

# TEXTRON INC

## FORM 11-K (Annual Report of Employee Stock Plans)

Filed 06/28/96 for the Period Ending 12/31/95

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

# TEXTRON INC

## FORM 11-K

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Filed 6/28/1996 For Period Ending 12/31/1995

Address	40 WESTMINSTER ST PROVIDENCE, Rhode Island 02903
Telephone	401-421-2800
CIK	0000217346
Industry	Conglomerates
Sector	Conglomerates
Fiscal Year	12/31

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# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 11-K

**[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 for the fiscal year ended December 31, 1995**

*Commission File Number 1-5480*

A. Full title of the plan and address of the plan:

**TEXTRON SAVINGS PLAN**  
40 Westminster Street  
Providence, Rhode Island 02903

B. Name of issuer of the securities held pursuant to the plan and address of its principal executive office:

**TEXTRON INC.**

40 Westminster Street Providence, Rhode Island 02903

### REQUIRED INFORMATION

#### Financial Statements and Exhibit

The following Plan financial statements and schedules prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974 are filed herewith, as permitted by Item 4 of Form 11-K:

Report of Independent Auditors Statement of Net Assets Available for Benefits for each of the two years ended December 31, 1995 and 1994  
Statement of Changes in Net Assets Available for Benefits for each of the two years ended December 31, 1995 and 1994

Notes to financial statements

#### Supplemental Schedules:

**Item 27a - Schedule of Assets Held for Investment Purposes**

**Item 27d - Schedule of Reportable Transactions**

The Consent of Independent Auditors is filed as an exhibit to this Annual Report.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Committee appointed by the Board of Directors of Textron Inc. to administer the Plan has duly caused this Annual Report on Form 11-K to be signed by the undersigned hereunto duly authorized.

#### TEXTRON SAVINGS PLAN

*By: /s/Michael D. Cahn  
Attorney-in-fact*

*Date: June 27, 1996*

Financial Statements and Supplemental Schedules

**Textron Savings Plan**

Years ended December 31, 1995 and 1994

with Report of Independent Auditors

# Textron Savings Plan

## Financial Statements

and Supplemental Schedules

**Years ended December 31, 1995 and 1994**

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## Report of Independent Auditors

The Benefits Committee  
Textron Inc.

We have audited the accompanying statements of net assets available for benefits of the Textron Savings Plan (the Plan) as of December 31, 1995 and 1994, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 1995 and 1994, and the changes in net assets available for benefits for the years then ended, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of assets held for investment as of December 31, 1995, and reportable transactions for the year then ended are presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and are not a required part of the basic financial statements. The Fund Information in the statement of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for benefits of each fund. The supplemental schedules and Fund Information have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*New York, New York  
May 10, 1996*

*/s/ERNST & YOUNG LLP*

Textron Savings Plan

Statement of Net Assets Available for Benefits

December 31, 1995

	Fund A	Fund B	Fund C	Fund H	Loan Fund	Total
(In Thousands)						
<b>Assets</b>						
Investments, at fair value (Notes 2,5 and 8):						
Textron Inc. Common Stock	\$941,263	\$ -	\$ -	\$ -	\$ -	\$ 941,263
U. S. Government securities	-	-	11,858	-	-	11,858
Common/collective trust funds	2,533	94,755	6,254	24	-	103,566
Participant notes receivable	-	-	-	-	52	52
	943,796	94,755	18,112	24	52	1,056,739
Insurance contracts, at contract value (Notes 2 and 8)						
	-	-	150,302	-	-	150,302
Total investments	943,796	94,755	168,414	24	52	1,207,041
<b>Receivables:</b>						
Investment income	5,432	1	880	-	-	6,313
Interfund	36	-	36	-	-	72
Other	31	66	27	-	-	124
Total receivables	5,499	67	943	-	-	6,509
Total assets	949,295	94,822	169,357	24	52	1,213,550
<b>Liabilities</b>						
<b>Payables:</b>						
Contributions	1,294	251	295	-	-	1,840
Investments purchased	826	-	787	-	-	1,613
Interfund	2	48	22	-	-	72
Total liabilities	2,122	299	1,104	-	-	3,525
Net assets available for benefits	\$947,173	\$94,523	\$168,523	\$24	\$52	\$1,210,025
See notes to financial statements.						

