



**Corporate Communications Department
NEWS Release**

Textron Reports Second Quarter 2024 Results

- EPS of \$1.35; adjusted EPS of \$1.54, up from \$1.46 in prior year
- Net cash from operating activities of \$383 million in the second quarter of 2024
- \$358 million returned to shareholders through share repurchases in the second quarter

Providence, Rhode Island – July 18, 2024 – Textron Inc. (NYSE: TXT) today reported second quarter 2024 income from continuing operations of \$1.35 per share, as compared to \$1.30 per share in the second quarter of 2023. Adjusted income from continuing operations, a non-GAAP measure that is defined and reconciled to GAAP in an attachment to this release, was \$1.54 per share for the second quarter of 2024, compared to \$1.46 per share in the second quarter of 2023.

"In the quarter, our team delivered higher revenue, earnings per share, and cash flow," said Textron Chairman and CEO Scott C. Donnelly. "At Aviation and Bell, we continued to execute on key programs, including the Citation Ascend and FLRAA."

Cash Flow

Net cash provided by operating activities of the manufacturing group for the second quarter was \$383 million, compared to \$314 million last year. Manufacturing cash flow before pension contributions, a non-GAAP measure that is defined and reconciled to GAAP in an attachment to this release, totaled \$320 million for the second quarter, compared to \$242 million last year.

In the quarter, Textron returned \$358 million to shareholders through share repurchases. Year to date, Textron has returned \$675 million to shareholders through share repurchases.

Second Quarter Segment Results

Textron Aviation

Textron Aviation's revenues were \$1.5 billion, up \$113 million from last year's second quarter, reflecting higher pricing of \$57 million and higher volume and mix of \$56 million.

Textron Aviation delivered 42 jets in the quarter, down from 44 in the second quarter of 2023, and 44 commercial turboprops, up from 37 in last year's second quarter.

Segment profit was \$195 million in the second quarter, up \$24 million from a year ago, reflecting higher volume and mix of \$35 million, and a favorable impact from pricing, net of inflation, of \$22 million, partially offset by an unfavorable impact from performance of \$33 million.

Textron Aviation backlog at the end of the second quarter was \$7.5 billion.

Bell

Bell revenues were \$794 million, up \$93 million from the second quarter of 2023, largely reflecting higher military volume of \$104 million, primarily related to the FLRAA program, partially offset by lower volume on the V-22 program.

Bell delivered 32 commercial helicopters in the quarter, down from 35 in last year's second quarter.

Segment profit of \$82 million was up \$17 million from last year's second quarter, largely due to a favorable impact from performance of \$39 million, which included lower research and development costs, partially offset by mix.

Bell backlog at the end of the second quarter was \$4.2 billion.

Textron Systems

Revenues at Textron Systems were \$323 million, up \$17 million from last year's second quarter, primarily due to higher volume of \$14 million.

Segment profit of \$35 million was down \$2 million, compared with the second quarter of 2023.

Textron Systems' backlog at the end of the second quarter was \$1.7 billion.

Industrial

Industrial revenues were \$914 million, down \$112 million from last year's second quarter, mainly due to lower volume and mix of \$119 million.

Segment profit of \$42 million was down \$37 million from the second quarter of 2023, primarily due to lower volume and mix.

Textron eAviation

Textron eAviation segment revenues were \$9 million and segment loss was \$18 million in the second quarter of 2024, compared with a segment loss of \$12 million in the second quarter of 2023.

Finance

Finance segment revenues were \$12 million, and profit was \$7 million.

Conference Call Information

Textron will host its conference call today, July 18, 2024 at 8:00 a.m. (Eastern) to discuss its results and outlook. The call will be available via webcast at www.textron.com or by direct dial at (844) 867-6169 in the U.S. or (409) 207-6975 outside of the U.S.; Access Code: 8602005.

In addition, the call will be recorded and available for playback beginning at 11:00 a.m. (Eastern) on Thursday, July 18, 2024 by dialing (402) 970-0847; Access Code: 4306608.

