



**Raytheon**  
**Technologies**

**3Q 2021 Earnings  
Conference Call**

October 26, 2021

# Forward-Looking Statements

**Note:** All results and expectations in the presentation reflect continuing operations unless otherwise noted.

This webcast contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide Raytheon Technologies Corporation’s (“RTC”) management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “outlook,” “confident,” “on track” and other words of similar meaning. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases, tax payments and rates, research and development spending, other measures of financial performance, potential future plans, strategies or transactions, credit ratings and net indebtedness, other anticipated benefits to RTC of United Technologies Corporation’s (“UTC”) Rockwell Collins acquisition, the merger between UTC and Raytheon Company (“Raytheon,” and such merger, the “merger”) or the spin-offs by UTC of Otis Worldwide Corporation and Carrier Global Corporation into separate independent companies (the “separation transactions”), including estimated synergies and customer cost savings resulting from the merger and the anticipated benefits and costs of the separation transactions and other statements that are not solely historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which RTC operates in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in both the commercial and defense segments of the aerospace industry, levels of air travel, financial condition of commercial airlines, and the impact of pandemic health issues (including the impact of the coronavirus disease 2019 (COVID-19) pandemic on global air travel and commercial and business activities which have not yet fully recovered to pre-pandemic levels, and that the timing and extent of such recovery may be impacted by factors including the efficacy, acceptance and distribution of vaccines, coronavirus variants and additional outbreaks) and actions taken in response to pandemic health issues (including the impact on supply generally and the impact of vaccine mandates on supply chain and operations), aviation safety concerns, weather conditions and natural disasters, the financial condition of our customers and suppliers, and the risks associated with U.S. government sales (including changes or shifts in defense spending due to budgetary constraints, spending cuts resulting from sequestration or the allocation of funds to governmental responses to COVID-19, a government shutdown, or otherwise, and uncertain funding of programs); (2) challenges in the development, production, delivery, support, performance, safety, regulatory compliance, and realization of the anticipated benefits (including our expected returns under customer contracts) of advanced technologies and new products and services; (3) the scope, nature, impact or timing of acquisition and divestiture activity, including among other things the integration of UTC’s and Raytheon Company’s businesses and the integration of RTC with other businesses acquired before and after the merger, and realization of synergies and opportunities for growth and innovation and incurrence of related costs and expenses; (4) RTC’s levels of indebtedness, capital spending and research and development spending; (5) future availability of credit and factors that may affect such availability, including credit market conditions and our capital structure; (6) the timing and scope of future repurchases by RTC of its common stock, which are subject to a number of uncertainties and may be discontinued, accelerated, suspended or delayed at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (7) delays and disruption in delivery of materials and services from suppliers; (8) company and customer-directed cost reduction efforts and restructuring costs and savings and other consequences thereof (including the potential termination of U.S. government contracts and performance under undefinitized contract actions and the potential inability to recover termination costs); (9) new business and investment opportunities; (10) the ability to realize the intended benefits of organizational changes; (11) the anticipated benefits of diversification and balance of operations across product lines, regions and industries; (12) the outcome of legal proceedings, investigations and other contingencies; (13) pension plan assumptions and future contributions; (14) the impact of the negotiation of collective bargaining agreements and labor disputes; (15) the effect of changes in political conditions in the U.S. and other countries in which RTC and its businesses operate, including the effect of changes in U.S. trade policies on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (16) changes in Department of Defense policies or priorities; (17) the effect of changes in tax due to new tax legislation or other developments (including the recent Organisation for Economic Co-operation and Development Inclusive Framework agreement and changes that may be enacted by the current U.S. Congress), environmental, regulatory and other laws and regulations (including, among other things, export and import requirements such as the International Traffic in Arms Regulations and the Export Administration Regulations, anti-bribery and anticorruption requirements, including the Foreign Corrupt Practices Act, industrial cooperation agreement obligations, and procurement and other regulations) in the U.S. and other countries in which RTC and its businesses operate; (18) the possibility that the anticipated benefits from the combination of UTC’s and Raytheon’s businesses (including ongoing integration activities from historic UTC and Raytheon acquisitions prior to the merger) cannot be realized in full or may take longer to realize than expected, or the possibility that costs or difficulties related to the integration of UTC’s businesses with Raytheon’s will be greater than expected or may not result in the achievement of estimated synergies within the contemplated time frame or at all; (19) the ability of RTC to retain and hire key personnel and the ability of our personnel to continue to operate our facilities and businesses around the world; and (20) the intended qualification of (i) the merger as a tax-free reorganization and (ii) the separation transactions and other internal restructurings as tax-free to UTC and former UTC shareowners, in each case, for U.S. federal income tax purposes

# 3Q 2021 Highlights

- Strong financial performance with EPS above expectations
- Commercial aftermarket up 48% year-over-year
- Repurchased \$1B of RTX shares; \$2B year-to-date
- Announced acquisitions of FlightAware and SEAKR Engineering
- Announced disposition of RIS' global training and services business
- Continuous focus on program execution and operational excellence

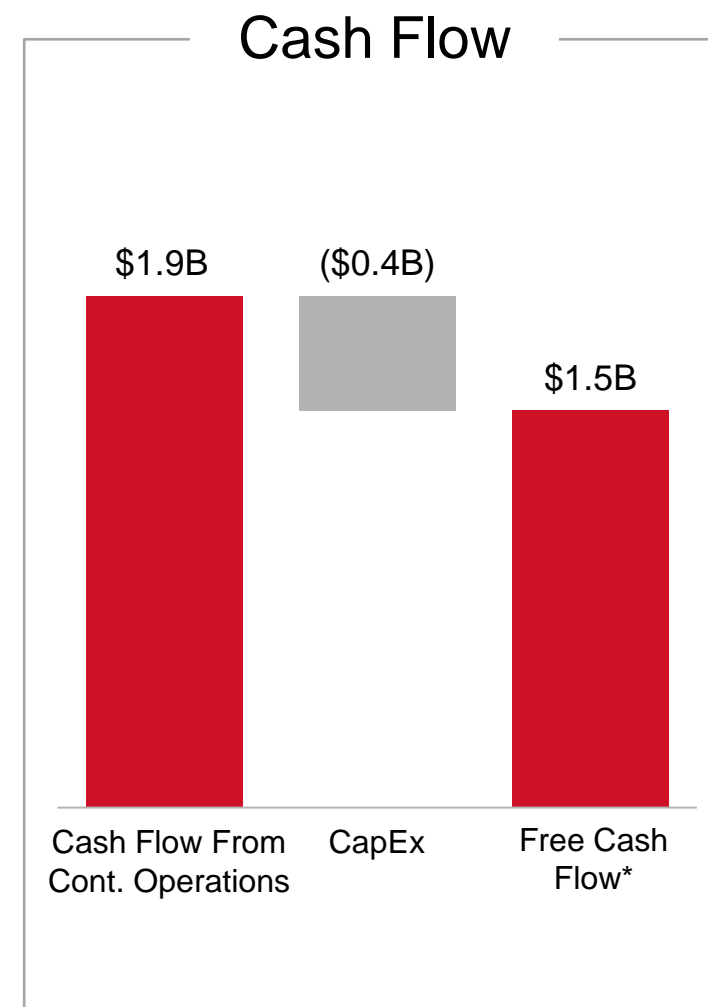
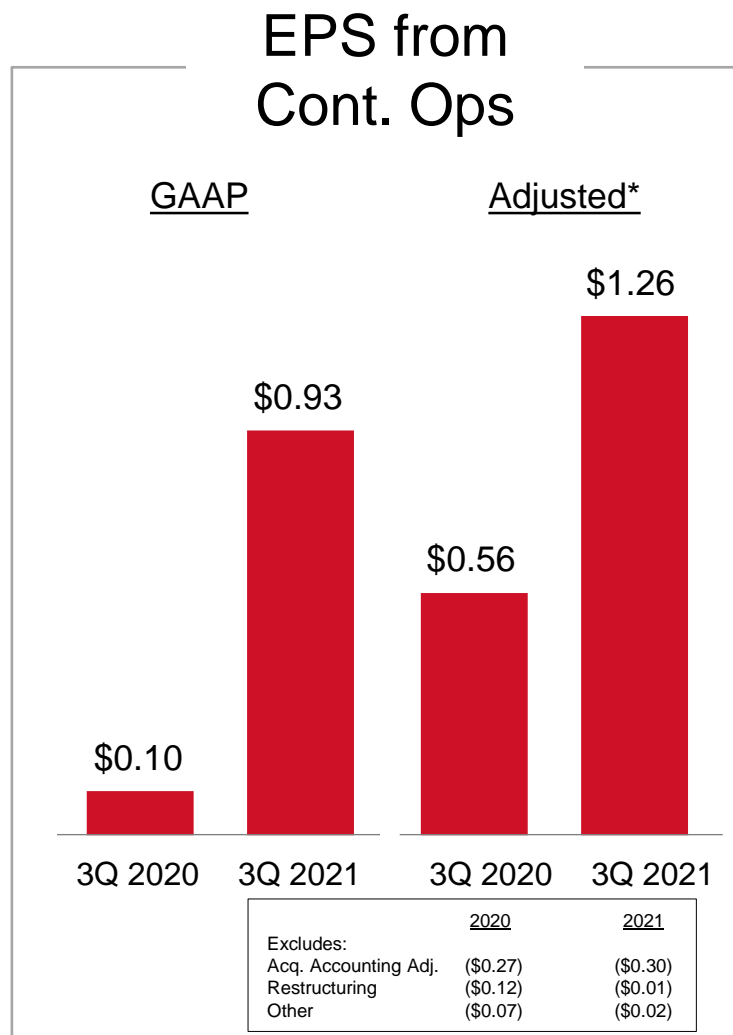
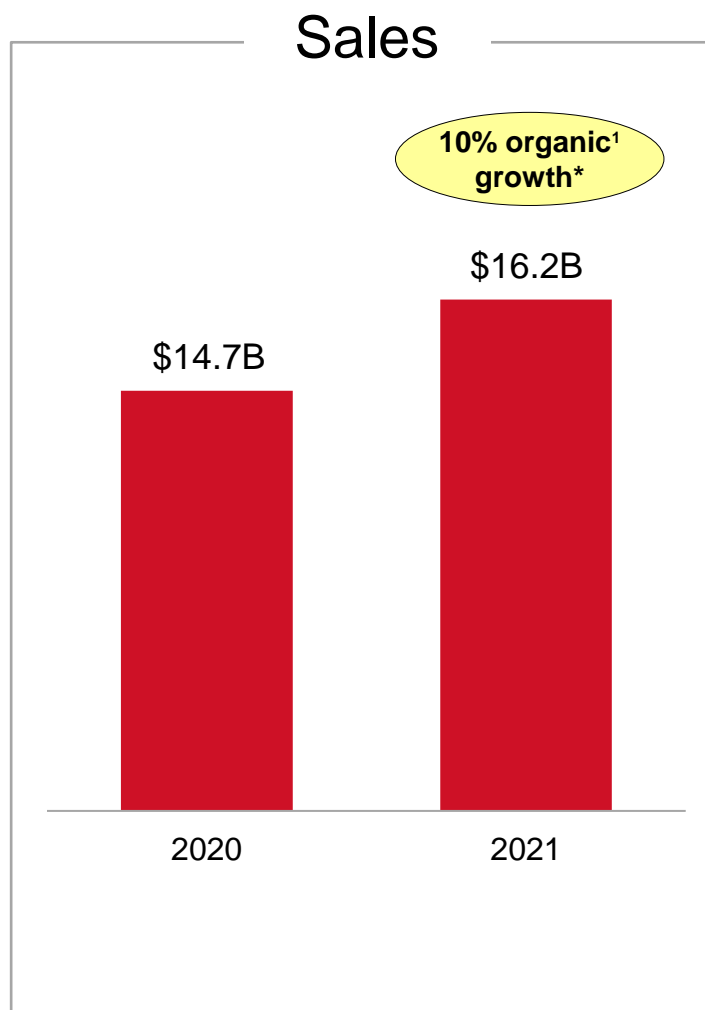
## Full Year Outlook

