Environment

- Return to budget growth
- Strong support for Boeing solutions
- Acquisition reform favorable to industry
- Non-traditional & disruptive competitors

- Regional threats diverse and growing
- Foreign policy aligning against common threats
- Opportunities exist, timing & funding uncertain
- Presence & partnerships more essential

Addressing an evolving global environment
Backlog Diversification – Defense & Space

Total Backlog
- Stable...

2000: $62B
2015: $58B

Business Mix
- More balanced...

2000:
- Global Services & Support
- Network & Space Systems
- Boeing Military Aircraft
2015:
- Global Services & Support
- Network & Space Systems
- Boeing Military Aircraft

Geographic Mix
- More diverse...

2000:
- Europe
- Americas
- Asia
- Middle East
- Other
2015:
- Europe
- Americas
- Asia
- Middle East
- Other

Backlog more balanced and diverse
10 year – $3T market

Evolving, winning, and expanding for long-term growth
Strategy

- Healthy, cost-competitive business
- Differentiated, capabilities-based
- Globally differentiated through depth and scale
- Best team and talent across industry

Market Leader in a Diverse Portfolio

One Boeing expertise delivering superior customer solutions
Growing Boeing’s Services Business

Strategy

- Leverage expansive installed base
- Capitalize on company-to-country strategies
- Pivot back to U.S.
- Integrate data analytics
- Leverage One Boeing opportunities

Results

- Record orders
- Off-platform success
- Industry-leading margins

RETURNING VALUE TO CUSTOMERS AND SHAREHOLDERS
Investing for Growth

- Invest to expand, differentiate, reduce cost
- Focused opportunity development and capture
- Evolve next generation support solutions
- Global presence

Business Capture

R&D
- Future Franchises
- Product Enhancements
- Additive Manufacturing
- Advanced Materials

$0.9B
(2016 Guidance)

Connect
Protect
Explore
Inspire

Positioning for profitable growth
Development Update

**KC-46A Pegasus**
- Four aircraft in active Flight Test ~ 630 flight hours complete
- Successfully completed fuel transfer on multiple platforms
- Anticipate Milestone C decision 2Q16

**CST-100 Starliner (Commercial Crew)**
- Firm configuration completed
- Structural test article build near completion – test initiation 3Q16
- First flight spacecraft build initiation 2Q16

**Space Launch System**
- Production at Michoud Assembly Facility on plan
- Critical Design Reviews completed
- NASA release of sole source RFP for Exploration Upper Stage

Progressing to meet customer commitments
Increased Focus on Margin Expansion

Key Drivers / Areas of Focus
- Supply chain efficiencies
- First-time production quality
- Development efficiency
- Internal cost optimization
- Competitive landscape
- Geopolitical environment

Aggressively driving productivity to expand margins
Our Approach

Drive **Innovation and Growth** through robust investment and franchise wins

Improve bottom line through **Performance and Productivity** initiatives

Deliver results with the **Best Team and Talent**

The aerospace leader and enduring global industrial champion