



First-Quarter 2021 **PERFORMANCE REVIEW**

David Calhoun

President and Chief Executive Officer

Greg Smith

Executive Vice President, Enterprise Operations

Chief Financial Officer

April 28, 2021

737 MAX

- Progress following return to service
(as of 4/26/2021)



85+ Delivered
Since Ungrounding



21 Airlines
Back in Service



26,000+
Revenue Flights



58,500+
Flight Hours



165+ Countries with
airspace confirmed open

- Secured orders from Southwest Airlines, United Airlines and Alaska Airlines

787

- Resumed deliveries in March following comprehensive reviews
- Final assembly consolidated to South Carolina and production rate transitioned to 5/month



Defense, Space & Global Services



Successful
Space Launch System
Hot Fire Test



1st flight and delivery of
F-15EX
to the U.S. Air Force



Began production of
T-7A Red Hawk
Advanced Trainer



Delivered 50th 737-800
Boeing Converted Freighter

Focused on safety, quality and transparency as we deliver for our customers

BUSINESS ENVIRONMENT

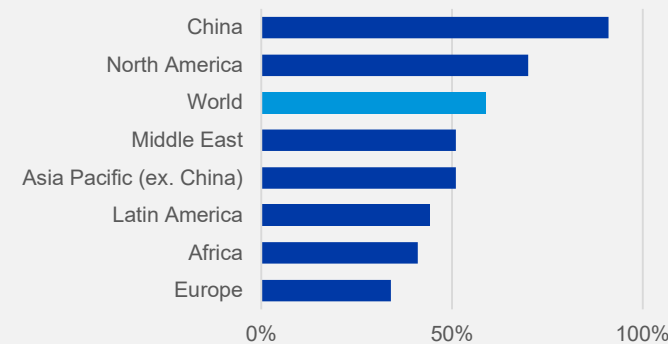


- Stable global demand for our defense, space and government services
- COVID-19 significantly impacting demand for air travel
- Recovery gaining traction, but remains uneven
- Near-term remains challenged by case rates & travel restrictions; regional dynamics continue to evolve
- Vaccine progress supports medium-term outlook
- 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 international traffic will be slowest to recover
- Airlines continue to be under pressure and adjust operations & fleet planning
 - Number of aircraft being retired continues to grow
- Liquidity continues to be important to bridge to recovery
- U.S.-China relations a watch item

Commercial operations remain impacted by pandemic

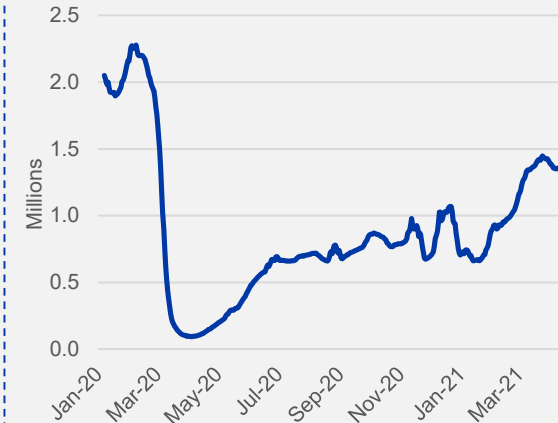
Regional dynamics impacted by cases, government policy, and market sizes

