

**TEXTRON INC**  
Reported by  
**YATES RICHARD L**

**FORM 4**  
(Statement of Changes in Beneficial Ownership)

Filed 01/17/08 for the Period Ending 01/15/08

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

# FORM 4

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

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

## 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

<b>1. Name and Address of Reporting Person *</b>  <b>YATES RICHARD L</b> <small>(Last) (First) (Middle)</small>  <b>TEXTRON INC., 40 WESTMINSTER STREET</b> <small>(Street)</small>  <b>PROVIDENCE, RI 02903</b> <small>(City) (State) (Zip)</small>	<b>2. Issuer Name and Ticker or Trading Symbol</b>  <b>TEXTRON INC [ TXT ]</b>  <b>3. Date of Earliest Transaction (MM/DD/YYYY)</b>  <p align="center"><b>1/15/2008</b></p>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable)  <input type="checkbox"/> Director <span style="float:right"><input type="checkbox"/> 10% Owner</span> <input checked="" type="checkbox"/> Officer (give title below) <span style="float:right"><input type="checkbox"/> Other (specify below)</span> <b>Senior VP and Controller</b>  <b>6. Individual or Joint/Group Filing</b> (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
<b>4. If Amendment, Date Original Filed (MM/DD/YYYY)</b>		

**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	1/15/2008		M		4000	A	\$0	53049	D	
Common Stock	1/15/2008		D		4000	D	\$62.567	49049	D	
Common Stock								3611.366	I	Held on behalf of Reporting Person by the Textron Savings Plan (as of January 11, 2008).
Common Stock								191.042	I	Held on behalf of Reporting Person's spouse by the Textron Savings Plan (as of January 11, 2008).

**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	Title	Amount or Number of Shares				
Phantom Stock	\$0 (1)	1/15/2008		M			4000	(2)	(2)	Common Stock	4000	\$0	4000	D	

**Explanation of Responses:**

- (1) Converts to the cash equivalent of Textron Common Stock on a 1-for-1 basis.
- (2) The phantom stock vests in three annual installments as follows: 2,000 shares on December 31, 2006; 4,000 shares on December 31, 2007; and 4,000 shares on December 31, 2008. Vested shares of phantom stock are 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.

**Remarks:**

All share numbers and related prices have been adjusted to reflect Textron Inc.'s two-for-one Common Stock split which occurred on August 24, 2007.

**Reporting Owners**

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

**Signatures**

Ann T. Willaman, Attorney-in-Fact

1/17/2008

\*\* 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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