



THE BOEING CO.
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Aerospace Organization/Products:

Air Traffic Management (Seattle, WA, and Washington, DC, both USA):

Air traffic system development using a network-enabled approach to better integrate people and systems, provide a common information network and facilitate more collaborative decision making.

Boeing Business Jet (Seattle, WA, USA):

Manufactures a derivative of the 737 aircraft as a business jet.

Boeing Commercial Airplanes (Renton, WA, USA):

717 Div. (Long Beach, CA, USA): Boeing 717 (119 delivered through 6/03). **777 Div.** (Everett, WA, USA): Boeing 777 (443 delivered through 6/03). Recent historical programs include DC-9 (976 delivered), DC-10 (446 delivered), MD-11 (200 delivered), MD-80 (1,191 delivered), MD-90 (116 delivered). **Everett Div.** (Everett, WA, USA): Assembles Boeing 747 (1,329 delivered through 6/03), Boeing 767 (908 delivered through 6/03). **Fabrication Div.** (Auburn, WA, USA): Components manufacturing. **Material Div.** (Everett, WA, USA): Supplies subcontracted components. **Renton Div.** (Renton, WA, USA): Assembles Boeing 737 (4,464 delivered through 6/03), Boeing 757 (1,031 delivered through 6/03). **Wichita Div.** (Wichita, KS, USA): Components manufacturing and engineering.

Boeing Integrated Defense Systems (St. Louis, MO, USA):

Combines weapons and aircraft capabilities, intelligence and surveillance systems, communications architectures and extensive large-scale integration expertise across its nine customer-facing business units. Works to understand the enduring needs of customers and provide value-added solutions to meet their requirements. Uses existing and emerging technologies to improve the capabilities of existing products and deliver new solutions. Focuses on seven market areas: Integrated Battlespace; Launch and Orbital Systems; Missile Defense; Mobility; Homeland Security; Precision Engagement; and Sustainment. Some of the nine customer-facing business units include the Strategic Architecture and Integrated Defense Advance Systems (IdeAS) organizations. Strategic Architecture provides architecture vision, capability development and demonstration, consistent implementation for customers, and markets of network application for Integrated Defense Systems and other Boeing markets. IdeAS develops new ideas and identifies new capabilities for future market needs. **Aerospace Support** (St. Louis, MO, USA): Develops and delivers products and services to reduce life-cycle costs and increase the effectiveness of aircraft and missile systems. Support portfolio includes training and support systems; logistics engineering and support; and performance-enhancing upgrade, modification and maintenance programs. Split into six segments, Aerospace Support provides: Maintenance and Modifications; Modernization and Upgrades; Spares and Technical Data; Contractor Logistics Support and Services; Training Systems and Services; Life Cycle Customer Support.

Air Force Systems (Long Beach, CA, USA): Provides products and services to global Air Force customers such as fighters, bombers, airlifters, unmanned launch vehicles, tankers and unmanned aircraft, weapon systems, strategic systems, military satellites and space launch systems. Key programs include: 737 Airborne Early Warning and Control (AEW&C); C-17 Globemaster 3; Delta family of launch vehicles; F-15E Strike Eagle; Global Positioning System; Joint Direct Attack Munition (JDAM); Wideband Gapfiller Satellite. **Boeing Army Systems** (Newton Square, PA, USA): Integrates warfighters, sensors, platforms, weapon systems and communications, command and control, into a networked distributed combat force. Produces rotorcraft and future weapon systems programs. Key programs include: Apache Longbow; Chinook; Comanche; Common Missile; Future Combat System (FCS); Joint Tactical Radar System (JTRS) Cluster 1. **Homeland Security and Services** (Seal Beach, CA, USA): Provides airport security programs involv-

Employment: 159,000

Officers:

Office of the Chairman: Non-Executive Chairman Lewis E. Platt; **President and CEO** Harry Stonecipher; **Exec. VP & Chief People and Administrative Officer** Laurette T. Koellner; **Acting CFO** James Bell. **Others:** **Exec. VP, President & CEO, Integrated Defense Systems** James F. Albaugh; **Sr. VP & President, Connexion by Boeing** Scott E. Carson; **Sr. VP, Washington DC Operations** Rudy F. de Leon; **Sr. VP & President, Air Traffic Management** John B. Hayhurst; **President, Phantom Works** Robert J. Kreiger; **Exec. VP, President & CEO, Boeing Commercial Airplanes** Alan R. Mulally; **Sr. VP & President, Boeing Capital Corp.** James F. Palmer; **Sr. VP & President, Shared Services Group** Bonnie W. Soodik

ing the installation of explosive detection systems, network-centric communications and information services, Internet and cyber encryption services, and ensures continuous and safe flow of commerce and people. Provides customers with Airport Security Programs; Network Centric Communications & Information Services (NCC&IS); Support Operations. **Missile Defense** (Washington, DC, and Huntsville, AL, both USA): Provides integrated missile defense solutions for all phases of ballistic missile threats including boost, midcourse and terminal. Involved in the development of several key advanced missile defense technologies and systems, and provides established products and services to its customers. Key programs include: Airborne Laser and Advanced Tactical Laser; Ground-Based Midcourse Defense (GMD); Patriot Advanced Capability-3 Missile; Arrow; Avenger; Divert and Attitude Control System. **NASA Systems** (St. Louis, MO, USA): Supports the design, development, construction and operation of the space shuttle and International Space Station. Programs include payload ground operations (Kennedy Space Center, FL, USA) and United Space Alliance, a joint venture, based in Houston, TX. Also developing an orbital space plane. Key programs include: Advanced Propulsion Systems, Checkout, Assembly and Payload Processing Services (CAPPS); Future Systems; International Space Station (ISS); Orbital Space Plane (OSP); RS-27A engine; RS-68 engine; Space Shuttle; Space Shuttle Main Engine. **Naval Systems** (St. Louis, MO, USA): Provides advanced combat aircraft and exploration, naval aircraft and weapons, navy satellites, network-centric systems, and ship/submarine systems. Key programs include: F/A-18E/F Super Hornet; Harpoon Block 2; Standoff Land Attack Missile (SLAM-ER); V-22 Osprey; Multi-Mission Maritime Aircraft. **Sea Launch** (Long Beach, CA, USA): The Sea Launch Zenit-3SL provides heavy lift launch services up to 6,000 kg. (13,200 lb.) for commercial satellite customers and is sold commercially through Boeing Launch Services. **Space & Intelligence Systems:** Provides system solutions for national security and space. Large-scale systems integration; intelligence, surveillance and reconnaissance systems; communication systems; network systems; satellite systems; and protection and security systems. Offers end-to-end intelligence services such as collection, exploitation, communication, and the creation of fused knowledge products for all customers. Major programs include: Boeing 601 satellite; Boeing 702 satellite; Future Imagery Architecture.

Connexion by Boeing (Seattle, WA, USA):

Provides high-speed, inflight Internet services.

Phantom Works (St. Louis, MO, USA):

Utilizes advanced research and development to provide Boeing business units with customer service support.

Subsidiaries:

Autometric, **Boeing Australia Ltd.**, **Boeing Realty**, **Boeing Travel Management Company**. Commercial Airplane Subsidiaries: **Aeroinfo Systems**, **Airspace Safety Analysis Corporation**, **Alteon Training**, **Continental Datagraphics**, **Jeppesen Sanderson**, **SBS International**, **Preston Aviation Solutions**.

Joint Ventures:

Aviation Partners Boeing, partner: Aviation Partners Inc. (USA). **Aviation Training International**, partner: GKN Westland (UK). **Exostar**, partners: BAE Systems (UK), Lockheed Martin (USA), Raytheon (USA), Rolls-Royce (UK). **Sea Launch**, partners: Kvaerner (Norway), RSC Energia (Russia), Yuzhmash/Yuzhoyne (Ukraine). **United Space Alliance**, partner: Lockheed Martin (USA).

FINANCIALS (\$ MILLIONS):

	2001	2002	% Change
Operating Revenues	58,198	54,069	(7%)
Operating Expenses	54,302	50,201	(7%)
Net Profits	2,827	2,319	(18%)
Debt to Equity Ratio	113%	42%	(63%)