



TEXTRON

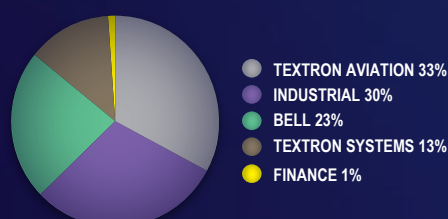
2017 FACT BOOK



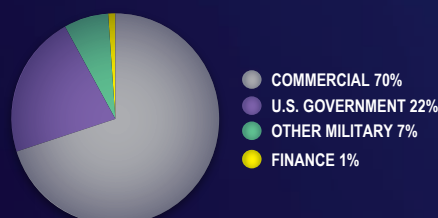
TEXTRON

TEXTRON INC. is a \$14.2 billion multi-industry company with approximately 37,000 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 Bell, Cessna, Beechcraft, Hawker, Jacobsen, Kautex, Lycoming, E-Z-GO, Greenlee, Textron Off Road, Arctic Cat, Textron Systems, and TRU Simulation + Training.

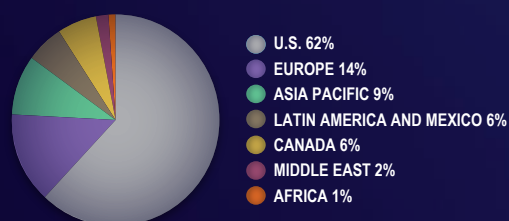
Textron Revenue by Segment



Textron Revenue by Type



Textron Revenue by Region



(Credit Ratings as of January 16, 2018)

Textron Inc.

	Long-Term Debt	Short-Term Commercial Paper	Outlook
S&P	BBB	A2	Stable
Moody's	Baa2	P2	Stable

FINANCIAL HIGHLIGHTS

Dollars in millions, except per share data

	2017	2016	Change
Revenues	\$14,198	\$13,788	3%
International revenues %	38%	38%	
Segment profit ¹	\$ 1,169	\$ 1,309	(11)%
Income from continuing operations—GAAP	\$ 306	\$ 843	(64)%
Adjusted income from continuing operations—Non-GAAP ²	\$ 658	\$ 715	(8)%
Manufacturing group debt ³	\$ 3,088	\$ 2,777	11%
Shareholders' equity	\$ 5,647	\$ 5,574	1%
Manufacturing group debt-to-capital (net of cash) ³	26%	23%	

Common Share Data

Diluted EPS from continuing operations—GAAP	\$ 1.14	\$ 3.09	(63)%
Adjusted diluted EPS from continuing operations—Non-GAAP ²	\$ 2.45	\$ 2.62	(6)%
Dividends per share	\$ 0.08	\$ 0.08	—
Diluted average shares outstanding (in thousands)	268,750	272,365	(1)%

Key Performance Metrics

ROIC ⁴	9.8%	11.6%	
Net cash provided by operating activities of continuing operations—Manufacturing group—GAAP	\$ 947	\$ 988	(4)%
Manufacturing cash flow before pension contributions—Non-GAAP ^{3, 5}	\$ 889	\$ 573	55%
Manufacturing pension contributions ³	\$ 358	\$ 50	616%
Capital expenditures	\$ 423	\$ 446	(5)%

Net Debt

Manufacturing group debt	\$ 3,088	\$ 2,777	\$311
Finance group debt	\$ 824	\$ 903	\$(79)
Total debt	\$ 3,912	\$ 3,680	\$232
Less: Consolidated cash and equivalents	\$ 1,262	\$ 1,298	\$(36)
Net Debt	\$ 2,650	\$ 2,382	\$268

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 earnings per share (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.



Scott A. Ernest

Textron Aviation President and CEO



Kevin P. Holleran

Industrial Segment and Textron Specialized Vehicles President and CEO



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.



Lisa M. Atherton

Textron Systems Segment 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 2017. There are also additional examples contained within the segment sections.

BELL HELICOPTER achieved successful first flight of its next generation tiltrotor, the V-280 Valor. This major milestone represents exceptional progress on the V-280 development program and brings Bell Helicopter one step closer to creating the next generation of vertical lift aircraft for the U.S. military.



TEXTRON AVIATION unveiled its new Cessna SkyCourier aircraft, a twin-engine, large-utility turboprop that will serve the burgeoning air freight market. Built for high utilization operations, the Cessna SkyCourier will be offered in cargo and passenger variants. The Cessna SkyCourier will build on Textron Aviation's proven success in the utility category, offering even greater capability and mission flexibility.



TEXTRON SPECIALIZED VEHICLES completed the acquisition and integration of Arctic Cat, adding to its capabilities and offerings within the powersports industry. The acquisition builds on the progress of Textron Off Road's new product development efforts with the introduction of the Havoc X, while also contributing on the snow side with the ZR 200, SnowGoer's 2018 snowmobile of the year.



TEXTRON SYSTEMS Marine & Land Systems anticipates initial deliveries of the Ship-to-Shore Connector will begin in 2018, representing the next generation Landing Craft, Air Cushion for the U.S. Navy and Marine Corps.





Cessna Denali



Cessna Citation Latitude



Cessna Citation Longitude

33%

Textron Aviation's
share of Textron
2017 revenues

TEXTRON AVIATION

Textron Aviation is home to the Beechcraft®, Cessna® and Hawker® brands, and continues to lead general aviation through two principal lines of business: aircraft and aftermarket. Aircraft includes sales of business jets, turboprop and piston aircraft, as well as special mission and military aircraft. Aftermarket includes parts sales, maintenance, inspection and repair services.

KEY DATA

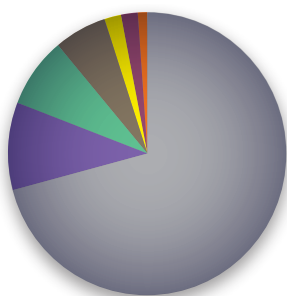
(Dollars in millions)

	2017	2016	2015	2014	2013
Textron Aviation					
Units delivered:					
Business jets	180	178	166	159	139
King Airs ¹	86	106	117	113	—
Caravans	69	84	102	94	105
Piston engine ¹	274	262	312	290	223
Backlog	\$1,180	\$1,041	\$1,074	\$1,365	\$1,018
Revenues	\$4,686	\$4,921	\$4,822	\$4,568	\$2,784
Segment profit (loss) ²	\$ 303	\$ 389	\$ 400	\$ 234	\$ (48)
Segment profit margin	6.5%	7.9%	8.3%	5.1%	(1.7)%
Total assets	\$4,403	\$4,460	\$4,039	\$4,085	\$2,260
Capital expenditures	\$ 128	\$ 157	\$ 124	\$ 96	\$ 72
Depreciation and amortization	\$ 139	\$ 140	\$ 134	\$ 137	\$ 87

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

² Segment profit (loss) included the following pre-tax items: In 2015, \$12 million of amortization expense related to fair value step-up adjustments of Beechcraft inventories sold during the year. In 2014, \$63 million negative impact from fair value step-up adjustments to Beechcraft inventories sold during the year. In 2013, \$28 million in severance costs.

