



# Second-Quarter 2022 **PERFORMANCE REVIEW**

**David Calhoun**

President and Chief Executive Officer

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Executive Vice President and Chief Financial Officer

July 27, 2022

# BUSINESS UPDATE



BCA



BDS



BGS

*Building momentum; remain focused on safety, quality and operational stability*

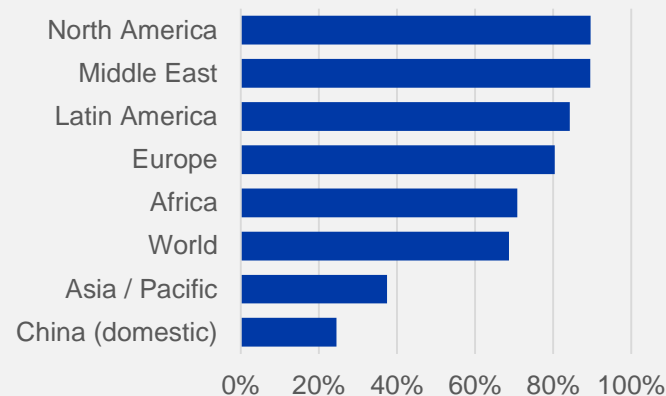
# BUSINESS ENVIRONMENT



- Continue to expect passenger traffic to return to 2019 levels in 2023 to 2024; return to long-term growth trend a few years thereafter
- Macro factors challenging (inflation, high energy prices, labor constraints)
- Commercial traffic recovery accelerating driven by increase in international demand
- China COVID-19 policies remain key enablers
- Stable global demand for our defense & space products and services
- Challenging supply chain constraints; working to mitigate disruption

