



COLLINS AEROSPACE  
PRATT & WHITNEY  
RAYTHEON

3<sup>rd</sup> quarter 2024

# Earnings conference call

October 22, 2024



# Forward looking statements

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

This press release 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 RTX Corporation (“RTX”) management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid and are not statements of historical fact. 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,” “goals,” “objectives,” “confident,” “on track,” “designed to” 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, cost savings, other measures of financial performance, potential future plans, strategies or transactions, credit ratings and net indebtedness, the Pratt powder metal matter and related matters and activities, including without limitation other engine models that may be impacted, the merger (the “merger”) between United Technologies Corporation (“UTC”) and Raytheon Company (“Raytheon”) or the spin-offs by UTC of Otis Worldwide Corporation and Carrier Global Corporation into separate independent companies (the “separation transactions”) in 2020, targets and commitments (including for share repurchases or otherwise), 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 changes in economic, capital market and political conditions in the U.S. and globally, such as from the global sanctions and export controls with respect to Russia, and any changes therein, and including changes related to financial market conditions, banking industry disruptions, fluctuations in commodity prices or supply (including energy supply), inflation, interest rates and foreign currency exchange rates, disruptions in global supply chain and labor markets, and geopolitical risks, including in the Middle East and Ukraine; (2) risks associated with U.S. government sales, including changes or shifts in defense spending due to budgetary constraints, spending cuts resulting from sequestration, a continuing resolution, a government shutdown, the debt ceiling or measures taken to avoid default, or otherwise, the effect of the outcome of the November 2024 elections, and uncertain funding of programs; (3) risks relating to our performance on our contracts and programs, including our ability to control costs, and our inability to pass some or all of our costs on fixed price contracts to the customer, and risks related to our dependence on U.S. government approvals for international contracts, and risks related to any termination of these contracts or programs, including the outcome of such terminations and related payments; (4) challenges in the development, production, delivery, support, and performance of RTX advanced technologies and new products and services and the realization of the anticipated benefits (including our expected returns under customer contracts), as well as the challenges of operating in RTX’s highly-competitive industries; (5) risks relating to RTX’s reliance on U.S. and non-U.S. suppliers and commodity markets, including the effect of sanctions, delays and disruptions in the delivery of materials and services to RTX or its suppliers and price increases; (6) risks relating to RTX international operations from, among other things, changes in trade policies and implementation of sanctions, foreign currency fluctuations, economic conditions, political factors, sales methods, and U.S. or local government regulations; (7) the condition of the aerospace industry; (8) the ability of RTX to attract, train and retain qualified personnel and maintain its culture and high ethical standards, and the ability of our personnel to continue to operate our facilities and businesses around the world; (9) the scope, nature, timing and challenges of managing acquisitions, investments, divestitures and other transactions, including the realization of synergies and opportunities for growth and innovation, the assumption of liabilities and other risks and incurrence of related costs and expenses, and risks related to completion of announced divestitures; (10) compliance with legal, environmental, regulatory and other requirements, 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, such as the Foreign Corrupt Practices Act, industrial cooperation agreement obligations, and procurement and other regulations in the U.S. and other countries in which RTX and its businesses operate; (11) the outcome of pending, threatened and future legal proceedings, investigations, and other contingencies (including the ultimate outcome of those certain legacy legal matters described above), including those related to U.S. government audits and disputes and the potential for suspension or debarment of U.S. government contracting or export privileges as a result thereof; (12) factors that could impact RTX’s ability to engage in desirable capital-raising or strategic transactions, including its credit rating, capital structure, levels of indebtedness and related obligations, capital expenditures and research and development spending, and capital deployment strategy including with respect to share repurchases, and the availability of credit, borrowing costs, credit market conditions, and other factors; (13) uncertainties associated with the timing and scope of future repurchases by RTX of its common stock or declarations of cash dividends, which 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; (14) risks relating to realizing expected benefits from, incurring costs for, and successfully managing, strategic initiatives such as cost reduction, restructuring, digital transformation and other operational initiatives; (15) risks of additional tax exposures due to new tax legislation or other developments, in the U.S. and other countries in which RTX and its businesses operate; (16) risks relating to addressing the identified rare condition in powder metal used to manufacture certain Pratt & Whitney engine parts requiring accelerated removals and inspections of a significant portion of the PW1100G-JM Geared Turbofan (GTF) fleet, including, without limitation, the number and expected timing of shop visits, inspection results and scope of work to be performed, turnaround time, availability of new parts, available capacity at overhaul facilities, outcomes of negotiations with impacted customers, and risks related to other engine models that may be impacted by the powder metal matter, and in each case the timing and costs relating thereto, as well as other issues that could impact RTX product performance, including quality, reliability or durability; (17) changes in production volumes of one or more of our significant customers as a result of business, labor or other challenges, and the resulting effect on its or their demand for our products and services; (18) risks relating to a RTX product safety failure or other failure affecting RTX’s or its customers’ or suppliers’ products or systems; (19) risks relating to cybersecurity, including cyber-attacks on RTX’s information technology infrastructure, products, suppliers, customers and partners, and cybersecurity-related regulations; (20) threats to RTX facilities and personnel, as well as other events outside of RTX’s control such as public health crises, damaging weather or other acts of nature; (21) the effect of changes in accounting estimates for our programs on our financial results; (22) the effect of changes in pension and other postretirement plan estimates and assumptions and contributions; (23) risks relating to an impairment of goodwill and other intangible assets; (24) the effects of climate change and changing climate-related regulations, customer and market demands, products and technologies; and (25) 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. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the reports of RTX, UTC and Raytheon on Forms S-4, 10-K, 10-Q and 8-K filed with or furnished to the Securities and Exchange Commission from time to time. Any forward-looking statement speaks only as of the date on which it is made, and RTX assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.



# 3Q 2024 highlights



▲ 8%

Sales up organically\* year-over-year

▲ 11% commercial aftermarket growth

▲ 100 bps

Adjusted segment margin expansion\* year-over-year

\$2.0B

Free cash flow\*

\$221B

Record RTX backlog; received over \$36B of new awards; 1.80 3Q book-to-bill

Capital Return

Completed the accelerated share repurchase program; on track to return \$36 to \$37 billion to shareowners from the merger through 2025

Outlook

Increasing 2024 outlook for adjusted sales\* and adjusted EPS\*; confirms free cash flow\*

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

# Strategic priorities

## Driving best-in-class performance through:

### Executing on our commitments



- Achieved a 5X production capacity increase for the Raytheon F-35 sensor suite
- Opened Oklahoma City facility to expand military engine sustainment capacity

### Innovating for future growth



- Developing a hybrid-electric propulsion system for a twin-engine helicopter
- Adapting carbon-carbon composite brake technology to hypersonic applications

### Leveraging our breadth and scale



- Simplifying digital footprint to reduce company wide system applications
- Establishing long term supply chain agreements on common metals to achieve savings



# 3Q 2024 results

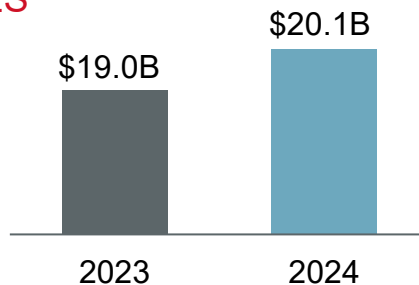
## KEY TAKEAWAYS

- **8%** organic sales growth\*
  - ▲ **11%** commercial aftermarket
  - ▲ **10%** defense (excluding the Cybersecurity divestiture)
  - Flat commercial OE
- **16%** adjusted segment operating profit growth\* with **100 bps** of segment margin expansion\*
- **\$2.0B** free cash flow\*

