



TEXTRON

2016 FACT BOOK

TEXTRON

TEXTRON INC. is a \$13.8 billion multi-industry company with approximately 36,000 employees. The Company leverages its global network of aircraft, defense, industrial and finance businesses to provide customers with innovative products and services. Textron is known around the world for its powerful brands such as Beechcraft, Bell Helicopter, Cessna, E-Z-GO, Greenlee, Hawker, Jacobsen, Kautex, Lycoming, Textron Off Road, Textron Systems, and TRU Simulation + Training.

Textron Revenue by Segment



Textron Revenue by Type



Textron Revenue by Region



(As of February 1, 2017)

	Short-Term Senior Commercial Paper	Outlook
Textron Inc. Credit Ratings		
S&P	BBB	A2 Stable
Moody's	Baa3	P3 Positive

FINANCIAL HIGHLIGHTS

Dollars in millions, except per share data	2016	2015	Change
Revenues	\$13,788	\$13,423	3%
International revenues %	38%	38%	
Segment profit ¹	\$ 1,309	\$ 1,255	4%
Income from continuing operations—GAAP	\$ 843	\$ 698	21%
Adjusted income from continuing operations—Non-GAAP ²	\$ 715	\$ 698	2%
Manufacturing group debt ³	\$ 2,777	\$ 2,697	3%
Shareholders' equity	\$ 5,574	\$ 4,964	12%
Manufacturing group debt-to-capital (net of cash) ³	23%	26%	

Common Share Data

Diluted EPS from continuing operations—GAAP	\$ 3.09	\$ 2.50	24%
Adjusted diluted EPS from continuing operations—Non-GAAP ²	\$ 2.62	\$ 2.50	5%
Dividends per share	\$ 0.08	\$ 0.08	—
Diluted average shares outstanding (in thousands)	272,365	278,727	(2)%

Key Performance Metrics

ROIC ⁴	13.4%	12.0%	
Net cash provided by operating activities of continuing operations—Manufacturing group—GAAP	\$ 988	\$ 1,038	(5)%
Manufacturing cash flow before pension contributions—Non-GAAP ^{3, 5}	\$ 573	\$ 631	(9)%
Manufacturing pension contributions	\$ 50	\$ 68	(26)%
Capital expenditures	\$ 446	\$ 420	6%

Net Debt

Finance group debt	\$ 903	\$ 913	\$ (10)
Manufacturing group debt	\$ 2,777	\$ 2,697	\$ 80
Total debt	\$ 3,680	\$ 3,610	\$ 70
Less: Consolidated cash and equivalents	\$ 1,298	\$ 1,005	\$ 293
Net Debt	\$ 2,382	\$ 2,605	\$(223)

¹ Segment profit is an important measure used for evaluating performance and for decision-making purposes. Segment profit for the manufacturing segments excludes interest expense, certain corporate expenses and special charges. The measurement for the Finance segment includes interest income and expense along with intercompany interest income and expense.

² Adjusted income from continuing operations and Adjusted diluted EPS from continuing operations are Non-GAAP measures. See page 11 for reconciliation to GAAP.

³ Our Manufacturing group includes all continuing operations of Textron Inc., except for the Finance segment.

⁴ Calculation of return on invested capital ("ROIC") is provided on page 13.

⁵ Manufacturing cash flow before pension contributions is a Non-GAAP measure. See page 12 for reconciliation to GAAP.

KEY EXECUTIVES



Scott C. Donnelly
Chairman, President and
Chief Executive Officer

Scott C. Donnelly was named chief executive officer in December 2009 and chairman of the board in September 2010. Donnelly joined Textron as executive vice president and chief operating officer in June 2008 and was promoted to president in January 2009. Prior to joining Textron, Donnelly was president and CEO for General Electric (GE) Aviation.



Frank T. Connor
Executive Vice President and
Chief Financial Officer

Frank T. Connor joined Textron as executive vice president and chief financial officer in August 2009. Connor came to Textron after a 22-year career at Goldman, Sachs & Co. where he was most recently managing director and head of Telecom Investment Banking. Prior to that, he served as Goldman, Sachs & Co.'s chief operating officer of Telecom, Technology and Media Investment Banking.



Scott A. Ernest
Textron Aviation
President and CEO



Ellen M. Lord
Textron Systems Segment
President and CEO



Kevin P. Holleran
Industrial Segment and
Textron Specialized
Vehicles
President and CEO



R. Danny Maldonado
Finance Segment
President and CEO



Mitch Snyder
Bell Helicopter
President and CEO

COMMITMENT TO FUTURE GROWTH

Investing for future growth, organically and through acquisitions, is a key strategy for Textron. Here are a few notable examples from 2016. There are also additional examples contained within the segment sections.

TEXTRON AVIATION achieved the successful first flight of the Citation Longitude, a revolutionary aircraft and an example of the Company's continued investment in its new family of larger business jets. At the NBAA Convention, performance increases were announced on the Longitude's range and payload, and the first full-scale Citation Hemisphere cabin was on display. Also in 2016, Textron unveiled its new single engine turboprop, the Cessna Denali.



BELL HELICOPTER received type certification on the new 505 Jet Ranger X from Transport Canada Civil Aviation. The new, five-seat helicopter went from concept to first flight in 20 months and is now positioned to be the premier helicopter in the short light single market.



TEXTRON SPECIALIZED VEHICLES acquired two specialized aircraft deicing manufacturers, Premier and Safeaero, expanding its Ground Support Equipment portfolio. TSV also introduced two sport utility side-by-sides, the Stampede and Stampede XTR, expanding its presence in the off-road vehicle market.



TEXTRON AIRLAND signed a first-of-its-kind cooperative research and development agreement with the United States Air Force to perform an airworthiness assessment of the Scorpion jet. The prototype aircraft completed a successful weapons exercise at White Sands Missile Range and the first production Scorpion jet completed its maiden flight.





Cessna Denali



Cessna Citation Latitude



Beechcraft King Air 350i

36%
 Textron Aviation's
 share of Textron
 2016 revenues

TEXTRON AVIATION

Textron Aviation is home to the Beechcraft, Cessna and Hawker brands, and continues to be a leader in general aviation through two principal lines of business: aircraft sales and aftermarket. Aircraft sales include business jets, turboprop and piston engine aircraft, as well as military trainer and defense aircraft. Aftermarket includes commercial parts sales and maintenance, inspection and repair services.

KEY DATA

(Dollars in millions)

	2016	2015	2014	2013	2012
Textron Aviation					
Units delivered:					
Business jets	178	166	159	139	181
King Airs ¹	106	117	113	—	—
Caravans	84	102	94	105	107
Piston engine ¹	262	312	290	223	283
Backlog	\$1,041	\$1,074	\$1,365	\$1,018	\$1,062
Revenues	\$4,921	\$4,822	\$4,568	\$2,784	\$3,111
Segment profit (loss) ²	\$ 389	\$ 400	\$ 234	\$ (48)	\$ 82
Segment profit margin	7.9%	8.3%	5.1%	(1.7)%	2.6%
Total assets	\$4,460	\$4,039	\$4,085	\$2,260	\$2,224
Capital expenditures	\$ 157	\$ 124	\$ 96	\$ 72	\$ 93
Depreciation and amortization	\$ 140	\$ 134	\$ 137	\$ 87	\$ 102

¹ 2014 reflects deliveries of Beechcraft aircraft after the acquisition closing date of March 14, 2014.

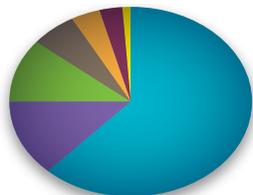
² In 2015, segment profit (loss) included the following pre-tax items: \$12 million of amortization expense related to fair value step-up adjustments of Beechcraft inventories sold during the year. In 2014, amounts included \$63 million negative impact from fair value step-up adjustments to Beechcraft inventories sold during the year. In 2013, amounts included \$28 million in severance costs. In 2012, amounts included a \$27 million charge related to an award against Cessna in an arbitration proceeding.

