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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 26, 2023

TEXTRON INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State of
Incorporation)

1-5480
(Commission File Number)

05-0315468
(IRS Employer
Identification Number)

40 Westminster Street, Providence, Rhode Island 02903
(Address of principal executive offices)

Registrant's telephone number, including area code: (401) 421-2800

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of exchange on which registered</u>
Common Stock – par value \$0.125	TXT	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On October 26, 2023, Textron Inc. (“Textron”) issued a press release announcing its financial results for the fiscal quarter ended September 30, 2023. This press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

A discussion of the reasons why management believes that the presentation of non-GAAP financial measures provides useful information to investors regarding Textron’s financial condition and results of operations is attached to the press release attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibit is filed herewith:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated October 26, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEXTRON INC.

(Registrant)

By: /s/ Mark S. Bamford

Mark S. Bamford

Vice President and Corporate Controller

Date: October 26, 2023



Corporate Communications Department
NEWS Release

Textron Reports Third Quarter 2023 Results; Raises Full-Year EPS Outlook

- EPS of \$1.35; adjusted EPS of \$1.49, up 30% from a year ago
- \$235 million returned to shareholders through share repurchases in the third quarter
- Full-year adjusted EPS outlook raised to \$5.45 - \$5.55

Providence, Rhode Island – October 26, 2023 – Textron Inc. (NYSE: TXT) today reported third quarter 2023 income from continuing operations of \$1.35 per share, as compared to \$1.06 per share in the third quarter of 2022. Adjusted income from continuing operations, a non-GAAP measure that is defined and reconciled to GAAP in an attachment to this release, was \$1.49 per share for the third quarter of 2023, compared to \$1.15 per share in the third quarter of 2022.

"In the quarter, we saw higher overall revenues and net operating profit driven by growth at Aviation, Industrial and Systems," said Textron Chairman and CEO, Scott C. Donnelly. "At Aviation, we saw our strongest order quarter of the year with a 12% increase over the third quarter of 2022."

Cash Flow

Net cash provided by operating activities of the manufacturing group for the third quarter was \$270 million, compared to \$356 million last year. Manufacturing cash flow before pension contributions, a non-GAAP measure that is defined and reconciled to GAAP in an attachment to this release, totaled \$205 million for the third quarter, compared to \$292 million last year.

In the quarter, Textron returned \$235 million to shareholders through share repurchases. Year to date, Textron has returned \$885 million to shareholders through share repurchases.

Outlook

Textron now expects 2023 adjusted earnings per share from continuing operations to be in a range of \$5.45 to \$5.55, up from our previous outlook of \$5.20 to \$5.30. Textron reiterated its expectation for manufacturing cash flow before pension contributions of \$0.9 billion to \$1.0 billion, with planned pension contributions of about \$50 million.

Third Quarter Segment Results

Textron Aviation

Textron Aviation's revenues were \$1.3 billion, up \$171 million from last year's third quarter, reflecting higher volume and mix of \$89 million and higher pricing of \$82 million.

Textron Aviation delivered 39 jets in the quarter, flat with last year, and 38 commercial turboprops, up from 33 in last year's third quarter.

Segment profit was \$160 million in the third quarter, up \$29 million from a year ago, largely due to favorable pricing, net of inflation, of \$39 million and a \$23 million favorable impact from higher volume and mix, partially offset by an unfavorable impact from performance of \$33 million, largely related to supply chain and labor inefficiencies.

Textron Aviation backlog at the end of the third quarter was \$7.4 billion.

Bell

Bell revenues in the quarter were \$754 million, flat with the third quarter of 2022, with lower commercial helicopter volume, largely reflecting supply chain constraints, partially offset by higher military volume.

Bell delivered 23 commercial helicopters in the quarter, down from 49 last year.

Segment profit of \$77 million was up \$3 million from last year's third quarter, primarily due to a favorable impact from performance of \$23 million, largely reflecting lower research and development costs, partially offset by lower volume and mix of \$16 million.

Bell backlog at the end of the third quarter was \$5.2 billion.

Textron Systems

Revenues at Textron Systems were \$309 million, up \$17 million from last year's third quarter, largely reflecting higher volume.

Segment profit of \$41 million was up \$10 million, compared with the third quarter of 2022, primarily due to a favorable impact from performance of \$8 million.

Textron Systems' backlog at the end of the third quarter was \$2.0 billion.

Industrial

Industrial revenues were \$922 million, up \$73 million from last year's third quarter, largely due to higher volume and mix of \$45 million at both product lines and an \$18 million favorable impact from pricing, principally in the Specialized Vehicles product line.

