



First-Quarter 2020 **PERFORMANCE REVIEW**

David Calhoun

President and Chief Executive Officer

Greg Smith

Executive Vice President

Enterprise Operations and Chief Financial Officer

April 29, 2020

**INVESTOR
RELATIONS**



EMPLOYEES

WORK-FROM-HOME

ENHANCED CLEANING &
RIGOROUS RETURN TO
WORK PROCEDURES

TEMPORARY PRODUCTION
SUSPENSIONS; DOUBLED
PAID LEAVE POLICY

ADDITIONAL HEALTH AND
WELLNESS RESOURCES

VOLUNTARY LAY-OFF
PLAN



INDUSTRY

SUPPORT GOVERNMENT
CREDIT ACCESS FOR
INDUSTRY

ENGAGED WITH SUPPLIERS
TO MITIGATE DISRUPTION

MAINTAINING CRITICAL
SUPPORT TO CUSTOMERS

ADAPTING TO AIR TRAVEL
DEMAND

CLOSE CUSTOMER
COORDINATION TO NAVIGATE
CURRENT ENVIRONMENT



COMPANY

DIVIDEND & LEADERSHIP
PAY ACTIONS

EVALUATING ADDITIONAL
FINANCING OPTIONS

REDUCING PRODUCTION
RATES & RIGHT-SIZING
COMMERCIAL SERVICES

REDUCING NON-CRITICAL
SPEND & ADJUSTING
INFRASTRUCTURE

STREAMLINING
ORGANIZATIONAL
STRUCTURE

PROTECTING DEFENSE &
SECURITY MISSIONS



COMMUNITY

3D PRINTING
FACE SHIELDS

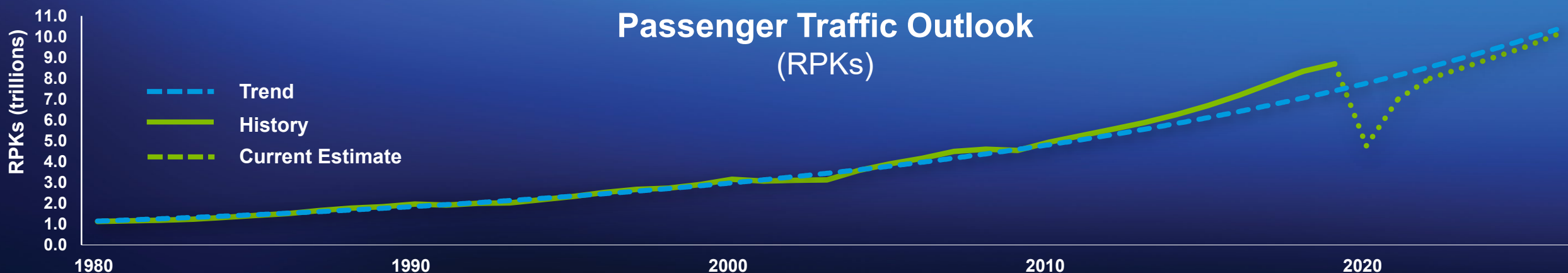
DONATING MASKS,
GLOVES & OTHER
EQUIPMENT

AIRLIFT TO TRANSPORT
CRITICAL HEALTHCARE
SUPPLIES

DONATING LAPTOPS
FOR STUDENTS

Protecting our employees, industry, company, and community

- COVID-19 creating unprecedented shock in demand for air travel
- Near-term market contraction due to decreased traffic, travel restrictions
- Commercial services market also impacted by accelerated retirements
- Taking action to adjust to new market realities
- Access to liquidity important for industry to bridge to recovery
- Product differentiation and diversity of backlog critical to success
- Over the long term, expect commercial aviation to revert to growth trend
- Stable global demand for our defense and space programs, including services

