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**MCDONNELL DOUGLAS REPORTS STRONG FIRST QUARTER EARNINGS --
ALL-TIME RECORD OPERATING PROFIT**

ST. LOUIS, April 18, 1996 -- McDonnell Douglas reported strong earnings for the first quarter of 1996 -- led by increased earnings in the military aircraft segment. Net earnings for the first quarter of 1996 were \$198 million, a 25 percent increase over the first quarter 1995 earnings of \$159 million. Per share first quarter 1996 earnings were \$1.78, a 29 percent increase over the \$1.38 per share in the 1995 first quarter.

Operating earnings for the first quarter of 1996 were \$347 million -- an all-time record quarter -- surpassing the \$293 million in the first quarter of 1995. Operating earnings were higher in the military, commercial aircraft, and financial services and other segments. The missiles, space and electronic systems segment operating earnings were flat compared to 1995's first quarter.

"Earnings from operations in this quarter were the best in the history of our company, beating the previous best quarter -- established just last year -- by over 10 percent. These results reflect the great strength of our existing product lines," said Harry Stonecipher, president and chief executive officer of McDonnell Douglas.

Total revenues for the first quarter of 1996 were \$3.2 billion, down from \$3.3 billion in the same period of 1995. A decrease in revenue in the commercial aircraft segment was largely offset by increases in each of the other segments.

Cash used by aerospace operations was just under \$50 million for the 1996 first quarter, prior to reductions of \$174 million used by McDonnell Douglas for repurchase of its common stock. Through March 31, 1996, McDonnell Douglas has acquired 9.2 million shares, or about 8 percent, of its common stock. The stock repurchase is part of a shareholder initiative program announced in the fourth quarter of 1994.

Operating earnings in the military aircraft segment in the 1996 first quarter were \$250 million -- a record first quarter -- exceeding the 1995 first quarter earnings of \$210 million by 19 percent. Improved earnings in the F/A-18 and C-17 programs led the way. C-17 earnings included award fees in the first quarter of 1996 and 1995. Profit margins in this segment exceeded 12 percent in the 1996 period, compared with just under 11 percent in the 1995 first quarter.

Revenues for the military aircraft segment in the first quarter of 1996 were \$2.0 billion, an increase of almost 6 percent over the \$1.9 billion in the same period of 1995. Several programs contributed to the increase, most notably the F/A-18 and C-17 programs and the remanufacturing phase associated with the Apache Longbow program.

Operating earnings in the missiles, space and electronic systems segment in the 1996 first quarter were \$58 million, compared with \$59 million in the 1995 first quarter. Profit margins in this segment were 9.5 percent in the first quarter of 1996, compared with 14.5 percent in the same period of 1995. Expenditures on the Delta III, a launch vehicle currently under development, and lower earnings on the Space Station program contributed to the reduced margins in 1996. The Delta II program recorded increased earnings in 1996 over the 1995 first quarter.

Revenues for the missiles, space and electronic systems segment in the first quarter of 1996 were \$608 million, compared with \$407 million in the same period of 1995. Higher revenue in the Delta II program, bolstered by four launches in the 1996 first quarter, accounted for the increase.

Operating earnings in the commercial aircraft segment in the 1996 first quarter were \$19 million, up from \$12 million in the first quarter of 1995. Earnings in the 1996 first quarter include recoveries from an insurance carrier related to environmental coverage at several sites.

Revenues for the commercial aircraft segment in the first quarter of 1996 were \$428 million, down from \$917 million in the first quarter of 1995. McDonnell Douglas delivered four MD-80 and three MD-90 twin jets and three MD-11 trijets in the 1996 first quarter, compared with six MD-80 and three MD-90 twin jets and four MD-11 trijets in the 1995 same period. Two of the MD-90 twin jet and two of the MD-11 trijet 1996 deliveries were accounted for as operating leases with minimal revenue recorded on such transactions at the time of delivery.

Decreased revenues in the first quarter of 1996 were attributable mainly to the types of transactions and, to a lesser extent, to lower number of aircraft deliveries.

McDonnell Douglas received net orders for four MD-90 twin jets and three MD-11 trijets in the first quarter of 1996. On March 31, 1996, McDonnell Douglas had firm orders for 20 MD-80 twin jets, 118 MD-90 twin jets, 50 MD-95 twin jets, and 21 MD-11 trijets.

