TEXTRON INC
Reported by
BUTLER JOHN D

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 09/11/06 for the Period Ending 09/07/06

Address 40 WESTMINSTER ST
          PROVIDENCE, RI 02903
Telephone 4014212800
CIK 0000217346
Symbol TXT
SIC Code 6162 - Mortgage Bankers and Loan Correspondents
Fiscal Year 01/02
Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940.

1. Name and Address of Reporting Person *

BUTLER JOHN D

2. Issuer Name and Ticker or Trading Symbol

TEXTRON INC [ TXT ]

3. Date of Earliest Transaction (MM/DD/YYYY)

9/7/2006

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

_____ Director

_____ 10% Owner

__ X Officer (give title below)

_____ Other (specify below)

Executive Vice President

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>Title of Security</th>
<th>Trans. Date</th>
<th>2A. Deemed Execution Date, if any</th>
<th>3. Trans. Code (Instr. 8)</th>
<th>4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>7. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common</td>
<td>9/7/2006</td>
<td>M</td>
<td>5000</td>
<td>A</td>
<td>$0</td>
<td>22054</td>
<td>D</td>
</tr>
<tr>
<td>Common</td>
<td>9/7/2006</td>
<td>D</td>
<td>5000</td>
<td>D</td>
<td>$84.025</td>
<td>17054</td>
<td>D</td>
</tr>
<tr>
<td>Common</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3162.041</td>
<td>I</td>
</tr>
</tbody>
</table>

Held on behalf of Reporting Person by the Textron Savings Plan (as of August 16, 2006).

Table II - Derivative Securities Beneficially Owned (e.g. puts, calls, warrants, options, convertible securities)

<table>
<thead>
<tr>
<th>Title of Derivative Security (Instr. 3)</th>
<th>Conversion or Exercise Price of Derivative Security</th>
<th>Trans. Date</th>
<th>3A. Deemed Execution Date, if any</th>
<th>4. Trans. Code (Instr. 8)</th>
<th>5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>6. Date Exercisable and Expiration Date</th>
<th>7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)</th>
<th>8. Price of Derivative Security (Instr. 5)</th>
<th>9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)</th>
<th>10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>11. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phantom Stock</td>
<td>$0</td>
<td>9/7/2006</td>
<td>M</td>
<td>5000</td>
<td></td>
<td>Common</td>
<td>$0</td>
<td>5000</td>
<td>D</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Responses:

(1) Reflects cash payout of 5,000 units of phantom stock payable in cash only.

(2) Converts to the cash equivalent of Textron Common Stock on a 1-for-1 basis.
The phantom stock vests in five installments of 5,000 units on each of August 23, 2003, August 23, 2004, August 23, 2005, August 23, 2006 and August 23, 2007, and is payable in cash only. Calculation of the per share price is based on an average of the closing price of Textron Common Stock on the first ten trading days following the vesting date.

<table>
<thead>
<tr>
<th>Reporting Owner Name / Address</th>
<th>Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUTLER JOHN D</td>
<td>Director</td>
</tr>
<tr>
<td>TEXTRON INC.</td>
<td>10% Owner</td>
</tr>
<tr>
<td>40 WESTMINSTER STREET</td>
<td>Officer</td>
</tr>
<tr>
<td>PROVIDENCE, RI 02903</td>
<td>Executive Vice President</td>
</tr>
</tbody>
</table>

Signatures


** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).


Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.