

# TEXTRON INC

## FORM 8-K (Current report filing)

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Address	40 WESTMINSTER ST PROVIDENCE, RI 02903
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**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**

Date of Report (Date of earliest event reported): **October 23, 2014**

**TEXTRON INC.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State of Incorporation)

**1-5480**  
(Commission File Number)

**05-0315468**  
(IRS Employer Identification No.)

**40 Westminster Street, Providence, Rhode Island 02903**  
(Address of principal executive offices)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events**

Textron Inc. is filing capsule financial information as of and for the quarter ended September 27, 2014. A copy of such capsule financial information is attached hereto as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits:

The following exhibits are filed herewith:

<b>Exhibit Number</b>	<b>Description</b>
99.1	Capsule financial information of Textron as of and for the quarter ended September 27, 2014.

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)

/s/ Mary F. Lovejoy  
Mary F. Lovejoy  
Vice President and Treasurer

Date: October 23, 2014

## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
99.1	Capsule financial information of Textron as of and for the quarter and year ended September 27, 2014.

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**TEXTRON INC.**  
**Revenues by Segment and Reconciliation of Segment Profit to Net Income**  
**Three and Nine Months Ended September 27, 2014 and September 28, 2013**  
(Dollars in millions, except per share amounts)  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 27, 2014	September 28, 2013	September 27, 2014	September 28, 2013
<b>REVENUES</b>				
<b>MANUFACTURING:</b>				
Textron Aviation	\$ 1,080	\$ 593	\$ 3,048	\$ 1,861
Bell	1,182	1,162	3,174	3,136
Textron Systems	358	405	1,003	1,256
Industrial	785	711	2,476	2,239
	<u>3,405</u>	<u>2,871</u>	<u>9,701</u>	<u>8,492</u>
<b>FINANCE</b>	<b>25</b>	<b>33</b>	<b>81</b>	<b>106</b>
<b>Total revenues</b>	<b>\$ 3,430</b>	<b>\$ 2,904</b>	<b>\$ 9,782</b>	<b>\$ 8,598</b>
<b>SEGMENT PROFIT</b>				
<b>MANUFACTURING:</b>				
Textron Aviation (a) (b)	\$ 62	\$ (23)	\$ 104	\$ (81)
Bell	146	131	383	395
Textron Systems	27	35	100	107
Industrial	53	52	213	188
	<u>288</u>	<u>195</u>	<u>800</u>	<u>609</u>
<b>FINANCE</b>	<b>5</b>	<b>13</b>	<b>16</b>	<b>47</b>
<b>Segment Profit</b>	<b>293</b>	<b>208</b>	<b>816</b>	<b>656</b>
Corporate expenses and other, net	(22)	(34)	(103)	(109)
Interest expense, net for Manufacturing group	(37)	(29)	(108)	(96)
Acquisition and restructuring costs (c)	(3)	—	(39)	—
Income from continuing operations before income taxes	231	145	566	451
Income tax expense	(71)	(47)	(174)	(124)
<b>Income from continuing operations</b>	<b>160</b>	<b>98</b>	<b>392</b>	<b>327</b>
Discontinued operations, net of income taxes	(1)	1	(4)	4
<b>Net income</b>	<b>\$ 159</b>	<b>\$ 99</b>	<b>\$ 388</b>	<b>\$ 331</b>
<b>Earnings per share:</b>				
<b>Income from continuing operations</b>	<b>\$ 0.57</b>	<b>\$ 0.35</b>	<b>\$ 1.39</b>	<b>\$ 1.15</b>
Discontinued operations, net of income taxes	—	—	(0.02)	0.01
<b>Net income</b>	<b>\$ 0.57</b>	<b>\$ 0.35</b>	<b>\$ 1.37</b>	<b>\$ 1.16</b>
Diluted average shares outstanding	281,030,000	281,710,000	282,424,000	284,743,000

(a) The three and nine months ended September 27, 2014 include amortization of \$10 million and \$55 million, respectively, related to fair value step-up adjustments of acquired inventories sold during the periods.

