



*Q4 2008  
Earnings Release  
Key Data*

**January 29, 2009**

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

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## 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 fourth quarter 2008 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.

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## Q4 2008 Textron Summary

### Fourth Quarter:

Revenues:	\$3.6B	up 0.4%
Segment profit:	\$212M	down 53.4%
EPS*:	\$0.40	down 58.8%

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\* EPS from continuing operations, as adjusted

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## Year-Over-Year Causal Analysis Continuing Operations

<b>Q4 - 2007 Actual*</b>	<b>\$ 0.97</b>
Price	0.26
Cost Performance	0.12
Taxes	0.10
Miscellaneous	(0.01)
R & D and Depreciation	(0.12)
Volume / Mix	(0.16)
Inflation	(0.30)
Textron Financial	(0.46)
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<b>Q4 - 2008 Actual#</b>	<b><u><u>\$ 0.40</u></u></b>

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\* EPS is from continuing operations    # EPS from continuing operations, excluding special charges

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## Q4 2008 Sales Growth

	<i>Total Sales Growth</i>	<i>M&amp;A Impact</i>	<i>Core Sales Growth</i>	<i>FX Impact Un(Fav)</i>	<i>Organic Growth Before FX</i>
Cessna	(4.1%)	(1.3%)	(5.4%)	-	(5.4%)
Bell	13.0%	(0.8%)	12.2%	-	12.2%
Textron Systems	54.5%	(28.1%)	26.4%	-	26.4%
Industrial	(18.4%)	(1.0%)	(19.4%)	4.3%	(15.1%)
<b>Manufacturing</b>	<b>2.3%</b>	<b>(3.7%)</b>	<b>(1.4%)</b>	<b>0.9%</b>	<b>(0.5%)</b>
Finance	(30.2%)	-	(30.2%)	-	(30.2%)
<b>Total Segments</b>	<b>0.4%</b>	<b>(3.5%)</b>	<b>(3.1%)</b>	<b>0.9%</b>	<b>(2.2%)</b>

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## Unit Deliveries

	<b>Q4'08 Actual</b>	<b>FY'08 Actual</b>	<b>FY'09 Fcst</b>
<b>Citation Jets</b>	<b>131</b>	<b>467</b>	<b>~375</b>
<b>Commercial Helicopters</b>	<b>65</b>	<b>167</b>	<b>~180</b>
<b>ASVs</b>	<b>124</b>	<b>583</b>	<b>~580</b>

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## Q4 2008 Aircraft & Defense Backlog

### A&D Funded Backlog (in \$Billions)

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	<u>Q408</u>	<u>Q308</u>
Cessna	\$14.5	\$15.6
Bell Helicopter	6.2	5.3
Textron Systems	2.5	2.6
<b>Total Backlog</b>	<b>\$23.2</b>	<b>\$23.5</b>

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## Outlook – FY 2009

<b>Segment</b>	<b>Revenue</b>	<b>Profitability*</b>
<b>Cessna</b>	<b>~ \$4.6B</b>	<b>~ 10% to 12%</b>
<b>Bell</b>	<b>~ \$2.8B</b>	<b>\$NOP ~ flat to '08</b>
<b>Textron Systems</b>	<b>~ \$2.3B</b>	<b>\$NOP ~ flat to '08</b>
<b>Industrial</b>	<b>~ \$2.3B</b>	<b>Slightly profitable</b>
<b>Finance</b>	<b>~ \$500M</b>	<b>(\$175M) to (\$150M)</b>

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\* \$ - NOP, % - Margins

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## Outlook – FY 2009

	<u>FY09 Fcst.</u>
Corporate Expenses	~ \$185M
Interest Expense	~ \$180M
Tax Rate	~ 31% -33%
Free Cash Flow	~ \$450M

## 2008 TFC Fixed Charge Calculation

\$ in millions

Full-year TFC NOP loss		(50)
Goodwill write-down		(169)
Restructuring charge		(27)
Held for sale valuation allowance		<u>(293)</u>
Total NOP loss		(539)
Interest expense		307
Adjusted Income 2008	<b>A</b>	(232)
Interest expense		307
Ratio of earnings to fixed charges		1.25
Income Required @ 1.25x	<b>B</b>	384
<b>Capital Required</b>	<b>B - A</b>	<b>616</b>
<b>Actual Capital Contribution</b>		<b>625</b>

\* TFC's end-of-year leverage ratio was about 5.25-to-one, less than required by TFC's loan covenant.