



FOURTH-QUARTER 2022 PERFORMANCE REVIEW

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President and Chief Executive Officer

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January 25, 2023

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) general conditions in the economy and our industry, including those due to regulatory changes; (2) our reliance on our commercial airline customers; (3) the overall health of our aircraft production system, planned commercial aircraft production rate changes, our ability to successfully develop and certify new aircraft or new derivative aircraft, and the ability of our aircraft to meet stringent performance and reliability standards; (4) changing budget and appropriation levels and acquisition priorities of the U.S. government; (5) our dependence on our subcontractors and suppliers, as well as the availability of highly skilled labor and raw materials; (6) competition within our markets; (7) our non-U.S. operations and sales to non-U.S. customers; (8) changes in accounting estimates; (9) realizing the anticipated benefits of mergers, acquisitions, joint ventures/strategic alliances or divestitures; (10) our dependence on U.S. government contracts; (11) our reliance on fixed-price contracts; (12) our reliance on cost-type contracts; (13) contracts that include in-orbit incentive payments; (14) unauthorized access to our, our customers’ and/or our suppliers’ information and systems; (15) potential business disruptions, including threats to physical security or our information technology systems, extreme weather (including effects of climate change) or other acts of nature, and pandemics or other public health crises; (16) potential adverse developments in new or pending litigation and/or government inquiries or investigations; (17) potential environmental liabilities; (18) effects of climate change and legal, regulatory or market responses to such change; (19) changes in our ability to obtain debt financing on commercially reasonable terms, at competitive rates and in sufficient amounts; (20) substantial pension and other postretirement benefit obligations; (21) the adequacy of our insurance coverage; (22) customer and aircraft concentration in our customer financing portfolio; and (23) work stoppages or other labor disruptions.

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.

BUSINESS UPDATE



2022 was an important year in our recovery; well positioned for 2023

FOURTH-QUARTER FINANCIAL RESULTS

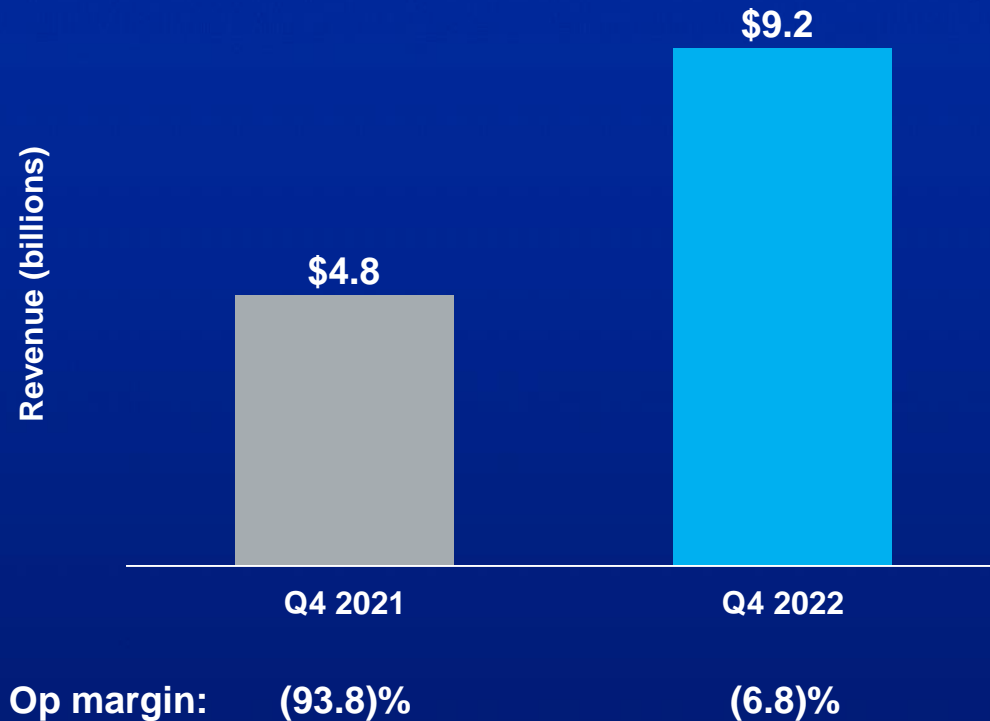
	<u>Q4 2022</u>	<u>Q4 2021</u>
Revenue	\$20.0B	\$14.8B
Core Operating Margin*	(3.3)%	(30.7)%
Core Loss Per Share*	(\$1.75)	(\$7.69)
Free Cash Flow*	\$3.1B	\$0.5B

* Non-GAAP measure. See slides 14-16 for additional information on non-GAAP measures.