A package containing key data that will be covered on today's call can be found in the Investor Relations section of the company's website at www.textron.com.

About Textron Inc.

Textron Inc. is a multi-industry company that leverages its global network of aircraft, defense, industrial and finance businesses to provide customers with innovative solutions and services. Textron is known around the world for its powerful brands such as Bell, Cessna, Beechcraft, Hawker, Pipistrel, Jacobsen, Kautex, Lycoming, E-Z-GO, Arctic Cat, and Textron Systems. For more information visit: www.textron.com.

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Forward-looking Information

Certain statements in this release 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 and inflationary pressures; 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; the impact of changes in tax legislation; the risk of disruptions to our business and the business of our suppliers, customers and other business partners due to unexpected events, such as pandemics, natural disasters, acts of war, strikes, terrorism, social unrest or other societal or political conditions; and the ability of our businesses to hire and retain the highly skilled personnel necessary for our businesses to succeed.

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TEXTRON INC.
Revenues by Segment and Reconciliation of Segment Profit to Net Income
(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
REVENUES				
MANUFACTURING:				
Textron Aviation	\$ 1,475	\$ 1,362	\$ 2,663	\$ 2,511
Bell	794	701	1,521	1,322
Textron Systems	323	306	629	612
Industrial	914	1,026	1,806	1,958
Textron eAviation	9	11	16	15
	3,515	3,406	6,635	6,418
FINANCE	12	18	27	30
Total revenues	\$ 3,527	\$ 3,424	\$ 6,662	\$ 6,448
SEGMENT PROFIT				
MANUFACTURING:				
Textron Aviation	\$ 195	\$ 171	\$ 338	\$ 296
Bell	82	65	162	125
Textron Systems	35	37	73	71
Industrial	42	79	71	120
Textron eAviation	(18)	(12)	(36)	(21)
	336	340	608	591
FINANCE	7	12	25	20
Segment profit (a)	343	352	633	611
Corporate expenses and other, net	(17)	(21)	(79)	(60)
Interest expense, net for Manufacturing group	(20)	(16)	(35)	(33)
LIFO inventory provision	(27)	(35)	(47)	(60)
Intangible asset amortization	(9)	(10)	(17)	(20)
Special charges (b)	(13)	—	(27)	—
Non-service components of pension and postretirement income, net	66	59	132	118
Income from continuing operations before income taxes	323	329	560	556
Income tax expense	(63)	(66)	(99)	(102)
Income from continuing operations	\$ 260	\$ 263	\$ 461	\$ 454
Discontinued operations, net of income taxes	(1)	—	(1)	—
Net income	\$ 259	\$ 263	\$ 460	\$ 454
Earnings Per Share:				
Income from continuing operations	\$ 1.35	\$ 1.30	\$ 2.38	\$ 2.22
Diluted average shares outstanding	191,855,000	202,509,000	193,358,000	204,760,000

Income from continuing operations and Diluted earnings per share (EPS) GAAP to Non-GAAP reconciliation:

	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Income from continuing operations - GAAP	\$ 260	\$ 263	\$ 461	\$ 454
Add: LIFO inventory provision, net of tax	20	26	35	45
Intangible asset amortization, net of tax	7	7	13	15
Special charges, net of tax	9	—	20	—
Adjusted income from continuing operations - Non-GAAP (a)	\$ 296	\$ 296	\$ 529	\$ 514
Diluted Earnings Per Share:				
Income from continuing operations - GAAP	\$ 1.35	\$ 1.30	\$ 2.38	\$ 2.22
Add: LIFO inventory provision, net of tax	0.10	0.13	0.18	0.22
Intangible asset amortization, net of tax	0.04	0.03	0.07	0.07
Special charges, net of tax	0.05	—	0.11	—
Adjusted income from continuing operations - Non-GAAP (a)	\$ 1.54	\$ 1.46	\$ 2.74	\$ 2.51

(a) Segment profit, adjusted income from continuing operations and adjusted diluted earnings per share are non-GAAP financial measures as defined in "Non-GAAP Financial Measures and Outlook" attached to this release.

