

Audience

Boeing | Enterprise Working Capital

Meeting: EXCO

Key Decision Maker: Dennis Muilenburg

Audience: EXCO

Location: OKC

MBTI Type: Mixed



Working Capital Update

Dan Winston, Director – Enterprise Working Capital
EXCO Review
October 7, 2015

Executive Summary

- **Purpose:**
 - Update on Working Capital improvements
- **Value Proposition:**
 - Improving operational efficiency
 - Cultural change has started
 - Potential 25% - 30% increase in stock price
- **Action:**
 - Flow down of recommended communication message

Agenda

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- Working Capital Status
- Metrics
- Next Actions

Working Capital Status

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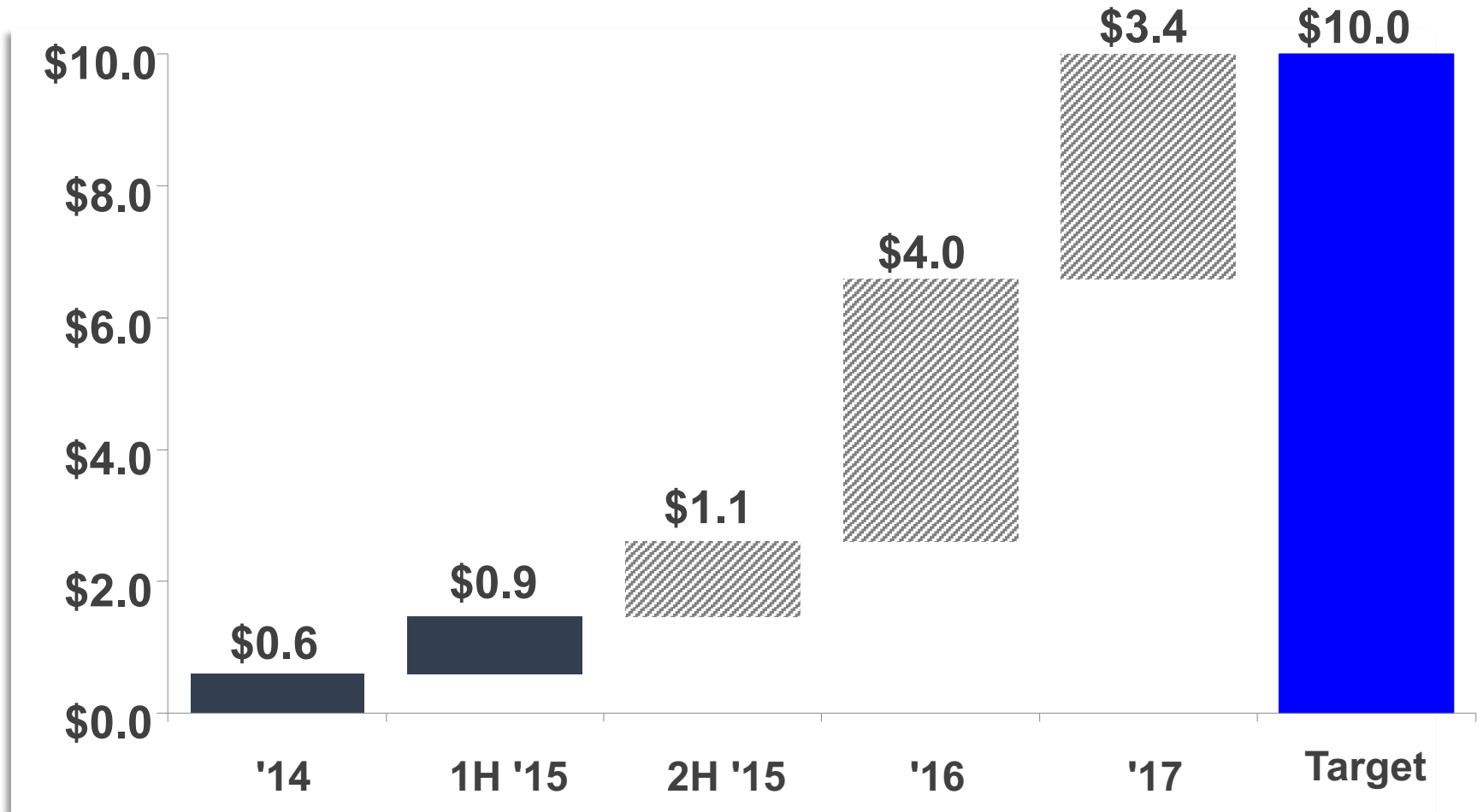
- 2015 target - \$2.0B improvement
- Procure to Pay – Enhancing and Sustaining
- Inventory Management – Accelerating Pace
- Communication strategy in place

