

TEXTRON INC

FORM 8-K (Current report filing)

Filed 10/15/03 for the Period Ending 10/15/03

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 8-K (Unscheduled Material Events)

Filed 10/15/2003 For Period Ending 10/15/2003

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

October 15, 2003
(Date of earliest event reported)

TEXTRON INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State of
Incorporation)

I-5480
(Commission File No.)

05-0315468
(IRS Employer
Identification No.)

40 Westminster Street, Providence, Rhode Island 02903
(Address of principal executive offices, including zip code)

(401) 421-2800
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Item 9. Regulation FD Disclosure and
Item 12. Results of Operations and Financial Condition

On August 1, 2003, Textron sold certain assets and liabilities related to its remaining product line within the OmniQuip business to JLG Industries, Inc. Textron reclassified the aggregate financial results from this business, and all the previously sold OmniQuip businesses, as discontinued operations in the third quarter of 2003. Historical results from 1998 through the second quarter of 2003 have been recast to reflect the transaction and are available on Textron's investor relations homepage at www.textron.com and are attached hereto and incorporated herein by reference as Exhibit 99.

The information in this Form 8-K and the Exhibit hereto shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEXTRON INC.
(Registrant)

By: s/Michael D. Cahn
Name: Michael D. Cahn
Title: Senior Associate General Counsel-Sec
and Assistant Secretary

Dated: October 15, 2003

EXHIBIT 99

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)

Revenues	AS REPORTED UNDER GAAP						
	2003		2002				
	Q2	Q1	FY	Q4	Q3	Q2	Q1
Bell	\$ 616	\$ 536	\$ 2,235	\$ 625	\$ 526	\$ 593	\$ 491
Cessna	575	588	3,175	896	745	857	677
Fastening Systems	447	429	1,650	412	411	431	396
Industrial (a)	750	706	2,706	701	647	705	653
Total Manufacturing	2,388	2,259	9,766	2,634	2,329	2,586	2,217
Finance	155	151	630	181	156	148	145
Total revenues	\$ 2,543	\$ 2,410	\$ 10,396	\$ 2,815	\$ 2,485	\$ 2,734	\$ 2,362
Segment Operating Profit							
Bell	\$ 56	\$ 40	\$ 169	\$ 67	\$ 33	\$ 45	\$ 24
Cessna	66	59	376	94	84	121	77
Fastening Systems	21	18	72	20	21	21	10
Industrial (a)	40	34	163	55	36	32	40
Total Manufacturing	183	151	780	236	174	219	151
Finance	26	23	117	47	19	29	22
Segment profit (b),(c)	209	174	897	283	193	248	173
Special charges (b),(d)	(24)	(28)	(135)	(68)	(33)	(20)	(14)
Segment operating income	185	146	762	215	160	228	159
Gain on sale of businesses	-	15	25	-	-	25	-
Goodwill amortization (c)	-	-	-	-	-	-	-
Corporate expenses and other, net	(30)	(32)	(114)	(28)	(26)	(31)	(29)
Interest expense, net	(22)	(24)	(108)	(23)	(30)	(25)	(30)
Income (loss) from continuing operations before income taxes and distributions on preferred security trusts	133	105	565	164	104	197	100
Income taxes (a),(d)	(40)	(32)	(172)	(48)	(23)	(69)	(32)
Distribution on preferred securities of manufacturing subsidiary trusts, net of income taxes	(7)	(6)	(26)	(7)	(6)	(7)	(6)
Income (loss) from continuing operations	86	67	367	109	75	121	62