Sales	~\$64.5B
Organic sales growth % <sup>1</sup>	~1%
Adjusted EPS*	\$4.10 - \$4.20
Free cash flow*	~\$5.0B

### Raising full year adjusted EPS outlook

1) Organic sales growth on an adjusted pro forma basis is a non-GAAP measure, and is calculated as the change in sales when comparing 2021 reported sales to 2020 adjusted pro forma sales as presented on slide 28 (which includes the Raytheon Company results for the first quarter 2020 and the pre-merger Q2 2020 stub period), adjusted for the impact of foreign currency translation and the impact of acquisitions and divestitures, including acquisitions and divestitures that have occurred within the legacy Raytheon Company business.

# 3Q 2021



**Strong sales, adjusted EPS and free cash flow growth**

1) Organic sales growth on an adjusted basis is a non-GAAP measure, and is calculated as the change in sales when comparing 2021 reported sales to 2020 adjusted sales as presented on slide 28, adjusted for the impact of foreign currency translation and the impact of acquisitions and divestitures. A reconciliation of this non-GAAP measure to the corresponding amount prepared in accordance with GAAP appears on slide 18.

# Collins Aerospace Segment Highlights

3Q 2021

(\$ millions)

	Reported	Adjusted*	YOY Var.*
<b>Sales</b>	4,592	4,592	7%
<b>Operating Profit</b>	478	480	558%
<b>ROS</b>	10.4%	10.5%	880 bps

- Organic sales\* up 9%
- Adjusted sales\* up 7%
  - Commercial aftermarket up 38%
  - Commercial OEM down 3%
  - Military down 5% (down 1% ex-divestitures)
- Adjusted operating profit\* up 558%
  - Higher commercial aftermarket sales
  - Favorable mix
  - Synergy capture
  - Lower military volume



Copa Airlines, the second-largest 737 aircraft operator in Latin America, selected Collins Aerospace to retrofit its fleet of 737NG aircraft with new wheels and carbon brakes. The award marks the largest wheel and carbon brake upgrade Collins has ever performed for a Latin American airline. Collins' 737NG brake features the company's advanced DURACARB® carbon friction material that delivers an average 35 percent longer brake life over competing carbon materials, allowing for decreased maintenance time and increased cost savings. The 737NG brake also includes Collins' HTx® oxidation protection system, providing improved thermal oxidation protection and resistance to damaging runway deicers.

# Pratt & Whitney Segment Highlights

3Q 2021

(\$ millions)

	Reported	Adjusted*	YOY Var.*
<b>Sales</b>	4,725	4,725	25%
<b>Operating Profit</b>	187	189	NM
<b>ROS</b>	4.0%	4.0%	510 bps

- Organic sales\* up 35%
- Adjusted sales\* up 25%
  - Commercial aftermarket up 56%
  - Commercial OEM up 22%
  - Military up 2%
- Adjusted operating profit\*
  - Higher commercial aftermarket sales
  - Commercial OE volume growth
  - Higher SG&A and E&D



With Spirit Airlines' selection of Pratt & Whitney GTF™ engines to power its latest order of 100 firm and 50 option Airbus A320neo family aircraft, Pratt & Whitney has announced more than 1,200 orders and commitments for GTF engines since the beginning of 2021. The GTF engine is enabling airlines to achieve dramatic reductions in noise, fuel and emissions. Already these engines have saved airlines more than half a billion gallons of fuel and over five million metric tonnes of carbon emissions, while delivering mature dispatch reliability of 99.97%. The GTF engine's geared fan architecture is foundational for the innovations we're pursuing to enable the aviation industry to meet its ambitious sustainability goals.

Note: NM = not meaningful

# Raytheon Intelligence & Space Segment Highlights

3Q 2021

(\$ millions)

	Reported	Adjusted*	YOY Var.*
<b>Sales</b>	3,740	3,740	0%
<b>Operating Profit</b>	391	391	12%
<b>ROS</b>	10.5%	10.5%	120 bps

- Organic sales\* down 1%
- Adjusted sales\* flat with prior year
  - Lower material inputs
- Adjusted operating profit\* up 12%
  - Program efficiencies
- 3Q book-to-bill ratio 0.84; YTD book-to-bill 1.02
  - \$962 million of classified bookings
- Backlog \$18.7B



RIS's Q3 announcement to acquire SEAKR Engineering, a leading supplier of advanced space electronics, is an example of how RIS is investing in a core part of its business to enhance end-to-end space capabilities and accelerate its agility to deliver space qualified solutions faster.

# Raytheon Missiles & Defense Segment Highlights

3Q 2021

(\$ millions)

	Reported	Adjusted*	YOY Var.*
<b>Sales</b>	3,902	3,902	7%
<b>Operating Profit</b>	490	490	14%
<b>ROS</b>	12.6%	12.6%	80 bps

- Organic sales\* up 5%
- Adjusted sales\* up 7%
  - Higher volume on NASAMS and AMRAAM
- Adjusted operating profit\* up 14%
  - Higher volume
- 3Q book-to-bill ratio 1.02; YTD book-to-bill 1.09
  - \$570 million for AMRAAM
  - \$432 million for GEM-T
  - \$358 million for ESSM
  - \$291 million for Stinger missiles
- Backlog \$29.6B



RMD and its industry partner made history with the first-ever successful flight test of a scramjet-powered Hypersonic Air-breathing Weapon Concept, or HAWC, for the Defense Advanced Research Projects Agency and the U.S. Air Force. The HAWC cruised at sustained hypersonic speeds while remaining in the atmosphere, which means it could offer faster time on target and greater maneuverability. The test proves Raytheon can deliver the first operational hypersonic scramjet, providing a significant increase in warfighting capabilities. The companies are on track to deliver a prototype system to the U.S. Department of Defense.



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National Advanced Surface to Air Missile System (NASAMS); Advanced Medium-Range Air-to-Air Missile (AMRAAM); Guidance Enhanced Missiles (GEM-T); Evolved Sea Sparrow Missile (ESSM)

\*See Appendix for additional information regarding these non-GAAP financial measures.



# 2021 Outlook

	<u>3Q Actual</u>	<u>Full Year Outlook</u>
Sales	\$16.2B	~\$64.5B Prior: \$64.4 - \$65.4B
Organic sales growth% <sup>1</sup>	10%	~1% Prior: 1% - 3%
Adjusted EPS*	\$1.26	\$4.10 - \$4.20 Prior: \$3.85 - \$4.00
Free cash flow*	\$1.5B	~\$5.0B Prior: \$4.5 - \$5.0B

1) Organic sales growth on an adjusted basis is a non-GAAP measure, and is calculated as the change in sales when comparing 2021 reported sales to 2020 adjusted sales as presented on slide 28, adjusted for the impact of foreign currency translation and the impact of acquisitions and divestitures. A reconciliation of this non-GAAP measure to the corresponding amount prepared in accordance with GAAP appears on slide 18.

# 2022 Environment

## Positives

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Comm'l aero aftermarket

Narrowbody deliveries

Defense growth

Cost reduction

Financial flexibility

## Monitoring

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International travel recovery

Global tax environment

Inflation

Vaccine mandate

## Challenges

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Supply chain disruption

787 OE build rates



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# Appendix

# Use and Definitions of Non-GAAP Financial Measures

Raytheon Technologies Corporation (“RTC”) reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP”).

