



The Boeing Company

History

- Founded in 1916 in Puget Sound, Washington
- Became the world's largest producer of commercial jetliners
- Undertook a series of strategic acquisitions to broaden its portfolio that included McDonnell Douglas, the space and defense business of Rockwell Intl., and Hughes Space & Communications, among others
- Today positioned as a broad, balanced and global enterprise defining the future of aerospace

Company's heritage mirrors the history of flight

What We Do Today

- Manufacture commercial jetliners
 - World's largest manufacturer of commercial aircraft
- Focus on airline passengers' experience, safety and security
- Produce defense platforms
 - World's largest manufacturer of military aircraft
- Provide satellites and launch vehicles
 - World's largest provider of commercial and military satellites; leading rocket manufacturer; and NASA's largest contractor
- Integrate large-scale systems
- Offer full-service financing with a focus on Boeing customers
- Develop advanced technology projects that are defining the future of aerospace

As a company we connect and protect people

Operating Philosophy

**Run Healthy
Core Business**

**Leverage
Strengths Into
New Products
and Services**

**Open
New Frontiers**

Actively seeking growth opportunities

Global Scope

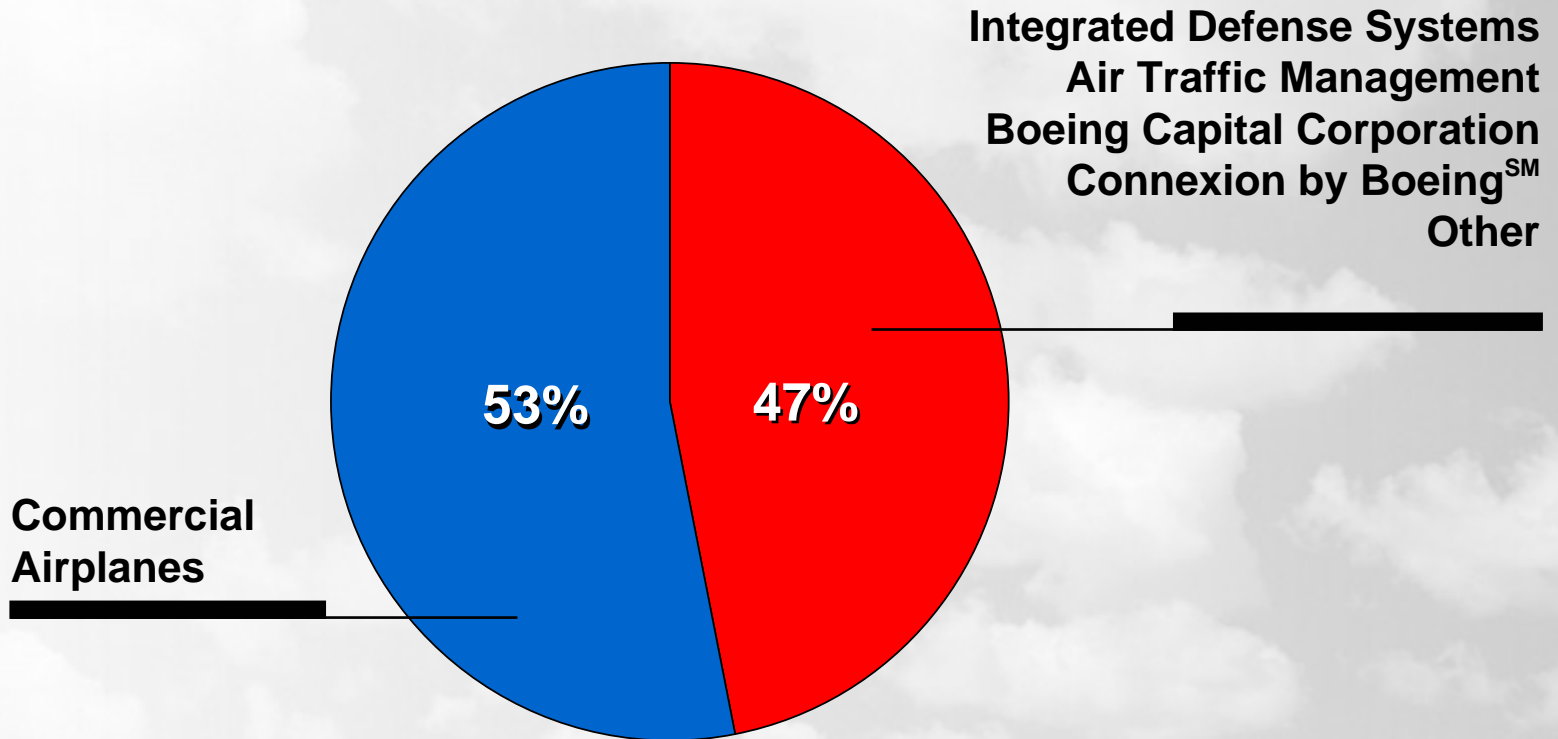
- 2002 sales were \$54.1 billion from customers in 145 countries
 - International sales are more than 33 percent
- More than 156,000 employees in 38 states in the U.S. and 70 countries
- Nearly 11,350 suppliers in 66 countries
- Research, design and technology development centers and programs in multiple countries
- Manufacturing partnerships with companies around the world