## ADJUSTED SALES\*

**6%**  
Adjusted growth\*

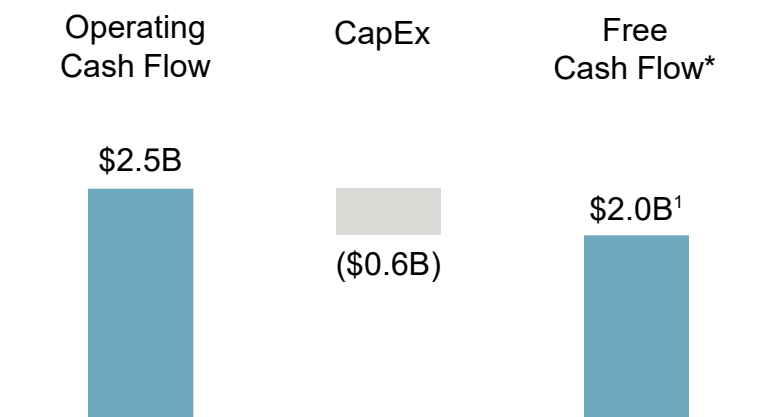
**8%**  
Organic growth\*



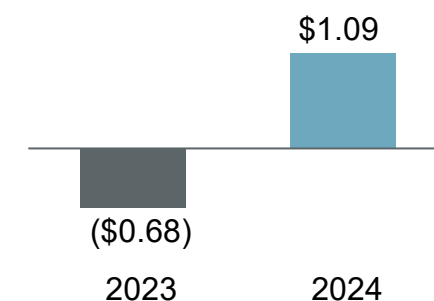
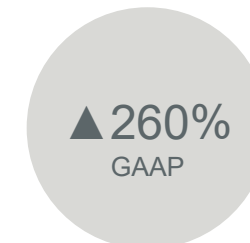
## REPORTED



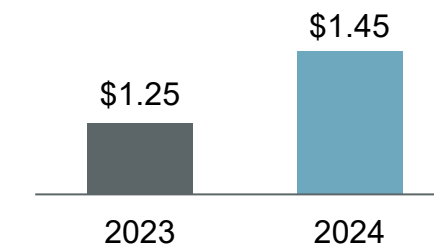
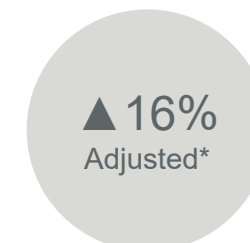
## CASH FLOW



## GAAP EPS



## ADJUSTED EPS\*



## EXCLUDES:

Acq. Accounting Adj.	(\$0.28)	(\$0.31)
Restructuring	(\$0.05)	(\$0.03)
Other	(\$0.07)	(\$0.02)
Powder Metal Matter	(\$1.53)	N/A

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

<sup>1</sup>Values do not add due to rounding



# RTX 2024 outlook

## ADJUSTED SALES\*

▲ \$79.25B - \$79.75B

Prior: \$78.75B - \$79.5B

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## ORGANIC SALES GROWTH %\*

8 - 9%

Prior: 8 - 9%

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## ADJUSTED EPS\*

▲ \$5.50 - \$5.58

Prior: \$5.35 - \$5.45

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## FREE CASH FLOW\*

~\$4.7B

Prior: ~\$4.7B

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





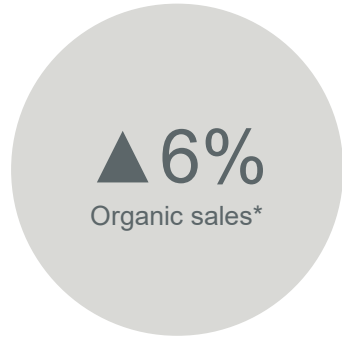
# Collins Aerospace

3Q 2024 results



Collins Aerospace and Pratt & Whitney Canada have been selected by Airbus Helicopters to support the development of a hybrid-electric propulsion system for its PioneerLab technology demonstrator. PioneerLab aims to demonstrate the potential of hybrid-electric propulsion as well as aerodynamic improvements to enable up to 30% improved fuel efficiency.

## HIGHLIGHTS



▲ 6%

### Adjusted sales\*

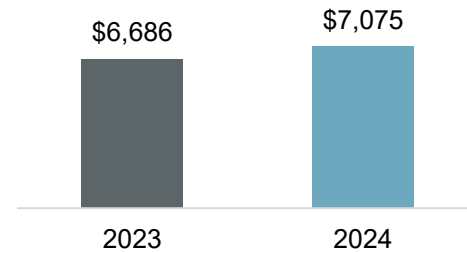
- Defense up 14%
- Commercial aftermarket up 9%
- Commercial OE down 8%

▲ 5%

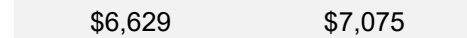
### Adjusted operating profit\*

- Higher commercial aftermarket and defense volume
- Lower commercial OE volume and unfavorable mix
- Higher R&D expense

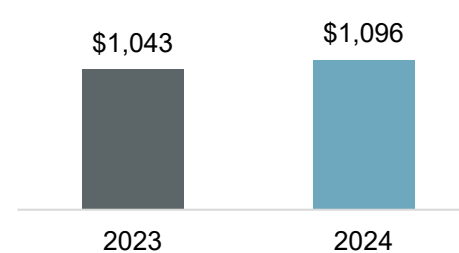
### ADJUSTED SALES\*



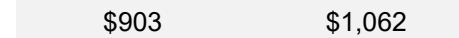
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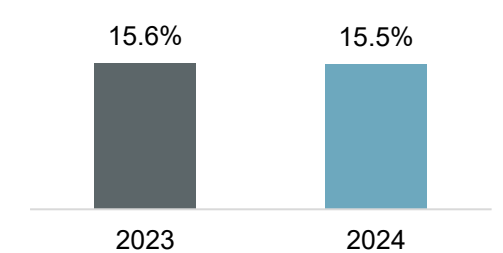
### ADJUSTED OPERATING PROFIT\*



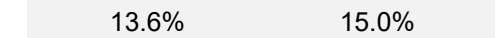
### REPORTED



### ADJUSTED ROS\*



### REPORTED



(\$ millions)

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



# Pratt & Whitney

3Q 2024 results



Pratt & Whitney has secured a \$1.3 billion contract to advance the F135 Engine Core Upgrade, or ECU, enhancing engine durability and enabling Block 4 capabilities and beyond for all F-35 variants worldwide.