Accelerating financial benefit... driving working capital culture

Working Capital Status

\$ in Billions

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\$10B Improvement over 3 Years

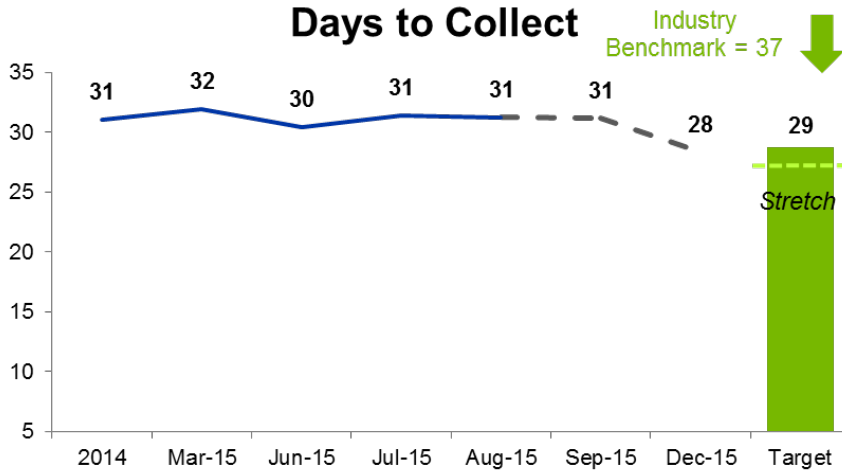
Agenda

- Working Capital Status
- Metrics
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TBC | Working Capital Metrics

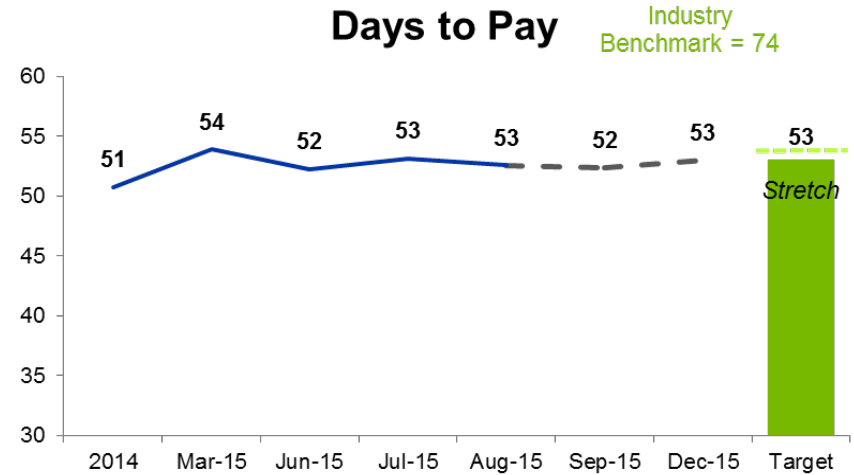
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Days to Collect



