



Third-Quarter 2021 **PERFORMANCE REVIEW**

David Calhoun

President and Chief Executive Officer

Brian West

Executive Vice President and Chief Financial Officer

October 27, 2021

BUSINESS UPDATE



BCA



BDS



BGS

Focused on meeting our customer commitments with the highest safety and quality standards

BUSINESS ENVIRONMENT



- Stable global demand for our defense & space products and services
- Commercial recovery broadening; regional dynamics continue to evolve
- Near-term remains uneven, driven by case rates & travel restrictions
- Continue to expect passenger traffic to return to 2019 levels in 2023 to 2024; return to long-term trend a few years thereafter
 - Domestic traffic leading recovery
 - Long-haul traffic showing initial signs of recovery
 - Cargo traffic above 2019 levels
- Airlines shifting focus to medium-term fleet planning
 - Number of aircraft being retired continues to grow
 - Focus on carbon emissions and operational efficiency
- U.S.-China trade relations remains a key enabler
- Industry liquidity continues to improve

10 YR MARKET SERVED

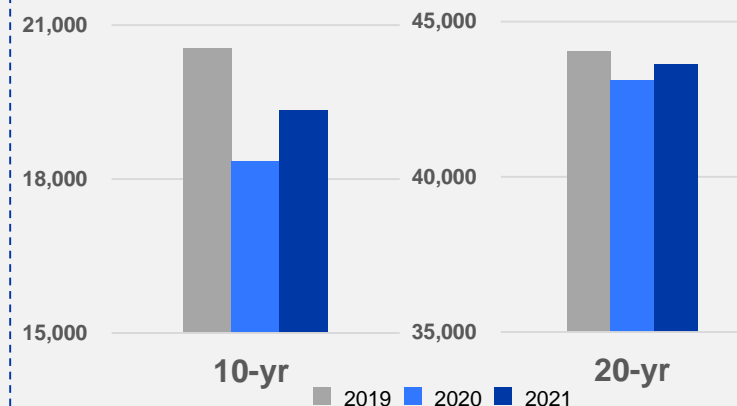
2021 Boeing Market Outlook



- \$3.2T commercial market
- \$2.6T defense market
- \$3.2T services market

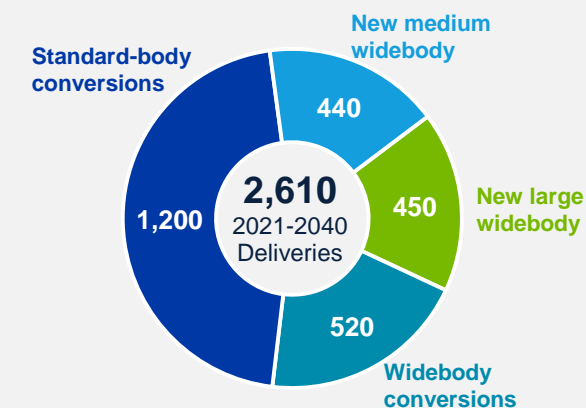
NEW AIRPLANE DELIVERIES

2019-2021 Commercial Market Outlook



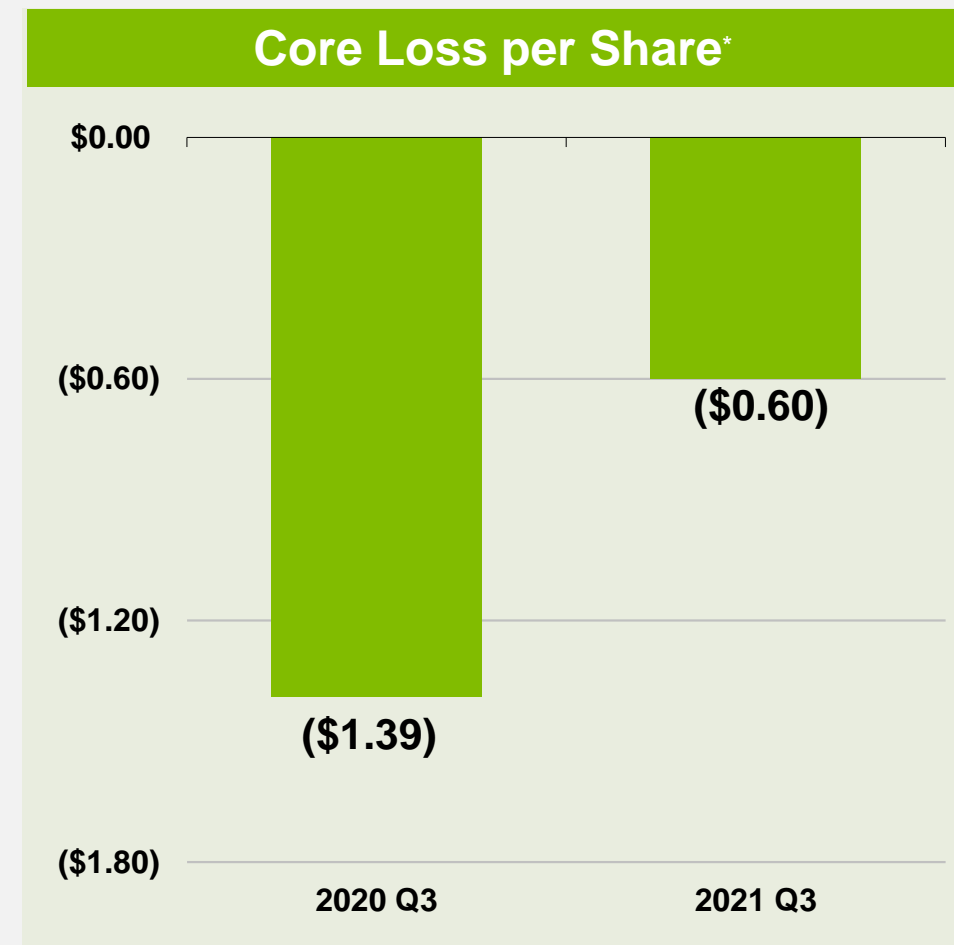
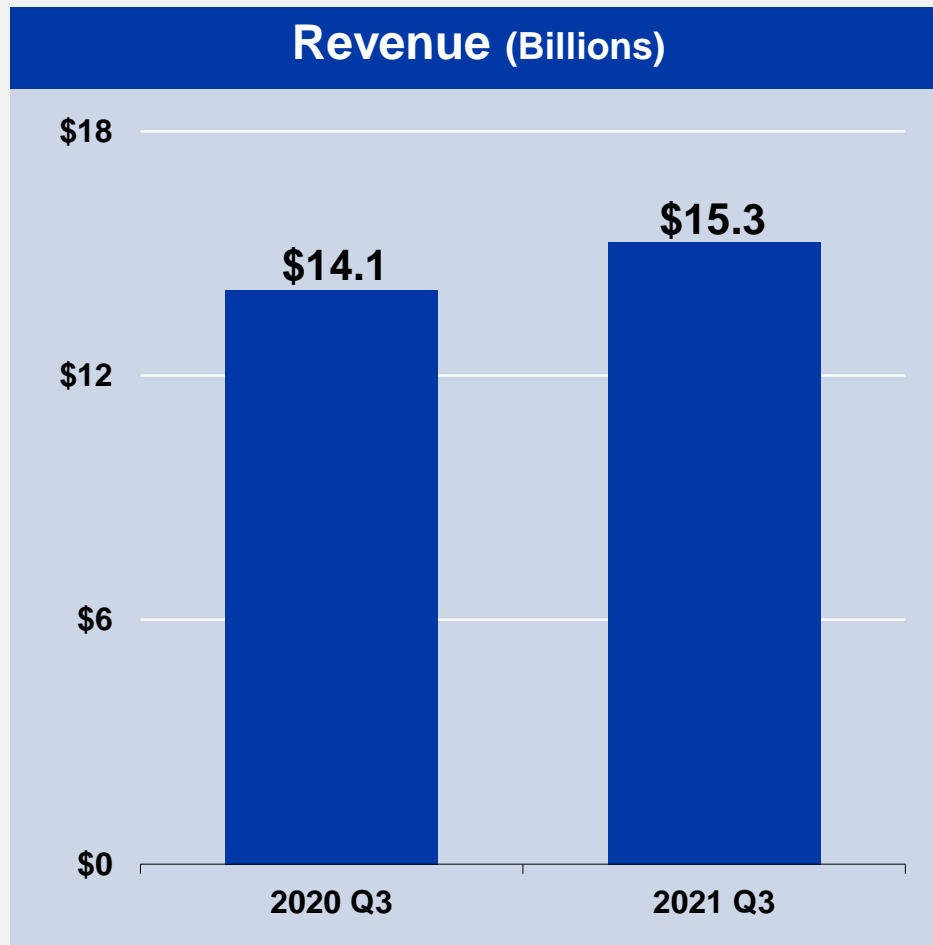
FREIGHTER DEMAND