Segment profit of \$51 million was up \$15 million from the third quarter of 2022, largely due to a favorable impact from pricing, net of inflation, of \$15 million, principally in the Specialized Vehicles product line, and higher volume and mix of \$8 million, partially offset by an unfavorable impact of \$10 million from performance.

Textron eAviation

Textron eAviation segment revenues were \$7 million and segment loss was \$19 million in the third quarter of 2023, primarily related to research and development costs.

Finance

Finance segment revenues were \$13 million, and profit was \$22 million, up \$15 million from last year's third quarter largely due to a recovery of amounts that were previously written off related to one customer relationship.

Conference Call Information

Textron will host its conference call today, October 26, 2023 at 8:00 a.m. (Eastern) to discuss its results and outlook. The call will be available via webcast at www.textron.com or by direct dial at (844) 867-6169 in the U.S. or (409) 207-6975 outside of the U.S.; Access Code: 7265882.

In addition, the call will be recorded and available for playback beginning at 11:00 a.m. (Eastern) on Thursday, October 26, 2023 by dialing (402) 970-0847; Access Code: 5951112.

A package containing key data that will be covered on today's call can be found in the Investor Relations section of the company's website at www.textron.com.

About Textron Inc.

Textron Inc. is a multi-industry company that leverages its global network of aircraft, defense, industrial and finance businesses to provide customers with innovative solutions and services. Textron is known around the world for its powerful brands such as Bell, Cessna, Beechcraft, Pipistrel, Jacobsen, Kautex, Lycoming, E-Z-GO, Arctic Cat, and Textron Systems. For more information visit: www.textron.com.

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Forward-looking Information

Certain statements in this release and other oral and written statements made by us from time to time are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which may describe strategies, goals, outlook or other non-historical matters, or project revenues, income, returns or other financial measures, often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "guidance," "project," "target," "potential," "will," "should," "could," "likely" or "may" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results to differ materially from those expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements. In addition to those factors described in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q under "Risk Factors", among the factors that could cause actual results to differ materially from past and projected future results are the following: Interruptions in the U.S. Government's ability to fund its activities and/or pay its obligations; changing priorities or reductions in the U.S. Government defense budget, including those related to military operations in foreign countries; our ability to perform as anticipated and to control costs under contracts with the U.S. Government; the U.S. Government's ability to unilaterally modify or terminate its contracts with us for the U.S. Government's convenience or for our failure to perform, to change applicable procurement and accounting policies, or, under certain circumstances, to withhold payment or suspend or debar us as a contractor eligible to receive future contract awards; changes in foreign military funding priorities or budget constraints and determinations, or changes in government regulations or

policies on the export and import of military and commercial products; volatility in the global economy or changes in worldwide political conditions that adversely impact demand for our products; volatility in interest rates or foreign exchange rates and inflationary pressures; risks related to our international business, including establishing and maintaining facilities in locations around the world and relying on joint venture partners, subcontractors, suppliers, representatives, consultants and other business partners in connection with international business, including in emerging market countries; our Finance segment's ability to maintain portfolio credit quality or to realize full value of receivables; performance issues with key suppliers or subcontractors; legislative or regulatory actions, both domestic and foreign, impacting our operations or demand for our products; our ability to control costs and successfully implement various cost-reduction activities; the efficacy of research and development investments to develop new products or unanticipated expenses in connection with the launching of significant new products or programs; the timing of our new product launches or certifications of our new aircraft products; our ability to keep pace with our competitors in the introduction of new products and upgrades with features and technologies desired by our customers; pension plan assumptions and future contributions; demand softness or volatility in the markets in which we do business; cybersecurity threats, including the potential misappropriation of assets or sensitive information, corruption of data or, operational disruption; difficulty or unanticipated expenses in connection with integrating acquired businesses; the risk that acquisitions do not perform as planned, including, for example, the risk that acquired businesses will not achieve revenue and profit projections; the impact of changes in tax legislation; risks and uncertainties related to the ongoing impacts of the pandemic and the war between Russia and Ukraine, as well as the potential impact of the Israel-Hamas war, on our business and operations; and the ability of our businesses to hire and retain the highly skilled personnel necessary for our businesses to succeed.