Discontinued operations net of income taxes (a):								
Income (loss) from operations	(23)	(1)	(3)	22	(4)	(16)	(5)	
Gain on disposal	-	-	-	-	-	-	-	
Cumulative effect of change in accounting principle, net of income taxes	-	-	(488)	-	-	-	(488)	
Net income (loss)	\$ 63	\$ 66	\$ (124)	\$ 131	\$ 71	\$ 105	\$ (431)	
EPS - diluted:								
Income (loss) from continuing operations	\$.63	\$.49	\$ 2.61	\$.78	\$.55	\$.85	\$.44	
Discontinued operations, net of income taxes: (a)								
Income from operations	(.17)	(.01)	(.01)	.17	(.04)	(.11)	(.04)	
Gain on disposal	-	-	-	-	-	-	-	
Cumulative effect of change in accounting principle, net of income taxes	-	-	(3.48)	-	-	-	(3.44)	
Net income (loss)	\$.46	\$.48	\$ (.88)	\$.95	\$.51	\$.74	\$ 3.04	
Average shares outstanding (in thousands) - diluted (e)	136,257	137,059	140,252	138,362	139,145	141,599	141,961	

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)
(continued)

	AS REPORTED UNDER GAAP							
	2001							
Revenues	FY	Q4	Q3	Q2	Q1	2000	1999	
Bell	\$ 2,243	\$ 629	\$ 525	\$ 577	\$ 512	\$ 2,194	\$ 2,135	\$
Cessna	3,043	933	698	791	621	2,814	2,472	
Fastening Systems	1,679	373	389	451	466	1,996	2,059	
Industrial (a)	4,330	998	937	1,201	1,194	4,894	4,585	
Total Manufacturing	11,295	2,933	2,549	3,020	2,793	11,898	11,251	
Finance	709	196	178	164	171	691	463	
Total revenues	\$ 12,004	\$ 3,129	\$ 2,727	\$ 3,184	\$ 2,964	\$ 12,589	\$ 11,714	\$
Segment Operating Profit								
Bell	\$ 93	\$ 38	\$ (58)	\$ 55	\$ 58	\$ 264	\$ 226	\$
Cessna	344	124	55	95	70	300	231	
Fastening Systems	70	(16)	8	36	42	192	204	
Industrial (a)	280	21	(2)	130	131	525	472	
Total Manufacturing	787	167	3	316	301	1,281	1,133	
Finance	205	62	51	43	49	202	132	
Segment profit (b),(c)	992	229	54	359	350	1,483	1,265	
Special charges (b),(d)	(143)	(28)	(29)	(45)	(41)	(483)	(66)	
Segment operating income	849	201	25	314	309	1,000	1,199	
Gain on sale of businesses	342	339	3	-	-	-	-	
Goodwill amortization (c)	(91)	(23)	(23)	(23)	(22)	(87)	(73)	
Corporate expenses and other, net	(152)	(38)	(33)	(39)	(42)	(164)	(143)	
Interest expense, net	(162)	(37)	(41)	(40)	(44)	(152)	(29)	
Income (loss) from continuing operations before income taxes and distributions on preferred security trusts	786	442	(69)	212	201	597	954	
Income taxes (a),(d)	(285)	(162)	21	(74)	(70)	(299)	(353)	
Distribution on preferred securities of manufacturing subsidiary trusts, net of income taxes	(26)	(7)	(6)	(7)	(6)	(26)	(26)	
Income (loss) from continuing operations	475	273	(54)	131	125	272	575	

Discontinued operations net of income taxes (a):									
Income (loss) from operations	(309)	(16)	(276)	(5)	(12)	5	5		
Gain on disposal	-	-	-	-	-	-	1,646		
Cumulative effect of change in accounting principle, net of income taxes	-	-	-	-	-	(59)	-		
Net income (loss)	\$ 166	\$ 257	\$ (330)	\$ 126	\$ 113	\$ 218	\$ 2,226	\$	
EPS - diluted:									
Income (loss) from continuing operations	\$ 3.32	\$ 1.92	\$ (.39)	\$.91	\$.88	\$ 1.86	\$ 3.74	\$	
Discontinued operations, net of income taxes: (a)	(2.16)	(.11)	(1.95)	(.03)	(.09)	.04	.04		
Income from operations	-	-	-	-	-	-	10.70		
Gain on disposal	-	-	-	-	-	-	-		
Cumulative effect of change in accounting principle, net of income taxes	-	-	-	-	-	(.41)	-		
Net income (loss)	\$ 1.16	\$ 1.81	\$ (2.34)	\$.88	\$.79	\$ 1.49	\$ 14.48	\$	
Average shares outstanding (in thousands) - diluted (e)	142,937	142,460	141,196	143,411	142,752	146,150	153,754		

