

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2018</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☐		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ special extension (enter description)	☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>TEXTRON RETIREMENT ACCOUNT PLAN TRUST</u>	1b	Three-digit plan number (PN) ▶ <u>077</u>
		1c	Effective date of plan <u>01/01/2007</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>TEXTRON, INC.</u> <u>40 WESTMINSTER STREET</u> <u>PROVIDENCE, RI 02903</u>	2b	Employer Identification Number (EIN) <u>05-0315468</u>
		2c	Plan Sponsor's telephone number <u>401-421-2800</u>
		2d	Business code (see instructions) <u>339900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/31/2019	JOYCE LAFOND
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 16904
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 13633 6a(2) 12763 6b 5 6c 3268 6d 16036 6e 32 6f 16068 6g 8281 6h 1
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2H 2T 3F 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A Name of plan TEXTRON RETIREMENT ACCOUNT PLAN TRUST	B Three-digit plan number (PN) ▶ 077
C Plan sponsor's name as shown on line 2a of Form 5500 TEXTRON, INC.	D Employer Identification Number (EIN) 05-0315468

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65	RECORDKEEPER	100317	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

ERNST & YOUNG

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	27810	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>TEXTRON RETIREMENT ACCOUNT PLAN TRUST</u>	B Three-digit plan number (PN)	<u>077</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>TEXTRON, INC.</u>	D Employer Identification Number (EIN) <u>05-0315468</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FID DIVSFD INTL POOL</u>		
b Name of sponsor of entity listed in (a): <u>FIDELITY MANAGEMENT TRUST COMPANY</u>		
c EIN-PN <u>04-3022712-134</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>43741306</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>JPMCB U.S. ACTIVE CORE EQ CF-C</u>		
b Name of sponsor of entity listed in (a): <u>JPMORGAN CHASE BANK, N.A.</u>		
c EIN-PN <u>13-4043928-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>62978749</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SMID CAP RESEARCH EQUITY</u>		
b Name of sponsor of entity listed in (a): <u>WELLINGTON TRUST COMPANY, NA</u>		
c EIN-PN <u>04-6913417-166</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>20639501</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>STATE STREET REAL ASSET CL C</u>		
b Name of sponsor of entity listed in (a): <u>STATE STREET GLOBAL ADVISORS TRUST COMPANY</u>		
c EIN-PN <u>90-0337987-280</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>22066757</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WELLINGTON CORE BOND</u>		
b Name of sponsor of entity listed in (a): <u>WELLINGTON TRUST COMPANY, NA</u>		
c EIN-PN <u>04-6913417-156</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>70105611</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>TEXTRON RETIREMENT ACCOUNT PLAN TRUST</u>	B Three-digit plan number (PN) ► <u>077</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TEXTRON, INC.</u>	D Employer Identification Number (EIN) <u>05-0315468</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a Total noninterest-bearing cash	1a		6	0
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions.....	1b(1)		419638	385928
(2) Participant contributions	1b(2)		0	0
(3) Other.....	1b(3)		151389	206649
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		0	0
(2) U.S. Government securities	1c(2)		0	0
(3) Corporate debt instruments (other than employer securities):				
(A) Preferred	1c(3)(A)		0	0
(B) All other.....	1c(3)(B)		0	0
(4) Corporate stocks (other than employer securities):				
(A) Preferred	1c(4)(A)		0	0
(B) Common.....	1c(4)(B)		0	0
(5) Partnership/joint venture interests	1c(5)		0	0
(6) Real estate (other than employer real property).....	1c(6)		0	0
(7) Loans (other than to participants)	1c(7)		0	0
(8) Participant loans.....	1c(8)		0	0
(9) Value of interest in common/collective trusts	1c(9)		236588167	219531924
(10) Value of interest in pooled separate accounts	1c(10)		0	0
(11) Value of interest in master trust investment accounts	1c(11)		0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)		0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		0	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)			
(15) Other	1c(15)		0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	237159200	220124501

Liabilities

g Benefit claims payable	1g	12184	40658
h Operating payables	1h	2546	2547
i Acquisition indebtedness	1i	5726	23171
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	20456	66376

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	237138744	220058125
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	12579057	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		12579057

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	2228099	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2228099

(3) Rents	2b(3)		0
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-14999886
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		-2243825
d Total income. Add all income amounts in column (b) and enter total.....	2d		-2436555

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	7829192	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		7829192
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other	2i(4)	111772	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		111772
j Total expenses. Add all expense amounts in column (b) and enter total	2j		7940964