Current flight operations compared to pre-pandemic levels



Source: FlightRadar24 – April 2021 as a percentage of January 2020

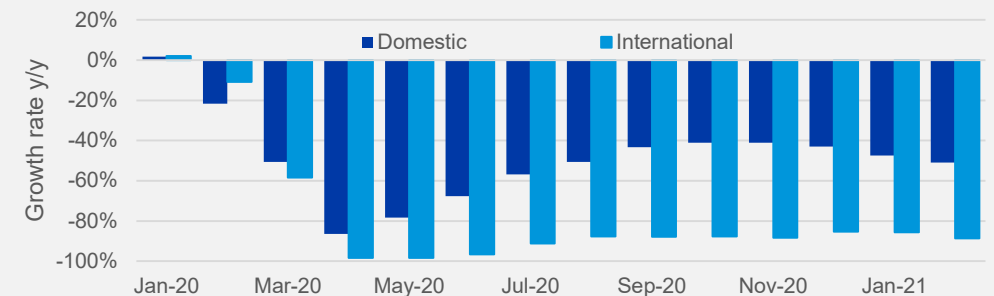
U.S. daily TSA traffic



Domestic traffic leading recovery

International traffic remains significantly depressed due to border restrictions

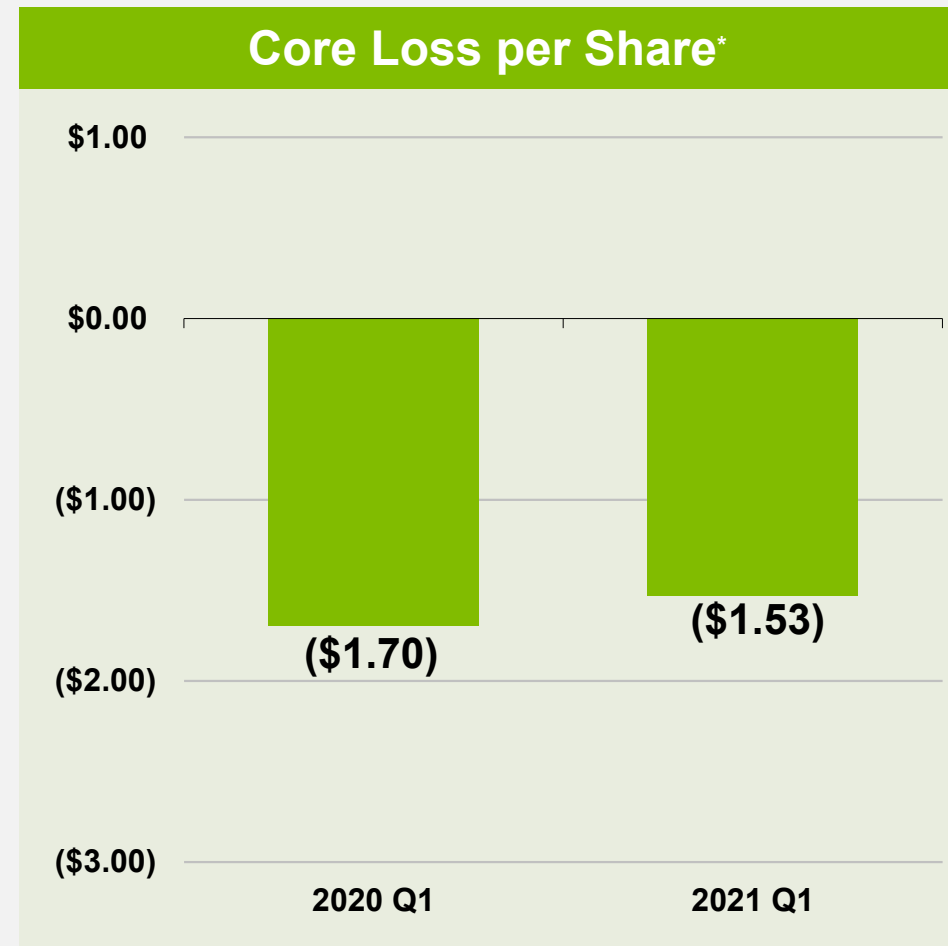
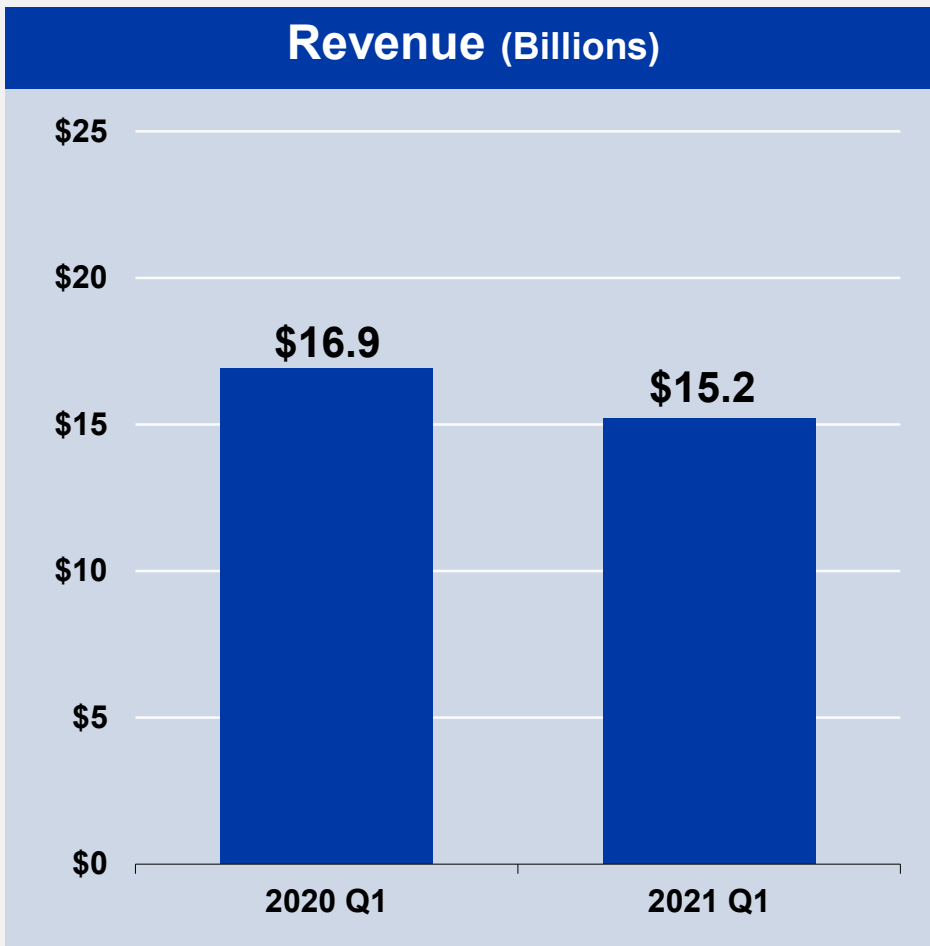
Passenger Traffic