Investor Contacts:

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TEXTRON INC.
Revenues by Segment and Reconciliation of Segment Profit to Net Income
(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
REVENUES				
MANUFACTURING:				
Textron Aviation	\$ 1,338	\$ 1,167	\$ 3,849	\$ 3,491
Bell	754	754	2,076	2,275
Textron Systems	309	292	921	858
Industrial	922	849	2,880	2,558
Textron eAviation	7	5	22	10
	<u>3,330</u>	<u>3,067</u>	<u>9,748</u>	<u>9,192</u>
FINANCE	13	11	43	41
Total revenues	\$ 3,343	\$ 3,078	\$ 9,791	\$ 9,233
SEGMENT PROFIT				
MANUFACTURING:				
Textron Aviation	\$ 160	\$ 131	\$ 456	\$ 390
Bell	77	74	202	219
Textron Systems	41	31	112	97
Industrial	51	36	171	112
Textron eAviation	(19)	(7)	(40)	(14)
	<u>310</u>	<u>265</u>	<u>901</u>	<u>804</u>
FINANCE	22	7	42	26
Segment profit (a)	332	272	943	830
Corporate expenses and other, net	(38)	(21)	(98)	(93)
Interest expense, net for Manufacturing group	(16)	(21)	(49)	(77)
LIFO inventory provision	(26)	(13)	(86)	(42)
Intangible asset amortization	(10)	(13)	(30)	(39)
Non-service components of pension and postretirement income, net	59	60	177	180
Income from continuing operations before income taxes	<u>301</u>	<u>264</u>	<u>857</u>	<u>759</u>
Income tax expense	(32)	(39)	(134)	(123)
Income from continuing operations	\$ 269	\$ 225	\$ 723	\$ 636
Discontinued operations, net of income taxes	—	—	—	(1)
Net income	\$ 269	\$ 225	\$ 723	\$ 635
Earnings Per Share:				
Income from continuing operations	\$ 1.35	\$ 1.06	\$ 3.56	\$ 2.94
Discontinued operations, net of income taxes	—	—	—	—
Diluted earnings per share	\$ 1.35	\$ 1.06	\$ 3.56	\$ 2.94
Diluted average shares outstanding	199,992,000	213,140,000	203,170,000	216,468,000

Income from continuing operations and Diluted earnings per share (EPS) GAAP to Non-GAAP reconciliation:

	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Income from continuing operations - GAAP	\$ 269	\$ 225	\$ 723	\$ 636
Add: LIFO inventory provision, net of tax	20	10	65	32
Intangible asset amortization, net of tax	8	11	23	30
Adjusted income from continuing operations - Non-GAAP (a)	\$ 297	\$ 246	\$ 811	\$ 698
Earnings Per Share:				
Income from continuing operations - GAAP	\$ 1.35	\$ 1.06	\$ 3.56	\$ 2.94
Add: LIFO inventory provision, net of tax	0.10	0.04	0.32	0.14
Intangible asset amortization, net of tax	0.04	0.05	0.11	0.14
Adjusted income from continuing operations - Non-GAAP (a)	\$ 1.49	\$ 1.15	\$ 3.99	\$ 3.22

(a) Segment profit, adjusted income from continuing operations and adjusted diluted earnings per share are non-GAAP financial measures as defined in "Non-GAAP Financial Measures" attached to this release.

TEXTRON INC.
Condensed Consolidated Balance Sheets
(In millions)
(Unaudited)

Assets

Cash and equivalents
Accounts receivable, net
Inventories
Other current assets
Net property, plant and equipment
Goodwill
Other assets
Finance group assets

Total Assets

Liabilities and Shareholders' Equity

Current portion of long-term debt
Accounts payable
Other current liabilities
Other liabilities
Long-term debt
Finance group liabilities

Total Liabilities

Total Shareholders' Equity

Total Liabilities and Shareholders' Equity

	September 30, 2023		December 31, 2022
\$	1,671	\$	1,963
	892		855
	4,207		3,550
	815		1,033
	2,451		2,523
	2,281		2,283
	3,508		3,422
	667		664
\$	16,492	\$	16,293
\$	357	\$	7
	1,216		1,018
	2,814		2,645
	1,789		1,879
	2,824		3,175
	425		456
	9,425		9,180
	7,067		7,113
\$	16,492	\$	16,293