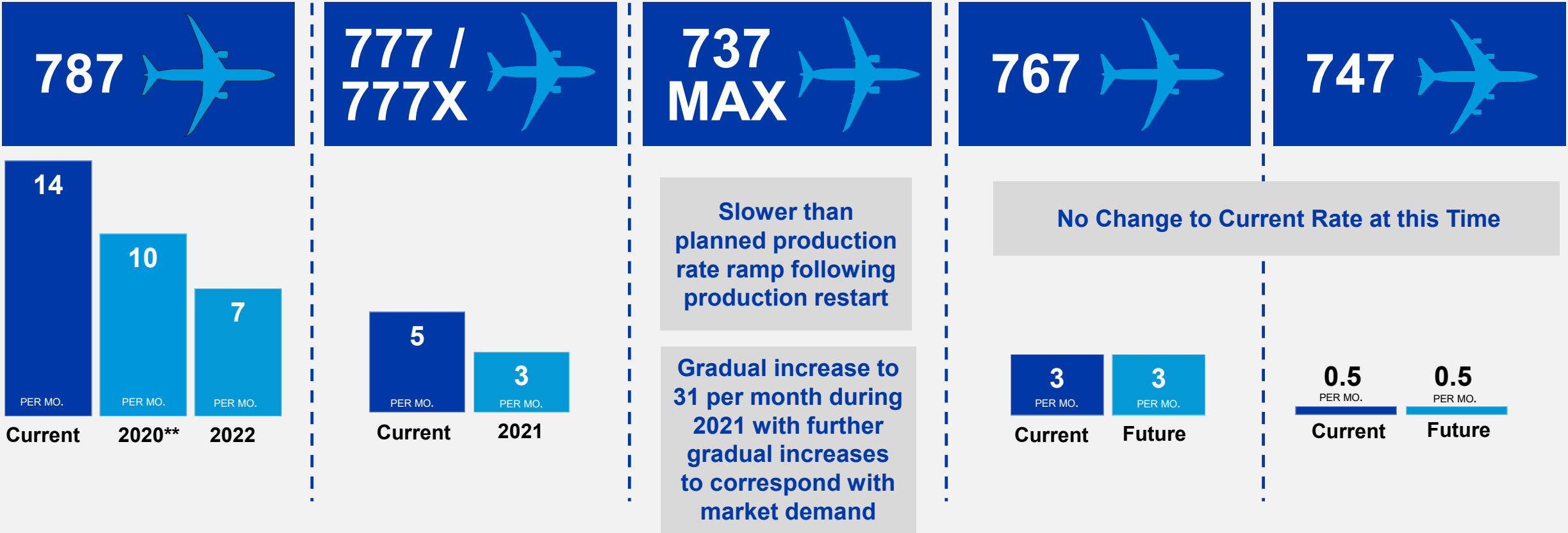


RPKs = Revenue Passenger Kilometers

SOURCES: ICAO scheduled traffic through 1999 / 2000-2019E IATA stats / 2020F IATA December 2019

Dynamic environment, continue to monitor market behavior; long-term fundamentals remain intact