We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

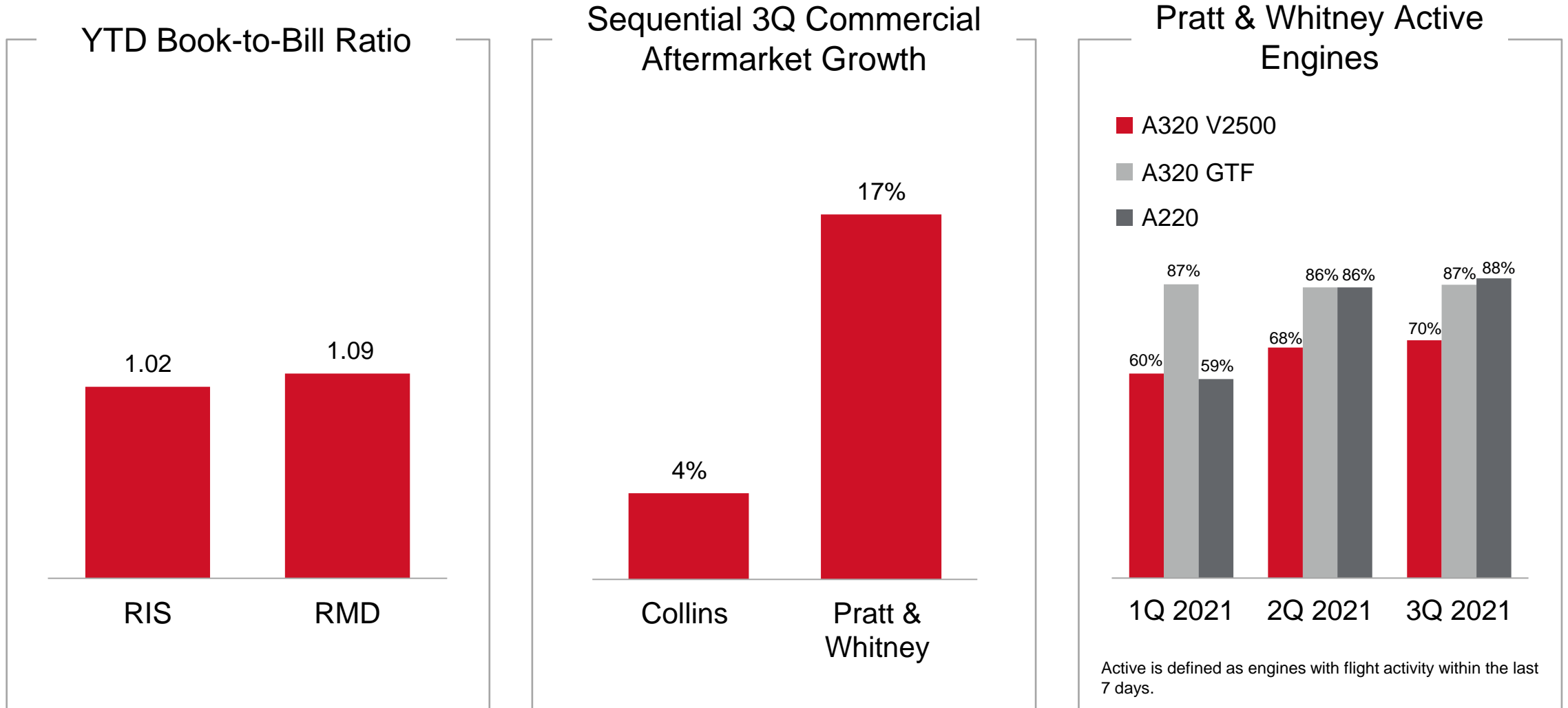
Adjusted net sales, organic sales, adjusted operating profit (loss), adjusted net income and adjusted earnings per share (“EPS”) are non-GAAP financial measures. Adjusted net sales represents consolidated net sales (a GAAP measure), excluding significant items of a non-recurring and/or nonoperational nature (hereinafter referred to as “other significant items”). Organic sales represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items. Adjusted operating profit (loss) represents operating profit (loss) (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and other significant items. Adjusted net income represents income (loss) from continuing operations attributable to common shareowners (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and other significant items. Adjusted EPS represents diluted earnings per share from continuing operations (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and other significant items. For the Business segments, when applicable, adjustments of net sales similarly reflect continuing operations excluding other significant items, organic sales similarly excludes the impact of foreign currency, acquisitions and divestitures, and other significant items, and adjustments of operating profit (loss) and operating profit margins (also referred to as return on sales (ROS)) similarly reflect continuing operations, excluding restructuring, acquisition accounting adjustments and other significant items.

Free cash flow is a non-GAAP financial measure that represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing RTC’s ability to fund its activities, including the financing of acquisitions, debt service, repurchases of RTC’s common stock and distribution of earnings to shareowners.

A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. The tables provide additional information as to the items and amounts that have been excluded from the adjusted measures.

When we provide our expectation for adjusted sales, organic sales growth, adjusted operating profit (loss), adjusted EPS, free cash flow, and adjusted tax rate on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures (expected net sales, expected sales growth, expected operating profit (loss), expected EPS from continuing operations, expected cash flow from operations and expected tax rate respectively) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

# 3Q 2021 Quarterly Trends



Solid defense book-to-bill and positioned to leverage the commercial aerospace recovery

# 2021 Segment Outlook\*

(\$ millions)

	Full Year	Adjusted Sales <sup>1</sup> VPY %	Adjusted Operating Profit <sup>1</sup> VPY
<b>Collins Aerospace</b>	Current <i>Prior</i>	down mid single <i>down mid to low single</i> ↓	\$250 - \$300 ↑ \$100 - \$275
<b>Pratt &amp; Whitney</b>	Current <i>Prior</i>	up mid single ↑ <i>up low to mid single</i>	flat - \$50 ↑ (\$50) - \$25
<b>Raytheon Intelligence &amp; Space<sup>2,3</sup></b>	Current <i>Prior</i>	up low single ↓ <i>up low to mid single</i>	\$150 - \$175 ✓
<b>Raytheon Missiles &amp; Defense<sup>2,3</sup></b>	Current	up low to mid single ✓	\$50 - \$75 ✓

1) See slide 28 for the 2020 adjusted pro forma recast.

2) Versus full year 2020 pro forma adjusted results, which assumes a 01/01/2020 merger.

3) Based on reclassification for prior year segment change between RMD and RIS relating to the Reconnaissance and Targeting Systems and Electro-Optical Innovations businesses.

# Additional 2021 Items

	<u>Prior FY 2021</u>	<u>Current FY 2021</u>
<b>Adjusted Tax Rate*</b>	~16%	~16%
<b>Interest Expense</b>	~\$1,400M	~\$1,350M
<b>Corporate Expense and Other Unallocated Items</b>	~\$375M	~\$325M
<b>FAS/CAS Operating Adjustment</b>	~\$1,675M	~\$1,785M
<b>Non-Service Pension Benefit</b>	~\$1,925M	~\$1,950M
<b>Capex Spending</b>	\$2,400M - \$2,500M	~\$2,300M



# Raytheon Technologies: P&W Engine Shipments to Customers

	2020					2021		
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
<b>Military</b>	48	72	59	62	241	44	61	58
<b>Large Commercial<sup>1</sup></b>	211	92	114	129	546	137	144	165
<b>Pratt &amp; Whitney Canada<sup>2</sup></b>	466	393	379	412	1,650	396	467	475

1) Large commercial excludes industrial engine shipments

2) Excludes APUs

# Raytheon Technologies: Free Cash Flow Reconciliation

(\$ millions)

	3Q 2021
<b>Net income attributable to common shareowners from continuing operations</b>	1,473
<b>Depreciation &amp; amortization</b>	1,158
<b>Change in working capital</b>	95
<b>Other</b>	<u>(794)</u>
<b>Cash flow from operations</b>	1,932
<b>Capital expenditures</b>	<u>(433)</u>
<b>Free cash flow</b>	1,499

# 3Q 2021: Raytheon Technologies Sales Reconciliation

	Total Reported Growth	Organic	Acquisitions and Divestitures	Other <sup>1</sup>
Collins Aerospace	7%	9%	(2%)	-
Pratt & Whitney	35%	35%	-	-
RIS	-	(1%)	1%	-
RMD	5%	5%	-	-
Elims & Other	<u>57%</u>	<u>20%</u>	<u>37%</u>	-
<b>Total</b>	<b>10%</b>	<b>11%</b>	<b>(1%)</b>	<b>-</b>

Organic sales growth on an adjusted pro forma basis	
Total reported growth	10%
Acquisitions and Divestitures	1%
Other <sup>1</sup>	<u>(1%)</u>
<b>Total organic sales growth (adjusted pro forma basis)</b>	<b>10%</b>

1) Includes the impact of foreign currency translation

# 3Q 2021: Raytheon Technologies Restructuring Costs

(\$ millions)

	2021				2020				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Restructuring impact to:</b>									
Operating profit									
Collins Aerospace Systems	(18)	(12)	(2)	(32)	(6)	(151)	(138)	(65)	(360)
Pratt & Whitney	(20)	16	(2)	(6)	-	(107)	(63)	(10)	(180)
Raytheon Intelligence & Space	-	-	-	-	-	-	-	-	-
Raytheon Missiles & Space	-	-	-	-	-	-	-	-	-
Total segments operating profit	(38)	4	(4)	(38)	(6)	(258)	(201)	(75)	(540)
Corporate expenses and other unallocated items	(5)	(60)	(15)	(80)	(2)	(169)	(21)	(16)	(208)
Eliminations and other	-	-	-	-	-	-	(23)	3	(20)
Total consolidated operating profit	(43)	(56)	(19)	(118)	(8)	(427)	(245)	(88)	(768)
Non-service pension benefits	-	-	-	-	-	-	(5)	(4)	(9)
Income from continuing operations before income taxes	<b>(43)</b>	<b>(56)</b>	<b>(19)</b>	<b>(118)</b>	<b>(8)</b>	<b>(427)</b>	<b>(250)</b>	<b>(92)</b>	<b>(777)</b>

# Raytheon Technologies: 2020 Reported to Adjusted

(\$ millions)