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-10377519
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		6703100

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		10000000
4e	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
BELL HELICOPTER TEXTRON MASTER RETIREMENT PLAN	05-0315468	006
TEXTRON MASTER RETIREMENT PLAN	05-0315468	076

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>TEXTRON RETIREMENT ACCOUNT PLAN TRUST</u>	B Three-digit plan number (PN) ▶ <u>077</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TEXTRON, INC.</u>	D Employer Identification Number (EIN) <u>05-0315468</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

Textron Inc. Retirement Account Plan
Years Ended December 31, 2018 and 2017
With Report of Independent Auditors

Textron Inc. Retirement Account Plan

Financial Statements
and Supplemental Schedules

Years Ended December 31, 2018 and 2017

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Report of Independent Auditors

Textron Inc.
Investment Committee and Participants
Textron Inc. Retirement Account Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Textron Inc. Retirement Account Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2018 and 2017, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2018, and reportable transactions for the year then ended are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

July 31, 2019

Ernst & Young LLP

Textron Inc. Retirement Account Plan

Statements of Net Assets Available for Benefits

	December 31	
	2018	2017
Assets		
Investments, at fair value	\$ 219,531,924	\$ 236,588,167
Receivables:		
Employer contributions	385,928	419,638
Dividends	206,649	151,395
	<u>592,577</u>	<u>571,033</u>
Total assets	<u>220,124,501</u>	<u>237,159,200</u>
Liabilities		
Accrued expenses	<u>66,376</u>	<u>20,456</u>
Total liabilities	<u>66,376</u>	<u>20,456</u>
Net assets available for benefits	<u>\$ 220,058,125</u>	<u>\$ 237,138,744</u>

See accompanying notes.

Textron Inc. Retirement Account Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2018	2017
Additions		
Interest and dividends	\$ 2,228,099	\$ 3,411,835
Net appreciation in fair value of investments	-	27,468,303
Employer contributions	12,579,057	13,292,537
Total additions	14,807,156	44,172,675
Deductions		
Net depreciation in fair value of investments	17,243,711	-
Transfers to Textron Master Trust	6,703,100	5,464,822
Benefit payments	7,829,192	8,434,441
Administrative expenses	111,772	185,175
Total deductions	31,887,775	14,084,438
Net increase/(decrease)	(17,080,619)	30,088,237
Net assets available for benefits:		
Beginning of year	237,138,744	207,050,507
End of year	\$ 220,058,125	\$ 237,138,744

See accompanying notes.

Textron Inc. Retirement Account Plan
Notes to Financial Statements
December 31, 2018

1. Description of Plan

The following description of the Textron Inc. Retirement Account Plan (the Plan or the RAP) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

Textron Inc. (the Company) adopted the Plan on January 1, 2007. The Plan was amended and restated effective January 1, 2019 to reflect recent statutory, regulatory and other plan changes. The Plan is intended to be a profit-sharing plan under Section 401(a) of the Internal Revenue Code (the Code). In addition, the Plan is part of the Textron Retirement Program (TRP). The TRP incorporates both the RAP and the floor offset portion of the Textron Master Retirement Plan and the Bell Helicopter Textron Master Retirement Plan (the Floor Offset). Under the TRP, the Floor Offset establishes a minimum benefit amount for each participant and is determined with reference to the participant's account balance in the RAP. The benefit is payable first from the participant's vested account balance in the RAP and then, to the extent necessary, from the Floor Offset. A participant is entitled to his or her entire vested account balance if the account balance is greater than the minimum benefit amount calculated.

The Plan is currently administered under the terms of a Trust Agreement, dated January 1, 2007 and amended from time to time, with Fidelity Management Trust Company (the Trustee or Fidelity). Fidelity also serves as the Plan's recordkeeper.

Eligibility

Prior to January 1, 2010, all employees who participated in the Floor Offset immediately became participants in the Plan. Beginning on January 1, 2010, the Floor Offset arrangement was closed to new participants. This change does not impact employees or retirees currently in the Plan.

Contributions

The Company contributes to the Plan an amount equal to 2% of eligible compensation for each payroll period for each eligible participant. All contributions are invested at the discretion of the plan sponsor. Forfeitures of unvested balances are used to reduce future Textron contributions. At December 31, 2018 and 2017, forfeitures totaled \$72,598 and \$8,717, respectively. Forfeitures used were immaterial during the years ended December 31, 2018 and 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

1. Description of Plan (continued)

Vesting

The Company's contributions vest based on the length of service in the Plan is as follows:

Months of Service	Vested Percentage
Less than 36 months	0%
36 months or more	100%

Participant Accounts

Each participant's account is credited with contributions and allocations of plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances or on a per capita basis, as defined. Forfeited balances of terminated participants' non-vested accounts are first used to restore participants with a break in service and then are used to reduce future Company contributions. The participant is entitled to the benefit that can be provided from the participant's account.