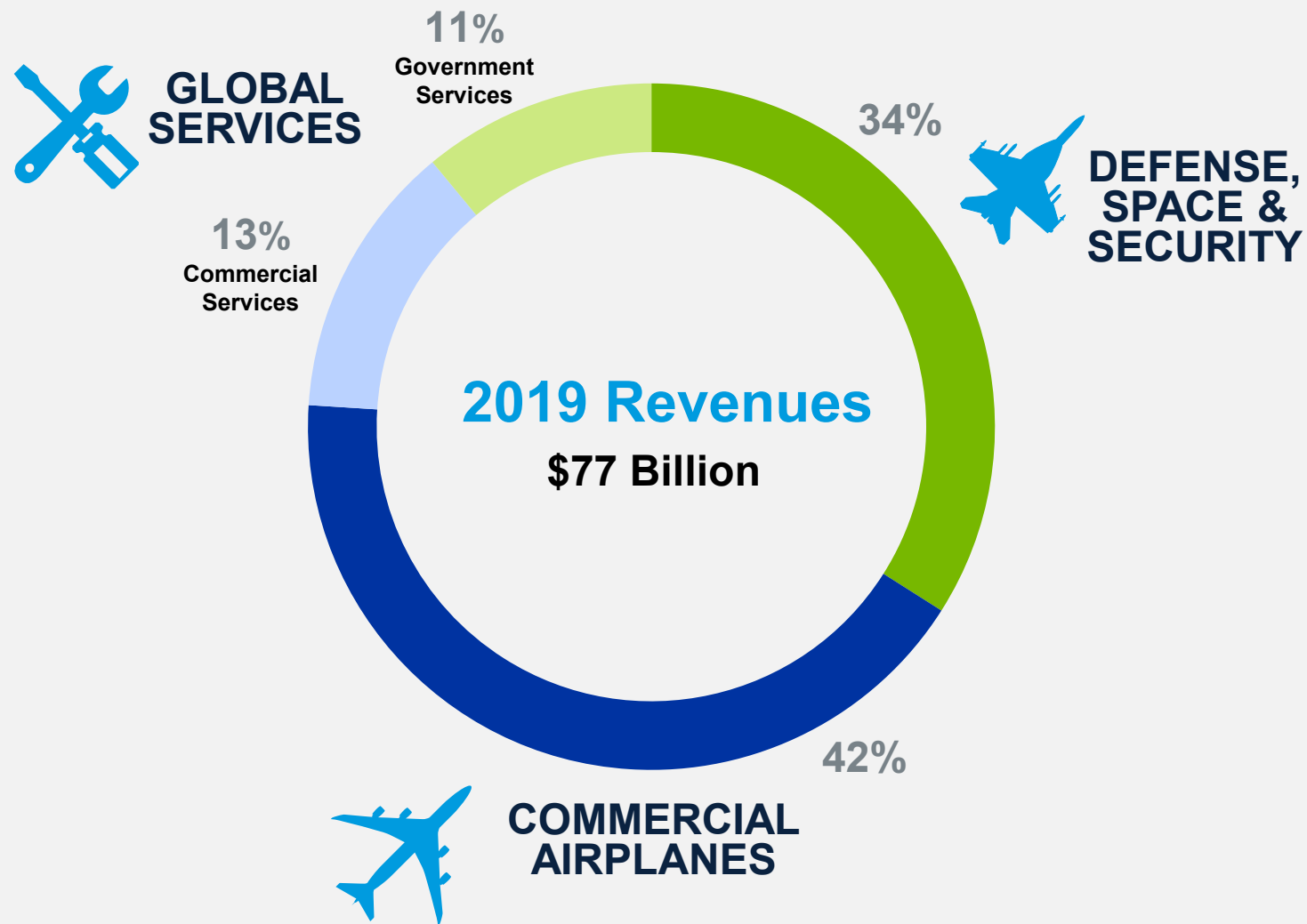
COMMERCIAL AIRPLANE PRODUCTION RATES



Total Backlog of ~5,000 Commercial Airplanes

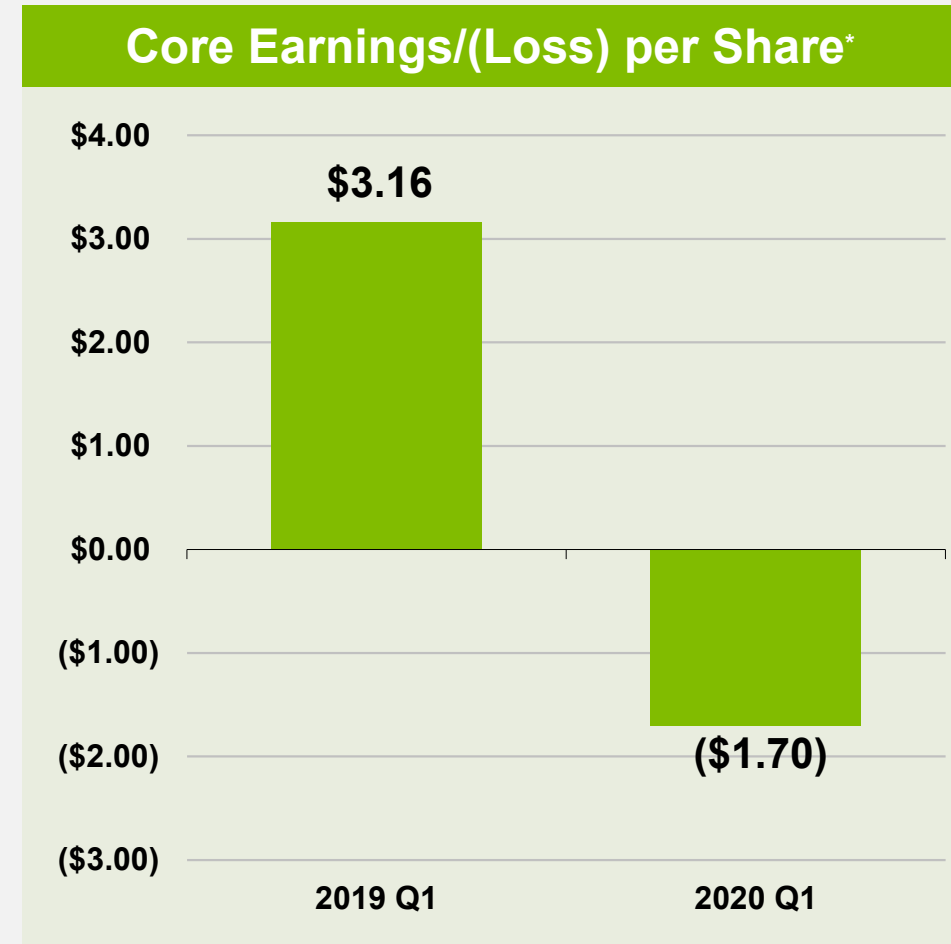
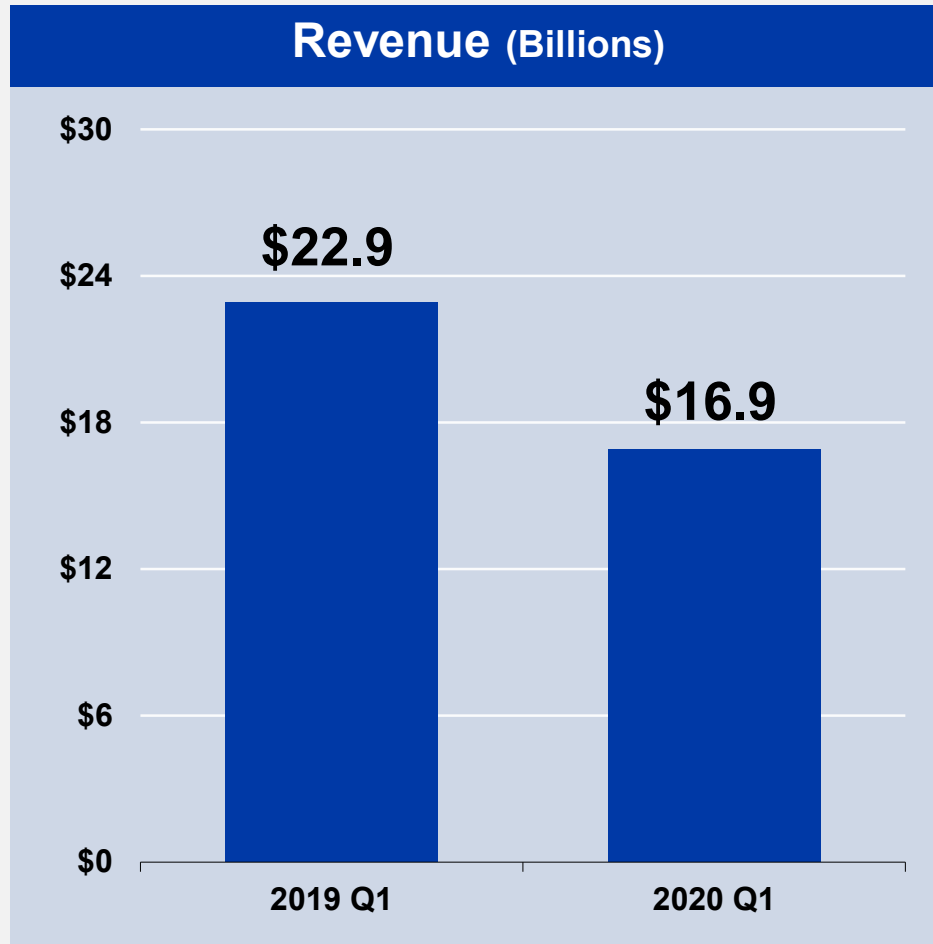
** Previously announced a 787 production rate transition from 14/mo to 12/mo in late 2020 and to 10/mo in early 2021.

Aligning our business to new market reality



The world's most diversified aerospace and defense company

FIRST-QUARTER REVENUE AND EARNINGS



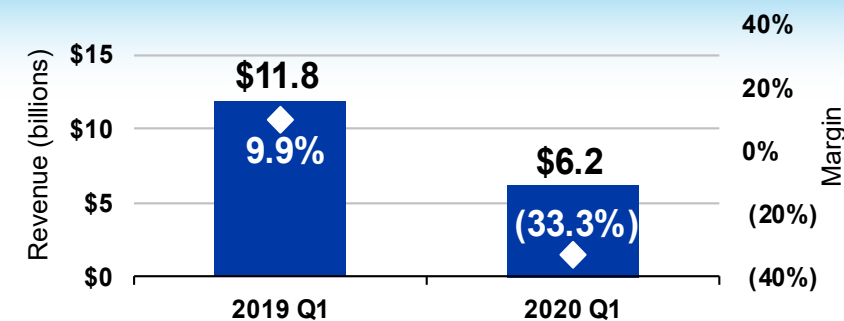
* Non-GAAP measure. Additional information is provided in the company's earnings press release dated April 29, 2020 and on slide 14 of this presentation.