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)
(continued)

(a) On August 1, 2003, Textron consummated the sale of its remaining OmniQuip business to JLG Industries, Inc. and has reclassified the financial results of the OmniQuip division as discontinued operations for accounting purposes. In 1999, Textron completed the sale of Avco Financial Services to Associates First Capital Corporation resulting in a \$1.65 billion gain, net of income taxes, and the reclassification of \$165 million, net of income taxes, to discontinued operations in 1998.

(b) Textron adopted SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities", effective December 29, 2002. Upon adoption, costs related to restructuring that were previously recorded in segment profit are now included with severance costs, contract termination costs, and asset impairment write-downs in special charges. Costs related to restructuring that were recorded in segment profit in prior periods have been reclassified to special charges to conform to this presentation.

(c) Pursuant to SFAS No. 142 "Goodwill and Other Intangible Assets", beginning on December 30, 2001, goodwill is no longer amortized. To reflect the adoption of this statement and the fact that management does not include amortization of goodwill in its internal evaluation of segment performance, the Company has recast its segment data for comparability by reclassifying goodwill amortization out of segment profit in prior periods.

(d) In accordance with SFAS No. 145 "Rescission of FASB No. 4, 44 and 62, Amendment of FASB Statement No. 13, and Technical Corrections", Textron has reclassified the loss from early debt retirement from an extraordinary loss to a pre-tax loss reflected in operations with the tax benefit recorded in income taxes.

(e) Assumes full conversion of outstanding preferred stock and exercise of options. The average share base for the third quarter 2001 excludes potentially dilutive common shares (convertible preferred stock and stock options). These shares are excluded due to their antidilutive effect.

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)

	AS ADJUSTED*							
	2003			2002				
	Q2	Q1	FY	Q4	Q3	Q2	Q1	
Revenues								
Bell	\$ 616	\$ 536	\$ 2,235	\$ 625	\$ 526	\$ 593	\$ 491	
Cessna	575	588	3,175	896	745	857	677	
Fastening Systems	447	429	1,650	412	411	431	396	
Industrial (a)	750	706	2,706	701	647	705	653	
Total Manufacturing	2,388	2,259	9,766	2,634	2,329	2,586	2,217	
Finance	155	151	630	181	156	148	145	
Total revenues	\$ 2,543	\$ 2,410	\$ 10,396	\$ 2,815	\$ 2,485	\$ 2,734	\$ 2,362	
Segment Operating Profit								
Bell	\$ 56	\$ 40	\$ 169	\$ 67	\$ 33	\$ 45	\$ 24	
Cessna	66	59	376	94	84	121	77	

Fastening Systems	21	18	72	20	21	21	10
Industrial (a)	40	34	163	55	36	32	40
Total Manufacturing	183	151	780	236	174	219	151
Finance	26	23	117	47	19	29	22
Segment profit (b),(c)	209	174	897	283	193	248	173
Gain sale of businesses	-	-	-	-	-	-	-
Goodwill amortization (c)	-	-	-	-	-	-	-
Corporate expenses and other, net	(30)	(32)	(114)	(28)	(26)	(31)	(29)
Interest expense, net	(22)	(24)	(108)	(23)	(30)	(25)	(30)
Income (loss) from continuing operations before income taxes and distributions on preferred security trusts	157	118	675	232	137	192	114
Income taxes (a)	(48)	(37)	(201)	(73)	(32)	(60)	(36)
Distribution on preferred securities of manufacturing subsidiary trusts, net of income taxes	(7)	(6)	(26)	(7)	(6)	(7)	(6)
Income (loss) from continuing operations	102	75	448	152	99	125	72
Discontinued operations net of income taxes (a):							
Income (loss) from operations	1	(1)	(26)	(7)	(4)	(9)	(6)
Net income (loss)	\$ 103	\$ 74	\$ 422	\$ 145	\$ 95	\$ 116	\$ 66
EPS - diluted:							
Income (loss) from continuing operations	\$.76	\$.54	\$ 3.19	\$ 1.10	\$.71	\$.88	\$.51
Discontinued operations (a):							
Income from operations	-	-	(.18)	(.06)	(.03)	(.06)	(.04)
Net income (loss)	\$.76	\$.54	\$ 3.01	\$ 1.04	\$.68	\$.82	\$.47
Average shares outstanding (in thousands) - diluted (d)	136,257	137,059	140,252	138,362	139,145	141,599	141,961

