

TEXTRON INC
Form 10-Q
April 29, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 4, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File Number 1-5480

Textron Inc.

(Exact name of registrant as specified in its charter)

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Delaware

(State or other jurisdiction of incorporation or organization)

05-0315468

(I.R.S. Employer Identification No.)

40 Westminster Street, Providence, RI

(Address of principal executive offices)

02903

(Zip code)

(401) 421-2800

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer []

Accelerated filer []

Non-accelerated filer []

Smaller reporting company []

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of April 17, 2015, there were 277,644,419 shares of common stock outstanding.

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For the Quarterly Period Ended April 4, 2015

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

TEXTRON INC.
Consolidated Statements of Operations (Unaudited)

	Three Months Ended	
	April 4, 2015	March 29, 2014
<i>(In millions, except per share amounts)</i>		
Revenues		
Manufacturing revenues	\$ 3,051	\$ 2,818
Finance revenues	22	29
Total revenues	3,073	2,847
Costs and expenses		
Cost of sales	2,509	2,357
Selling and administrative expense	337	302
Interest expense	43	47
Acquisition and restructuring costs		16
Total costs and expenses	2,889	2,722
Income from continuing operations before income taxes	184	125
Income tax expense	56	38
Income from continuing operations	128	87
Loss from discontinued operations, net of income taxes		(2)
Net income	\$ 128	\$ 85
Basic earnings per share		
Continuing operations	\$ 0.46	\$ 0.31
Discontinued operations		(0.01)
Basic earnings per share	\$ 0.46	\$ 0.30
Diluted earnings per share		
Continuing operations	\$ 0.46	\$ 0.31
Discontinued operations		(0.01)
Diluted earnings per share	\$ 0.46	\$ 0.30
Dividends per share		
Common stock	\$ 0.02	\$ 0.02

See Notes to the Consolidated Financial Statements.

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<i>(In millions)</i>	Three Months Ended	
	April 4, 2015	March 29, 2014
Net income	\$ 128	\$ 85
Other comprehensive (loss) income, net of tax:		
Pension and postretirement benefits adjustments, net of reclassifications	24	18
Deferred gains/losses on hedge contracts, net of reclassifications	(12)	(7)
Foreign currency translation adjustments	(56)	(6)
Other comprehensive (loss) income	(44)	5
Comprehensive income	\$ 84	\$ 90

See Notes to the Consolidated Financial Statements.

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TEXTRON INC.

Consolidated Balance Sheets (Unaudited)

<i>(Dollars in millions)</i>	April 4, 2015	January 3, 2015
Assets		
Manufacturing group		
Cash and equivalents	\$ 561	\$ 731
Accounts receivable, net	1,133	1,035
Inventories	4,236	3,928
Other current assets	563	579
Total current assets	6,493	6,273
Property, plant and equipment, less accumulated depreciation and amortization of \$3,720 and \$3,685	2,460	2,497
Goodwill	2,013	2,027
Other assets	2,268	2,279
Total Manufacturing group assets	13,234	13,076
Finance group		
Cash and equivalents	147	91
Finance receivables, net	1,203	1,238
Other assets	154	200
Total Finance group assets	1,504	1,529
Total assets	\$ 14,738	\$ 14,605
Liabilities and shareholders equity		
Liabilities		
Manufacturing group		
Short-term debt and current portion of long-term debt	\$ 34	\$ 8
Accounts payable	1,130	1,014
Accrued liabilities	2,570	2,616
Total current liabilities	3,734	3,638
Other liabilities	2,548	2,587
Long-term		