Primarily driven by COVID-19 impacts and 737 MAX grounding

COMMERCIAL AIRPLANES

- Temporarily suspended operations at multiple locations due to COVID-19
- Financial results significantly impacted by COVID-19 and 737 MAX grounding
- Adjusting production rates due to COVID-19
 - 737 slower production ramp, reaching 31/mo during 2021, with further gradual increases to correspond with market demand
 - Assumed timing of 737 MAX regulatory approvals will enable deliveries to resume during 3Q20
 - 787 production rate reduced to 10/mo in 2020, gradually reduced to 7/mo by 2022
 - 777/777X combined production rate reduced to 3/mo in 2021
 - 747/767 no change
- Delivered 50 airplanes, including 29 787s
- Backlog of \$352B
 - ANA ordered 12 787 Dreamliner aircraft

Revenues & Operating Margins

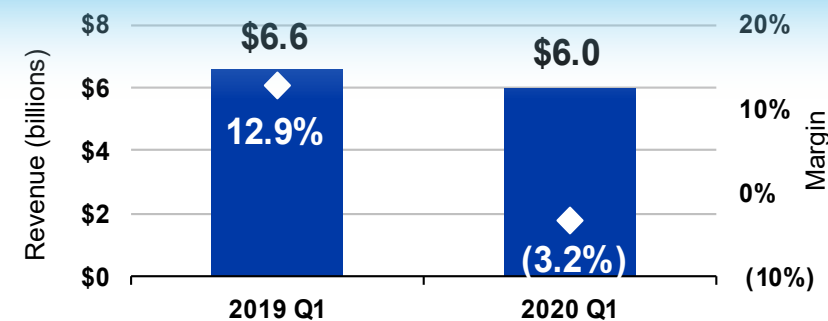


Focused on navigating COVID-19 impacts

DEFENSE, SPACE & SECURITY

- **Suspension of operations and disruption due to COVID-19 impacted several programs**
- **Captured new and follow-on business; well positioned for the future**
 - Award for 18 P-8A Poseidon maritime patrol aircraft
 - Contract to develop SB>1 DEFIANT™ prototype for the U.S. Army
- **Executed balanced portfolio**
 - Completed System Design Review for MQ-25
- **Reached final agreement on KC-46A Remote Vision System in April; recorded associated charge in 1Q20**
- **Orders valued at \$6B in 1Q20; Backlog of \$64B**