Source: IATA

Defense and government services remain stable with challenging near-term commercial market

FIRST-QUARTER REVENUE AND EARNINGS



* Non-GAAP measure. Additional information is provided in the company's earnings press release dated April 28, 2021 and on slide 13 of this presentation.

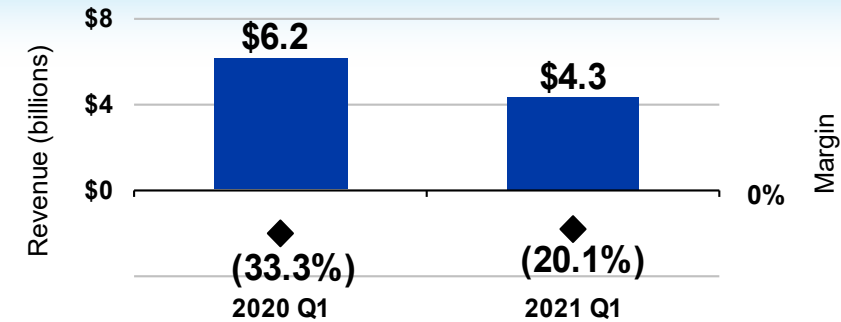
Primarily driven by lower 787 deliveries and commercial services volume partially offset by higher 737 deliveries and year-over-year KC-46A Tanker improvement