● Office Locations

Companies that change and adapt in a rapidly changing global economy will survive, grow and prosper

Revenue by Market Segment

Year-end 2002



Total = \$54.1 billion

Company Leadership

Office of the Chairman



President and Chief Executive Officer
Harry Stonecipher



Non-executive Chairman
Lewis Platt

Business Unit Leaders



Executive Vice President
President and CEO,
Integrated Defense Systems
Jim Albaugh



Senior Vice President
President,
Connexion by BoeingSM
Scott Carson



Senior Vice President
President,
Air Traffic Management
John Hayhurst



President,
Phantom Works
Bob Krieger



Executive Vice President
President and CEO,
Commercial Airplanes
Alan Mulally



President,
Boeing Capital Corporation
Walt Skowronski



President,
Shared Services Group
Rick Stephens

Functional Leaders



Senior Vice President,
Chief Legal Counsel
Doug Bain



Senior Vice President,
Washington, D.C. Operations
Rudy de Leon



Executive Vice President,
Chief People and
Administration Officer
Laurette Koellner



Senior Vice President,
Communications
Tod Hullin



Senior Vice President,
International Relations
Tom Pickering



Chief Financial Officer
James Bell



Senior Vice President,
Chief Technology Officer
James Jamieson

Company Culture

- Boeing's strength and competitive advantage comes from its employees
- The company strives for continuous quality improvement and invests in the workforce through its benefits programs and by encouraging a balanced work/life culture
- One such program is Boeing's Lifelong Learning program, which facilitates advance learning and career development opportunities for employees at all levels
 - Every 24 hours, approximately 12,000 employees attend leadership programs, higher education courses and other business related workshops
 - In 2002, nearly 23,000 employees participated in the Learning Together program and earned more than 1,500 degrees. The company pays 100 percent of tuition cost for higher education

**People working together as a global enterprise for
aerospace leadership: Vision 2016**



Corporate Citizenship

- Boeing is committed to improve the quality of life in the communities where it does business
- Elements of citizenship include cash donations, in-kind services and employee involvement
- Last year, Boeing employees volunteered more than 250,000 hours, equal to \$3.8 million in free labor given to the community

Corporate citizenship is a key value of Boeing and an integral part of the way it does business



