

TEXTRON INC
Form 4
February 20, 2007

FORM 4

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

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

OMB APPROVAL

OMB
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(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)
02/16/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)

Senior VP and Controller

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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	02/16/2007		M	1,667	A \$ 0	20,339	D
Common Stock	02/16/2007		D	1,667	D \$ 96.51	18,672	D
Common Stock						1,666.033	I
							Held on behalf of Reporting Person by the Textron Savings Plan (as of December

Common Stock	150.01	I	31, 2006). Held on behalf of Reporting Person's spouse by the Textron Savings Plan (as of December 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)		8. Price of Derivative Security (Instr. 3)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock	\$ 0 ⁽¹⁾	02/16/2007		M		1,667		⁽²⁾	⁽²⁾	Common Stock	1,667	\$

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

02/20/2007

__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) Converts to the cash equivalent of Textron Common Stock on a 1-for-1 basis.

The phantom stock vests in three annual installments as follows: 1,667 shares on February 3, 2006; 1,667 shares on February 3, 2007; and

- (2) 1,666 shares on February 3, 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.

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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