

The \$25 billion aviation services market offers tremendous growth opportunities for Boeing. Acquisitions such as Aviall Inc., one of the world's largest providers of new aviation parts and related aftermarket services, leverage the strong and growing services units of both Boeing's commercial and military businesses.

### When we listen to and satisfy our customers, market success follows.

We won substantial new business this year by listening carefully to our customers and designing solutions to meet their needs. Building on that momentum, we are focusing even more intensely on our customers to deliver products and services that will make their businesses more efficient and profitable.

We continue to enhance responsiveness to customers' technical issues through disciplined productivity improvements. Since the Boeing Commercial Airplanes Operations Center opened in December 2005, on-time response to urgent in-service requests have improved from 73 to 94 percent. Our Apache rotor-blade team increased spare-parts production by approximately 70 percent, removing these parts from the U.S. government's critical spare requirements list. We applied Lean initiatives to our KC-10 thrust reverser modification production rate to reduce lost flight-hours and save the customer millions of dollars.

Boeing Capital Corporation supported the majority of Boeing commercial airplane sales campaigns and deliveries, with more than \$10 billion in financing commitments. At the request of several airline customers, we arranged financier round tables that provided detailed background on the airplane models customers selected; as a result, those customers obtained needed financing for these purchases.

### The global services market holds strong promise for growth.

We offer airlines, governments, and maintenance, repair and overhaul operators innovative tools and services that help them minimize risk, reduce costs and operate reliably. We signed 36 commercial customers to our Airplane Health Management, Maintenance Performance Toolbox and Electronic Flight Bag programs this year. Several new partners joined the global service team for GoldCare, our comprehensive life cycle management service developed for the 787 Dreamliner.

Key acquisitions will broaden our scope and enable us to offer new services and win new customers. These include Aviall, Inc., one of the world's largest providers of new aviation parts and services in the aerospace industry; Carmen Systems, a leading provider of crew-scheduling and disruption-management software for the world's airlines and railroads; and C-Map, a top provider of digital maritime cartography, data services and other navigational information.

We continue to move beyond merely supplying spares and repairs to providing readiness to the warfighter through integrated, network-centric performance-based logistics in such programs as C-17 Globemaster III Sustainment Partnership, F/A-18 Integrated Readiness Support and U.K. Chinook Through-Life Customer Support.



Serving Our Customers

