

RAYTHEON CO/  
Form 4  
April 10, 2008

**FORM 4**

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

OMB APPROVAL

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

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**STEPHENS JAY B**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**04/08/2008**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Sr. VP, GC & Secretary**

**WALTHAM, MA 02451**

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

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

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	04/08/2008		M		2,100 (1) \$ 29.45	A	80,133 D
Common Stock	04/08/2008		S		2,100 (1) \$ 66.75	D	78,033 D
Common Stock	04/09/2008		M		7,715 (1) \$ 29.45	A	85,748 D
Common Stock	04/09/2008		M		185 (1) \$ 29.48	A	85,933 D
Common Stock	04/09/2008		S		7,900 (1) \$ 66.75	D	78,033 D

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Common Stock	04/09/2008	S	6,577 (1)	D	\$ 67.25	71,456	D	
Common Stock						83 (2)	I	401(k)

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option	\$ 29.45	04/08/2008		M	2,100	10/07/2005 <sup>(3)</sup> 10/07/2012	Common Stock	2,100
Employee Stock Option	\$ 29.45	04/09/2008		M	7,715	10/07/2005 <sup>(3)</sup> 10/07/2012	Common Stock	7,715
Performance Stock Option	\$ 29.48	04/09/2008		M	185	09/19/2007 <sup>(4)</sup> 01/22/2013	Common Stock	185

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STEPHENS JAY B 870 WINTER STREET WALTHAM, MA 02451			Sr. VP, GC & Secretary	

## Signatures

Jay B. Stephens                      04/10/2008  
 \*\*Signature of                      Date  
 Reporting Person

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The stock option exercises and sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on February 29, 2008.

The Reporting Person indirectly beneficially owns 83 shares of the Issuer's Common Stock based on funds in the Reporting Person's Savings and Investment Plan/Excess Savings Plan Account divided by \$66.51, the closing price of the Issuer's Common Stock on April 8, 2008.

(3) The options became exercisable in three annual installments beginning on October 7, 2003.

The options became exercisable in three equal installments. The first installment became exercisable on December 2, 2004, upon the Issuer's Common Stock sustaining (for a period of twenty (20) trading days) a market price of at least \$36.85 per share; the second installment became exercisable on September 13, 2006, upon the Issuer's Common Stock sustaining a market price of at least \$46.063 per share; and the third installment became exercisable on September 19, 2007, upon the Issuer's Common Stock sustaining a market price of at least \$57.578 per share.

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

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