

TEXTRON

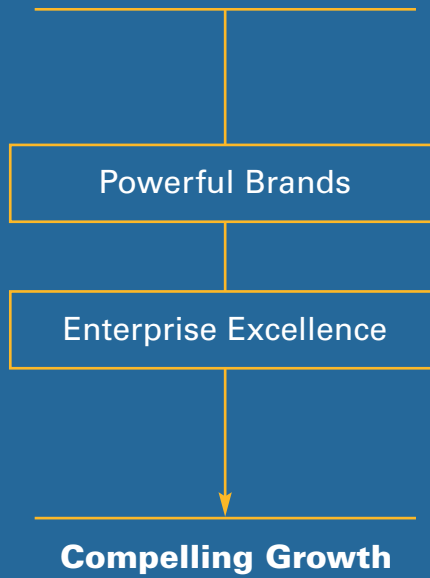


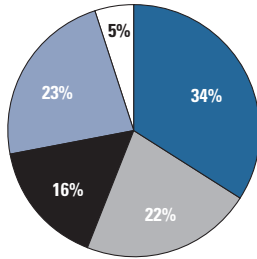
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Textron is a \$13 billion global, multi-industry company focused on delivering inspired solutions to our customers and compelling growth and value to our shareholders. In the Aircraft, Automotive, Fastening Systems, Industrial Products and Finance industries, customers around the world know us for our powerful brands such as Bell Helicopter, Cessna Aircraft, Kautex, Lycoming, E-Z-GO and Greenlee, among others. Our market-leading companies are redefining industries and generating compelling growth and profitability through a steadfast commitment to enterprise excellence.

Fast Facts

Percent of 2000 Revenues



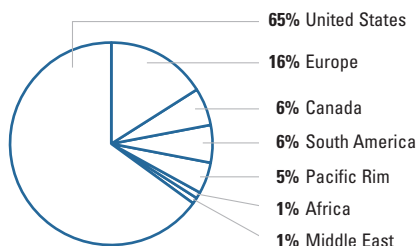
Total Revenues: **\$13.1 Billion**

Textron Segments

- **34% Aircraft**
Commercial and military helicopters, tiltrotor aircraft, business jets, single-engine piston aircraft and utility turboprops.
- **22% Automotive**
Interior and exterior trim, cockpit systems, fuel systems and functional components.
- **16% Fastening Systems**
Specialized fastening products and systems for automotive, commercial and industrial markets.
- **23% Industrial Products**
Fluid and power systems, golf, turf-care and specialty products, light construction equipment, electrical tools and testing technologies, defense systems and industrial components.
- **5% Finance**
Diversified commercial financing.

- ▶ Over the past eight years, earnings per share from continuing operations before special charges grew at a compound annual growth rate of 25 percent.
- ▶ Textron's total return to shareholders grew at a compound annual growth rate of 16 percent over the last ten years.
- ▶ Return on invested capital (ROIC) improved 50 basis points over 1999.
- ▶ Segment profit margin improved 70 basis points over 1999.
- ▶ 2000 Fortune 500 ranking: 154
- ▶ Number of employees: 71,000 – 31 percent are non-U.S. based.
- ▶ Number of countries with manufacturing operations: 31

Geographic Revenue by Destination



(Dollars in millions except per share data)

	2000	1999	Change
Operating Results			
Revenues ¹	\$13,090	\$11,854	10%
International revenues, as a % of total revenues	35%	36%	–
Segment profit ²	\$ 1,410	\$ 1,201	17%
Income from continuing operations	\$ 277	\$ 623	(56)%
Total debt – Textron Manufacturing Operations	\$ 2,084	\$ 1,767	18%
Shareholders' equity	\$ 3,994	\$ 4,377	(9)%
Common Share Data			
Diluted earnings per share from continuing operations before special charges ²	\$ 4.65	\$ 4.05	15%
Diluted earnings per share from continuing operations	\$ 1.90	\$ 4.05	(53)%
Dividends per share	\$ 1.30	\$ 1.30	–
Diluted average common shares outstanding (000's)	146,150	153,754	(5)%

Key Performance Metrics

Return on invested capital (ROIC) ³	13.1%	12.6%	–
Return on average shareholders' equity ⁴	15.6%	13.9%	–
Free cash flow	\$ 463	\$ 499	(7)%
Free cash flow from manufacturing operations	\$ 385	\$ 479	(20)%
Debt to total capital – Textron Manufacturing Operations ⁴	32%	27%	–

Credit Ratings

	Senior Long-Term	Short-Term Commercial Paper
S&P	A	A – 1
Moody's	A2	P – 1
Fitch	A	F – 1

¹ During 2000, Textron reclassified certain items in its income statement and restated revenues and costs for prior periods. A substantial portion of the reclassifications related to the implementation of EITF 99-19 "Reporting Revenue Gross as a Principal vs. Net as an Agent", whereby used aircraft sales are now reported as revenues versus previously they were netted against costs. Prior periods were also restated.

² 2000 excludes special charges of (a) a goodwill write-off of \$349 million, (b) a write-down of e-business investments of \$117 million, and (c) accruable restructuring expense of \$16 million and asset impairment write-downs of \$1 million associated with closing and consolidating manufacturing facilities in the Automotive and Industrial Products segments.

³ ROIC is calculated before special charges; ROIC in 1999 reflects the redeployment of \$2.9 billion in capital from the divestiture of AFS.

⁴ 1999 reflects increased equity and reduced leverage from the gain on the sale of AFS.

Delivering Compelling Growth

Textron is committed to achieving compelling growth – long-term sustainable growth that makes Textron an attractive investment, a preferred business partner, a producer of innovative products and a company where talented people want to work.

To achieve compelling growth, Textron will build on its already strong financial performance by creating a simpler, more focused portfolio of market-leading “power” brands and businesses. This reinvigorated portfolio will be recognized for its substantial brand equity as measured by performance criteria such as market share, competitive differentiation and margins.

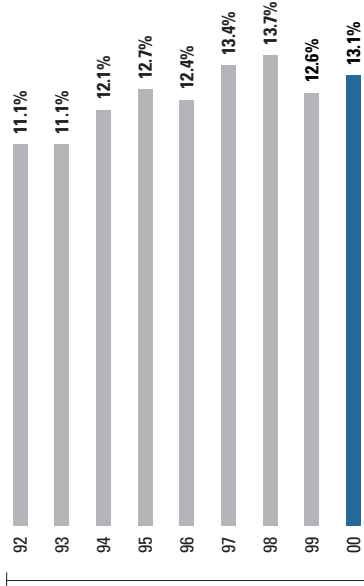
Textron will also leverage the potential of the enterprise to create value. A greater emphasis will be given to cross-company areas such as e-business, supply chain management and shared services. These enterprise-wide efforts will foster organic growth, while dramatically reducing costs.

Key Financial Performance

Return on Invested Capital (ROIC) is Textron’s primary financial measure of growth and value for shareholders.

Performance

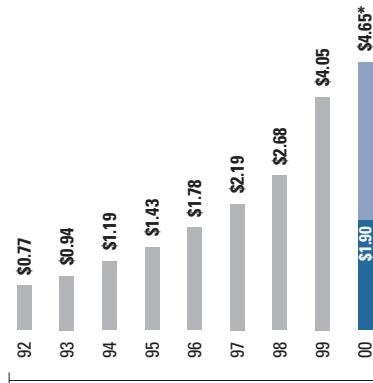
In 2000, Textron improved ROIC by 50 basis points to 13.1%.



Earnings Per Share from Continuing Operations

Performance

2000 diluted earnings per share before special charges improved 15%, marking eleven consecutive years of earnings growth.



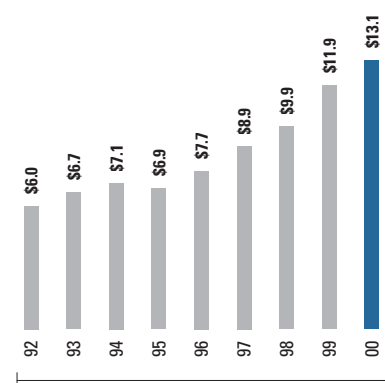
*Excludes \$483 million of pre-tax special charges related to restructuring activities and asset impairment write-downs.

Revenue from Continuing Operations*

(Dollars in billions)

Performance

2000 revenues increased by 10%, marking the fifth year of double-digit revenue growth.

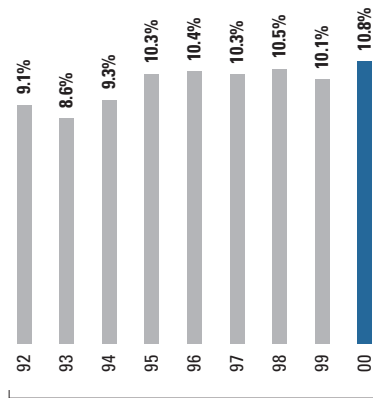


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Segment Profit Margin

Performance

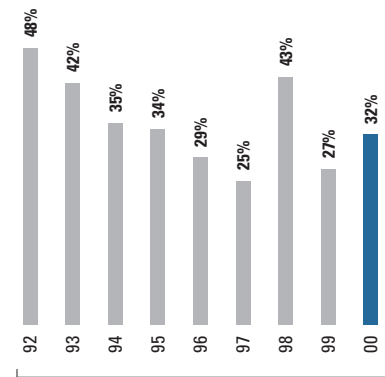
2000 segment profit margin improved by 70 basis points to 10.8%.



Debt to Capital

Performance

Textron’s strong balance sheet offers the flexibility to fund growth initiatives, including new product development and acquisitions and to fund share repurchase. The Company’s target range is 30-35%.



Return on Invested Capital is our compass as we build a company whose **powerful brands and enterprise excellence drive compelling growth**.

CREATING POWERFUL BRANDS

- ▶ **Build upon existing brand equity:** Using established brand leadership to grow faster than the average market growth, increase the value of Textron products and move into related new markets.
- ▶ **Simplify the portfolio:** Managing market-leading global brands that hold first or second positions in attractive markets.
- ▶ **Focus on “profit adding” versus “profit sustaining” investments:** Investing in higher growth, higher return businesses, with an emphasis on well-branded companies that are leaders in their respective market niches.
- ▶ **Invigorate brand builders:** Giving employees the freedom to find new revenue streams, develop out-of-the-box ideas and bring a passion for excellence in everything Textron does.

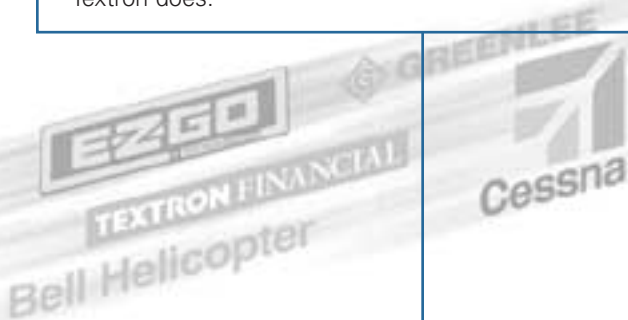
ACHIEVING ENTERPRISE EXCELLENCE

- ▶ **Focus on Supply Chain Management:** Reducing material costs through strategic sourcing that leverages the “power of the whole” versus the “sum of the parts.”
- ▶ **Maximize e-business strategies:** Building strategic Internet alliances to increase productivity and reduce costs.
- ▶ **Introduce shared services:** Identifying and investing in those areas of expertise where consolidation across the enterprise makes sense.
- ▶ **Strengthen acquisition integration:** Moving quickly to generate value from synergies across the enterprise.
- ▶ **Textron Quality Management:** Continuing to drive the basic principles of Textron Quality Management (TQM). TQM is the institutionalization of professional controls and disciplines in every process and function at Textron – from administration to engineering to manufacturing.

DELIVERING COMPELLING GROWTH

Delivering compelling growth means meeting the following financial goals:

- ▶ ROIC – 400 basis points above Textron’s weighted average cost of capital
- ▶ Organic revenue growth of approximately 5 percent annually
- ▶ Segment profit margins of 13 percent or more by 2005
- ▶ Earnings per share growth averaging 10 percent per year
- ▶ Debt to capital ratio of 30 percent to 35 percent



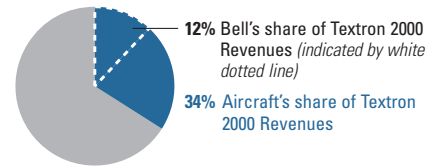
AIRCRAFT

▶ Bell Helicopter



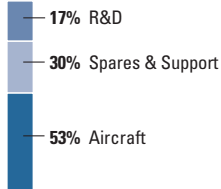
A leading international supplier of vertical takeoff and landing aircraft for the commercial and military markets.

Objective: Maintain and strengthen global leadership positions through the introduction of new, market-driven products and technologies and continued improvement in operating efficiency.