## HIGHLIGHTS



▲ 14%

### Adjusted sales\*

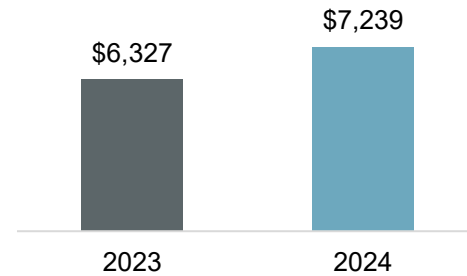
- Commercial aftermarket up 13%
- Military up 20%
- Commercial OE up 9%

▲ 45%

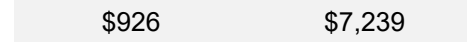
### Adjusted operating profit\*

- Higher commercial aftermarket and military volume
- Favorable mix and lower OE delivery volume in LCE
- Higher production costs

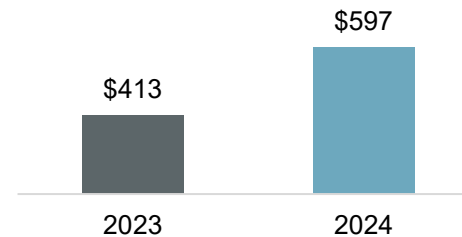
### ADJUSTED SALES\*



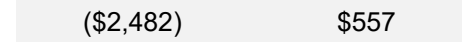
### REPORTED



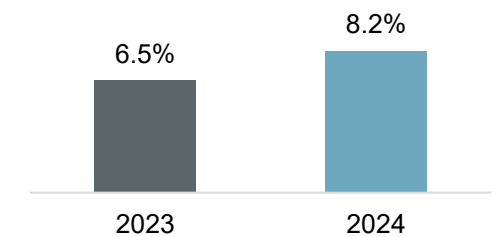
### ADJUSTED OPERATING PROFIT\*



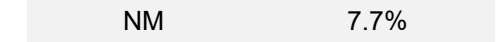
### REPORTED



### ADJUSTED ROS\*



### REPORTED



(\$ millions)

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

LCE = Large Commercial Engines

NM = Not meaningful





# Raytheon

3Q 2024 results



Raytheon received a low-rate initial production award for the Lower Tier Air and Missile Defense System (LTAMDS) Radar. LTAMDS is the next generation air and missile defense radar for the U.S. Army, providing dramatically enhanced performance against a range of threats, including manned and unmanned aircraft, cruise missiles, ballistic missiles and hypersonics.

## HIGHLIGHTS



▼ 1%

### Adjusted sales\*

- Cybersecurity divestiture
- Higher volume on land and air defense systems
- Higher volume on advanced technology programs
- Lower volume on air and space defense systems

▲ 16%

### Adjusted operating profit\*

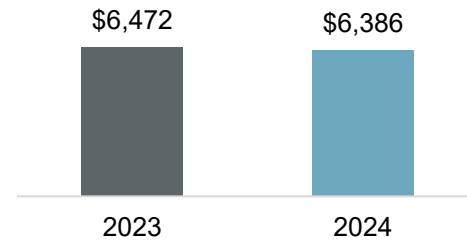
- Favorable mix
- Improved net productivity
- Higher volume
- Cybersecurity divestiture

\$60B

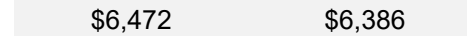
### Backlog

- \$1.9B LTAMDS
- \$1.3B Standard Missile III
- \$1.2B Germany Patriot
- \$1.2B AMRAAM
- 1.48 rolling 12-month book-to-bill

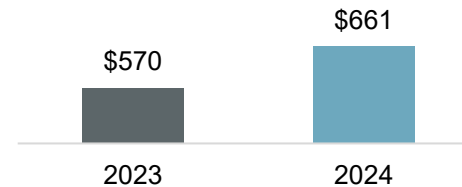
### ADJUSTED SALES\*



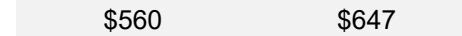
### REPORTED



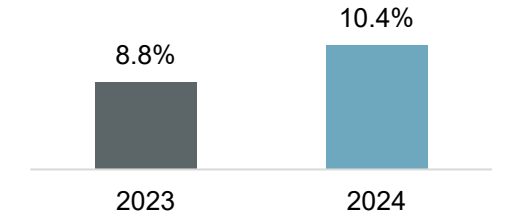
### ADJUSTED OPERATING PROFIT\*



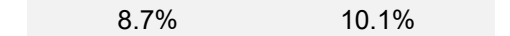
### REPORTED



### ADJUSTED ROS\*



### REPORTED



(\$ millions)

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

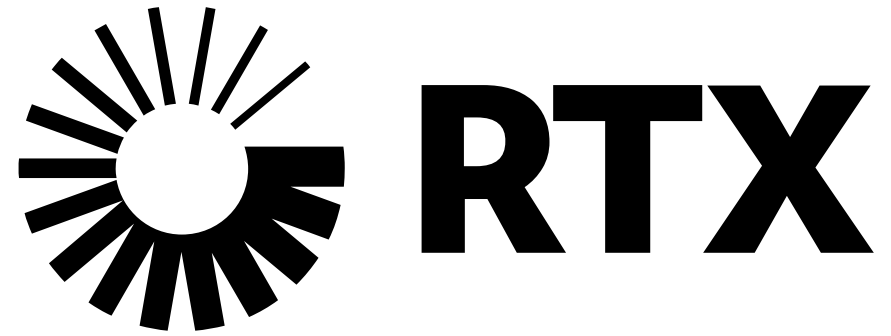


## Key takeaways

- ▶ Backlog increasing on **growing customer demand**
- ▶ **Strong** third quarter **financial results**
- ▶ **Increasing 2024 outlook** for adjusted sales\* and adjusted EPS\*
- ▶ **Driving our strategic priorities** across the business

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







# Appendix





# RTX Use and definitions of non-GAAP financial measures

RTX Corporation (“RTX” or “the Company”) 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. We believe that these non-GAAP measures provide investors with additional insight into the Company’s ongoing business performance. 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. A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. To the right are our non-GAAP financial measures:


NON-GAAP MEASURE	DEFINITION
<b>Adjusted net sales / Adjusted sales</b>	Represents consolidated net sales (a GAAP measure), excluding net significant and/or non-recurring items <sup>1</sup> (hereinafter referred to as “net significant and/or non-recurring items”).
<b>Organic sales</b>	Organic sales represents the change in consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and net significant and/or non-recurring items
<b>Adjusted operating profit (loss) and margin</b>	Adjusted operating profit (loss) represents operating profit (loss) (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items. Adjusted operating profit margin represents adjusted operating profit (loss) as a percentage of adjusted net sales.
<b>Segment operating profit (loss) and margin</b>	Segment operating profit (loss) represents operating profit (loss) (a GAAP measure) excluding Acquisition Accounting Adjustments <sup>2</sup> , the FAS/CAS operating adjustment <sup>3</sup> , Corporate expenses and other unallocated items, and Eliminations and other. Segment operating profit margin represents segment operating profit (loss) as a percentage of segment sales (net sales, excluding Eliminations and other).
<b>Adjusted segment sales</b>	Represents consolidated net sales (a GAAP measure) excluding eliminations and other and net significant and/or non-recurring items.
<b>Adjusted segment operating profit (loss) and margin</b>	Adjusted segment operating profit (loss) represents segment operating profit (loss) excluding restructuring costs, and net significant and/or non-recurring items. Adjusted segment operating profit margin represents adjusted segment operating profit (loss) as a percentage of adjusted segment sales (adjusted net sales excluding Eliminations and other).
<b>Adjusted net income</b>	Adjusted net income represents net income (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items.
<b>Adjusted earnings per share (EPS)</b>	Adjusted EPS represents diluted earnings per share (a GAAP measure), excluding restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items.
<b>Adjusted effective tax rate</b>	Adjusted effective tax rate represents the effective tax rate (a GAAP measure), excluding the impact of restructuring costs, acquisition accounting adjustments and net significant and/or non-recurring items.
<b>Free cash flow</b>	Free cash flow 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 RTX’s ability to fund its activities, including the financing of acquisitions, debt service, repurchases of RTX’s common stock and distribution of earnings to shareowners.