	Reported <sup>1</sup> (Unaudited)					Restructuring & Significant non-recurring and non-operational items <sup>2</sup>					Adjusted <sup>2</sup> (Unaudited)				
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Net Sales</b>															
Collins Aerospace Systems	\$ 6,438	\$ 4,202	\$ 4,274	\$ 4,374	\$ 19,288	\$ (22)	\$ (96)	\$ (4)	\$ (14)	\$ (136)	\$ 6,460	\$ 4,298	\$ 4,278	\$ 4,388	\$ 19,424
Pratt & Whitney	5,353	3,487	3,494	4,465	16,799	22	(120)	(296)	(31)	(425)	5,331	3,607	3,790	4,496	17,224
Raytheon Intelligence & Space	-	3,387	3,749	3,933	11,069	-	-	-	-	-	-	3,387	3,749	3,933	11,069
Raytheon Missiles & Defense	-	3,506	3,706	4,184	11,396	-	54	65	(119)	-	-	3,452	3,641	4,303	11,396
Total segment	11,791	14,582	15,223	16,956	58,552	-	(162)	(235)	(164)	(561)	11,791	14,744	15,458	17,120	59,113
Eliminations and other	(431)	(521)	(476)	(537)	(1,965)	-	-	-	-	-	(431)	(521)	(476)	(537)	(1,965)
<b>Consolidated Net Sales</b>	<b>11,360</b>	<b>14,061</b>	<b>14,747</b>	<b>16,419</b>	<b>56,587</b>	<b>-</b>	<b>(162)</b>	<b>(235)</b>	<b>(164)</b>	<b>(561)</b>	<b>11,360</b>	<b>14,223</b>	<b>14,982</b>	<b>16,583</b>	<b>57,148</b>
<b>Operating Profit</b>															
Collins Aerospace Systems	1,246	(317)	526	11	1,466	(38)	(341)	453	(78)	(4)	1,284	24	73	89	1,470
Pratt & Whitney	475	(457)	(615)	33	(564)	(40)	(306)	(572)	(72)	(990)	515	(151)	(43)	105	426
Raytheon Intelligence & Space	-	309	350	361	1,020	-	-	-	-	-	-	309	350	361	1,020
Raytheon Missiles & Defense	-	398	449	33	880	-	12	18	(546)	(516)	-	386	431	579	1,396
Total segment	1,721	(67)	710	438	2,802	(78)	(635)	(101)	(696)	(1,510)	1,799	568	811	1,134	4,312
Eliminations and other	(25)	(27)	(49)	(6)	(107)	-	-	(23)	3	(20)	(25)	(27)	(26)	(9)	(87)
Corporate expenses and other unallocated items	(130)	(277)	(84)	(99)	(590)	(31)	(253)	(74)	(38)	(396)	(99)	(24)	(10)	(61)	(194)
FAS/CAS operating adjustment	-	356	380	370	1,106	-	-	-	-	-	-	356	380	370	1,106
Acquisition accounting adjustments	(271)	(3,745)	(523)	(561)	(5,100)	(271)	(3,745)	(523)	(561)	(5,100)	-	-	-	-	-
<b>Consolidated Operating Profit</b>	<b>1,295</b>	<b>(3,760)</b>	<b>434</b>	<b>142</b>	<b>(1,889)</b>	<b>(380)</b>	<b>(4,633)</b>	<b>(721)</b>	<b>(1,292)</b>	<b>(7,026)</b>	<b>1,675</b>	<b>873</b>	<b>1,155</b>	<b>1,434</b>	<b>5,137</b>
Non-service pension benefit	(168)	(237)	(253)	(244)	(902)	-	25	13	8	46	(168)	(262)	(266)	(252)	(948)
Interest expense, net	332	335	350	349	1,366	-	(4)	-	-	(4)	332	339	350	349	1,370
Income (loss) from continuing operations before income taxes	1,131	(3,858)	337	37	(2,353)	(380)	(4,654)	(734)	(1,300)	(7,068)	1,511	796	1,071	1,337	4,715
Income tax expense (benefit)	639	(38)	152	(178)	575	333	(227)	(30)	(324)	(248)	306	189	182	146	823
Net income (loss) from continuing operations	492	(3,820)	185	215	(2,928)	(713)	(4,427)	(704)	(976)	(6,820)	1,205	607	889	1,191	3,892
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	54	24	34	69	181	-	-	-	-	-	54	24	34	69	181
<b>Income (loss) from continuing operations attributable to common shareowners</b>	<b>\$ 438</b>	<b>\$ (3,844)</b>	<b>\$ 151</b>	<b>\$ 146</b>	<b>\$ (3,109)</b>	<b>\$ (713)</b>	<b>\$ (4,427)</b>	<b>\$ (704)</b>	<b>\$ (976)</b>	<b>\$ (6,820)</b>	<b>\$ 1,151</b>	<b>\$ 583</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 3,711</b>
Earnings (loss) per share from continuing operations attributable to common shareowners															
Basic earnings (loss) per share	\$ 0.51	\$ (2.56)	\$ 0.10	\$ 0.10	\$ (2.29)						\$ 1.34	\$ 0.39	\$ 0.57	\$ 0.74	\$ 2.73
Diluted earnings (loss) per share	\$ 0.50	\$ (2.56)	\$ 0.10	\$ 0.10	\$ (2.29)						\$ 1.33	\$ 0.39	\$ 0.56	\$ 0.74	\$ 2.73
Weighted average number of shares outstanding (millions)															
Basic shares	858.4	1,501.3	1,511.5	1,512.3	1,357.8						858.4	1,501.3	1,511.5	1,512.3	1,357.8
Diluted shares	865.8	1,501.3	1,514.2	1,515.4	1,357.8						865.8	1,503.7	1,514.2	1,515.4	1,361.7

1: All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

2: For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 22 - 26. For the full reconciliation of our non-operating results, net income and EPS refer to slide 27.

# Raytheon Technologies: 2021 Reported to Adjusted

(\$ millions)

	Reported (Unaudited)				Restructuring & Significant non-recurring and non-operational items <sup>1</sup>				Adjusted <sup>1</sup> (Unaudited)			
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021
<b>Net Sales</b>												
Collins Aerospace Systems	\$ 4,370	\$ 4,545	\$ 4,592	\$ 13,507	\$ -	\$ -	\$ -	\$ -	\$ 4,370	\$ 4,545	\$ 4,592	\$ 13,507
Pratt & Whitney	4,030	4,280	4,725	13,035	-	-	-	-	4,030	4,280	4,725	13,035
Raytheon Intelligence & Space	3,765	3,805	3,740	11,310	-	-	-	-	3,765	3,805	3,740	11,310
Raytheon Missiles & Defense	3,793	3,985	3,902	11,680	-	-	-	-	3,793	3,985	3,902	11,680
Total segment	15,958	16,615	16,959	49,532	-	-	-	-	15,958	16,615	16,959	49,532
Eliminations and other	(707)	(735)	(746)	(2,188)	-	-	-	-	(707)	(735)	(746)	(2,188)
<b>Consolidated Net Sales</b>	<b>\$ 15,251</b>	<b>\$ 15,880</b>	<b>\$ 16,213</b>	<b>\$ 47,344</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,251</b>	<b>\$ 15,880</b>	<b>\$ 16,213</b>	<b>\$ 47,344</b>
<b>Operating Profit</b>												
Collins Aerospace Systems	\$ 314	\$ 506	\$ 478	\$ 1,298	\$ (18)	\$ (12)	\$ (2)	\$ (32)	\$ 332	\$ 518	\$ 480	\$ 1,330
Pratt & Whitney	20	112	187	319	(20)	16	(2)	(6)	40	96	189	325
Raytheon Intelligence & Space	388	415	391	1,194	-	-	-	-	388	415	391	1,194
Raytheon Missiles & Defense	496	532	490	1,518	-	-	-	-	496	532	490	1,518
Total segment	1,218	1,565	1,546	4,329	(38)	4	(4)	(38)	1,256	1,561	1,550	4,367
Eliminations and other	(31)	(40)	(27)	(98)	-	-	-	-	(31)	(40)	(27)	(98)
Corporate expenses and other unallocated items	(81)	(149)	(89)	(319)	(30)	(60)	(15)	(105)	(51)	(89)	(74)	(214)
FAS/CAS operating adjustment	423	425	499	1,347	-	-	-	-	423	425	499	1,347
Acquisition accounting adjustments	(516)	(519)	(586)	(1,621)	(516)	(519)	(586)	(1,621)	-	-	-	-
<b>Consolidated Operating Profit</b>	<b>\$ 1,013</b>	<b>\$ 1,282</b>	<b>\$ 1,343</b>	<b>\$ 3,638</b>	<b>\$ (584)</b>	<b>\$ (575)</b>	<b>\$ (605)</b>	<b>\$ (1,764)</b>	<b>\$ 1,597</b>	<b>\$ 1,857</b>	<b>\$ 1,948</b>	<b>\$ 5,402</b>
Non-service pension benefit	\$ (491)	\$ (490)	\$ (491)	\$ (1,472)	\$ -	\$ -	\$ -	\$ -	\$ (491)	\$ (490)	\$ (491)	\$ (1,472)
Interest expense, net	346	342	358	1,046	-	-	32	32	346	342	326	1,014
Income from continuing operations before income taxes	1,158	1,430	1,476	4,064	(584)	(575)	(637)	(1,796)	1,742	2,005	2,113	5,860
Income tax expense	345	342	3	690	14	(50)	(141)	(177)	331	392	144	867
Net income from continuing operations	813	1,088	1,473	3,374	(598)	(525)	(496)	(1,619)	1,411	1,613	1,969	4,993
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	41	48	73	162	-	-	-	-	41	48	73	162
<b>Income from continuing operations attributable to common shareowners</b>	<b>\$ 772</b>	<b>\$ 1,040</b>	<b>\$ 1,400</b>	<b>\$ 3,212</b>	<b>\$ (598)</b>	<b>\$ (525)</b>	<b>\$ (496)</b>	<b>\$ (1,619)</b>	<b>\$ 1,370</b>	<b>\$ 1,565</b>	<b>\$ 1,896</b>	<b>\$ 4,831</b>
<b>Earnings per share from continuing operations attributable to common shareowners</b>												
Basic earnings per share	\$ 0.51	\$ 0.69	\$ 0.93	\$ 2.13					\$ 0.91	\$ 1.04	\$ 1.27	\$ 3.21
Diluted earnings per share	\$ 0.51	\$ 0.69	\$ 0.93	\$ 2.13					\$ 0.90	\$ 1.03	\$ 1.26	\$ 3.20
<b>Weighted average number of shares outstanding (millions)</b>												
Basic shares	1,511.1	1506.4	1,497.9	1,505.0					1,511.1	1,506.4	1,497.9	1,505.0
Diluted shares	1,514.1	1513.5	1,505.9	1,511.0					1,514.1	1,513.5	1,505.9	1,511.0

1: For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 22 - 26. For the full reconciliation of our non-operating results, net income and EPS refer to slide 27.