COMMERCIAL AIRPLANES



- Financial results reflect lower 787 deliveries and higher 737 deliveries
- Resumed 787 deliveries in late March
- Making progress on safely returning the 737 to service
- Continue to expect first 777X delivery in late 2023; progressing through rigorous flight test program
- Backlog of over 4,000 airplanes valued at \$283B
 - Southwest Airlines order for 100 737 aircraft
 - United Airlines order for 25 737 aircraft
 - Alaska Airlines order for 23 737 aircraft
 - Atlas Air order for 4 747 freighter aircraft
- Delivered 77 airplanes, including 58 737 MAX

Revenues & Operating Margins



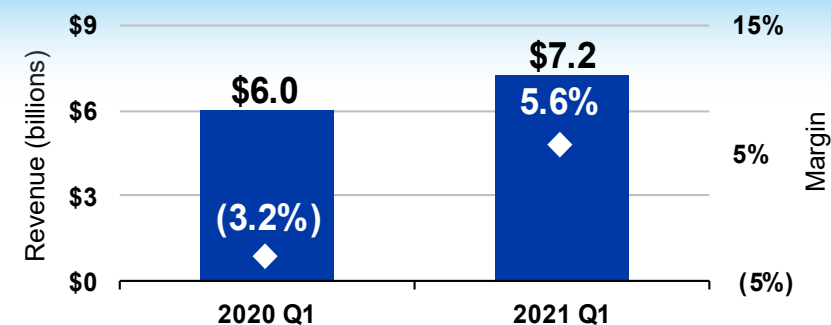
Resumed 787 deliveries; continued focus on safe 737 return to service

DEFENSE, SPACE & SECURITY



- **Results reflect year-over-year KC-46A Tanker improvement and VC-25B charge**
- **Captured new and follow-on business**
 - Lots 6 and 7 contracts for 27 KC-46A Tanker aircraft to the U.S. Air Force
 - Award for 11 P-8A Poseidon aircraft to the U.S. Navy and the Royal Australian Air Force
 - Contracts for 6 Bell Boeing V-22 Osprey rotorcraft to the U.S. Navy and the U.S. Air Force
- **Executed balanced portfolio**
 - Completed 1st flight and delivery of F-15EX to the U.S. Air Force
 - Conducted successful Space Launch System Green Run hot fire test
 - Completed 1st flight of uncrewed Loyal Wingman aircraft for the Royal Australian Air Force
 - Began production of T-7A Red Hawk Advanced Trainer
 - Conducted 1st flight of the Japan KC-46 Tanker aircraft
- **Orders valued at \$7B; Backlog of \$61B**

Revenues & Operating Margins



F-15EX 1st Flight and Delivery to U.S. Air Force

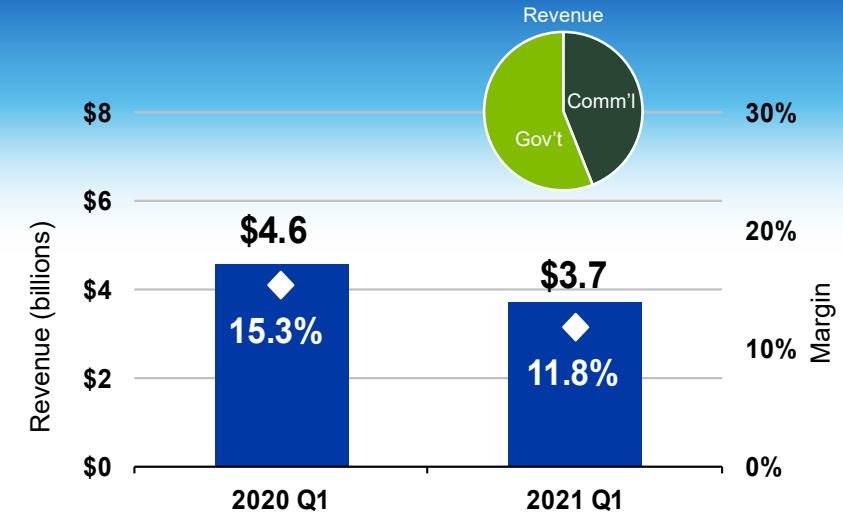
Healthy demand; focused on execution, productivity and competitiveness