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)
(continued)

Revenues	AS ADJUSTED*								
	2001								
	FY	Q4	Q3	Q2	Q1	2000	1999		
Bell	\$ 2,243	\$ 629	\$ 525	\$ 577	\$ 512	\$ 2,194	\$ 2,135	\$	\$
Cessna	3,043	933	698	791	621	2,814	2,472		
Fastening Systems	1,679	373	389	451	466	1,996	2,059		
Industrial (a)	4,330	998	937	1,201	1,194	4,894	4,585		
Total Manufacturing	11,295	2,933	2,549	3,020	2,793	11,898	11,251		
Finance	709	196	178	164	171	691	463		
Total revenues	\$ 12,004	\$ 3,129	\$ 2,727	\$ 3,184	\$ 2,964	\$ 12,589	\$ 11,714	\$	\$
Segment Operating Profit									
Bell	\$ 93	\$ 38	\$ (58)	\$ 55	\$ 58	\$ 264	\$ 226	\$	\$
Cessna	344	124	55	95	70	300	231		
Fastening Systems	70	(16)	8	36	42	192	204		
Industrial (a)	280	21	(2)	130	131	525	472		
Total Manufacturing	787	167	3	316	301	1,281	1,133		
Finance	205	62	51	43	49	202	132		
Segment profit (b),(c)	992	229	54	359	350	1,483	1,265		
Gain on sale of businesses	3	-	3	-	-	-	-		

Goodwill amortization (c)	(91)	(23)	(23)	(23)	(22)	(87)	(73)
Corporate expenses and other, net	(152)	(38)	(33)	(39)	(42)	(164)	(143)
Interest expense, net	(162)	(37)	(41)	(40)	(44)	(152)	(29)
Income (loss) from continuing operations before income taxes and distributions on preferred security trusts	590	131	(40)	257	242	1,080	1,020
Income taxes (a)	(204)	(44)	14	(90)	(84)	(379)	(376)
Distribution on preferred securities of manufacturing subsidiary trusts, net of income taxes	(26)	(7)	(6)	(7)	(6)	(26)	(26)
Income (loss) from continuing operations	360	80	(32)	160	152	675	618
Discontinued operations net of income taxes (a):							
Income (loss) from operations	(28)	(13)	(3)	(3)	(9)	5	5
Net income (loss)	\$ 332	\$ 67	\$ (35)	\$ 157	\$ 143	\$ 680	\$ 623
EPS - diluted:							
Income (loss) from continuing operations	\$ 2.52	\$.56	\$ (.23)	\$ 1.12	\$ 1.06	\$ 4.62	\$ 4.01
Discontinued operations (a):							
Income from operations	(.20)	(.09)	(.02)	(.02)	(.06)	.03	.04
Net income (loss)	\$ 2.32	\$.47	\$ (.25)	\$ 1.10	\$ 1.00	\$ 4.65	\$ 4.05
Average shares outstanding (in thousands) - diluted (d)	142,937	142,460	141,196	143,411	142,752	146,150	153,754

(a) On August 1, 2003, Textron consummated the sale of its remaining OmniQuip business to JLG Industries, Inc. and has reclassified the financial results of the OmniQuip division as discontinued operations for accounting purposes. In 1999, Textron completed the sale of Avco Financial Services to Associates First Capital Corporation resulting in a \$1.65 billion gain, net of income taxes, and the reclassification of \$165 million, net of income taxes, to discontinued operations in 1998.