TEXTRON INC.
MANUFACTURING GROUP
Condensed Schedule of Cash Flows
(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Cash Flows from Operating Activities:				
Income from continuing operations	\$ 252	\$ 220	\$ 690	\$ 615
Depreciation and amortization	99	96	292	287
Deferred income taxes and income taxes receivable/payable	(16)	(48)	(77)	(126)
Pension, net	(50)	(40)	(152)	(123)
Changes in assets and liabilities:				
Accounts receivable, net	52	25	(45)	(23)
Inventories	(106)	(107)	(659)	(353)
Accounts payable	(5)	92	202	116
Other, net	44	118	486	552
Net cash from operating activities	270	356	737	945
Cash Flows from Investing Activities:				
Capital expenditures	(79)	(78)	(224)	(192)
Net cash used in business acquisitions	(1)	(3)	(1)	(201)
Net proceeds from corporate-owned life insurance policies	1	(2)	39	23
Proceeds from sale of property, plant and equipment	4	3	4	21
Net cash from investing activities	(75)	(80)	(182)	(349)
Cash Flows from Financing Activities:				
Decrease in short-term debt	—	—	—	(15)
Principal payments on long-term debt and nonrecourse debt	(2)	(2)	(5)	(16)
Purchases of Textron common stock	(235)	(200)	(885)	(639)
Dividends paid	(4)	(4)	(12)	(13)
Other financing activities, net	35	5	61	33
Net cash from financing activities	(206)	(201)	(841)	(650)
Total cash flows from continuing operations	(11)	75	(286)	(54)
Total cash flows from discontinued operations	—	—	(1)	(2)
Effect of exchange rate changes on cash and equivalents	(13)	(22)	(5)	(49)
Net change in cash and equivalents	(24)	53	(292)	(105)
Cash and equivalents at beginning of period	1,695	1,764	1,963	1,922
Cash and equivalents at end of period	\$ 1,671	\$ 1,817	\$ 1,671	\$ 1,817

Manufacturing cash flow GAAP to Non-GAAP reconciliation:

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Net cash from operating activities - GAAP	\$ 270	\$ 356	\$ 737	\$ 945
Less: Capital expenditures	(79)	(78)	(224)	(192)
Add: Total pension contributions	10	11	34	36
Proceeds from sale of property, plant and equipment	4	3	4	21
Manufacturing cash flow before pension contributions - Non-GAAP (a)	\$ 205	\$ 292	\$ 551	\$ 810

(a) Manufacturing cash flow before pension contributions is a non-GAAP financial measure as defined in "Non-GAAP Financial Measures" attached to this release.

TEXTRON INC.
Condensed Consolidated Schedule of Cash Flows
(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Cash Flows from Operating Activities:				
Income from continuing operations	\$ 269	\$ 225	\$ 723	\$ 636
Depreciation and amortization	99	97	292	288
Deferred income taxes and income taxes receivable/payable	(13)	(53)	(76)	(139)
Pension, net	(50)	(40)	(152)	(123)
Changes in assets and liabilities:				
Accounts receivable, net	52	25	(45)	(23)
Inventories	(106)	(107)	(659)	(353)
Accounts payable	(5)	92	202	116
Captive finance receivables, net	(17)	(6)	(32)	29
Other, net	29	115	465	532
Net cash from operating activities	258	348	718	963
Cash Flows from Investing Activities:				
Capital expenditures	(79)	(78)	(224)	(192)
Net cash used in business acquisitions	(1)	(3)	(1)	(201)
Net proceeds from corporate-owned life insurance policies	1	(2)	39	23
Proceeds from sale of property, plant and equipment	4	3	4	21
Finance receivables repaid	7	—	26	21
Other investing activities, net	—	—	2	44
Net cash from investing activities	(68)	(80)	(154)	(284)
Cash Flows from Financing Activities:				
Decrease in short-term debt	—	—	—	(15)
Principal payments on long-term debt and nonrecourse debt	(7)	(4)	(41)	(227)
Purchases of Textron common stock	(235)	(200)	(885)	(639)
Dividends paid	(4)	(4)	(12)	(13)
Other financing activities, net	35	5	61	33
Net cash from financing activities	(211)	(203)	(877)	(861)
Total cash flows from continuing operations	(21)	65	(313)	(182)
Total cash flows from discontinued operations	—	—	(1)	(2)
Effect of exchange rate changes on cash and equivalents	(13)	(22)	(5)	(49)
Net change in cash and equivalents	(34)	43	(319)	(233)
Cash and equivalents at beginning of period	1,750	1,841	2,035	2,117
Cash and equivalents at end of period	\$ 1,716	\$ 1,884	\$ 1,716	\$ 1,884

TEXTRON INC.
Non-GAAP Financial Measures and Outlook
(Dollars in millions, except per share amounts)

We supplement the reporting of our financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial measures. These non-GAAP financial measures exclude certain significant items that may not be indicative of, or are unrelated to, results from our ongoing business operations. We believe that these non-GAAP measures may be useful for period-over-period comparisons of underlying business trends and our ongoing business performance, however, they should be used in conjunction with GAAP measures. Our non-GAAP measures should not be considered in isolation or as a substitute for the related GAAP measures, and other companies may define similarly named measures differently. We encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. We utilize the following definitions for the non-GAAP financial measures included in this release and have provided a reconciliation of the GAAP to non-GAAP amounts for each measure:

Segment Profit

Segment profit is an important measure used by our chief operating decision maker for evaluating performance and for decision-making purposes. Beginning in 2023, we changed how we measure our manufacturing segment operating results to exclude the non-service components of pension and postretirement income, net; LIFO inventory provision; and intangible asset amortization. This measure also continues to exclude interest expense, net for Manufacturing group; certain corporate expenses; gains/losses on major business dispositions; and special charges. The prior period has been recast to conform to this presentation. The measurement for the Finance segment includes interest income and expense along with intercompany interest income and expense.