(b) In the second quarter and first half of 2024, we recorded special charges of \$13 million and \$27 million, respectively, in connection with the restructuring plan announced at the end of 2023. These charges were largely related to headcount reductions in the Industrial, Textron Systems and Bell segments.

TEXTRON INC.
Condensed Consolidated Balance Sheets
(In millions)
(Unaudited)

	June 29, 2024	December 30, 2023
Assets		
Cash and equivalents	\$ 1,345	\$ 2,121
Accounts receivable, net	847	868
Inventories	4,381	3,914
Other current assets	749	857
Net property, plant and equipment	2,500	2,477
Goodwill	2,295	2,295
Other assets	3,639	3,663
Finance group assets	671	661
Total Assets	\$ 16,427	\$ 16,856
Liabilities and Shareholders' Equity		
Current portion of long-term debt	\$ 357	\$ 357
Accounts payable	1,120	1,023
Other current liabilities	2,979	2,998
Other liabilities	1,828	1,904
Long-term debt	2,884	3,169
Finance group liabilities	407	418
Total Liabilities	9,575	9,869
Total Shareholders' Equity	6,852	6,987
Total Liabilities and Shareholders' Equity	\$ 16,427	\$ 16,856

TEXTRON INC.
MANUFACTURING GROUP
Condensed Schedule of Cash Flows
(In millions)
(Unaudited)

Cash Flows from Operating Activities:

Income from continuing operations	
Depreciation and amortization	
Deferred income taxes and income taxes receivable/payable	
Pension, net	
Changes in assets and liabilities:	
Accounts receivable, net	
Inventories	
Accounts payable	
Other, net	

Net cash from operating activities

Cash Flows from Investing Activities:

Capital expenditures	
Net cash used in business acquisitions	
Net proceeds from corporate-owned life insurance policies	
Proceeds from sale of property, plant and equipment	

Net cash from investing activities

Cash Flows from Financing Activities:

Principal payments on long-term debt and nonrecourse debt	
Purchases of Textron common stock	
Dividends paid	
Other financing activities, net	

Net cash from financing activities

Total cash flows from continuing operations	
Total cash flows from discontinued operations	
Effect of exchange rate changes on cash and equivalents	

Net change in cash and equivalents

Cash and equivalents at beginning of period

Cash and equivalents at end of period

Three Months Ended		Six Months Ended	
June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
\$ 254	\$ 253	\$ 441	\$ 438
90	101	178	193
(41)	(77)	(22)	(61)
(56)	(51)	(112)	(102)
44	(28)	10	(97)
(117)	(173)	(467)	(553)
(14)	(54)	107	207
223	343	218	442
383	314	353	467
(74)	(83)	(140)	(145)
(13)	—	(13)	—
23	18	26	38
—	—	3	—
(64)	(65)	(124)	(107)
(7)	(1)	(359)	(3)
(358)	(273)	(675)	(650)
(4)	(4)	(8)	(8)
10	4	48	26
(359)	(274)	(994)	(635)
(40)	(25)	(765)	(275)
(1)	(1)	(1)	(1)
(2)	2	(10)	8
(43)	(24)	(776)	(268)
1,388	1,719	2,121	1,963
\$ 1,345	\$ 1,695	\$ 1,345	\$ 1,695

Manufacturing cash flow GAAP to Non-GAAP reconciliation:

Net cash from operating activities - GAAP

Less: Capital expenditures	
Add: Total pension contributions	
Proceeds from sale of property, plant and equipment	

Manufacturing cash flow before pension contributions - Non-GAAP (a)

Three Months Ended		Six Months Ended	
June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
\$ 383	\$ 314	\$ 353	\$ 467
(74)	(83)	(140)	(145)
11	11	23	24
—	—	3	—
\$ 320	\$ 242	\$ 239	\$ 346

(a) Manufacturing cash flow before pension contributions is a non-GAAP financial measure as defined in "Non-GAAP Financial Measures and Outlook" attached to this release.