# Raytheon Technologies: Reconciliation of GAAP to Adjusted Collins Aerospace Systems

(\$ millions)

	(Unaudited)				(Unaudited)				
	2021				2020				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Collins Aerospace Systems</b>									
Net sales	\$ 4,370	\$ 4,545	\$ 4,592	\$ 13,507	\$ 6,438	\$ 4,202	\$ 4,274	\$ 4,374	\$ 19,288
Significant unfavorable contract adjustments	-	-	-	-	(22)	(96)	(4)	(14)	(136)
<b>Adjusted net sales</b>	<b>\$ 4,370</b>	<b>\$ 4,545</b>	<b>\$ 4,592</b>	<b>\$ 13,507</b>	<b>\$ 6,460</b>	<b>\$ 4,298</b>	<b>\$ 4,278</b>	<b>\$ 4,388</b>	<b>\$ 19,424</b>
Operating profit (loss)	\$ 314	\$ 506	\$ 478	\$ 1,298	\$ 1,246	\$ (317)	\$ 526	\$ 11	\$ 1,466
Restructuring	(18)	(12)	(2)	(32)	(6)	(151)	(138)	(65)	(360)
Significant unfavorable contract adjustments	-	-	-	-	(22)	(122)	(25)	(14)	(183)
Charges related to customer bankruptcies and collectability risk	-	-	-	-	(10)	(89)	(24)	(2)	(125)
Foreign government wage subsidies	-	-	-	-	-	24	32	16	72
Fixed asset impairment	-	-	-	-	-	(3)	-	-	(3)
Gain on sale of businesses	-	-	-	-	-	-	608	(13)	595
<b>Adjusted operating profit</b>	<b>\$ 332</b>	<b>\$ 518</b>	<b>\$ 480</b>	<b>\$ 1,330</b>	<b>\$ 1,284</b>	<b>\$ 24</b>	<b>\$ 73</b>	<b>\$ 89</b>	<b>\$ 1,470</b>
Adjusted operating profit margin	7.6%	11.4%	10.5%	9.8%	19.9%	0.6%	1.7%	2.0%	7.6%
<b>Total Net Sales Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (22)</b>	<b>\$ (96)</b>	<b>\$ (4)</b>	<b>\$ (14)</b>	<b>\$ (136)</b>
<b>Total Operating Profit Adjustments</b>	<b>\$ (18)</b>	<b>\$ (12)</b>	<b>\$ (2)</b>	<b>\$ (32)</b>	<b>\$ (38)</b>	<b>\$ (341)</b>	<b>\$ 453</b>	<b>\$ (78)</b>	<b>\$ (4)</b>

# Raytheon Technologies: Reconciliation of GAAP to Adjusted Pratt & Whitney

(\$ millions)

	(Unaudited)				(Unaudited)				
	2021				2020				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Pratt &amp; Whitney</b>									
Net sales	\$ 4,030	\$ 4,280	\$ 4,725	\$ 13,035	\$ 5,353	\$ 3,487	\$ 3,494	\$ 4,465	\$ 16,799
Significant unfavorable contract adjustments	-	-	-	-	22	(120)	(296)	(31)	(425)
<b>Adjusted net sales</b>	<b>\$ 4,030</b>	<b>\$ 4,280</b>	<b>\$ 4,725</b>	<b>\$ 13,035</b>	<b>\$ 5,331</b>	<b>\$ 3,607</b>	<b>\$ 3,790</b>	<b>\$ 4,496</b>	<b>\$ 17,224</b>
Operating profit (loss)	\$ 20	\$ 112	\$ 187	\$ 319	\$ 475	\$ (457)	\$ (615)	\$ 33	\$ (564)
Restructuring	(20)	16	(2)	(6)	-	(107)	(63)	(10)	(180)
Charges related to customer bankruptcies and collectability risk	-	-	-	-	(62)	(148)	(24)	(28)	(262)
Significant unfavorable contract adjustments	-	-	-	-	-	(110)	(543)	(27)	(680)
Foreign government wage subsidies	-	-	-	-	-	59	58	36	153
Charges related to a commercial financing arrangement	-	-	-	-	-	-	-	(43)	(43)
Favorable impact of a contract termination	-	-	-	-	22	-	-	-	22
<b>Adjusted operating profit (loss)</b>	<b>\$ 40</b>	<b>\$ 96</b>	<b>\$ 189</b>	<b>\$ 325</b>	<b>\$ 515</b>	<b>\$ (151)</b>	<b>\$ (43)</b>	<b>\$ 105</b>	<b>\$ 426</b>
Adjusted operating profit margin	1.0%	2.2%	4.0%	2.5%	9.7%	-4.2%	-1.1%	2.3%	2.5%
<b>Total Net Sales Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22</b>	<b>\$ (120)</b>	<b>\$ (296)</b>	<b>\$ (31)</b>	<b>\$ (425)</b>
<b>Total Operating Profit Adjustments</b>	<b>\$ (20)</b>	<b>\$ 16</b>	<b>\$ (2)</b>	<b>\$ (6)</b>	<b>\$ (40)</b>	<b>\$ (306)</b>	<b>\$ (572)</b>	<b>\$ (72)</b>	<b>\$ (990)</b>



# Raytheon Technologies: Reconciliation of GAAP to Adjusted

## Raytheon Intelligence & Space

(\$ millions)

	(Unaudited)				(Unaudited)				
	2021				2020 <sup>1</sup>				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Raytheon Intelligence &amp; Space</b>									
Net sales	\$ 3,765	\$ 3,805	\$ 3,740	\$ 11,310	\$ -	\$ 3,387	\$ 3,749	\$ 3,933	\$ 11,069
Adjusted net sales	\$ 3,765	\$ 3,805	\$ 3,740	\$ 11,310	\$ -	\$ 3,387	\$ 3,749	\$ 3,933	\$ 11,069
Operating profit	\$ 388	\$ 415	\$ 391	\$ 1,194	\$ -	\$ 309	\$ 350	\$ 361	\$ 1,020
Adjusted operating profit	\$ 388	\$ 415	\$ 391	\$ 1,194	\$ -	\$ 309	\$ 350	\$ 361	\$ 1,020
Operating profit margin	10.3%	10.9%	10.5%	10.6%	N/A	9.1%	9.3%	9.2%	9.2%
<b>Total Net Sales Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Operating Profit Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

1: All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Reconciliation of GAAP to Adjusted

## Raytheon Missiles & Defense

(\$ millions)

	(Unaudited)				(Unaudited)				
	2021				2020 <sup>1</sup>				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Raytheon Missiles &amp; Defense</b>									
Net sales	\$ 3,793	\$ 3,985	\$ 3,902	\$ 11,680	\$ -	\$ 3,506	\$ 3,706	\$ 4,184	\$ 11,396
Middle East contract adjustment	-	-	\$ -	\$ -	-	54	65	(119)	-
Adjusted net sales	\$ 3,793	\$ 3,985	\$ 3,902	\$ 11,680	\$ -	\$ 3,452	\$ 3,641	\$ 4,303	\$ 11,396
Operating profit	\$ 496	\$ 532	\$ 490	\$ 1,518	\$ -	\$ 398	\$ 449	\$ 33	\$ 880
Middle East contract adjustment	-	-	-	-	-	12	18	(546)	(516)
Adjusted operating profit	\$ 496	\$ 532	\$ 490	\$ 1,518	\$ -	\$ 386	\$ 431	\$ 579	\$ 1,396
Adjusted operating profit margin	13.1%	13.4%	12.6%	13.0%	N/A	11.2%	11.8%	13.5%	12.2%
<b>Total Net Sales Adjustments</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ 65	\$ (119)	\$ -
<b>Total Operating Profit Adjustments</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ 18	\$ (546)	\$ (516)

1: All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Reconciliation of GAAP to Adjusted Non-Segment Operating Profit

(\$ millions)

	(Unaudited)				(Unaudited)				
	2021				2020 <sup>1</sup>				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Eliminations and other</b>									
Net sales	\$ (707)	\$ (735)	\$ (746)	\$ (2,188)	\$ (431)	\$ (521)	\$ (476)	\$ (537)	\$ (1,965)
Operating loss	\$ (31)	\$ (40)	\$ (27)	\$ (98)	\$ (25)	\$ (27)	\$ (49)	\$ (6)	\$ (107)
Restructuring	-	-	-	-	-	-	(23)	3	(20)
Adjusted operating loss	\$ (31)	\$ (40)	\$ (27)	\$ (98)	\$ (25)	\$ (27)	\$ (26)	\$ (9)	\$ (87)
<b>Corporate and other unallocated items</b>									
Operating loss	\$ (81)	\$ (149)	\$ (89)	\$ (319)	\$ (130)	\$ (277)	\$ (84)	\$ (99)	\$ (590)
Restructuring	(5)	(60)	(15)	(80)	(2)	(169)	(21)	(16)	(208)
Costs associated with the separation of the commercial businesses	(8)	-	-	(8)	-	(14)	(7)	(2)	(23)
Transaction and integration costs associated with the Raytheon Merger	(17)	-	-	(17)	(29)	(70)	(46)	(20)	(165)
Adjusted operating loss	\$ (51)	\$ (89)	\$ (74)	\$ (214)	\$ (99)	\$ (24)	\$ (10)	\$ (61)	\$ (194)
<b>FAS/CAS Operating Adjustment</b>									
Operating profit	\$ 423	\$ 425	\$ 499	\$ 1,347	\$ -	\$ 356	\$ 380	\$ 370	\$ 1,106
<b>Acquisition Accounting Adjustments</b>									
Operating loss	\$ (516)	\$ (519)	\$ (586)	\$ (1,621)	\$ (271)	\$ (3,745)	\$ (523)	\$ (561)	\$ (5,100)
Intangible impairment	-	-	-	-	(40)	(17)	-	-	(57)
Goodwill impairment	-	-	-	-	-	(3,183)	-	-	(3,183)
Acquisition accounting adjustments	(516)	(519)	(586)	(1,621)	(231)	(545)	(523)	(561)	(1,860)
Adjusted operating profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operating Profit Adjustments - Corporate and other unallocated items</b>	<b>\$ (30)</b>	<b>\$ (60)</b>	<b>\$ (15)</b>	<b>\$ (105)</b>	<b>\$ (31)</b>	<b>\$ (253)</b>	<b>\$ (74)</b>	<b>\$ (38)</b>	<b>\$ (396)</b>
<b>Total Operating Profit Adjustments - Acquisition accounting adjustments</b>	<b>\$ (516)</b>	<b>\$ (519)</b>	<b>\$ (586)</b>	<b>\$ (1,621)</b>	<b>\$ (271)</b>	<b>\$ (3,745)</b>	<b>\$ (523)</b>	<b>\$ (561)</b>	<b>\$ (5,100)</b>

1: All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Reconciliation of GAAP to Adjusted Consolidated Income, Earnings Per Share