<sup>1</sup> Net significant and/or non-recurring items represent significant nonoperational items and/or significant operational items that may occur at irregular intervals

<sup>2</sup> Acquisition Accounting Adjustments include the amortization of acquired intangible assets related to acquisitions, the amortization of the property, plant and equipment fair value adjustment acquired through acquisitions, the amortization of customer contractual obligations related to loss making or below market contracts acquired, and goodwill impairment

<sup>3</sup> The FAS/CAS operating adjustment represents the difference between the service cost component of our pension and postretirement benefit (PRB) expense under the Financial Accounting Standards (FAS) requirements of GAAP and our pension and PRB expense under US Government Cost Accounting Standards (CAS) primarily related to our Raytheon segment

When we provide our expectation for adjusted net sales (also referred to as adjusted sales), organic sales, adjusted operating profit (loss) and margin, adjusted segment operating profit (loss) and margin, adjusted EPS, adjusted effective tax rate, and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures, as described above, generally are 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



# RTX 2024 segment outlook

		ADJUSTED SALES VPY%*	ORGANIC SALES VPY%*	ADJUSTED OPERATING PROFIT VPY* (\$M)
COLLINS AEROSPACE	Current	Up high-single digits	Up high-single digits	\$575 - \$650
	Prior	Up high-single digits	Up high-single digits	\$650 - \$725
PRATT & WHITNEY	Current	Up mid teens	Up mid teens	\$475 - \$525
	Prior	Up mid teens	Up mid teens	\$400 - \$475
RAYTHEON	Current	Flat <sup>1</sup>	Up mid-single digits	\$200 - \$250 <sup>1</sup>
	Prior	Flat <sup>1</sup>	Up mid-single digits	\$125 - \$200 <sup>1</sup>

<sup>1</sup>Cybersecurity business sale completed in Q1 2024

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



# RTX Additional 2024 items\*

FY 2024 Outlook

## ADJUSTED TAX RATE\*\*

~18.8%

Prior: ~19.3%

## INTEREST EXPENSE

~\$1,935M

Prior: ~\$1,975M

## CORPORATE EXPENSE AND OTHER UNALLOCATED ITEMS

~\$200M

Prior: ~\$200M

## FAS/CAS OPERATING ADJUSTMENT

~\$840M

Prior: ~\$800M

## NON-SERVICE PENSION INCOME

~\$1,500M

Prior: ~\$1,500M

## CAPEX SPENDING

~\$2.5B

Prior: ~\$2.5 - \$2.6B



\*All items on an adjusted basis

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



# RTX: P&W engine shipments to customers

	2023					2024		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
MILITARY	42	74	55	35	206	43	37	34
LARGE COMMERCIAL	167	191	261	256	875	232	236	252
PRATT & WHITNEY CANADA <sup>1</sup>	499	507	500	557	2,063	496	474	521

1) Excludes APUs





**RTX**

## 3Q 2024: RTX free cash flow reconciliation

(\$ millions)

	Q3 2024
NET INCOME	1,535
DEPRECIATION & AMORTIZATION	1,094
CHANGE IN WORKING CAPITAL	316
OTHER	(422)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2,523</b>
CAPITAL EXPENDITURES	(552)
<b>FREE CASH FLOW</b>	<b>1,971</b>



# RTX 3Q 2024: RTX sales reconciliation

(\$ millions)


	TOTAL REPORTED CHANGE	ACQUISITIONS & DIVESTITURES	FX/OTHER	ORGANIC CHANGE	3Q 2023 ADJUSTED SALES <sup>1</sup>	ORGANIC CHANGE AS A % OF ADJUSTED SALES
COLLINS AEROSPACE	\$446	\$—	\$59	\$387	\$6,686	6%
PRATT & WHITNEY	\$6,313	\$—	\$5,414	\$899	\$6,327	14%
RAYTHEON	(\$86)	(\$430)	\$7	\$337	\$6,472	5%
ELIMS & OTHER	(\$48)	\$—	\$20	(\$68)	(\$533)	13%
<b>TOTAL</b>	<b>\$6,625</b>	<b>(\$430)</b>	<b>\$5,500</b>	<b>\$1,555</b>	<b>\$18,952</b>	<b>8%</b>

<sup>1</sup> For the full non-GAAP reconciliation of our sales refer to slides 22 - 24



# RTX: restructuring costs

(\$ MILLIONS)	2024			2023				
	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
RESTRUCTURING IMPACT TO:								
OPERATING PROFIT (LOSS)								
COLLINS AEROSPACE	(\$6)	(\$12)	(\$12)	(\$3)	(\$5)	(\$64)	\$1	(\$71)
PRATT & WHITNEY	(18)	(15)	(13)	(19)	(25)	(7)	(23)	(74)
RAYTHEON	(9)	(7)	(14)	(7)	(17)	(9)	(9)	(42)
TOTAL SEGMENT OPERATING PROFIT	(33)	(34)	(39)	(29)	(47)	(80)	(31)	(187)
CORPORATE EXPENSES AND OTHER UNALLOCATED ITEMS	(1)	(2)	(6)	(1)	(21)	(24)	(13)	(59)
ELIMINATIONS AND OTHER	—	—	—	—	—	—	—	—
TOTAL CONSOLIDATED OPERATING PROFIT	(34)	(36)	(45)	(30)	(68)	(104)	(44)	(246)
NON-SERVICE PENSION INCOME	(2)	(3)	(4)	(2)	—	—	(2)	(4)
INCOME BEFORE INCOME TAXES	<b>(\$36)</b>	<b>(\$39)</b>	<b>(\$49)</b>	<b>(\$32)</b>	<b>(\$68)</b>	<b>(\$104)</b>	<b>(\$46)</b>	<b>(\$250)</b>




# RTX: 2023 reported to adjusted

(\$ MILLIONS)