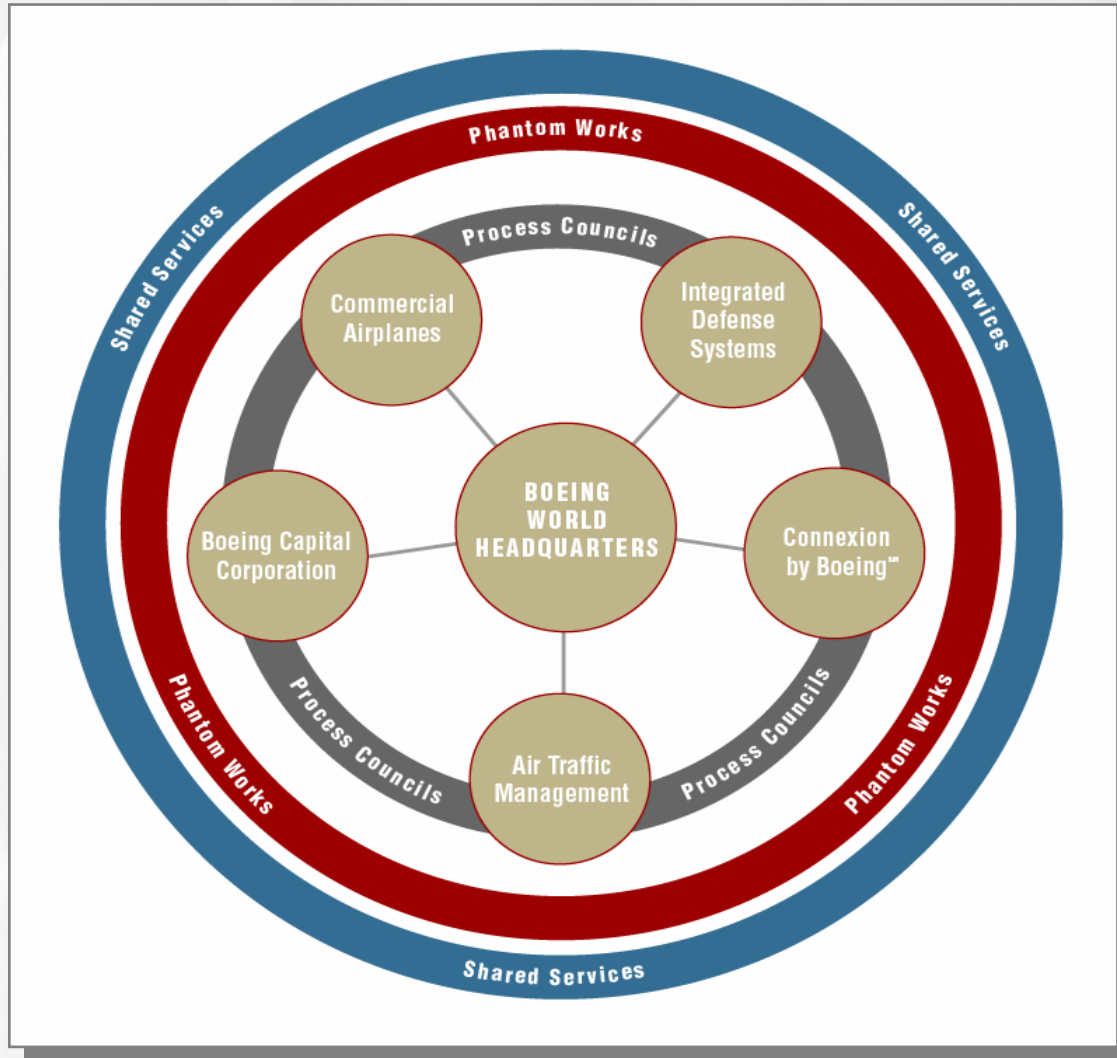
Boeing Leadership Center

- State-of-the-art campus providing continuous learning opportunities
- Integrated business and leadership curriculum
- Supports company-wide integration and strategic alignment



15,000 graduates since 1999

Business Units



World Headquarters

Focused On:

- Global growth strategies
- Financial goals and performance
- Sharing best practices and technologies across businesses



Long-term growth and value creation

Air Traffic Management

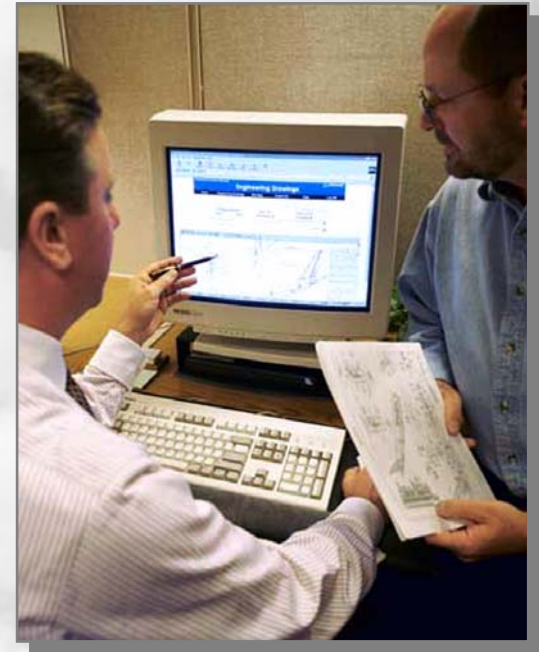
- Formed in late 2000 to increase the efficiency, safety and capacity of the air transportation system
- Developing a secure, globally integrated system that will link all elements of the air transportation system into one common network to provide real-time information to all users
- Collaborating with governments, business communities and private organizations throughout the world