REVENUE DETAILS

(In millions)

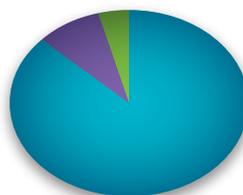
	2016	2015	2014	2013	2012
Aircraft sales	\$3,412	\$3,404	\$3,182	\$1,868	\$2,318
Aftermarket	1,509	1,418	1,386	916	793
Total revenues	\$4,921	\$4,822	\$4,568	\$2,784	\$3,111

REVENUE BY REGION



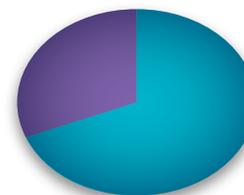
- U.S. 62%
- LATIN AND SOUTH AMERICA 13%
- EUROPE 11%
- ASIA PACIFIC 6%
- CANADA 4%
- MIDDLE EAST 3%
- AFRICA 1%

SALES BREAKDOWN



BY CUSTOMER

- COMMERCIAL 87%
- OTHER MILITARY 9%
- U.S. GOVERNMENT 4%



BY PRODUCT LINE

- AIRCRAFT SALES 69%
- AFTERMARKET 31%

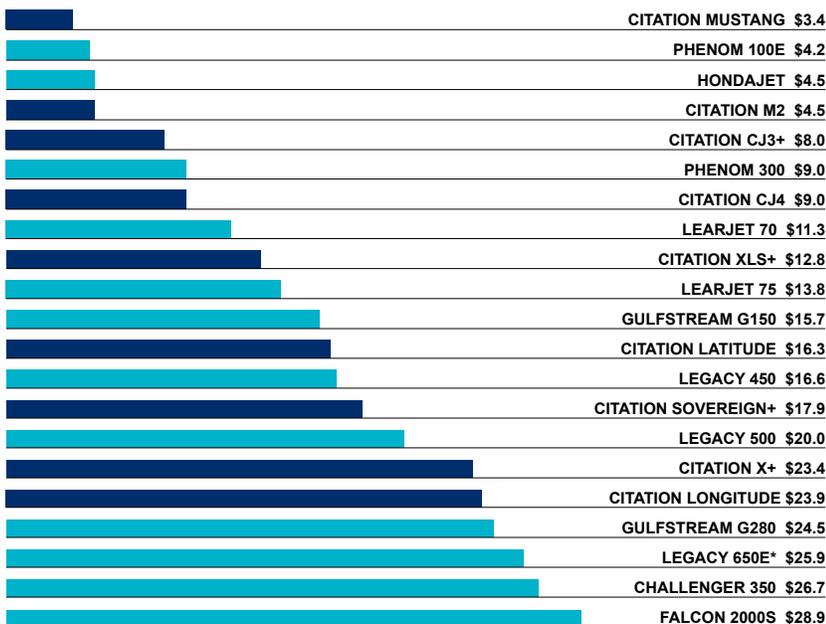
MAJOR PRODUCTS

	First Delivery	Std/Max Seating Capacity (including pilots)	Cruising Speed (kts)	Maximum Range (IFR w/ NBAA reserves)	2017 MSRP (in millions)	Engine Manufacturer	Engine Model	Avionics
Cessna Citation Jets								
Mustang	2006	6	340	1,200	\$ 3.4	Pratt & Whitney	PW615F	Garmin G1000
M2	2013	8	404	1,540	\$ 4.5	Williams International	FJ44-1AP-21	Garmin G3000
CJ3+	2014	9/10	416	2,040	\$ 8.0	Williams International	FJ44-3A	Garmin G3000
CJ4	2010	10/11	451	2,170	\$ 9.0	Williams International	FJ44-4A	Collins Pro Line 21
XLS+	2008	11/14	441	2,100	\$12.8	Pratt & Whitney	PW545C	Collins Pro Line 21
Latitude	2015	11/11	446	2,700	\$16.4	Pratt & Whitney	PW306D1	Garmin G5000
Sovereign+	2013	11/14	460	3,190	\$17.9	Pratt & Whitney	PW306D	Garmin G5000
Citation X+	2014	11/14	528	3,450	\$23.4	Rolls-Royce	AE3007C2	Garmin G5000
New Jet Development								
Longitude	Targeted 2017	11/14	476	3,500	\$23.9	Honeywell	HTF-7700L	Garmin G5000
Hemisphere	TBD			4,500	TBD	Safran	Silvercrest	Honeywell Primus Epic
Turboprops								
Cessna Caravan	1985	9/14	186	1,060	\$1.9	Pratt & Whitney	PT6A-114A	Garmin G1000
Cessna Grand Caravan EX	2013	11/14	185	901	\$2.2	Pratt & Whitney	PT6A-140	Garmin G1000
Beechcraft King Air C90GTx	2010	7/9	272	1,260	\$3.6	Pratt & Whitney	PT6A-135A	Collins Pro Line Fusion
Beechcraft King Air 250	2011	9/11	310	1,740	\$6.2	Pratt & Whitney	PT6A-52	Collins Pro Line Fusion
Beechcraft King Air 350i	2010	10/12	312	1,796	\$7.3	Pratt & Whitney	PT6A-60A	Collins Pro Line Fusion
Beechcraft King Air 350iER	2010	10/12	303	2,455	\$8.5	Pratt & Whitney	PT6A-60A	Collins Pro Line Fusion
New Turboprop Development								
Cessna Denali	Targeted 2019	8/11		1,600	\$4.8	GE Aviation	Advanced Turboprop	Garmin G3000
Pistons								
Cessna 172S Skyhawk	1998	4	124	640	\$0.4	Textron Lycoming	IO-360-L2A	Garmin G1000
Cessna Skylane 182T	1996	4	145	915	\$0.5	Textron Lycoming	IO-540-AB1A5	Garmin G1000
Cessna Turbo Stationair T206H	1998	6	161	703	\$0.6	Textron Lycoming	TIO-540-AJ1A	Garmin G1000
Cessna TTx	2013	4	235	1,250	\$0.7	Continental Motors	TSIO-550-C	Garmin G2000
Beechcraft Bonanza G36	2005	6	176	920	\$0.8	Continental Motors	IO-550-B	Garmin G1000
Beechcraft Baron G58	2005	6	202	1,480	\$1.4	Continental Motors	IO-550-C	Garmin G1000
Military								
Beechcraft T-6	1998	2	316	1,382	N/A	Pratt & Whitney	PT6A-68	Esterline CMC 3000

2016 BUSINESS JET PRICE POINTS

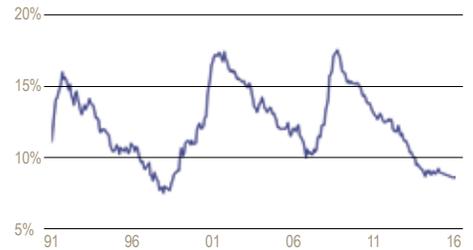
(Dollars in millions)

● Citation Product Line ● Competition



PRE-OWNED CITATIONS FOR SALE

(As a percent of fleet)



AFTERMARKET SALES

(Dollars in millions)



Source: B&CA 2016 Purchase Planning Handbook edition and Textron Aviation Data.
*Based on ERJ Company press release.



Bell 525 Relentless



Bell V-280 Valor and Bell V-247 Vigilant



Bell 429

23%
Bell Helicopter's share of Textron 2016 revenues

BELL HELICOPTER

Bell Helicopter is an industry-leading producer of commercial and military vertical lift aircraft and the pioneer of the revolutionary tiltrotor aircraft. Globally recognized for world-class customer service, innovation and superior quality, Bell Helicopter's global workforce serves customers flying Bell Helicopter aircraft in more than 135 countries.