Textron Savings Plan

Statement of Net Assets Available for Benefits

December 31, 1994

	Fund A	Fund B	Fund C	Fund H	Loan Fund	Total
(In Thousands)						
<b>Assets</b>						
Investments, at fair value (Notes 2,5 and 8):						
Textron Inc. Common Stock	\$772,465	\$ -	\$ -	\$ -	\$ -	\$ 772,465
U S. Government securities	-	-	18,411	-	-	18,411
Common/collective trust funds	1,875	67,711	11,437	65	-	81,088
Participant notes receivable	-	-	-	-	72	72
	774,340	67,711	29,848	65	72	872,036
Insurance contracts, at contract value (Notes 2 and 8)	-	-	146,995	-	-	146,995
Total investments	774,340	67,711	176,843	65	72	1,019,031
Receivables:						
Investment income	5,394	-	162	-	-	5,556
Interfund	-	-	179	-	-	179
Other	57	25	-	-	-	82
Total receivables	5,451	25	341	-	-	5,817
Total assets	779,791	67,736	177,184	65	72	1,024,848
<b>Liabilities</b>						
Payables:						
Contributions	2,496	310	367	-	-	3,173
Interest	160	-	-	-	-	160
Investments purchased	2,548	-	-	-	-	2,548
Interfund	164	15	-	-	-	179
	5,368	325	367	-	-	6,060
Senior note (Note 6)	14,195	-	-	-	-	14,195
Total liabilities	19,563	325	367	-	-	20,255
Net assets available for benefits	\$760,228	\$67,411	\$176,817	\$65	\$72	\$1,004,593
See notes to financial statements.						



Textron Savings Plan

Statement of Changes in Net Assets Available for Benefits

December 31, 1995

	Fund A	Fund B	Fund C (In Thousands)	Fund H	Loan Fund	Total
Additions to net assets						
attributed to:						
Investment income:						
Net appreciation (depreciation)						
in fair value of investments						
(Note 8)	\$246,117	\$25,360	\$ 792	\$ -	\$ -	\$ 272,269
Dividends	22,740	-	-	-	-	22,740
Interest	97	35	10,749	2	-	10,883
	268,954	25,395	11,541	2	0	305,892
Contributions, net:						
Participants	49,349	9,565	8,437	-	-	67,351
Employer	17,295	-	-	-	-	17,295
	66,644	9,565	8,437	-	-	84,646
Total additions	335,598	34,960	19,978	2	-	390,538
Deductions from net assets						
attributed to:						
Benefits paid to participants	(143,238)	(9,736)	(29,394)	(43)	(20)	(182,431)
Forfeitures	(1,209)	-	-	-	-	(1,209)
Interest expense	(262)	-	-	-	-	(262)
Administrative expenses	(914)	(105)	(185)	-	-	(1,204)
Total deductions	(145,623)	(9,841)	(29,579)	(43)	(20)	(185,106)
Net increase (decrease) prior to						
interfund transfers	189,975	25,119	(9,601)	(41)	(20)	205,432
Interfund transfers, net	(3,030)	1,993	1,037	-	-	-
Net increase (decrease)	186,945	27,112	(8,564)	(41)	(20)	205,432
Net assets available for benefits:						
Beginning of year	760,228	67,411	176,817	65	72	1,004,593
End of year	\$ 947,173	\$ 94,523	\$ 168,253	\$ 24	\$ 52	\$1,210,025

See notes to financial statements.