Revenues & Operating Margins

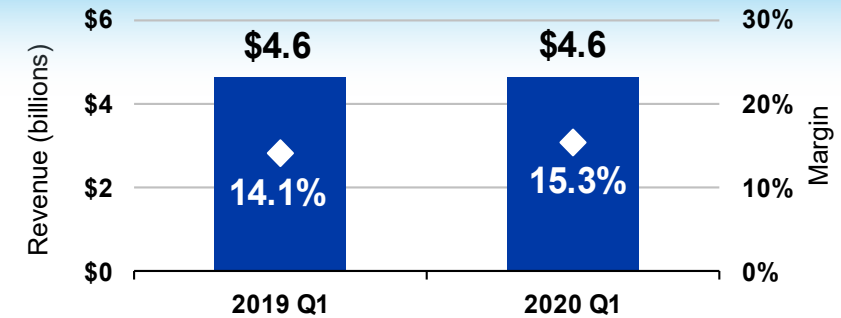


P-8A Poseidon Award

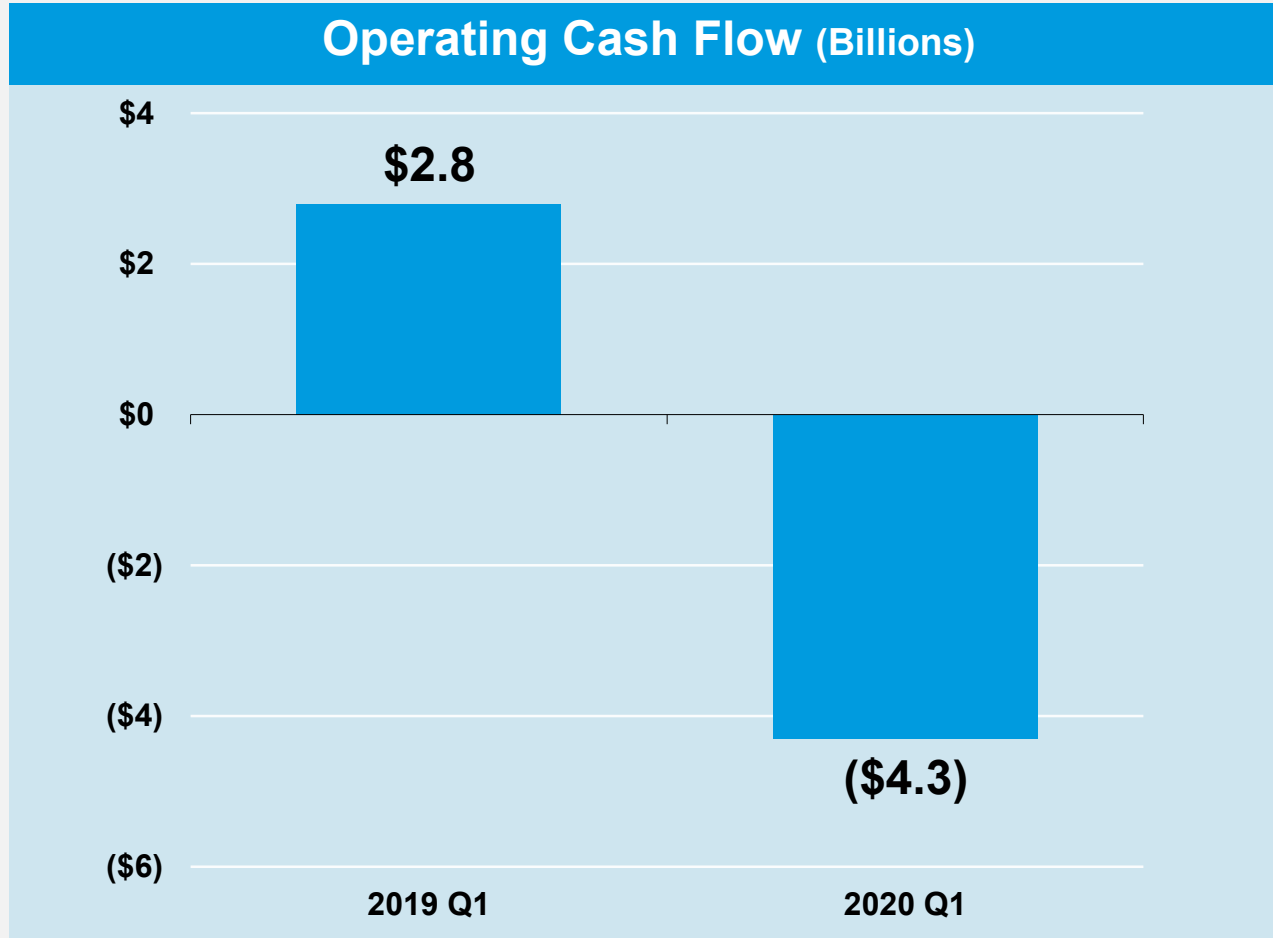
Healthy demand; focused on execution, productivity, and competitiveness

- **Decrease in commercial volume in 1Q20 due to COVID-19; expect significantly larger impact in future periods**
- **Right-sizing business to adjust to market realities**
- **Outlook for government services stable**
 - Accounted for just under half of BGS revenue in 2019
- **Captured new and follow-on business**
 - Signed several supply chain services and announced digital solutions agreements at Singapore Airshow with multiple Asia-Pacific airlines
 - Secured services contract for U.S. Army AH-64 Apache fleet and P-8A contract modification from the U.S. Navy and the government of Australia
- **Orders valued at \$4B in 1Q20; Backlog of \$23B**