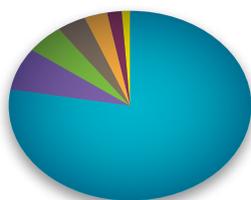
KEY DATA

(Dollars in millions)	2016	2015	2014	2013	2012
Bell Helicopter					
Units delivered:					
U.S. Government	57	48	71	78	73
Commercial	114	175	178	213	188
Backlog	\$5,360	\$5,224	\$5,524	\$6,450	\$7,469
Revenues	\$3,239	\$3,454	\$4,245	\$4,511	\$4,274
Segment profit	\$ 386	\$ 400	\$ 529	\$ 573	\$ 639
Segment profit margin	11.9%	11.6%	12.5%	12.7%	15.0%
Total assets	\$2,655	\$2,829	\$2,858	\$2,899	\$2,399
Capital expenditures	\$ 86	\$ 97	\$ 152	\$ 197	\$ 172
Depreciation and amortization	\$ 132	\$ 143	\$ 132	\$ 116	\$ 102

REVENUE DETAILS

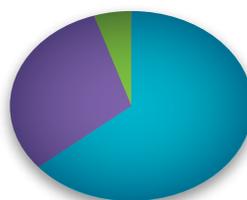
(In millions)	2016	2015	2014	2013	2012
Military:					
V-22 Program	\$1,151	\$1,194	\$1,771	\$1,755	\$1,611
Other Military	936	839	860	959	940
Commercial	1,152	1,421	1,614	1,797	1,723
Total revenues	\$3,239	\$3,454	\$4,245	\$4,511	\$4,274

REVENUE BY REGION

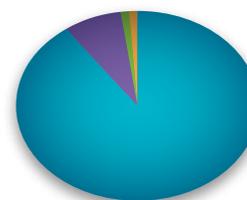


- U.S. 78%
- ASIA PACIFIC 7%
- CANADA 5%
- EUROPE 4%
- LATIN AND SOUTH AMERICA 3%
- MIDDLE EAST 2%
- AFRICA 1%

SALES BREAKDOWN



- BY PRODUCT LINE
- U.S. GOVERNMENT 64%
- COMMERCIAL 31%
- OTHER MILITARY 5%



- BY U.S. MILITARY BRANCH
- MARINES 91%
- AIR FORCE 7%
- ARMY 1%
- OTHER 1%

MAJOR PRODUCTS

	Description	First Delivery	Seating Capacity (including pilots)	Useful Loads (lbs)	Cruising Speed (kts)	Maximum Range (nm)
Light						
505 Jet Ranger X	Light single-engine, five-seat entry-level helicopter	2017	5	1,500	125	340
206L4 Long Ranger	Light single-engine, extended cabin version of the Jet Ranger	1992	7	2,123	112	324
407GXP	Light single-engine helicopter with fully integrated glass cockpit	2015	7	2,308	133	337
429/429WLG	Light twin-engine helicopter, best-in-class cabin volume	2009	8	2,535	150	411
Medium						
412 EP/EPI	Twin-engine with the highest dispatch reliability and the lowest hourly cost	2013	15	5,100	122	357
Huey II	Upgrade of UH-1H model Huey	1995	15	5,060	106	246
New Commercial Helicopter Development						
525 Relentless	Twin-engine with ARC Horizon flight deck system	TBD	18	+7,400	+155	+500
Military						
UH-1Y	State-of-the-art fully integrated utility and combat support helicopter	2006	12	6,675	158	350
AH-1Z	State-of-the-art fully integrated attack helicopter	2006	2	6,580	160	380
Tiltrotor						
Bell Boeing V-22 Osprey	Military tiltrotor aircraft being produced in partnership with Boeing	1999	27	25,500	266	1,100
New Tiltrotor Development						
Bell V-280 Valor	Next-generation military tiltrotor, being developed for the Army's Joint Multi-Role (JMR) Technology Demonstrator (TD) Program	TBD	16	12,000+	280	800

COMMERCIAL BUSINESS

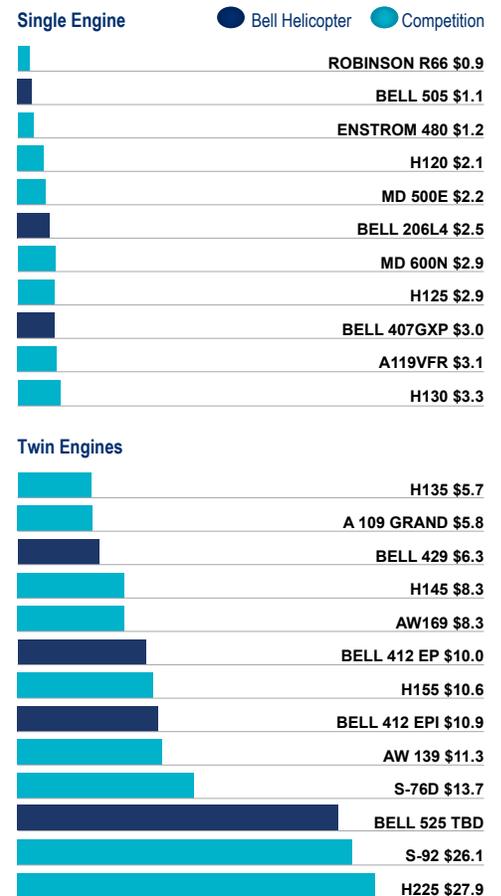
- The Bell 505 Jet Ranger X achieved Transport Canada type certification in December 2016 with deliveries starting in early 2017. More than 400 letters of intent to purchase this aircraft have been signed since its unveiling.
- Bell Helicopter remains committed to the Bell 525 Relentless program, which will result in a safe, reliable and high-performance helicopter when it comes to market. We continue to make solid progress with sustainment planning, engagement with certification authorities, component testing, major structural and dynamics testing, upgrades to our systems integration lab, and production improvements.
- In March 2016, Bell Helicopter launched the Customer Advantage Plans, providing customers with holistic aftermarket coverage solutions for their daily operations. The plans offer a fixed cost per flight hour service option that protects customers' budgets and their aircraft as well as increases aircraft availability at rates competitive with published direct maintenance costs.

MILITARY BUSINESS

- Assembly of the first V-280 Valor tiltrotor is on schedule with first flight expected in the fall of 2017.
- Bell Helicopter was awarded a \$461 million contract in March 2016 from the U.S. Pentagon to supply the U.S. Marine Corps with more than two dozen new utility and attack helicopters. The contract includes 12 UH-1Y Venom utility helicopters and 16 AH-1Z Viper attack helicopters and the associated auxiliary fuel kits. This contract is part of the U.S. Marine Corps' H-1 Program of Record, calling for the purchase of 189 AH-1Z Viper attack helicopters and 160 UH-1Y Venom utility helicopters.
- Bell Helicopter unveiled the Bell V-247 Vigilant tiltrotor, an unmanned aerial system (UAS) that will combine the vertical lift capability of a helicopter with the speed and range of a conventional fixed-wing aircraft. This revolutionary UAS is designed to provide unmatched long-endurance persistent expeditionary and surveillance capability and lethal reach, as well as runway independence to operate successfully in maritime environments and locations without secure runway availability.

COMMERCIAL PRODUCT PRICE POINTS

(Dollars in millions)



Source: Conklin & de Decker & Bell Data



TRU's Bell 429 Full Flight Simulator



Shadow V2 with Fury



Ship to Shore Connector

13%
 Textron Systems' share of Textron 2016 revenues

TEXTRON SYSTEMS

Textron Systems' businesses develop and integrate products, services and support for aerospace and defense customers, as well as civil and commercial customers around the globe. Harnessing agility and a broad base of expertise, Textron Systems' innovative businesses design, manufacture, field and support comprehensive solutions that expand customer capabilities and deliver value.

KEY DATA

(Dollars in millions)

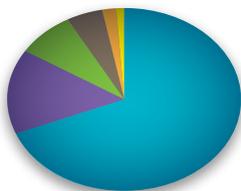
	2016	2015	2014	2013	2012
Textron Systems					
Revenues	\$1,756	\$1,520	\$1,624	\$1,665	\$1,737
Segment profit	\$ 186	\$ 129	\$ 150	\$ 147	\$ 132
Segment profit margin	10.6%	8.5%	9.2%	8.8%	7.6%
Backlog	\$1,841	\$2,328	\$2,790	\$2,803	\$2,919
Total assets	\$2,508	\$2,398	\$2,283	\$2,106	\$1,987
Capital expenditures	\$ 71	\$ 86	\$ 65	\$ 66	\$ 108
Depreciation and amortization	\$ 75	\$ 80	\$ 84	\$ 89	\$ 75

REVENUE DETAILS

(In millions)

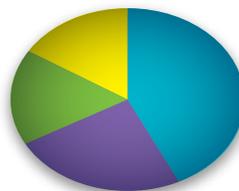
	2016	2015	2014	2013	2012
Unmanned Systems	\$ 763	\$ 686	\$ 797	\$ 666	\$ 694
Marine and Land Systems	294	188	158	392	443
Weapons and Sensors	282	255	264	311	285
Simulation, Training and Other	417	391	405	296	315
Total revenues	\$1,756	\$1,520	\$1,624	\$1,665	\$1,737