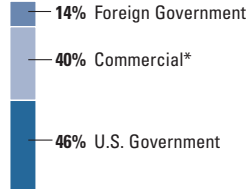


Sales

By Product/Service

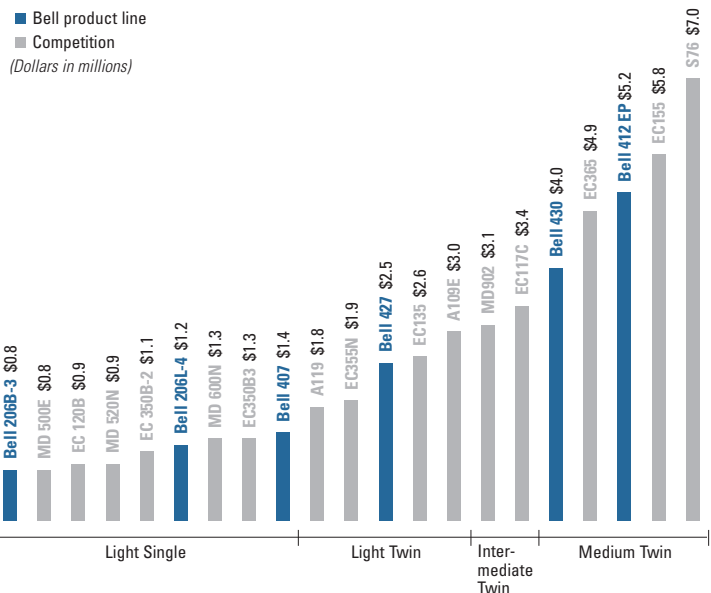


By Customer



*Commercial markets include: Civil government 29%, Corporate 42% and Operator 29%.

Commercial Product Price Points



Major Products

Description	First Delivery	Seating Capacity (Including Pilots)	Useful Load (lbs)	Cruising Speed (kts)	Maximum Range (nm)
Light					
206B-3 Jet Ranger	1977	5	1,498	115	374
206L4 Long Ranger	1992	7	2,141	110	324
407	1996	7	2,383	133	330
427	2000	8	2,250	140	385
Intermediate					
430	1996	9-10	3,992	139	353
Medium					
412 EP	1981	15	5,062	122	356
AB139	2002	17	5,500	156	400
Military					
OH-58D Kiowa Warrior	1986	2	2,200	114	213
AH-1W Super Cobra	1986	2	4,084	132	320
TH-67 Trainer	1993	3	1,400	116	365
UH-1Y	2005	12	6,935	142	350
AH-1Z	2005	2	6,200	143	370
Tiltrotor					
Bell Boeing V-22 Osprey	1999	27	20,000	275	1,200
BA609	2004	11	5,500	275	750

CREATING POWERFUL BRANDS

- ▶ Strengthening global market leadership in commercial and military helicopters and tiltrotor aircraft through:
 - Superior quality, reliability, value and customer support; and
 - Innovative, market-driven products and technologies.
- ▶ Achieving highest resale value and lowest maintenance and operating costs in respective helicopter classes.
- ▶ Strengthening international presence and aftermarket spares and support business through worldwide distribution and service networks.
- ▶ Building partnership agreements, strategic alliances and making selective acquisitions.

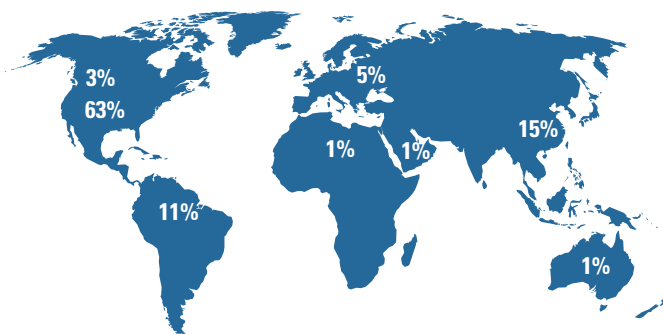
ACHIEVING ENTERPRISE EXCELLENCE

- ▶ Restructuring supply chain through e-business technology to reduce material costs and drive efficiencies in logistics support network.
- ▶ Establishing joint ventures and partnerships to expand markets, broaden customer base and increase manufacturing capacity.
- ▶ **Textron Quality Management:** (1) Improve margins through process improvements, introduction of Continuous Flow Manufacturing and outsourcing of non-core production; (2) Strengthen profitability, lower investment, increase growth and improve customer satisfaction by realigning into business units and Manufacturing Centers of Excellence.

Global Diversification

- ▶ Non-U.S. revenues account for 37% of total revenues.
- ▶ Over 22,000 Bell aircraft are flying in over 130 countries. Over half of the helicopters in the world carry the Bell name.
- ▶ Service network of more than 170 strategically located customer support facilities worldwide.
- ▶ Bell has approximately 8,000 employees, of which 19% are non-U.S. based.
- ▶ Manufacturing facilities in Ft. Worth and Amarillo, Texas; Bristol, Tennessee; Stockton, California; and Mirabel, Canada.

Geographic Revenue by Destination



Key Data

(Dollars in millions)	2000	1999	1998	1997	1996	1995	1994	1993	1992
Bell Helicopter:									
Revenue ¹	\$1,580	\$1,547	\$1,431	\$1,568	\$1,539	\$1,570	\$1,393	\$1,180	\$ 915
Bell commercial units shipped: ²									
Light	108	102	144	186	162	111	86	92	139
Intermediate/Medium	32	48	49	47	50	48	45	41	27
Backlog	\$1,516	\$1,987	\$1,871	\$1,909	\$2,168	\$1,973	\$2,395	\$1,837	\$1,922
Total Aircraft:³									
Revenue ¹	\$4,394	\$4,019	\$3,380	\$3,217	\$2,774	\$2,532	\$2,309	\$2,124	\$1,609
Segment profit	\$ 451	\$ 362	\$ 338	\$ 313	\$ 261	\$ 237	\$ 194	\$ 172	\$ 128
Segment profit margin	10.3%	9.0%	10.0%	9.7%	9.4%	9.4%	8.4%	8.1%	8.0%
Total assets	\$2,551	\$2,348	\$2,199	\$1,941	\$1,856	\$1,739	\$1,636	\$1,658	\$1,676
Capital expenditures	\$ 154	\$ 164	\$ 140	\$ 107	\$ 116	\$ 74	\$ 78	\$ 67	\$ 56
Depreciation	\$ 105	\$ 97	\$ 82	\$ 70	\$ 54	\$ 49	\$ 48	\$ 46	\$ 36
Amortization	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11	\$ 11	\$ 10
ROIC	18.4%	15.1%	15.0%	15.0%	14.3%	13.9%	12.2%	10.3%	8.4%

¹ During 2000, Textron reclassified certain items in its income statement and restated revenues and costs for prior periods. A substantial portion of the reclassifications related to the implementation of EITF 99-19 "Reporting Revenue Gross as a Principal vs. Net as an Agent," whereby used aircraft sales are now reported as revenues versus previously they were netted against costs. Prior periods were also restated.

² Does not include units shipped to foreign governments or units produced under licensing agreements.

³ Includes Bell Helicopter and Cessna Aircraft.

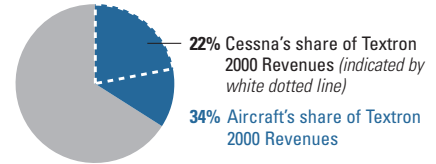
AIRCRAFT

► Cessna Aircraft



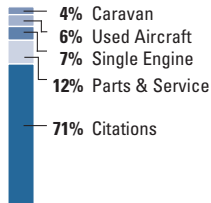
The world's largest manufacturer of light- and mid-size business jets, utility turboprops and single-engine piston aircraft.

Objective: Maintain and strengthen global leadership positions through the introduction of new, customer-driven products, services and technologies and continued improvement in operating efficiency.

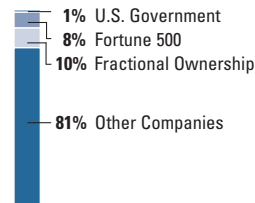


Sales

By Product/Service

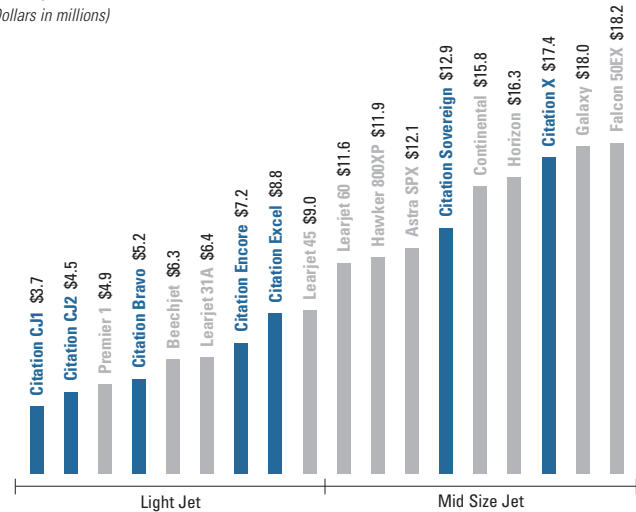


By Customer

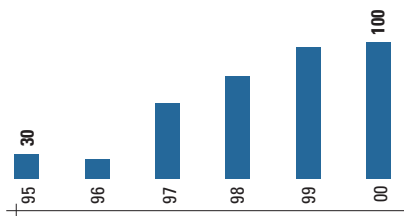


Product Price Points – Business Jets

■ Citation product line
■ Competition
(Dollars in millions)



Fractional Ownership Market



Since 1995, jets delivered to the fractional jet ownership market have grown from 30 units in 1995 to 100 units in 2000.

(New turbine aircraft shipments – units)

Major Products

	Description	First Delivery	Seating Capacity (Including Pilots)	Cruising Speed (kts)	Maximum Range (nm)
Business Jets					
Citation CJ1	Lowest-priced, entry-level business jet and successor to CitationJet with new technology and additional utility.	2000	7	381	1,475
Citation CJ2	Larger, faster version of CJ1.	2000	8	410	1,724
Citation Bravo	Provides jet performance at the cost of a turboprop.	1997	10	402	2,000
Citation Encore	Upgrade for Ultra providing improved mission flexibility, ground handling and maintainability.	2000	10	427	1,970
Citation Excel	The world's first and only light jet with stand-up cabin.	1998	10	430	2,080
Citation Sovereign	The largest cabin of any traditional mid-size jet and great versatility.	2004	12	444	2,820
Citation X	The world's fastest business jet. Winner of the 1996 Robert J. Collier Trophy for aeronautical excellence.	1996	11	525	3,430
Caravan Utility Turboprops					
208 & 208B	Single-engine turboprop utility aircraft capable of carrying cargo loads and/or passengers.	1985	Cargo to 14	163–184	855–960
Single Engine					
Skyhawk (172 & 172SP)	The world's most popular flight training aircraft.	1997/98	4	122–124	518–580
182 Skylane (182 & T182)	Acknowledged as the best all-around four-place single in general aviation.	1997	4	144–170	820
Stationair (206 & T206)	Known worldwide for exceptional load carrying capability and short field performance.	1998	6	142–164	713–730

CREATING POWERFUL BRANDS

- ▶ Strengthening global market leadership in the light- and mid-size business jet, utility turboprop and single-engine piston aircraft markets through:
 - Innovative, customer-driven products, services and technologies;
 - High quality, reliable aircraft; and
 - Broad product line and best value aircraft.
- ▶ Growing record backlog for its products – Citation backlog is at a level more than three times the company's annual business jet delivery rate.
- ▶ Expanding penetration of the fractional ownership market through CitationShares joint venture.

ACHIEVING ENTERPRISE EXCELLENCE

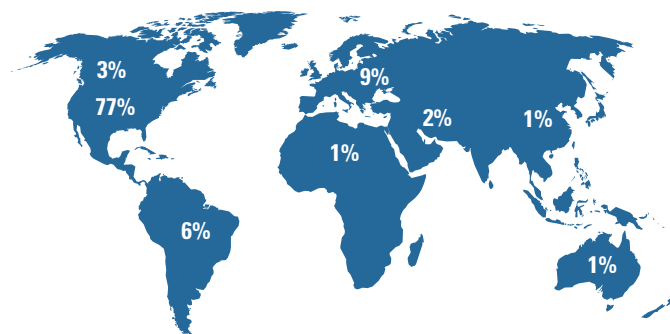
- ▶ Achieving world-class financial performance – improving ROIC by leveraging revenue growth and improving operating efficiencies.
- ▶ Expanding outstanding customer support through further growth of the parts and service business, including web-enabled programs.
- ▶ **Textron Quality Management:** (1) Improve productivity, reduce costs and improve asset management by focusing on Lean Enterprise; (2) Improve operational efficiencies, lower cycle times and increase quality through expanded training programs, Supply Chain Management and Six Sigma initiatives; (3) Implement process-based management guided by Malcolm Baldrige criteria; (4) Develop and implement e-business strategy; (5) Align the organization around Cessna 2020 as a long-term strategic framework.