Operating earnings in the financial services and other segment were \$20 million in the first quarter of 1996, compared with \$12 million in the same quarter in 1995. Revenues in this segment were \$87 million in the first quarter of 1996, an increase of \$10 million over the same period in 1995. The earnings improvement and revenues increase reflect the corporation's continued focus on growing this segment of its business.

Pension income totaled \$32 million in the 1996 first quarter, down from \$50 million in the first quarter of 1995. Increases announced in the second quarter of 1995 in pension benefits and a change in the actuarial interest assumption for the discount rate contributed to the 1996 reduction.

McDonnell Douglas had firm backlog of \$22.534 billion on March 31, 1996, compared with \$19.640 billion on Dec. 31, 1995. Total backlog was \$29.408 billion on March 31, 1996, compared with \$28.353 billion on Dec. 31, 1995. Substantially all of the increase in both firm and total backlog occurred in the military aircraft segment, led by the C-17 and Apache programs.

Total employment at McDonnell Douglas was 63,194 on March 31, 1996, down slightly from 63,612 on Dec. 31, 1995.

MCDONNELL DOUGLAS CORPORATION
CONSOLIDATED STATEMENT OF EARNINGS
(Amounts in millions, except per share data)

	Three Months Ended March 31	
	1996	1995
	-----	-----
	Unaudited	
Revenues	\$ 3,171	\$ 3,333
Costs and expenses:		
Cost of products, services and rentals	2,537	2,794
General and administrative expenses	169	156
Research and development	88	68
Interest expense:		
Aerospace segments	31	37
Financial services and other segment	30	27
	-----	-----
Total costs and expenses	2,855	3,082
	-----	-----
Earnings Before Income Taxes	316	251
Income taxes	118	92
	-----	-----
Net Earnings	\$ 198	\$ 159
	=====	=====
Earnings Per Share	\$ 1.78	\$ 1.38
	=====	=====
Dividends Declared Per Share	\$.24	\$.20
	=====	=====

MCDONNELL DOUGLAS CORPORATION
BUSINESS SEGMENT DATA
(Millions of dollars)

	Three Months Ended March 31	
	1996	1995
	-----	-----
	Unaudited	
Revenues		
Military aircraft	\$ 2,039	\$ 1,929

Commercial aircraft	428	917
Missiles, space and electronic systems	608	407
Financial services and other	87	77
	-----	-----
Operating revenues	3,162	3,330
Non-operating income	9	3
	-----	-----
Total Revenues	\$ 3,171	\$ 3,333
	=====	=====
Earnings (Losses)		
Military aircraft	\$ 250	\$ 210
Commercial aircraft	19	12
Missile, space and electronic systems	58	59
Financial services and other	20	12
	-----	-----
Operating earnings	347	293
Corporate and other	-	(5)
Interest expense	(31)	(37)
Income taxes	(118)	(92)
	-----	-----
Net Earnings	\$ 198	\$ 159
	=====	=====

Operating earnings of the financial services and other segment have been reduced by interest expense, an operating expense of that segment.

MCDONNELL DOUGLAS CORPORATION
BALANCE SHEET
(Millions of dollars)

McDonnell Douglas
Corporation and
Consolidated Subsidiaries

March 31 December 31
1996 1995

Unaudited

ASSETS

Cash and cash

equivalents	\$ 563	\$ 797
Accounts receivable	882	821
Finance receivables and property on lease	2,626	2,347
Contracts in process and inventories	3,579	3,421
Property, plant and equipment	1,468	1,471
Other assets	1,599	1,609
	-----	-----
TOTAL ASSETS	\$10,717	\$10,466
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 2,171	\$ 2,284
Accrued retiree benefits	\$ 1,182	\$ 1,205
Income taxes	103	3
Advances and billings in excess of related costs	1,164	1,147
Notes payable and long- term debt:		
Aerospace segments	1,234	1,251
Financial services and other segment	1,755	1,469
	-----	-----
	7,609	7,359
Minority Interest	67	66
Shareholders' Equity	3,041	3,041
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$10,717	\$10,466
	=====	=====

