RAYTHEON CO/ Form 10-Q October 23, 2008 Table of Contents

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, D.C. 20549** 

## **FORM 10-Q**

X	QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
	ACT OF 1934
For t	he quarterly period ended September 28, 2008.

	TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
	ACT OF 1934
For t	he transition period from to

Commission File Number 1-13699

### **RAYTHEON COMPANY**

(Exact name of registrant as specified in its charter)

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**Delaware** (State or other jurisdiction of

95-1778500 (I.R.S. Employer

incorporation or organization)

**Identification No.)** 

870 Winter Street, Waltham, Massachusetts 02451

(Address of principal executive offices) (Zip Code)

(781) 522-3000

(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x Non-accelerated filer "(Do not check if a smaller reporting company) Accelerated filer "
Smaller reporting company "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes "No x

Number of shares of common stock outstanding as of October 17, 2008 was 414,067,000.

#### RAYTHEON COMPANY

#### TABLE OF CONTENTS

PART I FI	NANCIAL INFORMATION	Page
Item 1.	Consolidated Financial Statements	
	Consolidated Balance Sheets at September 28, 2008 (Unaudited) and December 31, 2007	4
	Consolidated Statements of Operations for the Three and Nine Months Ended September 28, 2008 and September 23, 2007 (Unaudited)	5
	Consolidated Statements of Cash Flows for the Nine Months Ended September 28, 2008 and September 23, 2007 (Unaudited)	6
	Notes to Consolidated Financial Statements (Unaudited)	7
	Report of Independent Registered Public Accounting Firm	18
Item 2.	Management s Discussion and Analysis of Financial Condition and Results of Operations	19
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	31
Item 4.	Controls and Procedures	32
PART II O	THER INFORMATION	
Item 1.	<u>Legal Proceedings</u>	33
Item 1A.	Risk Factors	33
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	34
Item 6.	<u>Exhibits</u>	34
Signatures		35

#### **Cautionary Note Regarding Forward-Looking Statements**

This Form 10-Q contains forward-looking statements including information regarding our 2008 and 2009 financial outlook, future plans, objectives, business prospects and anticipated financial performance. You can identify these statements by the fact that they include words such as will, believe, anticipate, expect, estimate, intend, plan, outlook or variations of these words or similar expressions. These forward statements are not statements of historical facts and represent only our current expectations regarding such matters. These statements inherently involve a wide range of known and unknown uncertainties. Our actual actions and results could differ materially from what is expressed or implied by these statements. Factors that could cause such a difference include, but are not limited to, those set forth under Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2007 and other important factors disclosed previously and from time to time in our other filings with the Securities and Exchange Commission (SEC). Given these factors, as well as other variables that may affect our operating results, you should not rely on forward-looking statements, assume that past financial performance will be a reliable indicator of future performance nor use historical trends to anticipate results or trends in future periods. We expressly disclaim any obligation or intention to provide updates to the forward-looking statements and the estimates and assumptions associated with them.

#### PART I. FINANCIAL INFORMATION

# $\begin{array}{ll} \textbf{ITEM 1.} & \textbf{CONSOLIDATED FINANCIAL STATEMENTS} \\ \textbf{RAYTHEON COMPANY} \end{array}$