TEXTRON INC.
Condensed Consolidated Schedule of Cash Flows
(In millions)
(Unaudited)

Cash Flows from Operating Activities:

Income from continuing operations	\$ 260	\$ 263	\$ 461	\$ 454
Depreciation and amortization	90	101	178	193
Deferred income taxes and income taxes receivable/payable	(47)	(81)	(24)	(63)
Pension, net	(56)	(51)	(112)	(102)
Changes in assets and liabilities:				
Accounts receivable, net	44	(28)	10	(97)
Inventories	(117)	(173)	(467)	(553)
Accounts payable	(14)	(54)	107	207
Captive finance receivables, net	(15)	(21)	7	(15)
Other, net	223	341	201	436

Net cash from operating activities

Cash Flows from Investing Activities:

Capital expenditures	(74)	(83)	(140)	(145)
Net cash used in business acquisitions	(13)	—	(13)	—
Net proceeds from corporate-owned life insurance policies	23	18	26	38
Proceeds from sale of property, plant and equipment	—	—	3	—
Finance receivables repaid	23	7	31	19
Finance receivables originated	(7)	—	(18)	—
Other investing activities, net	—	1	—	2

Net cash from investing activities

Cash Flows from Financing Activities:

Principal payments on long-term debt and nonrecourse debt	(9)	(17)	(374)	(34)
Purchases of Textron common stock	(358)	(273)	(675)	(650)
Dividends paid	(4)	(4)	(8)	(8)
Other financing activities, net	(1)	4	48	26

Net cash from financing activities

Total cash flows from continuing operations	(52)	(50)	(759)	(292)
Total cash flows from discontinued operations	(1)	(1)	(1)	(1)
Effect of exchange rate changes on cash and equivalents	(2)	2	(10)	8

Net change in cash and equivalents

Cash and equivalents at beginning of period	1,466	1,799	2,181	2,035
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Cash and equivalents at end of period

Three Months Ended		Six Months Ended	
June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
\$ 260	\$ 263	\$ 461	\$ 454
90	101	178	193
(47)	(81)	(24)	(63)
(56)	(51)	(112)	(102)
44	(28)	10	(97)
(117)	(173)	(467)	(553)
(14)	(54)	107	207
(15)	(21)	7	(15)
223	341	201	436
368	297	361	460
(74)	(83)	(140)	(145)
(13)	—	(13)	—
23	18	26	38
—	—	3	—
23	7	31	19
(7)	—	(18)	—
—	1	—	2
(48)	(57)	(111)	(86)
(9)	(17)	(374)	(34)
(358)	(273)	(675)	(650)
(4)	(4)	(8)	(8)
(1)	4	48	26
(372)	(290)	(1,009)	(666)
(52)	(50)	(759)	(292)
(1)	(1)	(1)	(1)
(2)	2	(10)	8
(55)	(49)	(770)	(285)
1,466	1,799	2,181	2,035
\$ 1,411	\$ 1,750	\$ 1,411	\$ 1,750

TEXTRON INC.
Non-GAAP Financial Measures and Outlook
(Dollars in millions, except per share amounts)

We supplement the reporting of our financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial measures. These non-GAAP financial measures exclude certain significant items that may not be indicative of, or are unrelated to, results from our ongoing business operations. We believe that these non-GAAP measures may be useful for period-over-period comparisons of underlying business trends and our ongoing business performance, however, they should be used in conjunction with GAAP measures. Our non-GAAP measures should not be considered in isolation or as a substitute for the related GAAP measures, and other companies may define similarly named measures differently. We encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. We utilize the following definitions for the non-GAAP financial measures included in this release and have provided a reconciliation of the GAAP to non-GAAP amounts for each measure:

Segment Profit

Segment profit is an important measure used by our chief operating decision maker for evaluating performance and for decision-making purposes. Segment profit for the manufacturing segments excludes the non-service components of pension and postretirement income, net; LIFO inventory provision; intangible asset amortization; interest expense, net for Manufacturing group; certain corporate expenses; gains/losses on major business dispositions; and special charges. The measurement for the Finance segment includes interest income and expense along with intercompany interest income and expense.

