



**TEXTRON**

# Electrical Products Group Conference

Scott Donnelly  
Chairman & CEO  
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## Forward-Looking Information

Certain statements in today's discussion will be 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 our full disclosure located at the end of this presentation and included in our SEC filings.

# TEXTRON

## Textron

### *Leading Branded Businesses*

#### Textron Aviation

36%



Cessna Aircraft  
Beechcraft  
Hawker

#### Bell

26%



Bell Helicopter

#### Textron Systems

11%



Weapon & Sensor  
Systems  
Unmanned  
Systems  
Marine & Land  
Systems  
TRU Simulation +  
Training

#### Industrial

26%



Specialized  
Vehicles  
Tools & Test  
Jacobsen  
Kautex

#### Finance

1%



Textron Financial

## 2015 Revenue \$13.4B



## Commitment to Future Growth



*Scorpion Hybrid ISR/Strike Aircraft*



*Cessna Citation Latitude, Longitude & Hemisphere*



*Bell 525 Relentless*



*Able Aerospace*

**Investing for future growth organically  
and through acquisitions**

# TEXTRON

Beechcraft



Fairchild

TEXTRON AVIATION

## Textron Aviation \$4.8 Billion (2015 Revenue)



Broader selection of products, larger service footprint



# Textron Aviation

Beechcraft



Questair

TEXTRON AVIATION



Broadest product line in general aviation

# One Citation Leads to Another



Citation Latitude  
**2,700 nm**

EIS 2015



Citation Longitude  
**3,400 nm**

EIS 2017



Citation Hemisphere  
**4,500 nm**

First Flight 2019

\*Range with 4  
passengers

# **TEXTRON** *Scorpion ISR/Strike Jet*

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- Designed for air defense, irregular warfare, border patrol, maritime surveillance, emergency relief, training and counter-narcotics mission sets
- Targeting operating cost under \$3,000/hr
- 500+ flight hours complete
- Production version (P1) expected to fly Q2 2016
- Pursuing U.S. Military Aircraft Airworthiness Accreditation
- Many customer demos executed





# TEXTRON

## Industrial

*\$3.5 Billion (2015 Revenue)*



**Tools & Test**  
\$445 million



**Specialized Vehicles  
& Jacobsen**  
\$1,021 million



**Kautex**  
\$2,078 million

**Focused on new products, cost productivity  
and geographic expansion**

# TEXTRON

## Industrial – Driving Growth by Investing in New Products



**Jacobsen Truckster XD**



**Greenlee AirScout**



**Bad Boy Stampede  
900 4x4**

**New products drive growth and profitability**

# TEXTRON

## Industrial – Driving Growth Through Acquisitions



HD ELECTRIC COMPANY





# TEXTRON

## Textron Systems \$1.5 Billion (2015 Revenue)

45% Unmanned Systems



Unmanned Systems



CUSV



Command & Control Technologies

12% Marine & Land Systems



Tactical Wheeled Vehicles



Marine

26% Simulation, Training & Other



TRU Simulation + Training



Geospatial Solutions & Advanced Information Solutions



Electronic Systems



Lycoming Engines

17% Weapon & Sensor Systems



Air-to-Ground Weapons



Unattended Ground Sensors



Intelligent Networked Ground Systems

Expand global presence and customer base worldwide

# TEXTRON

## Bell Helicopter

*\$3.5 Billion (2015 Revenues)*

### Commercial

*~\$1.5 Billion; 42%*



206L4            429  
407              Huey II  
412

*Installed Base: ~10,000*

### Military

*~\$2.0 Billion; 58%*



V-22 – Osprey      AH-1Z - Viper  
UH-1Y - Venom

*Installed Base: ~3,000*

**Great platforms with future growth opportunities**

## Bell Expansion into New Categories



### Bell 525 Relentless

- Best-in-class payload range capability
- Best-in-class cabin and cargo volumes coupled with flexible cabin layout options
- Fly-by-Wire “ARC Horizon” Cockpit System provides unparalleled situational awareness increasing safety margins

### Bell 505 Jet Ranger X

- Cost-competitive, entry- level aircraft
  - Best-in-class awareness with fully integrated glass cockpit and superb exterior visibility
  - Safety enhancing design features to reduce pilot workload, improve situational awareness, and deliver superior auto rotation capabilities





## Japan UH-X Program

- Selected by Japan to team with Fuji Heavy Industries on co-production contract
- Program calls for 150 transport aircraft delivered over 20 years beginning in 2021
- Based on militarized version of Bell 412EPI model; includes development for modifications to Japanese specs
- Replacing aging fleet of Bell Hueys
- Potential for additional export aircraft sales



Supports 412 platform well into the future

# TEXTRON

## Military Programs

### V-22

- MYP II currently in production
  - 99 total aircraft: Option for 23 additional units
  - 7 exercised to-date (including Japan)
- Navy COD mission - 44 aircraft and 12 FMS units for Japan to form basis of MYP III



### H-1

- Program of Record: 160 UH-1Y's & 189 AH-1Z's
- 171 aircraft delivered through end of 2015
  - 125 UH-1Y
  - 46 AH-1Z
- Significant foreign military interest

## Bell V-280 Valor



- Speed - 280 KTAS
- Combat Range - 500-800nm
- Non-rotating, fixed engines
- Passengers – 4 crew + 11 troops

- Third Generation Tiltrotor
- Army's Joint Multi Role/Future Vertical Lift (FVL) Technology Demonstrator (JMR/TD) program
- Full flight simulator demonstrating hands-on capabilities of the V-280
- First Flight Expected in 2017
- Leading Aerospace Companies Comprise Team
  - Lockheed Martin
  - General Electric
  - Moog
  - GKN
  - Meggitt
  - Eaton
  - Astronics
  - Lord
  - IAI
  - Spirit
  - TRU

**Unmatched Speed, Range, Payload, and Value**



# TEXTRON

## Finance Segment

(1% of 2015 Textron Revenues)

### YE15

- Finance receivables: \$1.1B
- Shareholder's Equity: \$175M



Supporting purchases of Textron-manufactured products

## Summary

- **Strong brands, solid top-line growth outlook**
- **Investing in new product development and innovation to support growth**
- **Advance execution and operational performance**
- **Strong cash flow generation and improving profitability**

## 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; 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; and cybersecurity threats, including the potential misappropriation of assets or sensitive information, corruption of data or operational disruption.