

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this report may constitute “forward-looking” statements within the meaning of the Private Litigation Reform Act of 1995. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. 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. Words such as “expects,” “intends,” “plans,” “projects,” “believes,” “estimates,” and similar expressions are used to identify these forward-looking statements. These include, among others, statements relating to:

- › the effect of economic downturns or growth in particular regions;
- › the adequacy of coverage, by allowance for losses, of risks related to our non-U.S. accounts receivable being payable in U.S. dollars;
- › the continued operation, viability and growth of Commercial Airplane revenues and successful execution of our backlog in this segment;
- › the timing and effects of decisions to complete or launch a Commercial Airplane program;
- › the ability to successfully develop and timely produce the 787 aircraft;
- › the effect of political and legal processes, changing priorities or reductions in the U.S. Government or international government defense and space budgets on our revenues from our Integrated Defense System business segments;
- › the effective negotiation of collective bargaining agreements;
- › the continuation of long-term trends in passenger revenue yields in the airline industry;
- › the effect of valuation decline of our aircraft;
- › the impact of airline bankruptcies on our revenues or operating results;
- › the continuation of historical costs for fleet support services;
- › the receipt of cost sharing payments for research and development;
- › the receipt of estimated award and incentive fees on U.S. Government contracts;
- › the future demand for commercial satellites and projections of future order flow;
- › the potential for technical or quality issues on development programs, including the Airborne Early Warning & Control program and other fixed price development programs, or in the commercial satellite industry to affect schedule and cost estimates or cause us to incur a material charge or experience a termination for default;
- › the outcome of any litigation and/or government investigation in which we are a party and other contingencies;
- › returns on pension fund assets, impacts of future interest rate changes on pension obligations and healthcare cost inflation trends;
- › the amounts and effects of underinsured operations including satellite launches;
- › the scope, nature or impact of acquisition or disposition activity, such as Aviall, and investment in any joint ventures including Sea Launch and United Launch Alliance, and indemnifications related thereto; and
- › the expected cash expenditures and charges associated with the exit of the Connexion by Boeing business.

This report includes important information as to these factors in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and in the Notes to our consolidated financial statements included herein.