Global Diversification

- ▶ Non-U.S. revenues account for 23% of total revenues.
- ▶ Cessna Citations are operated in more than 61 countries, representing the largest fleet of business jets in the world.
- ▶ In its 73-year history, Cessna has delivered over 182,000 aircraft including 148,000 single-engine airplanes, 1,200 Caravans, 2,000 military jets and over 3,200 Citation business jets. Cessna delivered its 3,256 business jet in 2000 – 22% more than its closest competitor.
- ▶ Cessna has 13,000 employees worldwide.
- ▶ Company-owned Citation Service Centers are strategically located at nine major airports across the United States and at Le Bourget Airport, Paris, France. Authorized Citation Service Centers are located in more than 15 countries.

- ▶ Manufacturing facilities in Wichita and Independence, Kansas; Dayton, Ohio and Columbus, Georgia.

Geographic Revenue by Destination



Key Data

(Dollars in millions)	2000	1999	1998	1997	1996	1995	1994	1993	1992
Cessna Aircraft:									
Revenue ¹	\$ 2,814	\$2,472	\$1,949	\$1,649	\$1,235	\$ 962	\$ 916	\$ 944	\$ 694 ²
Total Cessna units shipped:									
Business Jets	254	224	200	180	127	114	121	116	99
Caravans	92	87	102	78	107	87	51	57	41
Single engine	912	899	775	360	–	–	–	–	–
Backlog	\$6,599³	\$5,333	\$4,043	\$2,846	\$1,612	\$1,511	\$1,393	\$ 808	\$ 855
Total Aircraft:⁴									
Revenue ¹	\$ 4,394	\$4,019	\$3,380	\$3,217	\$2,774	\$2,532	\$2,309	\$2,124	\$1,609
Segment profit	\$ 451	\$ 362	\$ 338	\$ 313	\$ 261	\$ 237	\$ 194	\$ 172	\$ 128
Segment profit margin	10.3%	9.0%	10.0%	9.7%	9.4%	9.4%	8.4%	8.1%	8.0%
Total assets	\$ 2,551	\$2,348	\$2,199	\$1,941	\$1,856	\$1,739	\$1,636	\$1,658	\$1,676
Capital expenditures	\$ 154	\$ 164	\$ 140	\$ 107	\$ 116	\$ 74	\$ 78	\$ 67	\$ 56
Depreciation	\$ 105	\$ 97	\$ 82	\$ 70	\$ 54	\$ 49	\$ 48	\$ 46	\$ 36
Amortization	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11	\$ 11	\$ 10
ROIC	18.4%	15.1%	15.0%	15.0%	14.3%	13.9%	12.2%	10.3%	8.4%

¹ During 2000, Textron reclassified certain items in its income statement and restated revenues and costs for prior periods. A substantial portion of the reclassifications related to the implementation of EITF 99-19 "Reporting Revenue Gross as a Principal vs. Net as an Agent," whereby used aircraft sales are now reported as revenues versus previously they were netted against costs. Prior periods were also restated.

² Represents 10 months of revenue as Cessna Aircraft was acquired on February 28, 1992.

³ Including CitationShares backlog in 2000 of \$221 million.

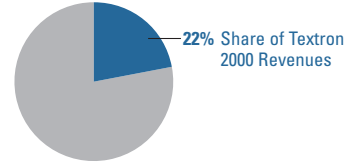
⁴ Includes Bell Helicopter and Cessna Aircraft.

AUTOMOTIVE

A leading full-service supplier of automotive interior and exterior trim, fuel systems and functional components.

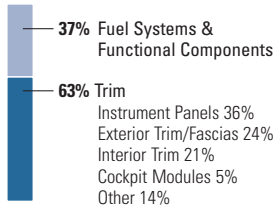


Objective: Deliver sustained profitable growth and strong returns on invested capital by focusing on select markets, capitalizing on proprietary technology and achieving global balance.

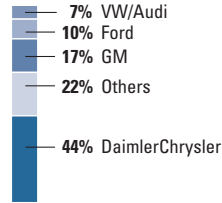


Sales

By Product Line



By Customer



The number of customers served by Textron Automotive has expanded to 25 in 2000 versus 3 in 1994.

Major Platforms/Models

DaimlerChrysler:

Cirrus/Stratus
Dakota/Durango
Jeep Grand Cherokee
LH Series
Mercedes M-class/Atego
Mini-Vans (All Models)
PT Cruiser
Ram Truck
Wrangler

VW/Audi:

Beetle
Golf/Bora
Passat
Polo Classic
Transporter

Ford:

Contour/Mystique/Mondeo
Cougar
Expedition
Focus
Galaxy
Lincoln Town Car
Transit
Villager/Quest

GM:

Cadillac Catera/Seville
Corvette
GMT-800
Grand AM/Alero
Impala/Monte Carlo
Malibu
Mini-Vans (All Models)

BMW:

5 series
Z 08

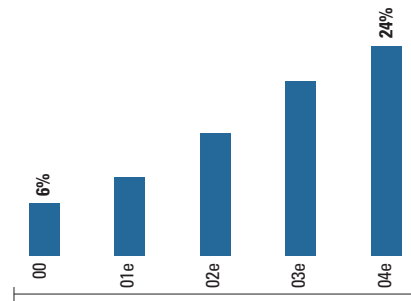
FIAT:

Bravo/Brava
Punto

Others:

Eclipse/Galant
Mitsubishi
Nissan Altima
Toyota Avalon/Camry

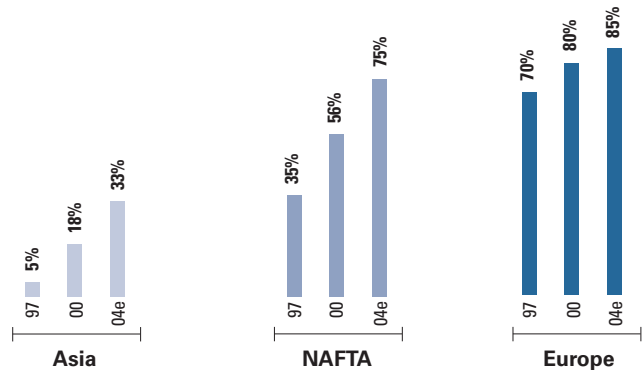
Percent of Vehicles Sourced with Full Cockpit Systems



Trim

Textron Automotive Trim is a leading worldwide supplier of automotive interior and exterior plastic components. Automotive Trim designs, engineers and manufactures instrument panels, cockpit modules, door and interior trim, airbag doors, console assemblies, package trays, painted fascias, moldings, exterior trim and lighting assemblies.

Market Penetration of Plastic Fuel Tanks



Projected growth of plastic fuel tanks is anticipated to grow at a rate beyond the unit growth rate in the automotive market.

Fuel Systems and Functional Components

Kautex Textron is a leading global supplier of plastic fuel tank systems, including plastic and metal fuel filler assemblies. Kautex also supplies automotive windshield and headlamp washing systems, blow-molded ducting, fluid reservoirs, modular fluid management systems and fuel filler assemblies.

CWC Textron manufactures automotive engine camshafts.

CREATING POWERFUL BRANDS

- ▶ Achieving global leadership position in instrument panels, cockpit modules and plastic fuel tanks and systems.
- ▶ Providing innovative systems integration in vehicle cockpits, interiors and fuel systems.
- ▶ Launching proprietary product and process technologies including:
 - Intellimold injection molding process;
 - Cast urethane and PVC instrument panel shells;
 - RITec fan shrouds;
 - Powerwash systems for headlamps; and
 - Multi-layer plastic fuel tanks.

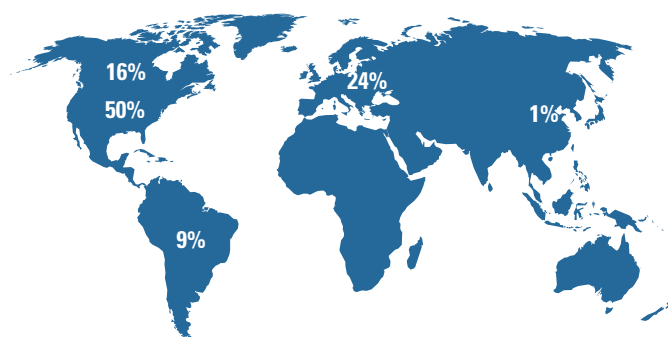
ACHIEVING ENTERPRISE EXCELLENCE

- ▶ Forming “virtual” alliances and partnerships with customers and suppliers that broaden the company’s technology base and systems integration capabilities.
- ▶ Setting standards for quality and innovation. Received more than 60 awards for excellence from major OEMs and from industry groups and publications.
- ▶ **Textron Quality Management:** (1) Achieve margin and ROIC improvement through cost-reduction initiatives including global purchasing, supply chain management, product design and standardization, shared services, business process redesign and lean manufacturing initiatives; (2) Improve product quality through Advanced Product Quality Planning process; (3) Leverage e-business opportunities in procurement, customer and supplier interface and logistics.

Global Diversification

- ▶ Non-U.S. revenues account for 50% of total revenues.
- ▶ Established a presence in South America with the acquisition of Plascar, a major supplier of automotive interior and exterior trim based in Brazil.
- ▶ Textron products can be found on more than 100 car and light-truck vehicle models worldwide.
- ▶ Textron Automotive Company has approximately 19,000 employees, of which 54% are non-U.S. based.
- ▶ 65 manufacturing facilities in 15 countries. These countries account for 62% of the global vehicle production.
- ▶ Countries with manufacturing facilities: Argentina, Belgium, Brazil, Canada, China, Czech Republic, Germany, India, Italy, Mexico, Netherlands, Portugal, Spain, United Kingdom and United States.

Geographic Revenue by Destination



Key Data

(Dollars in millions)

	2000	1999	1998	1997	1996	1995	1994	1993	1992
Automotive:¹									
Revenue	\$2,924	\$2,868	\$2,356	\$2,072	\$1,577	\$1,475	\$1,466	\$1,125	\$ 732
Segment profit	\$ 244	\$ 220	\$ 171	\$ 141	\$ 135	\$ 123	\$ 124	\$ 81	\$ 59
Segment profit margin	8.3%	7.7%	7.3%	6.8%	8.6%	8.3%	8.5%	7.2%	8.1%
Total assets	\$1,738	\$1,800	\$1,627	\$1,463	\$ 981	\$ 827	\$ 813	\$ 634	\$ 373
Capital expenditures	\$ 127	\$ 132	\$ 110	\$ 102	\$ 59	\$ 77	\$ 83	\$ 52	\$ 27
Depreciation	\$ 87	\$ 83	\$ 71	\$ 67	\$ 39	\$ 38	\$ 36	\$ 30	\$ 23
Amortization	\$ 14	\$ 19	\$ 15	\$ 14	\$ 12	\$ 9	\$ 9	\$ 7	\$ 2
ROIC	15.6%	13.6%	10.4%	8.4%	12.7%	11.7%	14.2%	12.5%	12.1%

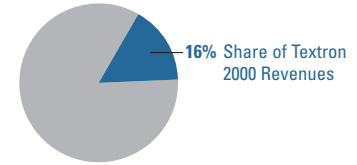
¹ Management responsibility for the Micromatic division previously in the Automotive segment has been transferred to the Industrial Products segment. Prior periods have been restated to reflect these changes.

FASTENING SYSTEMS



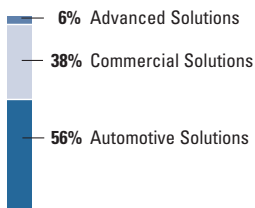
An integrated solutions provider, offering design, engineering, manufacturing and logistics solutions to its customers that improve the overall efficiency of their manufacturing processes. Textron Fastening Systems (TFS) is comprised of three market-focused groups: Automotive Solutions, Commercial Solutions and Advanced Solutions.

Objective: Deliver proprietary products, services and solutions that bring greater value and lower the customer's total system cost.

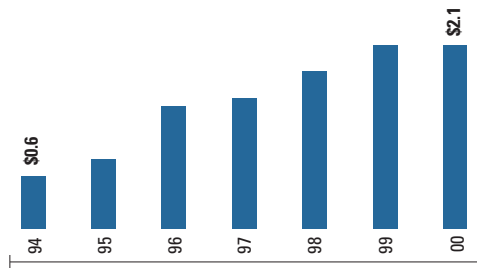


Sales

By Group



Fastening Systems Growth Rate



Since 1994, Textron Fastening Systems' Sales have grown at a Compound Annual Growth Rate (CAGR) of 23%.

(Revenues, dollars in millions)

Group Descriptions



Automotive Solutions

A leading global supplier of engineered fastening systems, components, and assemblies for the automotive market. Major brands include: Avdel, Boesner, Camcar, Cherry, Elco, Oelschläger, PUT, Ring Screw and Sükosim.