Revenues & Operating Margins



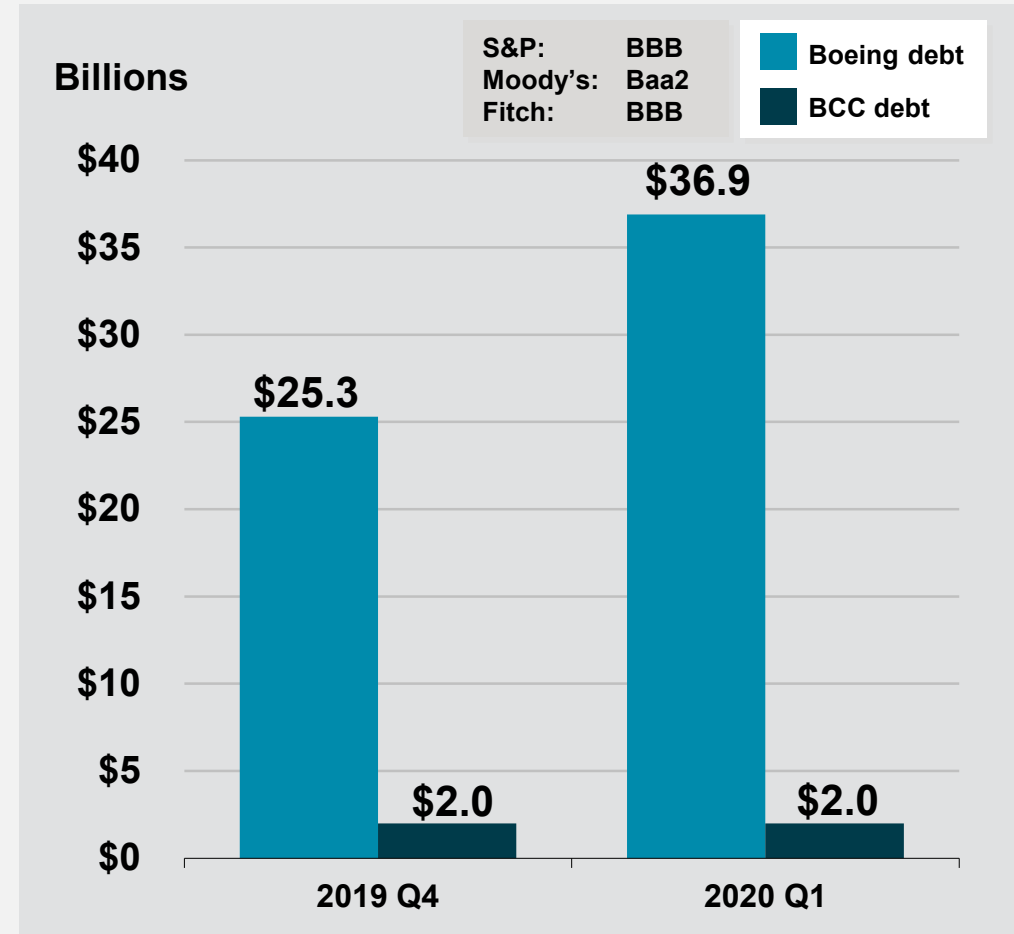
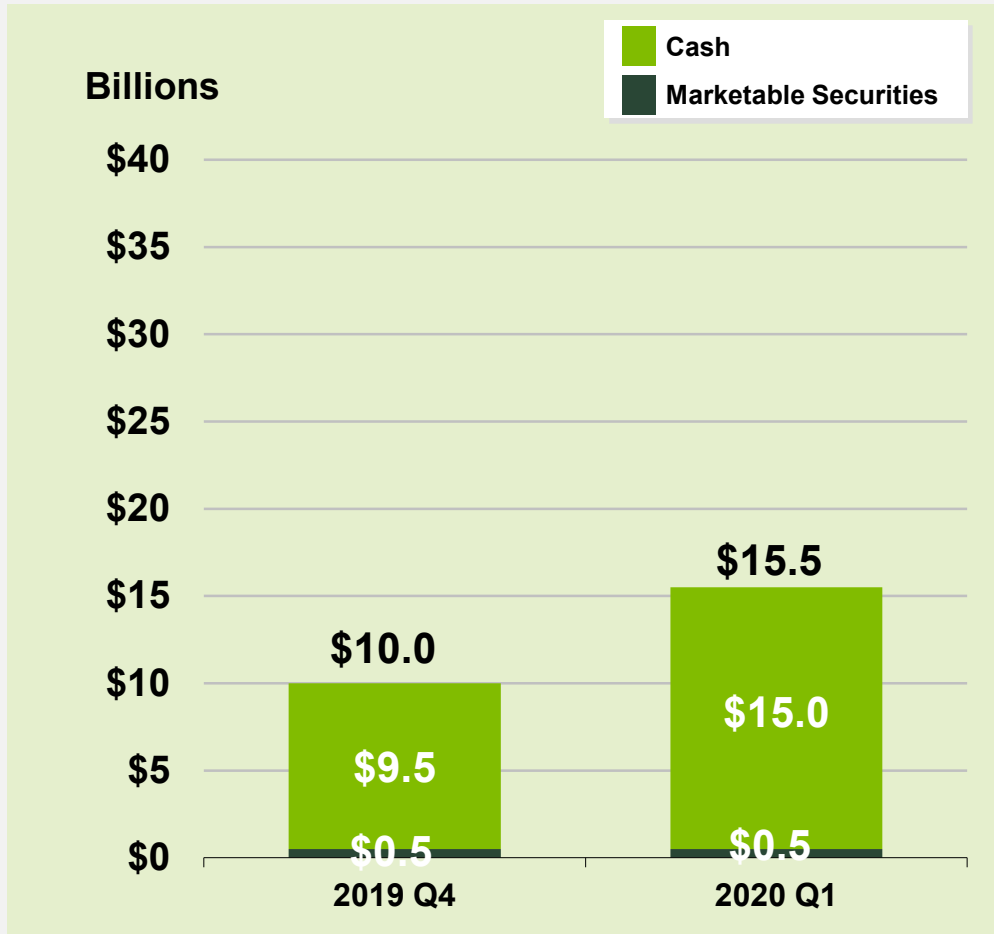
AH-64 Apache services contract for U.S. Army



