

TEXTRON INC
Reported by
YATES RICHARD L

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 08/08/06 for the Period Ending 08/04/06

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

TEXTRON INC

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 8/8/2006 For Period Ending 8/4/2006

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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FORM 4

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION
Washington, D.C. 20549**

OMB APPROVAL
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
OF SECURITIES**

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 * YATES RICHARD L <small>(Last) (First) (Middle)</small> TEXTRON INC., 40 WESTMINSTER STREET <small>(Street)</small> PROVIDENCE, RI 02903 <small>(City) (State) (Zip)</small>	2. Issuer Name and Ticker or Trading Symbol TEXTRON INC [TXT] 3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">8/4/2006</p>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) Senior VP and Controller 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> X Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
4. If Amendment, Date Original Filed (MM/DD/YYYY)		

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

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	8/4/2006		M		20000	A	\$40.95	32060	D	
Common Stock	8/4/2006		M		14000	A	\$38.71	46060	D	
Common Stock	8/4/2006		S		28976	D	\$90.56 (1)	17084	D	
Common Stock								1606.966	I	Held on behalf of Reporting Person by the Textron Savings Plan (as of July 31, 2006).
Common Stock								149.38	I	Held on behalf of Reporting Person's spouse by the Textron Savings Plan (as of July 31, 2006).

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

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				
Employee stock option (right to buy)	\$40.95	8/4/2006		M		10000	1/15/2003	1/14/2012	Common Stock	10000	\$0 (2)	10000	D	
Employee stock option (right to buy)	\$40.95	8/4/2006		M		10000	1/15/2004	1/14/2012	Common Stock	10000	\$0 (2)	0	D	
Employee stock option (right to buy)	\$38.71	8/4/2006		M		7000	2/3/2004	2/2/2013	Common Stock	7000	\$0 (2)	7000	D	
Employee stock option (right to buy)	\$38.71	8/4/2006		M		7000	2/3/2005	2/2/2013	Common Stock	7000	\$0 (2)	0	D	

Explanation of Responses:

- (1) Price reported is weighted average price per share of transaction effected at prices ranging from \$90.50 to \$90.75 per share.
- (2) Issued pursuant to the Textron 1999 Long-Term Incentive Plan.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YATES RICHARD L TEXTRON INC. 40 WESTMINSTER STREET PROVIDENCE, RI 02903			Senior VP and Controller	

Signatures

Ann T. Willaman, Attorney-in-Fact

8/8/2006

** 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).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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