



**Raytheon
Technologies**

**2Q 2022 Earnings
Conference Call**

July 26, 2022

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 (“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,” “goals,” “objectives,” “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, cost savings, other measures of financial performance, potential future plans, strategies or transactions, credit ratings and net indebtedness, other anticipated benefits to RTC of the United Technologies Corporation (“UTC”) acquisition of Rockwell Collins in 2018, the merger (the “merger”) between 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”), 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 changes in global 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, including related to financial market conditions, fluctuations in commodity prices, inflation, interest rates and foreign currency exchange rates, disruptions in global supply chain and labor markets, and geopolitical risks; (2) 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 continuing resolution, a government shutdown, or otherwise, and uncertain funding of programs; (3) challenges in the development, production, delivery, support, and performance of RTC 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 RTC’s highly-competitive industries; (4) the effect of and risks relating to the coronavirus disease 2019 (COVID-19) pandemic on RTC’s business, supply chain, operations and the industries in which it operates, including the decrease in global air travel, and the timing and extent of the recovery from COVID-19; (5) risks relating to RTC 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; (6) the condition of the aerospace industry; (7) risks relating to RTC’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 RTC or its suppliers and price increases; (8) 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; (9) 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 RTC and its businesses operate; (10) the outcome of pending, threatened and future legal proceedings, investigations and other contingencies, including those related to U.S. government audits and disputes; (11) factors that could impact RTC’s ability to engage in desirable capital-raising or strategic transactions, including its capital structure, levels of indebtedness, capital expenditures and research and development spending, and the availability of credit, credit market conditions and other factors; (12) uncertainties associated with the timing and scope of future repurchases by RTC 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; (13) the risks relating to realizing expected benefits from RTC strategic initiatives such as cost reduction, restructuring, digital transformation and other operational initiatives; (14) the risks relating to the integration of legacy businesses of UTC and RTC as well as the merger, and the realization of the anticipated benefits of those transactions; (15) risks of additional tax exposures due to new tax legislation or other developments, in the U.S. and other countries in which RTC and its businesses operate; (16) the ability of RTC 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; (17) risks relating to a RTC product safety failure or other failure affecting RTC’s or its customers’ or suppliers’ products or systems; (18) risks relating to cyber-attacks on RTC’s information technology infrastructure, products, suppliers, customers and partners, threats to RTC facilities and personnel, as well as other events outside of RTC’s control such as public health crises, damaging weather or other acts of nature; (19) the effect of changes in accounting estimates for our programs on our financial results; (20) the effect of changes in pension and other postretirement plan estimates and assumptions and contributions; (21) risks relating to an impairment of goodwill and other intangible assets; (22) the effects of climate change and changing climate-related regulations, customer and market demands, products and technologies; and (23) 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 RTC, 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 RTC 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.