GLOBAL SERVICES



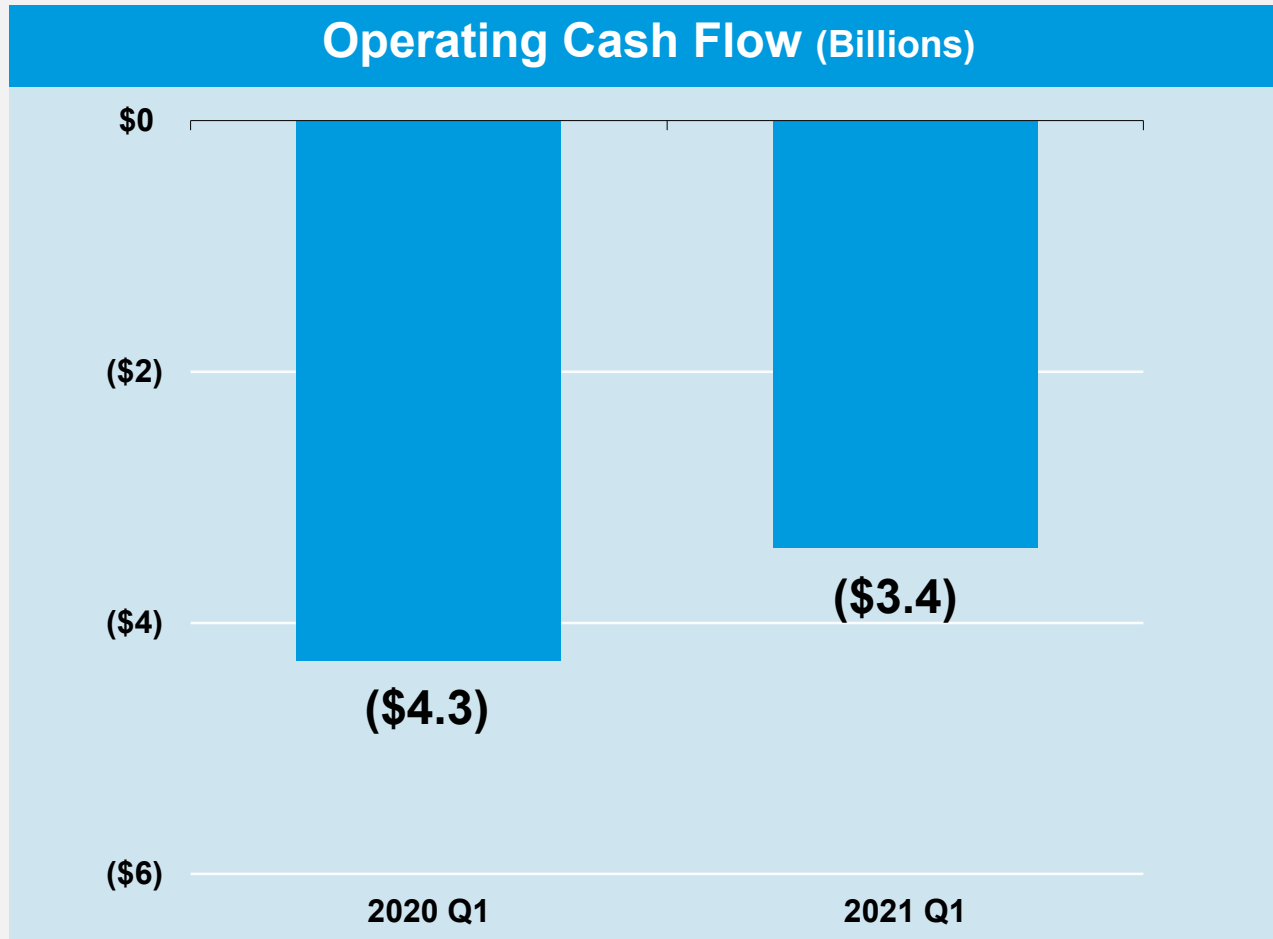
- Commercial services significantly impacted by COVID-19
- Outlook for government services remains stable
- Delivered 50th 737-800 Boeing Converted Freighter
- Inducted EA-18G Growler for U.S. Navy Modification Program
- Captured new and follow-on business
 - Awarded ground support equipment and logistics contract for the Royal Moroccan Air Force
 - Secured F/A-18 and AV-8B avionics equipment repair award for the U.S. Navy
- Orders valued at \$3B; Backlog of \$20B