Benefit Payments

Participants are eligible to withdraw their vested account balances upon termination of employment, reaching their normal or early retirement dates, disability, or death. The benefit payment is normally to be made in the form of a single life or 50% surviving spouse annuity. An account will be distributed in a single payment if the value of the account is less than \$5,000 when the account first becomes distributable. If the value of the account is \$5,000 or more when the account first becomes distributable, a participant is not required to take a distribution immediately. However, current federal law requires the Plan to begin to distribute accounts by April 1 of the year following the year in which the participant reaches age 70½.

Benefits payable of \$130,000 are outstanding as of December 31, 2018. There were no benefits payable at December 31, 2017.

Plan Termination

Textron has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Textron has not expressed any intent to terminate the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Payment of Benefits

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the plan's gains and losses on investments bought and sold, as well as, held during the year.

Administrative Expenses

Administrative expenses are generally paid by the Plan and are allocated to participant accounts on a pro rata or per capita basis, depending on the type of expense. All other administrative expenses of the plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through July 31, 2019, the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Pronouncements

In July 2018, the FASB issued ASU 2018-09, Codification Improvements, which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

whether a readily determinable fair value exists or whether its investments qualify for net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement*. Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The new standard is effective at the beginning of 2020. We are currently evaluating the impact of the standard on our consolidated financial statements.

3. Investments

Certain information related to investments disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2018 and 2017, and net appreciation/depreciation in fair value of common collective trust funds, interest and dividends for the years then ended, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by the trustee, Fidelity Management Trust Company.

4. Fair Value Measurements

In accordance with the provisions of ASC 820, *Fair Value Measurement*, fair value is measured at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions that market participants would use in pricing the asset or liability (the inputs) are prioritized into a three-tier fair value hierarchy. This fair value hierarchy gives the highest priority (Level 1) to quoted prices in active markets for identical assets or liabilities and the lowest priority (Level 3) to unobservable inputs in which little or no market data exists, requiring companies to develop their own assumptions.

Observable inputs that do not meet the criteria of Level 1, which include quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets and liabilities in markets that are not active, are categorized as Level 2. Level 3 inputs are those that reflect the Company's estimates about the assumptions market participants would use in pricing the asset or liability, based on the best information available in the circumstances. Valuation techniques for assets and liabilities measured using Level 3 inputs may include methodologies, such as the market approach, the income approach, or the cost approach, and may use unobservable inputs, such as projections, estimates, and management's interpretation of current market data. These unobservable inputs are only utilized to the extent that observable inputs are not available or cost-effective to obtain. There were no transfers between Levels 1, 2, and 3 in 2018 or 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. The following table sets forth by level, within the fair value hierarchy, the Plan's assets carried at fair value as of December 31, 2018 and 2017:

December 31, 2018				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	22,066,757
Domestic Equity	—	—	—	83,618,250
International Equity	—	—	—	43,741,306
Debt Securities	—	—	—	70,105,611
Total assets	\$ —	\$ —	\$ —	\$ 219,531,924

December 31, 2017				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	23,634,437
Domestic Equity	—	—	—	95,604,588
International Equity	—	—	—	47,933,814
Debt Securities	—	—	—	69,415,328
Total assets	\$ —	\$ —	\$ —	\$ 236,588,167

The Common Collective Trust Funds (CCTs) are groups of investments similar to mutual funds in that they provide diversification by holding various equity and debt securities. The collective trusts are not quoted in an active market. The fair value of these investments has been estimated using the net asset value per share.

The CCT investments have the following objectives for investees:

(a) Blended debt and equity – This category includes securities in a diversified mix of stocks, bonds and short-term investments within one investment option. The investment funds provide daily liquidity.

(b) Domestic and international equity – This category includes diversified portfolios invested primarily in the common stock of U.S. and international companies. The objective is to provide capital appreciation and long-term return. The investment funds provide daily liquidity.

Textron Inc. Retirement Account Plan Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

(c) Debt Securities – This category includes diversified portfolios invested primarily in U.S. investment grade bonds. The objective is to provide long-term total return. The investment funds provide daily liquidity.

5. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

6. Related-Party Transactions

The Plan holds investments managed by Fidelity Management Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

7. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 19, 2014, stating that the Plan is qualified under Section 401(a) of the Code and; therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan, as amended, is being operated in compliance with the applicable requirements of the Code, and therefore believes the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement impact of a tax position is recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Supplemental Schedules

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Plan Number 077
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2018

Identity of Issue	Description of Investments, Including Rate of Interest or Number of Shares or Units	Cost	Current Value
Common Collective Trust Funds:			
FID DIVSFD INTL POOL*	3,954,910	\$ 50,353,458	\$ 43,741,306
JPMCB U.S. ACTIVE CORE EQ	1,872,695	64,659,583	62,978,749
SMID CAP RESEARCH EQ (S5)	2,253,221	22,578,189	20,639,501
STATE STREET REAL ASSET C	1,987,459	23,309,213	22,066,757
WELLINGTON CORE BOND	7,153,634	72,521,164	70,105,611
Total Common Collective Trust Funds			<u>\$ 219,531,924</u>

*Indicates party-in-interest to the Plan

Plan Number 077

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Schedule H, Line 4j – Schedule of Reportable Transactions
Year Ended December 31, 2018

Identity of Party Involved	Description of Assets	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Category (iii) – Series of transactions in excess of 5% of Plan assets:						
Fidelity Management Trust Company	Common Collective Trust Funds:					
	WELLINGTON CORE BOND	\$ 11,223,511	\$ -	\$ -	\$ 11,223,511	\$ -
	WELLINGTON CORE BOND	\$ -	\$ 3,742,600	\$ 3,862,496	\$ 3,742,600	\$ (119,896)

There were no category (i), (ii), or (iv) reportable transactions for the year ended December 31, 2018.

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

Textron Inc. Retirement Account Plan
Years Ended December 31, 2018 and 2017
With Report of Independent Auditors

Textron Inc. Retirement Account Plan

Financial Statements and Supplemental Schedules

Years Ended December 31, 2018 and 2017

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Report of Independent Auditors

Textron Inc.
Investment Committee and Participants
Textron Inc. Retirement Account Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Textron Inc. Retirement Account Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2018 and 2017, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2018, and reportable transactions for the year then ended are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

July 31, 2019

Ernst & Young LLP

Textron Inc. Retirement Account Plan

Statements of Net Assets Available for Benefits

	December 31	
	2018	2017
Assets		
Investments, at fair value	\$ 219,531,924	\$ 236,588,167
Receivables:		
Employer contributions	385,928	419,638
Dividends	206,649	151,395
	<u>592,577</u>	<u>571,033</u>
Total assets	<u>220,124,501</u>	<u>237,159,200</u>
Liabilities		
Accrued expenses	<u>66,376</u>	<u>20,456</u>
Total liabilities	<u>66,376</u>	<u>20,456</u>
Net assets available for benefits	<u>\$ 220,058,125</u>	<u>\$ 237,138,744</u>

See accompanying notes.

Textron Inc. Retirement Account Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2018	2017
Additions		
Interest and dividends	\$ 2,228,099	\$ 3,411,835
Net appreciation in fair value of investments	-	27,468,303
Employer contributions	12,579,057	13,292,537
Total additions	14,807,156	44,172,675
Deductions		
Net depreciation in fair value of investments	17,243,711	-
Transfers to Textron Master Trust	6,703,100	5,464,822
Benefit payments	7,829,192	8,434,441
Administrative expenses	111,772	185,175
Total deductions	31,887,775	14,084,438
Net increase/(decrease)	(17,080,619)	30,088,237
Net assets available for benefits:		
Beginning of year	237,138,744	207,050,507
End of year	\$ 220,058,125	\$ 237,138,744

See accompanying notes.

Textron Inc. Retirement Account Plan
Notes to Financial Statements
December 31, 2018

1. Description of Plan

The following description of the Textron Inc. Retirement Account Plan (the Plan or the RAP) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

Textron Inc. (the Company) adopted the Plan on January 1, 2007. The Plan was amended and restated effective January 1, 2019 to reflect recent statutory, regulatory and other plan changes. The Plan is intended to be a profit-sharing plan under Section 401(a) of the Internal Revenue Code (the Code). In addition, the Plan is part of the Textron Retirement Program (TRP). The TRP incorporates both the RAP and the floor offset portion of the Textron Master Retirement Plan and the Bell Helicopter Textron Master Retirement Plan (the Floor Offset). Under the TRP, the Floor Offset establishes a minimum benefit amount for each participant and is determined with reference to the participant's account balance in the RAP. The benefit is payable first from the participant's vested account balance in the RAP and then, to the extent necessary, from the Floor Offset. A participant is entitled to his or her entire vested account balance if the account balance is greater than the minimum benefit amount calculated.