Working together to transform air traffic management

Boeing Capital Corporation

- A global provider of financial solutions
- Focused on assets that are critical to the core operations of its customers
- Customers include: companies and governments that are acquiring Boeing products and services, companies seeking creative, competitive financing for other capital equipment
- Portfolio of more than \$11.7 billion



Providing premier financial services and solutions

Connexion by BoeingSM

- Formed in April of 2000 to develop technologies that can provide high-speed broadband data communications to air travelers
- Enables broadband access to the Internet, Company Intranets, entertainment and television
- Customers include air travelers, airlines and executive aircraft operators, including those in government and the private sector
- Airline service demonstrations have begun on limited trans-Atlantic routes, with commercial service commencing in 2004



A new avenue of growth in emerging markets

Shared Services Group

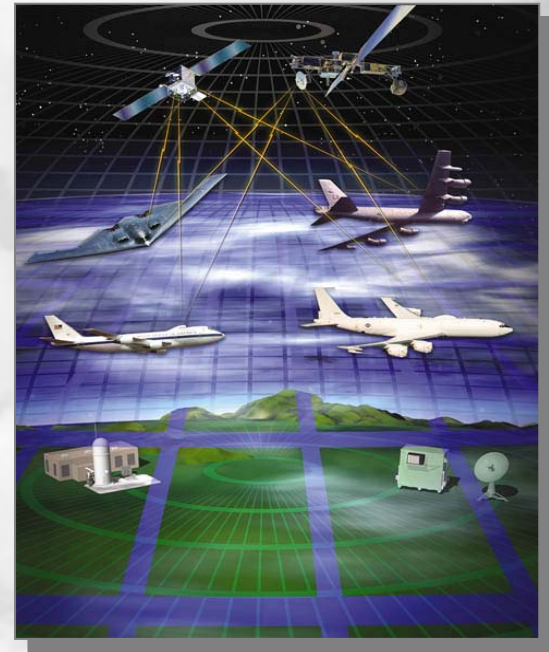
- Provides infrastructure services and support to the company's business units worldwide
 - More than 100 kinds of services including computer networking operations, real estate and facilities services, benefits, security, training, etc.
- Employs common processes and services throughout the enterprise
- Leverages economy-of-scale opportunities to deliver bottom-line results



Common services provided in an innovative and cost-effective manner

Integrated Defense Systems

- Formed in 2002 with the integration of Boeing's defense, space, intelligence and communications capabilities into one single unit
- A \$25 billion business with more than 76,000 employees
- Capabilities include the development and advancement of defense, intelligence, communications and space-based platforms, and an emphasis on network-centric solutions
- Customers include military, commercial and governments worldwide



Inventing the future

Boeing Phantom Works

- Company's advanced research and development unit
- Integrates its developed technology and knowledge throughout the company
- Headquartered in St. Louis but operates as a virtual department with approximately 4,500 engineers working together enterprise wide
- Currently there are more than 500 advanced research and development projects in process