Revenues & Operating Margins



Delivered 50th 737-800 BCF

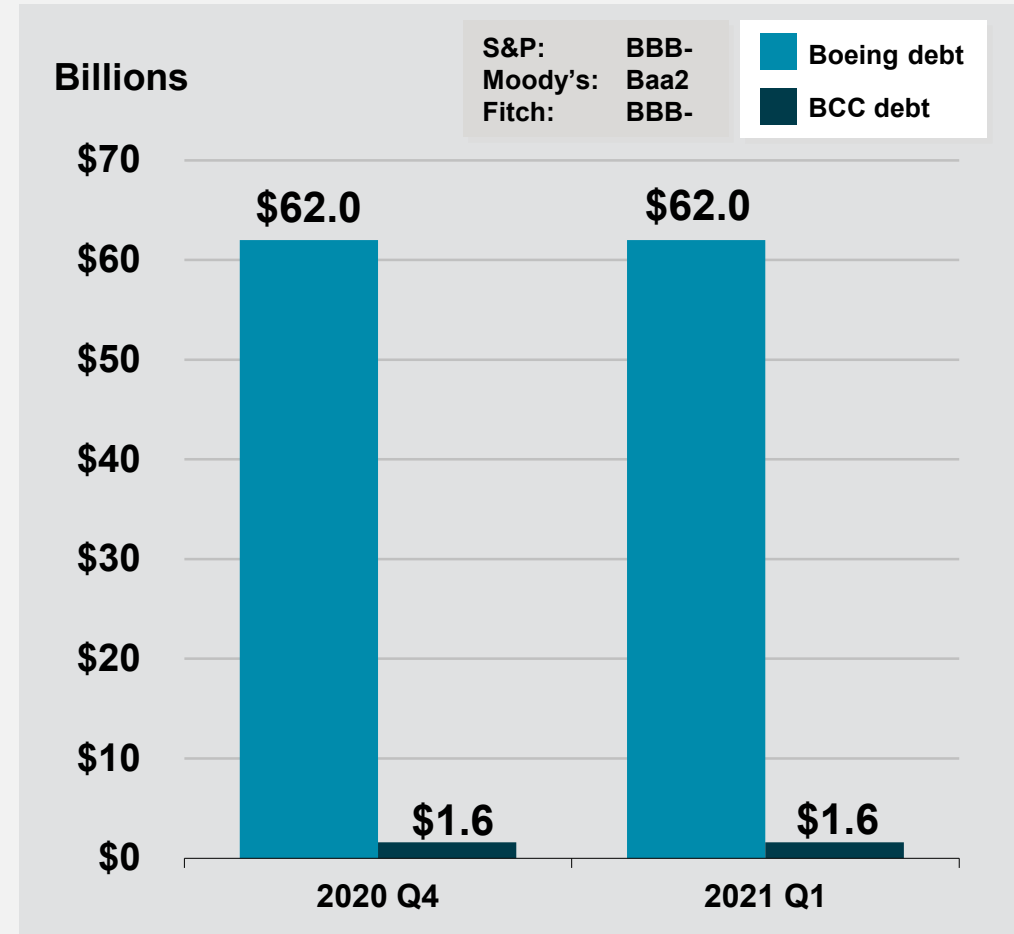
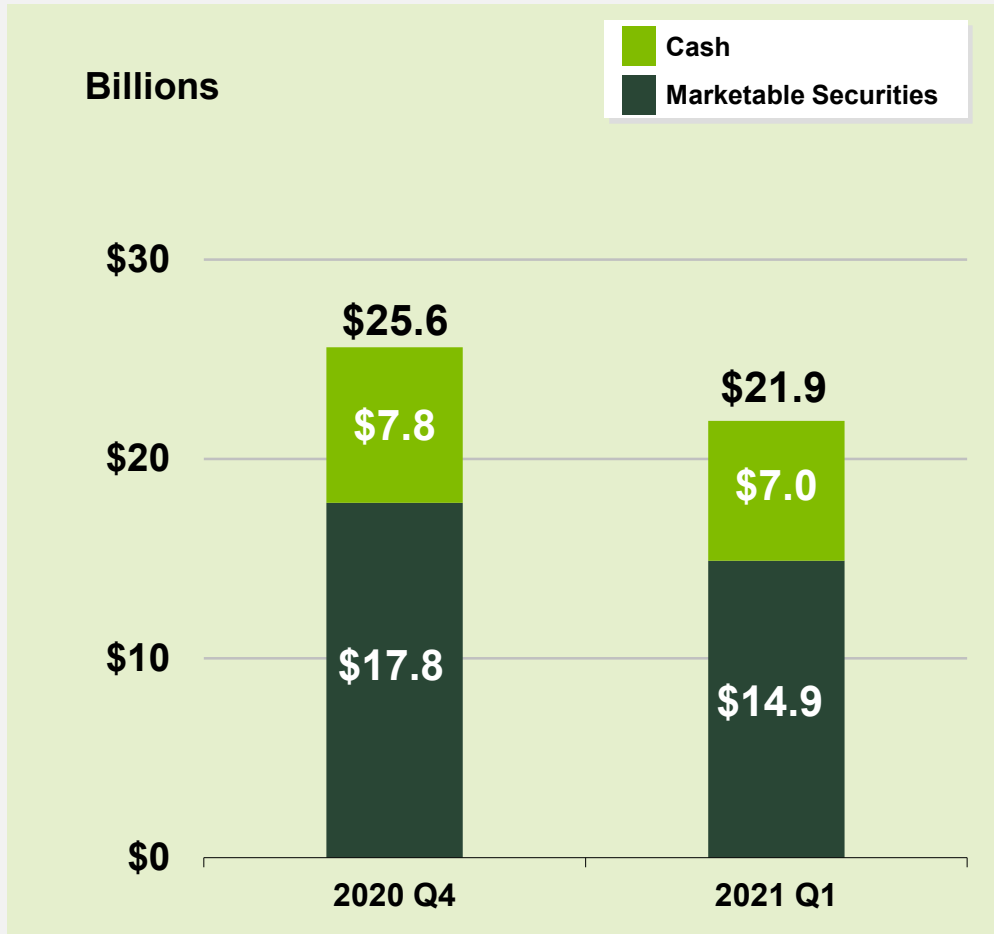
Supporting steady government business; taking action to position commercial business for the future



