

SHELTON GREGORY S  
 Form 5  
 February 04, 2003

**FORM 5**

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

OMB APPROVAL

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

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB Number: 3235-0362  
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Form 3 Holdings Reported  
 Form 4 Transactions Reported

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

Filed By  
 Romeo and Dye's  
 Section 16 Filer  
 www.section16.net

1. Name and Address of Reporting Person* <b>Shelton, Gregory S.</b>			2. Issuer Name and Ticker or Trading Symbol <b>Raytheon Company - RTN</b>			6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <b>Vice President</b>			
(Last)	(First)	(Middle)	3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)	4. Statement for Month/Year <b>12/2002</b>		7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person			
141 Spring Street				5. If Amendment, Date of Original (Month/Year)					
(Street)			Lexington, MA 02421						
(City)	(State)	(Zip)	<b>Table I Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>						
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)			5. Amount of Securities Beneficially Owned at End of Issuer's Fiscal year (Instr. 3 & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock							3,503 <sup>(1)</sup>	I	401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.  
 \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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**FORM 5 (continued) 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 (A) or	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 & 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of	10. Ownership Form of Derivative Security:	11. Nature of Indirect Beneficial Ownership (Instr. 4)
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		Year)	Disposed of (D) (Instr. 3, 4 & 5)	Year		Date Exer-cisable	Expira-tion Date	Title	Amount or Number of Shares	Year (Instr. 4)	Direct (D) or Indirect (I) (Instr. 4)
				(A)	(D)						
Phantom Stock										557 <sup>(2)</sup>	D
Performance Stock Option										20,801	D
Employee Stock Option	44.45	05/13/02	A	4,000	05/13/03	05/13/12	Common Stock	4,000			D
Employee Stock Option	44.45	05/13/02	A	4,000	05/13/04	05/13/12	Common Stock	4,000			D
Employee Stock Option	44.45	05/13/02	A	1,751	05/13/05	05/13/12	Common Stock	1,751			D
Employee Stock Option	44.45	05/13/02	A	2,249	05/13/05	05/12/12	Common Stock	2,249		58,648	D

Explanation of Responses:

(1) Based on funds in the Reporting Person's Savings and Investment Plan/Excess Savings Plan Account divided by \$30.75, the closing price of the Issuer's Common Stock on December 31, 2002.

(2) During 2002, the Reporting Person deferred receipt of his annual bonus pursuant to the Issuer's Deferred Compensation Plan. The Phantom Stock units trade at approximately a 2:1 ratio to the price of the Issuer's Common Stock.

By: /s/ **Gregory S. Shelton**  
**Gregory S. Shelton**

**01/20/03**  
 Date

\*\*Signature of Reporting Person

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

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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