



First Quarter 2008 Performance Review

Jim McNerney

Chairman, President and Chief Executive Officer

James Bell

Chief Financial Officer

April 23, 2008

First-Quarter Summary

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- **Strong financial performance**
 - Revenues up 4% to \$16.0 billion
 - Operating income up 37%
 - Reported EPS increased 43% to \$1.62
 - Operating cash flow more than doubled to \$1.9 billion
- **Backlog expanded to record \$346 billion**
 - Over five times current revenues
- **Core programs on track... realizing productivity gains**
- **Development programs progressing**
 - Committed to new 787 schedule while program continues to enjoy sales success
- **2008 financial guidance reaffirmed, forecasting strong 2009 with EPS growing approximately 20%**

Strong financial results... significant growth ahead

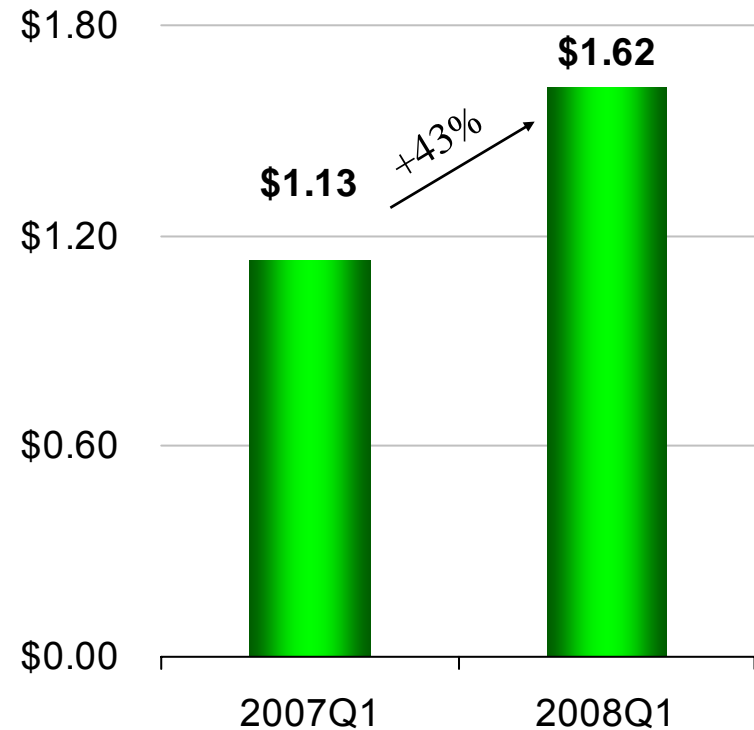
First-Quarter Revenue and Earnings

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Revenue, Billions



Earnings per Share



Strong EPS growth

Commercial Airplanes

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Continued strong performance

- Delivered 115 airplanes in first quarter
- Margin expansion to 12.0%

Outstanding sales success

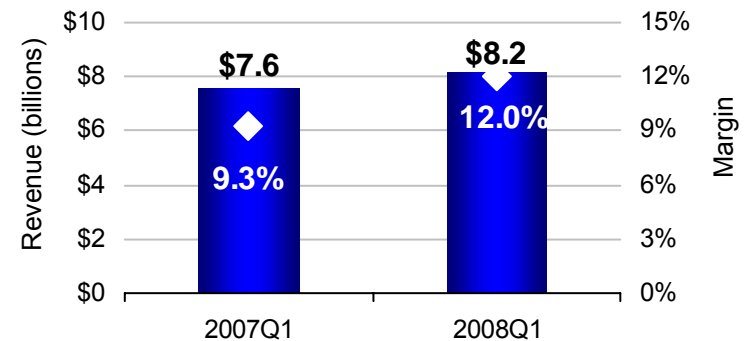
- Captured 289 gross orders in 1Q08
- Backlog increased to record \$271 billion

787 successes and challenges

- Won 892 firm orders since launch from 57 customers
- Completed power-on integration testing
- GE engine received FAA airworthiness certification
- First flight scheduled for fourth-quarter 2008; deliveries to begin in third-quarter 2009

Achieved key milestones

- Delivered 1,400th 747 and 700th 777
- Began major assembly of 777 Freighter
- P-8A Program received 1st fuselage section and began final assembly



