

TEXTRON INC  
Form 4  
August 08, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
YATES RICHARD L

(Last) (First) (Middle)  
TEXTRON INC., 40  
WESTMINSTER STREET  
(Street)

PROVIDENCE, RI 02903

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
TEXTRON INC [TXT]

3. Date of Earliest Transaction (Month/Day/Year)  
08/04/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Senior VP and Controller

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction 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)
Common Stock	08/04/2006		M	V Amount (A) or (D) Price	\$ 40.95	32,060	D
Common Stock	08/04/2006		M	V Amount (A) or (D) Price	\$ 38.71	46,060	D
Common Stock	08/04/2006		S	V Amount (A) or (D) Price	\$ 90.56 (1)	17,084	D
Common Stock						1,606.966	I Held on behalf of Reporting Person by

Common Stock	149.38	I	the Textron Savings Plan (as of July 31, 2006).  Held on behalf of Reporting Person's spouse by the Textron Savings Plan (as of July 31, 2006).
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction 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 (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee stock option (right to buy)	\$ 40.95	08/04/2006		M	10,000	01/15/2003	01/14/2012	Common Stock	10,000
Employee stock option (right to buy)	\$ 40.95	08/04/2006		M	10,000	01/15/2004	01/14/2012	Common Stock	10,000
Employee stock option	\$ 38.71	08/04/2006		M	7,000	02/03/2004	02/02/2013	Common Stock	7,000

(right to  
buy)

Employee  
stock

option \$ 38.71 08/04/2006

(right to  
buy)

M 7,000 02/03/2005 02/02/2013 Common Stock 7,000

## 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

08/08/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* 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).

(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.

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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