Textron Savings Plan

Statement of Changes in Net Assets Available for Benefits

December 31, 1994

	Fund A	Fund B	Fund C (In Thousands)	Fund H	Loan Fund	Total
Additions to net assets attributed to:						
Investment income:						
Net appreciation (depreciation) in fair value of investments (Note 8)	\$(121,615)	\$ 1,032	\$ (1,378)	\$ -	\$ -	\$ (121,961)
Dividends	22,565	-	-	-	-	22,565
Interest	57	-	11,110	2	6	11,175
	(98,993)	1,032	9,732	2	6	(88,221)
Contributions, net:						
Participants	51,732	9,999	10,158	-	-	71,889
Employer	20,874	-	-	-	-	20,874
	72,606	9,999	10,158	-	-	92,763
Total additions	(26,387)	11,031	19,890	2	6	4,542
Deductions from net assets attributed to:						
Benefits paid to participants	(107,390)	(7,234)	(25,898)	-	-	(140,522)
Forfeitures	(2,178)	-	-	-	-	(2,178)
Interest expense	(699)	-	-	-	-	(699)
Administrative expenses	(657)	(94)	(134)	-	-	(885)
Total deductions	(110,924)	(7,328)	(26,032)	-	-	(144,284)
Net increase (decrease) prior to interfund transfers	(137,311)	3,703	(6,142)	2	6	(139,742)
Interfund transfers, net	(625)	(267)	862	41	(11)	-
Net increase (decrease)	(137,936)	3,436	(5,280)	43	(5)	(139,742)
Net assets available for benefits:						
Beginning of year	898,164	63,975	182,097	22	77	1,144,335
End of year	\$ 760,228	\$67,411	\$176,817	\$ 65	\$ 72	\$1,004,593
See notes to financial statements.						

## **Textron Savings Plan**

### **Notes to Financial Statements (continued)**

## **Textron Savings Plan**

### **Notes to Financial Statements**

**December 31, 1995 and 1994**

#### 1. Description of Plan

The Textron Savings Plan (the "Plan") is an employee stock ownership plan. For a description of the Plan, refer to the Summary Plan Description that is on file with the Department of Labor and available at the Human Resources office of Textron Inc. ("Textron").

#### 2. Summary of Significant Accounting Policies

##### **General**

The Plan is administered under the terms of a Trust Agreement, dated May 1, 1989, with Bankers Trust Company (the "Trustee").

##### **Investment Options**

The Plan allows employee contributions to be invested in Fund A, B, or C, based on the election of the employee. The employee must contribute at least 50% to Fund A. Fund H is available to any participant who has attained age 55 and completed ten years of Textron service. Employer contributions are entirely invested in Fund A.

Fund A invests primarily in Textron Common Stock that is either purchased by the Trustee or contributed by Textron.

Fund B invests primarily in the BT Pyramid Large Capitalization Equity Index Fund which is principally a portfolio of common stocks constructed and maintained with the objective of providing investment results which approximate the overall performance of the common stocks included in the Standard & Poor's Composite Index of 500 stocks.

Fund C may be invested in bonds, notes, debentures, government obligations, insurance contracts, short-term securities, money market instruments and other fixed income instruments at the discretion of Textron Inc. or an Investment Manager designated by Textron.

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 2. Significant Accounting Policies (continued)

Fund H is invested in the BT Pyramid Directed Account Cash Fund, which is a portfolio of short-term instruments, primarily demand master notes, certificates of deposit, and commercial paper.

At the discretion of the Trustee or other Investment Manager, a portion of the assets of Fund A, B, C, or H may be maintained in cash or invested in short-term securities (BT Pyramid Directed Account Cash Fund and BT Pyramid Discretionary Account Cash Fund).

At December 31, 1995, there were approximately 30,200 participants in Fund A, 11,600 in Fund B, 14,600 in Fund C and 2 in Fund H.

#### Investment Valuation and Income Recognition

Textron Common Stock is valued at the New York Stock Exchange closing price on the last business day of the Plan year. U.S. Government securities are valued at fair value as determined by quoted market price. The BT Pyramid Large Capitalization Equity Index Fund and BT Pyramid Equity Index Fund are valued at the redemption price established by the fund's Trustee which is generally based on the fair value of the underlying assets. The BT Pyramid Directed Account Cash Fund and BT Pyramid Discretionary Account Cash Fund include pooled temporary investments and are stated at cost which approximates market value. Insurance contracts are valued at contract value which represents contributions made, plus accrued interest, less funds used to pay employee withdrawals and administrative expenses. Participant notes receivable are valued at cost which approximates fair value.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Dividends, interest and other distributions received by the Plan are reinvested in the fund in which earned.