2Q 2022 Highlights

Sales **up 4%** organically* versus prior year

Adjusted EPS* **up 13%** versus prior year

Commercial aftermarket sales **up 26%** versus prior year

Received over **\$24B** of total awards in Q2; **1.35** defense book-to-bill

Returned **\$1.8B** of capital to shareowners

Achieved **~\$80M** of incremental gross merger cost synergies

Full Year Outlook

Sales \$67.75B - \$68.75B

Organic sales growth %* 6% - 8%

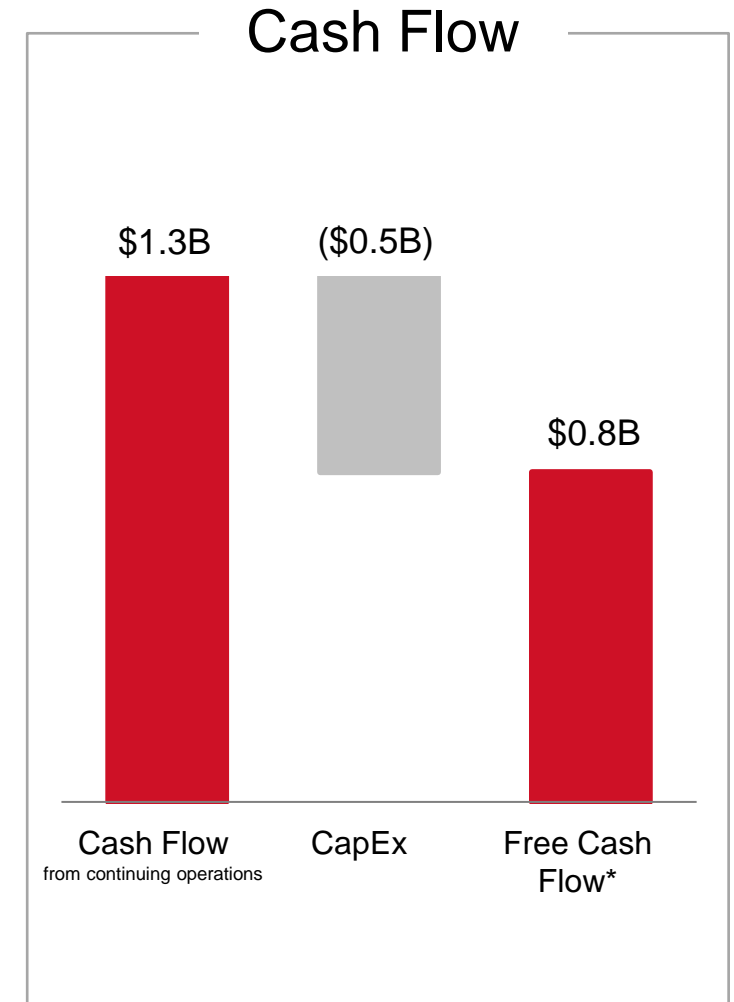
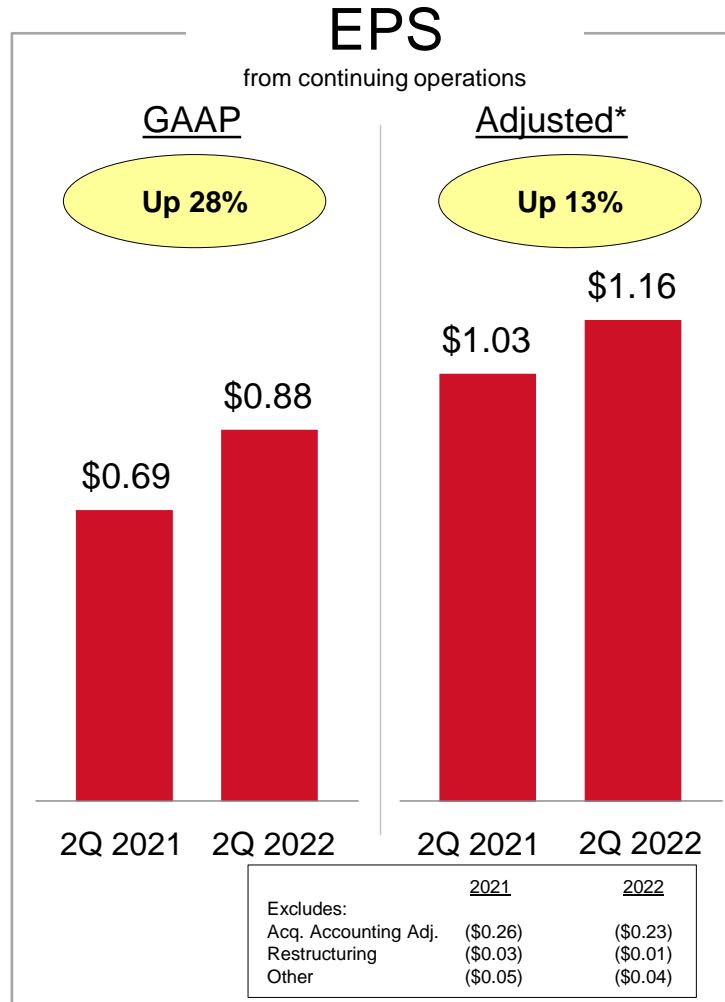
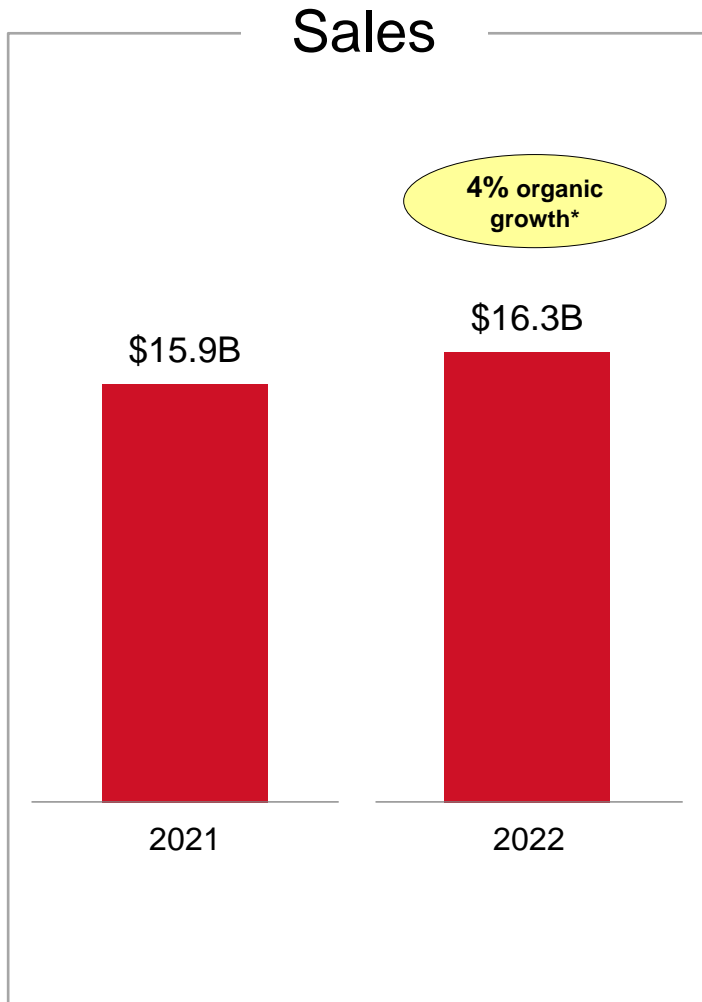
Adjusted EPS* \$4.60 - \$4.80

Free cash flow^{*,1} ~\$6.0B

1) Free cash flow outlook assumes the legislation requiring R&D capitalization for tax purposes is deferred beyond 2022.

Solid performance during the quarter with strong end market demand

2Q 2022



Solid quarterly performance while investing for the future of the business

2022 Environment

Positives

Commercial aero aftermarket

Narrowbody deliveries

Global defense spending

Cost reduction / synergies

Monitoring

International travel recovery

Global tax environment

Geopolitical landscape

Challenges

Supply chain / inflation

Labor availability

Global sanctions

2022 Outlook

Full Year Outlook

Sales	\$67.75B - \$68.75B
Organic sales growth%*	6% - 8%
Adjusted EPS*	\$4.60 - \$4.80
Free cash flow ^{*,1}	~ \$6.0B

1) Free cash flow outlook assumes the legislation requiring R&D capitalization for tax purposes is deferred beyond 2022.