+70% fleet growth from pre-pandemic



Defense products and services remain stable with commercial market recovery broadening

THIRD-QUARTER REVENUE AND EARNINGS



* Non-GAAP measure. Additional information is provided in the company's earnings press release dated October 27, 2021 and on slide 12 of this presentation.

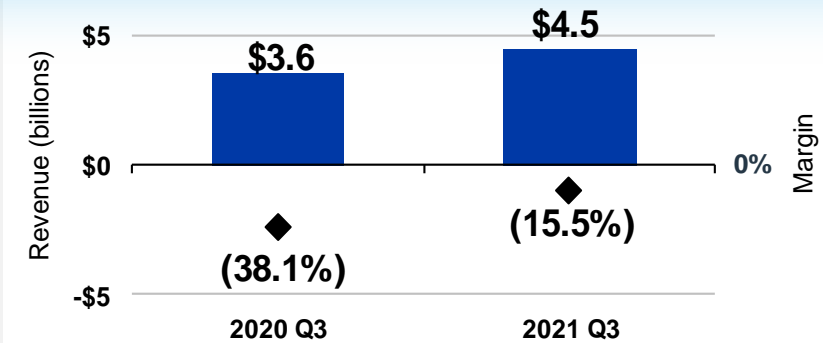
Primarily driven by higher commercial volume

COMMERCIAL AIRPLANES



- Continued momentum on safely returning the 737 to service
- 787 deliveries remain impacted, ongoing engagement with FAA
 - Producing at 2/mo until deliveries resume, returning to 5/mo over time
 - Recorded \$183M of abnormal cost in the quarter; anticipate \$1B total
- Continue to expect first 777X delivery in late 2023; progressing through comprehensive flight test program
- Backlog of 4,163 airplanes valued at \$290B
- Captured orders for 70 737 MAX, 24 freighter & 12 787 airplanes
- Delivered 85 airplanes, including 62 737 MAX

Revenues & Operating Margins



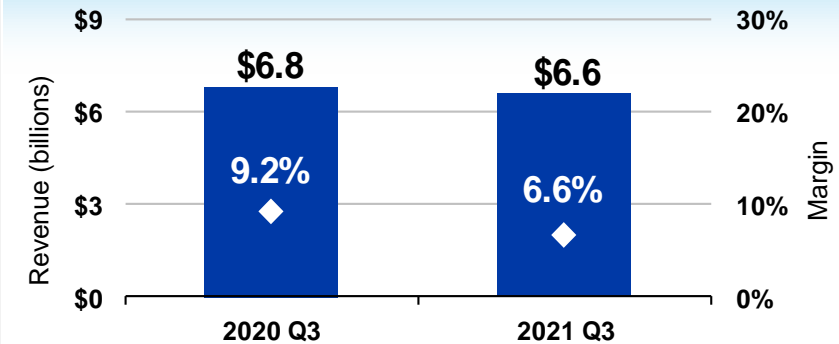
Continued focus on global safe 737 return to service and operational stability