The Plan is currently administered under the terms of a Trust Agreement, dated January 1, 2007 and amended from time to time, with Fidelity Management Trust Company (the Trustee or Fidelity). Fidelity also serves as the Plan's recordkeeper.

Eligibility

Prior to January 1, 2010, all employees who participated in the Floor Offset immediately became participants in the Plan. Beginning on January 1, 2010, the Floor Offset arrangement was closed to new participants. This change does not impact employees or retirees currently in the Plan.

Contributions

The Company contributes to the Plan an amount equal to 2% of eligible compensation for each payroll period for each eligible participant. All contributions are invested at the discretion of the plan sponsor. Forfeitures of unvested balances are used to reduce future Textron contributions. At December 31, 2018 and 2017, forfeitures totaled \$72,598 and \$8,717, respectively. Forfeitures used were immaterial during the years ended December 31, 2018 and 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

1. Description of Plan (continued)

Vesting

The Company's contributions vest based on the length of service in the Plan is as follows:

Months of Service	Vested Percentage
Less than 36 months	0%
36 months or more	100%

Participant Accounts

Each participant's account is credited with contributions and allocations of plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances or on a per capita basis, as defined. Forfeited balances of terminated participants' non-vested accounts are first used to restore participants with a break in service and then are used to reduce future Company contributions. The participant is entitled to the benefit that can be provided from the participant's account.

Benefit Payments

Participants are eligible to withdraw their vested account balances upon termination of employment, reaching their normal or early retirement dates, disability, or death. The benefit payment is normally to be made in the form of a single life or 50% surviving spouse annuity. An account will be distributed in a single payment if the value of the account is less than \$5,000 when the account first becomes distributable. If the value of the account is \$5,000 or more when the account first becomes distributable, a participant is not required to take a distribution immediately. However, current federal law requires the Plan to begin to distribute accounts by April 1 of the year following the year in which the participant reaches age 70½.

Benefits payable of \$130,000 are outstanding as of December 31, 2018. There were no benefits payable at December 31, 2017.

Plan Termination

Textron has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Textron has not expressed any intent to terminate the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Payment of Benefits

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the plan's gains and losses on investments bought and sold, as well as, held during the year.

Administrative Expenses

Administrative expenses are generally paid by the Plan and are allocated to participant accounts on a pro rata or per capita basis, depending on the type of expense. All other administrative expenses of the plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through July 31, 2019, the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Pronouncements

In July 2018, the FASB issued ASU 2018-09, Codification Improvements, which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

whether a readily determinable fair value exists or whether its investments qualify for net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement*. Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The new standard is effective at the beginning of 2020. We are currently evaluating the impact of the standard on our consolidated financial statements.

3. Investments

Certain information related to investments disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2018 and 2017, and net appreciation/depreciation in fair value of common collective trust funds, interest and dividends for the years then ended, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by the trustee, Fidelity Management Trust Company.

4. Fair Value Measurements

In accordance with the provisions of ASC 820, *Fair Value Measurement*, fair value is measured at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions that market participants would use in pricing the asset or liability (the inputs) are prioritized into a three-tier fair value hierarchy. This fair value hierarchy gives the highest priority (Level 1) to quoted prices in active markets for identical assets or liabilities and the lowest priority (Level 3) to unobservable inputs in which little or no market data exists, requiring companies to develop their own assumptions.

Observable inputs that do not meet the criteria of Level 1, which include quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets and liabilities in markets that are not active, are categorized as Level 2. Level 3 inputs are those that reflect the Company's estimates about the assumptions market participants would use in pricing the asset or liability, based on the best information available in the circumstances. Valuation techniques for assets and liabilities measured using Level 3 inputs may include methodologies, such as the market approach, the income approach, or the cost approach, and may use unobservable inputs, such as projections, estimates, and management's interpretation of current market data. These unobservable inputs are only utilized to the extent that observable inputs are not available or cost-effective to obtain. There were no transfers between Levels 1, 2, and 3 in 2018 or 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. The following table sets forth by level, within the fair value hierarchy, the Plan's assets carried at fair value as of December 31, 2018 and 2017:

December 31, 2018				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	22,066,757
Domestic Equity	—	—	—	83,618,250
International Equity	—	—	—	43,741,306
Debt Securities	—	—	—	70,105,611
Total assets	\$ —	\$ —	\$ —	\$ 219,531,924

December 31, 2017				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	23,634,437
Domestic Equity	—	—	—	95,604,588
International Equity	—	—	—	47,933,814
Debt Securities	—	—	—	69,415,328
Total assets	\$ —	\$ —	\$ —	\$ 236,588,167

The Common Collective Trust Funds (CCTs) are groups of investments similar to mutual funds in that they provide diversification by holding various equity and debt securities. The collective trusts are not quoted in an active market. The fair value of these investments has been estimated using the net asset value per share.