2022 Segment Outlook

(\$ millions)

		Reported Sales VPY %	Organic Sales VPY %*	Adjusted Operating Profit VPY*
Collins Aerospace	Current <i>Prior</i>	Up low double digits	Up low double digits	\$700 - \$825 <i>\$650 - \$800</i>
Pratt & Whitney	Current <i>Prior</i>	Up low teens <i>Up high single to low double digits</i>	Up low teens <i>Up high single to low double digits</i>	\$550 - \$650 <i>\$500 - \$600</i>
Raytheon Intelligence & Space	Current <i>Prior</i>	Down mid-single to low single digit <i>Down slightly</i>	Flat <i>Up low single digit</i>	(\$50) – flat <i>Flat - \$50</i>
Raytheon Missiles & Defense	Current <i>Prior</i>	Up slightly <i>Up low to mid single digit</i>	Up slightly <i>Up low to mid single digit</i>	(\$50) – flat <i>\$150 - \$200</i>

Collins Aerospace Segment Highlights

2Q 2022

(\$ millions)

	Reported	Adjusted*	YOY Var.*
Sales	5,011	5,011	10%
Operating Profit	546	617	19%
ROS	10.9%	12.3%	90 bps

- Organic sales* up 11%
- Adjusted sales* up 10%
 - Commercial aftermarket up 25%
 - Commercial OE up 14%
 - Military down 6%
- Adjusted operating profit* up 19%
 - Higher commercial aftermarket
 - Higher SG&A expense
 - Absence of favorable contract settlements
 - Lower military volume



Collins Aerospace, along with teammates ILC Dover and Oceaneering, have been selected to produce NASA's next-generation spacesuit, which astronauts could wear when working outside the International Space Station and – within the next decade – on the moon. The new suits were designed by astronauts for astronauts and offer enhanced mobility and weigh less than the current generation spacesuits, allowing for increased mission times.

Pratt & Whitney Segment Highlights

2Q 2022

(\$ millions)

	Reported	Adjusted*	YOY Var.*
Sales	4,969	4,969	16%
Operating Profit	302	303	216%
ROS	6.1%	6.1%	390 bps

- Organic sales* up 17%
- Adjusted sales* up 16%
 - Commercial aftermarket up 26%
 - Commercial OE up 22%
 - Military up 5%
- Adjusted operating profit* up 216%
 - Continued commercial aftermarket recovery and shop visit growth
 - Favorable commercial OE mix
 - Higher military sales volume
 - Higher SG&A and R&D expense



The F-35 Lightning II fighter fleet – powered by Pratt & Whitney's F135 engine – surpassed 500,000 flight hours across global operations. Based on operational experience, the combat-tested F135 has been proven in the field as the safest, most reliable fighter engine ever built.

Raytheon Intelligence & Space Segment Highlights

2Q 2022

(\$ millions)

	Reported	Adjusted*	YOY Var.*
Sales	3,570	3,570	(6%)
Operating Profit	315	315	(24%)
ROS	8.8%	8.8%	(210) bps

- Organic sales* down 1%
- Adjusted sales* down 6%
 - Global Training and Services divestiture
- Adjusted operating profit* down 24%
 - Lower net program efficiencies, including unfavorable development program adjustments
 - Global Training and Services divestiture
 - Absence of prior year land sale
- 2Q book-to-bill ratio 0.92; YTD book-to-bill 0.86
 - \$1.2 billion of classified bookings
- Backlog \$16 billion



The U.S. Army awarded Raytheon Intelligence & Space the follow-on phase of its next generation software-centric ground system Tactical Intelligence Targeting Access Node (TITAN) that connects sensors with users to support beyond line of site targeting.

Raytheon Missiles & Defense Segment Highlights

2Q 2022

(\$ millions)

	Reported	Adjusted*	YOY Var.*
Sales	3,558	3,558	(11%)
Operating Profit	348	348	(35%)
ROS	9.8%	9.8%	(360) bps

- Organic sales* down 10%
- Adjusted sales* down 11%
 - Continuing supply chain constraints
 - Expected declines in Land Warfare and Air Defense
 - Higher volume on SPY-6 production and NGI development
- Adjusted operating profit* down 35%
 - Lower net program efficiencies
 - Unfavorable mix and lower volume in Land Warfare and Air Defense
- 2Q book-to-bill ratio 1.30; YTD book-to-bill 1.24
 - \$662 million for Stinger replenishment
 - \$648 million for Standard Missile-3 (SM-3)
 - \$423 million for SPY-6 Hardware Production and Sustainment
- Backlog \$30 billion



The Missile Defense Agency awarded Raytheon Missiles & Defense \$648 million for the latest SM-3 variant, Block IIA. The interceptor is a defensive weapon developed in partnership with Japan and is used to destroy short- to intermediate-range ballistic missiles.

2022 Priorities

- ▶ Continued support of employees, customers and suppliers
- ▶ Invest in technology and product innovation to drive industry leadership
- ▶ Deliver RTX synergies
- ▶ Drive structural cost reduction
- ▶ Disciplined capital deployment

Focused on delivering on our long-term commitments



Raytheon
Technologies

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. 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 and the amortization of customer contractual obligations related to loss making or below market contracts acquired. 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.

