCMT | 2007-C31 A1 5.14% 4/47 | 204,940 | 205,124 |
| WBCMT | 03-C8 XP CSTR 11/35 | 5,209,767 | 42,959 |
| WBCMT | 03-C9 XP CSTR 12/35 | 2,827,102 | 33,380 |
| WCA WASTE CORP SR NT | 9.250% 06/15/2014 DD 07/05/06 | 535,000 | 544,363 |

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|--------------------------------|-------------------------------|-----------|-----------|
| WEA FIN LLC/WCI FIN LLC 144A | 5.700% 10/01/2016 DD 09/28/06 | 1,260,000 | 1,205,266 |
| WEATHERFORD INTL | 4.95 10/15/13 | 640,000 | 627,704 |
| WELLPOINT INC GLBL | 5% 1/15/11 | 350,000 | 350,505 |
| WELLS FARGO | 5.25% 10/23/12 | 3,100,000 | 3,151,559 |
| WELLS FARGO | 5.25% 10/23/12 | 900,000 | 914,969 |
| WELLS FARGO | 4.625% 8/09/10 | 350,000 | 350,271 |
| WELLS FARGO & CO NEW NT | 3.125% 04/01/2009 DD 03/24/04 | 220,000 | 215,703 |
| WELLS FARGO & CO NEW NT | 4.200% 01/15/2010 DD 12/06/04 | 125,000 | 124,219 |
| WELLS FARGO & CO NEW SR NT | 5.250% 10/23/2012 DD 10/23/07 | 300,000 | 304,968 |
| WELLS FARGO & CO NEW SUB NT | 5.000% 11/15/2014 DD 11/06/02 | 550,000 | 533,399 |
| WELLS FARGO & CO NEW SUB NT | 4.950% 10/16/2013 DD 10/16/03 | 250,000 | 248,243 |
| WELLS FARGO & CO NEW SUB NT | 6.375% 08/01/2011 DD 07/31/01 | 100,000 | 104,531 |
| WELLS FARGO & CO SR NT | 5.300% 08/26/2011 DD 08/29/06 | 100,000 | 102,031 |
| WELLS FARGO CO | 3.12% 8/15/08 | 730,000 | 720,063 |
| WELLS FARGO MTG | 4.500% 02/25/2018 DD 02/01/03 | 444,381 | 436,653 |
| WELLS FARGO MTG 03-11 CL 1A11 | 4.750% 10/25/2018 DD 09/01/03 | 303,021 | 299,260 |
| WELLS FARGO MTG 03-16 CL 2A1 | 4.500% 12/25/2018 DD 11/01/03 | 620,017 | 602,718 |
| WELLS FARGO MTG 04-7 CL 2A1 | 4.500% 07/25/2019 DD 06/01/04 | 795,173 | 771,580 |
| WELLS FARGO MTG 05 AR10 IIA12 | VAR RT 06/25/2035 DD 05/01/05 | 167,188 | 166,372 |
| WELLS FARGO MTG 05-AR10 2A4 | VAR RT 06/25/2035 DD 05/01/05 | 210,409 | 207,659 |
| WELLS FARGO MTG 07-7 CL A-7 | 6.000% 06/25/2037 DD 05/01/07 | 500,000 | 484,935 |
| WELLS FARGO MTG 2006-AR2 IIA1 | 4.950% 03/25/2036 DD 02/01/06 | 400,986 | 396,531 |
| WELLS FARGO MTG BACKED II-A-1 | VAR RT 09/25/2034 DD 08/01/04 | 288,776 | 282,871 |
| WELLS FARGO MTG BKD 03-2 CL A6 | 5.250% 02/25/2018 DD 02/01/03 | 429,824 | 428,405 |
| WELLS FARGO MTG BKD 03-K IA2 | VAR RT 11/25/2033 DD 10/01/03 | 400,476 | 387,617 |

Table of Contents**Raytheon Savings and Investment Plan****Schedule H Line 4i - Schedule of Assets (Held at End of Year)**