REVENUE BY REGION



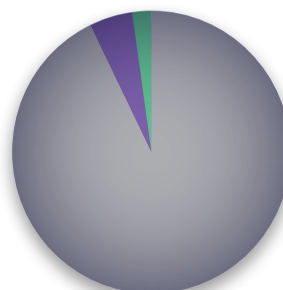
- U.S. 71%
- EUROPE 10%
- LATIN AMERICA AND MEXICO 8%
- ASIA PACIFIC 6%
- CANADA 2%
- MIDDLE EAST 2%
- AFRICA 1%

REVENUE DETAILS

(In millions)	2017	2016	2015	2014	2013
Aircraft	\$3,112	\$3,412	\$3,404	\$3,182	\$1,868
Aftermarket	1,574	1,509	1,418	1,386	916
Total revenues	\$4,686	\$4,921	\$4,822	\$4,568	\$2,784

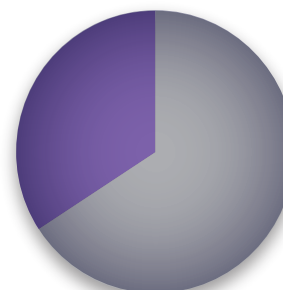
SALES BREAKDOWN

BY CUSTOMER



- COMMERCIAL 93%
- OTHER MILITARY 5%
- U.S. GOVERNMENT 2%

BY PRODUCT LINE



- AIRCRAFT 66%
- AFTERMARKET 34%

MAJOR PRODUCTS

	First Delivery	Std/Max Seating Capacity (including pilots)	Cruising Speed (kts)	Maximum Range (nm) (IFR w/ NBAA reserves)	2018 MSRP (in millions)	Engine Manufacturer	Engine Model	Avionics
Cessna Citation Jets								
M2	2013	8	404	1,550	\$ 4.700	Williams International	FJ44-1AP-21	Garmin G3000
CJ3+	2014	9/10	416	2,040	\$ 8.295	Williams International	FJ44-3A	Garmin G3000
CJ4	2010	9/11	451	2,165	\$ 9.195	Williams International	FJ44-4A	Collins Pro Line 21
XLS+	2008	11/14	441	2,100	\$13.050	Pratt & Whitney Canada	PW545C	Collins Pro Line 21
Latitude	2015	11	446	2,700	\$16.650	Pratt & Whitney Canada	PW306D1	Garmin G5000
Sovereign+	2013	11/14	460	3,200	\$17.895	Pratt & Whitney Canada	PW306D	Garmin G5000
X+	2014	11/14	528	3,460	\$23.365	Rolls-Royce	AE3007C2	Garmin G5000
New Jet Development								
Citation Longitude	EIS 2018 ¹	10/14	476	3,500	\$26.995	Honeywell	HTF-7700L	Garmin G5000
Citation Hemisphere	TBD	TBD	TBD	4,500	TBD	Safran	Silvercrest	Honeywell Primus Epic
Turboprops								
Cessna Caravan	1985	9/14	186	1,070 ³	\$2.050	Pratt & Whitney Canada	PT6A-114A	Garmin G1000 NXi
Cessna Grand Caravan EX ²	2013	11/14	185	912 ³	\$2.653	Pratt & Whitney Canada	PT6A-140	Garmin G1000 NXi
Beechcraft King Air C90GTx	2010	7/9	272	1,260	\$3.775	Pratt & Whitney Canada	PT6A-135A	Collins Pro Line Fusion
Beechcraft King Air 250	2011	9/11	310	1,720	\$6.295	Pratt & Whitney Canada	PT6A-52	Collins Pro Line Fusion
Beechcraft King Air 350i	2010	11/13	312	1,806	\$7.345	Pratt & Whitney Canada	PT6A-60A	Collins Pro Line Fusion
Beechcraft King Air 350iER	2010	11/13	303	2,539	\$8.385	Pratt & Whitney Canada	PT6A-60A	Collins Pro Line Fusion
New Turboprop Development								
Cessna Denali	First Flight 2018 ¹	8/11	285	1,600	\$4.800	GE Aviation	Advanced Turboprop	Garmin G3000
Cessna SkyCourier	First Flight 2019 ¹	21/21	200	900	\$5.500 ⁴	Pratt & Whitney Canada	PT6A-65SC	Garmin G1000 NXi
Pistons								
Cessna 172S Skyhawk	1998	4	124	640 ³	\$0.379	Textron Lycoming	IO-360-L2A	Garmin G1000 NXi
Cessna 172 Turbo Skyhawk JT-A	2017	4	134	963 ³	\$0.450	Continental Motors	CD-155	Garmin G1000 NXi
Cessna Skylane 182T	2001	4	145	915 ³	\$0.490	Textron Lycoming	IO-540-AB1A5	Garmin G1000 NXi
Cessna Turbo Stationair T206H	1998	6	161	703 ³	\$0.680	Textron Lycoming	TIO-540-AJ1A	Garmin G1000 NXi
Beechcraft Bonanza G36 ⁵	2005	6	176	920 ³	\$0.870	Continental Motors	IO-550-B	Garmin G1000 NXi
Beechcraft Baron G58 ⁵	2005	6	202	1,480 ³	\$1.415	Continental Motors	IO-550-C	Garmin G1000 NXi
Military								
Beechcraft T-6	1998	2	316	1,382	N/A ⁶	Pratt & Whitney Canada	PT6A-68	Esterline CMC 3000
Beechcraft AT-6	TBD	2	316	1,725	N/A ⁶	Pratt & Whitney Canada	PT6A-68D	Esterline CMC 3000
Scorpion	TBD	2	330	2,400	N/A ⁶	Honeywell	TFE731-40AR	Garmin