(\$ millions)

	(Unaudited) 2021				(Unaudited) 2020				
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Income (loss) from continuing operations attributable to common shareholders</b>	\$ 772	\$ 1,040	\$ 1,400	\$ 3,212	\$ 438	\$ (3,844)	\$ 151	\$ 146	\$ (3,109)
Total Restructuring included in Operating Profit	(43)	(56)	(19)	(118)	(8)	(427)	(245)	(88)	(768)
Total Acquisition accounting adjustments	(516)	(519)	(586)	(1,621)	(231)	(545)	(523)	(561)	(1,860)
Total Significant non-recurring and non-operational items included in Operating Profit <sup>(1)</sup>	(25)	-	-	(25)	(141)	(3,661)	47	(643)	(4,398)
<i>Significant non-recurring and non-operational items included in non-service pension (income) expense</i>									
Non-service pension (income) expense	(491)	(490)	(491)	(1,472)	(168)	(237)	(253)	(244)	(902)
Pension curtailment	-	-	-	-	-	(25)	-	(4)	(29)
Pension curtailment / settlement related to Collins Aerospace sale of businesses	-	-	-	-	-	-	(8)	-	(8)
Non-service pension restructuring	-	-	-	-	-	-	(5)	(4)	(9)
<b>Adjusted non-service pension</b>	\$ (491)	\$ (490)	\$ (491)	\$ (1,472)	\$ (168)	\$ (212)	\$ (240)	\$ (236)	\$ (856)
<i>Significant non-recurring and non-operational items included in interest expense</i>									
Interest expense, net	\$ 346	\$ 342	\$ 358	\$ 1,046	\$ 332	\$ 335	\$ 350	\$ 349	\$ 1,366
Debt extinguishment costs	-	-	32	32	-	-	-	-	-
Deferred Compensation	-	-	-	-	-	4	-	-	4
<b>Adjusted interest expense, net</b>	\$ 346	\$ 342	\$ 326	\$ 1,014	\$ 332	\$ 331	\$ 350	\$ 349	\$ 1,362
<i>Significant non-recurring and non-operational items included in Income Tax Expense</i>									
Income tax (expense) benefit	\$ (345)	\$ (342)	\$ (3)	\$ (690)	\$ (639)	\$ 38	\$ (152)	\$ 178	\$ (575)
Tax effect of restructuring and significant non-recurring and non-operational items above	134	123	141	398	82	324	(13)	260	653
Tax expense associated with the Company's separation of Otis and Carrier	-	-	-	-	(415)	-	-	-	(415)
Tax impact from UK rate change	-	(73)	-	(73)	-	-	-	-	-
Tax impact from business disposals	(148)	-	-	(148)	-	(22)	12	55	45
Tax impact related to debt exchange	-	-	-	-	-	(60)	11	(13)	(62)
Revaluation of certain international tax incentives	-	-	-	-	-	(46)	-	(2)	(48)
Revaluation of deferred taxes related to Raytheon merger and the Company's separation of Otis and Carrier	-	-	-	-	-	31	-	25	56
Tax impact of goodwill impairment	-	-	-	-	-	-	11	-	11
Tax impact as a result of tax reform regulations	-	-	-	-	-	-	9	(5)	4
State valuation allowance releases	-	-	-	-	-	-	-	4	4
<b>Adjusted income tax (expense) benefit</b>	\$ (331)	\$ (392)	\$ (144)	\$ (867)	\$ (306)	\$ (189)	\$ (182)	\$ (146)	\$ (823)
<i>Significant non-recurring and non-operational items included in Noncontrolling Interest</i>									
Noncontrolling interest in subsidiaries' earnings	\$ 41	\$ 48	\$ 73	\$ 162	\$ 54	\$ 24	\$ 34	\$ 69	\$ 181
Adjustments to noncontrolling interest	-	-	-	-	-	-	-	-	-
<b>Adjusted Noncontrolling interest in subsidiaries' earnings</b>	\$ 41	\$ 48	\$ 73	\$ 162	\$ 54	\$ 24	\$ 34	\$ 69	\$ 181
<b>Less: Impact on net income attributable to common shareholders</b>	<b>(598)</b>	<b>(525)</b>	<b>(496)</b>	<b>(1,619)</b>	<b>(713)</b>	<b>(4,427)</b>	<b>(704)</b>	<b>(976)</b>	<b>(6,820)</b>
<b>Adjusted net income from continuing operations attributable to common shareholders</b>	<b>\$ 1,370</b>	<b>\$ 1,565</b>	<b>\$ 1,896</b>	<b>\$ 4,831</b>	<b>\$ 1,151</b>	<b>\$ 583</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 3,711</b>
<b>Diluted Earnings Per Share</b>	<b>\$ 0.51</b>	<b>\$ 0.69</b>	<b>\$ 0.93</b>	<b>\$ 2.13</b>	<b>\$ 0.50</b>	<b>\$ (2.56)</b>	<b>\$ 0.10</b>	<b>\$ 0.10</b>	<b>\$ (2.29)</b>
Impact on Diluted Earnings Per Share	(0.39)	(0.34)	(0.33)	(1.07)	(0.83)	(2.95)	(0.46)	(0.64)	(5.02)
<b>Adjusted Diluted Earnings Per Share</b>	<b>\$ 0.90</b>	<b>\$ 1.03</b>	<b>\$ 1.26</b>	<b>\$ 3.20</b>	<b>\$ 1.33</b>	<b>\$ 0.39</b>	<b>\$ 0.56</b>	<b>\$ 0.74</b>	<b>\$ 2.73</b>
<b>Weighted Average Number of Shares Outstanding</b>									
Reported Diluted	1,514.1	1,513.5	1,505.9	1,511.0	865.8	1,501.3	1,514.2	1,515.4	1,357.8
Impact of dilutive shares	-	-	-	-	-	2.4	-	-	3.9
<b>Adjusted Diluted</b>	<b>1,514.1</b>	<b>1,513.5</b>	<b>1,505.9</b>	<b>1,511.0</b>	<b>865.8</b>	<b>1,503.7</b>	<b>1,514.2</b>	<b>1,515.4</b>	<b>1,361.7</b>
<b>Total Non-service pension adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (25)</b>	<b>\$ (13)</b>	<b>\$ (8)</b>	<b>\$ (46)</b>
<b>Total Interest expense adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32</b>	<b>\$ 32</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4</b>
<b>Total Income tax adjustments</b>	<b>\$ (14)</b>	<b>\$ 50</b>	<b>\$ 141</b>	<b>\$ 177</b>	<b>\$ (333)</b>	<b>\$ 227</b>	<b>\$ 30</b>	<b>\$ 324</b>	<b>\$ 248</b>

1: Refer to slides 22 - 26 for individual operating profit adjustments.

# Raytheon Technologies: Adjusted Pro Forma Segment Data

(\$ millions)

	(Unaudited)									
	Adjusted <sup>2</sup>				Adjusted Pro Forma / Actuals <sup>1, 3</sup>					
	Q1 2021	Q2 2021	Q3 2021	Q3 YTD 2021	Q1 2020 PF	Q2 2020 PF	Q3 2020	Q4 2020	FY 2020 PF	
<b>Net Sales</b>										
Collins Aerospace Systems	\$ 4,370	\$ 4,545	\$ 4,592	\$ 13,507	\$ 6,460	\$ 4,298	\$ 4,278	\$ 4,388	\$ 19,424	
Pratt & Whitney	4,030	4,280	4,725	13,035	5,331	3,607	3,790	4,496	17,224	
Raytheon Intelligence & Space	3,765	3,805	3,740	11,310	3,676	3,601	3,749	3,933	14,959	
Raytheon Missiles & Defense	3,793	3,985	3,902	11,680	3,693	3,658	3,641	4,303	15,295	
Total segment	15,958	16,615	16,959	49,532	19,160	15,164	15,458	17,120	66,902	
Eliminations and other	(707)	(735)	(746)	(2,188)	(532)	(532)	(476)	(537)	(2,302)	
<b>Consolidated</b>	<b>\$ 15,251</b>	<b>\$ 15,880</b>	<b>\$ 16,213</b>	<b>\$ 47,344</b>	<b>\$ 18,403</b>	<b>\$ 14,632</b>	<b>\$ 14,982</b>	<b>\$ 16,583</b>	<b>\$ 64,600</b>	
<b>Operating Profit</b>										
Collins Aerospace Systems	\$ 332	\$ 518	\$ 480	\$ 1,330	\$ 1,284	\$ 24	\$ 73	\$ 89	\$ 1,470	
Pratt & Whitney	40	96	189	325	515	(151)	(43)	105	426	
Raytheon Intelligence & Space	388	415	391	1,194	399	329	350	361	1,439	
Raytheon Missiles & Defense	496	532	490	1,518	539	411	431	579	1,960	
Total segment	1,256	1,561	1,550	4,367	2,737	613	811	1,134	5,295	
Eliminations and other	(31)	(40)	(27)	(98)	(81)	(28)	(26)	(9)	(144)	
Corporate expenses, eliminations and other	(51)	(89)	(74)	(214)	(140)	(32)	(10)	(61)	(243)	
FAS/CAS operating adjustment	423	425	499	1,347	381	379	380	370	1,510	
Acquisition accounting adjustments	-	-	-	-	-	-	-	-	-	
<b>Consolidated</b>	<b>\$ 1,597</b>	<b>\$ 1,857</b>	<b>\$ 1,948</b>	<b>\$ 5,402</b>	<b>\$ 2,897</b>	<b>\$ 932</b>	<b>\$ 1,155</b>	<b>\$ 1,434</b>	<b>\$ 6,418</b>	
Non-service pension benefit	\$ (491)	\$ (490)	\$ (491)	\$ (1,472)	\$ (276)	\$ (250)	\$ (266)	\$ (252)	\$ (1,044)	
Interest expense, net	346	342	326	1,014	252	341	350	349	1,292	
Income (loss) from continuing operations before income taxes	1,742	2,005	2,113	5,860	2,921	841	1,071	1,337	6,170	
Income tax expense (benefit)	331	392	144	867	559	193	182	146	1,080	
Net income (loss) from continuing operations	1,411	1,613	1,969	4,993	2,362	648	889	1,191	5,090	
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	41	48	73	162	56	24	34	69	183	
<b>Income (loss) from continuing operations attributable to common shareowners</b>	<b>\$ 1,370</b>	<b>\$ 1,565</b>	<b>\$ 1,896</b>	<b>\$ 4,831</b>	<b>\$ 2,306</b>	<b>\$ 624</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 4,907</b>	
Earnings (loss) per share from continuing operations attributable to common shareowners										
Basic earnings (loss) per share	\$ 0.91	\$ 1.04	\$ 1.27	\$ 3.21	\$ 1.53	\$ 0.42	\$ 0.57	\$ 0.74	\$ 3.25	
Diluted earnings (loss) per share	\$ 0.90	\$ 1.03	\$ 1.26	\$ 3.20	\$ 1.52	\$ 0.41	\$ 0.56	\$ 0.74	\$ 3.24	
Weighted average number of shares outstanding (millions)										
Basic shares	1,511.1	1,506.4	1,497.9	1,505.0	1,506.7	1,501.3	1,511.5	1,512.3	1,511.7	
Diluted shares	1,514.1	1,513.5	1,505.9	1,511.0	1,517.9	1,503.7	1,514.2	1,515.4	1,515.8	

Information on how our pro forma information was prepared and for the non-GAAP reconciliation for Adjusted pro forma results, refer to the following slides.