REVENUE BY REGION

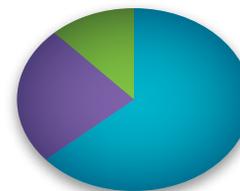


- U.S. 69%
- MIDDLE EAST 15%
- ASIA PACIFIC 8%
- CANADA 5%
- EUROPE 2%
- LATIN AND SOUTH AMERICA 1%

SALES BREAKDOWN



- UNMANNED AIRCRAFT SYSTEMS 43%
- SIMULATION, TRAINING AND OTHER 24%
- MARINE AND LAND SYSTEMS 17%
- WEAPONS AND SENSORS 16%



- U.S. GOVERNMENT 63%
- OTHER MILITARY 25%
- COMMERCIAL 12%



Tactical Armoured Patrol Vehicle



Aerosonde Hybrid Quadrotor



iCommand Table

MAJOR PRODUCTS

Product Line	Description
Unmanned Systems	
Unmanned Aircraft Systems; Unmanned Surface Systems; Control Stations; and family of remote products	Unmanned Systems' multi-mission capable unmanned aircraft systems (UAS) are utilized worldwide, which includes the Shadow [®] 200 Tactical UAS surpassing one million flight hours, the next-generation Shadow M2 Tactical UAS and the Aerosonde [™] Small UAS. Unmanned Systems also manufactures the Common Unmanned Surface Vehicle (CUSV [™]), as well as command-and-control systems for unmanned systems such as the Synturion [™] family of multi-domain control and collaboration technologies and the Universal Ground Control Station (UGCS). Unmanned Systems also manufactures the U.S. Army program of record One System [®] Remote Video Terminal (OSRVT [™]), Remote Tactical Terminal (RT2 [®]) and RT2 [®] -B (Bandit) variants.
Support Solutions	Support Solutions provides sustainment efforts for UAS, fixed-, and rotary-wing aircraft and marine and land vehicles. Manned and unmanned service offerings include: curriculum development, technical publications and training, maintenance and operation services. End-to-end logistics support offerings include: spares, repairs, provisioning, and performance-based logistics. Our Field Service Representatives provide reliability, maintainability, availability, repair and supportability analysis. Employees are stationed worldwide alongside the customer.
Marine & Land Systems	
COMMANDO [™] family of armored vehicles	Rigorously tested and proven in the toughest environments, the family of COMMANDO [™] 4x4 armored vehicles offer a range of protection, unmatched on-road and off-road mobility, survivability, lethality, versatility, reliability and sustainability for the unique multi-mission capabilities our customers require.
Ship to Shore Connector	The Ship to Shore Connector (SSC) is the next generation of the Landing Craft, Air Cushion (LCAC), providing a modernized means for the U.S. Navy and Marine Corps to land on more than 80 percent of the world's shorelines for the next 30 years. The craft will offer increased reliability and maintainability, as well as meet the Marine Corps' requirements of increased payload, availability, reliability and maintainability.
Motor Lifeboats	The 47-foot, self-righting Motor Lifeboat (MLB) is a rugged, highly survivable, all-aluminum rescue boat that significantly enhances customers' ability to perform a variety of operations in heavy weather conditions. The MLB has been relied upon in service for more than 20 years.
Weapon & Sensor Systems	
Protection Systems	Real-time distributed networked systems autonomously detect, classify, report and engage threats with man-in-the-loop control. Products include the Supervised Smart Munition (SSM [™]), a next-generation area denial system that leverages numerous mature and proven component technologies, and MicroObserver [™] Unattended Ground Sensor system. Protection Systems continues to be an industry leader in area denial and the Unattended Ground Sensor market and is actively developing enhanced sensor/effector technology for the expanding product line.
Smart Weapons	Proven smart weapon systems bring precision and accuracy to the battlefield while reducing risks to military personnel and civilians and minimizing collateral damage. Products include Fury [®] and G-CLAW [™] precision guided munitions, which offer customers affordable and effective precision strike capabilities that can be integrated on a variety of manned and unmanned platforms.
Simulation, Training and Other	
TRU Simulation + Training—Flight & Maintenance Training Simulators	For the global civil and defense aviation market, products range from portable desktop devices and distance-learning courseware to full-motion, high-fidelity flight simulators, such as FFS X [™] for fixed-wing aircraft and the ODYSSEY H [™] for rotorcraft. TRU products utilize subsystems, such as the REALFeel [®] control loading system, REALCue [™] motion controller as well as the REALVibe [™] six degrees of freedom mini-motion cueing and vibration platform included on the ODYSSEY H [™] . Products also include complete maintenance training suites for aircraft, such as the C-17, F-22 and Shadow unmanned systems.
TRU Simulation + Training—Pilot and Maintenance Training	For general aviation pilots and aircraft technicians, TRU provides initial type-rating and recurrent training in FAA and EASA-approved Part 142 centers and maintenance training in an FAA-approved state-of-the-art Part 147 schoolhouse. TRU also provides maintenance training for U.S. and international military platforms, such as the C-17, B-1B and Shadow unmanned systems.
Electronic Systems	Cutting-edge technology provider with a family of test and training solutions that include automated test systems, electronic warfare/radio frequency simulation, training systems for electronic warfare applications, and precise and reliable flight line test equipment such as the Joint Service Electronic Combat Systems Tester (JSECST). These solutions are used for the world's most advanced air, land, sea and space platforms, supporting marine vessels, space assets and advanced aircraft such as the F-35, F-18, EA-18G, F-15 and F-16 through its use of the Advanced Architecture Phase Amplitude and Time Simulator (A2PATS [™]) product line, the Electronic Consolidated Automated Support System (eCASS) and the robust commercial instrument line. Electronic Systems' electro-optical and infrared product line out of the United Kingdom offers a gateway to fuel international electronic warfare opportunities.
Advanced Information Solutions	Custom intelligence and mission management solutions, including the iCommand [®] suite, used globally in support of military operations, counterterrorism, law enforcement, emergency management and environmental assessment. Leveraging the latest commercial technologies, solutions architects and software engineers design and field tailored solutions to meet the unique operating environments of the Department of Defense, national agencies and civilian organizations.
Geospatial Solutions	Advanced geospatial intelligence solutions and services supporting global and national defense, security, humanitarian assistance, environmental studies, forestry and urban planning. These geospatial data management, visualization and analysis systems enable users to achieve enhanced productivity gains and geospatial awareness through management, discovery and analysis of the variety and magnitude of data at their disposal.
Lycoming Engines	A complete line of FAA-certificated and Experimental category aviation piston engines: horizontally opposed, air-cooled, four-, six- and eight-cylinder aircraft engines; the world's only certificated aerobatic and helicopter piston engines; iE2 Integrated Electronic Engines; a high power density liquid cooled jet fuel burning diesel cycle engine; and a single cylinder jet fuel burning spark ignited engine. Also a complete offering of support services from engines to spare parts for the general aviation and experimental segment.
Textron Airborne Solutions	The newly formed Textron business unit focuses on live military air-to-air and air-to-ship training and support services, and includes the recently acquired Airborne Tactical Advantage Company (ATAC), the largest supplier of supersonic and subsonic aviation solutions to the U.S. military. ATAC has provided the U.S. DoD with supersonic and subsonic adversary services for over 20 years. With locations supporting East and West Coast U.S. operations, Hawaii and Japan, ATAC has pioneered contractor-operated tactical jet support to the U.S. military and international partners.



E-Z-GO Personal Transport Vehicle



Kautex Fuel System



Premier Deicer

27%
Industrial's
share of Textron
2016 revenues

INDUSTRIAL

Our Industrial segment offers three main product lines: fuel systems and functional components produced by Kautex; specialized vehicles and equipment manufactured by the Textron Specialized Vehicles businesses; and manual and powered professional tools, testing and measurement equipment made by the Textron Tools & Test companies.