Adjusted Income from Continuing Operations, Adjusted Diluted Earnings Per Share and Outlook

Adjusted income from continuing operations and adjusted diluted earnings per share exclude special charges, net of tax and gains/losses on major business dispositions, net of tax. We consider items recorded in special charges, such as enterprise-wide restructuring, certain asset impairment charges, and acquisition-related restructuring, integration and transaction costs, to be of a non-recurring nature that is not indicative of ongoing operations.

Beginning in 2023, these measures also exclude LIFO inventory provision, net of tax and Intangible asset amortization, net of tax. LIFO inventory provision is excluded to improve comparability with other companies in our industry who have not elected to use the LIFO inventory costing method. Intangible asset amortization is excluded to improve comparability as the impact of such amortization can vary substantially from company to company depending upon the nature and extent of acquisitions and exclusion of this expense is consistent with the presentation of non-GAAP measures provided by other companies within our industry. Management believes that it is important for investors to understand that these intangible assets were recorded as part of purchase accounting and contribute to revenue generation. The prior period has been recast to conform to this presentation.

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Income from continuing operations - GAAP	\$ 269	\$ 225	\$ 723	\$ 636
Add: LIFO inventory provision, net of tax	20	10	65	32
Intangible asset amortization, net of tax	8	11	23	30
Adjusted income from continuing operations - Non-GAAP	\$ 297	\$ 246	\$ 811	\$ 698
Earnings Per Share:				
Income from continuing operations - GAAP	\$ 1.35	\$ 1.06	\$ 3.56	\$ 2.94
Add: LIFO inventory provision, net of tax	0.10	0.04	0.32	0.14
Intangible asset amortization, net of tax	0.04	0.05	0.11	0.14
Adjusted income from continuing operations - Non-GAAP	\$ 1.49	\$ 1.15	\$ 3.99	\$ 3.22

	2023 Outlook			
			Diluted EPS	
Income from continuing operations - GAAP	\$ 977	\$ 997	\$ 4.84	\$ 4.94
Add: LIFO inventory provision, net of tax		93		0.46
Intangible asset amortization, net of tax		30		0.15
Adjusted income from continuing operations - Non-GAAP	\$ 1,100	\$ 1,120	\$ 5.45	\$ 5.55

TEXTRON INC.
Non-GAAP Financial Measures and Outlook (Continued)
(Dollars in millions, except per share amounts)

Manufacturing Cash Flow Before Pension Contributions and Outlook

Manufacturing cash flow before pension contributions adjusts net cash from operating activities (GAAP) for the following:

- Deducts capital expenditures and includes proceeds from insurance recoveries and the sale of property, plant and equipment to arrive at the net capital investment required to support ongoing manufacturing operations;
- Excludes dividends received from Textron Financial Corporation (TFC) and capital contributions to TFC provided under the Support Agreement and debt agreements as these cash flows are not representative of manufacturing operations;
- Adds back pension contributions as we consider our pension obligations to be debt-like liabilities. Additionally, these contributions can fluctuate significantly from period to period and we believe that they are not representative of cash used by our manufacturing operations during the period.

While we believe this measure provides a focus on cash generated from manufacturing operations, before pension contributions, and may be used as an additional relevant measure of liquidity, it does not necessarily provide the amount available for discretionary expenditures since we have certain non-discretionary obligations that are not deducted from the measure.

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Net cash from operating activities - GAAP	\$ 270	\$ 356	\$ 737	\$ 945
Less: Capital expenditures	(79)	(78)	(224)	(192)
Add: Total pension contributions	10	11	34	36
Proceeds from sale of property, plant and equipment	4	3	4	21
Manufacturing cash flow before pension contributions - Non-GAAP	\$ 205	\$ 292	\$ 551	\$ 810

Net cash from operating activities - GAAP

Less: Capital expenditures

Add: Total pension contributions

Manufacturing cash flow before pension contributions - Non-GAAP

2023 Outlook		
\$ 1,250	-	\$ 1,350
	(400)	
	50	
\$ 900	-	\$ 1,000