¹ Estimated

² Grand Caravan EX with Cargo Pod

³ 45 minute fuel reserve

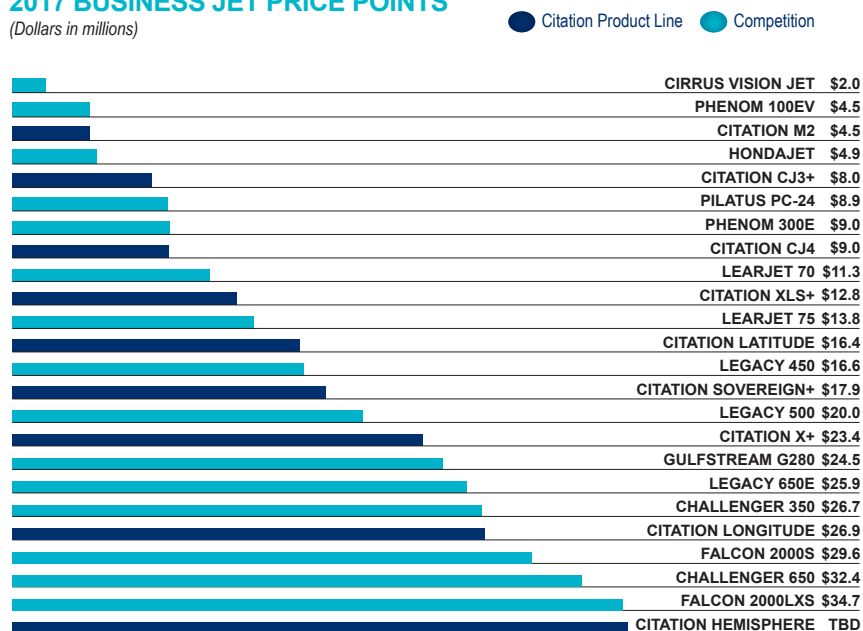
⁴ Cessna SkyCourier Cargo Configuration

⁵ Current configuration with G1000 avionics

⁶ Contact Textron Aviation Defense for aircraft and support package pricing

2017 BUSINESS JET PRICE POINTS

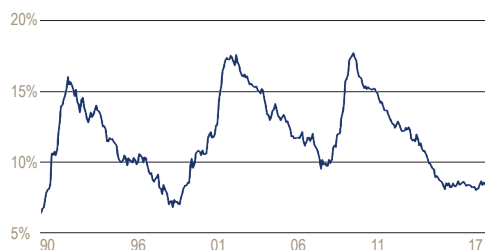
(Dollars in millions)



2017 Source: B&CA 2017 Purchase Planning Handbook edition & Textron Aviation Data

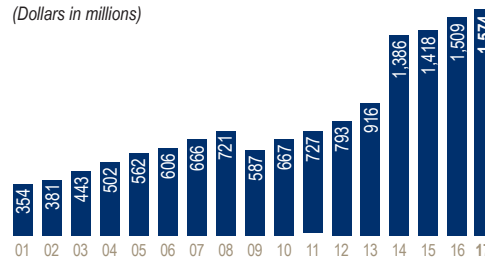
PRE-OWNED CITATIONS FOR SALE

(As a percent of fleet)



AFTERMARKET SALES

(Dollars in millions)





Bell 525 Relentless



Bell 407GX



Bell 412EP

23%

Bell Helicopter's
share of Textron
2017 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 130 countries.

KEY DATA

(Dollars in millions)

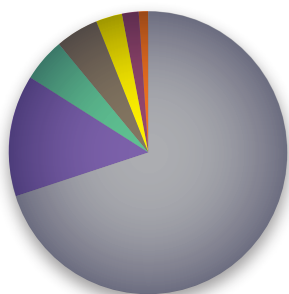
	2017	2016	2015	2014	2013
Bell Helicopter					
Units delivered:					
U.S. Government	60	57	48	71	78
Commercial	132	114	175	178	213
Backlog	\$4,598	\$5,360	\$5,224	\$5,524	\$6,450
Revenues	\$3,317	\$3,239	\$3,454	\$4,245	\$4,511
Segment profit	\$ 415	\$ 386	\$ 400	\$ 529	\$ 573
Segment profit margin	12.5%	11.9%	11.6%	12.5%	12.7%
Total assets	\$2,660	\$2,655	\$2,829	\$2,858	\$2,899
Capital expenditures	\$ 73	\$ 86	\$ 97	\$ 152	\$ 197
Depreciation and amortization	\$ 117	\$ 132	\$ 143	\$ 132	\$ 116

REVENUE DETAILS

(In millions)

	2017	2016	2015	2014	2013
Military:					
V-22 Program	\$1,129	\$1,151	\$1,194	\$1,771	\$1,755
Other Military	947	936	839	860	959
Commercial	1,241	1,152	1,421	1,614	1,797
Total revenues	\$3,317	\$3,239	\$3,454	\$4,245	\$4,511

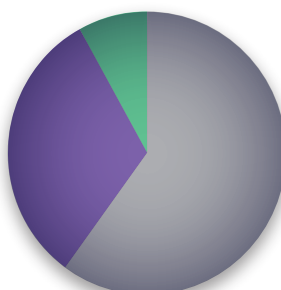
REVENUE BY REGION



- U.S. 70%
- ASIA PACIFIC 14%
- LATIN AMERICA AND MEXICO 5%
- CANADA 5%
- AFRICA 3%
- EUROPE 2%
- MIDDLE EAST 1%

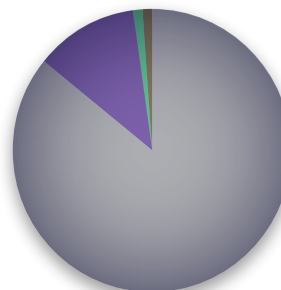
SALES BREAKDOWN

BY CUSTOMER



- U.S. GOVERNMENT 60%
- COMMERCIAL 32%
- OTHER MILITARY 8%

BY U.S. MILITARY BRANCH



- MARINES 86%
- AIR FORCE 12%
- NAVY 1%
- OTHER 1%

MAJOR PRODUCTS

	Description	First Delivery	Seating Capacity (including pilots)	Useful Load (lbs)	Cruising Speed (kts)	Maximum Range (nm)
Light						
Bell 505 Jet Ranger X	Light single-engine, five-seat helicopter with fully integrated glass cockpit	2017	5	1,500	125	306
Bell 407GX	Light single-engine helicopter with fully integrated glass cockpit	2018	7	2,300	133	337
Bell 429/429WLG	Light twin-engine helicopter, best-in-class cabin volume	2009	8	2,535	150	411
Medium						
Bell 412 EP/EPI	Twin-engine with the highest dispatch reliability and the lowest hourly cost	2013	15	5,100	122	357
Bell Huey II	Upgrade of U.S. Army and worldwide UH-1H model Huey	1995	15	5,060	106	246
New Commercial Helicopter Development						
Bell 525 Relentless	Twin-engine with fly-by-wire flight controls	TBD	18	8,200	160	560
Military						
Bell UH-1Y	State-of-the-art fully integrated utility and combat support helicopter	2006	12	6,675	158	350
Bell AH-1Z	State-of-the-art fully integrated weapons system attack helicopter	2006	2	6,580	160	380
Tiltrotor						
Bell-Boeing V-22	Military tiltrotor aircraft, being produced in partnership with Boeing	1999	27	25,500	266	1,100
Bell V-280	Next generation military tiltrotor aircraft being developed as part of the Joint Multi-Role Technology Demonstrator initiative in order to compete for the Army-led, DOD Future Vertical Lift Program of Record	TBD	16-18	12,000+	280	800