Customers include: DaimlerChrysler, Delphi, Ford, General Motors, Mercedes, PSA, Renault, Visteon, Volkswagen and most other tier one and tier two suppliers in the industry worldwide.



Commercial Solutions

A leading global supplier in engineered fastening systems, components, assemblies and automation equipment for the aerospace, construction, electronics, transportation, industrial and consumer goods markets. Also, a vendor-managed inventory supplier of fasteners and other products for a variety of industries. Major brands include: Avdel, Camcar, Cherry and Elco.

Customers include: Airbus, Boeing, Compaq, Freightliner, Harley-Davidson, Hewlett-Packard, IBM, Motorola, Valeo Truck and a number of additional OEM and component suppliers.



Advanced Solutions

A full-service custom injection molding group for plastic and metal engineered assemblies for the telecommunications, automotive, computer/business machines, medical and general consumer industries. Major brands include: InteSys, Advantage and Rego Mold & Tool.

Customers include: 3M, Delphi, Denso, Mitsubishi, Motorola and Nokia.

Textron Fastening Systems – Customer Value Chain

- ▶ Textron Fastening Systems (TFS) partners with its customers to provide value-added products, services and solutions that simplify customers' manufacturing processes, maximize efficiencies and lower total system costs. For example:
 - TFS' Early Supplier Involvement Program offers solutions to customers' design and assembly issues early in the product development stage where the majority of a product's final cost can be impacted.
 - TFS' groundbreaking fastener VMI contract with Ford Motor Company supplies all of the fastening systems needs of Ford's Dagenham (U.K.) and Cologne (Germany) plants.
 - TFS partners with Harley-Davidson to provide engineering solutions that reduce the time to market, improve reliability and lower costs for future models.
- ▶ TFS is well-positioned to capitalize on the trend of manufacturers to outsource non-core operations.

CREATING POWERFUL BRANDS

- ▶ Creating a portfolio of strong, globally recognized brands, including Avdel, Boesner, Camcar, Cherry, Elco, InteSys, Ring Screw and Sükosim.
- ▶ Delivering high value, proprietary products and processes.
- ▶ Establishing outstanding sales and distribution networks.
- ▶ Providing total system solutions dedicated to agility in serving worldwide customer base with uncommon speed, innovation, ingenuity and execution.
- ▶ Establishing global logistics/vendor-managed inventory capabilities across TFS to offer service capabilities as a value-added offering.
- ▶ Applying market segment strategies focusing on high-growth industries and all aspects of the customer value chain.

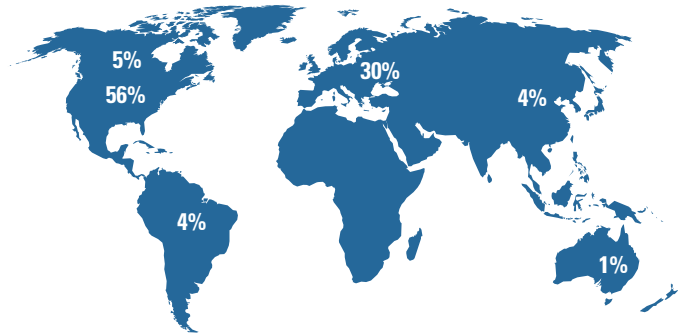
ACHIEVING ENTERPRISE EXCELLENCE

- ▶ Developing supply chain and manufacturing excellence.
- ▶ Streamlining manufacturing operations by consolidating facilities and building strategic alliances.
- ▶ Rationalizing product lines and outsourcing non-core production.
- ▶ Integrating broad scope of core capabilities through teamwork and partnership with customers.
- ▶ Sharing best practices across Automotive, Commercial and Advanced Solutions groups.
- ▶ **Textron Quality Management:** (1) Improve key business processes to drive down costs and improve operational efficiency; (2) Focus product and service technology on innovative new solutions to deliver value to customers; (3) Digitize customer, supplier and operations interfaces to drive efficiency and speed of response across the business.

Global Diversification

- ▶ Non-U.S. revenues account for 44% of total revenues.
- ▶ Textron Fastening Systems has more than 90 operating facilities on 5 continents.
- ▶ Textron Fastening Systems has approximately 15,000 employees, of which 43% are non-U.S. based.
- ▶ Countries with manufacturing facilities: Brazil, Canada, France, Germany, Ireland, Italy, Malaysia, Mexico, South Korea, Taiwan, United Kingdom and United States.

Geographic Revenue by Destination



Key Data

(Dollars in millions)	2000	1999	1998	1997	1996	1995	1994	1993	1992
Total Fastening Systems:¹									
Revenue	\$2,137	\$2,082	\$1,758	\$1,498	\$1,355	\$797	\$635	\$440	\$420
Segment profit	\$ 182	\$ 190	\$ 186	\$ 167	\$ 148	\$101	\$ 86	\$ 45	\$ 40
Segment profit margin	8.5%	9.1%	10.6%	11.1%	10.9%	12.7%	13.5%	10.2%	9.5%
Total assets	\$2,029	\$2,199	\$1,760	\$1,229	\$1,104	\$694	\$106	\$206	\$ 37
Capital expenditures	\$ 113	\$ 103	\$ 113	\$ 72	\$ 61	\$ 37	\$ 26	\$ 16	\$ 14
Depreciation	\$ 85	\$ 80	\$ 70	\$ 52	\$ 48	\$ 24	\$ 19	\$ 13	\$ 13
Amortization	\$ 22	\$ 19	\$ 13	\$ 12	\$ 14	\$ 6	\$ 4	\$ 1	\$ 1
ROIC	6.8%	7.5%	9.2%	10.5%	9.8%	13.0%	15.0%	5.3%	4.6%

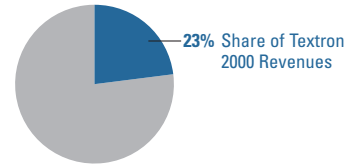
¹ During 2000, Textron reorganized its management reporting structure into five segments, separately reporting the financial results of Fastening Systems and Industrial Products, which previously comprised the Industrial Segment. Prior periods have been restated to reflect these changes.

INDUSTRIAL PRODUCTS

The Industrial Products segment comprises six business groups that manufacture and market engineered products and industrial components worldwide.



Objective: Drive improved ROIC and organic growth by expanding global brand recognition, leveraging technology, expediting acquisition integration and achieving enterprise excellence.



Groups



Textron Golf, Turf & Specialty Products – 28% of segment

With brand names such as E-Z-GO (golf cars); Cushman, Jacobsen, Ransomes and Ryan (golf turf maintenance equipment); and Bob-Cat, Brouwer, Bunton and Steiner (professional lawn care), the Golf, Turf & Specialty Products group offers the world's most comprehensive line of golf and turf-care products for golf courses, resort communities and municipalities, as well as commercial and industrial users such as airports, factories and professional lawn care services. Products include electric-powered and internal combustion-powered golf cars, multi-purpose utility vehicles including trail utility vehicles, professional turf maintenance equipment, lawn care machinery and specialized industrial vehicles.



Textron Fluid and Power Systems – 23% of segment

Comprised of Textron Motion Control, Textron Power Transmission and Textron Fluid Handling Products. Fluid and Power Systems is recognized for its comprehensive range of mechanical power transmission products and is a leading supplier of specialty pumps for the polymer, oil, gas and chemical industries. Includes: AB Benzlers, Cone Drive Textron, David Brown Hydraulics, David Brown Guinard Pumps, David Brown Textron, David Brown Union Pumps, Energy Manufacturing, Maag Pump Systems, Micromatic Textron, Textron Industrial S.p.A. and Williams Machine and Tool.



OmniQuip Textron – 17% of segment

Recognized industry-wide as the market leader in telescopic material handlers, OmniQuip produces light construction equipment for the agricultural, construction, industrial, maintenance, military and utility markets. OmniQuip also manufactures aerial work platforms and compact construction equipment. Includes: LULL, SCAT TRAK, SKY TRAK and SNORKEL.



Textron Systems – 12% of segment

With a niche in technologically advanced systems for defense and aerospace applications, Textron Systems manufactures sensor-based, autonomous, real-time control systems for weapons systems, surveillance and motion control applications as well as specialty marine and land systems. Textron Systems products are also designed for select commercial applications. Includes: Textron Systems, HR Textron and Textron Marine & Land Systems.



Greenlee Textron – 11% of segment

Recognized for reliable solutions and superior technology, Greenlee manufactures products for wire and cable installation and maintenance in residential, commercial and industrial facilities. Greenlee also produces tools and test instruments for the fast-growing Data-Signal-Voice (DSV) market including wire line, fiber optic and information technology networks. Includes: Greenlee, Tempo, Chesilvale, Fairmont, IMAP, Klauke, Progressive and RIFOCS.



Textron Industrial Components – 9% of segment

Comprised of Textron Lycoming and Turbine Engine Components Textron, the Industrial Components group is the world leader in the design, manufacture and overhaul of reciprocating piston aircraft engines for the global general aviation market. Additional products include fan and compressor blades, vanes, shafts, disks, rotors and other rotating components.

CREATING POWERFUL BRANDS

- ▶ Bringing powerful brands such as E-Z-GO, Cushman, Jacobsen, Ransomes, Greenlee and Tempo into new global markets.
- ▶ Leveraging recent acquisitions, such as Tempo to increase Textron's presence in the attractive, high-growth DSV test and measurement market.
- ▶ Bundling in-house financing, strategic relationships and key brands to enhance competitive market position.
- ▶ Enhancing brands through web-enabled services such as product purchasing, online training and automated design and estimation tools.

ACHIEVING ENTERPRISE EXCELLENCE

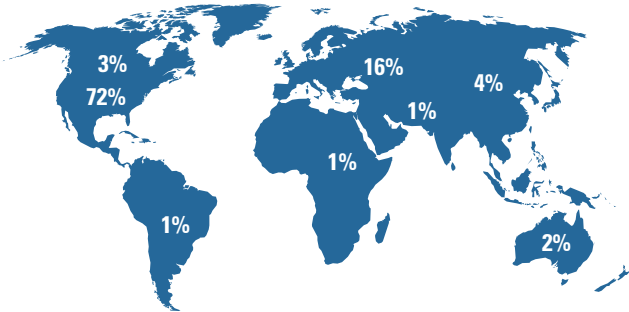
- ▶ Streamlining manufacturing and other business operations by consolidating facilities, rationalizing product lines, outsourcing non-core production and creating centers of excellence at all divisions.
- ▶ Leveraging supply chain efficiencies to reduce direct and indirect materials purchasing costs.
- ▶ **Textron Quality Management:** (1) Achieve operating excellence and growth through innovation and product development; (2) Accelerate integration, improve core processes, establish purchasing initiatives and other productivity improvements.

Global Diversification

- ▶ Non-U.S. revenues account for 28% of total segment revenues. Within each business group, non-U.S. revenues account for the following: Golf, Turf & Specialty Products (26%); Fluid and Power Systems (53%); OmniQuip (6%); Textron Systems (6%); Greenlee (23%); Industrial Components (33%).
- ▶ Textron Industrial Products has 242 operating facilities in 23 countries.
- ▶ Jacobsen equipment can be found on virtually all golf courses worldwide and Ransomes is the recognized leader in municipal turf equipment.
- ▶ Over half the world's golf cars bear the E-Z-GO name.
- ▶ Textron Industrial Products has approximately 15,000 employees, of which 29% are non-U.S. based.

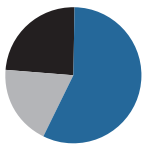
- ▶ Countries with operating facilities: Algeria, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Holland, Indonesia, Italy, Malaysia, New Zealand, Norway, Philippines, Singapore, South Africa, Sweden, Switzerland, Thailand, United Kingdom and United States.