(b) Textron adopted SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities", effective December 29, 2002. Upon adoption, costs related to restructuring that were previously recorded in segment profit are not included with severance costs, contract termination costs, and asset impairment write-downs in special charges. Costs related to restructuring that were recorded in segment profit in prior periods have been reclassified to special charges to conform to this presentation.

(c) Pursuant to SFAS No. 142 "Goodwill and Other Intangible Assets", beginning on December 30, 2001, goodwill is not longer amortized. To reflect the adoption of this statement and the fact that management does not include amortization of goodwill in its internal evaluation of segment performance, the Company has recast its segment data for comparability by reclassifying goodwill amortization out of segment profit in prior periods.

(d) Assumes full conversion of outstanding preferred stock and exercise of options. The average share base for the third quarter 2001 excludes potential dilutive common shares (convertible preferred stock and stock options). These shares are excluded due to their antidilutive effect.

* The "As Adjusted" amounts exclude items recorded in special charges, the gain (loss) on sale of significant businesses and the cumulative effect of changes in accounting principle. Textron presents its results "as adjusted", before restructuring and other special items, because such items are outside normal business operations, as well as difficult to forecast accurately for specific periods. Such items are either isolated or temporary in nature; therefore, it is helpful to understand results without these items, especially when comparing results for previous periods or forecasting performance in future periods. In addition, Textron utilizes "as adjusted" results to measure management performance for management compensation purposes. Any analysis of results before restructuring costs and other special items should be used only in conjunction with data presented in accordance with Generally Accepted Accounting Principles (GAAP). The accompanying reconciliation of GAAP measures to non-GAAP measures contains the reconciliations of income and EPS.

TEXTRON INC.
RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES
(Dollars in millions, except per share amounts)
(Unaudited)

	2003			2002			
	Q2	Q1	FY	Q4	Q3	Q2	Q1
Income Reconciliation							
GAAP, Net income (loss)	\$ 63	\$ 66	\$ (124)	\$ 131	\$ 71	\$ 105	\$ (431)
Discontinued operations	23	1	3	(22)	4	16	5
Cumulative effect of change in accounting principle	-	-	488	-	-	-	488
Income (loss) from continuing operations	\$ 86	\$ 67	\$ 367	\$ 109	\$ 75	\$ 121	\$ 62
Adjustments, net of income tax:							
Net gain on sale of businesses	-	(12)	(9)	-	-	(9)	-
Special charges, net	16	20	90	43	24	13	10

operations, as adjusted	\$ 2.52	\$.56	\$ (.23)	\$ 1.12	\$ 1.06	\$ 4.62	\$ 4.01	\$ 2.68
Income (loss) from discontinued operations, as adjusted	(.20)	(.09)	(.02)	(.02)	(.06)	.03	.04	1.00
Net income (loss), as adjusted	\$ 2.32	\$.47	\$ (.25)	\$ 1.10	\$ 1.00	\$ 4.65	\$ 4.05	\$ 3.68

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)

