

TEXTRON

Cowen and Company
37th Annual Aerospace/Defense
Conference

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EVP & CFO

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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**

Financial Highlights

- Revenue down 3.3%; Segment Profit up 3.4%; EPS up 17.4%
- 2015 Year-End Gross Manufacturing Debt: \$2.7 billion
- Gross Manufacturing Debt/2015 EBITDA ~ 1.8 times
- 2015 Share Repurchases: 5.2 million shares
- 2015 Manufacturing cash flow before pension contributions: \$631 million
- S&P Credit Rating BBB/A-2

Capital available for value creating acquisitions and opportunistic share buyback

TEXTRON

Beechcraft



Foxtron

TEXTRON AVIATION

Textron Aviation \$4.8 Billion (2015 Revenue)

71% Aircraft Sales



29% Aftermarket



Broader selection of products, larger service footprint

Textron Aviation

Beechcraft



Questair

TEXTRON AVIATION



Broadest product line in general aviation

Textron Aviation

Jets

Mustang
M2
CJ3+ / CJ4
XLS+
Latitude
Sovereign+
Citation X+

Installed Base
Over 9,000



Turboprop

King Air 350
King Air 250
King Air C90
Caravan
Grand Caravan EX
T-6/AT-6

Installed Base
Over 9,000



Piston

172S Skyhawk SP
J182 Turbo Skylane JT-A
Cessna TTx
T206H Turbo Stationair
Baron
Bonanza

Installed Base
Over 180,000



Broad product offering with large installed base

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 *Citation Longitude*

- State of the art cockpit
 - Garmin G5000
- Honeywell HTF 7000 engine
- Best in class
 - Range – 3,400nm
 - Speed – 476 knots
 - Operating costs
 - Cabin (leg room, altitude, baggage)
- Industry's best cabin value - \$23.99M
- Largest Citation product offering
- First flight expected in 2016
- Entry into service targeted for late 2017



TEXTRON *Scorpion ISR/Strike Jet*

- 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**

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Industrial – Driving Growth by Investing in New Products



Jacobsen Truckster XD



Greenlee AirScout



**Cushman Hauler
PRO**

New products drive growth and profitability

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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

Unmanned Systems

- Shadow® M2
- Shadow/Shadow V2
- Aerosonde™
- CUSV



Command and Control Stations

- One System® Ground Control Station (GCS)
- One System Remote Video Terminal
- Universal GCS
- iCommand™



Land

- **COMMANDO™ Family of Vehicles**
- **Survivable Combat Tactical Vehicle™**



Canadian TAPV

Maritime

- **Ship-to-Shore Connector**
- **Landing Craft, Air Cushion**
- **Motor Life Boat**



Navy Ship-to-Shore
Connector



Sensor Fuzed Weapon (SFW)

Area Weapons

- Sensor Fuzed Weapon
- Clean Area Weapon

Area Denial

- Spider
- Scorpion

Sensors

- Unattended Ground Sensors
- MicroObserver®

Protection Systems

- Reentry Vehicles

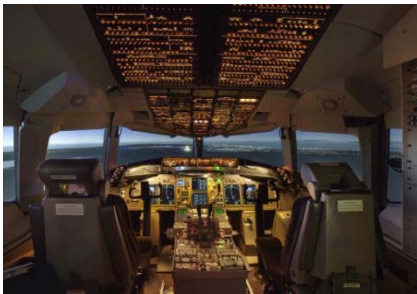
Advanced Weapons

- BattleHawk™ Loitering Munition
- Guided Clean Area Weapons



Battlehawk™

Air Transport Simulation



IcelandAir Cockpit

Business & Military Simulation



CJ3 Flight Simulator

Training Centers and Services



Mission & Maintenance Training



B-1B Weapon System Trainer

2015 Major Milestones

- Proflight earns FAA qualification for King Air 350i Pro Line Fusion® pilot training program
- New state-of-the-art Aviation Maintenance Academy in Wichita
- TRU Flight Training Iceland earns FAA qualification for its IcelandAir B757 Full Flight Simulator.

Customers



New business established in 2013 to pursue attractive growth market

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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

Customer Service and Support

Bell is the Industry standard for support

#1 in Customer Support

- 21 years in a row – ProPilot
- 9 years in a row – AIN

Largest support network

- Over 100 customer service facilities in 34 countries
- Well positioned to support our customers wherever they operate

Supporting installed base of ~13,000

**Strategically co-locating with
Textron Aviation**



Spares

Accessories

Completions

Repair & Overhaul

Training Academy

Field Services

Depot Maintenance

Electronic Logbook

#1 Ranked Global Customer Support

Bell 525 Relentless



Speed	155 Knots
Range	500+ NM
MGW	20,000+ Lbs
Useful Load	7,400+ Lbs
Passengers	up to 18

- New “Super Medium” category
- Best-in-class payload range capability
- Best-in-class cabin and cargo volumes coupled with flexible cabin layout options
- Best-in-class crew visibility
- First commercial helicopter with proven fly-by-wire flight controls
- First helicopter with Garmin G5000H avionics
- Avionics, fly-by-wire and crew visibility comprise new “ARC Horizon” Cockpit System resulting in unparalleled overall situational awareness increasing safety margins
- Expected EIS 2017

Bell 505 Jet Ranger X

- Cost-competitive, entry-level aircraft
- Best-in-class awareness with fully integrated glass cockpit and superb exterior visibility
- Flat cabin floor with 5 forward-facing seats
- Safety enhancing design features to reduce pilot workload, improve situational awareness, and deliver superior auto rotation capabilities
- Expected EIS 2016



Performance Targets

Speed	125 knots
Range	360 to 420 nm
Useful Load	1,500 lbs
Ceiling	11,000 ft

> 4,400 Bell JetRangers in service today

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

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H-1 Program Highlights

- 171 aircraft delivered through end of 2015
 - 125 UH-1Y
 - 46 AH-1Z
- Exceptional performance in-theater
- 84% logistics commonality
- AH-1Z – widest array of ordnance for any attack helicopter
- August 2015 contract award for 35 aircraft, including first 3 units for Pakistan
- Pursuing other FMS opportunities



Versatile, Capable, Durable Rotorcraft

V-22 Program Highlights

- Strong performance in-theater
- Included in U.S. Presidential budget for Navy COD mission, which calls for 44 aircraft
- Over 300,000 total flight hours
- Pursuing FMS and additional U.S. opportunities
 - Awarded first 5 units for Japan, expect 12 add'l units
- MYP II currently underway
 - 99 total aircraft: Option for 23 additional units
 - » 7 exercised to-date (including Japan)



**Strong Program Execution and
Operational Performance**

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 unveiled at Army Aviation Mission Solutions Summit in March, 2015
- First fuselage completed by Spirit in September, 2015
- First Flight Expected in 2017
- Leading Aerospace Companies Comprise Team
 - Lockheed Martin
 - Meggitt
 - IAI
 - General Electric
 - Eaton
 - Spirit
 - Moog
 - Astronics
 - TRU
 - GKN
 - Lord

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

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