COMMERCIAL BUSINESS

- Bell started Bell 505 Jet Ranger X deliveries around the world and achieved the following certifications: FAA, EASA, Australia, Chile, Guatemala, Indonesia, Mexico, New Zealand, Peru, South Korea, Argentina, and Japan.
- Bell 525 Relentless resumed flight test activity in August 2017.
- Bell Helicopter commercial orders exceeded 200 in China for 2017.
- Bell Helicopter and TRU Simulation + Training opened the first international training facility in Valencia, Spain.

MILITARY BUSINESS

- Bell V-280 achieved 100% completion build and first flight in December 2017.
- Bell production roll-out of the first Bell-Boeing V-22 and Bell AH-1Zs destined to international customers.

2017 COMMERCIAL PRODUCT PRICE POINTS — ● Bell Helicopter ● Competition

(Dollars in millions)

Single Engine

	ROBINSON R66	\$0.9
	ENSTROM 480	\$1.2
	BELL 505	\$1.2
	MD 500E	\$1.9
	H120	\$2.0
	MD 600N	\$2.9
	H125	\$2.9
	BELL 407GX	\$3.1
	A119VFR	\$3.2
	H130	\$3.3

Twin Engines

	H135	\$5.7
	A109 GRAND	\$6.1
	BELL 429	\$6.4
	H145	\$8.5
	AW169	\$9.0
	H155	\$10.8
	BELL 412 EPI	\$11.0
	AW139	\$11.0
	S-76D	\$15.0
	H175	\$16.8
	AW189	\$17.1
	BELL 525	TBD
	S-92	\$27.0
	H225	\$27.9

2017 Source: Conklin & de Decker & Bell Data



TRU's Bell 429 full flight simulator



Ship-to-Shore Connector



NIGHTWARDEN™ Tactical Unmanned Aircraft System

13%

Textron Systems' share of Textron 2017 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)

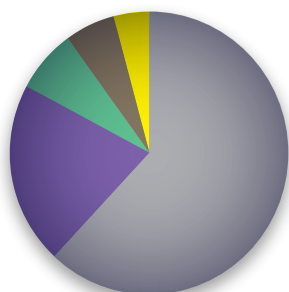
	2017	2016	2015	2014	2013
Textron Systems					
Revenues	\$1,840	\$1,756	\$1,520	\$1,624	\$1,665
Segment profit	\$ 139	\$ 186	\$ 129	\$ 150	\$ 147
Segment profit margin	7.6%	10.6%	8.5%	9.2%	8.8%
Backlog	\$1,406	\$1,841	\$2,328	\$2,790	\$2,803
Total assets	\$2,330	\$2,508	\$2,398	\$2,283	\$2,106
Capital expenditures	\$ 60	\$ 71	\$ 86	\$ 65	\$ 66
Depreciation and amortization	\$ 65	\$ 75	\$ 80	\$ 84	\$ 89

REVENUE DETAILS

(In millions)

	2017	2016	2015	2014	2013
Unmanned Systems	\$ 714	\$ 763	\$ 686	\$ 797	\$ 666
Marine and Land Systems	470	294	188	158	392
Simulation, Training and Other	656	699	646	669	607
Total revenues	\$1,840	\$1,756	\$1,520	\$1,624	\$1,665

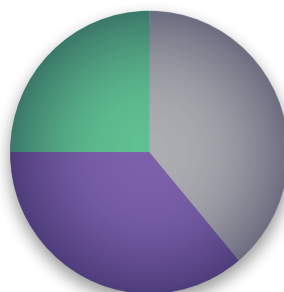
REVENUE BY REGION



- U.S. 62%
- CANADA 21%
- MIDDLE EAST 7%
- ASIA PACIFIC 6%
- EUROPE 4%

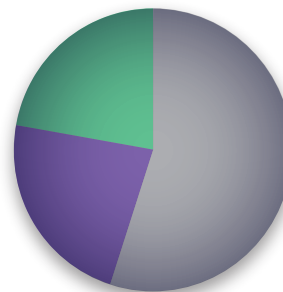
SALES BREAKDOWN

BY PRODUCT LINE



- UNMANNED SYSTEMS 39%
- SIMULATION, TRAINING AND OTHER 36%
- MARINE AND LAND SYSTEMS 25%

BY CUSTOMER



- U.S. GOVERNMENT 55%
- OTHER MILITARY 23%
- COMMERCIAL 22%



Common Unmanned Surface Vehicle



ATAC Kfir conducting adversary live air training with two U.S. Military F-35 Joint Strike Fighters



TRU's Cessna Citation Latitude/Sovereign + full flight simulator

MAJOR PRODUCTS

Product Line

Description

Unmanned Systems

Unmanned Aircraft Systems

Unmanned Systems' multi-mission-capable unmanned aircraft systems (UAS) are utilized worldwide. The business's platforms include the Shadow® Tactical UAS (which has surpassed one million flight hours), the Aerosonde® Small UAS, the Aerosonde HQ, and the next-generation NIGHTWARDEN™ Tactical UAS.

Unmanned Surface Systems

Unmanned Systems manufactures the Common Unmanned Surface Vehicle (CUSV™), which is for the U.S. Navy's first USV program of record, the Unmanned Influence Sweep System program.

Control Stations and Remote Products

Unmanned Systems also manufactures variations of command-and-control systems and collaboration technologies including the Synturian® family of multi-domain control and collaboration technologies and the Universal Ground Control Station (UGCS), as well as 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, supporting a wide range of commercial and defense equipment.

Mission Command

Textron Systems' advanced data fusion, command and control and intelligence analysis programs create unparalleled interoperability during complex operations. They are 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 for the U.S. Department of Defense, national agencies and civilian organizations.

Marine & Land Systems

Marine Craft

Textron Systems' marine craft include the Ship-to-Shore Connector (SSC) and the Motor Lifeboat. The SSC is the next generation of the Landing Craft, Air Cushion (LCAC), offering increased reliability, maintainability and payload for the U.S. Navy and Marine Corps. The Motor Lifeboat (MLB), which has been in service for more than 20 years, is a rugged, highly survivable, all-aluminum rescue boat that enhances customers' ability to perform a variety of operations in heavy weather conditions.