Delivered 1,400th 747 to GECAS, AirBridgeCargo



Delivered 700th 777 to ILFC, Cathay Pacific

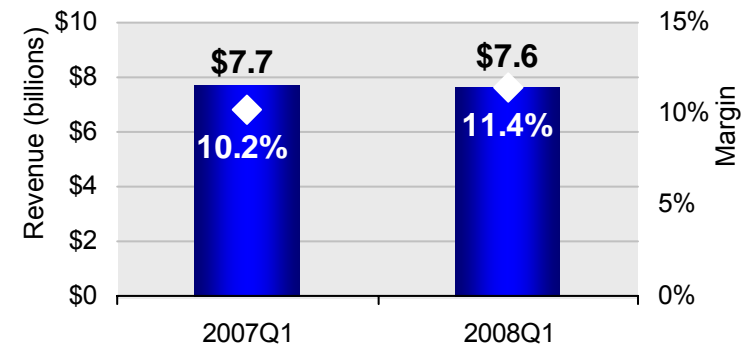
Focused on customers, productivity and growth

Integrated Defense Systems

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- **Outstanding operating performance**
- **Capturing new and follow-on business**
 - U.S. Navy V-22 multi-year contract
 - U.S. Air Force F-22 multi-year sustainment contract
 - MDA intent to sole source GMD development contract
- **Executing well balanced defense portfolio**
 - Two KC-767 Tankers delivered to Japan
 - Executing key milestones in network and space
 - Outstanding performance on production and support programs
- **Protesting U.S. Air Force tanker award**

Revenues & Operating Margins



V-22 Osprey

Delivering outstanding profitability

Other Businesses

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- **Boeing Capital Corporation**

- Delivered \$61 million in pre-tax profits on \$185 million in revenue
- Maintaining a conservative financial position focused on risk retirement

- **Other and Unallocated Expense**

- Centralized costs declining as planned

Boeing Capital on track; managing centralized costs lower

Cash Flow

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\$ Billions	1Q07	1Q08
Net Earnings	0.9	1.2
Depreciation/non-cash	0.4	0.4
Working Capital	(0.1)	0.8
Pension Contributions	<u>(0.5)</u>	<u>(0.5)</u>
Operating cash flow	0.7	1.9
Capital Expenditures	<u>(0.4)</u>	<u>(0.4)</u>
Free cash flow*	0.3	1.5

* Non-GAAP measure. Definitions, reconciliations, and further disclosures regarding these non-GAAP measures are provided in the company's earnings press release dated April 23, 2008.

■ Outstanding Cash Generation

■ Balanced Cash Deployment

- Invested in organic growth (787, 747-8)
- Returned \$1.5B to shareholders via share repurchase (15.6 million shares, versus 4.0 million shares in 1Q07) and dividend (increased 14%)

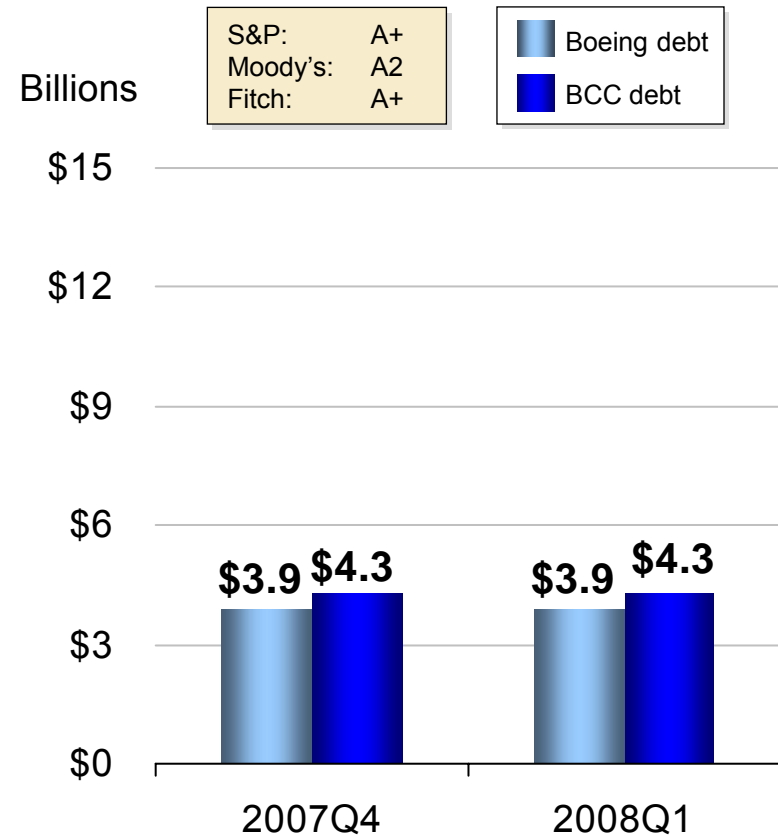
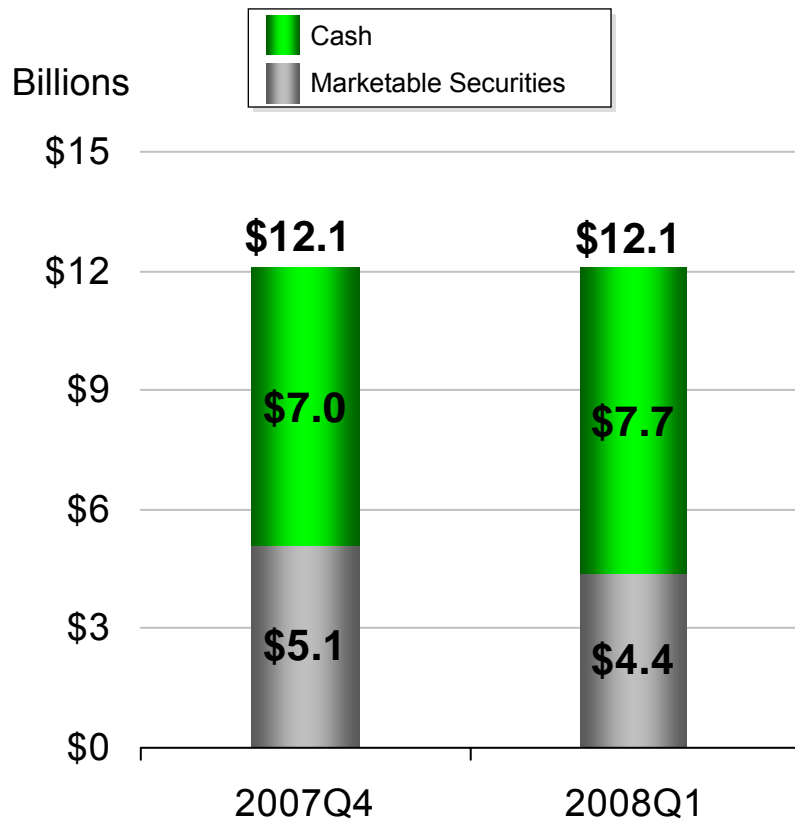
■ Pension Plan Strengthened