Improved financial and operational performance

COMMERCIAL AIRPLANES

Q4 Revenues and Operating Margins

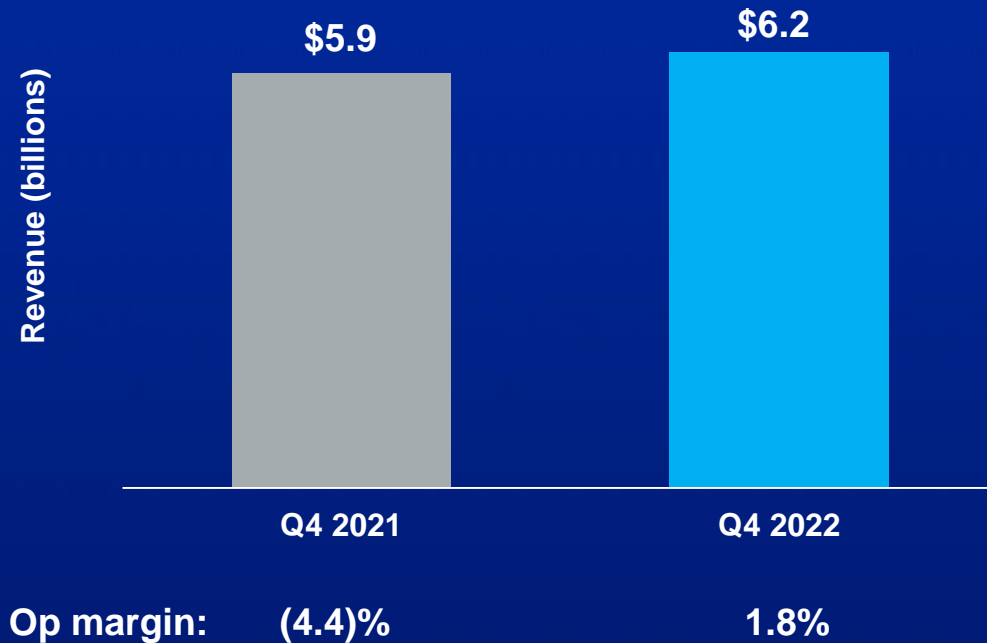


- 737-7, 737-10 certification work continues
- Delivered 152 airplanes
- Booked net orders of 376 airplanes
- Backlog of \$330B

Continued focus on operational stability

DEFENSE, SPACE & SECURITY

Q4 Revenues and Operating Margins



- Completed SLS launch for Artemis I mission
- Delivered 45 aircraft and 3 satellites
- Japan ordered two KC-46A Tankers
- Backlog of \$54B

Focused on production stability and development program execution

GLOBAL SERVICES

Q4 Revenues and Operating Margins



- Continued strong performance
- Opened Germany Distribution Center
- Finalized F-15 depot support for USAF
- Backlog of \$19B

Strong performance...focused on meeting customer commitments

FULL YEAR FINANCIAL RESULTS

	<u>FY 2022</u>	<u>FY 2021</u>
Revenue	\$66.6B	\$62.3B
Core Operating Margin*	(7.0)%	(6.5)%
Core Loss Per Share*	(\$11.06)	(\$9.44)
Free Cash Flow*	\$2.3B	(\$4.4B)

* Non-GAAP measure. See slides 14-16 for additional information on non-GAAP measures.

Higher commercial volume, losses on fixed-price defense development programs; strong cash flow

CASH FLOW PROGRESSION

Free Cash Flow*



Significant cash flow progress to date

- 737 MAX return to service and deliveries
- 787 return to deliveries
- Commercial market recovery and order activity
- BGS performance

Significant cash flow improvement

CASH AND DEBT BALANCES

Cash and Marketable Securities

Billions



Consolidated Debt

Billions



S&P:	BBB-
Moody's:	Baa2
Fitch:	BBB-

Strong liquidity and committed to paying down debt with free cash flow generation

2023 FINANCIALS

\$4.5B - \$6.5B

(\$1.5B)

\$3B - \$5B

Operating
Cash

CapEx

Free Cash
Flow*

Segment Operating Cash

- BDS (\$1.0B) - (\$0.5B)
- BGS \$2.5B - \$3.0B
- BCA \$2.5B - \$3.5B
- Other \$0.5B - \$0.5B

Commercial Deliveries

- 737 Deliveries: 400 - 450
- 787 Deliveries: 70 - 80

Expense items

- R&D: ~\$3.2B vs \$2.9B in 2022
- Unallocated, Eliminations and Other (Loss)/Earnings: ~(\$1.6B) vs (\$1.5B) in 2022

Reaffirming 2023 cash flow outlook

2025 / 2026 FINANCIAL OBJECTIVES

~\$10B

Free Cash Flow*

Improving Revenue & Operating Margins

Boeing

~\$100B Revenue | ~10% Operating Margin

BCA

~800 deliveries | Low-double digits

BGS

Mid-single digit growth | Mid-teens

BDS

Low-single digit growth | High-single digits

Continued Investment

R&D

~\$3.5B

CapEx

~\$2.0B

2025 / 2026 financial objectives remain unchanged

* Non-GAAP measure. See slides 14-16 for additional information on non-GAAP measures.