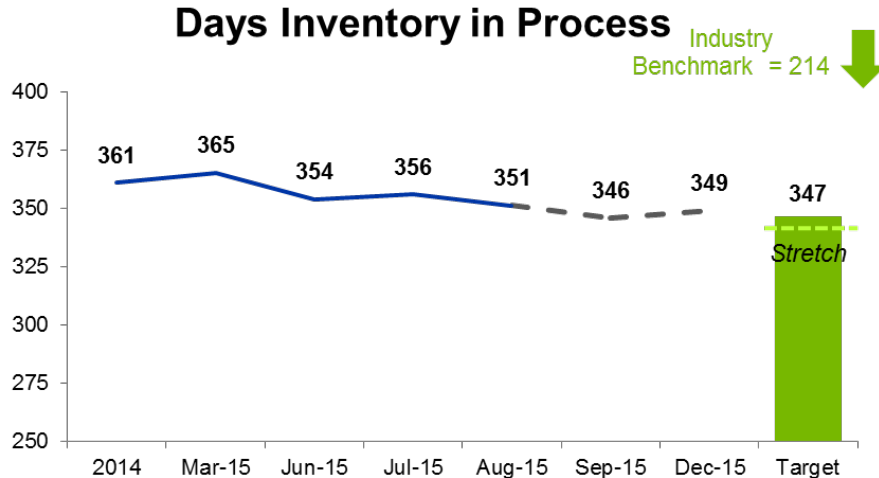
Captured \$100M to date

Days to Pay



Captured \$700M to date

Days Inventory in Process

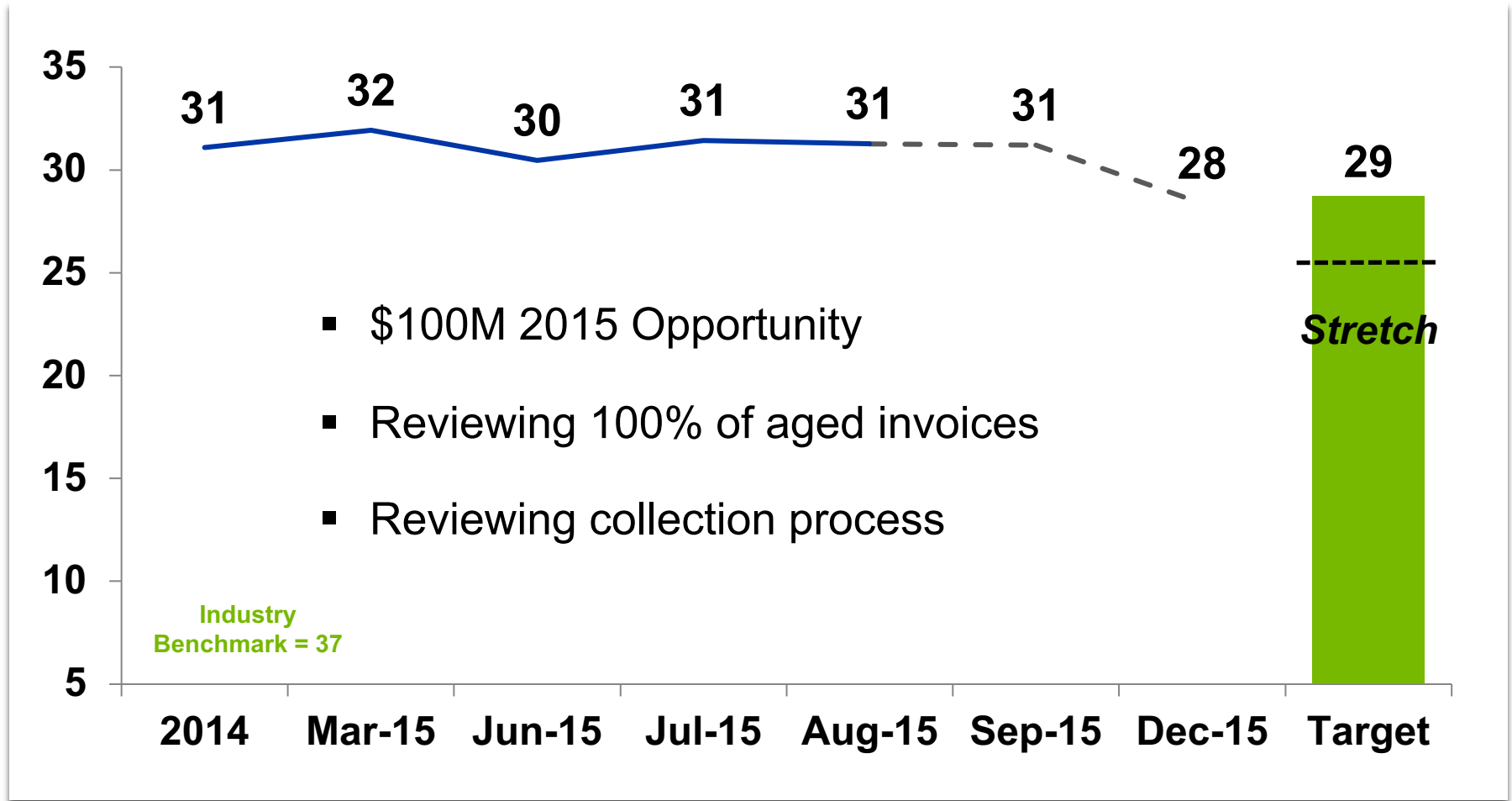


Captured \$500M to date

Business Unit	Achieved YTD	YE Target
BCA	\$694	\$1,200
BDS	\$198	\$500
SSG	\$310	\$300
Other (BCC / EO&T)	\$15	
Total (\$ in Millions)	\$1,217	\$2,000