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 2. Significant Accounting Policies (continued)

##### **Fair Value of Insurance Contracts**

The fair values presented in Note 8 are estimates of the fair value of the insurance contracts at a specific point in time using available market information and appropriate valuation methodologies. These estimates are subjective in nature and involve uncertainties and significant judgment in the interpretation of current market data. Therefore, the fair values presented are not necessarily indicative of amounts the Plan could realize or settle currently. The Plan does not necessarily intend to dispose of or liquidate such instruments prior to maturity. See Note 8 for further information about fair values of financial instruments.

##### **Contributions**

Participants of the Plan are entitled to elect compensation deferrals within the limits prescribed by Section 401(k) of the Internal Revenue Code (the "Code"). Contributions from employees and employee compensation deferrals, which are matched 50% by Textron subject to certain ERISA restrictions and plan limits, are recorded when Textron makes payroll deductions from participants' wages. The total of the matching contributions (net of employee forfeitures) made by Textron is limited by the Textron Board of Directors to \$40 million for an calendar year. For the years ending December 31, 1995 and 1994, employee contributions included rollovers of approximately \$1.8 million and \$.9 million, respectively.

Textron makes contributions to the Plan based on estimated contribution levels. In addition, Textron may make, at its own discretion, additional contributions. To the extent actual contributions by the participants differ from estimated contributions, a contribution receivable or payable from Textron will result. All forfeitures arising out of a participant's termination of employment for reasons other than retirement, disability or death, are used to reduce future Textron contributions. Textron's contributions are also reduced by the market value of any excess shares that are released as a result of the loan payment (see Note 5). For the years ending December 31, 1995 and 1994, employer contributions were reduced by approximately \$23.2 million and \$22.8 million, respectively.

Additional contributions required by Textron to fund debt service payments on the senior note amounted to \$8.3 million in 1995 and \$7.7 million in 1994 (see Note 6). No such contributions will be required in the future as the senior note was paid in full in 1995.

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 2. Significant Accounting Policies (continued)

##### Administrative Expenses

All administrative expenses are paid from Plan assets.

#### 3. Unit Valuation

Plan equity is reported on a unit valuation basis except for Fund A, which is reported on a per share basis. Unit values are determined by dividing the Plan equity in each fund by the number of fund units outstanding.

At December 31, the number of units outstanding and the values for each unit were:

Fund	1995		1994	
	Number of Units	Value per Unit	Number of Units	Value per Unit
B	22,949,673	4.048529	22,676,686	2.972701
C	74,169,927	2.211828	88,759,885	2.110999
H	13,393	1.778853	39,095	1.662617

#### 4. Benefits

In the event a participant ceases to be an employee or becomes totally disabled while employed, all of his or her accounts to the extent then vested shall become distributable. Distributions of more than forty whole shares of Textron stock shall be in the form of Textron Common Stock. Distributions of forty or less whole shares of Textron Common Stock shall be in the form of cash unless the participant or beneficiary expressly requests Textron Common Stock. All other distributions shall be in the form of cash. An account will be distributed in a single payment if the value of the account is less than \$3,500 when the account first becomes distributable. If the value of the account is \$3,500 or more when the account first becomes distributable, a participant is not required to take a distribution immediately. However, current federal law requires Textron to begin to distribute accounts by April 1 of the year following the year in which the participant reaches age 70 1/2. A participant is always vested in those portions of his or her account attributable to his or her own contributions and compensation deferrals and to discretionary contributions by Textron. Employees of discontinued operations become fully vested upon approval of the Textron Management Committee. The Plan provides for full vesting of a participant's plan account in the event of his or her termination of employment, other than for cause, within two years after a change in control of Textron.

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 4. Benefits (continued)

Textron's 50% matching contributions vest based on the length of

participation in the Plan as	follows:
Months of Participation	Ownership Interest
24 months but less than 36 months	25%
36 months but less than 48 months	50%
48 months but less than 60 months	75%
60 months or more	100%

A separate account is maintained for each participant and is increased monthly by (a) the participant's contributions and compensation deferrals, (b) Textron's 50% matching contribution, and annually by the pro rata share of additional discretionary contributions made by Textron, if any, and (c) the pro rata share of income.

