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## News Release

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### **Raytheon Aerospace Divested to Veritas Capital**

MADISON, Miss. (June 21, 2001) -- Raytheon Company (NYSE: RTN) announced today it has divested a majority interest in Raytheon Aerospace Company to Veritas Capital Inc. The new company will be called Raytheon Aerospace LLC, with Veritas acquiring 73.5 percent ownership of the business while Raytheon retains 26.5 percent. The parties first announced the intended divestiture in April, 2001.

Raytheon Aerospace LLC oversees and manages more than 1,600 aircraft and other equipment at 281 sites worldwide, providing contract maintenance and training support for military, government and commercial customers. Raytheon Aerospace LLC has a total of 5,300 employees, with 470 in the Madison, Miss., home office.

New York based Veritas Capital is a private equity investment firm that invests in companies in a broad range of industries, including aerospace, consumer products, defense, electronics, metals, niche manufacturing and telecommunications.

Under the agreement, Raytheon Aerospace president and CEO Dan Grafton and his senior leadership team will continue to manage the business, and the company will remain headquartered in Madison.

“While Raytheon Aerospace is under a different organizational structure, we are the same company, committed to our customers, employees and the communities where we work and live,” says Dan Grafton, Raytheon Aerospace LLC president and CEO. “We look forward to our future under the new stand-alone structure,” he says.

Bob McKeon, president of Veritas Capital said, “The old expression, ‘if it ain’t broke, don’t fix it’ certainly applies to Raytheon Aerospace LLC and we are very excited about our new partnership with the company and its people.

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Our goal is to have the company achieve \$1 billion in sales by 2005 and we believe the prospects of achieving this level of revenue are excellent.” McKeon added that Veritas does not intend to make any changes in management, employment or location. “Our sole task is to provide the company with the encouragement and resources to achieve the goals that we mutually agree on. We believe this is the dawn of an exciting new time for the company and look forward to sharing it with our new partners,” he said.