The CMO is our long-term forecast of global air travel, new airplane demand and commercial services.

Airplanes: $6.3T

Services: $8.8T

$15T

All jets >30 seats and freighters in commercial service

Services required to support the operation of commercial aviation.
Very strong market expected in 2018

- **4.3B** passengers carried
- **+7.0%** RPK growth
- ~**82%** load factor
- **+4.0%** FTK growth
- **3.2%** economic growth
- **$34B** net profit

*SOURCE: BCA Market Analysis with data from IATA, IHS Markit*
Why the CMO?

Shape
Our product strategy

Guide
Long-range business planning

Inform
Suppliers and airline customers
Airplane market trends

Balanced growth

Productivity and innovation

Replacement
Balanced growth driving market

5-year annualized traffic growth

- Advanced: 4.9%
- Emerging: 10.7%
- Global Average: 7.2%

Further balance between mature / emerging markets

Middle-class population expanding by 160 million per year

Synchronized global economic expansion

Share of aviation market

2007:
- 33%
- 67%

2017:
- 45%
- 55%
Dynamic innovation and productivity improvements

Stage lengths increasing across market segments

Record productivity stimulates growth

Network expansion accelerating, business models evolving

>2,000 new city pairs in past year
Increasing replacement needs

Aging fleets double in size over next 10 years

Increasing balance between replacement and growth

Efficient new products enhance innovation and productivity

Passenger and freighter airplanes turning 25 years old

SOURCES: Flightglobal Ascend Online database & BCA Analysis; excludes more than 750 SA and 150 TA airplanes that are older than 25 years
Resilient, growing market expected to continue

5% long-term growth rate

RPKs (trillions)


RPKs = Revenue Passenger Kilometers
SOURCE: ICAO scheduled traffic / 2017E/2018F IATA December 2017
20-year forecast: Continued long-term growth

<table>
<thead>
<tr>
<th>Category</th>
<th>Average Annual Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>World economy (GDP)</td>
<td>2.8%</td>
</tr>
<tr>
<td>Commercial services ($)</td>
<td>4.2%</td>
</tr>
<tr>
<td>Cargo traffic (RTK)</td>
<td>4.2%</td>
</tr>
<tr>
<td>Passenger traffic (RPK)</td>
<td>4.7%</td>
</tr>
</tbody>
</table>
Airlines will need 42,700 new airplanes valued at $6.3 trillion
Fleet will double, composition to shift

Fleet growth rate = 3.5%

24,140 Growth 56%

18,590 Replacement 44%

5,810 Retained fleet

24,400 2017

42,730 2037

50,000

40,000

30,000

20,000

10,000

0

2017

2037

24,540

48,540

Farnborough International Airshow 2018

SOURCE: Fleet Analyzer & Boeing CMO
Emerging markets are driving economic growth

<table>
<thead>
<tr>
<th>Region</th>
<th>GDP Growth 2017–2037 Annual Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>3.9</td>
</tr>
<tr>
<td>Middle East</td>
<td>3.5</td>
</tr>
<tr>
<td>Africa</td>
<td>3.3</td>
</tr>
<tr>
<td>Latin America</td>
<td>3.0</td>
</tr>
<tr>
<td>World</td>
<td>2.8</td>
</tr>
<tr>
<td>North America</td>
<td>2.0</td>
</tr>
<tr>
<td>Russia &amp; Central Asia</td>
<td>2.0</td>
</tr>
<tr>
<td>Europe</td>
<td>1.7</td>
</tr>
</tbody>
</table>

SOURCE: IHS Economics 2017 – 2037 annual GDP growth
Air travel growth varies by market

*World GDP Growth: 2.8%

*World Traffic Growth: 4.7%

*Does NOT include travel within China
Asia Pacific responsible for 40% of future airplane demand

New airplane deliveries by region

<table>
<thead>
<tr>
<th>Region</th>
<th>2018 - 2037 Airplanes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>16,930</td>
</tr>
<tr>
<td>North America</td>
<td>8,800</td>
</tr>
<tr>
<td>Europe</td>
<td>8,490</td>
</tr>
<tr>
<td>Middle East</td>
<td>2,990</td>
</tr>
<tr>
<td>Latin America</td>
<td>3,040</td>
</tr>
<tr>
<td>Russia &amp; Central Asia</td>
<td>1,290</td>
</tr>
<tr>
<td>Africa</td>
<td>1,190</td>
</tr>
<tr>
<td>World Total</td>
<td>42,700</td>
</tr>
</tbody>
</table>

Market values by region

<table>
<thead>
<tr>
<th>Region</th>
<th>2018 - 2037 Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>$2,670B</td>
</tr>
<tr>
<td>North America</td>
<td>$1,100B</td>
</tr>
<tr>
<td>Europe</td>
<td>$1,240B</td>
</tr>
<tr>
<td>Middle East</td>
<td>$660B</td>
</tr>
<tr>
<td>Latin America</td>
<td>$360B</td>
</tr>
<tr>
<td>Russia &amp; Central Asia</td>
<td>$150B</td>
</tr>
<tr>
<td>Africa</td>
<td>$170B</td>
</tr>
<tr>
<td>World Total</td>
<td>$6,350B</td>
</tr>
</tbody>
</table>
World air cargo traffic growth back to long-term trend

RTKs (billions)


RTKs = Revenue Tonne Kilometers
SOURCES: ICAO scheduled traffic / 2017E/2018F IATA December 2017
New freighter deliveries will be led by demand for large widebodies
Freighter demand – 980 new, 1,670 converted
Services market trends

Airline business models

Big data and analytics

New technologies and innovations
Services market trends

Airline business models

Big data and analytics

New technologies and innovations

LCC weekly seats (millions)

% e-enabled aircraft

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Commercial aviation will demand $8.8 trillion in services over 20 years
Emerging customer needs drive our products and services
Things to remember

$15T market for airplanes and services over next 20 years
Single-aisle market is fastest growing
Widebody fleet will more than double
Only Boeing offers a complete family of freighter solutions
Services is a dynamic business with tremendous opportunity for growth