While Textron has not expressed any intent to terminate the Plan, it is free to do so at any time. In the event of termination, each participant automatically becomes vested to the extent of the balance in his or her separate account.

#### 5. Unallocated Shares

During 1989, coincident with the conversion of the Plan to an employee stock ownership plan, the Plan purchased from Textron Inc. 3,652,969 shares of Textron Common Stock with the proceeds of a \$100 million bank loan (see Note 6). Such shares of Textron Common Stock were released for allocation to the accounts of participants as the loan was repaid. The Plan made loan repayments with dividends received on unallocated shares and certain other shares and contributions received from Textron. Unallocated shares were collateral for the loan. The value of the Textron Common Stock allocated as matching contributions and dividends is the average

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 5. Unallocated Shares (continued)

fair market value for the period the shares are allocated to the participants' accounts, even though the shares may have been purchased earlier at a different value as part of a block purchase made by the Trustee. At December 31, 1995 all shares were allocated; at December 31, 1994, Fund A included 433,754 shares with a market value of \$21,850,353 and a cost of \$11,873,990 that were unallocated.

#### 6. Senior Note

The Plan had a senior note payable to a bank that was guaranteed by Textron which related to a \$100 million term loan agreement entered into during 1989. The agreement provided for the note to be repaid over a seven-year period in quarterly installments beginning April 3, 1990. The maturity date of the note was subsequently changed to October 3, 1995. The note bore interest at 85% of either the lower of the Eurodollar rate or a base rate. Such rate was 4.50% at December 31, 1994. The note was paid in full October 3, 1995.

#### 7. Participant Loans

The Textron Capital Accumulation Plan and the Textron Capital Accumulation Plan for Hourly Employees (collectively, "TCAP") were merged into the Plan effective May 1, 1989. The TCAP, prior to their merger into the Plan, allowed participants to receive loans from their pre-tax contribution accounts. Because the Plan does not provide for participant loans, no new loans were made to former TCAP participants after April 30, 1989. Existing loans must be repaid with interest to the participant's pre-tax contribution account. The loan repayments and related interest will be invested in the investment funds in the same manner as the optional contributions to the Plan the participant is then making. If the participant is not then making contributions to the Plan, the loan repayments will be invested in Fund C.



## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 8. Investments

The fair value of individual investments that represent 5% or more of the fair value of the Plan's net assets is as follows:

	December 31	
	1995	1994
	(Share and dollar amounts in thousands)	
Investments at fair value as determined by quoted market price		
Textron Inc. Common Stock*, 13,945 and 15,334 shares, respectively	\$ 941,263	\$772,465
Investments at estimated fair value		
BT Pyramid Capitalization Equity Index Fund*, 69 and 67 shares, respectively	94,755	67,711
<b>Total Investments at fair value</b>	<b>\$1,036,018</b>	<b>\$840,176</b>

\*Indicates party-in-interest to the Plan.

During 1995 and 1994, the Plan's investments (including investments bought, sold, and held during the year) appreciated (depreciated) in fair value by \$272,269,000 and \$(121,961,000) as follows:

	December 31	
	1995	1994
	(In thousands)	
Investments at fair value as determined by quoted market price		
Textron Inc. Common Stock	\$246,117	\$(121,615)
U.S. Government Securities	792	(1,378)
Net change in fair value	246,909	(122,993)
Investments at estimated fair value		
Common/collective trust funds	25,360	1,032
<b>Net change in fair value</b>	<b>\$272,269</b>	<b>\$(121,961)</b>

## Textron Savings Plan

### Notes to Financial Statements (continued)

#### 8. Investments (continued)

Statement of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Instruments (FAS 107), requires disclosure of fair value information about all financial instruments held or owned by a plan except for certain excluded instruments and instruments for which it is not practicable to estimate fair value. Note 2 describes the methods and assumptions used in determining the fair value of all Plan investments except insurance contracts.

