



Q1 2019 Earnings Call Presentation

April 17, 2019

The data in this package should be read in conjunction with the Textron earnings release and accompanying tables.

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Forward-Looking Information

Certain statements in this package and other oral and written statements made by Textron from time to time are forward-looking statements, including those that discuss strategies, goals, outlook or other non-historical matters; or project revenues, income, returns or other financial measures. These forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in the statements, including the risks and uncertainties set forth under "Forward-Looking Information" in our first quarter 2019 earnings release. Additional information on risks and uncertainties that may impact forward-looking statements is discussed under "Risk Factors" in our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

Key Data – Q1 2019

	Q1 2019	Q1 2018
Revenues	\$3.1B	\$3.3B
Segment Profit	\$294M	\$279M
EPS	\$0.76	\$0.72
Manufacturing Cash Flow Before Pension Contributions*	\$(291M)	\$(158M)
Pension Contributions	\$13M	\$13M

*Manufacturing cash flow before pension contributions is a non-GAAP measure that is defined and reconciled to GAAP in our earnings release.

Q1 2019 Revenue Growth

	Revenue Growth	Divestiture Impact	Organic Growth	FX Impact Un(Fav)	Organic Growth Before FX
Textron Aviation	12.3%	-	12.3%	-	12.3%
Bell	(1.7%)	-	(1.7%)	-	(1.7%)
Textron Systems	(20.7%)	-	(20.7%)	-	(20.7%)
Industrial	(19.4%)	10.3%	(9.1%)	2.5%	(6.6%)
Manufacturing	(5.7%)	3.8%	(1.9%)	0.8%	(1.1%)
Finance	6.3%	-	6.3%	-	6.3%
Total Segments	(5.7%)	3.8%	(1.9%)	0.8%	(1.1%)

Organic Growth includes revenue changes resulting from volume, price, and foreign exchange. For our segments that contract with the U.S. Government, volume represents changes in revenue related to these contracts. Revenues associated with these contracts in 2019 and 2018 are primarily recognized as costs are incurred while revenues for 2017 were primarily recognized as units were delivered.

Finance Segment Key Statistics

	<u>Q1 2019</u>	<u>Q4 2018</u>
60+ Delinquency	\$21M	\$14M
Non-accrual	\$31M	\$40M
Finance Receivables	\$782M	\$789M
Shareholders' Equity	\$145M	\$191M

Outlook – Full Year 2019

EPS	\$3.55 - \$3.75
Manufacturing Cash Flow Before Pension Contributions*	\$700M - \$800M
Pension Contributions	~\$50M

*Manufacturing cash flow before pension contributions is a non-GAAP measure that is defined and reconciled to GAAP in our earnings release.



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