Days to Collect

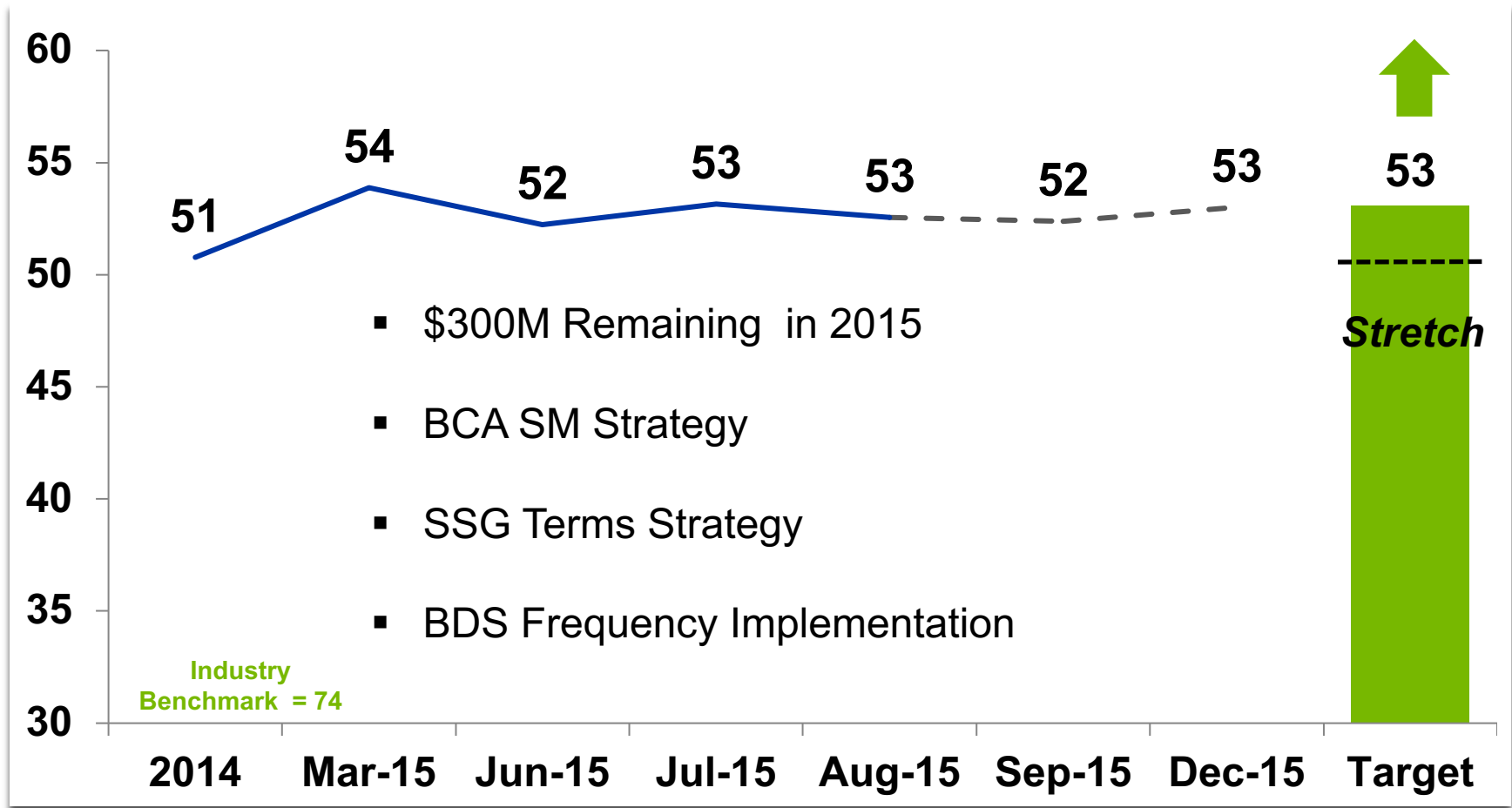
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Captured \$100M to date