The estimated fair value of the Plan's investment in guaranteed insurance contracts was determined by discounted cash flow analyses using U. S. Treasury note interest rates with maturities similar to the remaining terms of the guaranteed insurance contracts. The estimated fair value of such contracts was approximately \$155,000,000 and \$143,000,000 at December 31, 1995 and 1994, respectively.

#### 9. Differences between Financial Statements and Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31,	
	1995	1994
	(In thousands)	
Net assets available for benefits per financial statements	\$1,210,026	\$1,004,593
Amounts allocated to withdrawn participants	(36,154)	(16,153)
Net assets available for benefits per Form 5500	\$1,173,872	\$ 988,440

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500:

	December 31,	
	1995	1994
	(In thousands)	
Benefits paid to participants per the financial statements	\$182,431	\$140,522
Add: Amounts allocated on Form 5500 to withdrawn participants at December 31, 1995	36,154	16,153
Less: Amounts allocated on Form 5500 to withdrawn participants at December 31, 1994	(16,153)	(12,081)
Benefits paid to participants per Form 5500	\$202,432	\$144,594

## **Textron Savings Plan**

### **Notes to Financial Statements (continued)**

#### 9. Differences between Financial Statements and Form 5500 (continued)

Amounts allocated to withdrawn participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to year end but not yet paid as of that date.

#### 10. Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated October 3, 1995, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Code. The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

## Supplemental Schedules

### Textron Savings Plan

#### Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1995

	Number of Shares or Units	Cost/ Contract Value	Fair Value
(In Thousands)			
Fund A			
Textron Inc. Common Stock *	13,945	\$459,143	\$941,263
BT Pyramid Directed Account Cash Fund*	2,533	2,533	2,533
Total Fund A		\$461,676	\$943,796
Fund B			
BT Pyramid Large Capitalization Equity Index Fund*	69	\$ 70,210	\$ 94,755
Total Fund B		\$ 70,210	\$ 94,755
Fund C			
Insurance Contracts:			
Metropolitan Life Ins. Co.			
Matures through 6/30/98; 4.67%	16,668	\$ 16,668	\$ 16,542
Matures through 3/1/99; 5.27%	3,300	3,300	3,301
Matures through 3/31/99; 5.11%	5,504	5,504	5,491
Matures through 5/15/99; 7.38%	11,237	11,237	11,943
Prudential Asset Management			
Matures 9/10/96; 4.18%	10,991	10,991	10,914
Matures 6/1/97; 7.08%	5,592	5,592	5,748
Matures 7/31/97; 6.3%	11,083	11,083	11,284
N. Y. Life Insurance Co.			
Matures 7/31/96; 5.65%	7,237	7,237	7,259
Matures 3/31/97; 7.7%	7,264	7,264	7,500
Matures 9/9/98; 5.2%	11,242	11,242	11,232
Matures through 8/16/99; 7.3%	11,025	11,025	11,763
Commonwealth Life Insurance Co.			
Matures 1/5/99; 8.28%	5,409	5,409	5,926
Hartford Life Insurance Co.			
Matures 1/4/99; 7.97%	5,394	5,394	5,849

## Textron Savings Plan

### Item 27a - Schedule of Assets Held for Investment Purposes (continued)

	Number of Shares or Units	Cost/ Contract Value (In Thousands)	Fair Value
Fund C (continued)			
Allstate Insurance Co. Matures 12/15/00; 6.87%	10,441	10,441	11,249
John Hancock Mutual Life Ins. Co. Matures 6/30/01; 6.75%	5,139	5,139	5,535
Matures 1/2/96; 8.36%	11,946	11,946	11,949
Matures 6/30/00; 6.50%	5,134	5,134	5,409
Mass Mutual Life Ins. Co. Matures through 1/31/97; 6.11%	5,696	5,696	5,720
Government Obligations:			
Federal National Mortgage Association Matures 9/25/07; 5.8%	2,450	2,452	2,445
Matures 4/25/17; 6.5%	9,000	8,999	8,992
Federal Home Loan Mortgage Corp. Matures 12/15/19; 6.5%	422	407	421
BT Pyramid Directed Acct. Cash Fund*	6,254	6,254	6,254
Total Fund C		\$168,414	\$ 172,726
Fund H			
BT Pyramid Directed Acct. Cash Fund*	24	\$ 24	\$ 24
Total Fund H		\$ 24	\$ 24
Total all funds		\$700,322	\$1,216,484
Loans			
Loans Receivable (9.5% - 11%)	53	\$ 53	\$ 53