The catalyst of innovation

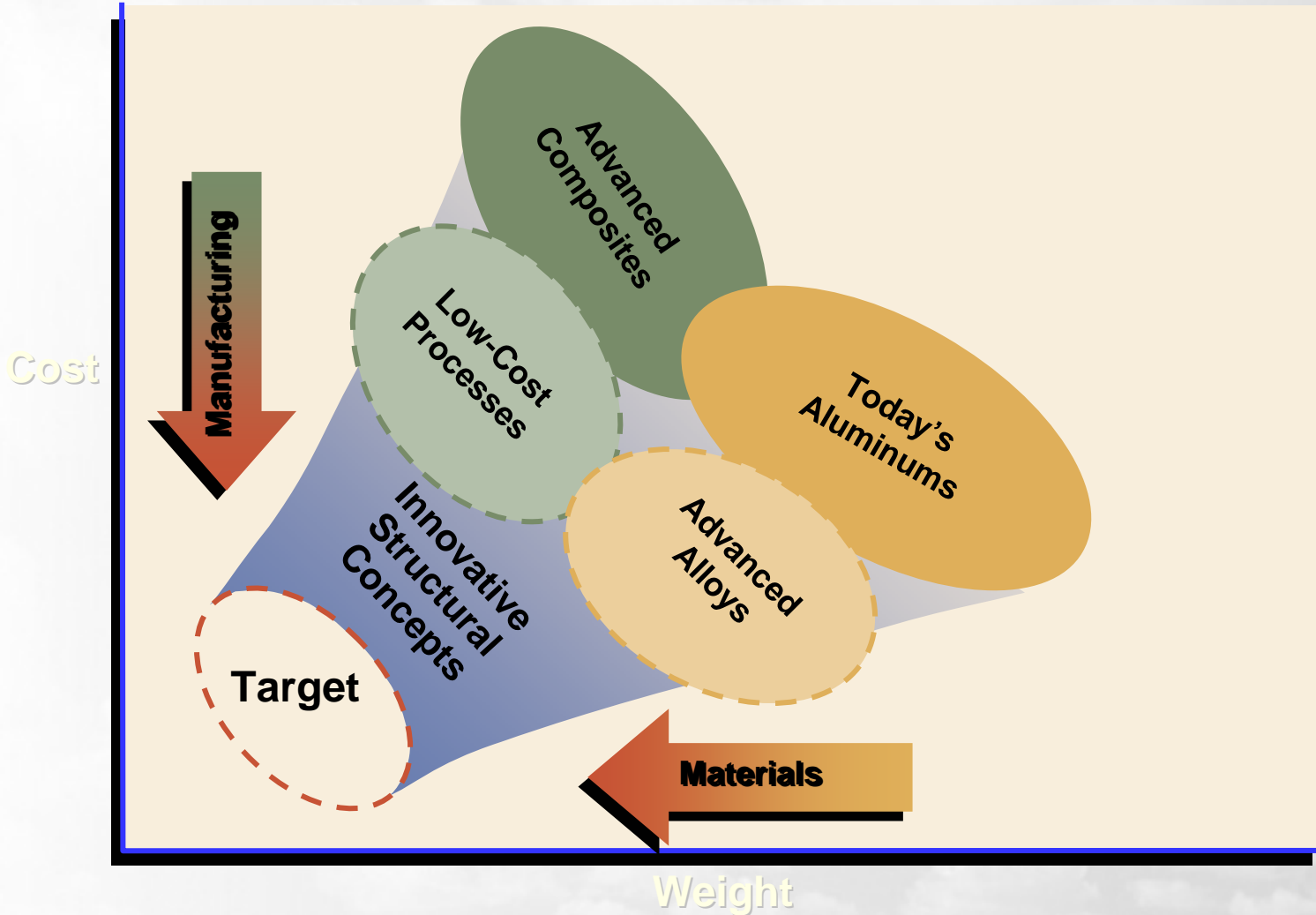
Boeing Commercial Airplanes Group

- Headquartered in Puget Sound, Wash., BCA generated 2002 revenues of \$28 billion
- Offers a broad portfolio of airplanes and aviation services for its passenger and freighter airline customers worldwide
- Boeing airplanes represents three quarters of the world's fleet with more than 11,700 jetliners in service
- Approximately seven out of every 10 BCA deliveries go to customers outside of the U.S.