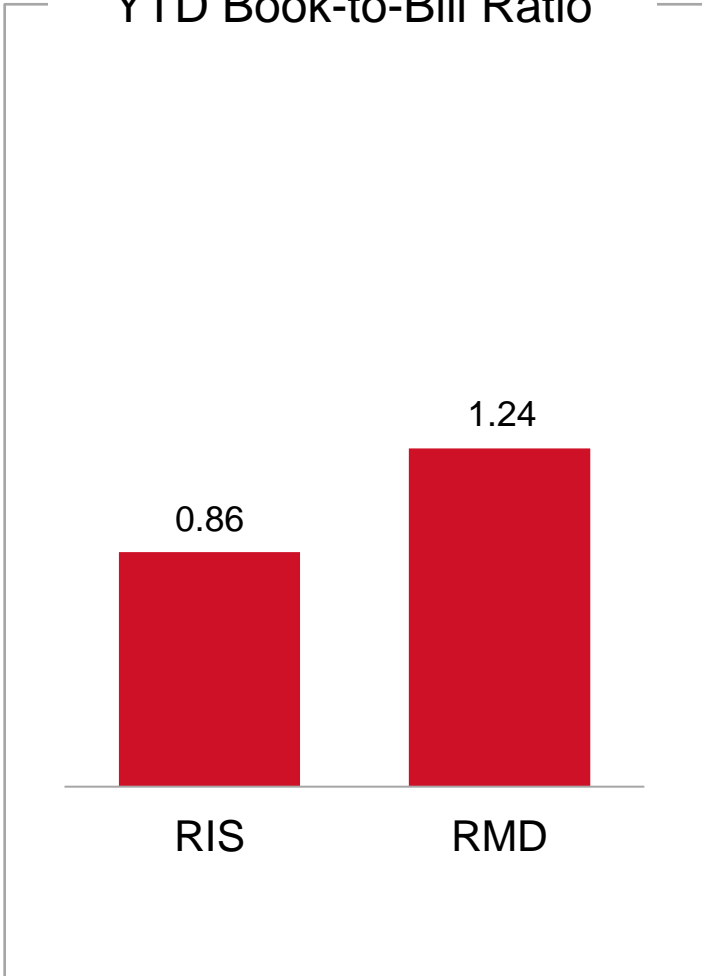
Additional 2022 Outlook Items

	FY 2022 Prior	FY 2022 Current
Adjusted Tax Rate^{*,1}	18.5% - 19%	18.0% - 18.5%
Interest Expense	~\$1,300M	~\$1,300M
Corporate Expense and Other Unallocated Items	\$375M - \$400M	~\$325M
FAS/CAS Operating Adjustment	~\$1,500M	~\$1,500M
Non-Service Pension Income	~\$1,875M	~\$1,875M
Capex Spending	~\$2.5B	\$2.4B - \$2.5B

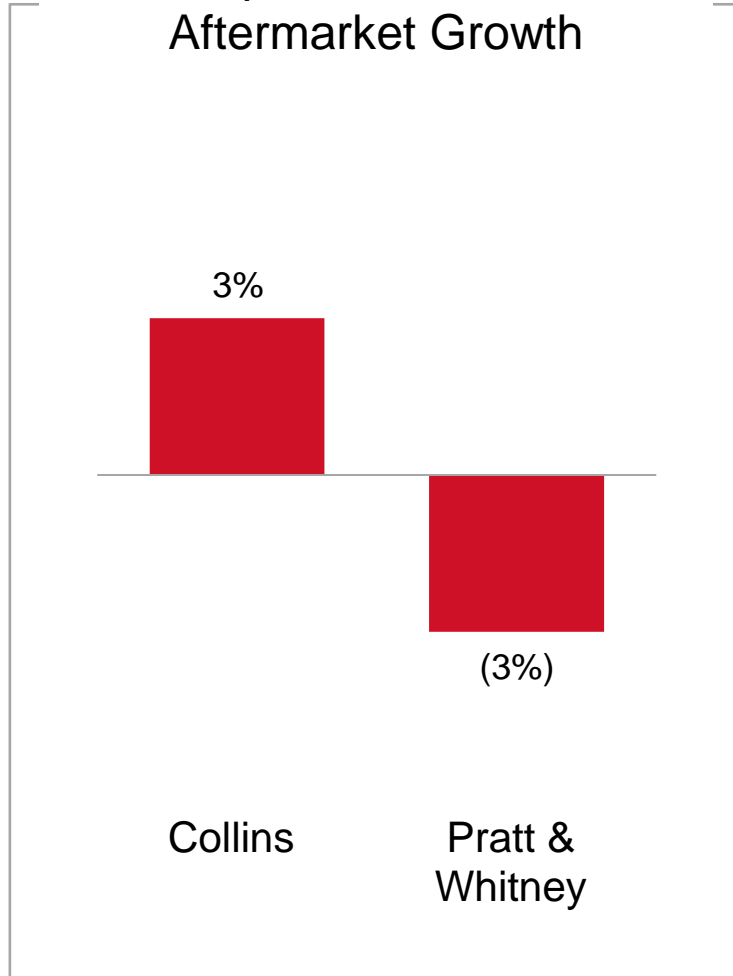
1) Assumes the legislation requiring R&D capitalization for tax purposes is deferred beyond 2022.

2022 Trends

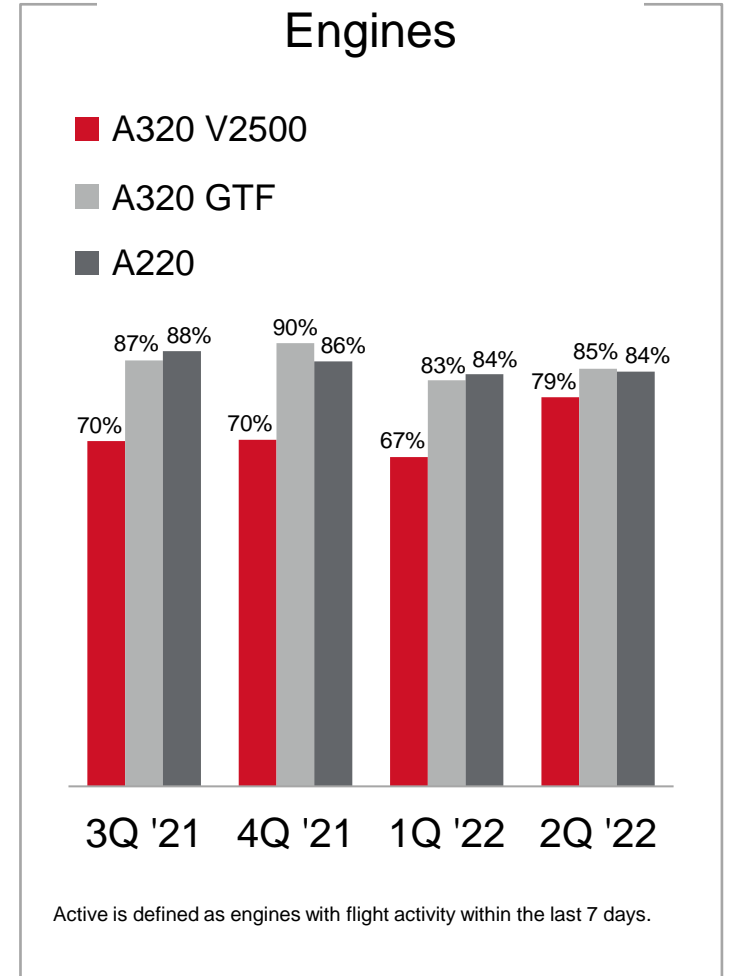
YTD Book-to-Bill Ratio



2Q Sequential Commercial Aftermarket Growth



Pratt & Whitney Active Engines



Raytheon Technologies: P&W Engine Shipments to Customers

	2021					2022	
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>
Military	44	61	58	55	218	60	62
Large Commercial¹	137	144	165	177	623	119	177
Pratt & Whitney Canada²	396	467	475	487	1,825	455	459