## Passenger Traffic

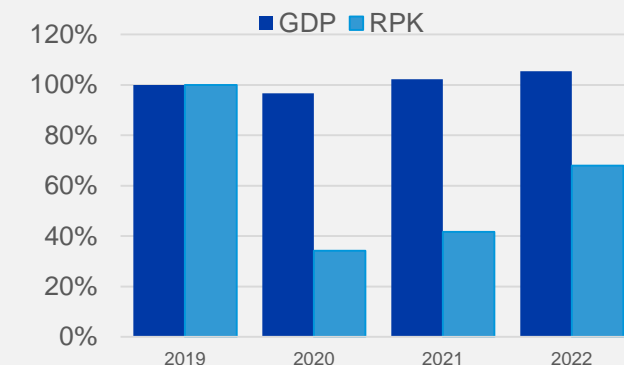
RPKs in % of May '19



Source: IATA, Boeing analysis

## Global GDP and Traffic Recovery

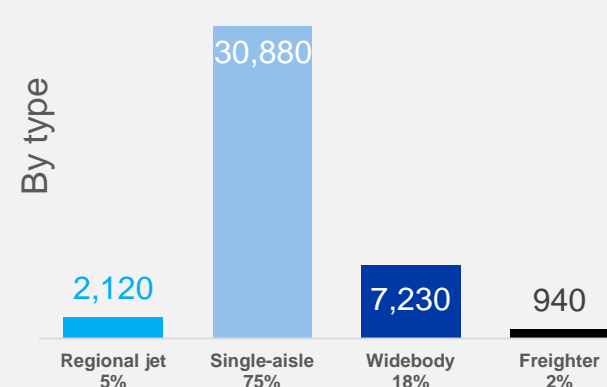
GDP and RPKs in % of 2019



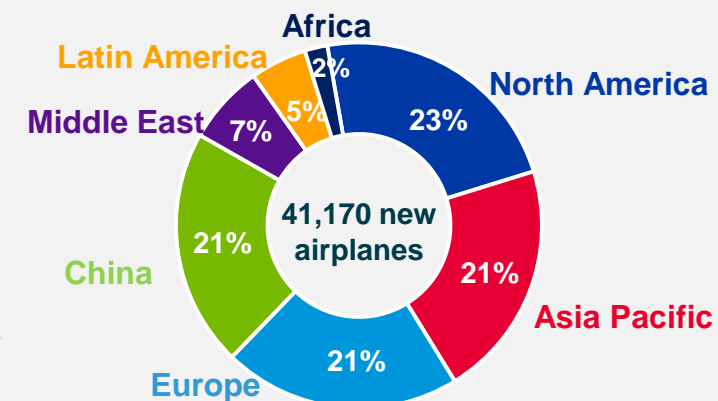
Source: IATA, Boeing analysis

## Commercial Market Outlook

New airplane demand over 20 years



Source: Boeing CMO

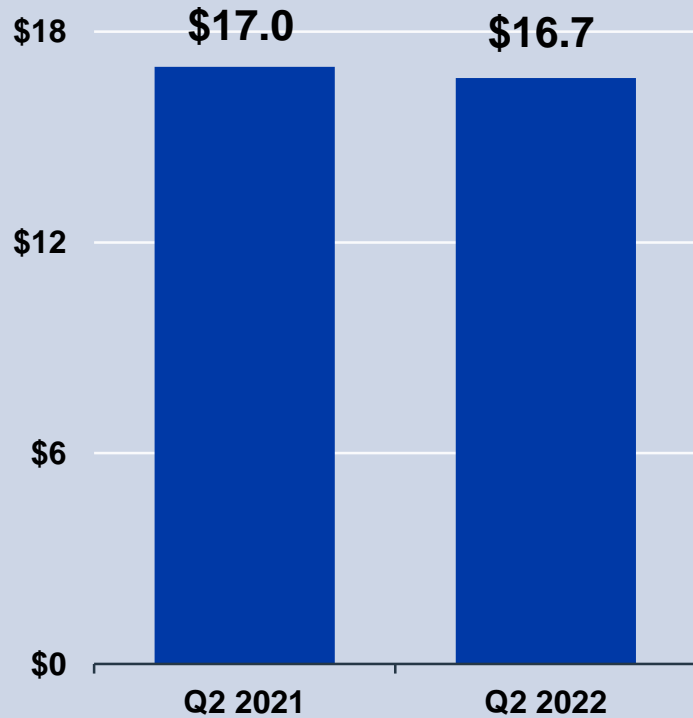


**Broader commercial market recovery continues; defense products and services demand remains stable**

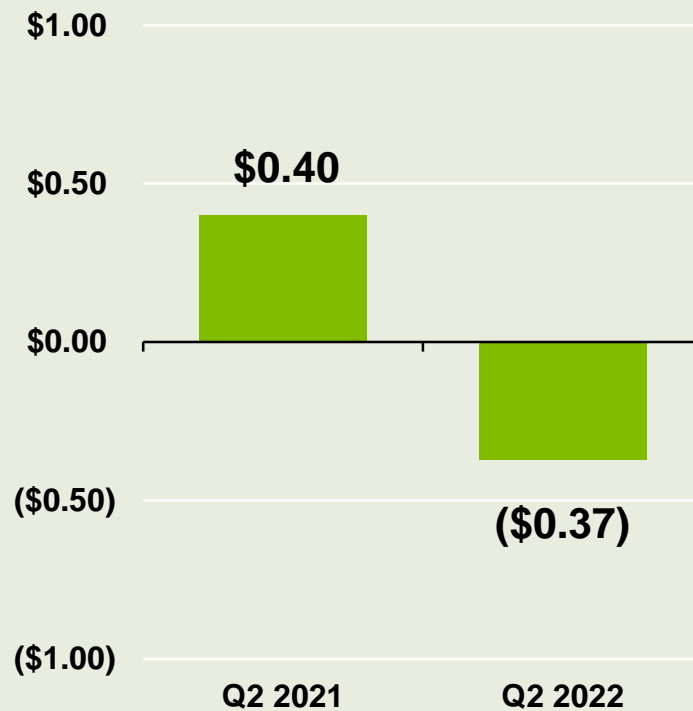
# SECOND-QUARTER FINANCIAL RESULTS



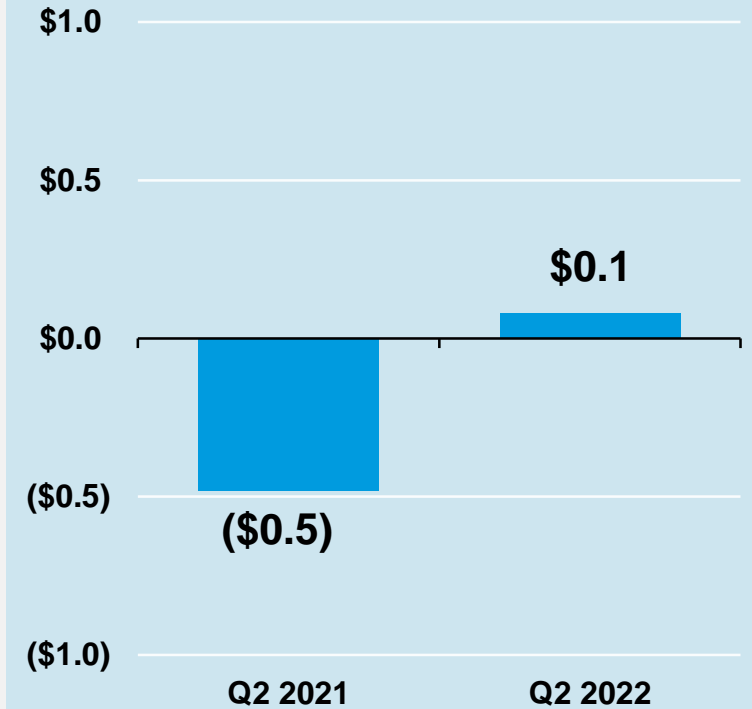
Revenue (Billions)



Core Loss per Share\*



Operating Cash Flow (Billions)



\* Non-GAAP measures. Definitions, reconciliations, and further disclosures regarding this non-GAAP measure are provided in the company's earnings press release dated July 27, 2022 and on slide 11 of this presentation.

