

TEXTRON INC
Form 4
July 25, 2006

FORM 4

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

OMB APPROVAL

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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 *
HOWELL MARY L

(Last) (First) (Middle)

**TEXTRON INC., 1101
PENNSYLVANIA AVENUE, NW,
SUITE 400**

(Street)

WASHINGTON, DC 20004

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
07/24/2006

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)
Executive Vice President

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)
			Code	V Amount (D) Price			
Common	07/24/2006		M	5,000 (1) A \$ 0	31,635	D	
Common	07/24/2006		D	5,000 (1) D \$ 88.868	26,635	D	
Common					4,191.636	I	Held on behalf of Reporting Person by the Textron Savings Plan, as of

						June 30, 2006.
Common		272	I			Held by Reporting Person's son.

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 (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 or Amount of Underlying Securities (Instr. 3 and 4)
Phantom Stock	\$ 0 ⁽²⁾	07/24/2006		M	5,000	⁽³⁾ ⁽³⁾	Common 5,000	\$

Reporting Owners

Reporting Owner Name / Address	Relationships		
	Director	10% Owner	Officer
HOWELL MARY L TEXTRON INC. 1101 PENNSYLVANIA AVENUE, NW, SUITE 400 WASHINGTON, DC 20004			Executive Vice President

Signatures

Ann T. Willaman, Attorney-in-Fact	07/25/2006
**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) Reflects cash payout of 5,000 units of phantom stock payable in cash only.

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

The phantom stock vests in five installments of 5,000 units on each of July 10, 2003, July 10, 2004, July 10, 2005, July 10, 2006 and July

(3) 10, 2007. 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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