- **COVID-19 caused delivery and production disruption**
- **Lower commercial airplane delivery and advance payments**
- **Timing of receipts and expenditures**
- **Disciplined cash management**

Cash generation impacted by COVID-19 and lower commercial volume

CASH AND DEBT BALANCES



Focused on proactively managing liquidity to navigate COVID-19



This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “should,” “expects,” “intends,” “projects,” “plans,” “believes,” “estimates,” “targets,” “anticipates,” and similar expressions generally identify these forward-looking statements. Examples of forward-looking statements include statements relating to our future financial condition and operating results, as well as any other statement that does not directly relate to any historical or current fact. Forward-looking statements are based on expectations and assumptions that we believe to be reasonable when made, but that may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict. Many factors could cause actual results to differ materially and adversely from these forward-looking statements. Among these factors are risks related to: (1) the COVID-19 pandemic and related government actions, including with respect to our operations, our liquidity and access to funding, the health of our customers and suppliers, and future demand for our products and services; (2) the 737 MAX, including the timing and conditions of 737 MAX regulatory approvals, delays in the resumption of production, lower than planned production rates and/or delivery rates, and increased considerations to customers and suppliers; (3) general conditions in the economy and our industry, including those due to regulatory changes; (4) our reliance on our commercial airline customers; (5) the overall health of our aircraft production system, planned commercial aircraft production rate changes, our commercial development and derivative aircraft programs, and our aircraft being subject to stringent performance and reliability standards; (6) changing budget and appropriation levels and acquisition priorities of the U.S. government; (7) our dependence on U.S. government contracts; (8) our reliance on fixed-price contracts; (9) our reliance on cost-type contracts; (10) uncertainties concerning contracts that include in-orbit incentive payments; (11) our dependence on our subcontractors and suppliers, as well as the availability of raw materials; (12) changes in accounting estimates; (13) changes in the competitive landscape in our markets; (14) our non-U.S. operations, including sales to non-U.S. customers; (15) threats to the security of our or our customers’ information; (16) potential adverse developments in new or pending litigation and/or government investigations; (17) customer and aircraft concentration in our customer financing portfolio; (18) changes in our ability to obtain debt on commercially reasonable terms and at competitive rates; (19) realizing the anticipated benefits of mergers, acquisitions, joint ventures/strategic alliances or divestitures; (20) the adequacy of our insurance coverage to cover significant risk exposures; (21) potential business disruptions, including those related to physical security threats, information technology or cyber-attacks, epidemics, sanctions or natural disasters; (22) work stoppages or other labor disruptions; (23) substantial pension and other postretirement benefit obligations; and (24) potential environmental liabilities.

Additional information concerning these and other factors can be found in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

The Boeing Company and Subsidiaries
Reconciliation of Non-GAAP Measures
(Unaudited)

The table provided below reconciles the non-GAAP financial measure core (loss)/earnings per share with the most directly comparable GAAP financial measure diluted (loss)/earnings per share. See page 6 of the company's press release dated April 29, 2020 for additional information on the use of core (loss)/earnings per share as a non-GAAP financial measure.

<i>(Dollars in millions, except per share data)</i>	First Quarter 2020		First Quarter 2019	
	\$ millions	Per Share	\$ millions	Per Share
Diluted (loss)/earnings per share (GAAP)		(\$1.11)		\$3.75
Pension FAS/CAS service cost adjustment	(\$255)	(0.45)	(\$274)	(0.48)
Postretirement FAS/CAS service cost adjustment	(92)	(0.16)	(90)	(0.16)
Non-operating pension expense	(87)	(0.16)	(93)	(0.16)
Non-operating postretirement expense	13	0.02	27	0.05
Provision for deferred income taxes on adjustments ¹	88	0.16	90	0.16
Subtotal of adjustments	(\$333)	(\$0.59)	(\$340)	(\$0.59)
Core (loss)/earnings per share (non-GAAP)		(\$1.70)		\$3.16
Weighted average diluted shares (in millions)		565.9		572.4

¹ The income tax impact is calculated using the U.S. corporate statutory tax rate.