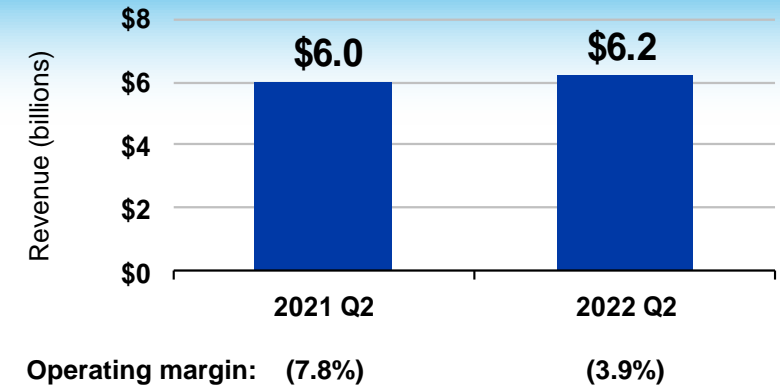
***Lower defense volume and charges, higher commercial volume; positive operating cash flow***

# COMMERCIAL AIRPLANES



- Working with FAA to finalize actions to resume 787 deliveries
- Increased 737 production rate to 31 per month
- Captured orders for 169 737 MAX airplanes and 13 freighters
- Secured 200+ orders/commitments at Farnborough Air Show
- Backlog of over 4,200 airplanes valued at \$297B
- Delivered 121 airplanes, including 103 737 aircraft

## Revenues & Operating Margins



Lufthansa selects new 777-8F, AerCap commits to additional 787s

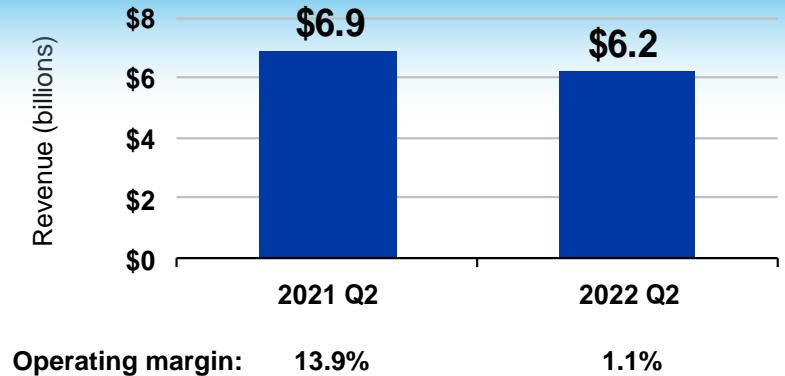
***Continued focus on 737 production and delivery stability, final actions to resume 787 deliveries***

