



**TEXTRON**

## Q2 2014 Earnings Call Presentation

July 16, 2014

The data in this package should be read in conjunction with the Textron earnings release and accompanying tables.



# Forward-Looking Information

Certain statements in this package and other oral and written statements made by Textron from time to time are forward-looking statements, including those that discuss strategies, goals, outlook or other non-historical matters; or project revenues, income, returns or other financial measures. These forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in the statements, including the risks and uncertainties set forth under "Forward-Looking Information" in our second quarter 2014 earnings release. Additional information on risks and uncertainties that may impact forward-looking statements is discussed under "Risk Factors" in our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.



## Key Data - Second Quarter, 2014

	Q2 2014	Q2 2013
<b>Revenues</b>	<b>\$3.5B</b>	<b>\$2.8B</b>
<b>Segment Profit</b>	<b>\$304M</b>	<b>\$213M</b>
<b>EPS from Continuing Operations</b>	<b>\$0.51</b>	<b>\$0.40</b>
<b>Manufacturing Cash Flow Before Pension Contributions*</b>	<b>\$271M</b>	<b>(\$362M)</b>
<b>Pension Contributions</b>	<b>\$27M</b>	<b>\$17M</b>

\* Manufacturing cash flow before pension contributions is a non-GAAP measure that is defined and reconciled to GAAP in our earnings release.



## Q2 2014 Sales Growth

	Sales Growth	M&A Impact	Core Sales Growth	FX Impact Unfav./ (Fav.)	Organic Growth Before FX
<b>Textron Aviation</b>	111.3%	(75.9%)	35.4%	-	35.4%
<b>Bell</b>	9.2%	-	9.2%	-	9.2%
<b>Textron Systems</b>	(33.2%)	(1.6%)	(34.8%)	-	(34.8%)
<b>Industrial</b>	11.6%	(4.5%)	7.1%	(1.6%)	5.5%
<b>Manufacturing</b>	<b>23.9%</b>	<b>(16.7%)</b>	<b>7.2%</b>	<b>(0.5%)</b>	<b>6.7%</b>
<b>Finance</b>	(12.9%)	-	(12.9%)	-	(12.9%)
<b>Total Segments</b>	<b>23.5%</b>	<b>(16.5%)</b>	<b>7.0%</b>	<b>(0.5%)</b>	<b>6.5%</b>

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# Finance Segment Credit Statistics

*(\$, millions)*

	<u>2Q14</u>	<u>1Q14</u>
<b>60+ Delinquency</b>	<b>\$96</b>	<b>\$ 125</b>
<b>Non-accrual</b>	<b>\$88</b>	<b>\$98</b>
<b>Finance Receivables</b>	<b>\$1,384</b>	<b>\$1,427</b>
<b>Shareholder's Equity</b>	<b>\$216</b>	<b>\$212</b>