MDC Aerospace

March 31	December 31
1996	1995

Unaudited

ASSETS

Cash and cash equivalents	\$ 548	\$ 784
Accounts receivable	954	934
Finance receivables and property on lease	147	165
Contracts in process and inventories	3,579	3,421
Prepaid income taxes	217	315
Property, plant and equipment	1,404	1,358
Investment in Financial Services	344	331
Other assets	1,520	1,527
	-----	-----
TOTAL ASSETS	\$ 8,713	\$ 8,835
	=====	=====

LIABILITIES AND
SHAREHOLDERS' EQUITY

Liabilities:

Accounts payable and accrued expenses	\$ 2,083	\$ 2,183
Accrued retiree benefits	\$ 1,182	\$ 1,205
Advances and billings in excess of related costs	1,128	1,111
Notes payable and long-term debt:		
Aerospace segments	1,212	1,229
	-----	-----
	5,605	5,728
Minority Interest	67	66
Shareholders' Equity	3,041	3,041
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 8,713	\$ 8,835
	=====	=====

Financial Services

-----		-----
March 31		December 31
1996		1995
-----		-----

	Unaudited	
ASSETS		
Cash and cash equivalents	\$ 15	\$ 13
Accounts receivable	2	2
Finance receivables and property on lease	2,479	2,182
Property, plant and equipment	64	113
Other assets	79	82
	-----	-----
TOTAL ASSETS	\$ 2,639	\$ 2,392
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 162	\$ 216
Income taxes	320	318
Advances and billings in excess of related costs	36	36
Notes payable and long-term debt:		
Aerospace segments	22	22
Financial services and other segment	1,755	1,469
	-----	-----
	2,295	2,061
Shareholders' Equity	344	331
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,639	\$ 2,392
	=====	=====

As used on this page, "MDC Aerospace" represents the consolidation of McDonnell Douglas Corporation and its subsidiaries other than McDonnell Douglas Financial Services Corporation (MDFS) and McDonnell Douglas Realty Company (MDRC), which are presented on a one-line basis as Investment in Financial Services. "Financial Services" means MDFS and all of its affiliates and associated companies and MDRC. Transactions between MDC Aerospace and Financial Services have been eliminated from the "McDonnell Douglas Corporation and Consolidated Subsidiaries" columns.

MCDONNELL DOUGLAS CORPORATION
CAPITAL STRUCTURE

(Amounts in millions, except for ratios and deliveries)

March 31, 1996

Unaudited

	Aerospace Segments	Financial Services and Other Segment	Total
	-----	-----	-----
Debt	\$1,234	\$1,755	\$2,989
	=====	=====	=====
Equity	\$2,697	\$ 344	\$3,041
	-----	-----	-----
	\$3,931	\$2,099	\$6,030
	=====	=====	=====
Debt-to-equity ratio	.46	5.10	
	=====	=====	

December 31, 1995

	Aerospace Segments	Financial Services and Other Segment	Total
	-----	-----	-----
Debt	\$1,251	\$1,469	\$2,720
	=====	=====	=====
Equity	\$2,710	\$ 331	\$3,041
	=====	=====	=====
Debt-to-equity ratio	.46	4.44	
	=====	=====	

MCDONNELL DOUGLAS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Millions of dollars)

Three Months Ended
March 31

	1996	1995
	-----	-----
	Unaudited	
OPERATING ACTIVITIES		
Net earnings	\$ 198	\$ 159
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation and amortization	63	65
Pension income	(32)	(50)
Changes in other operating assets and liabilities	(217)	427
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	12	601
INVESTING ACTIVITIES		
Property, plant and equipment acquired	(51)	(42)
Finance receivables and property on lease	(295)	(95)
Proceeds from sale of assets	-	25
Other	26	9
	-----	-----
NET CASH USED BY INVESTING ACTIVITIES	(320)	(103)
FINANCING ACTIVITIES		
Net change in borrowings (maturities 90 days or less)	89	68
Debt having maturities more than 90 days		
New borrowings	262	137
Repayments	(82)	(88)
Minority interest	1	1
Common shares purchased	(174)	119)
Dividends paid	(22)	(22)
	-----	-----
NET CASH USED BY FINANCING ACTIVITIES	74	(23)
	-----	-----
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(234)	475
Cash and cash equivalents at beginning of year	797	421
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Cash and cash equivalents at end of
period

\$ 563

\$ 896

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