1) Large commercial excludes industrial engine shipments

2) Excludes APUs

Raytheon Technologies: Free Cash Flow Reconciliation

(\$ millions)

	2Q 2022
Net income from continuing operations	1,338
Depreciation & amortization	999
Change in working capital	(4)
Other	<u>(1,047)</u>
Cash flow from operations	1,286
Capital expenditures	<u>(479)</u>
Free cash flow	807

2Q 2022: Raytheon Technologies Sales Reconciliation

	Total Reported Growth	Organic	Acquisitions and Divestitures	Other ¹
Collins Aerospace	10%	11%	-	(1%)
Pratt & Whitney	16%	17%	-	(1%)
RIS	(6%)	(1%)	(5%)	-
RMD	(11%)	(10%)	-	(1%)
Elims & Other	<u>8%</u>	<u>8%</u>	<u>-</u>	<u>-</u>
Total	3%	4%	(1%)	-

2Q 2022: Raytheon Technologies Restructuring Costs

(\$ millions)

	2022			2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Restructuring impact to:								
Operating profit								
Collins Aerospace Systems	(3)	(2)	(5)	(18)	(12)	(2)	(8)	(40)
Pratt & Whitney	(2)	(1)	(3)	(20)	16	(2)	(1)	(7)
Raytheon Intelligence & Space	-	-	-	-	-	-	-	-
Raytheon Missiles & Defense	-	-	-	-	-	-	-	-
Total segments operating profit	(5)	(3)	(8)	(38)	4	(4)	(9)	(47)
Corporate expenses and other unallocated items	(39)	(9)	(48)	(5)	(60)	(15)	(16)	(96)
Eliminations and other	-	-	-	-	-	-	-	-
Total consolidated operating profit	(44)	(12)	(56)	(43)	(56)	(19)	(25)	(143)
Non-service pension income	5	-	5	-	-	-	-	-
Income from continuing operations before income taxes	(39)	(12)	(51)	(43)	(56)	(19)	(25)	(143)

Raytheon Technologies: 2021 Reported to Adjusted

(\$ millions)

	Reported (Unaudited)					Restructuring & Significant non-recurring and non-operational items ¹					Adjusted ¹ (Unaudited)				
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Net Sales															
Collins Aerospace Systems	\$ 4,370	\$ 4,545	\$ 4,592	\$ 4,942	\$ 18,449	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,370	\$ 4,545	\$ 4,592	\$ 4,942	\$ 18,449
Pratt & Whitney	4,030	4,280	4,725	5,115	18,150	-	-	-	-	-	4,030	4,280	4,725	5,115	18,150
Raytheon Intelligence & Space	3,765	3,805	3,740	3,870	15,180	-	-	-	-	-	3,765	3,805	3,740	3,870	15,180
Raytheon Missiles & Defense	3,793	3,985	3,902	3,859	15,539	-	-	-	-	-	3,793	3,985	3,902	3,859	15,539
Total segment	15,958	16,615	16,959	17,786	67,318	-	-	-	-	-	15,958	16,615	16,959	17,786	67,318
Eliminations and other	(707)	(735)	(746)	(742)	(2,930)	-	-	-	-	-	(707)	(735)	(746)	(742)	(2,930)
Consolidated Net Sales	\$ 15,251	\$ 15,880	\$ 16,213	\$ 17,044	\$ 64,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,251	\$ 15,880	\$ 16,213	\$ 17,044	\$ 64,388
Operating Profit															
Collins Aerospace Systems	\$ 314	\$ 506	\$ 478	\$ 461	\$ 1,759	\$ (18)	\$ (12)	\$ (2)	\$ (8)	\$ (40)	\$ 332	\$ 518	\$ 480	\$ 469	\$ 1,799
Pratt & Whitney	20	112	187	135	454	(20)	16	(2)	(27)	(33)	40	96	189	162	487
Raytheon Intelligence & Space	388	415	391	639	1,833	-	-	-	239	239	388	415	391	400	1,594
Raytheon Missiles & Defense	496	532	490	486	2,004	-	-	-	-	-	496	532	490	486	2,004
Total segment	1,218	1,565	1,546	1,721	6,050	(38)	4	(4)	204	166	1,256	1,561	1,550	1,517	5,884
Eliminations and other	(31)	(40)	(27)	(35)	(133)	-	-	-	-	-	(31)	(40)	(27)	(35)	(133)
Corporate expenses and other unallocated items	(81)	(149)	(89)	(233)	(552)	(30)	(60)	(15)	(163)	(268)	(51)	(89)	(74)	(70)	(284)
FAS/CAS operating adjustment	423	425	499	449	1,796	-	-	-	-	-	423	425	499	449	1,796
Acquisition accounting adjustments	(516)	(519)	(586)	(582)	(2,203)	(516)	(519)	(586)	(582)	(2,203)	-	-	-	-	-
Consolidated Operating Profit	\$ 1,013	\$ 1,282	\$ 1,343	\$ 1,320	\$ 4,958	\$ (584)	\$ (575)	\$ (605)	\$ (541)	\$ (2,305)	\$ 1,597	\$ 1,857	\$ 1,948	\$ 1,861	\$ 7,263
Non-service pension income	\$ (491)	\$ (490)	\$ (491)	\$ (472)	\$ (1,944)	\$ -	\$ -	\$ -	\$ 17	\$ 17	\$ (491)	\$ (490)	\$ (491)	\$ (489)	\$ (1,961)
Debt extinguishment costs	-	-	32	617	649	-	-	32	617	649	-	-	-	-	-
Interest expense, net	346	342	326	308	1,322	-	-	-	-	-	346	342	326	308	1,322
Income from continuing operations before income taxes	1,158	1,430	1,476	867	4,931	(584)	(575)	(637)	(1,175)	(2,971)	1,742	2,005	2,113	2,042	7,902
Income tax expense	345	342	3	96	786	14	(50)	(141)	(262)	(439)	331	392	144	358	1,225
Net income from continuing operations	813	1,088	1,473	771	4,145	(598)	(525)	(496)	(913)	(2,532)	1,411	1,613	1,969	1,684	6,677
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	41	48	73	86	248	-	-	-	16	16	41	48	73	70	232
Income from continuing operations attributable to common shareowners	\$ 772	\$ 1,040	\$ 1,400	\$ 685	\$ 3,897	\$ (598)	\$ (525)	\$ (496)	\$ (929)	\$ (2,548)	\$ 1,370	\$ 1,565	\$ 1,896	\$ 1,614	\$ 6,445
Earnings per share from continuing operations attributable to common shareowners															
Basic earnings per share	\$ 0.51	\$ 0.69	\$ 0.93	\$ 0.46	\$ 2.60						\$ 0.91	\$ 1.04	\$ 1.27	\$ 1.08	\$ 4.29
Diluted earnings per share	\$ 0.51	\$ 0.69	\$ 0.93	\$ 0.46	\$ 2.58						\$ 0.90	\$ 1.03	\$ 1.26	\$ 1.08	\$ 4.27
Weighted average number of shares outstanding (millions)															
Basic shares	1,511.1	1,506.4	1,497.9	1,490.5	1,501.6						1,511.1	1,506.4	1,497.9	1,490.5	1,501.6
Diluted shares	1,514.1	1,513.5	1,505.9	1,500.2	1,508.5						1,514.1	1,513.5	1,505.9	1,500.2	1,508.5