Textron Specialized Vehicles designs and manufactures golf cars, professional turf care equipment, commercial and industrial utility vehicles, recreational side-by-sides, and ground support equipment for the aviation industry. These products are sold under the E-Z-GO®, Cushman®, Textron Off Road, Jacobsen®, Dixie Chopper®, Ransomes®, TUG™, Douglas™, Premier™ and Safeaero™ brands. In the first quarter of 2017, Textron acquired Artic Cat Inc. which manufactures a wide range of snowmobiles and off-road recreational vehicles. These businesses have a diversified customer base that includes consumers, golf courses and resorts, government agencies and municipalities, and commercial and industrial users such as factories, warehouses, airports, planned communities, hunting preserves, educational and corporate campuses, sporting venues, municipalities, utilities, and agriculture and landscaping professionals.

Kautex is a Top 100 global automotive supplier. The company develops and manufactures blow-molded plastic fuel systems, selective catalytic reduction systems, windshield, headlight, camera and sensor cleaning systems, engine camshafts and castings and industrial plastics packaging.

KEY DATA

(Dollars in millions)

	2016	2015	2014	2013	2012
Industrial					
Revenues	\$3,794	\$3,544	\$3,338	\$3,012	\$2,900
Segment profit	\$ 329	\$ 302	\$ 280	\$ 242	\$ 215
Segment profit margin	8.7%	8.5%	8.4%	8.0%	7.4%
Total assets	\$2,409	\$2,236	\$2,171	\$1,956	\$1,755
Capital expenditures	\$ 121	\$ 105	\$ 97	\$ 89	\$ 97
Depreciation and amortization	\$ 81	\$ 76	\$ 76	\$ 72	\$ 70

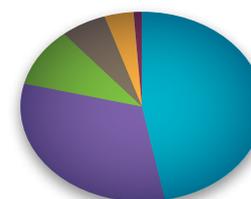
REVENUE DETAILS

(In millions)

	2016	2015	2014	2013	2012
Fuel Systems and Functional Components	\$2,273	\$2,078	\$1,975	\$1,853	\$1,842
Specialized Vehicles and Equipment	1,080	1,021	868	713	660
Tools and Test Equipment	441	445	495	446	398
Total revenues	\$3,794	\$3,544	\$3,338	\$3,012	\$2,900

The **Textron Tools & Test** product line is a group of companies that design and produce powered equipment, electrical test and measurement instruments, mechanical and hydraulic tools, cable connectors, fiber optic assemblies, underground and aerial transmission and distribution products, and power utility products. It is comprised of companies and brands including Greenlee, Greenlee Communications, Greenlee Utility, HD Electric, Klauke, Sherman + Reilly, and Endura.

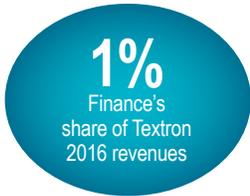
REVENUE BY REGION



- U.S. 47%
- EUROPE 32%
- ASIA PACIFIC 10%
- LATIN AND SOUTH AMERICA 6%
- CANADA 4%
- MIDDLE EAST 1%

MAJOR PRODUCTS

Product Line	Description
Textron Specialized Vehicles	
Consumer	A wide range of vehicles in the outdoor powersports market, including side-by-sides, snowmobiles, and ATVs under the Textron Off Road and Arctic Cat brands and personal transportation vehicles (PTVs) under the E-Z-GO and Cushman brands. PTVs are modified E-Z-GO golf carts used primarily in planned communities and neighborhoods.
Commercial	Commercial utility vehicles in a number of commercial markets, including agriculture, construction, facilities maintenance, and manufacturing and distribution centers. Vehicle models range from commercial electric, gas and diesel-powered side-by-sides to electrically powered industrial burden carriers and tuggers designed primarily for indoor use. Vehicles are sold under the Cushman brand.
Golf	Golf car fleets, professional mowing and turf care equipment, and utility and hospitality vehicles in golf courses and resorts worldwide. Golf cars are sold under the E-Z-GO brand, with turf-care professional equipment sold under the Jacobsen brand, and utility and hospitality vehicles under the Cushman brand.
Ground Support Equipment	Ground support equipment for airlines, cargo carriers and airports worldwide. Product lines include towbarless and conventional aircraft pushbacks, deicing equipment, belt loaders, cargo and baggage tractors, ground power units, air-starts and mobile HVAC units. Equipment is sold under the TUG, Douglas, Premier and Safeaero brands.
Turf	Zero-turn mowers and commercial turf care equipment for professional groundskeepers, municipal and institutional turf managers, and consumers under the Dixie Chopper, Jacobsen and Ransomes brands.
Kautex	
Lightweight, all-plastic hybrid fuel tank	First to market in 2015, the all-plastic, lightweight pressurized fuel tank is suitable for hybrid applications. The tank is created using Kautex's NGFS® twin sheet technology, adding patented stiffening elements to withstand the pressure/vacuum requirements needed for hybrid applications and eliminating the need for steel support.
Next Generation Fuel Systems (NGFS®)	NGFS® technology, also known as "twin sheet" technology, helps reduce emissions and weight while potentially increasing volume depending on tank design. NGFS® is produced by lowering two sheets of multi-layered parison through the blow molder extruders. The "twin sheet" design allows easy access for components to be integrated directly into the plastic shell, thus eliminating the need for cutting and welding and reducing emissions.
Conventional, co-extrusion fuel systems	A multi-layer extrusion process that includes a series of virgin layers of High Density Polyethylene Extrusion, regrind, and ethylene vinyl alcohol—the "barrier" layer that reduces the emission of hydrocarbons into the atmosphere.
Selective Catalytic Reduction (SCR) Systems	The Kautex SCR system helps eliminate nitrogen oxide (NOx) emissions from diesel fuel systems. The SCR system injects AdBlue®/DEF (Diesel Exhaust Fluid: urea/water solution) into the exhaust system, reducing the harmful NOx emission to water and nitrogen. SCR systems can reduce NOx by approximately 85% (98% less than EU 4/5) and reduce fuel consumption by 8%.
Windscreen, headlamp and camera cleaning systems/solutions	Dirt from muddy roads, dust, frost, snow, and pollution can all affect the performance of the vehicle's windshield, headlights or camera system(s). To help safeguard the full functionality of these components, Kautex Clear Vision Systems (CVS) has created solutions including washer fill & storage, washer fluid management and nozzles for headlights, windshields, camera and ADAS sensors.
ADAS sensor cleaning systems/solutions	Camera and sensor cleaning solutions to support the Advanced Driver Assistance Systems (ADAS) to ensure ADAS sensor systems remain clear.
Textron Tools & Test	
Electrical/Mechanical	Hand Tools, Knockouts, Power Tool Accessories, Bending, Fishing, Cable Pulling, Wire & Cable Termination, Pressing (Plumbing/HVAC), Test & Measurement, Storage & Material Handling.
Utility	Pullers & Tensioners, Cable Termination Tools, Cable Installation, Jetting Equipment, Distribution/Transmission Tools, Test & Measurement, Safety, and Controls & System monitoring.
Communications	Test & Measurement for Datacom, DSL, Ethernet, Fiber and Wireless networks.



FINANCE

The Finance segment provides financing primarily to customers purchasing Textron Aviation aircraft and Bell helicopters. Textron Financial Corporation and its consolidated subsidiaries comprise the Finance segment.

KEY DATA

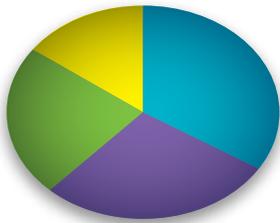
(Dollars in millions)

	2016	2015	2014	2013	2012
Finance					
Total finance receivables ¹	\$ 976	\$1,135	\$1,289	\$1,548	\$2,074
60-Day + delinquency	4.23%	6.24%	4.55%	5.39%	4.65%
Nonaccrual %	9.20%	7.60%	6.46%	7.08%	7.39%
Debt to shareholders' equity	5.75x	5.22x	4.75x	6.01x	4.74x
Revenues	\$ 78	\$ 83	\$ 103	\$ 132	\$ 215
Segment profit ²	\$ 19	\$ 24	\$ 21	\$ 49	\$ 64
Total assets	\$1,280	\$1,316	\$1,529	\$1,725	\$2,322
Dividends paid to Textron Inc.	\$ 29	\$ 63	\$ —	\$ 175	\$ 345
Capital contributions paid to Finance group	\$ —	\$ —	\$ —	\$ 1	\$ 240

¹ Finance receivables include finance receivables held for sale.