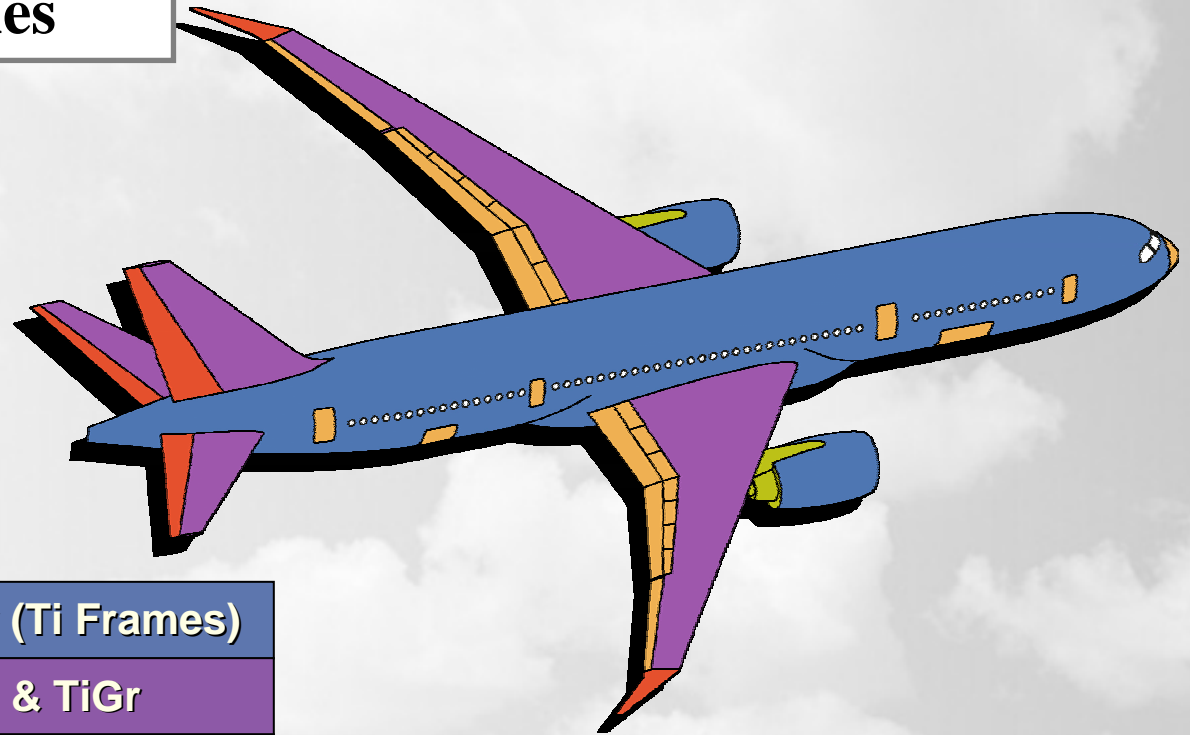
The industry's source for customer-focused solutions

Advanced Materials for Best Value



Advanced Composite Materials

Concept Trade Studies



Toughened Carbon/Epoxy (Ti Frames)

Toughened Carbon/Epoxy & TiGr

Carbon/Epoxy

Carbon Honeycomb

Fiberglass Honeycomb

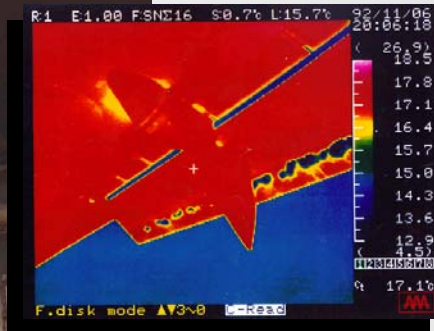
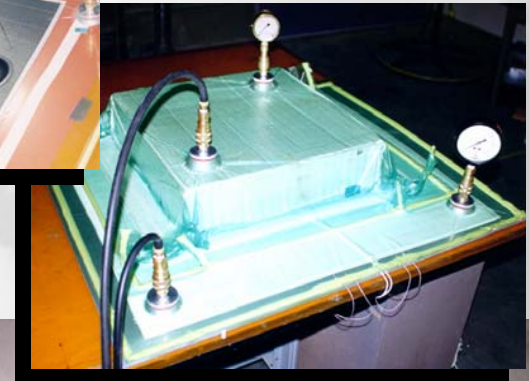
Advanced Materials Development Underway

- Lighter
- Lower cost
- Reduced maintenance and repair



Composites Repair Technologies

- Reduced lifecycle costs
 - Standard, low cost repairs
- Increased availability
 - Improved inspection techniques
 - Rapid field repairs



Rapid In-Service Inspection

Improved Bonded Repair Processes

Please visit our web site www.boeing.com