	REPORTED (UNAUDITED)					RESTRUCTURING & NET SIGNIFICANT AND/OR NON-RECURRING ITEMS <sup>1</sup>					ADJUSTED <sup>1</sup> (UNAUDITED)				
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>NET SALES</b>															
COLLINS AEROSPACE	\$6,120	\$6,384	\$6,629	\$7,120	\$26,253	\$—	\$—	(\$57)	\$112	\$55	\$6,120	\$6,384	\$6,686	\$7,008	\$26,198
PRATT & WHITNEY	5,230	5,701	926	6,439	18,296	—	—	(5,401)	—	(5,401)	5,230	5,701	6,327	6,439	23,697
RAYTHEON	6,292	6,700	6,472	6,886	26,350	—	—	—	—	—	6,292	6,700	6,472	6,886	26,350
TOTAL SEGMENT	17,642	18,785	14,027	20,445	70,899	—	—	(5,458)	112	(5,346)	17,642	18,785	19,485	20,333	76,245
ELIMINATIONS AND OTHER	(428)	(470)	(563)	(518)	(1,979)	—	—	(30)	(9)	(39)	(428)	(470)	(533)	(509)	(1,940)
<b>CONSOLIDATED NET SALES</b>	<b>\$17,214</b>	<b>\$18,315</b>	<b>\$13,464</b>	<b>\$19,927</b>	<b>\$68,920</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$5,488)</b>	<b>\$103</b>	<b>(\$5,385)</b>	<b>\$17,214</b>	<b>\$18,315</b>	<b>\$18,952</b>	<b>\$19,824</b>	<b>\$74,305</b>
<b>OPERATING PROFIT (LOSS)</b>															
COLLINS AEROSPACE	\$897	\$899	\$903	\$1,126	\$3,825	(\$6)	(\$16)	(\$140)	\$91	(\$71)	\$903	\$915	\$1,043	\$1,035	\$3,896
PRATT & WHITNEY	415	230	(2,482)	382	(1,455)	(19)	(206)	(2,895)	(23)	(3,143)	434	436	413	405	1,688
RAYTHEON	571	644	560	604	2,379	(13)	(18)	(10)	(14)	(55)	584	662	570	618	2,434
TOTAL SEGMENT	1,883	1,773	(1,019)	2,112	4,749	(38)	(240)	(3,045)	54	(3,269)	1,921	2,013	2,026	2,058	8,018
ELIMINATIONS AND OTHER	51	(16)	(69)	(8)	(42)	68	10	(30)	(9)	39	(17)	(26)	(39)	1	(81)
CORPORATE EXPENSES AND OTHER UNALLOCATED ITEMS	(43)	(59)	(63)	(110)	(275)	(3)	(31)	(32)	(40)	(106)	(40)	(28)	(31)	(70)	(169)
FAS/CAS OPERATING ADJUSTMENT	289	284	272	282	1,127	—	—	—	—	—	289	284	272	282	1,127
ACQUISITION ACCOUNTING ADJUSTMENTS	(493)	(489)	(517)	(499)	(1,998)	(493)	(489)	(517)	(499)	(1,998)	—	—	—	—	—
<b>CONSOLIDATED OPERATING PROFIT (LOSS)</b>	<b>\$1,687</b>	<b>\$1,493</b>	<b>(\$1,396)</b>	<b>\$1,777</b>	<b>\$3,561</b>	<b>(\$466)</b>	<b>(\$750)</b>	<b>(\$3,624)</b>	<b>(\$494)</b>	<b>(\$5,334)</b>	<b>\$2,153</b>	<b>\$2,243</b>	<b>\$2,228</b>	<b>\$2,271</b>	<b>\$8,895</b>
NON-SERVICE PENSION INCOME	(\$444)	(\$447)	(\$443)	(\$446)	(\$1,780)	\$2	\$—	\$—	\$2	\$4	(\$446)	(\$447)	(\$443)	(\$448)	(\$1,784)
INTEREST EXPENSE, NET	315	333	369	488	1,505	—	—	—	(11)	(11)	315	333	369	499	1,516
INCOME (LOSS) BEFORE INCOME TAXES	1,816	1,607	(1,322)	1,735	3,836	(468)	(750)	(3,624)	(485)	(5,327)	2,284	2,357	2,302	2,220	9,163
INCOME TAX EXPENSE (BENEFIT)	335	248	(389)	262	456	(101)	(165)	(818)	(155)	(1,239)	436	413	429	417	1,695
NET INCOME (LOSS)	1,481	1,359	(933)	1,473	3,380	(367)	(585)	(2,806)	(330)	(4,088)	1,848	1,944	1,873	1,803	7,468
LESS: NONCONTROLLING INTEREST IN SUBSIDIARIES' EARNINGS	55	32	51	47	185	—	(17)	—	(3)	(20)	55	49	51	50	205
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	<b>\$1,426</b>	<b>\$1,327</b>	<b>(\$984)</b>	<b>\$1,426</b>	<b>\$3,195</b>	<b>(\$367)</b>	<b>(\$568)</b>	<b>(\$2,806)</b>	<b>(\$327)</b>	<b>(\$4,068)</b>	<b>\$1,793</b>	<b>\$1,895</b>	<b>\$1,822</b>	<b>\$1,753</b>	<b>\$7,263</b>
<b>EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO COMMON SHAREOWNERS</b>															
BASIC EARNINGS (LOSS) PER SHARE	\$0.98	\$0.91	(\$0.68)	\$1.05	\$2.24						\$1.23	\$1.30	\$1.26	\$1.29	\$5.09
DILUTED EARNINGS (LOSS) PER SHARE	\$0.97	\$0.90	(\$0.68)	\$1.05	\$2.23						\$1.22	\$1.29	\$1.25	\$1.29	\$5.06
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (MILLIONS)</b>															
BASIC SHARES	1,462.2	1,457.5	1,448.1	1,354.9	1,426.0						1,462.2	1,457.5	1,448.1	1,354.9	1,426.0
DILUTED SHARES	1,474.2	1,468.7	1,448.1	1,361.7	1,435.4						1,474.2	1,468.7	1,455.7	1,361.7	1,435.4

<sup>1</sup> For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 22 - 24. For the full reconciliation of our non-operating results, net income and EPS refer to slide 26



# RTX: 2024 reported to adjusted

(\$ MILLIONS)

	REPORTED (UNAUDITED)			RESTRUCTURING & NET SIGNIFICANT AND/OR NON-RECURRING ITEMS <sup>1</sup>			ADJUSTED <sup>1</sup> (UNAUDITED)		
	Q1 2024	Q2 2024	Q3 2024	Q1 2024	Q2 2024	Q3 2024	Q1 2024	Q2 2024	Q3 2024
<b>NET SALES</b>									
COLLINS AEROSPACE	\$6,673	\$6,999	\$7,075	\$—	\$—	\$—	\$6,673	\$6,999	\$7,075
PRATT & WHITNEY	6,456	6,802	7,239	—	—	—	6,456	6,802	7,239
RAYTHEON	6,659	6,511	6,386	—	(70)	—	6,659	6,581	6,386
TOTAL SEGMENT	19,788	20,312	20,700	—	(70)	—	19,788	20,382	20,700
ELIMINATIONS AND OTHER	(483)	(591)	(611)	—	—	—	(483)	(591)	(611)
<b>CONSOLIDATED NET SALES</b>	<b>\$19,305</b>	<b>\$19,721</b>	<b>\$20,089</b>	<b>\$—</b>	<b>(\$70)</b>	<b>\$—</b>	<b>\$19,305</b>	<b>\$19,791</b>	<b>\$20,089</b>
<b>OPERATING PROFIT</b>									
COLLINS AEROSPACE	\$849	\$1,118	\$1,062	(\$199)	(\$27)	(\$34)	\$1,048	\$1,145	\$1,096
PRATT & WHITNEY	412	542	557	(18)	5	(40)	430	537	597
RAYTHEON	996	127	647	366	(582)	(14)	630	709	661
TOTAL SEGMENT	2,257	1,787	2,266	149	(604)	(88)	2,108	2,391	2,354
ELIMINATIONS AND OTHER	(5)	(36)	(14)	—	—	—	(5)	(36)	(14)
CORPORATE EXPENSES AND OTHER UNALLOCATED ITEMS	(96)	(930)	100	(71)	(923)	171	(25)	(7)	(71)
FAS/CAS OPERATING ADJUSTMENT	214	212	210	—	—	—	214	212	210
ACQUISITION ACCOUNTING ADJUSTMENTS	(500)	(504)	(534)	(500)	(504)	(534)	—	—	—
<b>CONSOLIDATED OPERATING PROFIT</b>	<b>\$1,870</b>	<b>\$529</b>	<b>\$2,028</b>	<b>(\$422)</b>	<b>(\$2,031)</b>	<b>(\$451)</b>	<b>\$2,292</b>	<b>\$2,560</b>	<b>\$2,479</b>
NON-SERVICE PENSION INCOME	(\$386)	(\$374)	(\$374)	(\$7)	\$3	\$4	(\$379)	(\$377)	(\$378)
INTEREST EXPENSE, NET	405	475	496	(78)	—	11	483	475	485
INCOME BEFORE INCOME TAXES	1,851	428	1,906	(337)	(2,034)	(466)	2,188	2,462	2,372
INCOME TAX EXPENSE	108	253	371	(255)	(257)	8	363	510	363
NET INCOME	1,743	175	1,535	(82)	(1,777)	(474)	1,825	1,952	2,009
LESS: NONCONTROLLING INTEREST IN SUBSIDIARIES' EARNINGS	34	64	63	—	7	2	34	57	61
<b>NET INCOME ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	<b>\$1,709</b>	<b>\$111</b>	<b>\$1,472</b>	<b>(\$82)</b>	<b>(\$1,784)</b>	<b>(\$476)</b>	<b>\$1,791</b>	<b>\$1,895</b>	<b>\$1,948</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO COMMON SHAREOWNERS</b>									
BASIC EARNINGS PER SHARE	\$1.29	\$0.08	\$1.10				\$1.35	\$1.42	\$1.46
DILUTED EARNINGS PER SHARE	\$1.28	\$0.08	\$1.09				\$1.34	\$1.41	\$1.45
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (MILLIONS)</b>									
BASIC SHARES	1,329.4	1,331.8	1,333.2				1,329.4	1,331.8	1,333.2
DILUTED SHARES	1,337.3	1,342.1	1,346.2				1,337.3	1,342.1	1,346.2