For the non-GAAP reconciliation for the Adjusted Q1, Q2, Q3 and YTD Q3 2021 results, refer to the previous slides.

Adjusted pro forma information has been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Pro Forma Segment Data

## Reconciliation of Pro Forma<sup>1</sup> GAAP to Adjusted Pro Forma Sales

(\$ millions)

	2020				
	Q1	Q2	Q3	Q4	FY
<b>Collins Aerospace Systems</b>					
Net sales, Pro Forma	\$ 6,438	\$ 4,202	\$ 4,274	\$ 4,374	\$ 19,288
Significant unfavorable contract adjustments	(22)	(96)	(4)	(14)	(136)
<b>Adjusted Net sales, Pro Forma</b>	<b>\$ 6,460</b>	<b>\$ 4,298</b>	<b>\$ 4,278</b>	<b>\$ 4,388</b>	<b>\$ 19,424</b>
<b>Pratt &amp; Whitney</b>					
Net sales, Pro Forma	\$ 5,353	\$ 3,487	\$ 3,494	\$ 4,465	\$ 16,799
Favorable impact of a contract termination	22	-	-	-	22
Significant unfavorable contract adjustments	-	(120)	(296)	(31)	(447)
<b>Adjusted Net sales, Pro Forma</b>	<b>\$ 5,331</b>	<b>\$ 3,607</b>	<b>\$ 3,790</b>	<b>\$ 4,496</b>	<b>\$ 17,224</b>
<b>Raytheon Intelligence &amp; Space</b>					
Net sales, Pro Forma	\$ 3,676	\$ 3,601	\$ 3,749	\$ 3,933	\$ 14,959
<b>Adjusted Net sales, Pro Forma</b>	<b>\$ 3,676</b>	<b>\$ 3,601</b>	<b>\$ 3,749</b>	<b>\$ 3,933</b>	<b>\$ 14,959</b>
<b>Raytheon Missiles &amp; Defense</b>					
Net sales, Pro Forma	\$ 3,741	\$ 3,712	\$ 3,706	\$ 4,136	\$ 15,295
Middle East contract adjustment	\$ 48	\$ 54	\$ 65	\$ (167)	\$ -
<b>Adjusted Net sales, Pro Forma</b>	<b>\$ 3,693</b>	<b>\$ 3,658</b>	<b>\$ 3,641</b>	<b>\$ 4,303</b>	<b>\$ 15,295</b>
<b>Corporate, Eliminations, and Other</b>					
Net sales, Pro Forma	\$ (757)	\$ (532)	\$ (476)	\$ (537)	\$ (2,302)
<b>Adjusted Net sales, Pro Forma</b>	<b>\$ (757)</b>	<b>\$ (532)</b>	<b>\$ (476)</b>	<b>\$ (537)</b>	<b>\$ (2,302)</b>
<b>Total Adjusted net sales, Pro Forma</b>	<b>\$ 18,403</b>	<b>\$ 14,632</b>	<b>\$ 14,982</b>	<b>\$ 16,583</b>	<b>\$ 64,600</b>

1: Q1 and Q2 2020 pro forma prepared in a manner consistent with Article 11 of Regulation S-X, while Q3 and Q4 2020 represent actual reported results. YTD 2020 represents the total of the Q1 and Q2 2020 pro forma results and Q3 and Q4 actual results. In addition, Q4 2020 RMD reported sales have been reduced by \$48 million for the reversal of sales recognized in Q1 2020 on our direct commercial sales contracts for precision guided munitions with a certain Middle East customer that would have been reversed in Q4 2020 if RMD was included in RTX's results for full year 2020, with a respective adjustment to our non-GAAP adjustment related to the reversal. All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Pro Forma Segment Data

## Reconciliation of Pro Forma<sup>1</sup> GAAP to Adjusted Pro Forma Operating Profit

(\$ millions)

	Q1	Q2	2020 Q3	Q4	FY
<b>Collins Aerospace Systems</b>					
Operating profit, Pro Forma	\$ 1,246	\$ (317)	\$ 526	\$ 11	\$ 1,466
Restructuring	(6)	(151)	(138)	(65)	(360)
Significant unfavorable contract adjustments	(22)	(122)	(25)	(14)	(183)
Bad debt expense driven by customer bankruptcies and collectability risk	(10)	(89)	(24)	(2)	(125)
Government wage subsidies	-	24	32	16	72
Fixed asset impairment	-	(3)	-	-	(3)
Gain on sale of business	-	-	608	(13)	595
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ 1,284</b>	<b>\$ 24</b>	<b>\$ 73</b>	<b>\$ 89</b>	<b>\$ 1,470</b>
Adjusted operating profit margin, Pro Forma	19.9%	0.6%	1.7%	2.0%	7.6%
<b>Pratt &amp; Whitney</b>					
Operating profit, Pro Forma	\$ 475	\$ (457)	\$ (615)	\$ 33	\$ (564)
Restructuring	-	(107)	(63)	(10)	(180)
Charges related to customer bankruptcies and collectability risk	(62)	(148)	(24)	(28)	(262)
Significant unfavorable contract adjustments	-	(110)	(543)	(27)	(680)
Government wage subsidies	-	59	58	36	153
Charges related to a commercial financing arrangement	-	-	-	(43)	(43)
Favorable impact of a contract termination	22	-	-	-	22
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ 515</b>	<b>\$ (151)</b>	<b>\$ (43)</b>	<b>\$ 105</b>	<b>\$ 426</b>
Adjusted operating profit margin, Pro Forma	9.7%	-4.2%	-1.1%	2.3%	2.5%
<b>Raytheon Intelligence &amp; Space</b>					
Operating profit, Pro Forma	\$ 399	\$ 329	\$ 350	\$ 361	\$ 1,439
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ 399</b>	<b>\$ 329</b>	<b>\$ 350</b>	<b>\$ 361</b>	<b>\$ 1,439</b>
Adjusted operating profit margin, Pro Forma	10.9%	9.1%	9.3%	9.2%	9.6%
<b>Raytheon Missiles &amp; Defense</b>					
Operating profit, Pro Forma	\$ 553	\$ 423	\$ 449	\$ 33	\$ 1,458
Middle East contract adjustment	14	12	18	(546)	(502)
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ 539</b>	<b>\$ 411</b>	<b>\$ 431</b>	<b>\$ 579</b>	<b>\$ 1,960</b>
Adjusted operating profit margin, Pro Forma	14.6%	11.2%	11.8%	13.5%	12.8%
<b>Eliminations and other</b>					
Operating profit, Pro Forma	\$ (81)	\$ (28)	\$ (49)	\$ (6)	\$ (164)
Restructuring	-	-	(23)	3	(21)
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ (81)</b>	<b>\$ (28)</b>	<b>\$ (26)</b>	<b>\$ (9)</b>	<b>\$ (143)</b>
<b>Corporate expenses and other unallocated items</b>					
Operating profit, Pro Forma	\$ (142)	\$ (201)	\$ (84)	\$ (99)	\$ (526)
Restructuring	(2)	(169)	(21)	(16)	(207)
Transaction and integration costs related to merger agreement with Rockwell Collins	-	-	-	-	-
Costs associated with pension plan amendment	-	-	-	-	-
Costs associated with the separation of the commercial businesses	-	-	(7)	(2)	(9)
Transaction and integration costs associated with the Raytheon Merger	-	-	(46)	(20)	(66)
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ (140)</b>	<b>\$ (32)</b>	<b>\$ (10)</b>	<b>\$ (61)</b>	<b>\$ (244)</b>
<b>FAS/CAS operating adjustment</b>					
Operating profit, Pro Forma	\$ 381	\$ 379	\$ 380	\$ 370	\$ 1,510
<b>Adjusted operating profit, Pro Forma</b>	<b>\$ 381</b>	<b>\$ 379</b>	<b>\$ 380</b>	<b>\$ 370</b>	<b>\$ 1,510</b>
<b>Acquisition accounting adjustments</b>					
Operating profit, Pro Forma	\$ (644)	\$ (3,745)	\$ (523)	\$ (561)	\$ (5,473)
Elimination of Acquisition Accounting Adjustments	(644)	(3,745)	(523)	(561)	(5,473)
<b>Adjusted operating profit, Pro Forma</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating profit, Pro Forma</b>	<b>\$ 2,187</b>	<b>\$ (3,617)</b>	<b>\$ 434</b>	<b>\$ 142</b>	<b>\$ (854)</b>
Significant non-recurring and non-operational items included in Operating Profit, Pro Forma	(710)	(4,549)	(721)	(1,292)	(7,272)
<b>Total Adjusted operating profit, Pro Forma</b>	<b>\$ 2,897</b>	<b>\$ 932</b>	<b>\$ 1,155</b>	<b>\$ 1,434</b>	<b>\$ 6,418</b>

1: Q1 and Q2 2020 pro forma prepared in a manner consistent with Article 11 of Regulation S-X, while Q3 and Q4 2020 represent actual reported results. YTD 2020 represents the total of the Q1 and Q2 2020 pro forma results and Q3 and Q4 actual results. All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