1: For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 23 - 27. For the full reconciliation of our non-operating results, net income and EPS refer to slide 28.

Raytheon Technologies: 2022 Reported to Adjusted

(\$ millions)

	Reported (Unaudited)			Restructuring & Significant non-recurring and non-operational items ¹			Adjusted ¹ (Unaudited)		
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2022	Q2 2022	Q2 YTD 2022
Net Sales									
Collins Aerospace Systems	\$ 4,824	\$ 5,011	\$ 9,835	\$ -	\$ -	\$ -	\$ 4,824	\$ 5,011	\$ 9,835
Pratt & Whitney	4,529	4,969	9,498	-	-	-	4,529	4,969	9,498
Raytheon Intelligence & Space	3,572	3,570	7,142	-	-	-	3,572	3,570	7,142
Raytheon Missiles & Defense	3,527	3,558	7,085	-	-	-	3,527	3,558	7,085
Total segment	16,452	17,108	33,560	-	-	-	16,452	17,108	33,560
Eliminations and other	(736)	(794)	(1,530)	-	-	-	(736)	(794)	(1,530)
Consolidated Net Sales	\$ 15,716	\$ 16,314	\$ 32,030	\$ -	\$ -	\$ -	\$ 15,716	\$ 16,314	\$ 32,030
Operating Profit									
Collins Aerospace Systems	\$ 440	\$ 546	\$ 986	\$ (144)	\$ (71)	\$ (215)	\$ 584	\$ 617	\$ 1,201
Pratt & Whitney	151	302	453	(157)	(1)	(158)	308	303	611
Raytheon Intelligence & Space	378	315	693	-	-	-	378	315	693
Raytheon Missiles & Defense	387	348	735	-	-	-	387	348	735
Total segment	1,356	1,511	2,867	(301)	(72)	(373)	1,657	1,583	3,240
Eliminations and other	(34)	(47)	(81)	6	-	6	(40)	(47)	(87)
Corporate expenses and other unallocated items	(136)	(42)	(178)	(39)	(9)	(48)	(97)	(33)	(130)
FAS/CAS operating adjustment	378	379	757	-	-	-	378	379	757
Acquisition accounting adjustments	(484)	(448)	(932)	(484)	(448)	(932)	-	-	-
Consolidated Operating Profit	\$ 1,080	\$ 1,353	\$ 2,433	\$ (818)	\$ (529)	\$ (1,347)	\$ 1,898	\$ 1,882	\$ 3,780
Non-service pension income	\$ (480)	\$ (474)	\$ (954)	\$ (5)	\$ -	\$ (5)	\$ (475)	\$ (474)	\$ (949)
Interest expense, net	318	329	647	-	-	-	318	329	647
Income from continuing operations before income taxes	1,242	1,498	2,740	(813)	(529)	(1,342)	2,055	2,027	4,082
Income tax expense	116	160	276	(182)	(111)	(293)	298	271	569
Net income from continuing operations	1,126	1,338	2,464	(631)	(418)	(1,049)	1,757	1,756	3,513
Less: Noncontrolling interest in subsidiaries' earnings from continuing operations	23	34	57	(11)	-	(11)	34	34	68
Income from continuing operations attributable to common shareowners	\$ 1,103	\$ 1,304	\$ 2,407	\$ (620)	\$ (418)	\$ (1,038)	\$ 1,723	\$ 1,722	\$ 3,445
Earnings per share from continuing operations attributable to common shareowners									
Basic earnings per share	\$ 0.74	\$ 0.88	\$ 1.62				\$ 1.16	\$ 1.16	\$ 2.32
Diluted earnings per share	\$ 0.74	\$ 0.88	\$ 1.61				\$ 1.15	\$ 1.16	\$ 2.31
Weighted average number of shares outstanding (millions)									
Basic shares	1,486.8	1,479.2	1,482.9				1,486.8	1,479.2	1,482.9
Diluted shares	1,497.9	1,489.6	1,493.7				1,497.9	1,489.6	1,493.7

1: For the full non-GAAP reconciliation of our segment sales and operating profit, refer to slides 23 - 27. For the full reconciliation of our non-operating results, net income and EPS refer to slide 28.