\* Indicates party-in-interest to the Plan

Textron Savings Plan

Item 27d - Schedule of Reportable Transactions

Year ended December 31, 1995

Identity of Party	Description	Purchase Price	Selling Price	Cost of Assets	Current Value of Asset on Transaction Date	Net Gain (Loss)
(In Thousands)						
Category (iii)--Series of transactions in excess of 5% of plan assets						
**	Purchase of 1,053,868 shares of Textron Inc. Common Stock in 241 transactions	63,240		63,240	63,240	
	Sale of 2,443,523 shares of Textron Inc. Common Stock		140,559	77,989	140,559	62,570
Bankers Trust Company*	Purchase of 109,200,912 units of BT Pyramid Directed Account Cash Fund in 183 transactions	109,201		109,201	109,201	
	Sale of 113,765,562 units of BT Pyramid Directed Account Cash Fund in 209 transactions		113,766	113,766	113,766	

There were no category (i), (ii) or (iv) reportable transactions during the year.

\* Indicates party-in-interest to the Plan.

\*\* Transactions made on the market.

**TEXTRON SAVINGS PLAN  
ANNUAL REPORT ON FORM 11-K  
FOR FISCAL YEAR ENDED DECEMBER 31, 1995**

**EXHIBIT INDEX**

Exhibit Number	Description
23	Consent of Independent Auditors
25	Power of Attorney

**EXHIBIT 23**

**CONSENT OF INDEPENDENT AUDITORS**

We consent to the incorporation by reference in the Registration Statements (Form S-8 No. 33-00668, Form S-8 No. 33-37139 and Form S-8 No. 33-63741) pertaining to the Textron Savings Plan of Textron Inc. of our report dated May 10, 1996, with respect to the financial statements and schedules of the Textron Savings Plan included in this Annual Report (Form 11-K) for the year ended December 31, 1995.

*/s/ ERNST & YOUNG LLP*

*New York, New York  
June 26, 1996*



**EXHIBIT 25**

**POWER OF ATTORNEY**

The undersigned members of the Committee administering the Textron Savings Plan of Textron Inc. (the "Plan"), do hereby constitute and appoint Wayne W. Juchatz, Arnold M. Friedman and Michael D. Cahn, and each of them, with full powers of substitution, their true and lawful attorneys and agents to do or cause to be done any and all acts and things and to execute and deliver any and all instruments and documents which said attorneys and agents, or any of them, may deem necessary or advisable in order to enable the Plan to comply with the Securities and Exchange Act of 1934, as amended, and any requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing of the Plan's Annual Report on Form 11-K for the fiscal year ended December 31, 1995, including specifically, but without limitation, power and authority to sign the names of the undersigned in the capacities indicated below to such Annual Report filed with the Securities and Exchange Commission, to any and all amendments to such Annual Report, to any instruments or documents or other writings in which the original or copies thereof are to be filed as a part of or in connection with such Annual Report or amendments thereto, and to file or cause to be filed the same with the Securities and Exchange Commission; and each of the undersigned hereby ratifies and confirms all that such attorneys and agents, and each of them, shall do or cause to be done hereunder and such attorneys and agents, and each of them, shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, each of the undersigned has signed his name hereto, on the 21st day of June, 1996.

*/s/ Wayne W. Juchatz*  
Wayne W. Juchatz  
Committee Member

*/s/ William F. Wayland*  
William F. Wayland  
Committee Member

*/s/ Frank W. McNally*  
Frank W. McNally  
Committee Member

*/s/ Richard L. Yates*  
Richard L. Yates  
Committee Member

*/s/ Richard A. Watson*  
Richard A. Watson  
Committee Member

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