	SEGMENT PROFIT MARGIN							
	2003				2002			
	Q2	Q1	FY	Q4	Q3	Q2	Q1	
Revenues								
Bell	\$ 616	\$ 536	\$ 2,235	\$ 625	\$ 526	\$ 593	\$ 491	
Cessna	575	588	3,175	896	745	857	677	
Fastening Systems	447	429	1,650	412	411	431	396	
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Total revenues	\$ 2,543	\$ 2,410	\$ 10,396	\$ 2,815	\$ 2,485	\$ 2,734	\$ 2,362	
Segment Operating Profit								
Bell	\$ 56	\$ 40	\$ 169	\$ 67	\$ 33	\$ 45	\$ 24	
Cessna	66	59	376	94	84	121	77	
Fastening Systems	21	18	72	20	21	21	10	
Industrial	40	34	163	55	36	32	40	
Total Manufacturing	183	151	780	236	174	219	151	
Finance	26	23	117	47	19	29	22	
Segment profit	\$ 209	\$ 174	\$ 897	\$ 283	\$ 193	\$ 248	\$ 173	
Segment Profit Margin								
Bell	9.1%	7.5%	7.6%	10.7%	6.3%	7.6%	4.9%	
Cessna	11.5%	10.0%	11.8%	10.5%	11.3%	14.1%	11.4%	
Fastening Systems	4.7%	4.2%	4.4%	4.9%	5.1%	4.9%	2.5%	
Industrial	5.3%	4.8%	6.0%	7.8%	5.6%	4.5%	6.1%	
Total Manufacturing	7.7%	6.7%	8.0%	9.0%	7.5%	8.5%	6.8%	
Finance	16.8%	15.2%	18.6%	26.0%	12.2%	19.6%	15.2%	
Segment profit margin	8.2%	7.2%	8.6%	10.1%	7.8%	9.1%	7.3%	

	SEGMENT PROFIT MARGIN							
	2001							
	FY	Q4	Q3	Q2	Q1	2000	1999	1998
Revenues								
Bell	\$ 2,243	\$ 629	\$ 525	\$ 577	\$ 512	\$ 2,194	\$ 2,135	\$ 2,051
Cessna	3,043	933	698	791	621	2,814	2,472	1,949
Fastening Systems	1,679	373	389	451	466	1,996	2,059	1,758
Industrial	4,330	998	937	1,201	1,194	4,894	4,585	3,749
Total Manufacturing	11,295	2,933	2,549	3,020	2,793	11,898	11,251	9,507
Finance	709	196	178	164	171	691	463	367
Total revenues	\$ 12,004	\$ 3,129	\$ 2,727	\$ 3,184	\$ 2,964	\$ 12,589	\$ 11,714	\$ 9,874
Segment Operating Profit								

Bell	\$ 93	\$ 38	\$ (58)	\$ 55	\$ 58	\$ 264	\$ 226	\$ 204
Cessna	344	124	55	95	70	300	231	207
Fastening Systems	70	(16)	8	36	42	192	204	200
Industrial (a)	280	21	(2)	130	131	525	472	375
Total Manufacturing	787	167	3	316	301	1,281	1,133	986
Finance	205	62	51	43	49	202	132	113
Segment profit	\$ 992	\$ 229	\$ 54	\$ 359	\$ 350	\$ 1,483	\$ 1,265	\$ 1,099
Segment Profit Margin								
Bell	4.1%	6.0%	(11.0)%	9.5%	11.3%	12.0%	10.6%	9.9%
Cessna	11.3%	13.3%	7.9%	12.0%	11.3%	10.7%	9.3%	10.6%
Fastening Systems	4.2%	(4.3)%	2.1%	8.0%	9.0%	9.6%	9.9%	11.4%
Industrial	6.5%	2.1%	(.2)%	10.8%	11.0%	10.7%	10.3%	10.0%
Total Manufacturing	7.0%	5.7%	.1%	10.5%	10.8%	10.8%	10.1%	10.4%
Finance	28.9%	31.6%	28.7%	26.2%	28.7%	29.2%	28.5%	30.8%
Segment profit margin	8.3%	7.3%	2.0%	11.3%	11.8%	11.8%	10.8%	11.1%

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)

