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News release

Raytheon Canada chosen to supply APG-73 Radar Test Bench to Canada's Air Force

OTTAWA, Ontario, (Jan. 3, 2006) – Raytheon Canada, a wholly owned subsidiary of Raytheon Company (NYSE: RTN), has been selected by the Department of National Defence (DND) to provide an enhanced APG-73 Test Bench capability to the Canadian Air Force. The contract is valued at C\$12.4 million (\$10.5 million USD).

"This is an example of what we like to call 'reachback'," said Ron Guidinger, vice president of Raytheon Canada Limited. "Through partnership with our U.S. parent, in this case its Space and Airborne Systems business (SAS), we are able to leverage our global strengths in technology to respond to our customer's needs while providing solutions that enhance performance."

SAS will be working in concert with Raytheon Canada employees to design and build this specialized equipment for the Canadian military. Once complete, it will be housed at the company's Calgary site, significantly expanding that facility's airborne radar capability and establishing in-country depot level support for this evolving Air Force program. The Test Bench will enable diagnostic testing of the radar, which is located in the nose of the CF-18 aircraft. It will also permit target simulation and generation, troubleshooting, technical investigations, and the provision of software and engineering support. For the past 13 years, Raytheon Canada has provided similar support to the APG-65 radar program.

Investing domestically since the 1950s, Raytheon Canada employs 1400 people at seven sites across the country, serving the defence, security and aerospace sectors with a broad range of high technology products and services.

Raytheon Company, with 2004 sales of \$20.2 billion, is an industry leader in defence and government electronics, space, information technology, technical services, and business and special mission aircraft. With headquarters in Waltham, Mass., Raytheon employs 80,000 people worldwide.