Days to Pay

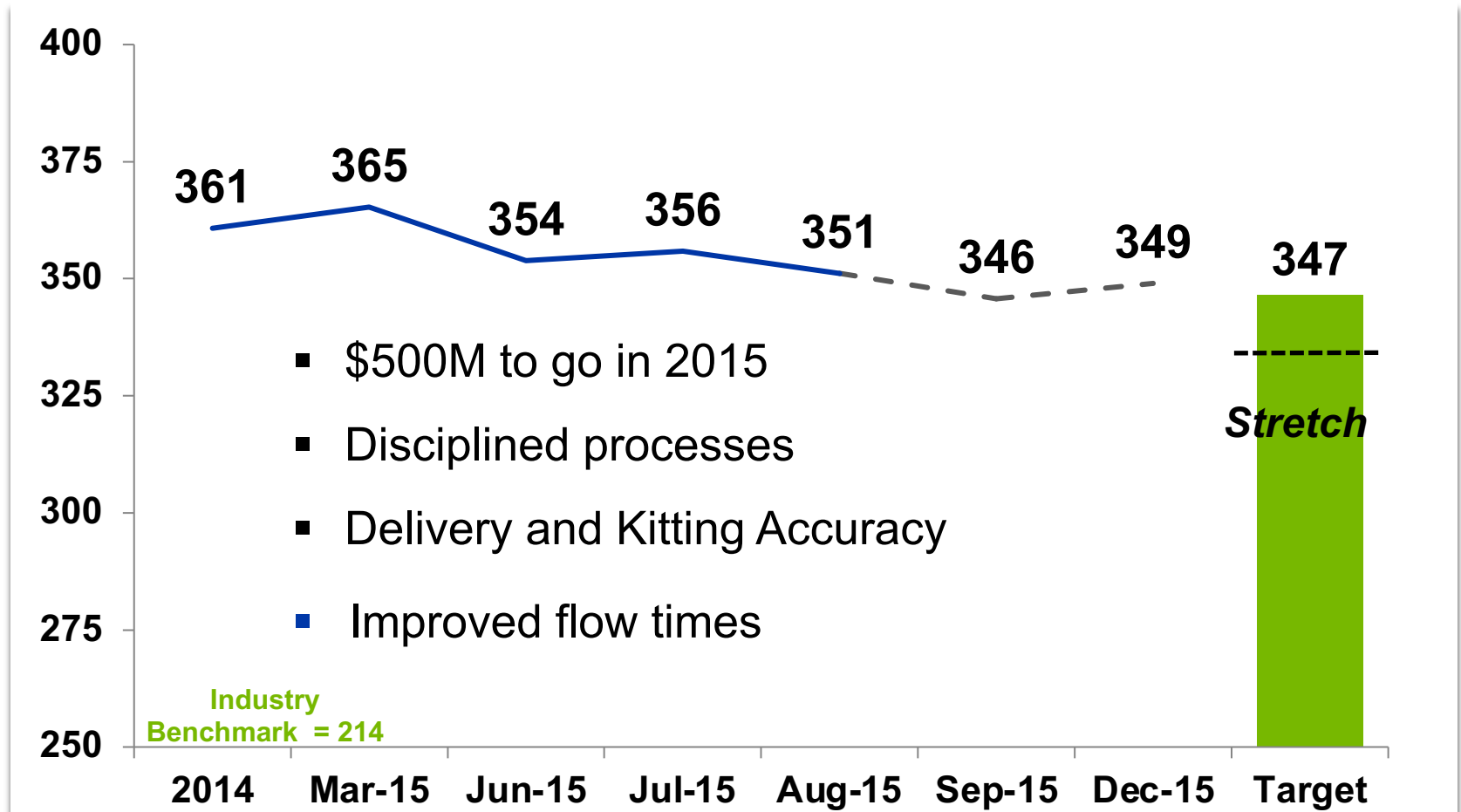
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Captured \$700M to date