#### CONSOLIDATED BALANCE SHEETS

(In millions, except per share amounts) ASSETS		(Unaudited) Sept. 28, 2008		Dec. 31, 2007	
Current assets					
Cash and cash equivalents	\$	2,761	\$	2,655	
Accounts receivable, net		120		126	
Contracts in process		4,366		3,821	
Inventories		356		386	
Deferred taxes		452		432	
Prepaid expenses and other current assets		113		196	
Total current assets		8,168		7,616	
Property, plant and equipment, net of accumulated depreciation of \$3,545 and \$3,420 at September 28, 2008 and December 31, 2007, respectively		1,990		2,058	
Prepaid retiree benefits		668		617	
Goodwill		11,667		11,627	
Other assets, net		1,273		1.363	
Total assets	\$	23,766	\$	23,281	
LIABILITIES AND STOCKHOLDERS EQUITY		,		,	
Current liabilities					
Advance payments and billings in excess of costs incurred	\$	1,850	\$	1,845	
Accounts payable		1,196		1,141	
Accrued employee compensation		838		902	
Other accrued expenses		1,175		900	
Total current liabilities		5,059		4,788	
Accrued retiree benefits and other long-term liabilities		2,959		3,016	
Deferred taxes		515		451	
Long-term debt		2,273		2,268	
Commitments and contingencies (Note 9)					
Minority interest		253		216	
Stockholders equity					
Common stock, par value \$0.01 per share, 1,450 shares authorized, 414 and 426 shares outstanding at September 28, 2008 and December 31, 2007, respectively, after deducting 67 and 49 treasury shares at					
September 28, 2008 and December 31, 2007, respectively		4		4	
Additional paid-in capital		10,838		10,544	
Accumulated other comprehensive loss		(1,900)		(1,956)	
Treasury stock, at cost		(3,571)		(2,502)	
Retained earnings		7,336		6,452	
Total stockholders equity		12,707		12,542	
Total liabilities and stockholders equity  The accompanying notes are an integral part of the consolidated financial statements.	\$	23,766	\$	23,281	
The accompanying notes are an integral part of the consolitated infancial statements.					

#### RAYTHEON COMPANY

#### CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended		Nine Months Ended			
(In millions, except per share amounts)	Sept. 28, 2008	Sept	. 23, 2007	Sept. 28, 2008	Sept	t. 23, 2007
Net sales	\$ 5,864	\$	5,219	\$ 17,088	\$	15,301
Operating expenses						
Cost of sales	4,674		4,150	13,603		12,200
Administrative and selling expenses	380		355	1,156		1,042
Research and development expenses	130		142	379		377
Total operating expenses	5,184		4,647	15,138		13,619
Operating income	680		572	1,950		1,682
Interest expense	29		41	97		155
Interest income	(16)		(42)	(56)		(127)
Other expense, net	18		9	21		68
Non-operating expense, net	31		8	62		96
Income from continuing operations before taxes	649		564	1,888		1,586
Federal and foreign income taxes	222		184	635		527
Income from continuing operations	427		380	1,253		1,059
Operating income (loss) from discontinued operations, net of tax			(81)	(2)		(65)
Gain on sale of discontinued operation, net of tax						986
Income (loss) from discontinued operations, net of tax			(81)	(2)		921
Net income	\$ 427	\$	299	\$ 1,251	\$	1,980
Earnings per share from continuing operations						
Basic	\$ 1.04	\$	0.88	\$ 3.03	\$	2.43
Diluted	\$ 1.01	\$	0.86	\$ 2.93	\$	2.36
Earnings (loss) per share from discontinued operations						
Basic	\$	\$	(0.19)	\$ (0.01)	\$	2.11
Diluted	\$	\$	(0.18)	\$ (0.01)	\$	2.06
Earnings per share						
Basic	\$ 1.04	\$	0.69	\$ 3.02	\$	4.54
Diluted	\$ 1.01	\$	0.68	\$ 2.93	\$	4.42

The accompanying notes are an integral part of the consolidated financial statements.