- Pension expense declining
- Contributed \$506 million to plans

Generated \$1.9 billion of operating cash flow

Cash and Debt Balances

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Outstanding liquidity... unchanged during the quarter

Financial Guidance

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	<u>2008</u>	<u>2009</u>
Revenues	\$67B - \$68B	\$72B - \$73B
Earnings Per Share	\$5.70 - \$5.85	\$6.80 - \$7.00
Operating Cash Flow	> \$2.5B	> \$6B

Forecasting strong growth

Forward-Looking Information Is Subject to Risk and Uncertainty

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Certain statements in this report may constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "intends," "plans," "projects," "believes," "estimates," and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements in this press release include, among others, statements regarding future results as a result of our growth and productivity initiatives, our 2008 and 2009 financial outlook and the benefits of the IDS structure. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. As a result, these statements speak only as of the date they were made and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Our actual results and future trends may differ materially depending on a variety of factors, including the continued operation, viability and growth of major airline customers and non-airline customers (such as the U.S. Government); adverse developments in the value of collateral securing customer and other financings; the occurrence of any significant collective bargaining labor dispute; our successful execution of internal performance plans including our company-wide growth and productivity initiatives, production rate increases and decreases (including any reduction in or termination of an aircraft product), availability of raw materials, acquisition and divestiture plans, and other cost-reduction and productivity efforts; charges from any future SFAS No. 142 review; ability to meet development, production and certification schedules for the 787 program and the ability to meet scheduled deliveries of the 787 airplane; technical or quality issues in development programs (affecting schedule and cost estimates) or in the satellite industry; an adverse development in rating agency credit ratings or assessments; the actual outcomes of certain pending sales campaigns and U.S. and foreign government procurement activities, including the uncertainty associated with the procurement of tankers by the U.S. Department of Defense (DoD) and funding of the C-17 program; the cyclical nature of some of our businesses; unanticipated financial market changes which may impact pension plan assumptions; domestic and international competition in the defense, space and commercial areas; continued integration of acquired businesses; performance issues with key suppliers, subcontractors and customers; significant disruption to air travel worldwide (including future terrorist attacks); global trade policies; worldwide political stability; domestic and international economic conditions; price escalation; the outcome of political and legal processes, changing priorities or reductions in the U.S. Government or foreign government defense and space budgets; termination of government or commercial contracts due to unilateral government or customer action or failure to perform; legal, financial and governmental risks related to international transactions; legal and investigatory proceedings; tax settlements with the IRS and various states; U.S. Air Force review of previously awarded contracts; costs associated with the exit of the Connexion by Boeing business; and other economic, political and technological risks and uncertainties. Additional information regarding these factors is contained in our SEC filings, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2007.