- **Timing of receipts and expenditures**
- **Higher 737 deliveries**
- **Lower 787 deliveries**
- **Lower advance payments**
- **Disciplined cash management**

Impacted by timing, higher 737 deliveries, lower 787 deliveries and lower advance payments

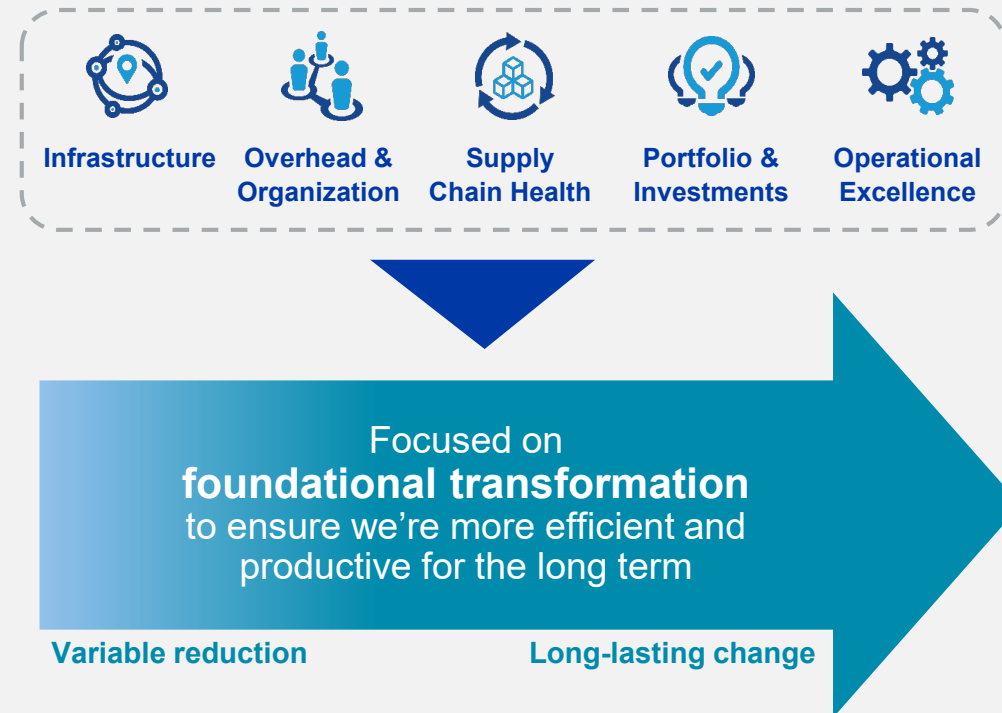
CASH AND DEBT BALANCES



Focused on proactively managing liquidity to navigate COVID-19

SUMMARY

- **Environment remains dynamic; recovery gaining traction but remains uneven**
- **Monitoring risks and opportunities**
 - Vaccination pace and case rates
 - Remaining 737 MAX regulatory approvals
 - Passenger traffic recovery
 - U.S.-China relations
- **2021 financials hinge on commercial market recovery; expect higher revenue, lower use of cash**
 - Primarily driven by higher 737 & 787 deliveries partially offset by advance payment timing and 737 MAX customer considerations
- **Continuing to take action to:**
 - Proactively manage liquidity and balance sheet
 - Prepare for market recovery
 - Improve performance
 - Sustain key investments
 - Position to be more productive and competitive
- **All efforts support Boeing values and drive safety, quality and operational excellence across the enterprise**



Taking action to transform our business to emerge stronger and more resilient



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 April 28, 2021 for additional information on the use of core loss per share as a non-GAAP financial measure.

<i>(Dollars in millions, except per share data)</i>	First Quarter 2021		First Quarter 2020	
	\$ millions	Per Share	\$ millions	Per Share
Diluted loss per share (GAAP)		(\$0.92)		(\$1.11)
Pension FAS/CAS service cost adjustment	(\$193)	(0.33)	(\$255)	(0.45)
Postretirement FAS/CAS service cost adjustment	(77)	(0.13)	(92)	(0.16)
Non-operating pension expense	(177)	(0.30)	(87)	(0.16)
Non-operating postretirement expense	(5)	(0.01)	13	0.02
Provision for deferred income taxes on adjustments ¹	95	0.16	88	0.16
Subtotal of adjustments	(\$357)	(\$0.61)	(\$333)	(\$0.59)
Core loss per share (non-GAAP)		(\$1.53)		(\$1.70)
Weighted average diluted shares (in millions)		585.4		565.9

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 \$5 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 \$568 during the three months ended March 31, 2021
- The following table summarizes changes in the 737 MAX customer concessions and other considerations liability during the three months ended March 31, 2021 and 2020:

<i>(Dollars in millions)</i>	2021	2020
Beginning balance – January 1	\$5,537	\$7,389
Reductions for payments made	(1,172)	(671)
Reductions for concessions and other in-kind considerations	(25)	(2)
Changes in estimates	30	(30)
Ending balance – March 31	\$4,370	\$6,686