Geographic Revenue by Destination



Textron Industrial Products Participates in these Markets Worldwide

Greenlee's Served DSV Test and Measurement and Electrical Tools Markets



Total Market: **\$6.3 Billion**

57% Copper/Coax

19% Fiber

24% Electrical Installation & Maintenance

Golf, Turf & Specialty Products' Served Vehicle and Equipment Market



Total Market: **\$3.1 Billion**

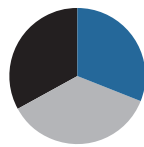
23% Golf Vehicles

29% Golf Turf Care

32% Non-Golf Turf Care

16% Non-Golf Vehicles

Fluid and Power Systems' Served Fluid and Power Market



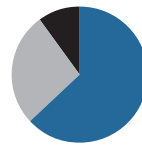
Total Market: **\$84.0 Billion**

31% Fluid Handling

36% Industrial Motion Control

33% Mechanical Power Transmission

Textron Systems' Served Aerospace and Defense Market



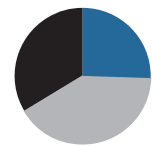
Total Market: **\$11.5 Billion**

63% Domestic Defense and Aerospace

27% International Defense and Aerospace

10% Commercial Aerospace

OmniQuip's Served Light Construction Equipment Market



Total Market: **\$3.4 Billion**

25% Telescopic Material Handlers

40% Aerial Work Platforms

35% Skid Steer Loaders

Key Data

(Dollars in millions)

	2000	1999	1998	1997	1996	1995	1994	1993	1992
Industrial Products:¹									
Revenue	\$2,944	\$2,422	\$2,013	\$1,738	\$1,654	\$1,777	\$2,392	\$2,719	\$2,944
Segment profit	\$ 343	\$ 301	\$ 232	\$ 188	\$ 163	\$ 161	\$ 170	\$ 200	\$ 254
Segment profit margin	11.7%	12.4%	11.5%	10.8%	9.9%	9.1%	7.1%	7.4%	8.6%
Total assets	\$2,728	\$3,003	\$2,176	\$1,419	\$1,390	\$1,718	\$2,016	\$2,263	\$2,607
Capital expenditures	\$ 115	\$ 114	\$ 96	\$ 82	\$ 69	\$ 64	\$ 77	\$ 82	\$ 79
Depreciation	\$ 84	\$ 73	\$ 55	\$ 50	\$ 57	\$ 59	\$ 81	\$ 90	\$ 101
Amortization	\$ 41	\$ 31	\$ 23	\$ 17	\$ 16	\$ 17	\$ 19	\$ 20	\$ 22
ROIC	9.9%	10.5%	11.7%	11.9%	9.2%	8.5%	6.7%	6.8%	8.1%

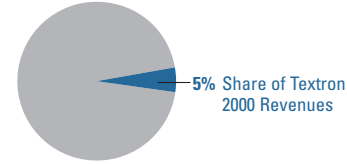
¹ During 2000, Textron reorganized its management reporting structure into five segments, separately reporting the financial results of Fastening Systems and Industrial Products, which previously comprised the Industrial Segment. Management responsibility for the Micromatic division previously in the Automotive segment has been transferred to the Industrial Products segment. Prior periods have been restated to reflect these changes.

FINANCE



Textron Financial is a diversified commercial finance company specializing in term loans and leases primarily for aircraft, equipment and golf finance; revolving credit arrangements; specialty finance; and other services and products including transaction syndication, equipment appraisal and management, portfolio servicing and insurance brokerage.

Objective: Achieve growth by leveraging expertise in existing and new markets while sustaining superior operating performance.



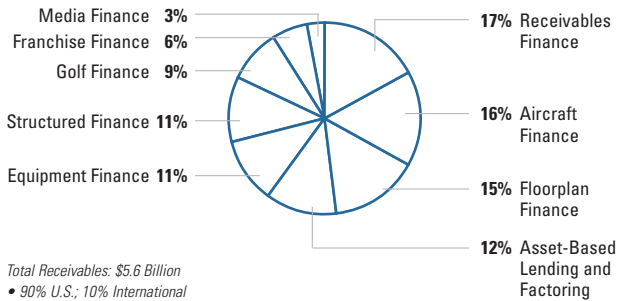
CREATING POWERFUL BRANDS

- ▶ Maintaining well-balanced, diversified commercial finance portfolio, operating in 20 market niches.
- ▶ Bringing market knowledge that is second to none to every lending arrangement.
- ▶ Strengthening market-leading positions in aircraft, resort and golf receivables financing.
- ▶ Leading with a strong management team; Textron Financial's management team has an average of 15 years experience in the industry.

ACHIEVING ENTERPRISE EXCELLENCE

- ▶ Setting industry standards for credit quality.
- ▶ Generating recurring fee-income sources through the development of complementary product offerings, including insurance, lease advisory services and asset management.
- ▶ Fostering creativity and innovation in the workplace.
- ▶ Receiving applications over the Internet; 33% of aircraft finance applications are received through proprietary web sites.
- ▶ **Textron Quality Management:** (1) Maximize operational efficiency through process improvement; (2) Generate cross-financing opportunities among business units; (3) Leverage e-business technologies to create growth opportunities and deliver superior customer service.

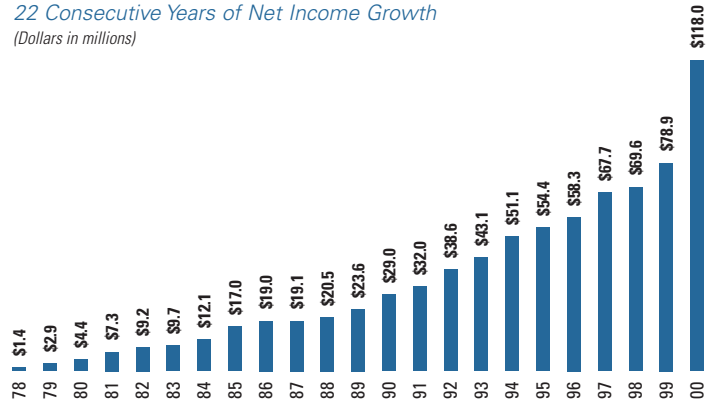
Receivables by Product Line



Total Receivables: \$5.6 Billion
 • 90% U.S.; 10% International
 • Small Business 30%; Middle Markets 29%; Specialty Finance 27%; Structured Capital 14%

Net Income

22 Consecutive Years of Net Income Growth
 (Dollars in millions)



Key Data

(Dollars in millions)

	2000	1999	1998	1997	1996	1995	1994	1993	1992
Finance: ¹									
Receivables	\$5,589	\$5,578	\$3,612	\$3,069	\$3,173	\$2,968	\$2,787	\$2,591	\$2,338
Managed receivables ²	\$7,965	\$6,802	\$4,509	\$3,829	\$3,427	\$3,139	\$2,958	\$2,791	\$2,569
Return on equity	13.1%	14.1%	16.2%	16.8%	14.8%	14.8%	15.0%	13.5%	13.9%
Net interest margin	6.28%	6.27%	6.88%	6.51%	6.15%	5.98%	5.36%	5.54%	5.10%
Operating efficiency	34.1%	35.4%	33.8%	29.3%	27.8%	27.6%	27.0%	26.2%	25.3%
Allowance for losses, % of receivables	2.07%	2.02%	2.32%	2.52%	2.36%	2.52%	2.51%	2.69%	2.79%
Delinquencies ³	1.16%	0.96%	0.87%	0.86%	0.75%	2.52%	0.93%	1.99%	2.44%
Charge-offs, % of average finance receivables	0.65%	0.54%	0.45%	0.64%	0.79%	0.74%	0.90%	1.10%	1.58%
Debt to equity	5.13x	5.24x	5.99x	5.83x	5.93x	5.95x	6.09x	6.20x	6.08x
Textron related receivables, % of total managed receivables	20.7%	21.4%	26.7%	27.2%	26.7%	25.4%	29.8%	26.7%	23.6%
Revenue	\$ 691	\$ 463	\$ 367	\$ 350	\$ 327	\$ 311	\$ 277	\$ 259	\$ 258
Segment profit	\$ 190	\$ 128	\$ 113	\$ 108	\$ 96	\$ 88	\$ 83	\$ 74	\$ 62
Segment profit margin	27.5%	27.6%	30.8%	30.9%	29.4%	28.3%	30.0%	28.6%	24.0%
Total assets	\$6,131	\$5,989	\$3,785	\$3,178	\$3,269	\$3,061	\$2,911	\$2,712	\$2,483
Capital expenditures	\$ 14	\$ 11	\$ 13	\$ 8	\$ 3	\$ 2	\$ 2	\$ 1	\$ 1
Depreciation and Amortization	\$ 32	\$ 19	\$ 13	\$ 11	\$ 11	\$ 13	\$ 13	\$ 13	\$ 11
ROIC	13.0%	13.0%	14.8%	15.6%	13.5%	13.5%	13.9%	13.1%	12.3%

¹ Refer to Textron Financial's Annual Report and 10-K for complete financial information. ² Managed receivables are owned receivables plus receivables serviced under securitizations, participations and third-party portfolio servicing agreements. ³ Percent of total independent and captive non-recourse receivables.

Business Directory

World Headquarters

Textron Inc.

40 Westminster Street
Providence, RI 02903-2596
(401) 421-2800
www.textron.com

Aircraft

Bell Helicopter Textron

P. O. Box 482
Ft. Worth, TX 76101-0482
(817) 280-2011
www.bellhelicopter.textron.com

Cessna Aircraft Company

P. O. Box 7706
Wichita, KS 67277-7706
(316) 517-6000
www.cessna.textron.com

Automotive

Textron Automotive Company

Headquarters
750 Stephenson Highway
Troy, MI 48083
(248) 616-5100
www.tac.textron.com

Kautex Textron

Includes: Kautex Textron and McCord Winn Textron
Kautexstr. 52
53229 Bonn
Germany
011-49-228-4880

CWC Textron

1085 W. Sherman Boulevard
Muskegon, MI 49441
(231) 733-1331

Textron Automotive Trim

750 Stephenson Highway
Troy, MI 48083
(248) 616-5100

Fastening Systems

Headquarters

840 West Long Lake Road
Suite 450
Troy, MI 48098
(248) 879-8660
www.textronfasteningsystems.com

Automotive Solutions

Includes: Avdel, Boesner, BSK, Camcar, Cherry, Elco, Mapri, Oelschläger, PUT, Ring Screw, Sükosim and Textron Industries S.A.
6125 – 18 Mile Road
Sterling Heights, MI 48314
(810) 254-3900

Commercial Solutions

Includes: Avdel, Camcar, Cherry, Elco, Flexalloy, Textron Aerospace Fasteners, Textron Logistics and Tri-Star
2200 Point Boulevard
Suite 104
Elgin, IL 60123
(847) 844-7230

Advanced Solutions

Includes: InteSys, Advantage and Rego Mold & Tool
1300 N. Fiesta Boulevard
Gilbert, AZ 85233
(480) 497-1401

Industrial Products

Textron Golf, Turf & Specialty Products

Includes: Bob-Cat, Brouwer, Bunton, Cushman, E-Z-GO, Jacobsen, Ransomes, Ryan and Steiner
1451 Marvin Griffin Road
Augusta, GA 30906
(706) 798-4311
www.ttccsp.textron.com

Textron Fluid and Power Systems

Textron Fluid Handling Products
Includes: David Brown Guinard Pumps, David Brown Union Pumps and Maag Pump Systems
4600 West Dickman Road
Battle Creek, MI 49015-1098
(616) 966-4600
www.maag.com

Textron Motion Control

Includes: David Brown Hydraulics, Energy Manufacturing, Micromatic Textron and Williams Machine and Tool
25200 West Rye Canyon Road
Santa Clarita, CA 91355
(661) 294-6000
www.energyfmfg.com
www.micromatic.com

Textron Power Transmission

Includes: AB Benzlers, Cone Drive Textron, David Brown Textron and Textron Industrial S.p.A.
Park Road
Lockwood
Huddersfield, HD4 5DD
England
011-44-1-484-465500
www.textronpt.com

Textron Systems

Includes: Textron Systems, HR Textron and Textron Marine & Land Systems
201 Lowell Street
Wilmington, MA 01887
(978) 657-5111
www.systems.textron.com

Greenlee Textron

Includes: Greenlee, Tempo, Chesilvale, Fairmont, IMAF, Klauke, Progressive and RIFOCS
4455 Boeing Drive
Rockford, IL 61109
(815) 397-7070
www.greenlee.textron.com

OmniQuip Textron

Includes: LULL, SCAT TRAK, SKY TRAK and SNORKEL
222 East Main Street
Port Washington, WI 53074
(262) 268-3111
www.omniquip.com

Textron Industrial Components

Textron Lycoming
652 Oliver Street
Williamsport, PA 17701
(570) 323-6181
www.lycoming.textron.com

Turbine Engine Components Textron

1211 Old Albany Road
Thomasville, GA 31792
(912) 228-2600
www.tectforgings.textron.com

Finance

Textron Financial Corporation

40 Westminster Street
Providence, RI 02903
(401) 621-4200
www.tfc.textron.com

Selected Financial Statistics 2000-1992

(Dollars in millions, except where noted and stock-related information)