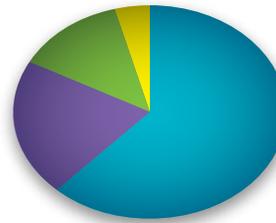
² Segment profit for the Finance segment includes interest income and expense along with intercompany interest income and expense.

SOURCES OF FUNDING



- LONG-TERM DEBT 34%
- SUBORDINATED DEBT 28%
- EXIM/EDC 23%
- EQUITY 15%

FINANCE RECEIVABLES



- TEXTRON AVIATION 62%
- BELL HELICOPTER 21%
- NON-CAPTIVE 13%
- INDEPENDENT AVIATION 4%

Citation Latitude



Bell 407GXP



Cessna Grand Caravan EX



FINANCIAL DATA 2016-2015

(Dollars in millions, except per share amounts)

	2016					2015				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Revenues										
Textron Aviation	\$1,091	\$1,196	\$1,198	\$1,436	\$ 4,921	\$1,051	\$1,124	\$1,159	\$1,488	\$ 4,822
Bell	814	804	734	887	3,239	813	850	756	1,035	3,454
Textron Systems	324	487	413	532	1,756	315	322	420	463	1,520
Industrial	952	1,004	886	952	3,794	872	927	828	917	3,544
Finance	20	20	20	18	78	22	24	17	20	83
Total Revenues	\$3,201	\$3,511	\$3,251	\$3,825	\$13,788	\$3,073	\$3,247	\$3,180	\$3,923	\$13,423
Segment Profit¹										
Textron Aviation ²	\$ 73	\$ 81	\$ 100	\$ 135	\$ 389	\$ 67	\$ 88	\$ 107	\$ 138	\$ 400
Bell	82	81	97	126	386	76	101	99	124	400
Textron Systems	29	60	44	53	186	28	21	39	41	129
Industrial	91	99	66	73	329	82	86	61	73	302
Finance	5	7	3	4	19	6	10	6	2	24
Total Segment Profit	\$ 280	\$ 328	\$ 310	\$ 391	\$ 1,309	\$ 259	\$ 306	\$ 312	\$ 378	\$ 1,255
Segment Profit Margins										
Textron Aviation	6.7%	6.8%	8.3%	9.4%	7.9%	6.4%	7.8%	9.2%	9.3%	8.3%
Bell	10.1%	10.1%	13.2%	14.2%	11.9%	9.3%	11.9%	13.1%	12.0%	11.6%
Textron Systems	9.0%	12.3%	10.7%	10.0%	10.6%	8.9%	6.5%	9.3%	8.9%	8.5%
Industrial	9.6%	9.9%	7.4%	7.7%	8.7%	9.4%	9.3%	7.4%	8.0%	8.5%
Finance	25.0%	35.0%	15.0%	22.2%	24.4%	27.3%	41.7%	35.3%	10.0%	28.9%
Total Profit Margin	8.7%	9.3%	9.5%	10.2%	9.5%	8.4%	9.4%	9.8%	9.6%	9.3%
Corporate expenses and other, net	\$ (32)	\$ (31)	\$ (53)	\$ (56)	\$ (172)	\$ (42)	\$ (33)	\$ (27)	\$ (52)	\$ (154)
Interest expense, net for the Manufacturing group	(33)	(37)	(35)	(33)	(138)	(33)	(32)	(33)	(32)	(130)
Special charges ³	—	—	(115)	(8)	(123)	—	—	—	—	—
Income tax benefit (expense) ⁴	(64)	(82)	192	(79)	(33)	(56)	(72)	(76)	(69)	(273)
Income from Continuing Operations—GAAP	\$ 151	\$ 178	\$ 299	\$ 215	\$ 843	\$ 128	\$ 169	\$ 176	\$ 225	\$ 698
Special charges, net of income taxes ⁵	—	—	73	5	78	—	—	—	—	—
Income tax settlement	—	—	(206)	—	(206)	—	—	—	—	—
Adjusted Income from Continuing Operations—Non-GAAP⁶	\$ 151	\$ 178	\$ 166	\$ 220	\$ 715	\$ 128	\$ 169	\$ 176	\$ 225	\$ 698
Diluted EPS from Continuing Operations—GAAP	\$ 0.55	\$ 0.66	\$ 1.10	\$ 0.78	\$ 3.09	\$ 0.46	\$ 0.60	\$ 0.63	\$ 0.81	\$ 2.50
Special charges, net of taxes	—	—	0.27	0.02	0.29	—	—	—	—	—
Income tax settlement	—	—	(0.76)	—	(0.76)	—	—	—	—	—
Adjusted Diluted EPS from Continuing Operations—Non-GAAP⁶	\$ 0.55	\$ 0.66	\$ 0.61	\$ 0.80	\$ 2.62	\$ 0.46	\$ 0.60	\$ 0.63	\$ 0.81	\$ 2.50

1 Segment profit is an important measure used for evaluating performance and for decision-making purposes. Segment profit for the manufacturing segments excludes interest expense, certain corporate expenses and special charges. The measurement for the Finance segment includes interest income and expense along with intercompany interest income and expense.

2 Includes amortization of \$12 million in 2015 related to fair value step-up adjustments of Beechcraft acquired inventories sold during the periods, primarily in the first and second quarters of 2015.

3 In 2016, we initiated a plan to restructure and realign our business by implementing headcount reductions, facility consolidations and other actions in order to improve overall operating efficiency across Textron. Special charges for 2016 include restructuring charges for this plan, which primarily consists of severance costs of \$66 million and asset impairments of \$36 million in the third quarter of 2016.

4 The third quarter of 2016 includes an income tax benefit of \$206 million attributable to continuing operations as a result of the final settlement with the Internal Revenue Service Office of Appeals for our 1998 to 2008 tax years. An additional \$113 million tax benefit related to this settlement is included in discontinued operations.

5 Special charges, net of income taxes includes an income tax benefit of \$42 million and \$3 million in the third and fourth quarters of 2016, respectively.

6 Our definition of Adjusted income from continuing operations and adjusted diluted earnings per share both exclude Special charges, net of income taxes, and a significant multi-year income tax settlement. We consider items recorded in Special charges, net of income taxes, such as enterprise-wide restructuring, to be of a non-recurring nature that is not indicative of ongoing operations. In addition, the income tax settlement is not considered to be indicative of ongoing operations since it represents a significant one-time favorable settlement of our 1998 to 2008 tax years.

SELECTED FINANCIAL STATISTICS 2016-2012

(Dollars in millions, except where noted and per share amounts)