Land Vehicles

The business designs, manufactures and supports the next generation of armored combat vehicles for the U.S. military, international militaries, special operations forces, police forces and civilian entities around the globe. The family of COMMANDO® 4x4 armored vehicles offers a range of protection, unmatched on-road and off-road mobility, survivability, lethality, versatility, reliability and sustainability for unique multi-mission capabilities.

Simulation, Training and Other

TRU Simulation + Training—Flight and 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 degree 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 Tactical UAS.

TRU Simulation + Training—Pilot and Maintenance Training

For general aviation pilots and aircraft technicians, TRU provides initial type-rating and recurrent training in FAA approved Part 142 centers and maintenance training in a state-of-the-art maintenance training academy. TRU also provides maintenance training for U.S. and international military platforms, such as the C-17, B-1B and Shadow Tactical UAS.

Textron Airborne Solutions

Textron Airborne Solutions' unit Airborne Tactical Advantage Company (ATAC) has provided the U.S. Department of Defense with supersonic and subsonic adversary services for more than 20 years. With locations supporting East and West Coast U.S. operations, Hawaii and Japan, ATAC has pioneered outsourced commercial tactical airborne training support to the U.S. military and international partners.

Electronic Systems

Electronic Systems is a leader in the development and production of innovative, high-technology products and services for commercial, military, and government customers in the U.S. and internationally. It designs and manufactures a broad range of radio frequency, electro-optic, laser, and infrared devices used in training, test/evaluation, and operational applications from the laboratory to the range to the battlefield. The business provides trainers and simulators for embedded shipboard naval crews, air defense, electronic combat, space operations and control, as well as reconfigurable mission system trainers. Electronic Systems also offers advanced geospatial intelligence solutions and services, which enable users to achieve enhanced productivity and geospatial awareness through management, discovery and analysis of the variety and magnitude of data at their disposal. These geospatial solutions can help support global and national defense, security, humanitarian assistance, environmental studies, forestry and urban planning.

Lycoming Engines

Lycoming Engines offers a complete line of Federal Aviation Authority (FAA) Certificated and Experimental category aviation piston engines: horizontally opposed, air-cooled, four-, six- and eight-cylinder aircraft engines; the world's only FAA Certificated aerobatic piston 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. In addition, Lycoming Engines offers a complete range of support services, from engines to spare parts, for the general aviation and experimental segments.

Weapon and Sensor Systems

Weapon and Sensors offers advanced precision-guided weapons systems, airborne and ground-based sensors and surveillance systems, and protection systems for the defense and aerospace industries.



Kautex Fuel System



E-Z-GO RXV ELITE



TUG 660 Belt Loader

30%

Industrial's
share of Textron
2017 revenues

INDUSTRIAL

Our Industrial segment offers three main product lines: fuel systems and functional components produced by Kautex; specialized vehicles manufactured by the Textron Specialized Vehicles businesses; 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 ATVs, snowmobiles, and ground support equipment for the aviation industry. These products are sold under the E-Z-GO®, Cushman®, Textron Off Road, Arctic Cat®, Jacobsen®, Dixie Chopper®, Ransomes®, TUG™, Douglas™, Premier™ and Safeaero™ brands. These businesses have a diversified customer base that includes golf courses and resorts, government agencies and municipalities, consumers, outdoor enthusiasts, and commercial and industrial users such as factories, warehouses, airports, planned communities, hunting preserves, mountains, 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 (SCR) systems, clear-vision systems, engine camshafts, crankshafts and castings and industrial plastics packaging.

KEY DATA

(Dollars in millions)

	2017	2016	2015	2014	2013
Industrial					
Revenues	\$4,286	\$3,794	\$3,544	\$3,338	\$3,012
Segment profit	\$ 290	\$ 329	\$ 302	\$ 280	\$ 242
Segment profit margin	6.8%	8.7%	8.5%	8.4%	8.0%
Total assets	\$3,360	\$2,409	\$2,236	\$2,171	\$1,956
Capital expenditures	\$ 158	\$ 121	\$ 105	\$ 97	\$ 89
Depreciation and amortization	\$ 105	\$ 81	\$ 76	\$ 76	\$ 72

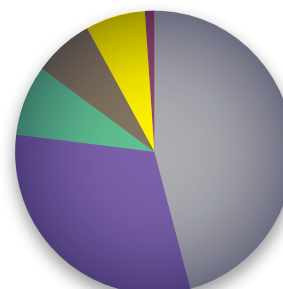
REVENUE DETAILS

(In millions)

	2017	2016	2015	2014	2013
Fuel Systems and Functional Components	\$2,330	\$2,273	\$2,078	\$1,975	\$1,853
Specialized Vehicles	1,486	1,080	1,021	868	713
Tools and Test Equipment	470	441	445	495	446
Total revenues	\$4,286	\$3,794	\$3,544	\$3,338	\$3,012

Textron Tools & Test is a group of companies that produce professional-grade tools, test equipment and high quality solutions for the construction, maintenance, telecommunications, utility, HVAC and plumbing industries. It is comprised of brands such as Greenlee (Communications/Electrical/Mechanical), HD Electric Company, Klauke, Sherman + Reilly, and Endura.

REVENUE BY REGION



- U.S. 46%
- EUROPE 31%
- ASIA PACIFIC 8%
- LATIN AMERICA AND MEXICO 7%
- CANADA 7%
- 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 and ATVs under the Textron Off Road brand and personal transportation vehicles (PTVs) under the E-Z-GO brand. PTVs are modified E-Z-GO golf cars 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 and under the Textron GSE name.
Turf	Zero-turn mowers and turf care equipment for professional groundskeepers, municipal and institutional turf managers, and consumers under the Dixie Chopper, Jacobsen and Ransomes brands.
Snow	A variety of snowmobiles for the snow powersports market including trail, crossover, mountain, utility, touring and youth snowmobiles. All snowmobiles are sold under the Arctic Cat brand.
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 Equipment, Wire & Cable Termination Tools, Pressing (Plumbing/HVAC), Test & Measurement Tools, Storage and Material Handling.
Utility	High Voltage Conductor Stringing, Pulling and Tensioning Equipment. High Voltage Test, Measurement and Safety Tools, Cable Termination Tools, and Automated Capacitor Control Systems.
Communications	Installation, Jetting, Tracing, Locating, and Test & Measurement Equipment for Datacom, DSL/ Copper, Ethernet, Fiber and Wireless High Speed Networks.