#### RAYTHEON COMPANY

#### CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

thm millions from operating activities         Sept. 28, 200%         Cash flows from operating activities           Net income         \$ 1,251         \$ 1,980         2 (921)           Income from continuing operations         1,253         1,059           Adjustments to reconcile to net cash provided by operating activities from continuing operations, net of the effect of acquisitions and divestitures         5         2 (21)           Depreciation and amortization         288         275         212           Deferred income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         50         47           Changes in assets and liabilities         3         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Inventories         36         (264)         (695)           Income taxes payable         52         (695)         (695)           Income taxes payable accurrent assets and incompany accurating activities from continuing operations         1,51         2,38           Net cash used in operating activities from		Nine Months Ended	
Net income         \$ 1,251         \$ 1,980           Loss (income) from disontinued operations, net of tax         2         (921)           Income from continuing operations         1,253         1,059           Adjustments to reconcile to net cash provided by operating activities from continuing operations, net of the effect of acquisitions and divestitures         288         275           Deferred income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         (50)         477           Changes in assets and liabilities         3         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         53         64           Income taxes payable         53         64           Accrued employee compensation         (67)         2           Accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from cont		Sept. 28, 2008	Sept. 23, 2007
Loss (income) from discontinued operations, net of tax         2         (921)           Income from continuing operations         1,253         1,059           Adjustments to reconcile to net eash provided by operating activities from continuing operations, net of the effect of acquisitions and divestitures         ***           Depreciation and amortization         288         2.75           Deferred income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         (50)         (477           Changes in assets and liabilities         3         27           Accounts receivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (700)         (70         2           Prepaid expenses and other current assets         16         (8)         6           Accounts payable         24         (695)         6           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)         2           Pension and other, net         121         (38)         8           Net cash provided by ope			
Income from continuing operations         1,253         1,059           Adjustments to reconcile to net cash provided by operating activities from continuing operations, net of the effect of acquisitions and divestitures         The preciation and amortization         288         275           Deferred income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         (50)         477           Changes in assets and liabilities         (3)         27           Accounts receivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         70           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         26         (695)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Rension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,51         265           Cash lows from investing activities from discontinued operations		. ,	
Adjustments to reconcile to net cash provided by operating activities from continuing operations, net of the effect of acquisitions and divestitures         Tested to acquisitions and divestitures         288         275           Defered income taxes         52         212           Collection of financing receivables         (50)         (47)           Tax benefit from stock-based awards         (50)         (47)           Changes in assets and liabilities         3         27           Accounts receivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         264         (695)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         (21)         (43)           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by		2	
Depreciation and amortization   288   275   212   212   215   212   215   212   215   212   215   215   212   215   21	Income from continuing operations	1,253	1,059
Depreciation and amortization         288         275           Defered income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         (50)         (47)           Changes in assets and liabilities         3         72           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         264         (695)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         (21)         (43)           Net cash from investing activities         (21)         (43)           Respenditures for property, plant and equipment			
Deferred income taxes         52         212           Collection of financing receivables         46         71           Tax benefit from stock-based awards         50         (47)           Changes in assets and liabilities         Temporary of the process and advance payments and billings in excess of costs incurred         (487)         (468)           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (488)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         667         2           Income taxes payable         667         2           Income taxes payable         667         2           Income taxes payable         12         (76)           Persion and other, net         12         (76)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         12         (76)           Set cash provided by operating activities from continuing operations         1,571         265           Cash flows from investing activities from discontinued operati			
Collection of financing receivables         46         71           Tax benefit from stock-based awards         (50)         (47           Changes in assets and liabilities         Tax benefit from stock-based awards         (3)         27           Accounts receivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         667         2           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         (21)         (43)           Net cash provided by operating activities from discontinued operations         (160)         (260)<			275