<sup>1</sup> For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 22 - 24. For the full reconciliation of our non-operating results, net income and EPS refer to slide 26



# RTX: GAAP to adjusted reconciliation

## COLLINS AEROSPACE

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
COLLINS AEROSPACE	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
NET SALES	\$6,673	\$6,999	\$7,075	\$6,120	\$6,384	\$6,629	\$7,120	\$26,253
CHARGES RELATED TO A LITIGATION MATTER	—	—	—	—	—	(57)	112	55
ADJUSTED NET SALES	\$6,673	\$6,999	\$7,075	\$6,120	\$6,384	\$6,686	\$7,008	\$26,198
OPERATING PROFIT	\$849	\$1,118	\$1,062	\$897	\$899	\$903	\$1,126	\$3,825
RESTRUCTURING	(6)	(12)	(12)	(3)	(5)	(64)	1	(71)
CHARGE ASSOCIATED WITH INITIATING ALTERNATIVE TITANIUM SOURCES	(175)	—	—	—	—	—	—	—
SEGMENT AND PORTFOLIO TRANSFORMATION COSTS	(18)	(15)	(22)	(3)	(11)	(19)	(29)	(62)
CHARGES RELATED TO A LITIGATION MATTER	—	—	—	—	—	(57)	119	62
ADJUSTED OPERATING PROFIT	\$1,048	\$1,145	\$1,096	\$903	\$915	\$1,043	\$1,035	\$3,896
ADJUSTED OPERATING PROFIT MARGIN	15.7%	16.4%	15.5%	14.8%	14.3%	15.6%	14.8%	14.9%
TOTAL NET SALES ADJUSTMENTS	\$—	\$—	\$—	\$—	\$—	(\$57)	\$112	\$55
TOTAL OPERATING PROFIT ADJUSTMENTS	(\$199)	(\$27)	(\$34)	(\$6)	(\$16)	(\$140)	\$91	(\$71)



**RTX**

# RTX: GAAP to adjusted reconciliation

PRATT & WHITNEY

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
PRATT & WHITNEY	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
NET SALES	\$6,456	\$6,802	\$7,239	\$5,230	\$5,701	\$926	\$6,439	\$18,296
POWDER METAL CHARGE	—	—	—	—	—	(5,401)	—	(5,401)
ADJUSTED NET SALES	\$6,456	\$6,802	\$7,239	\$5,230	\$5,701	\$6,327	\$6,439	\$23,697
OPERATING PROFIT (LOSS)	\$412	\$542	\$557	\$415	\$230	(\$2,482)	\$382	(\$1,455)
RESTRUCTURING	(18)	(15)	(13)	(19)	(25)	(7)	(23)	(74)
INSURANCE SETTLEMENT	—	20	7	—	—	—	—	—
POWDER METAL CHARGE	—	—	—	—	—	(2,888)	—	(2,888)
CHARGES RELATED TO A CUSTOMER INSOLVENCY	—	—	—	—	(181)	—	—	(181)
EXPECTED SETTLEMENT OF A LITIGATION MATTER	—	—	(34)	—	—	—	—	—
ADJUSTED OPERATING PROFIT	\$430	\$537	\$597	\$434	\$436	\$413	\$405	\$1,688
ADJUSTED OPERATING PROFIT MARGIN	6.7%	7.9%	8.2%	8.3%	7.6%	6.5%	6.3%	7.1%
<b>TOTAL NET SALES ADJUSTMENTS</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$5,401)</b>	<b>\$—</b>	<b>(\$5,401)</b>
<b>TOTAL OPERATING PROFIT ADJUSTMENTS</b>	<b>(\$18)</b>	<b>\$5</b>	<b>(\$40)</b>	<b>(\$19)</b>	<b>(\$206)</b>	<b>(\$2,895)</b>	<b>(\$23)</b>	<b>(\$3,143)</b>



**RTX**

# RTX: GAAP to adjusted reconciliation

RAYTHEON

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
RAYTHEON	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
NET SALES	\$6,659	\$6,511	\$6,386	\$6,292	\$6,700	\$6,472	\$6,886	\$26,350
CONTRACT TERMINATION	—	(70)	—	—	—	—	—	—
ADJUSTED NET SALES	\$6,659	\$6,581	\$6,386	\$6,292	\$6,700	\$6,472	\$6,886	\$26,350
OPERATING PROFIT	\$996	\$127	\$647	\$571	\$644	\$560	\$604	\$2,379
RESTRUCTURING	(9)	(7)	(14)	(7)	(17)	(9)	(9)	(42)
GAIN ON SALE OF BUSINESS, NET OF TRANSACTION AND OTHER RELATED COSTS	375	—	—	—	—	—	—	—
SEGMENT AND PORTFOLIO TRANSFORMATION COSTS	—	—	—	(6)	(1)	(1)	(5)	(13)
CONTRACT TERMINATION	—	(575)	—	—	—	—	—	—
ADJUSTED OPERATING PROFIT	\$630	\$709	\$661	\$584	\$662	\$570	\$618	\$2,434
ADJUSTED OPERATING PROFIT MARGIN	9.5%	10.8%	10.4%	9.3%	9.9%	8.8%	9.0%	9.2%
TOTAL NET SALES ADJUSTMENTS	\$—	(\$70)	\$—	\$—	\$—	\$—	\$—	\$—
TOTAL OPERATING PROFIT ADJUSTMENTS	\$366	(\$582)	(\$14)	(\$13)	(\$18)	(\$10)	(\$14)	(\$55)