The CCT investments have the following objectives for investees:

(a) Blended debt and equity – This category includes securities in a diversified mix of stocks, bonds and short-term investments within one investment option. The investment funds provide daily liquidity.

(b) Domestic and international equity – This category includes diversified portfolios invested primarily in the common stock of U.S. and international companies. The objective is to provide capital appreciation and long-term return. The investment funds provide daily liquidity.

Textron Inc. Retirement Account Plan Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

(c) Debt Securities – This category includes diversified portfolios invested primarily in U.S. investment grade bonds. The objective is to provide long-term total return. The investment funds provide daily liquidity.

5. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

6. Related-Party Transactions

The Plan holds investments managed by Fidelity Management Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

7. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 19, 2014, stating that the Plan is qualified under Section 401(a) of the Code and; therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan, as amended, is being operated in compliance with the applicable requirements of the Code, and therefore believes the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement impact of a tax position is recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Supplemental Schedules

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Plan Number 077
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2018

Identity of Issue	Description of Investments, Including Rate of Interest or Number of Shares or Units	Cost	Current Value
Common Collective Trust Funds:			
FID DIVSFD INTL POOL*	3,954,910	\$ 50,353,458	\$ 43,741,306
JPMCB U.S. ACTIVE CORE EQ	1,872,695	64,659,583	62,978,749
SMID CAP RESEARCH EQ (S5)	2,253,221	22,578,189	20,639,501
STATE STREET REAL ASSET C	1,987,459	23,309,213	22,066,757
WELLINGTON CORE BOND	7,153,634	72,521,164	70,105,611
Total Common Collective Trust Funds			<u>\$ 219,531,924</u>

*Indicates party-in-interest to the Plan

Plan Number 077

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Schedule H, Line 4j – Schedule of Reportable Transactions
Year Ended December 31, 2018

Identity of Party Involved	Description of Assets	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Category (iii) – Series of transactions in excess of 5% of Plan assets:						
Fidelity Management Trust Company	Common Collective Trust Funds:					
	WELLINGTON CORE BOND	\$ 11,223,511	\$ -	\$ -	\$ 11,223,511	\$ -
	WELLINGTON CORE BOND	\$ -	\$ 3,742,600	\$ 3,862,496	\$ 3,742,600	\$ (119,896)

There were no category (i), (ii), or (iv) reportable transactions for the year ended December 31, 2018.

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

Textron Inc. Retirement Account Plan
Years Ended December 31, 2018 and 2017
With Report of Independent Auditors

Textron Inc. Retirement Account Plan

Financial Statements
and Supplemental Schedules

Years Ended December 31, 2018 and 2017

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Report of Independent Auditors

Textron Inc.
Investment Committee and Participants
Textron Inc. Retirement Account Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Textron Inc. Retirement Account Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2018 and 2017, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2018, and reportable transactions for the year then ended are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

July 31, 2019

Ernst & Young LLP

Textron Inc. Retirement Account Plan

Statements of Net Assets Available for Benefits

	December 31	
	2018	2017
Assets		
Investments, at fair value	\$ 219,531,924	\$ 236,588,167
Receivables:		
Employer contributions	385,928	419,638
Dividends	206,649	151,395
	<u>592,577</u>	<u>571,033</u>
Total assets	<u>220,124,501</u>	<u>237,159,200</u>
Liabilities		
Accrued expenses	<u>66,376</u>	<u>20,456</u>
Total liabilities	<u>66,376</u>	<u>20,456</u>
Net assets available for benefits	<u>\$ 220,058,125</u>	<u>\$ 237,138,744</u>

See accompanying notes.