Raytheon Technologies: Reconciliation of GAAP to Adjusted Collins Aerospace Systems

(\$ millions)

	(Unaudited)			(Unaudited)				
	2022			2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Collins Aerospace Systems								
Net sales	\$ 4,824	\$ 5,011	\$ 9,835	\$ 4,370	\$ 4,545	\$ 4,592	\$ 4,942	\$ 18,449
Adjusted net sales	\$ 4,824	\$ 5,011	\$ 9,835	\$ 4,370	\$ 4,545	\$ 4,592	\$ 4,942	\$ 18,449
Operating profit	\$ 440	\$ 546	\$ 986	\$ 314	\$ 506	\$ 478	\$ 461	\$ 1,759
Restructuring	(3)	(2)	(5)	(18)	(12)	(2)	(8)	(40)
Impairment charges and reserve adjustments related to Russia sanctions	(141)	-	(141)	-	-	-	-	-
Charges associated with disposition of businesses	-	(69)	(69)	-	-	-	-	-
Adjusted operating profit	\$ 584	\$ 617	\$ 1,201	\$ 332	\$ 518	\$ 480	\$ 469	\$ 1,799
Adjusted operating profit margin	12.1%	12.3%	12.2%	7.6%	11.4%	10.5%	9.5%	9.8%
Total Net Sales Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments	\$ (144)	\$ (71)	\$ (215)	\$ (18)	\$ (12)	\$ (2)	\$ (8)	\$ (40)

Raytheon Technologies: Reconciliation of GAAP to Adjusted Pratt & Whitney

(\$ millions)

	(Unaudited) 2022			(Unaudited) 2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
	Pratt & Whitney							
Net sales	\$ 4,529	\$ 4,969	\$ 9,498	\$ 4,030	\$ 4,280	\$ 4,725	\$ 5,115	\$ 18,150
Adjusted net sales	\$ 4,529	\$ 4,969	\$ 9,498	\$ 4,030	\$ 4,280	\$ 4,725	\$ 5,115	\$ 18,150
Operating profit	\$ 151	\$ 302	\$ 453	\$ 20	\$ 112	\$ 187	\$ 135	\$ 454
Restructuring	(2)	(1)	(3)	(20)	16	(2)	(1)	(7)
Impairment charges and reserve adjustments related to Russia sanctions	(155)	-	(155)	-	-	-	-	-
Litigation accrual	-	-	-	-	-	-	(26)	(26)
Adjusted operating profit	\$ 308	\$ 303	\$ 611	\$ 40	\$ 96	\$ 189	\$ 162	\$ 487
Adjusted operating profit margin	6.8%	6.1%	6.4%	1.0%	2.2%	4.0%	3.2%	2.7%
Total Net Sales Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments	\$ (157)	\$ (1)	\$ (158)	\$ (20)	\$ 16	\$ (2)	\$ (27)	\$ (33)

Raytheon Technologies: Reconciliation of GAAP to Adjusted

Raytheon Intelligence & Space

(\$ millions)

	(Unaudited)			(Unaudited)				
	2022			2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Raytheon Intelligence & Space								
Net sales	\$ 3,572	\$ 3,570	\$ 7,142	\$ 3,765	\$ 3,805	\$ 3,740	\$ 3,870	\$ 15,180
Adjusted net sales	\$ 3,572	\$ 3,570	\$ 7,142	\$ 3,765	\$ 3,805	\$ 3,740	\$ 3,870	\$ 15,180
Operating profit	\$ 378	\$ 315	\$ 693	\$ 388	\$ 415	\$ 391	\$ 639	\$ 1,833
Gain on sale of business	-	-	-	-	-	-	239	239
Adjusted operating profit	\$ 378	\$ 315	\$ 693	\$ 388	\$ 415	\$ 391	\$ 400	\$ 1,594
Operating profit margin	10.6%	8.8%	9.7%	10.3%	10.9%	10.5%	10.3%	10.5%
Total Net Sales Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239	\$ 239

Raytheon Technologies: Reconciliation of GAAP to Adjusted

Raytheon Missiles & Defense

(\$ millions)

	(Unaudited)			(Unaudited)				
	2022			2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Raytheon Missiles & Defense								
Net sales	\$ 3,527	\$ 3,558	\$ 7,085	\$ 3,793	\$ 3,985	\$ 3,902	\$ 3,859	\$ 15,539
Adjusted net sales	\$ 3,527	\$ 3,558	\$ 7,085	\$ 3,793	\$ 3,985	\$ 3,902	\$ 3,859	\$ 15,539
Operating profit	\$ 387	\$ 348	\$ 735	\$ 496	\$ 532	\$ 490	\$ 486	\$ 2,004
Adjusted operating profit	\$ 387	\$ 348	\$ 735	\$ 496	\$ 532	\$ 490	\$ 486	\$ 2,004
Adjusted operating profit margin	11.0%	9.8%	10.4%	13.1%	13.4%	12.6%	12.6%	12.9%
Total Net Sales Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

(\$ millions)