# RTX: GAAP to adjusted reconciliation

## NON-SEGMENT OPERATING PROFIT

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>ELIMINATIONS AND OTHER</b>								
NET SALES	(\$483)	(\$591)	(\$611)	(\$428)	(\$470)	(\$563)	(\$518)	(\$1,979)
PRIOR YEAR IMPACT FROM R&D CAPITALIZATION IRS NOTICE	—	—	—	—	—	(30)	(9)	(39)
<b>ADJUSTED NET SALES</b>	<b>(\$483)</b>	<b>(\$591)</b>	<b>(\$611)</b>	<b>(\$428)</b>	<b>(\$470)</b>	<b>(\$533)</b>	<b>(\$509)</b>	<b>(\$1,940)</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>(\$5)</b>	<b>(\$36)</b>	<b>(\$14)</b>	<b>\$51</b>	<b>(\$16)</b>	<b>(\$69)</b>	<b>(\$8)</b>	<b>(\$42)</b>
PRIOR YEAR IMPACT FROM R&D CAPITALIZATION IRS NOTICE	—	—	—	—	—	(30)	(9)	(39)
GAIN ON SALE OF LAND	—	—	—	68	—	—	—	68
CHARGES RELATED TO A CUSTOMER INSOLVENCY	—	—	—	—	10	—	—	10
<b>ADJUSTED OPERATING PROFIT (LOSS)</b>	<b>(\$5)</b>	<b>(\$36)</b>	<b>(\$14)</b>	<b>(\$17)</b>	<b>(\$26)</b>	<b>(\$39)</b>	<b>\$1</b>	<b>(\$81)</b>
<b>CORPORATE AND OTHER UNALLOCATED ITEMS</b>								
OPERATING PROFIT (LOSS)	(\$96)	(\$930)	\$100	(\$43)	(\$59)	(\$63)	(\$110)	(\$275)
RESTRUCTURING	(1)	(2)	(6)	(1)	(21)	(24)	(13)	(59)
TAX AUDIT SETTLEMENTS	(68)	—	—	—	—	—	—	—
SEGMENT AND PORTFOLIO TRANSFORMATION COSTS	(2)	(3)	(3)	(2)	(10)	(8)	(11)	(31)
LEGAL MATTERS	—	(918)	—	—	—	—	—	—
EXPIRATION OF TAX STATUTE OF LIMITATIONS	—	—	—	—	—	—	(16)	(16)
TAX MATTERS AND RELATED INDEMNIFICATION	—	—	180	—	—	—	—	—
<b>ADJUSTED OPERATING LOSS</b>	<b>(\$25)</b>	<b>(\$7)</b>	<b>(\$71)</b>	<b>(\$40)</b>	<b>(\$28)</b>	<b>(\$31)</b>	<b>(\$70)</b>	<b>(\$169)</b>
<b>FAS/CAS OPERATING ADJUSTMENT</b>								
OPERATING PROFIT	\$214	\$212	\$210	\$289	\$284	\$272	\$282	\$1,127
<b>ACQUISITION ACCOUNTING ADJUSTMENTS</b>								
OPERATING LOSS	(\$500)	(\$504)	(\$534)	(\$493)	(\$489)	(\$517)	(\$499)	(\$1,998)
ACQUISITION ACCOUNTING ADJUSTMENTS	(500)	(504)	(534)	(493)	(489)	(517)	(499)	(1,998)
<b>ADJUSTED OPERATING PROFIT (LOSS)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>
<b>TOTAL NET SALES ADJUSTMENTS – ELIMINATIONS AND OTHER</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$30)</b>	<b>(\$9)</b>	<b>(\$39)</b>
<b>TOTAL OPERATING PROFIT ADJUSTMENTS – ELIMINATIONS AND OTHER</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$68</b>	<b>\$10</b>	<b>(\$30)</b>	<b>(\$9)</b>	<b>\$39</b>
<b>TOTAL OPERATING PROFIT ADJUSTMENTS – CORPORATE AND OTHER UNALLOCATED ITEMS</b>	<b>(\$71)</b>	<b>(\$923)</b>	<b>\$171</b>	<b>(\$3)</b>	<b>(\$31)</b>	<b>(\$32)</b>	<b>(\$40)</b>	<b>(\$106)</b>
<b>TOTAL OPERATING PROFIT ADJUSTMENTS – ACQUISITIONS ACCOUNTING ADJUSTMENTS</b>	<b>(\$500)</b>	<b>(\$504)</b>	<b>(\$534)</b>	<b>(\$493)</b>	<b>(\$489)</b>	<b>(\$517)</b>	<b>(\$499)</b>	<b>(\$1,998)</b>



# RTX: GAAP to adjusted reconciliation

## CONSOLIDATED INCOME, EARNINGS PER SHARE

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
INCOME (EXPENSES)	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	\$1,709	\$111	\$1,472	\$1,426	\$1,327	(\$984)	\$1,426	\$3,195
TOTAL RESTRUCTURING INCLUDED IN OPERATING PROFIT	(\$34)	(\$36)	(\$45)	(\$30)	(\$68)	(\$104)	(\$44)	(\$246)
TOTAL ACQUISITION ACCOUNTING ADJUSTMENTS	(500)	(504)	(534)	(493)	(489)	(517)	(499)	(1,998)
TOTAL NET SIGNIFICANT AND/OR NON-RECURRING ITEMS INCLUDED IN OPERATING PROFIT <sup>(1)</sup>	112	(1,491)	128	57	(193)	(3,003)	49	(3,090)
<i>SIGNIFICANT AND/OR NON-RECURRING ITEMS INCLUDED IN NON-SERVICE PENSION INCOME</i>								
NON-SERVICE PENSION INCOME	\$386	\$374	\$374	\$444	\$447	\$443	\$446	\$1,780
NON-SERVICE PENSION RESTRUCTURING	(2)	(3)	(4)	(2)	—	—	(2)	(4)
PENSION CURTAILMENT RELATED TO SALE OF BUSINESS	9	—	—	—	—	—	—	—
ADJUSTED NON-SERVICE PENSION INCOME	\$379	\$377	\$378	\$446	\$447	\$443	\$448	\$1,784
<i>SIGNIFICANT NON-RECURRING AND NON-OPERATIONAL ITEMS INCLUDED IN INTEREST</i>								
INTEREST EXPENSE, NET	(\$405)	(\$475)	(\$496)	(\$315)	(\$333)	(\$369)	(\$488)	(\$1,505)
TAX AUDIT SETTLEMENTS	78	—	—	—	—	—	—	—
CHARGES RELATED TO A LITIGATION MATTER	—	—	—	—	—	—	1	1
EXPIRATION OF TAX STATUTE OF LIMITATIONS	—	—	—	—	—	—	10	10
TAX MATTERS AND RELATED INDEMNIFICATION	—	—	(11)	—	—	—	—	—
ADJUSTED INTEREST EXPENSE, NET	(\$483)	(\$475)	(\$485)	(\$315)	(\$333)	(\$369)	(\$499)	(\$1,516)
<i>SIGNIFICANT AND/OR NON-RECURRING ITEMS INCLUDED IN INCOME TAX (EXPENSE) BENEFIT</i>								
INCOME TAX (EXPENSE) BENEFIT	(\$108)	(\$253)	(\$371)	(\$335)	(\$248)	\$389	(\$262)	(\$456)
TAX EFFECT OF RESTRUCTURING AND NET SIGNIFICANT AND/OR NON-RECURRING ITEMS ABOVE	(41)	257	148	101	165	826	99	1,191
TAX AUDIT SETTLEMENTS	296	—	—	—	—	—	—	—
EXPIRATION OF TAX STATUTE OF LIMITATIONS	—	—	—	—	—	—	61	61
PRIOR YEAR R&D STATE TAX ITEM	—	—	—	—	—	(8)	(5)	(13)
TAX MATTERS AND RELATED INDEMNIFICATION	—	—	(156)	—	—	—	—	—
ADJUSTED INCOME TAX EXPENSE	(\$363)	(\$510)	(\$363)	(\$436)	(\$413)	(\$429)	(\$417)	(\$1,695)
<i>SIGNIFICANT AND/OR NON-RECURRING ITEMS INCLUDED IN NONCONTROLLING INTEREST</i>								
NONCONTROLLING INTEREST IN SUBSIDIARIES' EARNINGS	\$34	\$64	\$63	\$55	\$32	\$51	\$47	\$185
ADJUSTMENTS TO NONCONTROLLING INTEREST	—	7	2	—	(17)	—	(3)	(20)
ADJUSTED NONCONTROLLING INTEREST IN SUBSIDIARIES' EARNINGS	\$34	\$57	\$61	\$55	\$49	\$51	\$50	\$205
<b>LESS: IMPACT ON NET INCOME ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	<b>(82)</b>	<b>(1,784)</b>	<b>(476)</b>	<b>(367)</b>	<b>(568)</b>	<b>(2,806)</b>	<b>(327)</b>	<b>(4,068)</b>
<b>ADJUSTED NET INCOME ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	<b>\$1,791</b>	<b>\$1,895</b>	<b>\$1,948</b>	<b>\$1,793</b>	<b>\$1,895</b>	<b>\$1,822</b>	<b>\$1,753</b>	<b>\$7,263</b>
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>	<b>\$1.28</b>	<b>\$0.08</b>	<b>\$1.09</b>	<b>\$0.97</b>	<b>\$0.90</b>	<b>(\$0.68)</b>	<b>\$1.05</b>	<b>\$2.23</b>
IMPACT ON DILUTED EARNINGS (LOSS) PER SHARE	(\$0.06)	(\$1.33)	(\$0.36)	(0.25)	(0.39)	(1.93)	(0.24)	(2.83)
<b>ADJUSTED DILUTED EARNINGS PER SHARE</b>	<b>\$1.34</b>	<b>\$1.41</b>	<b>\$1.45</b>	<b>\$1.22</b>	<b>\$1.29</b>	<b>\$1.25</b>	<b>\$1.29</b>	<b>\$5.06</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>								
REPORTED DILUTED	1,337.3	1,342.1	1,346.2	1,474.2	1,468.7	1,448.1	1,361.7	1,435.4
IMPACT OF DILUTIVE SHARES <sup>(2)</sup>	—	—	—	—	—	(7.6)	—	—
<b>ADJUSTED DILUTED</b>	<b>1,337.3</b>	<b>1,342.1</b>	<b>1,346.2</b>	<b>1,474.2</b>	<b>1,468.7</b>	<b>1,455.7</b>	<b>1,361.7</b>	<b>1,435.4</b>
<b>TOTAL NON-SERVICE PENSION INCOME ADJUSTMENTS</b>	<b>\$7</b>	<b>(\$3)</b>	<b>(\$4)</b>	<b>(\$2)</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$2)</b>	<b>(\$4)</b>
<b>TOTAL INTEREST EXPENSE ADJUSTMENTS</b>	<b>\$78</b>	<b>\$—</b>	<b>(\$11)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$11</b>	<b>\$11</b>
<b>TOTAL INCOME TAX ADJUSTMENTS</b>	<b>\$255</b>	<b>\$257</b>	<b>(\$8)</b>	<b>\$101</b>	<b>\$165</b>	<b>\$818</b>	<b>\$155</b>	<b>\$1,239</b>
<b>TOTAL NONCONTROLLING INTEREST ADJUSTMENTS</b>	<b>\$—</b>	<b>\$7</b>	<b>\$2</b>	<b>\$—</b>	<b>(\$17)</b>	<b>\$—</b>	<b>(\$3)</b>	<b>(\$20)</b>