	SEGMENT PROFIT MARGIN - EXCLUDING TRIM							
	2003		2002					
	Q2	Q1	FY	Q4	Q3	Q2	Q1	
Revenues								
Bell	\$ 616	\$ 536	\$ 2,235	\$ 625	\$ 526	\$ 593	\$ 491	
Cessna	575	588	3,175	896	745	857	677	
Fastening Systems	447	429	1,650	412	411	431	396	
Industrial (a)	750	706	2,706	701	647	705	653	
Total Manufacturing	2,388	2,259	9,766	2,634	2,329	2,586	2,217	
Finance	155	151	630	181	156	148	145	
Total revenues	\$ 2,543	\$ 2,410	\$ 10,396	\$ 2,815	\$ 2,485	\$ 2,734	\$ 2,362	
Segment Operating Profit								
Bell	\$ 56	\$ 40	\$ 169	\$ 67	\$ 33	\$ 45	\$ 24	
Cessna	66	59	376	94	84	121	77	
Fastening Systems	21	18	72	20	21	21	10	
Industrial	40	34	163	55	36	32	40	
Total Manufacturing	183	151	780	236	174	219	151	
Finance	26	23	117	47	19	29	22	
Segment profit	\$ 209	\$ 174	\$ 897	\$ 283	\$ 193	\$ 248	\$ 173	
Segment Profit Margin								
Bell	9.1%	7.5%	7.6%	10.7%	6.3%	7.6%	4.9%	
Cessna	11.5%	10.0%	11.8%	10.5%	11.3%	14.1%	11.4%	
Fastening Systems	4.7%	4.2%	4.4%	4.9%	5.1%	4.9%	2.5%	
Industrial	5.3%	4.8%	6.0%	7.8%	5.6%	4.5%	6.1%	
Total Manufacturing	7.7%	6.7%	8.0%	9.0%	7.5%	8.5%	6.8%	
Finance	16.8%	15.2%	18.6%	26.0%	12.2%	19.6%	15.2%	
Segment profit margin	8.2%	7.2%	8.6%	10.1%	7.8%	9.1%	7.3%	

	SEGMENT PROFIT MARGIN - EXCLUDING TRIM								
	2001								
	FY	Q4	Q3	Q2	Q1	2000	1999	1998	
Revenues									
Bell	\$ 2,243	\$ 629	\$ 525	\$ 577	\$ 512	\$ 2,194	\$ 2,135	\$ 2,051	
Cessna	3,043	933	698	791	621	2,814	2,472	1,949	
Fastening Systems	1,679	373	389	451	466	1,996	2,059	1,758	
Industrial	2,751	619	590	753	789	3,052	2,788	2,267	
Total Manufacturing	9,716	2,554	2,202	2,572	2,388	10,056	9,454	8,025	
Finance	709	196	178	164	171	691	463	367	
Total revenues	\$ 10,425	\$ 2,750	\$ 2,380	\$ 2,736	\$ 2,559	\$ 10,747	\$ 9,917	\$ 8,392	
Segment Operating Profit									
Bell	\$ 93	\$ 38	\$ (58)	\$ 55	\$ 58	\$ 264	\$ 226	\$ 204	
Cessna	344	124	55	95	70	300	231	207	
Fastening Systems	70	(16)	8	36	42	192	204	200	
Industrial (a)	196	13	(7)	95	95	358	318	250	
Total Manufacturing	703	159	(2)	281	265	1,114	979	861	
Finance	205	62	51	43	49	202	132	113	
Segment profit	\$ 908	\$ 221	\$ 49	\$ 324	\$ 314	\$ 1,316	\$ 1,111	\$ 974	
Segment Profit Margin									
Bell	4.1%	6.0%	(11.0)%	9.5%	11.3%	12.0%	10.6%	9.9%	
Cessna	11.3%	13.3%	7.9%	12.0%	11.3%	10.7%	9.3%	10.6%	
Fastening Systems	4.2%	(4.3)%	2.1%	8.0%	9.0%	9.6%	9.9%	11.4%	
Industrial	7.1%	2.1%	(1.2)%	12.6%	12.0%	11.7%	11.4%	11.0%	
Total Manufacturing	7.2%	6.2%	(.1)%	10.9%	11.1%	11.1%	10.4%	10.7%	
Finance	28.9%	31.6%	28.7%	26.2%	28.7%	29.2%	28.5%	30.8%	
Segment profit margin	8.7%	8.0%	2.1%	11.8%	12.3%	12.2%	11.2%	11.6%	