DEFENSE, SPACE & SECURITY



- **Captured new and follow-on business**
 - Award for 5 P-8A Poseidon aircraft for Germany
 - Joint Direct Attack Munition contract with U.S. Air Force
 - Award for 4 CH-47F Block II Chinook helicopters to the U.S. Army
- **Executed balanced portfolio**
 - MQ-25 unmanned aerial tanker refueled U.S. Navy E-2D and F-35C
 - Delivered 37 aircraft, including 1st CH-47F Chinook to Australia
- **Commercial Crew earnings charge of \$185M**
- **Orders valued at \$6B; Backlog of \$58B**

Revenues & Operating Margins



Germany P-8A Poseidon Award

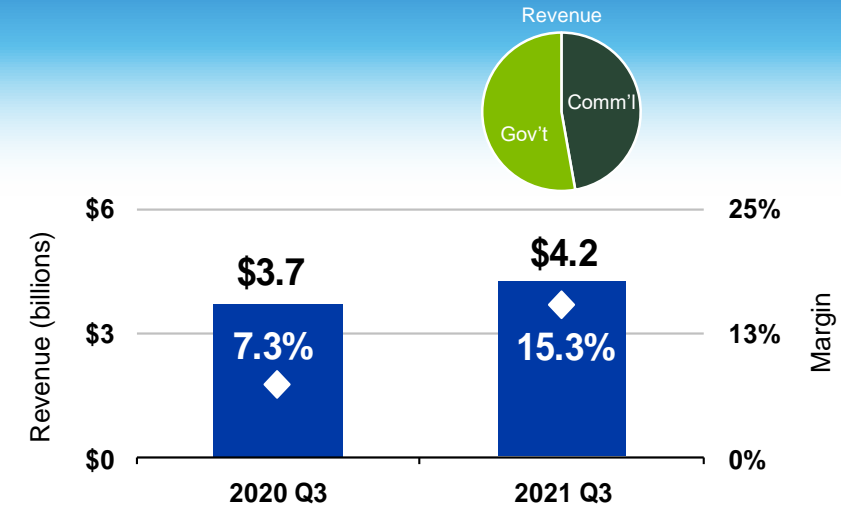
Focused on execution, productivity and competitiveness

