Boeing Reschedules Initial 787 Deliveries and First Flight

Financial impact not material to earnings

Earnings guidance unchanged for 2007 and 2008

The Boeing Company [NYSE:BA] today announced a six-month delay in its planned initial deliveries of the 787 Dreamliner due to continued challenges completing assembly of the first airplanes.

Deliveries of the strong-selling Dreamliner are now slated to begin in late November or December 2008, versus an original target of May 2008. First flight is now anticipated around the end of first quarter 2008.

The company said the financial impact of the delay would not be material to earnings and that its earnings guidance for 2007 and 2008 remained unchanged.

"We are disappointed over the schedule changes that we are announcing today," said Boeing Chairman, President and Chief Executive Officer Jim McNerney. "Notwithstanding the challenges that we are experiencing in bringing forward this game-changing product, we remain confident in the design of the 787, and in the fundamental innovation and technologies that underpin it."

Early last month, Boeing announced a delay in the planned first flight of the 787 citing ongoing challenges with out-of-sequence production work, including parts shortages, and remaining software and systems integration activities. The company also acknowledged increasing risk to the delivery schedule, indicating that the margin to accommodate unexpected issues had been eliminated. The newly revised schedule for first flight and first delivery addresses the production challenges and restores margin for the program to deal with issues that may be uncovered in final ground or flight testing. Boeing also said today that flight control software and systems integration activities are not pacing items in the revised schedule for first flight.

"While we have made some progress over the past several weeks completing work on our early production airplanes and improving parts availability across the production system, the pace of that progress has not been sufficient to support our previous plans for first delivery or first flight," said Scott Carson, president and CEO of Boeing Commercial Airplanes. "We deeply regret the impact these delays will have on our customers, and we are committed to working with them to minimize any disruption to their plans.

"The most important commitment we've made to our customers is to deliver an airplane that performs to their expectations over the long life of the program. These changes to our schedule will help ensure we do just that," Carson said.

The company will hold a conference call to discuss the 787 schedule changes today at 12:30 p.m. Central Time, which will be accessible at the company's website.

Boeing will provide its next quarterly financial performance update as planned on October 24.

Forward-Looking Information is Subject to Risk and Uncertainty

Certain statements in this report may constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "intends," "plans," "projects," "believes," "estimates," and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements in this press release include, among others, statements regarding future results as a result of our growth and productivity initiatives, our 2007 and 2008 financial outlook and the benefits of the IDS structure. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. As a result, these statements speak only as of the date they were made and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Our actual results and future trends may differ materially depending on a variety of factors, including the continued operation, viability and growth of major airline customers and non-airline customers (such as the U.S. Government); adverse developments in the value of collateral securing customer and other financings; the occurrence of any significant collective bargaining labor dispute; our successful execution of internal performance plans including our company-wide growth and productivity initiatives, production rate increases and decreases (including any reduction in or termination of an aircraft product), availability of raw materials, acquisition and divestiture plans, and other cost-reduction and productivity efforts; charges from any future SFAS No. 142 review; ability to meet development, production and certification schedules for the 787 program and the ability to meet scheduled deliveries of the 787 airplane; technical or quality issues in development programs (affecting schedule and cost estimates) or in the satellite industry; an adverse development in rating agency credit ratings or assessments; the actual outcomes of certain pending sales campaigns and U.S. and foreign government procurement activities,

including the uncertainty associated with the procurement of tankers by the U.S. Department of Defense (DoD) and funding of the C-17 program; the cyclical nature of some of our businesses; unanticipated financial market changes which may impact pension plan assumptions; domestic and international competition in the defense, space and commercial areas; continued integration of acquired businesses; performance issues with key suppliers, subcontractors and customers; significant disruption to air travel worldwide (including future terrorist attacks); global trade policies; worldwide political stability; domestic and international economic conditions; price escalation; the outcome of political and legal processes, changing priorities or reductions in the U.S. Government or foreign government defense and space budgets; termination of government or commercial contracts due to unilateral government or customer action or failure to perform; legal, financial and governmental risks related to international transactions; legal and investigatory proceedings; tax settlements with the IRS and various states; U.S. Air Force review of previously awarded contracts; costs associated with the exit of the Connexion by Boeing business; and other economic, political and technological risks and uncertainties. Additional information regarding these factors is contained in our SEC filings, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2006 and our Quarterly Report on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007.

###

For further information:
Yvonne Leach
Communications
office: (206) 854-5027
Todd Blecher
Communications
office: (312) 544-2002
Dave Dohnalek
Investor Relations
office: (312) 544-2140
Rob Young
Investor Relations
office: (312) 544-2140