NON-GAAP MEASURE DISCLOSURES

The table provided below reconciles the non-GAAP financial measure core operating margin with the most directly comparable GAAP financial measure operating margin, and core loss per share with the most directly comparable GAAP financial measure diluted loss per share. See page 5 of the company's earnings press release dated January 25, 2023 for additional information on the use of core operating margin and core loss per share as non-GAAP financial measures.

(Dollars in millions, except per share data)	Fourth Quarter 2022		Fourth Quarter 2021	
	\$ millions	Per Share	\$ millions	Per Share
Revenues	19,980		14,793	
Loss from operations (GAAP)	(353)		(4,171)	
Operating margin (GAAP)	(1.8)%		(28.2)%	
FAS/CAS service cost adjustment:				
Pension FAS/CAS service cost adjustment	(228)		(306)	
Postretirement FAS/CAS service cost adjustment	(69)		(59)	
FAS/CAS service cost adjustment	(297)		(365)	
Core operating (loss) (non-GAAP)	(\$650)		(\$4,536)	
Core operating margin (non-GAAP)	(3.3)%		(30.7)%	
Diluted loss per share (GAAP)		(\$1.06)		(\$7.02)
Pension FAS/CAS service cost adjustment	(\$228)	(0.38)	(\$306)	(0.52)
Postretirement FAS/CAS service cost adjustment	(69)	(0.12)	(59)	(0.10)
Non-operating pension expense	(215)	(0.35)	(147)	(0.26)
Non-operating postretirement expense	(14)	(0.02)	15	0.03
Provision for deferred income taxes on adjustments ¹	110	0.18	104	0.18
Subtotal of adjustments	(\$416)	(\$0.69)	(\$393)	(\$0.67)
Core loss per share (non-GAAP)		(\$1.75)		(\$7.69)
Weighted average diluted shares (in millions)		598.9		590.3

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

NON-GAAP MEASURE DISCLOSURES

The table provided below reconciles the non-GAAP financial measure core operating margin with the most directly comparable GAAP financial measure operating margin, and core loss per share with the most directly comparable GAAP financial measure diluted loss per share. See page 5 of the company's earnings press release dated January 25, 2023 for additional information on the use of core operating margin and core loss per share as non-GAAP financial measures.

(Dollars in millions, except per share data)	Full Year 2022		Full Year 2021	
	\$ millions	Per Share	\$ millions	Per Share
Revenues	66,608		62,286	
Loss from operations (GAAP)	(3,547)		(2,902)	
Operating margin (GAAP)	(5.3)%		(4.7)%	
FAS/CAS service cost adjustment:				
Pension FAS/CAS service cost adjustment	(849)		(882)	
Postretirement FAS/CAS service cost adjustment	(294)		(291)	
FAS/CAS service cost adjustment	(1,143)		(1,173)	
Core operating (loss) (non-GAAP)	(\$4,690)		(\$4,075)	
Core operating margin (non-GAAP)	(7.0)%		(6.5)%	
Diluted loss per share (GAAP)		(\$8.30)		(\$7.15)
Pension FAS/CAS service cost adjustment	(\$849)	(1.43)	(\$882)	(1.50)
Postretirement FAS/CAS service cost adjustment	(294)	(0.49)	(291)	(0.49)
Non-operating pension expense	(881)	(1.47)	(528)	(0.91)
Non-operating postretirement expense	(58)	(0.10)	(1)	0.00
Provision for deferred income taxes on adjustments ¹	437	0.73	357	0.61
Subtotal of adjustments	(\$1,645)	(\$2.76)	(\$1,345)	(\$2.29)
Core loss per share (non-GAAP)		(\$11.06)		(\$9.44)
Weighted average diluted shares (in millions)		595.2		588.0

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

NON-GAAP MEASURE DISCLOSURE

The table provided below reconciles the non-GAAP financial measure free cash flow with the most directly comparable GAAP financial measure operating cash flow. See page 5 of the company's earnings press release dated January 25, 2023 for additional information on the use of free cash flow as a non-GAAP financial measure.

	<u>Fourth Quarter</u>		<u>Full Year</u>	
<i>In millions</i>	4Q 2022	4Q 2021	2022	2021
Operating Cash Flow	\$3,457	\$716	\$3,512	(\$3,416)
Less: Additions to Property, Plant & Equipment	(\$326)	(\$222)	(\$1,222)	(\$980)
Free Cash Flow (non-GAAP)	\$3,131	\$494	\$2,290	(\$4,396)

	2023 Estimate	2025/2026 Estimate
Operating Cash Flow	~\$4.5B - \$6.5B	~\$12B
Less: Additions to Property, Plant & Equipment	~(\$1.5B)	~(\$2B)
Free Cash Flow (non-GAAP)	~\$3B - \$5B	~\$10B