FINANCE

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

KEY DATA

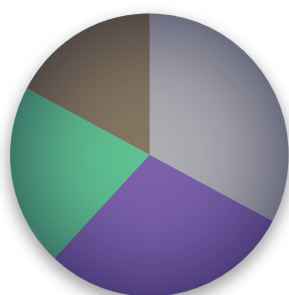
(Dollars in millions)

	2017	2016	2015	2014	2013
Finance					
Total finance receivables ¹	\$ 850	\$ 976	\$1,135	\$1,289	\$1,548
60-Day + delinquency	4.00%	4.23%	6.24%	4.55%	5.39%
Nonaccrual %	7.18%	9.20%	7.60%	6.46%	7.08%
Debt to shareholders' equity	3.81x	5.75x	5.22x	4.75x	6.01x
Revenues	\$ 69	\$ 78	\$ 83	\$ 103	\$ 132
Segment profit ²	\$ 22	\$ 19	\$ 24	\$ 21	\$ 49
Total assets	\$1,169	\$1,280	\$1,316	\$1,529	\$1,725
Dividends paid to Textron Inc.	\$ —	\$ 29	\$ 63	\$ —	\$ 175

¹ Finance receivables include finance receivables held for sale.

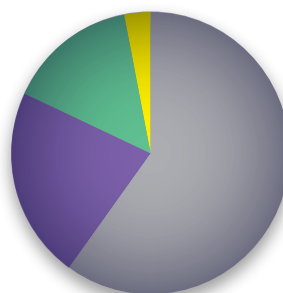
² Segment profit for the Finance segment includes interest income and expense along with intercompany interest income and expense.

SOURCES OF FUNDING



- LONG-TERM DEBT 33%
- SUBORDINATED DEBT 29%
- EQUITY 21%
- EXIM/EDC 17%

FINANCE RECEIVABLES



- TEXTRON AVIATION 60%
- BELL HELICOPTER 22%
- NON-CAPTIVE 15%
- INDEPENDENT AVIATION 3%

Bell 412EP



King Air 250



Cessna Citation M2



FINANCIAL DATA 2017-2016

(Dollars in millions, except per share amounts)

	2017					2016				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Revenues										
Textron Aviation	\$ 970	\$1,171	\$1,154	\$1,391	\$ 4,686	\$1,091	\$1,196	\$1,198	\$1,436	\$ 4,921
Bell	697	825	812	983	3,317	814	804	734	887	3,239
Textron Systems	416	477	458	489	1,840	324	487	413	532	1,756
Industrial	992	1,113	1,042	1,139	4,286	952	1,004	886	952	3,794
Finance	18	18	18	15	69	20	20	20	18	78
Total Revenues	\$3,093	\$3,604	\$3,484	\$4,017	\$14,198	\$3,201	\$3,511	\$3,251	\$3,825	\$13,788
Segment Profit¹										
Textron Aviation	\$ 36	\$ 54	\$ 93	\$ 120	\$ 303	\$ 73	\$ 81	\$ 100	\$ 135	\$ 389
Bell	83	112	106	114	415	82	81	97	126	386
Textron Systems	20	42	40	37	139	29	60	44	53	186
Industrial	76	82	49	83	290	91	99	66	73	329
Finance	4	5	7	6	22	5	7	3	4	19
Total Segment Profit	\$ 219	\$ 295	\$ 295	\$ 360	\$1,169	\$ 280	\$ 328	\$ 310	\$ 391	\$ 1,309
Segment Profit Margins										
Textron Aviation	3.7%	4.6%	8.1%	8.6%	6.5%	6.7%	6.8%	8.3%	9.4%	7.9%
Bell	11.9%	13.6%	13.1%	11.6%	12.5%	10.1%	10.1%	13.2%	14.2%	11.9%
Textron Systems	4.8%	8.8%	8.7%	7.6%	7.6%	9.0%	12.3%	10.7%	10.0%	10.6%
Industrial	7.7%	7.4%	4.7%	7.3%	6.8%	9.6%	9.9%	7.4%	7.7%	8.7%
Finance	22.2%	27.8%	38.9%	40.0%	31.9%	25.0%	35.0%	15.0%	22.2%	24.4%
Total Profit Margin	7.1%	8.2%	8.5%	9.0%	8.2%	8.7%	9.3%	9.5%	10.2%	9.5%
Corporate expenses and other, net	\$ (27)	\$ (31)	\$ (30)	\$ (44)	\$ (132)	\$ (32)	\$ (31)	\$ (53)	\$ (56)	\$ (172)
Interest expense, net for the Manufacturing group	(34)	(36)	(37)	(38)	(145)	(33)	(37)	(35)	(33)	(138)
Special charges ²	(37)	(13)	(25)	(55)	(130)	—	—	(115)	(8)	(123)
Income tax benefit (expense) ³	(21)	(62)	(44)	(329)	(456)	(64)	(82)	192	(79)	(33)
Income (loss) from Continuing Operations—GAAP	\$ 100	\$ 153	\$ 159	\$ (106)	\$ 306	\$ 151	\$ 178	\$ 299	\$ 215	\$ 843
Restructuring, net of taxes	10	8	9	32	59	—	—	73	5	78
Arctic Cat restructuring, integration and transaction costs, net of taxes	15	1	6	5	27	—	—	—	—	—
Total Special charges, net of taxes	25	9	15	37	86	—	—	73	5	78
Income tax expense resulting from the Tax Cuts and Jobs Act	—	—	—	266	266	—	—	—	—	—
Income tax settlement	—	—	—	—	—	—	—	(206)	—	(206)
Adjusted Income from Continuing Operations—Non-GAAP⁴	\$ 125	\$ 162	\$ 174	\$ 197	\$ 658	\$ 151	\$ 178	\$ 166	\$ 220	\$ 715
Diluted EPS from Continuing Operations—GAAP⁵	\$ 0.37	\$ 0.57	\$ 0.60	\$ (0.40)	\$ 1.14	\$ 0.55	\$ 0.66	\$ 1.10	\$ 0.78	\$ 3.09
Restructuring, net of taxes	0.04	0.03	0.03	0.12	0.22	—	—	0.27	0.02	0.29
Arctic Cat restructuring, integration and transaction costs, net of taxes	0.05	—	0.02	0.02	0.10	—	—	—	—	—
Total Special charges, net of taxes	0.09	0.03	0.05	0.14	0.32	—	—	0.27	0.02	0.29
Income tax expense resulting from the Tax Cuts and Jobs Act	—	—	—	1.00	0.99	—	—	—	—	—
Income tax settlement	—	—	—	—	—	—	—	(0.76)	—	(0.76)
Adjusted Diluted EPS from Continuing Operations—Non-GAAP^{4,6}	\$ 0.46	\$ 0.60	\$ 0.65	\$ 0.74	\$ 2.45	\$ 0.55	\$ 0.66	\$ 0.61	\$ 0.80	\$ 2.62

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 Special charges related to our 2016 restructuring plan were \$15 million, \$12 million, \$15 million, and \$48 million in the first, second, third and fourth quarters of 2017, respectively, and \$115 million and \$8 million in the third and fourth quarters of 2016, respectively. In addition, we recorded special charges of \$22 million, \$1 million, \$10 million and \$7 million in the first, second, third, and fourth quarters of 2017, respectively, related to the Arctic Cat acquisition, which included restructuring, integration and transactions costs.