	2000	1999
Income Statement Data		
Revenues ¹	\$13,090	\$11,854
Segment profit	1,410	1,201
Special charges, net	(483)	1
Gain on sale of division	-	-
Corporate expenses and other, net	(164)	(143)
Interest income	6	27
Interest expense	(158)	(56)
Income taxes	(308)	(381)
Effective tax rate ^{2,3}	50.4%	37.0%
Distribution on preferred securities of subsidiary trust, net of income taxes	(26)	(26)
Income from continuing operations ²	277	623
Earnings per share from continuing operations - diluted ²	1.90	4.05
Balance Sheet Data - Textron Manufacturing		
Cash and cash equivalents	\$ 282	\$ 192
Inventory	1,871	1,859
Receivables	1,318	1,363
Property, plant and equipment, net	2,568	2,484
Intangibles, net	2,340	2,807
Total assets	10,239	10,404
Total debt	2,084	1,767
Total liabilities	6,671	6,412
Preferred securities of subsidiary trust	484	483
Shareholders' equity	3,994	4,377
Cash Flow Items - Textron Manufacturing		
Income from continuing operations	\$ 277	\$ 623
Earnings of Textron Finance (greater than)/less than distributions	(36)	(43)
Depreciation	365	337
Amortization	97	84
Gain on sale of division, net of income taxes	-	-
Special charges, net	483	(1)
Dividends received from discontinued operation	-	-
Cash flow from operations	942	1,007
Capital expenditures	(513)	(521)
Dividends	(189)	(192)
Net change in debt	342	(1,220)
Cash used in acquisitions	(85)	(859)
Capital contributions to Textron Finance	(5)	(353)
Proceeds from the disposition of investments	-	-
Proceeds from sale of businesses	(9)	2,945
Purchases of Textron common stock	(353)	(751)
Total number of shares purchased (in thousands)	6,618	9,779
Average cost per share	53.34	76.80
Free Cash Flow	\$ 463	\$ 499
Free Cash Flow from Manufacturing Operations⁴	\$ 385	\$ 479
Key Ratios		
Return on invested capital ⁵	13.1%	12.6%
Segment profit margin	10.8%	10.1%
Return on equity ⁶	15.6%	13.9%
Return on sales from continuing operations - after tax	2.1%	5.3%
Debt to total capital - Textron Manufacturing ⁶	31.8%	26.6%
S&A % of sales - Consolidated	11.0%	11.1%
Inventory turns	4.9x	4.8x
Ratio of income to fixed charges - Textron Manufacturing	3.21x	9.44x
Stock-Related Information		
Stock price at year-end	\$ 46.50	\$ 76.69
Price/trailing earnings ratio ⁷	10.0x	18.9x
Diluted shares outstanding at year-end (in thousands)	142,889	149,852
Diluted average shares outstanding (in thousands)	146,150	153,754
Dividend payout ratio ⁸	28.0%	32.0%
Dividends declared per share	\$ 1.30	\$ 1.30
Miscellaneous Statistics		
Research and development	\$ 721	\$ 670
Number of employees at year-end	71,000	68,000
Average revenues per employee (000)	\$ 187	\$ 178

¹ During 2000, Textron reclassified certain items in its income statement and restated revenues and costs for prior periods. A substantial portion of the reclassifications related to the implementation of EITF 99-19 "Reporting Revenue Gross as a Principal vs. Net as an Agent," whereby used aircraft sales are now reported as revenues versus previously they were netted against costs. Prior periods were also restated. ² 2000 includes Special charges of (a) goodwill write-off of \$349 million, (b) a write-down of e-business investments of \$117 million and (c) accrual restructuring expense of \$16 million and asset impairment write-downs of \$1 million associated with closing and consolidating manufacturing facilities in the Automotive and Industrial Products segments. Before special charges, 2000 EPS is \$4.65 per share. ³ The effective income tax rate for 2000 was 50.4% primarily due to the impact of the non-tax deductibility of goodwill written off in the fourth quarter. Excluding the impact of special charges, the effective income tax rate was 35.5% for 2000.

	1998	1997	1996	1995	1994	1993	1992
	\$ 9,874	\$ 8,875	\$ 7,687	\$ 6,892	\$ 7,079	\$ 6,667	\$5,963
	1,040	917	803	710	657	572	543
	(87)	-	-	-	-	-	-
	97	-	-	-	-	-	-
	(141)	(152)	(125)	(128)	(101)	(109)	(89)
	-	-	-	-	-	-	-
	(146)	(117)	(138)	(169)	(181)	(208)	(230)
	(294)	(250)	(211)	(165)	(160)	(87)	(87)
	38.5%	38.6%	39.1%	40.0%	42.7%	34.1%	38.8%
	(26)	(26)	(23)	-	-	-	-
	443	372	306	248	215	168	137
	2.68	2.19	1.78	1.43	1.19	0.94	0.77
	\$ 31	\$ 30	\$ 24	\$ 56	\$ 20	\$ 12	\$ 28
	1,640	1,349	1,192	1,284	1,211	1,488	1,648
	1,160	920	882	777	702	695	709
	2,185	1,761	1,454	1,297	1,146	1,150	1,069
	2,119	1,567	1,466	1,344	1,231	1,138	1,048
	9,936	8,152	8,245	8,146	7,412	7,671	7,522
	2,615	1,221	1,507	1,774	1,582	2,025	2,283
	6,928	4,847	4,991	5,116	4,884	5,219	5,342
	483	483	483	-	-	-	-
	2,997	3,228	3,183	3,412	2,882	2,780	2,488
	\$ 443	\$ 372	\$ 306	\$ 248	\$ 215	\$ 168	\$ 137
	(8)	6	(30)	(28)	(26)	(21)	(30)
	282	243	202	175	188	183	177
	66	56	54	46	50	46	39
	(54)	-	-	-	-	-	-
	87	-	-	-	-	-	-
	187	108	95	99	92	71	69
	867	728	576	534	538	584	402
	(462)	(366)	(309)	(256)	(272)	(226)	(198)
	(143)	(202)	(148)	(133)	(124)	(110)	(98)
	1,038	(335)	(369)	150	(451)	(241)	445
	(753)	(364)	(216)	(212)	(9)	(139)	(620)
	(59)	-	-	-	-	-	-
	-	251	6	30	9	-	-
	117	549	180	-	492	175	-
	(712)	(299)	(266)	(100)	(166)	-	-
	10,158	5,140	6,386	3,468	6,692	-	-
	70.09	58.17	41.65	28.84	24.81	-	-
	\$ 491	\$ 436	\$ 349	\$ 318	\$ 274	\$ 396	\$ 225
	\$ 232	\$ 215	\$ 218	\$ 192	\$ 159	\$ 302	\$ 147
	13.7%	13.4%	12.4%	12.7%	12.1%	11.1%	11.1%
	10.5%	10.3%	10.4%	10.3%	9.3%	8.6%	9.1%
	19.6%	17.5%	15.8%	15.5%	15.2%	14.5%	13.7%
	4.5%	4.2%	4.0%	3.6%	3.0%	2.5%	2.3%
	42.9%	24.8%	29.1%	34.2%	35.4%	42.1%	47.9%
	11.2%	10.1%	10.5%	10.5%	10.4%	10.8%	11.8%
	4.6x	4.9x	4.3x	3.9x	3.7x	3.1x	2.9x
	4.59x	4.73x	3.54x	2.89x	2.59x	1.89x	1.69x
	\$ 75.94	\$ 62.63	\$ 46.69	\$ 33.75	\$ 25.19	\$ 29.13	\$22.38
	20.6x	19.0x	16.7x	12.2x	10.5x	13.8x	12.2x
	158,549	167,315	169,745	173,340	174,616	180,509	178,366
	165,374	169,503	171,652	173,252	180,208	179,713	177,087
	35.0%	36.0%	32.0%	33.0%	33.0%	34.0%	32.0%
	\$ 1.14	\$ 1.00	\$ 0.88	\$ 0.78	\$ 0.70	\$ 0.62	\$ 0.56
	\$ 613	\$ 602	\$ 576	\$ 656	\$ 611	\$ 514	\$ 430
	64,000	56,000	49,000	46,000	43,000	46,000	44,000
	\$ 164	\$ 164	\$ 154	\$ 156	\$ 146	\$ 144	\$ 132

⁴ Free cash flow from manufacturing operations is defined as cash provided by Textron's manufacturing operations less manufacturing capital expenditures, corporate expenses, interest expense and income taxes. ⁵ 1998 ROIC is calculated based on an investment in Avco Financial Services (AFS) at historical costs; 1999 ROIC reflects the redeployment of \$2.9 billion in capital from the divestiture of AFS; and 2000 ROIC is calculated before special charges. ⁶ 1996 ROE excludes the impact of loss from discontinued operation; 1998 ROE and debt-to-capital ratio were temporarily inflated by the repurchase of stock prior to the January 1999 closing of the sale of AFS; and 1999 ROE and debt-to-capital ratio reflect increased equity and reduced leverage from the gain on the sale of AFS. ⁷ Calculated ratio for years 1992 through 1995 includes The Paul Revere Company divested in 1997; 1992 through 1998 includes AFS which was reclassified as a discontinued operation in 1998. ⁸ Dividend payout ratio: Dividends declared/trailing reported EPS (before special charges in 2000).

Textron Manufacturing includes all entities of Textron other than its finance subsidiary.

Financial Data 2000-1992

(Dollars in millions, except Common Stock information)

	2000					1999				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Revenues										
Aircraft ¹	\$ 959	\$ 1,013	\$ 1,171	\$ 1,251	\$ 4,394	\$ 860	\$ 937	\$ 955	\$ 1,267	\$ 4,019
Automotive ²	838	761	654	671	2,924	723	746	652	747	2,868
Fastening Systems ²	584	562	504	487	2,137	500	550	497	535	2,082
Industrial Products ²	760	771	695	718	2,944	603	602	539	678	2,422
Finance	152	170	184	185	691	96	104	122	141	463
Total Revenues	\$3,293	\$3,277	\$3,208	\$3,312	\$13,090	\$2,782	\$2,939	\$2,765	\$3,368	\$11,854
Segment Profit										
Aircraft	\$ 78	\$ 107	\$ 127	\$ 139	\$ 451	\$ 67	\$ 75	\$ 91	\$ 129	\$ 362
Automotive	81	69	40	54	244	61	59	37	63	220
Fastening Systems	47	51	47	37	182	56	54	43	37	190
Industrial Products	89	101	70	83	343	67	82	74	78	301
Finance	41	44	49	56	190	26	30	38	34	128
Subtotal	336	372	333	369	1,410	277	300	283	341	1,201
Special charges, net	—	—	—	(483)	(483)	—	(2)	3	—	1
Gain on sale of division	—	—	—	—	—	—	—	—	—	—
Segment Operating Income (Loss)	\$ 336	\$ 372	\$ 333	\$ (114)	\$ 927	\$ 277	\$ 298	\$ 286	\$ 341	\$ 1,202
Segment Margins										
Aircraft	8.1%	10.6%	10.8%	11.1%	10.3%	7.8%	8.0%	9.5%	10.2%	9.0%
Automotive	9.7%	9.1%	6.1%	8.0%	8.3%	8.4%	7.9%	5.7%	8.4%	7.7%
Fastening Systems	8.0%	9.1%	9.3%	7.6%	8.5%	11.2%	9.8%	8.7%	6.9%	9.1%
Industrial Products	11.7%	13.1%	10.1%	11.6%	11.7%	11.1%	13.6%	13.7%	11.5%	12.4%
Finance	27.0%	25.9%	26.6%	30.3%	27.5%	27.1%	28.8%	31.1%	24.1%	27.6%
Segment Profit Margin	10.2%	11.4%	10.4%	11.1%	10.8%	10.0%	10.2%	10.2%	10.1%	10.1%
Corporate expenses and other, net	(46)	(41)	(34)	(43)	(164)	(38)	(35)	(37)	(33)	(143)
Interest income	—	—	—	6	6	16	6	4	1	27
Interest expense	(33)	(41)	(42)	(42)	(158)	(13)	(3)	(11)	(29)	(56)
Income taxes	(93)	(104)	(93)	(18)	(308)	(91)	(97)	(90)	(103)	(381)
Distribution on preferred securities of manufacturing subsidiary trust, net of income taxes	(6)	(7)	(6)	(7)	(26)	(6)	(7)	(6)	(7)	(26)
Income (Loss) from continuing operations	\$ 158	\$ 179	\$ 158	\$ (218)	\$ 277	\$ 145	\$ 162	\$ 146	\$ 170	\$ 623
EPS from continuing operations^{3,4}	\$ 1.06	\$ 1.23	\$ 1.08	\$ (1.53)	\$ 1.90	\$ 0.93	\$ 1.05	\$ 0.95	\$ 1.12	\$ 4.05
Effective income tax rate^{4,5}	36.2%	35.9%	36.2%	(9.3)%	50.4%	37.6%	36.5%	37.2%	36.8%	37.0%
Common Stock Information										
Price range: High	\$ 74.94	\$ 65.56	\$ 60.38	\$ 55.38	\$ 74.94	\$ 81.44	\$ 97.00	\$ 90.50	\$ 77.75	\$ 97.00
Low	\$ 51.50	\$ 53.94	\$ 44.88	\$ 41.44	\$ 41.44	\$ 70.00	\$ 78.31	\$ 74.50	\$ 68.44	\$ 68.44
Dividends declared per share	\$ 0.325	\$ 0.325	\$ 0.325	\$ 0.325	\$ 1.30	\$ 0.325	\$ 0.325	\$ 0.325	\$ 0.325	\$ 1.30
Average shares outstanding (in millions) — diluted	148.8	146.3	145.3	142.0 ⁶	146.2	156.1	154.1	153.4	151.3	153.8
Shares outstanding at year-end (in millions) — diluted					142.8					149.9

¹ During 2000, Textron reclassified certain items in its income statement and restated revenues and costs for prior periods. A substantial portion of the reclassifications related to the implementation of EITF 99-19 "Reporting Revenue Gross as a Principal vs. Net as an Agent," whereby used aircraft sales are now reported as revenues versus previously they were netted against costs. Prior periods were also restated.