	(Unaudited)			(Unaudited)				
	2022			2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Eliminations and other								
Net sales	\$ (736)	\$ (794)	\$ (1,530)	\$ (707)	\$ (735)	\$ (746)	\$ (742)	\$ (2,930)
Operating loss	\$ (34)	\$ (47)	\$ (81)	\$ (31)	\$ (40)	\$ (27)	\$ (35)	\$ (133)
Impairment charges and reserve adjustments related to the Russia sanctions	6	-	6	-	-	-	-	-
Adjusted operating loss	\$ (40)	\$ (47)	\$ (87)	\$ (31)	\$ (40)	\$ (27)	\$ (35)	\$ (133)
Corporate and other unallocated items								
Operating loss	\$ (136)	\$ (42)	\$ (178)	\$ (81)	\$ (149)	\$ (89)	\$ (233)	\$ (552)
Restructuring	(39)	(9)	(48)	(5)	(60)	(15)	(16)	(96)
Litigation accrual	-	-	-	-	-	-	(147)	(147)
Costs associated with the separation of the commercial businesses	-	-	-	(8)	-	-	-	(8)
Transaction and integration costs associated with the Raytheon Merger	-	-	-	(17)	-	-	-	(17)
Adjusted operating loss	\$ (97)	\$ (33)	\$ (130)	\$ (51)	\$ (89)	\$ (74)	\$ (70)	\$ (284)
FAS/CAS Operating Adjustment								
Operating profit	\$ 378	\$ 379	\$ 757	\$ 423	\$ 425	\$ 499	\$ 449	\$ 1,796
Acquisition Accounting Adjustments								
Operating loss	\$ (484)	\$ (448)	\$ (932)	\$ (516)	\$ (519)	\$ (586)	\$ (582)	\$ (2,203)
Acquisition accounting adjustments	(484)	(448)	(932)	(516)	(519)	(586)	(582)	(2,203)
Adjusted operating profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments - Eliminations and other	\$ 6	\$ -	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Profit Adjustments - Corporate and other unallocated items	\$ (39)	\$ (9)	\$ (48)	\$ (30)	\$ (60)	\$ (15)	\$ (163)	\$ (268)
Total Operating Profit Adjustments - Acquisition accounting adjustments	\$ (484)	\$ (448)	\$ (932)	\$ (516)	\$ (519)	\$ (586)	\$ (582)	\$ (2,203)

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

(\$ millions)

	(Unaudited) 2022			(Unaudited) 2021				
	Q1 2022	Q2 2022	Q2 YTD 2022	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
<i>Income (Expense)</i>								
Income from continuing operations attributable to common shareowners	\$ 1,103	\$ 1,304	\$ 2,407	\$ 772	\$ 1,040	\$ 1,400	\$ 685	\$ 3,897
Total Restructuring included in Operating Profit	(44)	(12)	(56)	(43)	(56)	(19)	(25)	(143)
Total Acquisition accounting adjustments	(484)	(448)	(932)	(516)	(519)	(586)	(582)	(2,203)
Total Significant non-recurring and non-operational items included in Operating Profit ⁽¹⁾	(290)	(69)	(359)	(25)	-	-	66	41
Debt extinguishment costs	-	-	-	-	-	(32)	(617)	(649)
<i>Significant non-recurring and non-operational items included in non-service pension income</i>								
Non-service pension income	\$ 480	\$ 474	\$ 954	\$ 491	\$ 490	\$ 491	\$ 472	\$ 1,944
Pension curtailment / settlement	-	-	-	-	-	-	(29)	(29)
Pension curtailment / settlement related to the sale of businesses	-	-	-	-	-	-	12	12
Non-service pension restructuring	5	-	5	-	-	-	-	-
Adjusted non-service pension income	\$ 475	\$ 474	\$ 949	\$ 491	\$ 490	\$ 491	\$ 489	\$ 1,961
<i>Significant non-recurring and non-operational items included in Income Tax Expense</i>								
Income tax expense	\$ (116)	\$ (160)	\$ (276)	\$ (345)	\$ (342)	\$ (3)	\$ (96)	\$ (786)
Tax effect of restructuring and significant non-recurring and non-operational items above	182	111	293	134	123	141	137	535
Tax impact from UK rate change	-	-	-	-	(73)	-	-	(73)
Tax impact from business disposals	-	-	-	(148)	-	-	104	(44)
Revaluation of certain international tax incentives	-	-	-	-	-	-	51	51
Revaluation of deferred taxes related to Raytheon merger	-	-	-	-	-	-	(30)	(30)
Adjusted income tax expense	\$ (298)	\$ (271)	\$ (569)	\$ (331)	\$ (392)	\$ (144)	\$ (358)	\$ (1,225)
<i>Significant non-recurring and non-operational items included in Noncontrolling Interest</i>								
Noncontrolling interest in subsidiaries' earnings	\$ 23	\$ 34	\$ 57	\$ 41	\$ 48	\$ 73	\$ 86	\$ 248
Adjustments to noncontrolling interest	(11)	-	(11)	-	-	-	16	16
Adjusted Noncontrolling interest in subsidiaries' earnings	\$ 34	\$ 34	\$ 68	\$ 41	\$ 48	\$ 73	\$ 70	\$ 232
Less: Impact on net income attributable to common shareowners	(620)	(418)	(1,038)	(598)	(525)	(496)	(929)	(2,548)
Adjusted net income from continuing operations attributable to common shareowners	\$ 1,723	\$ 1,722	\$ 3,445	\$ 1,370	\$ 1,565	\$ 1,896	\$ 1,614	\$ 6,445
Diluted Earnings Per Share	\$ 0.74	\$ 0.88	\$ 1.61	\$ 0.51	\$ 0.69	\$ 0.93	\$ 0.46	\$ 2.58
Impact on Diluted Earnings Per Share	(0.41)	(0.28)	(0.70)	(0.39)	(0.34)	(0.33)	(0.62)	(1.69)
Adjusted Diluted Earnings Per Share	\$ 1.15	\$ 1.16	\$ 2.31	\$ 0.90	\$ 1.03	\$ 1.26	\$ 1.08	\$ 4.27
Total Non-service pension income adjustments	\$ 5	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ (17)	\$ (17)
Total Income tax adjustments	\$ 182	\$ 111	\$ 293	\$ (14)	\$ 50	\$ 141	\$ 262	\$ 439

1: Refer to slides 23 - 27 for individual operating profit adjustments.