³ Income tax expense for the fourth quarter of 2017 included a \$266 million charge to reflect our provisional estimate of the net impact of the Tax Cuts and Jobs Act (the "Act"), which was enacted on December 22, 2017. The third quarter of 2016 included an income tax benefit of \$319 million, inclusive of interest, of which \$206 million is attributable to continuing operations and \$113 million is attributable to discontinued operations. This benefit was a result of the final settlement with the Internal Revenue Service office of Appeals for our 1998 to 2008 tax years.

⁴ Our definition of Adjusted income from continuing operations and adjusted diluted earnings per share both exclude Special charges, net of income taxes, the income tax impact from the enactment of the Act and a significant multi-year income tax settlement. We consider items recorded in Special charges, net of income taxes, such as enterprise-wide restructuring and acquisition-related restructuring, integration and transaction costs, to be of a non-recurring nature that is not indicative of ongoing operations. In addition, both the impact from the Act and the income tax settlement are not considered to be indicative of ongoing operations, since they represent significant one-time adjustments.

⁵ For the fourth quarter of 2017, the diluted average shares used to calculate EPS on a GAAP basis excluded potential common shares (stock options and restricted stock units), due to their antidilutive effect resulting from the net loss.

⁶ The non-GAAP per share information for the fourth quarter of 2017 is calculated using diluted average shares outstanding of 266,099,000.

SELECTED FINANCIAL STATISTICS 2017-2013

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

	2017	2016	2015	2014	2013
Income Statement Data					
Revenues	\$14,198	\$13,788	\$13,423	\$13,878	\$12,104
Segment profit	1,169	1,309	1,255	1,214	963
Corporate expenses and other, net	(132)	(172)	(154)	(161)	(166)
Interest expense, net for Manufacturing group	(145)	(138)	(130)	(148)	(123)
Special charges	(130)	(123)	—	(52)	—
Income tax expense	(456)	(33)	(273)	(248)	(176)
Effective tax rate	59.8%	3.8%	28.1%	29.1%	26.1%
Income from continuing operations	\$ 306	\$ 843	\$ 698	\$ 605	\$ 498
Diluted EPS from continuing operations	\$ 1.14	\$ 3.09	\$ 2.50	\$ 2.15	\$ 1.75
Balance Sheet Data—Manufacturing Group					
Cash and equivalents	\$ 1,079	\$ 1,137	\$ 946	\$ 731	\$ 1,163
Accounts receivable, net	1,363	1,064	1,047	1,035	979
Inventories	4,150	4,464	4,144	3,928	2,963
Property, plant and equipment, net	2,721	2,581	2,492	2,497	2,215
Goodwill	2,364	2,113	2,023	2,027	1,735
Total assets	14,171	14,078	13,392	13,076	11,219
Total debt	3,088	2,777	2,697	2,811	1,931
Total liabilities	8,740	8,661	8,603	9,028	7,044
Total Company shareholders' equity	5,647	5,574	4,964	4,272	4,384
Non-GAAP Cash Flow Calculations—Manufacturing Group					
Net cash from operating activities of continuing operations—GAAP	\$ 947	\$ 988	\$ 1,038	\$ 1,097	\$ 658
Less: Capital expenditures	(423)	(446)	(420)	(429)	(444)
Dividends received from TFC	—	(29)	(63)	—	(175)
Plus: Total pension contributions	358	50	68	76	194
Proceeds from the sale of property, plant and equipment	7	10	8	9	22
Capital contributions paid to TFC	—	—	—	—	1
Manufacturing cash flow before pension contributions—Non-GAAP ¹	\$ 889	\$ 573	\$ 631	\$ 753	\$ 256
Cash Flow Items—Manufacturing Group					
Depreciation and amortization	\$ 435	\$ 437	\$ 449	\$ 446	\$ 371
Net cash used in acquisitions	(331)	(186)	(81)	(1,628)	(196)
Net change in debt	288	91	(100)	880	(321)
Dividends paid	(21)	(22)	(22)	(28)	(22)
Purchases of Textron common stock	(582)	(241)	(219)	(340)	—
Total number of shares purchased (in thousands)	11,918	6,898	5,197	8,921	—
Key Ratios					
Segment profit margin	8.2%	9.5%	9.3%	8.7%	8.0%
Selling and administrative expense as % of sales	9.4%	9.5%	9.7%	9.8%	9.3%
Inventory turns (based on FIFO)	2.4x	2.3x	2.4x	2.7x	2.6x
Ratio of income to fixed charges—Manufacturing group	4.98x	5.92x	7.05x	5.43x	6.23x
Debt-to-capital (net of cash)—Manufacturing group	26%	23%	26%	33%	15%
Stock-Related Information					
Stock price at year-end	\$ 56.59	\$ 48.56	\$ 42.01	\$ 42.17	\$ 36.61
Dividend payout ratio	7%	3%	3%	4%	5%
Dividends declared per share	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Other Statistics					
Number of employees at year-end	37,000	36,000	35,000	34,000	32,000
Average revenues per employee (in thousands)	384	383	384	408	378

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)

(Dollars in millions)	2017	2016	2015	2014	2013
ROIC Income					
Income from continuing operations ²	\$ 306	\$ 843	\$ 698	\$ 605	\$ 498
Interest expense for Manufacturing Group	91	88	83	94	77
Special charges, net of taxes	86	78	—	33	—
Special income tax items	266	(206)	—	—	—
ROIC Income	\$ 749	\$ 803	\$ 781	\$ 732	\$ 575
Invested Capital at end of year					
Total shareholders' equity	\$ 5,647	\$ 5,574	\$ 4,964	\$ 4,272	\$ 4,384
Total Manufacturing group debt	3,088	2,777	2,697	2,811	1,931
Cash and cash equivalents for Manufacturing group	(1,079)	(1,137)	(946)	(731)	(1,163)
Eliminate special charges, net of taxes	86	78	—	33	—
Eliminate special income tax items	266	(206)	—	—	—
Invested Capital at end of year, as adjusted	8,008	7,086	6,715	6,385	5,152
Invested Capital at beginning of year	7,214	6,715	\$ 6,352	5,152	3,914
Average Invested Capital	\$ 7,611	\$ 6,901	\$ 6,534	\$ 5,769	\$ 4,533
Return on Invested Capital¹	9.8%	11.6%	12.0%	12.7%	12.7%

1 In 2017, we revised our ROIC calculation to align it with our adjusted income from continuing operations Non-GAAP financial measure. Adjusted income from continuing operations excludes Special charges, net of income taxes, the income tax impact from the enactment of the Tax Cuts and Jobs Act in 2017 and a significant multi-year income tax settlement in 2016. We consider these items to be of a non-recurring nature that are not indicative of ongoing operations. Prior years have been restated to conform to this presentation.