² Textron reorganized its management reporting structure into five segments, separately reporting the financial results of Fastening Systems and Industrial Products, which previously comprised the Industrial Segment. Additionally, management responsibility for one division previously in the Automotive segment, has been transferred to the Industrial Products segment. Prior periods have been restated to reflect these changes.

³ The average share base for the fourth quarter 2000 excludes potentially dilutive common shares (convertible preferred stock and stock options). These shares are excluded due to their antidilutive effect resulting from the fourth quarter 2000 loss from continuing operations.

		1998				1997	1996	1995	1994	1993	1992
Q1	Q2	Q3	Q4	Year							
\$ 690	\$ 898	\$ 877	\$ 915	\$3,380	\$3,217	\$2,774	\$2,532	\$2,309	\$2,124	\$1,609	
608	573	522	653	2,356	2,072	1,577	1,475	1,466	1,125	732	
417	441	439	461	1,758	1,498	1,355	797	635	440	420	
486	521	466	540	2,013	1,738	1,654	1,777	2,392	2,719	2,944	
85	91	99	92	367	350	327	311	277	259	258	
\$2,286	\$2,524	\$2,403	\$2,661	\$9,874	\$8,875	\$7,687	\$6,892	\$7,079	\$6,667	\$5,963	
\$ 61	\$ 91	\$ 91	\$ 95	\$ 338	313	\$ 261	\$ 237	\$ 194	\$ 172	\$ 128	
55	41	28	47	171	141	135	123	124	81	59	
48	48	45	45	186	167	148	101	86	45	40	
48	62	59	63	232	188	163	161	170	200	254	
25	27	33	28	113	108	96	88	83	74	62	
237	269	256	278	1,040	917	803	710	657	572	543	
-	(87)	-	-	(87)	-	-	-	-	-	-	
-	97	-	-	97	-	-	-	-	-	-	
\$ 237	\$ 279	\$ 256	\$ 278	\$1,050	\$ 917	\$ 803	\$ 710	\$ 657	\$ 572	\$ 543	
8.8%	10.1%	10.4%	10.4%	10.0%	9.7%	9.4%	9.4%	8.4%	8.1%	8.0%	
9.0%	7.2%	5.4%	7.2%	7.3%	6.8%	8.6%	8.3%	8.5%	7.2%	8.1%	
11.5%	10.9%	10.3%	9.8%	10.6%	11.1%	10.9%	12.7%	13.5%	10.2%	9.5%	
9.9%	11.9%	12.7%	11.7%	11.5%	10.8%	9.9%	9.1%	7.1%	7.4%	8.6%	
29.4%	29.7%	33.3%	30.4%	30.8%	30.9%	29.4%	28.3%	30.0%	28.6%	24.0%	
10.4%	10.7%	10.7%	10.4%	10.5%	10.3%	10.4%	10.3%	9.3%	8.6%	9.1%	
(34)	(34)	(35)	(38)	(141)	(152)	(125)	(128)	(101)	(109)	(89)	
-	-	-	-	-	-	-	-	-	-	-	
(33)	(36)	(37)	(40)	(146)	(117)	(138)	(169)	(181)	(208)	(230)	
(65)	(86)	(70)	(73)	(294)	(250)	(211)	(165)	(160)	(87)	(87)	
(6)	(7)	(6)	(7)	(26)	(26)	(23)	-	-	-	-	
\$ 99	\$ 116	\$ 108	\$ 120	\$ 443	\$ 372	\$ 306	\$ 248	\$ 215	\$ 168	\$ 137	
\$ 0.59	\$ 0.70	\$ 0.65	\$ 0.74	\$ 2.68	\$ 2.19	\$ 1.78	\$ 1.43	\$ 1.19	\$ 0.94	\$ 0.77	
38.2%	41.1%	38.0%	36.5%	38.5%	38.6%	39.1%	40.0%	42.7%	34.1%	38.8%	
\$79.00	\$80.31	\$76.50	\$79.25	\$80.31	\$70.75	\$48.88	\$38.69	\$30.31	\$29.44	\$29.44	
\$56.38	\$69.63	\$56.94	\$52.06	\$52.06	\$45.00	\$34.56	\$24.31	\$23.25	\$20.19	\$20.19	
\$0.285	\$0.285	\$0.285	\$0.285	\$ 1.14	\$ 1.00	\$ 0.88	\$ 0.78	\$ 0.70	\$0.62	\$ 0.62	
167.2	168.0	166.1	161.0	165.4	169.5	171.7	173.3	180.2	179.7	177.1	
				158.5	167.3	169.7	173.3	174.6	180.5	178.4	

⁴ 2000 includes Special charges of (a) goodwill write-off of \$349 million, (b) a write-down of e-business investments of \$117 million and (c) accruable restructuring expense of \$16 million and asset impairment write-downs of \$1 million associated with closing and consolidating manufacturing facilities in the Automotive and Industrial Products segments. Before special charges, 2000 EPS is \$4.65 per share.

⁵ The effective income tax rate for 2000 was 50.4% primarily due to the impact of the non-tax deductibility of goodwill written off in the fourth quarter. Excluding the impact of special charges, the effective income tax rate was 35.5% for 2000. 2000 includes Special charges of (a) goodwill write-off of \$349 million, (b) a write-down of e-business investments of \$117 million and (c) accruable restructuring expense of \$16 million and asset impairment write-downs of \$1 million associated with closing and consolidating manufacturing facilities in the Automotive and Industrial Products segments. Before special charges, 2000 EPS is \$4.65 per share.

⁶ Assumes full conversion of outstanding preferred stock and exercise of options. The average share base for the fourth quarter 2000 excludes potentially dilutive common shares (convertible preferred stock and stock options). These shares are excluded due to their antidilutive effect resulting from the loss from continuing operations.

Management Team



Lewis B. Campbell
*Chairman and Chief
Executive Officer*

Lewis Campbell was appointed chairman in February 1999 and has been chief executive officer since July 1998. He had previously been president and chief operating officer since 1994, having joined Textron in 1992 as executive vice president and chief operating officer. Campbell came to Textron following a 24-year career at General Motors where he served in a number of positions, most recently as vice president and general manager of GMC Truck. Campbell received a BS in mechanical engineering from Duke University and attended the Advanced General Management Program at Harvard International School in Switzerland. He is a director of Bristol-Myers Squibb Company, Allegheny Energy, Inc. and is a member of the Board of Visitors of the Fuqua School of Business at Duke University. He is also a member of the board of directors of EqualFooting.com, the chairman of The Business Roundtable's Health and Retirement Task Force and a member of the Business Council.



John A. Janitz
*President and
Chief Operating Officer*

John Janitz was appointed president and chief operating officer in March 1999 after serving as chairman, president and chief executive officer of Textron Automotive Company since 1996. Prior to joining Textron, Janitz served as executive vice president and general manager of TRW, Inc.'s Occupant Restraint Group. Prior to this, he served as president of Wickes Manufacturing Company, an industrial and automotive parts supplier. Janitz also held various senior management positions in industrial and automotive businesses at Gulf & Western Company and Ford Motor Company. He received his BS in mechanical engineering from Villanova University, an MBA from Eastern Michigan University and is a graduate of the Harvard University Advanced Management Program. Janitz is a member of the Manufacturers' Alliance Productivity and Innovation Board of Trustees. He also serves on the board of NAM and is a trustee of the Manufacturer's Institute.



Kenneth C. Bohlen
*Executive Vice President
and Chief Innovation
Officer*

Ken Bohlen was named executive vice president and chief innovation officer in April 2000, responsible for Textron's company-wide information management, e-commerce and telecommunications strategy. Previously, Bohlen was senior vice president and chief information officer. Prior to joining Textron in November 1999, he was vice president and chief information officer of AlliedSignal's Aerospace Group, and before that held other senior positions, including vice president of supply chain and chief information officer for AlliedSignal Engines; vice president of Six Sigma; and director of supply chain for AlliedSignal Inc. Prior to this, Bohlen had a 20-year career at Deere & Company where he held numerous information and manufacturing technology-related positions. Bohlen received a BS in computer science from Iowa State University and an MBA from the University of Iowa.



John D. Butler
*Executive Vice President
Administration and
Chief Human Resources
Officer*

John Butler was named executive vice president administration and chief human resources officer in July 1997. Prior to joining Textron, Butler was vice president, personnel of General Motors International Operations based in Zurich, Switzerland, responsible for strategic planning and direction of all GM human resource activities outside of North America. During this period of time, Butler also served on the supervisory board of Adam Opel AG. Butler received a BS in economics and an MA in labor and industrial relations from Michigan State University, as well as a certificate from Cornell University in advanced personnel and labor strategies. He is also a graduate of the Advanced Management Program at Harvard University.

Ted French joined Textron as executive vice president and chief financial officer in December 2000. Prior to joining Textron, French served as president, financial services and chief financial officer for CNH Global N.V., created through the 1999 merger of Case Corporation and New Holland N.V. Prior to the merger, he spent 10 years with Case Corporation in various positions. Before joining Case, French spent 12 years with Rockwell International in a variety of finance, operations, strategic planning and corporate development positions. French holds both a BBA in economics and an MBA from the University of Georgia and is a member of the Board of Directors of the U.S. Chamber of Commerce, the Advisory Committee of the U.S. Export-Import Bank (EXIM) and the Editorial Advisory Board of CFO magazine.

Ted R. French
*Executive Vice President
and Chief Financial Officer*



Steve Giliotti has been the president of Textron Financial Corporation since August 1995 and was appointed chairman and chief executive officer in April 1999. He joined Textron Financial in 1988 as senior vice president of operations and served as executive vice president and chief operating officer from 1994 through 1995. Prior to joining Textron Financial, Giliotti was senior vice president of operations with ITT Finance for 12 years, and also held various management positions in the transportation industry. He started his career in sales at General Electric Credit after attending LaSalle College in Philadelphia, Pennsylvania. He is also a graduate of Harvard University's Advanced Management Program.

Stephen A. Giliotti
*Chairman, President
and Chief Executive
Officer
Textron Financial
Corporation*



Gary Hay was appointed chief executive officer of Cessna Aircraft Company in January 2000 and has been vice chairman since December 1996. Hay joined Cessna in 1967 while pursuing an undergraduate degree in business and economics at Wichita State University. During his 33-year career at Cessna, Hay has held numerous sales and marketing positions, including senior vice president of marketing, and was named an executive vice president of the company in January 1995. He is a member of the Board of Directors of the General Aviation Manufacturers Association and the National Business Aviation Association Associate Member Advisory Council.

Gary W. Hay
*Chief Executive Officer
Cessna Aircraft Company*



Joachim "Jake" Hirsch was named chairman, president and chief executive officer of Textron Fastening Systems in July 2000. Previously, Hirsch was president and chief executive officer of Kautex Textron, a division of Textron Automotive Company based in Germany. Before joining Textron in 1999, Hirsch was executive vice president, chief operating officer and a member of the board of Magna Europe AG. Earlier, Hirsch spent 22 years with TRW Inc. in various management positions with increasing responsibilities throughout the world. Hirsch earned his diploma Betriebswirt at University Reutlingen in Germany. He also graduated from Harvard University's Advanced Management Program and The American Graduate School of International Management's (Thunderbird) Global Leadership Program.

Joachim V. Hirsch
*Chairman, President
and Chief Executive
Officer
Textron Fastening
Systems*



Mary Howell is executive vice president responsible for directing both long-term international business strategies and Washington, D.C.-based marketing and government activities for Textron and its divisions. She develops business opportunities in growth markets overseas and establishes international and domestic marketing initiatives, and also has responsibility for strategy development, corporate communications and investor relations. Howell joined Textron in 1980 and holds a BA from the University of Massachusetts. She is a member of the Board of Directors of FM Global, Meridian International and the Atlantic Council of the United States.

Mary L. Howell
*Executive Vice President
Government, Strategy
Development and
International,
Communications and
Investor Relations*



Management Team *(continued)*



Sam Licavoli
*Chairman, President and
Chief Executive Officer
Textron Industrial Products*

Sam Licavoli was named chairman, president, and chief executive officer of Textron Industrial Products in July 2000. He was most recently chairman, president and chief executive officer of Textron Automotive Company. Prior to joining Textron in 1996 as president of Textron Automotive Company's Trim division, he served as president of the Automotive Group A.O. Smith Corporation since 1992. Before that, Licavoli was responsible for the original equipment business at Walker Manufacturing Co., a division of Tenneco Automotive. He received both a BS and a MS from Central Michigan University, and is a member of the board of directors for the Motor and Equipment Manufacturers Association. He is also a member of the Executive Committee for the Automotive Parts Advisory Council.