# DEFENSE, SPACE & SECURITY



- CST-100 Starliner successfully completed uncrewed OFT-2
- SLS completed wet dress rehearsal
- Fixed-price development programs impacted results
- German government selected CH-47F Chinook Block II as its future heavy-lift helicopter
- Orders valued at \$2B in 2Q22; backlog of \$55B
- Delivered 40 aircraft

## Revenues & Operating Margins



Courtesy of NASA

CST-100 Starliner docks with the International Space Station

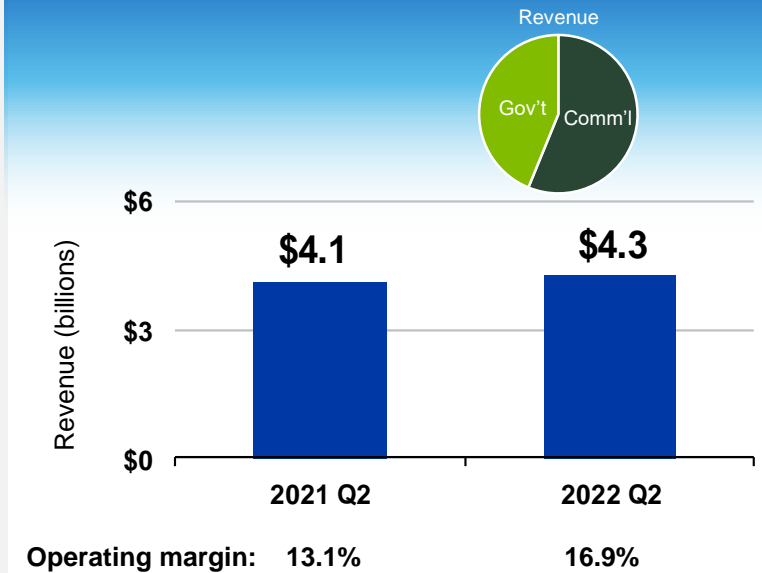
*Focused on execution, productivity and competitiveness*

# GLOBAL SERVICES



- Commercial services revenue nearly at pre-pandemic levels
- Outlook for government services remains stable
- Delivered first A-10 wing set to U.S. Air Force
- Captured new and follow-on business
  - Awarded contract for avionics upgrades and cybersecurity support for U.S. Navy
  - Received contract for airlift flight dispatch services for U.S. Air Force
- Orders valued at \$4B in 2Q22; backlog of \$19B