1 Refer to slides 22 - 24 for individual segment operating profit adjustments

2 The computation of reported diluted earnings per share excludes the effect of the potential exercise of stock awards, including stock appreciation rights and stock options, because their effect was antidilutive in the quarter ended September 30, 2023, due to the reported loss from operations. On an adjusted basis, the Company reported income from continuing operations and the dilutive effect of such awards is included in the calculation of Adjusted Diluted Earnings Per Share



**RTX**

# RTX: GAAP to adjusted reconciliation

## SEGMENT NET SALES AND OPERATING PROFIT (LOSS) AND MARGIN

(\$ MILLIONS)	(UNAUDITED)			(UNAUDITED)				
	2024			2023				
INCOME (EXPENSES)	Q1 2024	Q2 2024	Q3 2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>NET SALES</b>	<b>\$19,305</b>	<b>\$19,721</b>	<b>\$20,089</b>	<b>\$17,214</b>	<b>\$18,315</b>	<b>\$13,464</b>	<b>\$19,927</b>	<b>\$68,920</b>
RECONCILIATION TO SEGMENT NET SALES:								
ELIMINATIONS AND OTHER	483	591	611	428	470	563	518	1,979
<b>SEGMENT NET SALES</b>	<b>19,788</b>	<b>20,312</b>	<b>20,700</b>	<b>17,642</b>	<b>18,785</b>	<b>14,027</b>	<b>20,445</b>	<b>70,899</b>
RECONCILIATION TO ADJUSTED SEGMENT NET SALES:								
NET SIGNIFICANT AND/OR NON-RESTRUCTURING ITEMS <sup>(1)</sup>	—	(70)	—	—	—	(5,458)	112	(5,346)
<b>ADJUSTED SEGMENT NET SALES</b>	<b>\$19,788</b>	<b>\$20,382</b>	<b>\$20,700</b>	<b>\$17,642</b>	<b>\$18,785</b>	<b>\$19,485</b>	<b>\$20,333</b>	<b>\$76,245</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>\$1,870</b>	<b>\$529</b>	<b>\$2,028</b>	<b>\$1,687</b>	<b>\$1,493</b>	<b>(\$1,396)</b>	<b>\$1,777</b>	<b>\$3,561</b>
<i>OPERATING PROFIT (LOSS) MARGIN</i>	<i>9.7%</i>	<i>2.7%</i>	<i>10.1%</i>	<i>9.8%</i>	<i>8.2%</i>	<i>(10.4%)</i>	<i>8.9%</i>	<i>5.2%</i>
RECONCILIATION TO SEGMENT OPERATING PROFIT (LOSS):								
ELIMINATIONS AND OTHER	5	36	14	(51)	16	69	8	42
CORPORATE EXPENSES AND OTHER UNALLOCATED ITEMS	96	930	(100)	43	59	63	110	275
FAS/CAS OPERATING ADJUSTMENT	(214)	(212)	(210)	(289)	(284)	(272)	(282)	(1,127)
ACQUISITION ACCOUNTING ADJUSTMENTS	500	504	534	493	489	517	499	1,998
SEGMENT OPERATING PROFIT (LOSS)	2,257	1,787	2,266	1,883	1,773	(1,019)	2,112	4,749
<i>SEGMENT OPERATING PROFIT (LOSS) MARGIN</i>	<i>11.4%</i>	<i>8.8%</i>	<i>10.9%</i>	<i>10.7%</i>	<i>9.4%</i>	<i>(7.3%)</i>	<i>10.3%</i>	<i>6.7%</i>
RECONCILIATION TO ADJUSTED SEGMENT OPERATING PROFIT:								
RESTRUCTURING AND NET SIGNIFICANT AND/OR NON-RESTRUCTURING ITEMS <sup>(1)</sup>	149	(604)	(88)	(38)	(240)	(3,045)	54	(3,269)
<b>ADJUSTED SEGMENT OPERATING PROFIT</b>	<b>\$2,108</b>	<b>\$2,391</b>	<b>\$2,354</b>	<b>\$1,921</b>	<b>\$2,013</b>	<b>\$2,026</b>	<b>\$2,058</b>	<b>\$8,018</b>
<i>ADJUSTED SEGMENT OPERATING PROFIT MARGIN</i>	<i>10.7%</i>	<i>11.7%</i>	<i>11.4%</i>	<i>10.9%</i>	<i>10.7%</i>	<i>10.4%</i>	<i>10.1%</i>	<i>10.5%</i>

<sup>1</sup> Refer to slides 22 - 24 for individual segment net sales and operating profit adjustments