(b) Includes \$28 million in severance costs for the nine months ended September 28, 2013.

(c) Acquisition and restructuring costs for the three and nine months ended September 27, 2014 include \$3 million and \$28 million, respectively, of restructuring costs incurred related to the acquisition of Beech Holdings, LLC, the parent of Beechcraft Corporation, which was completed on March 14, 2014. Transaction costs of \$11 million related to the Beechcraft acquisition are also included in the nine months ended September 27, 2014.

**Textron Inc.**  
**Condensed Consolidated Balance Sheets**  
(In millions)  
(Unaudited)

	September 27, 2014	December 28, 2013
<b>Assets</b>		
Cash and equivalents	\$ 430	\$ 1,163
Accounts receivable, net	1,150	979
Inventories	4,081	2,963
Other current assets	539	467
Net property, plant and equipment	2,442	2,215
Goodwill	2,020	1,735
Other assets	2,509	1,697
Finance group assets	1,568	1,725
<b>Total Assets</b>	<u>\$ 14,739</u>	<u>\$ 12,944</u>
<b>Liabilities and Shareholders' Equity</b>		
Short-term debt and current portion of long-term debt	\$ 383	\$ 8
Other current liabilities	3,510	2,995
Other liabilities	2,451	2,118
Long-term debt	2,474	1,923
Finance group liabilities	1,349	1,516
<b>Total Liabilities</b>	<u>10,167</u>	<u>8,560</u>
<b>Total Shareholders' Equity</b>	<u>4,572</u>	<u>4,384</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 14,739</u>	<u>\$ 12,944</u>

**TEXTRON INC.**  
**Condensed Consolidated Schedule of Cash Flows**  
(In millions)  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 27, 2014	September 28, 2013	September 27, 2014	September 28, 2013
<b>Cash flows from operating activities:</b>				
Income from continuing operations	\$ 160	\$ 98	\$ 392	\$ 327
Depreciation and amortization	111	93	325	285
Changes in working capital	(51)	117	(128)	(624)
Changes in other assets and liabilities and non-cash items	(4)	51	(20)	(91)
Net cash from operating activities of continuing operations	<u>216</u>	<u>359</u>	<u>569</u>	<u>(103)</u>
<b>Cash flows from investing activities:</b>				
Net cash used in acquisitions	(30)	—	(1,580)	(53)
Capital expenditures	(83)	(110)	(255)	(300)
Finance receivables repaid	19	45	77	157
Proceeds from sales of receivables and other finance assets	24	99	37	152
Other investing activities, net	(7)	3	(4)	13
Net cash from investing activities	<u>(77)</u>	<u>37</u>	<u>(1,725)</u>	<u>(31)</u>
<b>Cash flows from financing activities:</b>				
Proceeds from long-term debt	36	10	1,187	412
Increase (decrease) in short-term debt	25	(270)	25	96
Principal payments on long-term and nonrecourse debt	(341)	(72)	(462)	(997)
Purchases of Textron common stock	(152)	—	(302)	—
Settlement of convertible debt	—	—	—	(215)
Proceeds from settlement of capped call	—	—	—	75
Other financing activities, net	(3)	(2)	16	—
Net cash from financing activities	<u>(435)</u>	<u>(334)</u>	<u>464</u>	<u>(629)</u>
Total cash flows from continuing operations	(296)	62	(692)	(763)
Total cash flows from discontinued operations	(1)	2	(3)	(5)
Effect of exchange rate changes on cash and equivalents	(7)	2	(5)	(8)
<b>Net change in cash and equivalents</b>	<b>(304)</b>	<b>66</b>	<b>(700)</b>	<b>(776)</b>
Cash and equivalents at beginning of period	815	571	1,211	1,413
Cash and equivalents at end of period	<u>\$ 511</u>	<u>\$ 637</u>	<u>\$ 511</u>	<u>\$ 637</u>