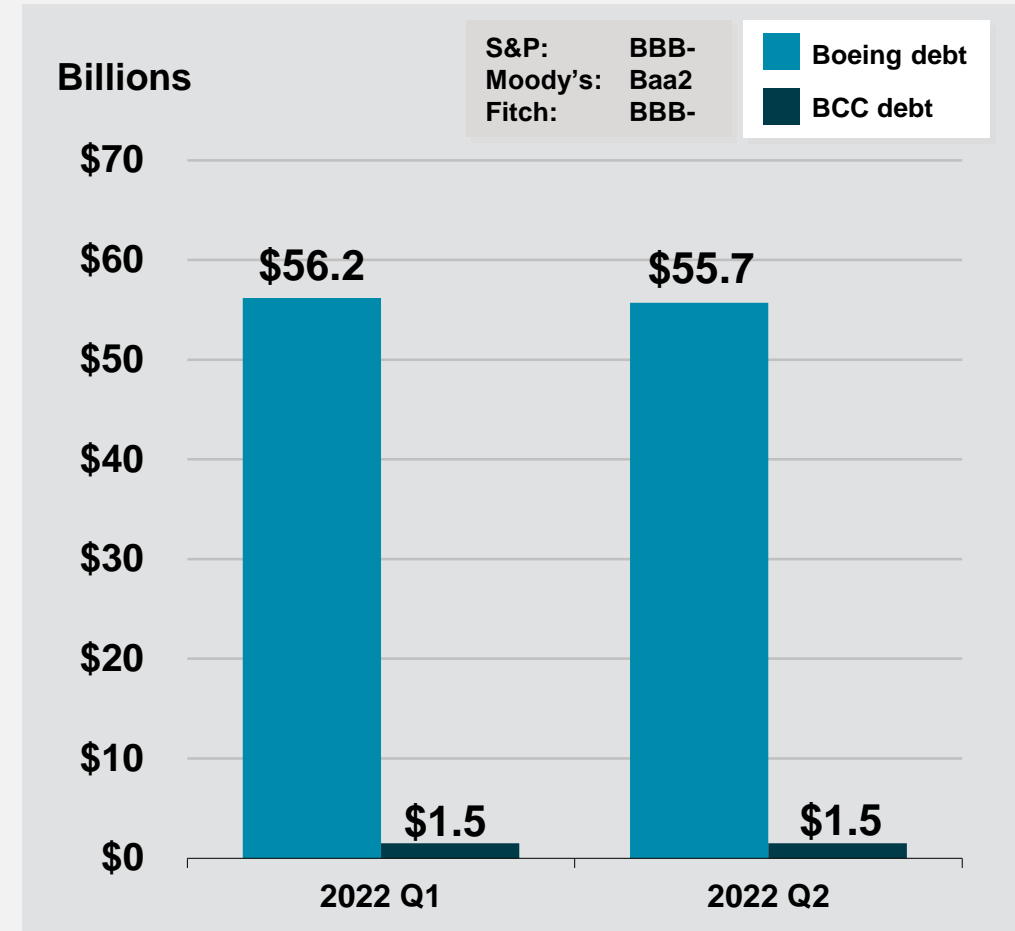
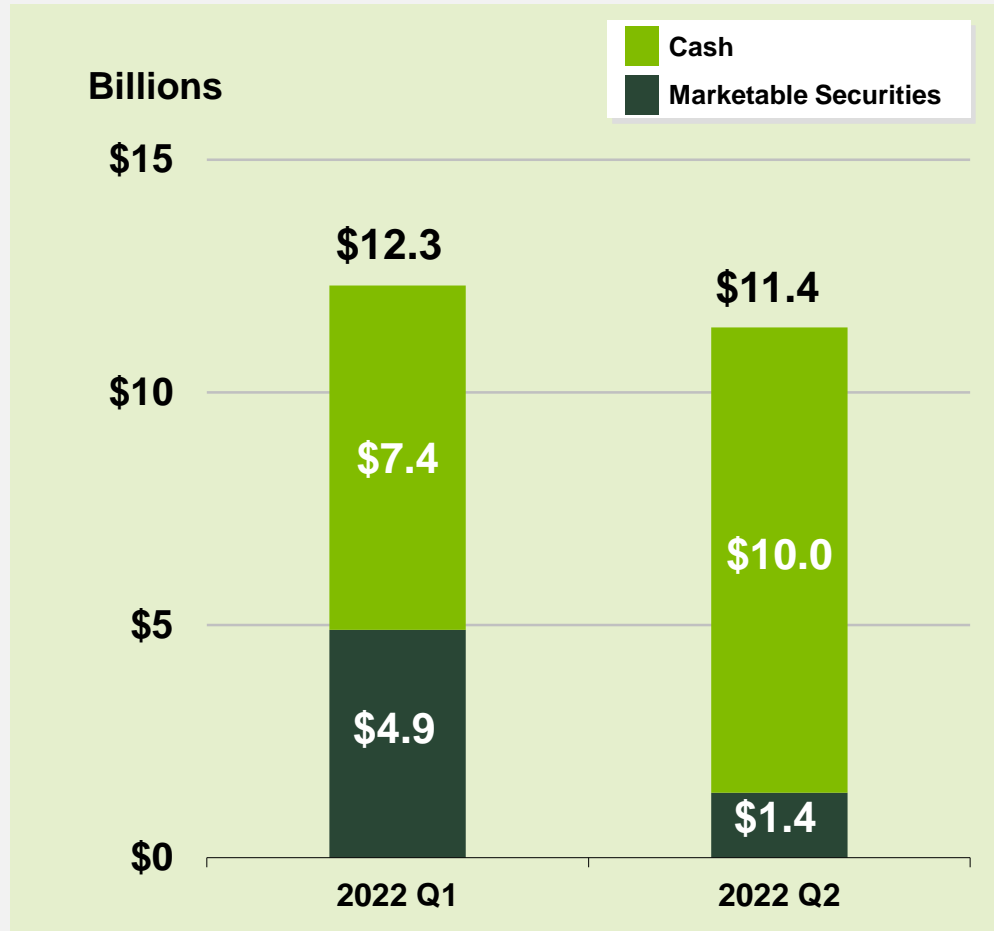
## Revenues & Operating Margins