Textron Inc. Retirement Account Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2018	2017
Additions		
Interest and dividends	\$ 2,228,099	\$ 3,411,835
Net appreciation in fair value of investments	-	27,468,303
Employer contributions	12,579,057	13,292,537
Total additions	14,807,156	44,172,675
Deductions		
Net depreciation in fair value of investments	17,243,711	-
Transfers to Textron Master Trust	6,703,100	5,464,822
Benefit payments	7,829,192	8,434,441
Administrative expenses	111,772	185,175
Total deductions	31,887,775	14,084,438
Net increase/(decrease)	(17,080,619)	30,088,237
Net assets available for benefits:		
Beginning of year	237,138,744	207,050,507
End of year	\$ 220,058,125	\$ 237,138,744

See accompanying notes.

Textron Inc. Retirement Account Plan
Notes to Financial Statements
December 31, 2018

1. Description of Plan

The following description of the Textron Inc. Retirement Account Plan (the Plan or the RAP) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

Textron Inc. (the Company) adopted the Plan on January 1, 2007. The Plan was amended and restated effective January 1, 2019 to reflect recent statutory, regulatory and other plan changes. The Plan is intended to be a profit-sharing plan under Section 401(a) of the Internal Revenue Code (the Code). In addition, the Plan is part of the Textron Retirement Program (TRP). The TRP incorporates both the RAP and the floor offset portion of the Textron Master Retirement Plan and the Bell Helicopter Textron Master Retirement Plan (the Floor Offset). Under the TRP, the Floor Offset establishes a minimum benefit amount for each participant and is determined with reference to the participant's account balance in the RAP. The benefit is payable first from the participant's vested account balance in the RAP and then, to the extent necessary, from the Floor Offset. A participant is entitled to his or her entire vested account balance if the account balance is greater than the minimum benefit amount calculated.

The Plan is currently administered under the terms of a Trust Agreement, dated January 1, 2007 and amended from time to time, with Fidelity Management Trust Company (the Trustee or Fidelity). Fidelity also serves as the Plan's recordkeeper.

Eligibility

Prior to January 1, 2010, all employees who participated in the Floor Offset immediately became participants in the Plan. Beginning on January 1, 2010, the Floor Offset arrangement was closed to new participants. This change does not impact employees or retirees currently in the Plan.

Contributions

The Company contributes to the Plan an amount equal to 2% of eligible compensation for each payroll period for each eligible participant. All contributions are invested at the discretion of the plan sponsor. Forfeitures of unvested balances are used to reduce future Textron contributions. At December 31, 2018 and 2017, forfeitures totaled \$72,598 and \$8,717, respectively. Forfeitures used were immaterial during the years ended December 31, 2018 and 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

1. Description of Plan (continued)

Vesting

The Company's contributions vest based on the length of service in the Plan is as follows:

Months of Service	Vested Percentage
Less than 36 months	0%
36 months or more	100%

Participant Accounts

Each participant's account is credited with contributions and allocations of plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances or on a per capita basis, as defined. Forfeited balances of terminated participants' non-vested accounts are first used to restore participants with a break in service and then are used to reduce future Company contributions. The participant is entitled to the benefit that can be provided from the participant's account.

Benefit Payments

Participants are eligible to withdraw their vested account balances upon termination of employment, reaching their normal or early retirement dates, disability, or death. The benefit payment is normally to be made in the form of a single life or 50% surviving spouse annuity. An account will be distributed in a single payment if the value of the account is less than \$5,000 when the account first becomes distributable. If the value of the account is \$5,000 or more when the account first becomes distributable, a participant is not required to take a distribution immediately. However, current federal law requires the Plan to begin to distribute accounts by April 1 of the year following the year in which the participant reaches age 70½.

Benefits payable of \$130,000 are outstanding as of December 31, 2018. There were no benefits payable at December 31, 2017.

Plan Termination

Textron has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Textron has not expressed any intent to terminate the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Payment of Benefits

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the plan's gains and losses on investments bought and sold, as well as, held during the year.

Administrative Expenses

Administrative expenses are generally paid by the Plan and are allocated to participant accounts on a pro rata or per capita basis, depending on the type of expense. All other administrative expenses of the plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through July 31, 2019, the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Pronouncements

In July 2018, the FASB issued ASU 2018-09, Codification Improvements, which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

whether a readily determinable fair value exists or whether its investments qualify for net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement*. Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The new standard is effective at the beginning of 2020. We are currently evaluating the impact of the standard on our consolidated financial statements.

3. Investments

Certain information related to investments disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2018 and 2017, and net appreciation/depreciation in fair value of common collective trust funds, interest and dividends for the years then ended, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by the trustee, Fidelity Management Trust Company.