	2016	2015	2014	2013	2012
Income Statement Data					
Revenues	\$13,788	\$13,423	\$13,878	\$12,104	\$12,237
Segment profit	1,309	1,255	1,214	963	1,132
Corporate expenses and other, net	(172)	(154)	(161)	(166)	(148)
Interest expense, net for Manufacturing group	(138)	(130)	(148)	(123)	(143)
Special charges	(123)	—	(52)	—	—
Income tax expense	(33)	(273)	(248)	(176)	(260)
Effective tax rate	3.8%	28.1%	29.1%	26.1%	30.9%
Income from continuing operations	\$ 843	\$ 698	\$ 605	\$ 498	\$ 581
Diluted EPS from continuing operations	\$ 3.09	\$ 2.50	\$ 2.15	\$ 1.75	\$ 1.97
Balance Sheet Data—Manufacturing Group					
Cash and equivalents	\$ 1,137	\$ 946	\$ 731	\$ 1,163	\$ 1,378
Accounts receivable, net	1,064	1,047	1,035	979	829
Inventories	4,464	4,144	3,928	2,963	2,712
Property, plant and equipment, net	2,581	2,492	2,497	2,215	2,149
Goodwill	2,113	2,023	2,027	1,735	1,649
Total assets	14,078	13,392	13,076	11,219	10,711
Total debt	2,777	2,697	2,811	1,931	2,301
Total liabilities	8,661	8,603	9,028	7,044	8,076
Total Company shareholders' equity	5,574	4,964	4,272	4,384	2,991
Non-GAAP Cash Flow Calculations—Manufacturing Group					
Net cash from operating activities of continuing operations—GAAP	\$ 988	\$ 1,038	\$ 1,097	\$ 658	\$ 958
Less: Capital expenditures	(446)	(420)	(429)	(444)	(480)
Dividends received from TFC	(29)	(63)	—	(175)	(345)
Plus: Total pension contributions	50	68	76	194	405
Proceeds from sale of property, plant and equipment	10	8	9	22	15
Capital contributions paid to TFC	—	—	—	1	240
Manufacturing cash flow before pension contributions—Non-GAAP ¹	\$ 573	\$ 631	\$ 753	\$ 256	\$ 793
Cash Flow Items—Manufacturing Group					
Depreciation and amortization	\$ 437	\$ 449	\$ 446	\$ 371	\$ 358
Net cash used in acquisitions	(186)	(81)	(1,628)	(196)	(11)
Net change in debt	91	(100)	880	(321)	299
Dividends paid	(22)	(22)	(28)	(22)	(17)
Purchases of Textron common stock	(241)	(219)	(340)	—	(272)
Total number of shares purchased (in thousands)	6,898	5,197	8,921	—	11,103
Key Ratios					
Segment profit margin	9.5%	9.3%	8.7%	8.0%	9.3%
Selling and administrative expense as % of sales	9.5%	9.7%	9.8%	9.3%	9.5%
Inventory turns (based on FIFO)	2.3x	2.4x	2.7x	2.6x	2.8x
Ratio of income to fixed charges—Manufacturing group	5.92x	7.05x	5.43x	6.23x	5.85x
Debt-to-capital (net of cash)—Manufacturing group	23%	26%	33%	15%	24%
Stock-Related Information					
Stock price at year-end	\$ 48.56	\$ 42.01	\$ 42.17	\$ 36.61	\$ 24.12
Dividend payout ratio	3%	3%	4%	5%	4%
Dividends declared per share	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Other Statistics					
Number of employees at year-end	36,000	35,000	34,000	32,000	33,000
Average revenues per employee (in thousands)	383	384	408	378	371

¹ We use Manufacturing Cash Flow Before Pension Contributions as our measure of free cash flow. This measure is not a financial measure under generally accepted accounting principles (GAAP) and should be used in conjunction with GAAP cash measures provided in our Consolidated Statements of Cash Flows. Our definition of manufacturing cash flow before pension contributions adjusts net cash from operating activities of continuing operations (GAAP) for the following:

- Excludes dividends received from Textron Financial Corporation (TFC) and capital contributions to TFC provided under the Support Agreement and debt agreements as these cash flows are not representative of manufacturing operations;
- Deducts capital expenditures and includes proceeds from the sale of property, plant and equipment to arrive at the net capital investment required to support ongoing manufacturing operations;
- Adds back pension contributions as we consider our pension obligations to be debt-like liabilities. Additionally, these contributions can fluctuate significantly from period to period and we believe that they are not representative of cash used by our manufacturing operations during the period.

While we believe this measure provides a focus on cash generated from manufacturing operations, before pension contributions, and may be used as an additional relevant measure of liquidity, it does not necessarily provide the amount available for discretionary expenditures since we have certain non-discretionary obligations that are not deducted from the measure.

RETURN ON INVESTED CAPITAL (ROIC)

<i>(Dollars in millions)</i>	2016	2015	2014	2013	2012
ROIC Income					
Income from continuing operations ¹	\$ 843	\$ 698	\$ 605	\$ 498	\$ 581
Interest expense for Manufacturing group	88	83	94	77	90
Operating results of business units in discontinued operations, net of taxes	—	—	—	—	8
ROIC Income	\$ 931	\$ 781	\$ 699	\$ 575	\$ 679
Invested Capital at end of year					
Total shareholders' equity	\$5,574	\$4,964	\$4,272	\$4,384	\$2,991
Total Manufacturing group debt	2,777	2,697	2,811	1,931	2,301
Loan to Finance group	—	—	—	—	—
Cash and cash equivalents for Manufacturing group	(1,137)	(946)	(731)	(1,163)	(1,378)
Invested Capital at end of year, as adjusted	7,214	6,715	6,352	5,152	3,914
Invested Capital at beginning of year	6,715	6,352	5,152	3,914	3,843
Average Invested Capital	\$6,965	\$6,534	\$5,752	\$4,533	\$3,879
Return on Invested Capital	13.4%	12.0%	12.2%	12.7%	17.5%

¹ In 2016, income from continuing operations included the following items: \$123 million of restructuring charges, which primarily consist of severance costs of \$70 million and asset impairments of \$38 million, net of taxes of \$45 million and an income tax benefit of \$206 million, inclusive of interest, attributable to continuing operations, which resulted from the final settlement with the Internal Revenue Service Office of Appeals for our 1998 to 2008 tax years. 2015 included the following pre-tax items: \$12 million of amortization expenses related to fair value step-up adjustments of Beechcraft acquired inventories sold in the period. 2014 included the following pre-tax items: \$63 million of amortization expenses related to fair value step-up adjustments of Beechcraft acquired inventories sold in the period and \$52 million in acquisition and restructuring costs related to the Beechcraft acquisition. 2013 included the following pre-tax items: \$28 million in severance costs in connection with a voluntary separation program at Textron Aviation and \$15 million of charges related to our Unmanned Systems fee-for-service contracts at Textron Systems. 2012 included the following pre-tax items: \$37 million in charges related to our Unmanned Systems fee-for-service contracts at Textron Systems and a \$27 million charge from an unfavorable arbitration award at Textron Aviation. 2011 included the following pre-tax items: \$41 million non-cash impairment charge to write down certain intangible assets, approximately \$19 million in severance costs at Textron Systems and a \$186 million non-cash initial mark-to-market adjustment for remaining finance receivables in the Golf Mortgage portfolio.

Return on invested capital (ROIC) is a non-GAAP financial measure that our management believes is useful to investors as a measure of performance and of the effectiveness of the use of capital in our operations. We measure ROIC by dividing ROIC income by average invested capital. ROIC income includes income from continuing operations and adds back after-tax amounts for 1) interest expense for the Manufacturing group, 2) gains or losses on the sales of businesses or product lines and 3) operating results related to discontinued operations.

At the beginning of the year, our invested capital represents total shareholders' equity and Manufacturing group debt, less its cash and equivalents and any outstanding amounts loaned to the Finance group. At the end of the year, we typically adjust ending invested capital for significant events unrelated to our normal operations for the year such as dispositions.

FORWARD-LOOKING STATEMENTS

Certain statements in this Fact Book and other oral and written statements made by us from time to time are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which may describe strategies, goals, outlook or other non-historical matters, or project revenues, income, returns or other financial measures, often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "guidance," "project," "target," "potential," "will," "should," "could," "likely" or "may" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results to differ materially from those expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements. In addition to those factors described in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q under "Risk Factors," among the factors that could cause actual results to differ materially from past and projected future results are the following: interruptions in the U.S. Government's ability to fund its activities and/or pay its obligations; changing priorities or reductions in the U.S. Government defense budget, including those related to military operations in foreign countries; our ability to perform as anticipated and to control costs under contracts with the U.S. Government; the U.S. Government's ability to unilaterally modify or terminate its contracts with us for the U.S. Government's convenience or for our failure to perform, to change applicable procurement and accounting policies, or, under certain circumstances, to withhold payment or suspend or debar us as a contractor eligible to receive future contract awards; changes in foreign military funding priorities or budget constraints and determinations, or changes in government regulations or policies on the export and import of military and commercial products; volatility in the global economy or changes in worldwide political conditions that adversely impact demand for our products; volatility in interest rates or foreign exchange rates; risks related to our international business, including establishing and maintaining facilities in locations around the world and relying on joint venture partners, subcontractors, suppliers, representatives, consultants and other business partners in connection with international business, including in emerging market countries; our Finance segment's ability to maintain portfolio credit quality or to realize full value of receivables; performance issues with key suppliers or subcontractors; legislative or regulatory actions, both domestic and foreign, impacting our operations or demand for our products; our ability to control costs and successfully implement various cost-reduction activities; the efficacy of research and development investments to develop new products or unanticipated expenses in connection with the launching of significant new products or programs; the timing of our new product launches or certifications of our new aircraft products; our ability to keep pace with our competitors in the introduction of new products and upgrades with features and technologies desired by our customers; pension plan assumptions and future contributions; demand softness or volatility in the markets in which we do business; cybersecurity threats, including the potential misappropriation of assets or sensitive information, corruption of data or operational disruption; difficulty or unanticipated expenses in connection with integrating acquired businesses; and the risk that acquisitions do not perform as planned, including, for example, the risk that acquired businesses will not achieve revenue and profit projections.