GLOBAL SERVICES



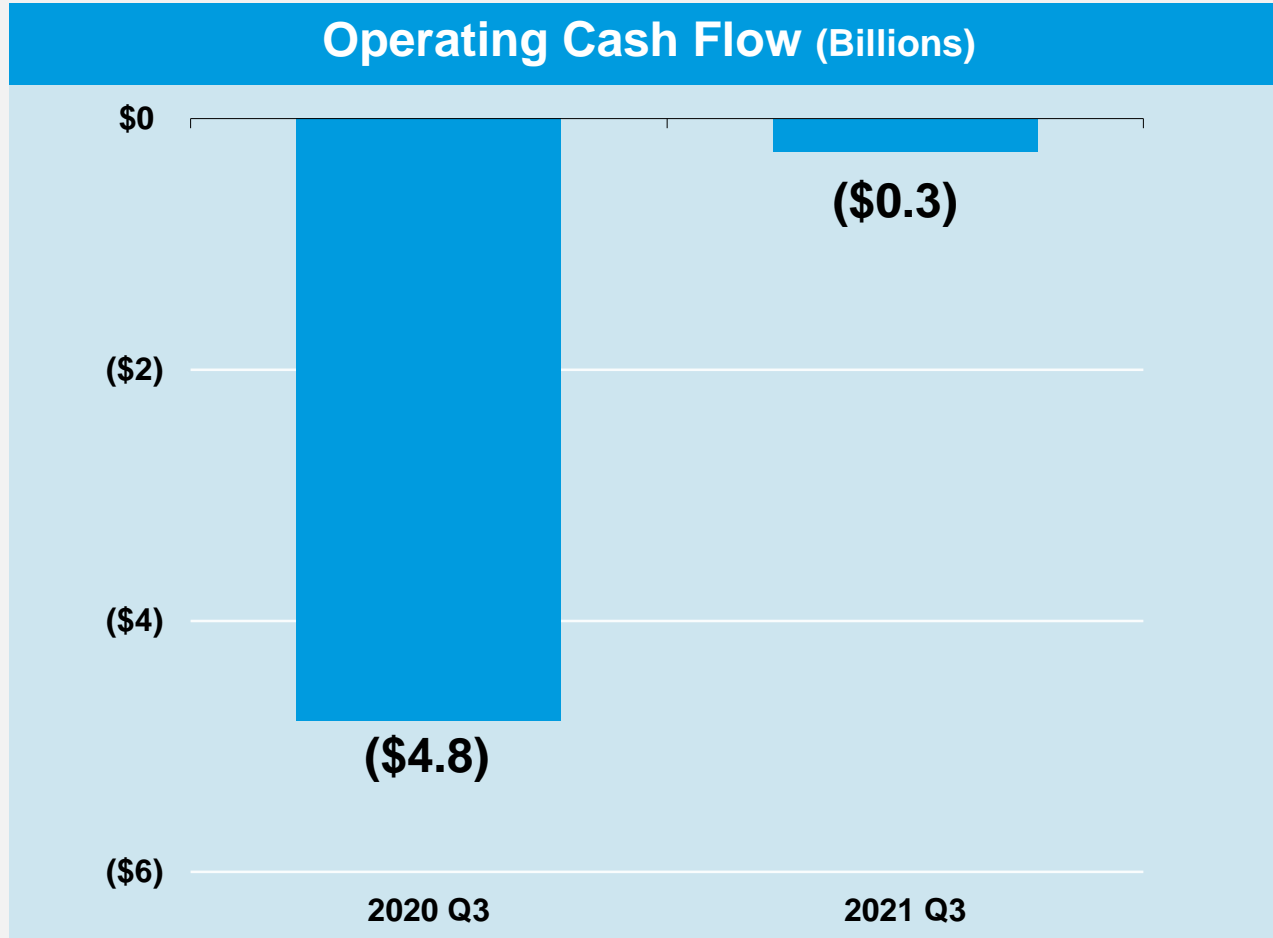
- Commercial services recovering from COVID-19 impact
- Outlook for government services remains stable
- Announced partnership to expand capacity for 767 converted freighters
- Captured new and follow-on business
 - Captured order for 12 additional 737-800 converted freighters for BBAM
 - Awarded Performance Based Logistics contract for global C-17 fleet
 - Secured Chinook infra-red suppression systems modification award for U.K. Armed Forces
 - Selected to provide training to United Aviate Academy
- Orders valued at \$4B; Backlog of \$19B