| Identity of Issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Shares/ Units | |
|--|---|---------------|-------------------|
| | | /Principal | Current Value |
| WELLS FARGO MTG BKD 04-7 IIA2 | 5.000% 07/25/2019 DD 06/01/04 | 265,058 | 264,313 |
| WELLS FARGO MTG BKD 04EE IIIA1 | VAR RT 01/25/2035 DD 12/01/04 | 620,897 | 612,552 |
| WELLS FARGO MTG BKD 04-S A5 | VAR RT 09/25/2034 DD 08/01/04 | 500,000 | 495,105 |
| WELLS FARGO MTG BKD 06-AR3 A-1 | VAR RT 03/25/2036 DD 02/01/06 | 576,049 | 573,250 |
| WELLS FARGO MTG BKD 2003 17 | 5.500% 01/25/2034 DD 12/01/03 | 176,158 | 179,855 |
| WEST PENN PWR | 5.95% 12/17 144A | 495,000 | 497,414 |
| WESTO | 04-3 A4 3.93% 2/12 | 506,812 | 504,879 |
| WESTO | 05-1 D 4.09% 8/12 | 65,986 | 65,792 |
| WESTO | 04-3 D 4.07% 2/12 | 64,568 | 64,325 |
| WFMBS | 04-H A1 CSTR 6/34 | 2,099,751 | 2,068,539 |
| WFMBS | 06-AR8 2A6 CSTR 4/36 | 980,000 | 968,696 |
| WFMBS | 05-AR10 2A2 CSTR 6/35 | 669,803 | 655,012 |
| WFMBS | 05-AR4 2A2 CSTR 4/35 | 557,487 | 546,609 |
| WFMBS | 2006-AR13 A4 CSTR 9/36 | 485,000 | 482,450 |
| WFMBS | 05-AR3 2A1 CSTR 3/35 | 133,812 | 132,742 |
| WFMBS | 05-AR12 2A6 CSTR 7/35 | 69,259 | 67,874 |
| WFS FINL 2005 1 OWNER A-4 | 3.870% 08/17/2012 DD 01/28/05 | 500,000 | 493,520 |
| WHIRLPOOL CORP | 6.125% 6/15/11 | 840,000 | 874,795 |
| WI ST GEN REV TAX FSA | 4.8 5/13 | 915,000 | 917,040 |
| WIND ACQUISITIONS HOLDINGS FIN | VAR RT 12/12/2011 DD 12/12/06 | 475,000 | 465,657 |
| WMALT | 07-OC1 A1 IML+10 5/37 | 2,065,282 | 1,907,123 |
| WMCMS | 05-C1A A1 4.24 5/36 | 125,028 | 124,062 |
| WMLT | 05-B 2A4 CSTR 10/35 | 95,000 | 93,576 |
| WOART | 06-A A3 5.01 10/10 | 226,042 | 226,365 |
| WOORI BK KOREA SUB NT 144A | VAR RT 03/13/2014 DD 02/13/04 | 1,170,000 | 1,171,463 |
| WORLD OMNI AUTO RECBL 06-B A3 | 5.150% 11/15/2010 DD 09/20/06 | 855,000 | 856,625 |
| WORLD SVGS BK FSG NT | 4.500% 06/15/2009 DD 06/02/04 | 250,000 | 249,729 |
| WORRI KOREA HYBRID I 144A | VAR RT 05/02/2037 DD 05/02/07 | 500,000 | 434,060 |
| WPS RESOURCES | 6.11/VAR 12/1/66 | 365,000 | 336,122 |
| WYETH NT | STEP 03/15/2013 DD 02/14/03 | 150,000 | 152,818 |
| XEROX CORP NT | VAR RT 12/18/2009 DD 08/18/06 | 700,000 | 701,197 |
| XL CAP LTD PREF ORD SHS SER E | VAR RT 12/31/2049 DD 03/15/07 | 1,125,000 | 983,666 |
| XL CAP LTD SR NT | 5.250% 09/15/2014 DD 08/23/04 | 50,000 | 48,617 |
| XSTRATA FIN CDA | 5.8 11/16 144A | 515,000 | 505,048 |
| XTO ENERGY INC | 6.25% 8/01/17 | 675,000 | 708,155 |
| ZFS FIN USA TR II SER II 144A | VAR RT 12/15/2065 DD 12/09/05 | 500,000 | 465,935 |
| ZURNVX | 6.5% 67-17 | 500,000 | 461,592 |
| LOANS TO PARTICIPANTS | INTEREST RATE RANGE: 4.00% - 10.25% | | 208,034,801 |
| | | | 11,302,861,851 |
| Adjustment from fair value to contract value for interest in fully benefit-responsive investment contracts | | | (23,559,372) |
| | | | \$ 11,279,302,479 |

* Party In Interest

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Raytheon Savings and Investment Plan has duly caused this report to be signed by the undersigned hereunto duly authorized.

RAYTHEON SAVINGS AND INVESTMENT PLAN

Date: June 30, 2008

By: /s/ Michael J. Wood
Michael J. Wood
Vice President and Chief Accounting Officer

Raytheon Company

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EXHIBIT INDEX

| Exhibit No. | Description |
|--------------------|---|
| 23.1 | Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm. |