# Raytheon Technologies: Pro Forma Consolidated Data

## Reconciliation of Pro Forma<sup>1</sup> to Adjusted Pro Forma Income (loss) from continuing operations & EPS

(\$ millions)

	<u>Q1 2020 PF</u>	<u>Q2 2020 PF</u>	<u>Q3 2020</u>	<u>Q4 2020</u>	<u>FY 2020 PF</u>
Net income (loss) from continuing operations attributable to common shareowners, Pro Forma	\$ 1,736	\$ (3,730)	\$ 151	\$ 146	\$ (1,697)
<b>Less: Restructuring, acquisition accounting adjustments and significant non-recurring and non-operational items:</b>					
<i>Restructuring, acquisition accounting adjustments, and significant non-recurring and non-operational items included in Operating Profit, Pro Forma</i>	(710)	(4,549)	(721)	(1,292)	(7,272)
<i>Significant non-recurring and non-operational items included in Non-service Pension, Pro Forma</i>					
Pension curtailment	-	(25)	-	(4)	(29)
Pension curtailment / settlement related to Collins Aerospace sale of businesses	-	-	(8)	-	(8)
Non-service pension restructuring	-	-	(5)	(4)	(9)
<i>Significant non-recurring and non-operational items included in Interest Expense, Net, Pro Forma</i>					
Deferred compensation	-	4	-	-	4
<b>Total restructuring, acquisition accounting adjustments and significant non-recurring and non-operational items included in Income (loss) from continuing operations before income taxes, Pro Forma</b>	<b>(710)</b>	<b>(4,570)</b>	<b>(734)</b>	<b>(1,300)</b>	<b>(7,314)</b>
<i>Significant non-recurring and non-operational items included in Income Tax Expense, Pro Forma</i>					
Tax effect of restructuring and significant non-recurring and non-operational items above	165	313	(13)	260	725
Tax benefit (expenses) associated with the Company's separation of Otis and Carrier	(25)	-	-	-	(25)
Tax impact from business disposal	-	(22)	12	55	45
Tax impact related to debt exchange	-	(60)	11	(13)	(62)
Revaluation of certain international tax incentives	-	(46)	-	(2)	(48)
Revaluation of deferred taxes related to Raytheon merger and the Company's separation of Otis and Carrier	-	31	-	25	56
Tax impact of goodwill impairment	-	-	11	-	11
Tax impact as a result of tax reform regulations	-	-	9	(5)	4
State valuation allowance releases	-	-	-	4	4
<b>Total significant non-recurring and non-operational items included in Income from continuing operations attributable to common shareowners, Pro Forma</b>	<b>(570)</b>	<b>(4,354)</b>	<b>(704)</b>	<b>(976)</b>	<b>(6,604)</b>
<b>Adjusted income (loss) from continuing operations attributable to common shareowners, Pro Forma</b>	<b>\$ 2,306</b>	<b>\$ 624</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 4,907</b>
Diluted (loss) earnings per share from continuing operations attributable to common shareowners, Pro Forma	\$ 1.14	\$ (2.48)	\$ 0.10	\$ 0.10	\$ (1.12)
Impact of adjustments above on diluted (loss) earnings per share	(0.38)	(2.90)	(0.46)	(0.64)	(4.36)
<b>Adjusted diluted earnings per share from continuing operations attributable to common shareowners, Pro Forma</b>	<b>\$ 1.52</b>	<b>\$ 0.41</b>	<b>\$ 0.56</b>	<b>\$ 0.74</b>	<b>\$ 3.24</b>
Adjusted diluted shares, Pro Forma	1,517.9	1,503.7	1,514.2	1,515.4	1,515.8

1: Q1 and Q2 2020 pro forma prepared in a manner consistent with Article 11 of Regulation S-X, while Q3 and Q4 2020 represent actual reported results. YTD 2020 represents the total of the Q1 and Q2 2020 pro forma results and Q3 and Q4 actual results, except for FY 2020 weighted average number of shares outstanding, which is on a pro forma basis.



# Raytheon Technologies:

## Reconciliation of 2020 Adjusted Earnings to 2020 Adjusted Pro forma Earnings

(\$ millions)

	2020 Adjusted Earnings <sup>1</sup>					Pro Forma Adjustments <sup>2</sup>					2020 Adjusted Pro Forma Earnings				
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Net Sales</b>															
Collins Aerospace Systems	\$ 6,460	\$ 4,298	\$ 4,278	\$ 4,388	\$ 19,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,460	\$ 4,298	\$ 4,278	\$ 4,388	\$ 19,424
Pratt & Whitney	5,331	3,607	3,790	4,496	17,224	-	-	-	-	-	5,331	3,607	3,790	4,496	17,224
Raytheon Intelligence & Space	-	3,387	3,749	3,933	11,069	3,676	214	-	-	3,890	3,676	3,601	3,749	3,933	14,959
Raytheon Missiles & Defense	-	3,452	3,641	4,303	11,396	3,693	206	-	-	3,899	3,693	3,658	3,641	4,303	15,295
<i>Total segment</i>	11,791	14,744	15,458	17,120	59,113	7,369	420	-	-	7,789	19,160	15,164	15,458	17,120	66,902
Eliminations and other	(431)	(521)	(476)	(537)	(1,965)	(326)	(11)	-	-	(337)	(757)	(532)	(476)	(537)	(2,302)
<b>Consolidated Net Sales</b>	<b>\$ 11,360</b>	<b>\$ 14,223</b>	<b>\$ 14,982</b>	<b>\$ 16,583</b>	<b>\$ 57,148</b>	<b>\$ 7,043</b>	<b>\$ 409</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,452</b>	<b>\$ 18,403</b>	<b>\$ 14,632</b>	<b>\$ 14,982</b>	<b>\$ 16,583</b>	<b>\$ 64,600</b>
<b>Operating Profit</b>															
Collins Aerospace Systems	\$ 1,284	\$ 24	\$ 73	\$ 89	\$ 1,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,284	\$ 24	\$ 73	\$ 89	\$ 1,470
Pratt & Whitney	515	(151)	(43)	105	426	-	-	-	-	-	515	(151)	(43)	105	426
Raytheon Intelligence & Space	-	309	350	361	1,020	399	20	-	-	419	399	329	350	361	1,439
Raytheon Missiles & Defense	-	386	431	579	1,396	539	25	-	-	564	539	411	431	579	1,960
<i>Total segment</i>	1,799	568	811	1,134	4,312	938	45	-	-	983	2,737	613	811	1,134	5,295
Corporate Eliminations and other	(124)	(51)	(36)	(70)	(281)	(97)	(9)	-	-	(106)	(221)	(60)	(36)	(70)	(387)
FAS/CAS operating adjustment	-	356	380	370	1,106	381	23	-	-	404	381	379	380	370	1,510
<b>Consolidated Operating Profit</b>	<b>\$ 1,675</b>	<b>\$ 873</b>	<b>\$ 1,155</b>	<b>\$ 1,434</b>	<b>\$ 5,137</b>	<b>\$ 1,222</b>	<b>\$ 59</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,281</b>	<b>\$ 2,897</b>	<b>\$ 932</b>	<b>\$ 1,155</b>	<b>\$ 1,434</b>	<b>\$ 6,418</b>
Non-service pension benefit	\$ (168)	\$ (262)	\$ (266)	\$ (252)	\$ (948)	\$ (108)	\$ 12	\$ -	\$ -	\$ (96)	\$ (276)	\$ (250)	\$ (266)	\$ (252)	\$ (1,044)
Interest expense, net	332	339	350	349	1,370	(80)	2	-	-	(78)	252	341	350	349	1,292
Income (loss) from continuing operations before income taxes	1,511	796	1,071	1,337	4,715	1,410	45	-	-	1,455	2,921	841	1,071	1,337	6,170
Income tax expense (benefit)	306	189	182	146	823	253	4	-	-	257	559	193	182	146	1,080
Net income (loss) from continuing operations	1,205	607	889	1,191	3,892	1,157	41	-	-	1,198	2,362	648	889	1,191	5,090
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	54	24	34	69	181	2	-	-	-	2	56	24	34	69	183
<b>Income from continuing operations attributable to common shareowners</b>	<b>\$ 1,151</b>	<b>\$ 583</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 3,711</b>	<b>\$ 1,155</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,196</b>	<b>\$ 2,306</b>	<b>\$ 624</b>	<b>\$ 855</b>	<b>\$ 1,122</b>	<b>\$ 4,907</b>
<b>Earnings per share from continuing operations attributable to common shareowners</b>															
Basic earnings per share	\$ 1.34	\$ 0.39	\$ 0.57	\$ 0.74	\$ 2.73	\$ 0.19	\$ 0.03	\$ -	\$ -	\$ 0.52	\$ 1.53	\$ 0.42	\$ 0.57	\$ 0.74	\$ 3.25
Diluted earnings per share	\$ 1.33	\$ 0.39	\$ 0.56	\$ 0.74	\$ 2.73	\$ 0.19	\$ 0.02	\$ -	\$ -	\$ 0.51	\$ 1.52	\$ 0.41	\$ 0.56	\$ 0.74	\$ 3.24
Weighted average number of shares outstanding (millions)															
Basic shares	858.4	1,501.3	1,511.5	1,512.3	1,357.8						1,506.7	1,501.3	1,511.5	1,512.3	1,511.7
Diluted shares	865.8	1,503.7	1,514.2	1,515.4	1,361.7						1,517.9	1,503.7	1,514.2	1,515.4	1,515.8

1: All periods have been recast for the reorganization of our RIS and RMD business segments to move our Reconnaissance & Targeting Systems, Electro-Optical Innovations and Improved Target Acquisition Systems businesses from RMD to RIS, which became effective on January 1, 2021.

### 2: Pro Forma Adjustments:

- Pro Forma adjustments in Q1 and Q2 reflect the addition of the legacy RTN businesses as of 1/1/20 prepared in a manner consistent with Article 11 of Regulation S-X, with Q2 adjustments reflecting the addition of the results of the legacy RTN businesses for the 3/30-4/2 stub period.
- Adjusted Proforma Earnings per share reflect outstanding shares calculated as if the Raytheon Merger occurred on 1/1/2020.
- For the non-GAAP reconciliation of 2020 adjusted earnings, refer to slide 20. For the non-GAAP reconciliation of 2020 Adjusted pro forma results, refer to slides 29-31.