Boeing Updates Jetliner Production Status

The Boeing Company provided an update today on jetliner production status, reporting new monthly and quarterly delivery records.

Boeing delivered 61 commercial airplanes in June, the highest number ever since the merger. Deliveries included 16 737 Classics; 17 Next-Generation 737s; two 747s; five 757s; five 767s; eight 777s, six MD-80/-90s; and two MD-11s.

For the second quarter, Boeing delivered 139 airplanes, another record. For the first half of the year, Boeing delivered a total of 247 airplanes.

"I would like to take this opportunity to publicly thank our employees who have been working long and hard to make this possible," said Ron Woodard, president-Boeing Commercial Airplane Group. "They've put forth a terrific effort under challenging conditions, and these record deliveries are proof of what they've accomplished."

Following is a table showing the status of completed airplanes by quarter:

	4th qtr 1997	1st qtr 1998	2nd qtr 1998
Built	115	114	148
Delivered	102	108	139
Storage	8	13	19

(Note: "Built" includes flight-test airplanes; storage is a cumulative number.)

The 19 commercial airplanes in storage include nine 737 Classics; five 747s; one 767; one 777; and three MD-90s. Boeing expects to deliver the majority of these by year-end.

"We are making progress on deliveries and stabilizing production," Woodard said. "Our main issues now are production efficiencies, getting ready for the next rate increase on the Next-Generation 737 and working aggressively to reduce our overall cost structure."

Boeing plans to deliver approximately 550 airplanes this year.

FORWARD-LOOKING INFORMATION IS SUBJECT TO RISK AND UNCERTAINTY

Certain statements in the financial discussion and analysis by management contain "forward-looking" information that involves risk and uncertainty, including projections for deliveries, sales, research and development expense and other trend projections. Actual future results and trends may differ materially depending on a variety of factors, including the Company's successful execution of internal performance plans; future integration of McDonnell Douglas Corporation; product-performance risk associated with regulatory certifications of the Company's commercial aircraft by the U.S. Government and foreign governments; other regulatory uncertainties; collective-bargaining labor disputes; performance issues with key suppliers and subcontractors; government export and import policies; factors that result in significant prolonged disruption to air travel worldwide; global trade policies; worldwide political stability and economic growth; changing priorities or reductions in the U.S. Government defense and space budgets; termination of government contracts due to unilateral government action or failure to perform; and legal proceedings.