Revenues & Operating Margins



BBAM order for 12 737 BCFs

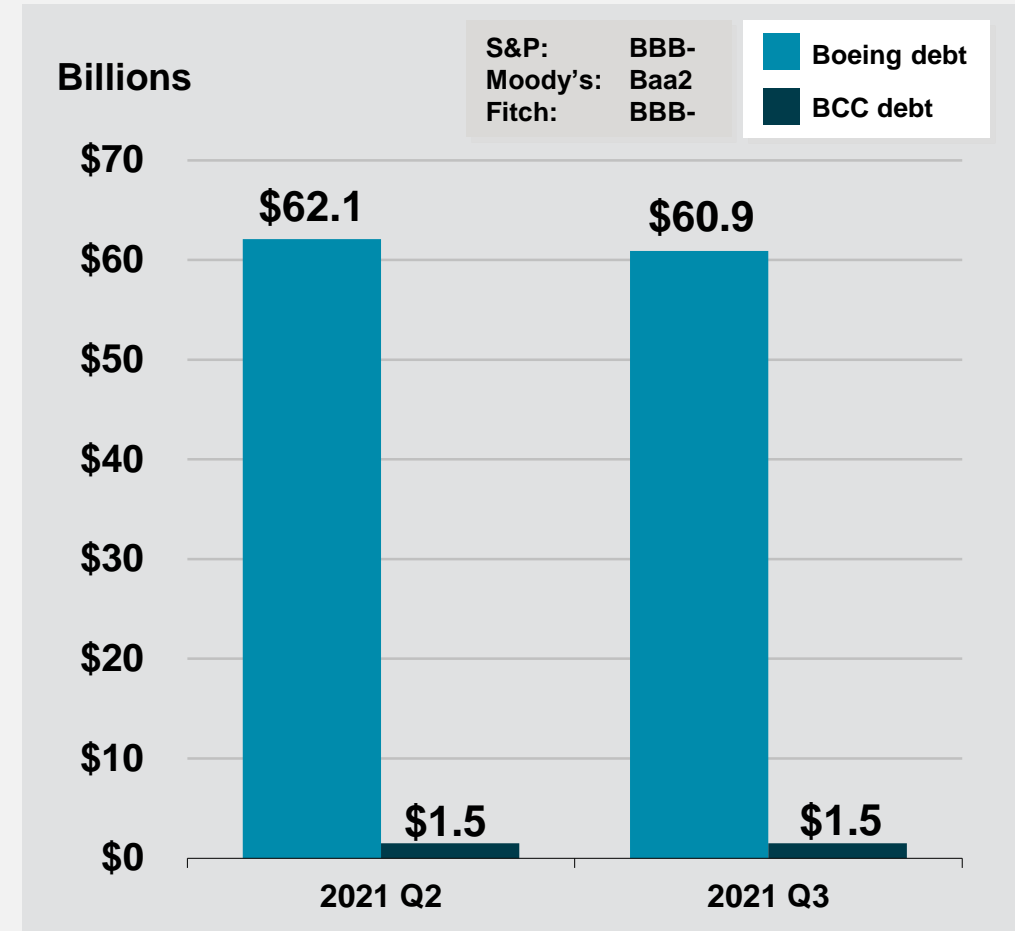
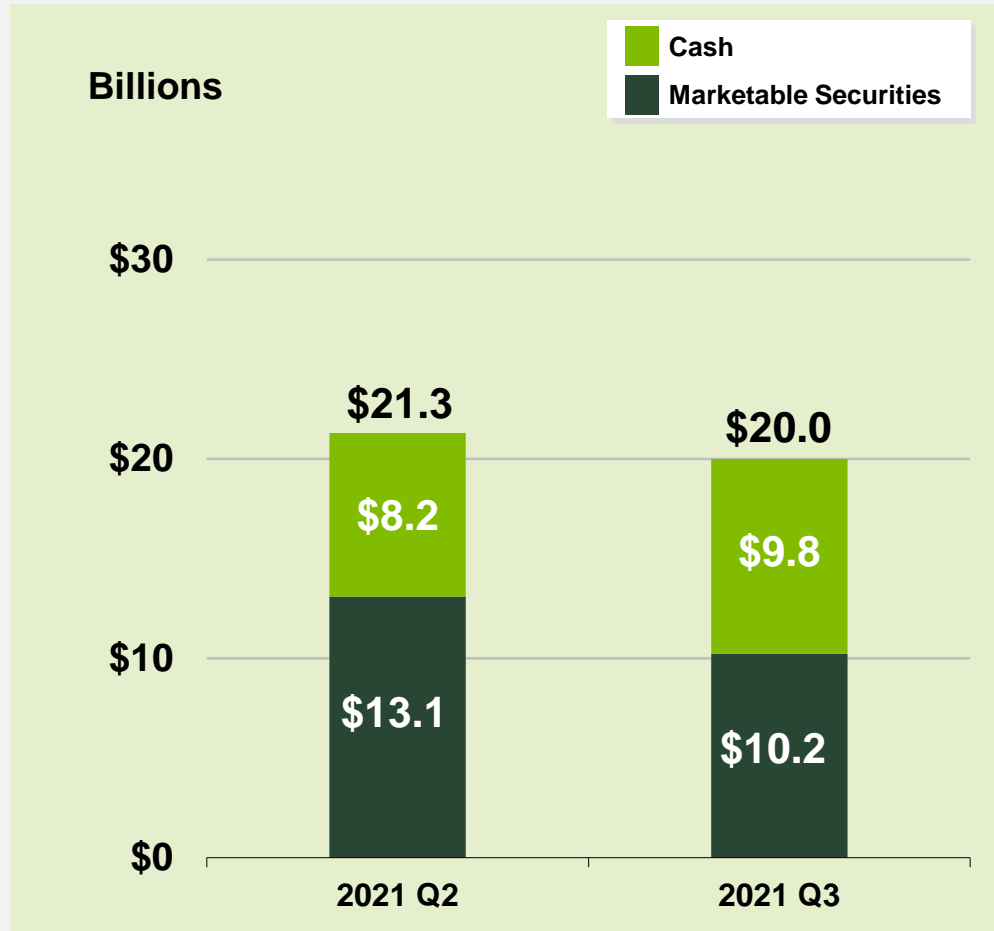
Supporting steady government business; positioning commercial business for the future