Delivered first A-10 wing set to U.S. Air Force

*Strong performance across the portfolio*

# CASH AND DEBT BALANCES



*Sufficient liquidity and still expect positive free cash flow in 2022*



# 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 government actions, 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 737 MAX regulatory approvals, lower than planned production rates and/or delivery rates, and additional 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, our customers’ and/or our suppliers’ 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; (24) potential environmental liabilities; and (25) effects of climate change and legal, regulatory or market responses to such change.

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 July 27, 2022 for additional information on the use of core loss per share as a non-GAAP financial measure.

	Second Quarter 2022		Second Quarter 2021	
	\$ millions	Per Share	\$ millions	Per Share
<i>(Dollars in millions, except per share data)</i>				
<b>Diluted earnings per share (GAAP)</b>		<b>\$0.32</b>		<b>\$1.00</b>
Pension FAS/CAS service cost adjustment	<b>(\$205)</b>	<b>(0.35)</b>	<b>(\$191)</b>	<b>(0.32)</b>
Postretirement FAS/CAS service cost adjustment	<b>(79)</b>	<b>(0.13)</b>	<b>(77)</b>	<b>(0.13)</b>
Non-operating pension expense	<b>(221)</b>	<b>(0.37)</b>	<b>(175)</b>	<b>(0.30)</b>
Non-operating postretirement expense	<b>(14)</b>	<b>(0.02)</b>	<b>(5)</b>	<b>(0.01)</b>
Provision for deferred income taxes on adjustments <sup>1</sup>	<b>109</b>	<b>0.18</b>	<b>94</b>	<b>0.16</b>
<b>Subtotal of adjustments</b>	<b>(\$410)</b>	<b>(\$0.69)</b>	<b>(\$354)</b>	<b>(\$0.60)</b>
<b>Core (loss)/earnings per share (non-GAAP)</b>		<b>(\$0.37)</b>		<b>\$0.40</b>
<b>Weighted average diluted shares (in millions)</b>		<b>596.4</b>		<b>590.2</b>

<sup>1</sup> The income tax impact is calculated using the U.S. corporate statutory tax rate.

# 737 MAX - ADDITIONAL DETAIL



- Commercial Airplanes increased the 737 production rate to 31 per month during the second quarter of 2022.
- Commercial Airplanes expensed \$188 million during the three months ended March 31, 2022
- The following table summarizes changes in the 737 MAX customer concessions and other considerations liability during the six months ended June 30, 2022 and 2021:

<i>(Dollars in millions)</i>	<b>2022</b>	<b>2021</b>
Beginning balance – January 1	<b>\$2,940</b>	<b>\$5,537</b>
Reductions for payments made	<b>(844)</b>	<b>(1,538)</b>
Reductions for concessions and other in-kind considerations	<b>(5)</b>	<b>(27)</b>
Changes in estimates	<b>17</b>	<b>(8)</b>
Ending balance – June 30	<b>\$2,108</b>	<b>\$3,964</b>