Adjusted Income from Continuing Operations and Adjusted Diluted Earnings Per Share

Adjusted income from continuing operations and adjusted diluted earnings per share exclude LIFO inventory provision, net of tax; intangible asset amortization, net of tax; special charges, net of tax; and gains/losses on major business dispositions, net of tax. LIFO inventory provision is excluded to improve comparability with other companies in our industry who have not elected to use the LIFO inventory costing method. Intangible asset amortization is excluded to improve comparability as the impact of such amortization can vary substantially from company to company depending upon the nature and extent of acquisitions and exclusion of this expense is consistent with the presentation of non-GAAP measures provided by other companies within our industry. Management believes that it is important for investors to understand that these intangible assets were recorded as part of purchase accounting and contribute to revenue generation. We consider items recorded in special charges, such as enterprise-wide restructuring, certain asset impairment charges, and acquisition-related restructuring, integration and transaction costs, to be of a non-recurring nature that is not indicative of ongoing operations.

Income from continuing operations - GAAP

Add: LIFO inventory provision, net of tax
Intangible asset amortization, net of tax
Special charges, net of tax

Adjusted income from continuing operations - Non-GAAP

Diluted Earnings Per Share:

Income from continuing operations - GAAP

Add: LIFO inventory provision, net of tax
Intangible asset amortization, net of tax
Special charges, net of tax

Adjusted income from continuing operations - Non-GAAP

Three Months Ended		Six Months Ended	
June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
\$ 260	\$ 263	\$ 461	\$ 454
20	26	35	45
7	7	13	15
9	—	20	—
\$ 296	\$ 296	\$ 529	\$ 514
\$ 1.35	\$ 1.30	\$ 2.38	\$ 2.22
0.10	0.13	0.18	0.22
0.04	0.03	0.07	0.07
0.05	—	0.11	—
\$ 1.54	\$ 1.46	\$ 2.74	\$ 2.51

Income from continuing operations - GAAP

Add: LIFO inventory provision, net of tax
Intangible asset amortization, net of tax
Special charges, net of tax

Adjusted income from continuing operations - Non-GAAP

2024 Outlook			
		Diluted EPS	
\$ 1,040	\$ 1,078	\$ 5.44	\$ 5.66
85		0.44	
27		0.14	
33	30	0.18	0.16
\$ 1,185	\$ 1,220	\$ 6.20	\$ 6.40

TEXTRON INC.
Non-GAAP Financial Measures and Outlook (Continued)
(Dollars in millions, except per share amounts)

Manufacturing Cash Flow Before Pension Contributions

Manufacturing cash flow before pension contributions adjusts net cash from operating activities (GAAP) for the following:

- Deducts capital expenditures and includes proceeds from insurance recoveries and the sale of property, plant and equipment to arrive at the net capital investment required to support ongoing manufacturing operations;
- 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;
- 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.

	Three Months Ended		Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net cash from operating activities - GAAP	\$ 383	\$ 314	\$ 353	\$ 467
Less: Capital expenditures	(74)	(83)	(140)	(145)
Add: Total pension contributions	11	11	23	24
Proceeds from sale of property, plant and equipment	—	—	3	—
Manufacturing cash flow before pension contributions - Non-GAAP	\$ 320	\$ 242	\$ 239	\$ 346

Net cash from operating activities - GAAP
Less: Capital expenditures
Add: Total pension contributions
Proceeds from sale of property, plant and equipment
Manufacturing cash flow before pension contributions - Non-GAAP

2024 Outlook		
\$ 1,272	—	\$ 1,372
	(425)	
	50	
	3	
\$ 900	—	\$ 1,000