Tax benefit from stock-based awards         (50)         (47)           Changes in assets and liabilities         3         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         (67)         2           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         (21)         (43)           Net cash provided by operating activities         (21)         (43)           Net cash provided by operating activities         (51)         (45)           Expenditures for property, plant and equipment         (167)         (160)           Proceeds from sales of property, plant and equipment         (58)         (51)	Deferred income taxes	52	212
Changes in assets and liabilities         Countracceivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred liventories         (487)         (468)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         (67)         2           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         (1,67)         (160)           Cash flows from investing activities         (167)         (160)           Expenditures for property, plant and equipment         (167)         (160)           Proceeds from sales of property, plant and equipment         (58)         (51)           Payment for purchases of acqu	Collection of financing receivables	46	71
Accounts receivable, net         (3)         27           Contracts in process and advance payments and billings in excess of costs incurred         (487)         (488)           Inventories         34         (70)           Prepaid expenses and other current assets         76         (8)           Accounts payable         264         (695)           Income taxes payable         (67)         2           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         1,571         265           Expenditures for property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)           Proceeds from sales of property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)	Tax benefit from stock-based awards	(50)	(47)
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Prepaid expenses and other current assets         76         (8)           Accounts payable         53         64           Income taxes payable         264         (695)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash used in operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         (167)         (160)           Proceeds from sales of property, plant and equipment         7         5           Expenditures for property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)           Payment for purchases of acquired companies, net of cash received         (54)         (54)           Proceeds from sale of discontinued operations, net         9         3,117           Other, net         (50)         (50)         (50)           Net cash (used in) provided by investing activities from discontinued operations <t< td=""><td>Contracts in process and advance payments and billings in excess of costs incurred</td><td>(487)</td><td>(468)</td></t<>	Contracts in process and advance payments and billings in excess of costs incurred	(487)	(468)
Accounts payable         53         64           Income taxes payable         264         (695)           Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash provided by operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         2         1           Expenditures for property, plant and equipment         (167)         (160)           Proceeds from sales of property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)           Payment for purchases of acquired companies, net of cash received         (54)         7           Proceeds from sale of discontinued operations, net         9         3,117           Other, net         (5)         (5)           Net cash (used in) provided by investing activities from continuing operations         (263)         2,806           Net cash provided by (used in) investing activities from discontinued operati		34	(70)
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Accrued employee compensation         (67)         2           Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash used in operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         (167)         (160)           Expenditures for property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)           Payment for purchases of acquired companies, net of cash received         (54)         (54)           Proceeds from sale of discontinued operations, net         9         3,117           Other, net         (5)         (5)           Net cash (used in) provided by investing activities from continuing operations         (263)         2,906           Net cash provided by (used in) investing activities from discontinued operations         (263)         2,877           Cash flows from financing activities         (34)         (331)           Dividends paid         (344)         (331)           Decrease in short-ter	Accounts payable	53	64
Other accrued expenses         12         (76)           Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash used in operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities         Expenditures for property, plant and equipment         (167)         (160)           Proceeds from sales of property, plant and equipment         7         5           Capitalized expenditures for internal use software         (58)         (51)           Payment for purchases of acquired companies, net of cash received         (54)           Proceeds from sale of discontinued operations, net         9         3,117           Other, net         (5)         (5)           Net cash (used in) provided by investing activities from continuing operations         (263)         2,906           Net cash (used in) provided by investing activities from discontinued operations         (263)         2,877           Cash flows from financing activities         (263)         2,877           Dividends paid         (344)         (331)           Decrease in short-term debt and other notes         (1)	Income taxes payable	264	(695)
Pension and other, net         121         (38)           Net cash provided by operating activities from continuing operations         1,592         308           Net cash used in operating activities from discontinued operations         (21)         (43)           Net cash provided by operating activities         1,571         265           Cash flows from investing activities	Accrued employee compensation	(67)	2
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Net cash used in operating activities from discontinued operations(21)(43)Net cash provided by operating activities1,571265Cash flows from investing activitiesExpenditures for property, plant and equipment(167)(160)Proceeds from sales of property, plant and equipment75Capitalized expenditures for internal use software(58)(51)Payment for purchases of acquired companies, net of cash received93,117Other, net0ther, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(29)Net cash (used in) provided by investing activities(29)Net cash flows from financing activities(263)2,877Cash flows from financing activities(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1)	Pension and other, net	121	(38)