BUSINESS DIRECTORY

WORLD HEADQUARTERS

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BELL HELICOPTER

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TEXTRON SYSTEMS

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TEXTRON AVIATION

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TEXTRON FINANCIAL

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INDUSTRIAL

Kautex
Kautexstrasse 52
53229 Bonn
Germany
+49-228-4880
www.kautex.com

Textron Specialized Vehicles
1451 Marvin Griffin Road
Augusta, GA 30906
(706) 798-4311
www.ezgo.com
www.cushmanco.com
www.tugtech.com

Textron Tools & Test
4455 Boeing Drive
Rockford, IL 61109
(815) 397-7070
www.greenlee.com
www.greenleecomunications.com
www.hdelectriccompany.com
www.klauke.com
www.sherman-reilly.com

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Legal Entities

Avco Corporation ("Avco") is a wholly-owned subsidiary of Textron Inc. Bell Helicopter Textron Inc. ("Bell Helicopter") is a wholly-owned subsidiary of Textron Inc. Bell Helicopter consists of several subsidiaries and operating divisions. The Textron Systems group of businesses includes Overwatch Systems, Ltd.; Textron Systems Corporation (d/b/a Textron Defense Systems); and AAI Corporation, all of which are subsidiaries of Avco, as well as Lycoming Engines, an operating division of Avco; the Marine & Land Systems Division of Textron Inc.; and TRU Simulation + Training Inc. and Textron Airborne Solutions Inc., which are both wholly-owned by Textron Inc. Textron Aviation Inc., which has various subsidiaries, is wholly-owned by Textron Inc. Kautex conducts its business through a number of separately incorporated companies and other operations. The Greenlee business unit consists of various legal entities, including but not limited to Greenlee Textron Inc., a wholly-owned subsidiary of Textron Inc. Textron Specialized Vehicles Inc. is a wholly-owned subsidiary of Textron Inc., and E-Z-GO and Jacobsen are both unincorporated divisions of Textron Inc. Textron Financial Corporation ("Textron Financial") is a wholly-owned subsidiary of Textron Inc. Textron Financial consists of several subsidiaries and operating divisions.

Patents and Trademarks

We own, or are licensed under, numerous patents throughout the world relating to products, services and methods of manufacturing. Patents developed while under contract with the U.S. Government may be subject to use by the U.S. Government. We also own or license active trademark registrations and pending trademark applications in the U.S. and in various foreign countries or regions, as well as trade names and service marks. While our intellectual property rights in the aggregate are important to the operation of our business, we do not believe that any existing patent, license, trademark or other intellectual property right is of such importance that its loss or termination would have a material adverse effect on our business taken as a whole. Some of these trademarks, trade names and service marks are used in this Annual Report on Form 10-K and other reports, including: A²PATS; Able Aerospace Services; Able Preferred; Aeronautical Accessories; AAI; acAlert; AirScout; Ascent; Aerosonde; AH-1Z; Ambush; AVCOAT; Baron; BattleHawk; Beechcraft; Beechcraft T-6; Bell; Bell CAP; Bell Customer Advantage Plan; Bell Helicopter; BENDWORKS; Bonanza; Bravo; Cadillac Gage; Caravan; Caravan Amphibian; Caravan 675; Cessna; Cessna 350; Cessna 400; Cessna Turbo Skylane JT-A; Cessna Turbo Skyhawk JT-A; Citation; CITATION ALPINE EDITION; Citation Encore+; Citation Latitude; Citation Longitude; Citation M2; Citation Sovereign; Citation X; Citation X+; Citation XLS+; CJ1+; CJ2+; CJ3; CJ3+; CJ4; Clarity; CLAW; CLEARTEST; Commando; Cushman; CUSV; DataScout; Denali; Dixie Chopper; Dixie Chopper Stryker; DoubleVision; Duct Dawg X; Eclipse; ENFORCER; Excel; E-Z-GO; E-Z-GO EXPRESS; FAST-N-LATCH; FASTRAP; Firefly; Fury; G3 Tugger; GatorEye; Gator Grips; GLOBAL MISSION SUPPORT; Gorilla; Grand Caravan; Greenlee; H-1; HAULER; HDE; Hawker; Hemisphere; Huey; Huey II; iPress; iCommand; IE2; Instinct; Integrated Command Suite; INTELLIBRAKE; INTELLI-CRIMP; Jacobsen; Jacobsen HoverKing; Jet Ranger X; Kautex; King Air; King Air C90GTx; King Air 250; King Air 350; Kiowa Warrior; Klauke; LF; Lycoming; M1117 ASV; MADE FOR THE TRADE; McCauley; Mechtronix; MicroObserver; Millenworks; Mission Critical Support (MCS); MissionLink (IVHM); Mustang; Next Generation Carbon Canister; Next Generation Fuel System; NGCC; NGFS; Odyssey; ONSLAUGHT; Overwatch; PDCue; Power Advantage; Premier; Pro-Fit; ProFlight; ProParts; ProPropeller; Ransomes; REALCue; REALFeel; Recoil; Relentless; ROCONNECT; RT²; RXV; SABER; Safeaero; Safe-Zone; Scorpion; Shadow; Shadow Knight; Shadow Master; Sherman+Reilly; Skyhawk; Skyhawk SP; Skylane; SkyPLUS; Sovereign; Speed Punch; Spider; Stampede; Stationair; ST 4X4; Super Cargomaster; Super Medium; SuperCobra; SYMTX; Synturian; TDCue; Textron; Textron Airborne Solutions; Textron Aviation; Textron Defense Systems; Textron Financial Corporation; Textron GSE; Textron Marine & Land Systems; Textron Off Road; Textron Systems; TI-Metal; TRUESET; TRU Simulation + Training; TRUCKSTER; TTx; TUG; Turbo Skylane; Turbo Stationair; UH-1Y; Under Dawg; V-Watch Connect; VALOR; Value-Driven MRO Solutions; V-22 Osprey; V-247; V-280; Watchman; Wolverine; 2FIVE; 206; 407; 407GT; 407GX; 412; 429; 505; 525 and 525 Relentless. These marks and their related trademark designs and logotypes (and variations of the foregoing) are trademarks, trade names or service marks of Textron Inc., its subsidiaries, affiliates or joint ventures.

STOCK INFORMATION

STOCK EXCHANGE LISTINGS

Ticker Symbol – TXT
Common Stock
New York Stock Exchange

TRANSFER AGENT AND REGISTRAR

American Stock Transfer & Trust Company, LLC
Operations Center
6201 15th Avenue
Brooklyn, NY 11219
(866) 621-2790
www.amstock.com
Email: info@amstock.com

CAPITAL STOCK (as of December 31, 2016)

Common Stock: par value \$0.125 per share
500,000,000 shares authorized
272,365,000 shares outstanding

DIVIDENDS

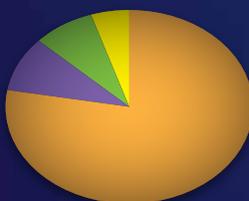
Common Stock
Record dates: March 11, June 10, September 9 and December 9, 2016
Payable dates: April 1, July 1, October 1, 2016 and January 1, 2017

STOCK SPLITS

Record dates: December 17, 1965; August 11, 1967; May 11, 1987; May 9, 1997; August 3, 2007
Distribution dates: January 1, 1966; September 1, 1967; June 1, 1987; May 30, 1997; August 24, 2007

SHARE OWNERSHIP

(As of December 2016)



- U.S. INSTITUTIONS 78%
- RETAIL/OTHER 9%
- EMPLOYEES/DIRECTORS/OFFICERS 8%
- FOREIGN 5%

This Fact Book is one of several sources of information available to Textron Inc. shareholders and the investment community. To receive a copy of Textron's Forms 10-K, 10-Q, Proxy Statement or Annual Report, visit our website at www.textron.com or send your written request to Textron Investor Relations at the address listed on the outside cover. For the most recent company news and earnings press releases, visit our website at www.textron.com.