4. Fair Value Measurements

In accordance with the provisions of ASC 820, *Fair Value Measurement*, fair value is measured at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions that market participants would use in pricing the asset or liability (the inputs) are prioritized into a three-tier fair value hierarchy. This fair value hierarchy gives the highest priority (Level 1) to quoted prices in active markets for identical assets or liabilities and the lowest priority (Level 3) to unobservable inputs in which little or no market data exists, requiring companies to develop their own assumptions.

Observable inputs that do not meet the criteria of Level 1, which include quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets and liabilities in markets that are not active, are categorized as Level 2. Level 3 inputs are those that reflect the Company's estimates about the assumptions market participants would use in pricing the asset or liability, based on the best information available in the circumstances. Valuation techniques for assets and liabilities measured using Level 3 inputs may include methodologies, such as the market approach, the income approach, or the cost approach, and may use unobservable inputs, such as projections, estimates, and management's interpretation of current market data. These unobservable inputs are only utilized to the extent that observable inputs are not available or cost-effective to obtain. There were no transfers between Levels 1, 2, and 3 in 2018 or 2017.

Textron Inc. Retirement Account Plan
Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. The following table sets forth by level, within the fair value hierarchy, the Plan's assets carried at fair value as of December 31, 2018 and 2017:

December 31, 2018				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	22,066,757
Domestic Equity	—	—	—	83,618,250
International Equity	—	—	—	43,741,306
Debt Securities	—	—	—	70,105,611
Total assets	\$ —	\$ —	\$ —	\$ 219,531,924

December 31, 2017				
	Level 1	Level 2	Level 3	Not Subject to Leveling
Common Collective Trust Funds				
Blended Debt and Equity	—	—	—	23,634,437
Domestic Equity	—	—	—	95,604,588
International Equity	—	—	—	47,933,814
Debt Securities	—	—	—	69,415,328
Total assets	\$ —	\$ —	\$ —	\$ 236,588,167

The Common Collective Trust Funds (CCTs) are groups of investments similar to mutual funds in that they provide diversification by holding various equity and debt securities. The collective trusts are not quoted in an active market. The fair value of these investments has been estimated using the net asset value per share.

The CCT investments have the following objectives for investees:

(a) Blended debt and equity – This category includes securities in a diversified mix of stocks, bonds and short-term investments within one investment option. The investment funds provide daily liquidity.

(b) Domestic and international equity – This category includes diversified portfolios invested primarily in the common stock of U.S. and international companies. The objective is to provide capital appreciation and long-term return. The investment funds provide daily liquidity.

Textron Inc. Retirement Account Plan Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

(c) Debt Securities – This category includes diversified portfolios invested primarily in U.S. investment grade bonds. The objective is to provide long-term total return. The investment funds provide daily liquidity.

5. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

6. Related-Party Transactions

The Plan holds investments managed by Fidelity Management Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

7. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 19, 2014, stating that the Plan is qualified under Section 401(a) of the Code and; therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan, as amended, is being operated in compliance with the applicable requirements of the Code, and therefore believes the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement impact of a tax position is recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Supplemental Schedules

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Plan Number 077
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2018

Identity of Issue	Description of Investments, Including Rate of Interest or Number of Shares or Units	Cost	Current Value
Common Collective Trust Funds:			
FID DIVSFD INTL POOL*	3,954,910	\$ 50,353,458	\$ 43,741,306
JPMCB U.S. ACTIVE CORE EQ	1,872,695	64,659,583	62,978,749
SMID CAP RESEARCH EQ (S5)	2,253,221	22,578,189	20,639,501
STATE STREET REAL ASSET C	1,987,459	23,309,213	22,066,757
WELLINGTON CORE BOND	7,153,634	72,521,164	70,105,611
Total Common Collective Trust Funds			<u>\$ 219,531,924</u>

*Indicates party-in-interest to the Plan

Plan Number 077

Textron Inc. Retirement Account Plan
Employer Identification Number 05-0315468

Schedule H, Line 4j – Schedule of Reportable Transactions
Year Ended December 31, 2018

Identity of Party Involved	Description of Assets	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Category (iii) – Series of transactions in excess of 5% of Plan assets:						
Fidelity Management Trust Company	Common Collective Trust Funds:					
	WELLINGTON CORE BOND	\$ 11,223,511	\$ -	\$ -	\$ 11,223,511	\$ -
	WELLINGTON CORE BOND	\$ -	\$ 3,742,600	\$ 3,862,496	\$ 3,742,600	\$ (119,896)

There were no category (i), (ii), or (iv) reportable transactions for the year ended December 31, 2018.