Net cash provided by operating activities1,571265Cash flows from investing activities265Expenditures for property, plant and equipment(167)(160)Proceeds from sales of property, plant and equipment75Capitalized expenditures for internal use software(58)(51)Payment for purchases of acquired companies, net of cash received(54)Proceeds from sale of discontinued operations, net93,117Other, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(263)2,877Cash flows from financing activities(263)2,877Cash flows from financing activities(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Net cash provided by operating activities from continuing operations	1,592	308
Cash flows from investing activities(167)(160)Expenditures for property, plant and equipment75Proceeds from sales of property, plant and equipment75Capitalized expenditures for internal use software(58)(51)Payment for purchases of acquired companies, net of cash received(54)Proceeds from sale of discontinued operations, net93,117Other, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(29)Net cash (used in) provided by investing activities(263)2,877Cash flows from financing activities(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Net cash used in operating activities from discontinued operations	(21)	(43)
Expenditures for property, plant and equipment(167)(160)Proceeds from sales of property, plant and equipment75Capitalized expenditures for internal use software(58)(51)Payment for purchases of acquired companies, net of cash received(54)Proceeds from sale of discontinued operations, net93,117Other, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(263)2,877Cash flows from financing activities(263)2,877Cash flows from financing activities(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Net cash provided by operating activities	1,571	265
Proceeds from sales of property, plant and equipment 7 5 Capitalized expenditures for internal use software (58) (51) Payment for purchases of acquired companies, net of cash received (54) Proceeds from sale of discontinued operations, net 9 3,117 Other, net 9 3,117 Other, net (5) Net cash (used in) provided by investing activities from continuing operations (263) 2,906 Net cash provided by (used in) investing activities from discontinued operations (29) Net cash (used in) provided by investing activities from discontinued operations (263) 2,877 Cash flows from financing activities Dividends paid (344) (331) Decrease in short-term debt and other notes (1) Repayments of long-term debt (1,605)	Cash flows from investing activities		
Capitalized expenditures for internal use software(58)(51)Payment for purchases of acquired companies, net of cash received(54)Proceeds from sale of discontinued operations, net93,117Other, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(263)2,877Cash flows from financing activities(263)2,877Cash flows from financing activities(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Expenditures for property, plant and equipment	(167)	(160)
Payment for purchases of acquired companies, net of cash received Proceeds from sale of discontinued operations, net Other, net  Net cash (used in) provided by investing activities from continuing operations Net cash provided by (used in) investing activities from discontinued operations Net cash (used in) provided by investing activities from discontinued operations Net cash (used in) provided by investing activities  Cash flows from financing activities Dividends paid Oecrease in short-term debt and other notes Repayments of long-term debt  (1)  (54)  (263) (263) (263) (29) (263) (287) (29) (344) (331) (331) (344) (331) (351)	Proceeds from sales of property, plant and equipment	7	5
Proceeds from sale of discontinued operations, net  Other, net  Net cash (used in) provided by investing activities from continuing operations  Net cash provided by (used in) investing activities from discontinued operations  Net cash (used in) provided by investing activities from discontinued operations  Net cash (used in) provided by investing activities  Cash flows from financing activities  Dividends paid  Decrease in short-term debt and other notes  Repayments of long-term debt  (1,605)	Capitalized expenditures for internal use software	(58)	(51)
Other, net(5)Net cash (used in) provided by investing activities from continuing operations(263)2,906Net cash provided by (used in) investing activities from discontinued operations(29)Net cash (used in) provided by investing activities(263)2,877Cash flows from financing activities(344)(331)Dividends paid(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Payment for purchases of acquired companies, net of cash received	(54)	
Net cash (used in) provided by investing activities from continuing operations  Net cash provided by (used in) investing activities from discontinued operations  Net cash (used in) provided by investing activities  Net cash (used in) provided by investing activities  Cash flows from financing activities  Dividends paid  Decrease in short-term debt and other notes  Repayments of long-term debt  (1,605)	Proceeds from sale of discontinued operations, net	9	3,117
Net cash provided by (used in) investing activities from discontinued operations  Net cash (used in) provided by investing activities  Cash flows from financing activities  Dividends paid  Decrease in short-term debt and other notes  Repayments of long-term debt  (29)  (263)  (287)  (344)  (331)  (31)  (31)  (31)	Other, net		(5)
Net cash (used in) provided by investing activities (263) 2,877  Cash flows from financing activities  Dividends paid (344) (331)  Decrease in short-term debt and other notes (1)  Repayments of long-term debt (1,605)	Net cash (used in) provided by investing activities from continuing operations	(263)	2,906
Cash flows from financing activities(344)(331)Dividends paid(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Net cash provided by (used in) investing activities from discontinued operations		(29)
Cash flows from financing activities(344)(331)Dividends paid(344)(331)Decrease in short-term debt and other notes(1)Repayments of long-term debt(1,605)	Net cash (used in) provided by investing activities	(263)	2,877
Dividends paid (344) (331) Decrease in short-term debt and other notes (1) Repayments of long-term debt (1,605)	Cash flows from financing activities		
Repayments of long-term debt (1,605)		(344)	(331)
Repayments of long-term debt (1,605)			(1)
	Repayments of long-term debt		(1,605)
		(1,020	