- Higher commercial deliveries
- Higher order receipts
- Income tax refund
- Lower expenditures on lower wide-body production rates
- Disciplined cash management and business transformation efforts
- Timing of receipts and expenditures

Higher cash flow primarily due to improving commercial environment and lower expenditures

CASH AND DEBT BALANCES



Sufficient liquidity; focused on strengthening the balance sheet



CAUTION CONCERNING FORWARD-LOOKING STATEMENTS



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 industry impacts, including with respect to our operations, our liquidity, 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 remaining 737 MAX regulatory approvals, 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 financing 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.

NON-GAAP MEASURE DISCLOSURE



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

The table provided below reconciles the non-GAAP financial measure core loss per share with the most directly comparable GAAP financial measure diluted loss per share. See page 6 of the company's press release dated October 27, 2021 for additional information on the use of core loss per share as a non-GAAP financial measure.

	Third Quarter 2021		Third Quarter 2020	
	\$ millions	Per Share	\$ millions	Per Share
<i>(Dollars in millions, except per share data)</i>				
Diluted loss per share (GAAP)		(\$0.19)		(\$0.79)
Pension FAS/CAS service cost adjustment	(\$192)	(0.33)	(\$260)	(0.46)
Postretirement FAS/CAS service cost adjustment	(78)	(0.13)	(93)	(0.16)
Non-operating pension expense	(29)	(0.05)	(84)	(0.16)
Non-operating postretirement expense	(6)	(0.01)	10	0.02
Provision for deferred income taxes on adjustments ¹	64	0.11	90	0.16
Subtotal of adjustments	(\$241)	(\$0.41)	(\$337)	(\$0.60)
Core loss per share (non-GAAP)		(\$0.60)		(\$1.39)
Weighted average diluted shares (in millions)		589.0		566.6

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

737 MAX - ADDITIONAL DETAIL



- Commercial Airplanes produced at abnormally low production rates in 2020 and expects to continue to do so through 2021. As a result, it expects to incur approximately \$4.6 billion of abnormal production costs on a cumulative basis, which are being expensed as incurred
- Commercial Airplanes expensed \$2,567 million of abnormal production costs during 2020 and \$1,501 during the nine months ended September 30, 2021
- The following table summarizes changes in the 737 MAX customer concessions and other considerations liability during the nine months ended September 30, 2021 and 2020:

<i>(Dollars in millions)</i>	2021	2020
Beginning balance – January 1	\$5,537	\$7,389
Reductions for payments made	(2,040)	(1,695)
Reductions for concessions and other in-kind considerations	(53)	(83)
Changes in estimates	(1)	370
Ending balance – September 30	\$3,443	\$5,981