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT - EXCLUDING TRIM
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)

	SEGMENT OPERATING INCOME EXCLUDING TRIM								
	2003				2002				
	Q2	Q1	FY	Q4	Q3	Q2	Q1		
Revenues									
Bell	\$ 616	\$ 536	\$ 2,235	\$ 625	\$ 526	\$ 593	\$ 491		
Cessna	575	588	3,175	896	745	857	677		
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Segment Operating Profit									
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Cessna	66	59	376	94	84	121	77		
Fastening Systems	21	18	72	20	21	21	10		

Industrial (a)	40	34	163	55	36	32	40
Total Manufacturing	183	151	780	236	174	219	151
Finance	26	23	117	47	19	29	22
Segment profit (b),(c)	209	174	897	283	193	248	173
Special charges (b)	(24)	(28)	(135)	(68)	(33)	(20)	(14)
Segment operating income	\$ 185	\$ 146	\$ 762	\$ 215	\$ 160	\$ 228	\$ 159

TEXTRON INC.
REVENUE AND INCOME BY BUSINESS SEGMENT - EXCLUDING TRIM
RECAST TO REFLECT OMNIQUIP AS A DISCONTINUED OPERATION
(Dollars in millions, except per share amounts)
(Unaudited)
(continued)

	SEGMENT OPERATING INCOME EXCLUDING TRIM								
	2001						2000	1999	1998
	FY	Q4	Q3	Q2	Q1				
Revenues									
Bell	\$ 2,243	\$ 629	\$ 525	\$ 577	\$ 512	\$ 2,194	\$ 2,135	\$ 2,051	
Cessna	3,043	933	698	791	621	2,814	2,472	1,949	
Fastening Systems	1,679	373	389	451	466	1,996	2,059	1,758	
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Total Manufacturing	9,716	2,554	2,202	2,572	2,388	10,056	9,454	8,025	
Finance	709	196	178	164	171	691	463	367	
Total revenues	\$ 10,425	\$ 2,750	\$ 2,380	\$ 2,736	\$ 2,559	\$ 10,747	\$ 9,917	\$ 8,392	
Segment Operating Profit									
Bell	\$ 93	\$ 38	\$ (58)	\$ 55	\$ 58	\$ 264	\$ 226	\$ 204	
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Fastening Systems	70	(16)	8	36	42	192	204	200	
Industrial (a)	196	13	(7)	95	95	358	318	250	
Total Manufacturing	703	159	(2)	281	265	1,114	979	861	
Finance	205	62	51	43	49	202	132	113	
Segment profit (b),(c)	908	221	49	324	314	1,316	1,111	974	
Special charges	(130)	(26)	(28)	(44)	(32)	(456)	(7)	(62)	
Segment operating income	\$ 778	\$ 195	\$ 21	\$ 280	\$ 282	\$ 860	\$ 1,104	\$ 912	

(a) On August 1, 2003, Textron consummated the sale of its remaining OmniQuip business to JLG Industries, Inc. and has reclassified the financial results of the OmniQuip division as discontinued operations for accounting purposes. In 1999, Textron completed the sale of Avco Financial Services to Associates First Capital Corporation resulting in a \$1.65 billion gain, net of income taxes, and the reclassification of \$165 million, net of income taxes, to discontinued operations in 1998.

(b) Textron adopted SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities", effective December 29, 2002. Upon adoption, costs related to restructuring that were previously recorded in segment profit are not included with severance costs, contract termination costs, and asset impairment write-downs in special charges. Costs related to restructuring that were recorded in segment profit in prior periods have been reclassified to special charges to conform to this presentation.

(c) Pursuant to SFAS No. 142 "Goodwill and Other Intangible Assets", beginning on December 30, 2001, goodwill is no longer amortized. To reflect the adoption of this statement and the fact that management does not include amortization of goodwill in its internal evaluation of segment performance, the Company has recast its segment data for comparability by reclassifying goodwill amortization out of segment profit in prior periods.