2 Income from continuing operations included the following pre-tax items: 2015 included \$12 million of amortization expenses related to fair value step-up adjustments of Beechcraft acquired inventories sold in the period. 2014 included \$63 million of amortization expenses related to fair value step-up adjustments of Beechcraft acquired inventories sold in the period. 2013 included \$28 million in severance costs in connection with a voluntary separation program at Textron Aviation that was not included within Special charges.

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 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) Special charges, 3) gains or losses on the sale of businesses or product lines and 4) operating results related to discontinued operations. In addition ROIC income is adjusted to exclude the impact of one-time income tax items.

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 Special charges, one-time income tax items and 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; the risk that acquisitions do not perform as planned, including, for example, the risk that acquired businesses will not achieve revenue and profit projections; and the impact of changes in tax legislation (including the recently enacted Tax Cuts and Jobs Act).

BUSINESS DIRECTORY

WORLD HEADQUARTERS

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(401) 421-2800
www.textron.com

BELL HELICOPTER

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TEXTRON SYSTEMS

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TEXTRON AVIATION

Textron Aviation
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www.txtav.com

TEXTRON FINANCIAL

Textron Financial Corporation
Two Cessna Boulevard
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www.textronfinancial.com

INDUSTRIAL

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+49-228-4880
www.kautex.com

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www.ezgo.com
www.cushman.com
www.textronoffroad.com
www.arcticcat.com
www.textrongse.com
www.jacobsen.com
www.dixiechopper.com
www.ransomesjacobsen.com/europe

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

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 TRU Simulation + Training Inc., Textron Airborne Solutions Inc. and Avco Corporation ("Avco"), each of which is a wholly-owned subsidiary of Textron Inc.; AAI Corporation, a subsidiary of Avco, which has various subsidiaries, including Textron Systems Corporation (d/b/a Textron Defense Systems); Lycoming Engines, an operating division of Avco, and Textron Systems Marine & Land Systems, an operating division of Textron Inc. Textron Aviation Inc., which has various subsidiaries, is a 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 operating 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 Fact Book and other reports, including: A*PATS; Able Aerospace Services; Able Preferred; Aeronautical Accessories; AAI; acAlert; Aerosonde; AirScout; Alterra; AH-1Z; Ambush; Arctic Cat; Ascent; AVCOAT; Baron; Battlehawk; Bearcat; Beechcraft; Beechcraft T-6; Bell; Bell Helicopter; Bell 505; BENDWORKS; BlackWorks McCauley; Bonanza; Cadillac Gage; CAP; Caravan; Caravan Amphibian; Caravan 675; Cessna; Cessna 350; Cessna 400; Cessna SkyCourier; 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; Clairity; CLAW; CLEARTEST; Commando; Cushman; Customer Advantage Plans; CUSV; DataScout; Denali; Dixie Chopper; Dixie Chopper Stryker; Double Vision; Duct Dawg; Eclipse; El Tigre; ENFORCER; E-Z-GO; E-Z-GO EXPRESS; FAST-N-LATCH; FASTRAP; Firecat; Firefly; FOREVER WARRANTY; Fury; G3 Tugger; GatorEye; Gator Grips; GLOBAL MISSION SUPPORT; Gorilla; Grand Caravan; Greenlee; H-1; HAULER; HDE; Hawker; Hemisphere; Huey; Huey II; iCommand; iPress; 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; LOOKOUT; Lycoming; Lynx; M1117 ASV; MADE FOR THE TRADE; McCauley; Mechtronix; MicroObserver; Millenworks; Mission Critical Support (MCS); MISSIONLINK; Motorist; MudPro; Mustang; Next Generation Carbon Canister; Next Generation Fuel System; NGCC; NGFS; NightWarden; Odyssey; ONSLAUGHT; Overwatch; Pantera; PDCue; Power Advantage; Premier; Pro-Fit; ProFlight; ProParts; ProPropeller; Prowler; 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; Sno Pro; SnoCross; Sovereign; Speed Punch; Speedrack; Spider; Stampede; Stationair; ST 4X4; Super Cargomaster; Super Medium; SuperCobra; SYMTX; Synturian; TDCue; Team Arctic; Textron; Textron Airborne Solutions; Textron Aviation; Textron Defense Systems; Textron Financial Corporation; Textron GSE; Textron Marine & Land Systems; Textron Off Road; Textron Systems; Thundercat; TI-Metal; TRUESET; TRU Simulation + Training; TRUCKSTER; TTX; TUG; Turbo Skylane; Turbo Stationair; TRV; UH-1Y; Under Dawg; V-Watch; VALOR; Value-Driven MRO Solutions; V-22 Osprey; V-247; V-280; Watchman; Wildcat; Wolverine; ZR; 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 LISTING

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 30, 2017)

Common Stock: par value \$0.125 per share
500,000,000 shares authorized
261,470,568 shares outstanding

DIVIDENDS

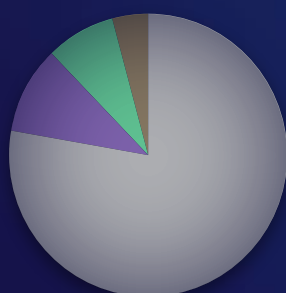
Common Stock
Record dates: March 10, June 9, September 15 and December 15, 2017
Payable dates: April 1, July 1, October 1, 2017 and January 1, 2018

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 2017)



- U.S. INSTITUTIONS 78%
- RETAIL/OTHER 10%
- SAVINGS PLAN/DIRECTORS/OFFICERS 8%
- FOREIGN INSTITUTIONS 4%

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 above. For the most recent company news and earnings press releases, visit our website at www.textron.com.