Terrence O'Donnell
*Executive Vice President
and General Counsel*

Terry O'Donnell was named executive vice president and general counsel in March 2000 and is responsible for overseeing Textron's legal activities worldwide. For the past two decades, O'Donnell has served as a senior partner in the Washington, D.C.-based law firm of Williams & Connelly. He also served as General Counsel of the Department of Defense under Secretary Cheney and was Special Assistant to two U.S. Presidents. A graduate of the Air Force Academy, O'Donnell received his JD from Georgetown University Law School. He is a member of the Board of Directors of the Gerald R. Ford Foundation, the Air Force Academy Falcon Foundation, IGI, Inc. and ePlus Inc. He is also a member of the advisory committee of the United States Court of Federal Claims.



Edward H. Orzetti
*Vice President,
Enterprise-Wide Initiatives*

Ed Orzetti was appointed vice president enterprise-wide initiatives for Textron in October 2000. He is responsible for all aspects of supply chain management such as logistics, transportation, distribution, inventory management and e-procurement. Prior to joining Textron, Orzetti spent five years in various positions at General Electric where he most recently served as general manager, supply chain management for GE Supply. Prior to GE, Orzetti worked for Booz-Allen & Hamilton as a senior associate in their operations management group and for Johnson & Johnson as a manufacturing supervisor. He also served for several years as an officer and helicopter pilot in the U.S. Army. Orzetti holds a BS from the United States Military Academy at West Point, an MS from Central Michigan University and an MS from the Sloan School of Management at the Massachusetts Institute of Technology.



Jack W. Sights
*Chairman, President and
Chief Executive Officer
Textron Automotive
Company*

Jack Sights was named chairman, president and chief executive officer of Textron Automotive Company in July 2000. He was most recently chairman, president and chief executive officer of Textron Fastening Systems. Prior to joining Textron in 1999, Sights was president of Guardian Industries Corporation's Automotive Products Group. Prior to joining Guardian in 1988, Sights served as vice president and general manager of Automotive Operations at Schlegel Corporation. He holds a BS from Oakland University and is a co-chairman of the GM Supplier Council. He is also a member of the Auto Parts Advisory Committee (APAC) of the United States Department of Commerce, the Engineering Society of Detroit, the Society of Plastics Engineers, the Society of Automotive Engineers, the Automotive Presidents Council (MEMA) and the Economic Club of Detroit.



Terry D. Stinson
*Chairman and
Chief Executive Officer
Bell Helicopter Textron*

Terry Stinson joined Bell Helicopter Textron as president and chief operating officer in January 1997, was named chief executive officer in October 1997 and chairman in September 1998. Stinson joined Textron in 1991 as group vice president responsible for several of Textron's aerospace divisions and was named president, Textron Aerospace Systems and Components, in 1995. Prior to joining Textron, Stinson was president of Hamilton Standard Division of United Technologies Corporation since 1986. He holds a BS in industrial management from Georgia Institute of Technology and currently serves on the Executive Advisory Board for the College of Management. He is a trustee of the National Aviation Hall of Fame, a member of the Aerospace Industries Association Board of Governors and a member of the Board of Directors of Lennox International, Inc.

Board of Directors

Lewis B. Campbell ⁽¹⁾

Chairman and
Chief Executive Officer
Textron Inc.

H. Jesse Arnelle ^(2,4)

Of Counsel
Womble Carlyle Sandridge
& Rice

Teresa Beck ^(2,3)

Former President
American Stores Company

R. Stuart Dickson ^(1,3)

Chairman of the Executive
Committee
Ruddick Corporation

Lawrence K. Fish ^(3,4)

Chairman, President and
Chief Executive Officer
Citizens Financial Group, Inc.

Joe T. Ford ^(3,4)

Chairman and
Chief Executive Officer
ALLTEL Corporation

Paul E. Gagné ^(1,2)

Consultant, Corporate Strategic
Planning and Acquisitions
Kruger, Inc.

John A. Janitz ⁽¹⁾

President and
Chief Operating Officer
Textron Inc.

John D. Macomber ^(1,4)

Principal
JDM Investment Group

Lord Powell of Bayswater KCMG

Former Foreign Affairs and Defense
Advisor to Prime Minister
Margaret Thatcher

Brian H. Rowe ^(2,4)

Retired Chairman
GE Aircraft Engines

Sam F. Segnar ^(2,4)

Retired Chairman and
Chief Executive Officer
Enron Corporation

Martin D. Walker ^(2,3)

Principal
MORWAL Investments

Thomas B. Wheeler ^(3,4)

Retired Chairman and
Chief Executive Officer
Massachusetts Mutual Life
Insurance Company

Numbers indicate committee memberships

⁽¹⁾ Executive Committee: Chairman,
Lewis B. Campbell

⁽²⁾ Audit Committee: Chairman,
Paul E. Gagné

⁽³⁾ Nominating and Board Affairs Committee: Chairman,
R. Stuart Dickson

⁽⁴⁾ Organization and Compensation Committee:
Chairman, John D. Macomber

International Advisory Council

Richard R. Burt

Chairman
IEP Advisors, Inc.
U.S.A.

Lewis B. Campbell

Chairman and
Chief Executive Officer
Textron Inc.
U.S.A.

Juan Gallardo

Chairman and
Chief Executive Officer
Grupo Embotelladoras Unidas,
S.A. de C.V.
Mexico

Jean Gandois

President
Bureau de Jean Gandois
France

Toyoo Gyohten

President
Institute for International
Monetary Affairs
Japan

Carl H. Hahn

Former Chairman of the Board
of Management
Volkswagen AG
Germany

Mary L. Howell

Executive Vice President
Government, Strategy
Development and International,
Communications and
Investor Relations
Textron Inc.
U.S.A.

John A. Janitz

President and
Chief Operating Officer
Textron Inc.
U.S.A.

Angelo J. Koo

President and
Chief Operating Officer
China Securities Co., Ltd.
Taiwan

BG Lee Hsien Yang

President and
Chief Executive Officer
Singapore
Telecommunications Ltd.
Singapore

Gero K. H. Meyersiek

Vice President Strategy
Development and
International
Textron Inc.
U.S.A.

Andrzej Olechowski

Former Foreign Minister
Poland

Lord Powell of Bayswater KCMG

Former Foreign Affairs and
Defense Advisor to Prime
Minister Margaret Thatcher
United Kingdom

Sir William Purves

Former Chairman
HSBC Holdings plc
United Kingdom

Horst Teltschik

Former Member of the
Management Board
BMW AG
Germany

Stock and Contact Information

Stock Exchange Listings

(Ticker Symbol — TXT)

Common Stock

New York, Chicago and Pacific Stock Exchanges

Preferred Stock (\$2.08 and \$1.40)

New York Stock Exchange

Mandatorily Redeemable Preferred Securities of Subsidiary Trust (7.92%)

New York Stock Exchange

Capital Stock

(as of December 30, 2000)

Common stock: par value \$0.125; 500,000,000 shares authorized; 140,933,000 shares outstanding.

\$2.08 Cumulative Convertible Preferred stock, Series A: 143,000 shares outstanding.

\$1.40 Convertible Preferred Dividend stock, Series B: 67,000 shares outstanding.

Transfer Agent and Registrar

First Chicago Trust, a division of Equiserve
P. O. Box 2500
Jersey City, New Jersey 07303-2500
(800) 519-3111
www.equiserve.com

Dividends

Common and Preferred Stock

Record dates: March 10, June 15, September 15 and December 15, 2000. Payable dates: April 1, July 1, October 1, 2000 and January 1, 2001.

Mandatorily Redeemable Preferred Securities of Subsidiary Trust (7.92%)

Record dates: March 30, June 29, September 29 and December 28, 2000. Payable dates: March 31, June 30, October 2 and December 29, 2000.

Stock Splits

Record Dates: December 17, 1965; August 11, 1967; May 11, 1987 and May 9, 1997.

Distribution dates: January 1, 1966; June 1, 1987 and May 30, 1997.

General Information

This Fact Book is one of several sources of information available to Textron Inc. shareholders and the investment community. To receive Annual Reports, 10-K, 10-Q reports and/or press releases, please call (888) TXT-LINE or visit our web site on the Internet at www.textron.com

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Banks and Rating Agencies

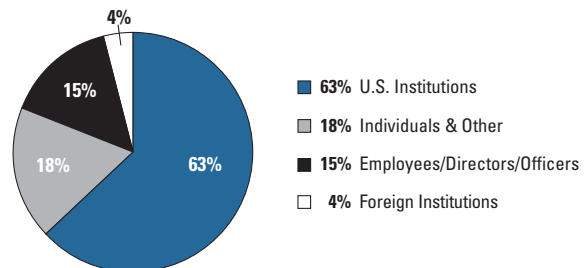
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Media

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Share Ownership



Textron is an Equal Opportunity Employer.

Advantage, Avdel, Bell Helicopter, Bell 206B Jet Ranger, Bell 206L-4 Long Ranger, Bell 407, Bell 427, Bell 430, Bell 412 EP, Bell AB139, Bell OH-58D Kiowa Warrior, Bell AH-1W Super Cobra, Bell TH-67 Trainer, UH-1Y, AH-1Z, Bell Boeing V-22 Osprey, Bell BA609, AB Benzlers, Bob-Cat, Boesner, Brouwer, Bunton, Camcar, Cessna Aircraft, Cessna Citation CJ1, Cessna Citation CJ2, Cessna Citation Bravo, Cessna Citation Encore, Cessna Citation Excel, Cessna Citation Sovereign, Cessna Citation X, Cessna Caravan 208, Cessna Caravan 208B, Cessna Skyhawk 172, Cessna Skyhawk 172SP, Cessna 182 Skylane, Cessna T182 Skylane, Cessna Stationair 206, Cessna Stationair T206, Cherry, Chesilvale, Citation Service Centers, CitationShares, Cone Drive Textron, Cushman, CWC Textron, David Brown Guinard Pumps, David Brown Hydraulics, David Brown Textron, David Brown Union Pumps, Elco, Energy Manufacturing, E-Z-GO, Fairmont, Flexalloy, Greenlee, HR Textron, IMAP, Intellimold, InteSys, Iseki, Jacobsen, Kautex Textron, Klauke, LULL, Textron Lycoming, Maag Pump Systems, Mapri, McCord Winn, Micromatic Textron, Oelschläger, OmniQuip, PUT, Progressive, Ransomes, Rego Mold & Tool, RIFOCS, Ring Screw, Ryan, SCAT TRAK, SKY TRAK, SNORKEL, Steiner, Sükosim, Tempo, Textron Inc., Textron Aerospace Fasteners, Textron Automotive Trim, Textron Fastening Systems, Textron Fastening Systems Advanced Solutions, Textron Fastening Systems Automotive Solutions, Textron Fastening Systems Commercial Solutions, Textron Financial, Textron Financial Corporation, Textron Fluid and Power Systems, Textron Fluid Handling Products, Textron Golf, Turf & Specialty Products, Textron Industrial Components, Textron Industrial Products, Textron Industrial S.p.A., Textron Industries S.A., Textron Logistics Company, Textron Lycoming, Textron Marine & Land Systems, Textron Motion Control, Textron Power Transmission, Textron Quality Management, Textron Systems, Tri-Star, Turbine Engine Components Textron, Williams Machine and Tool, and their related trademark designs and logotypes (and variations of the foregoing) are service/trademarks or trade names of Textron Inc., its subsidiaries, affiliates, or joint ventures.

Forward-looking Information: Certain statements in this report and other oral and written statements made by Textron from time to time, are forward-looking statements, including those that discuss strategies, goals, outlook or other non-historical matters; or project revenues, income, returns or other financial measures. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in the statements, including the following: (a) the extent to which Textron is able to implement and complete its restructuring plans, (b) the extent to which Textron is able to successfully integrate recent acquisitions, (c) changes in worldwide economic and political conditions that impact interest and foreign exchange rates, (d) the occurrence of work stoppages and strikes at key facilities of Textron or Textron's customers or suppliers, (e) government funding and program approvals affecting products being developed or sold under government programs, (f) successful implementation of supply chain and e-procurement strategies, (g) the timing of certifications of new aircraft products, (h) the occurrence of a severe downturn in the economies in which Textron operates that could reduce demand for its products, (i) the level of consumer demand for the vehicle models for which Textron supplies parts to automotive original equipment manufacturers ("OEMs"), (j) Textron's ability to offset, through cost reductions, raw material price increases and pricing pressure brought by OEM customers, and (k) Textron Financial's ability to maintain credit quality and control costs when entering new markets.

TEXTRON
2000 FACT BOOK



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