Days in Inventory

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Captured \$500M to date

Agenda

- Working Capital Status
- Metrics
- **Next Actions**

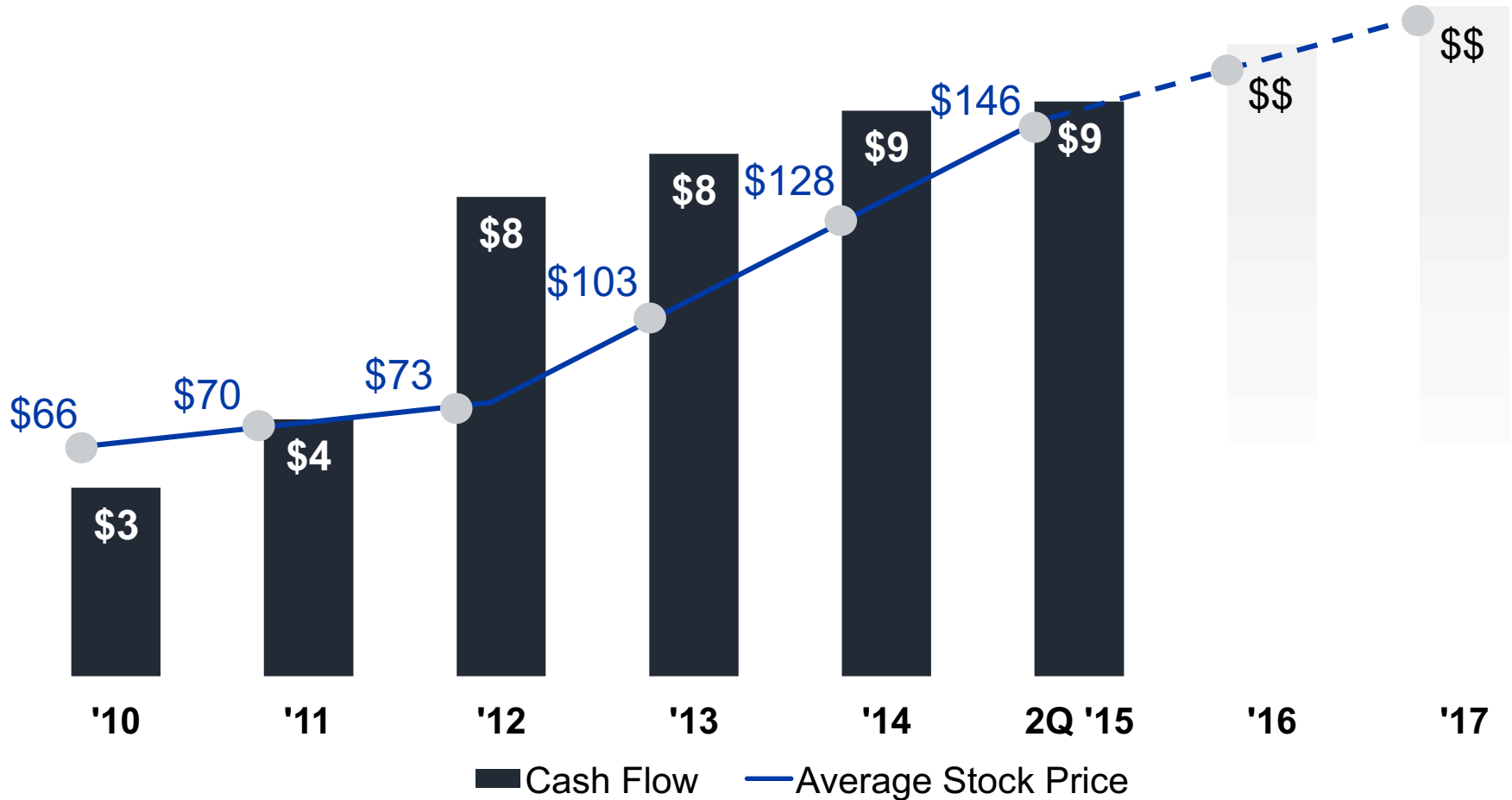
Actions

- Complete 2015 Commitments
- Drive Inventory Accountability
- Enhance 2016 Financial accountability
- Flow down of recommended communication message

Changing the Culture – Everyday!

Cash Flow and Stock Price

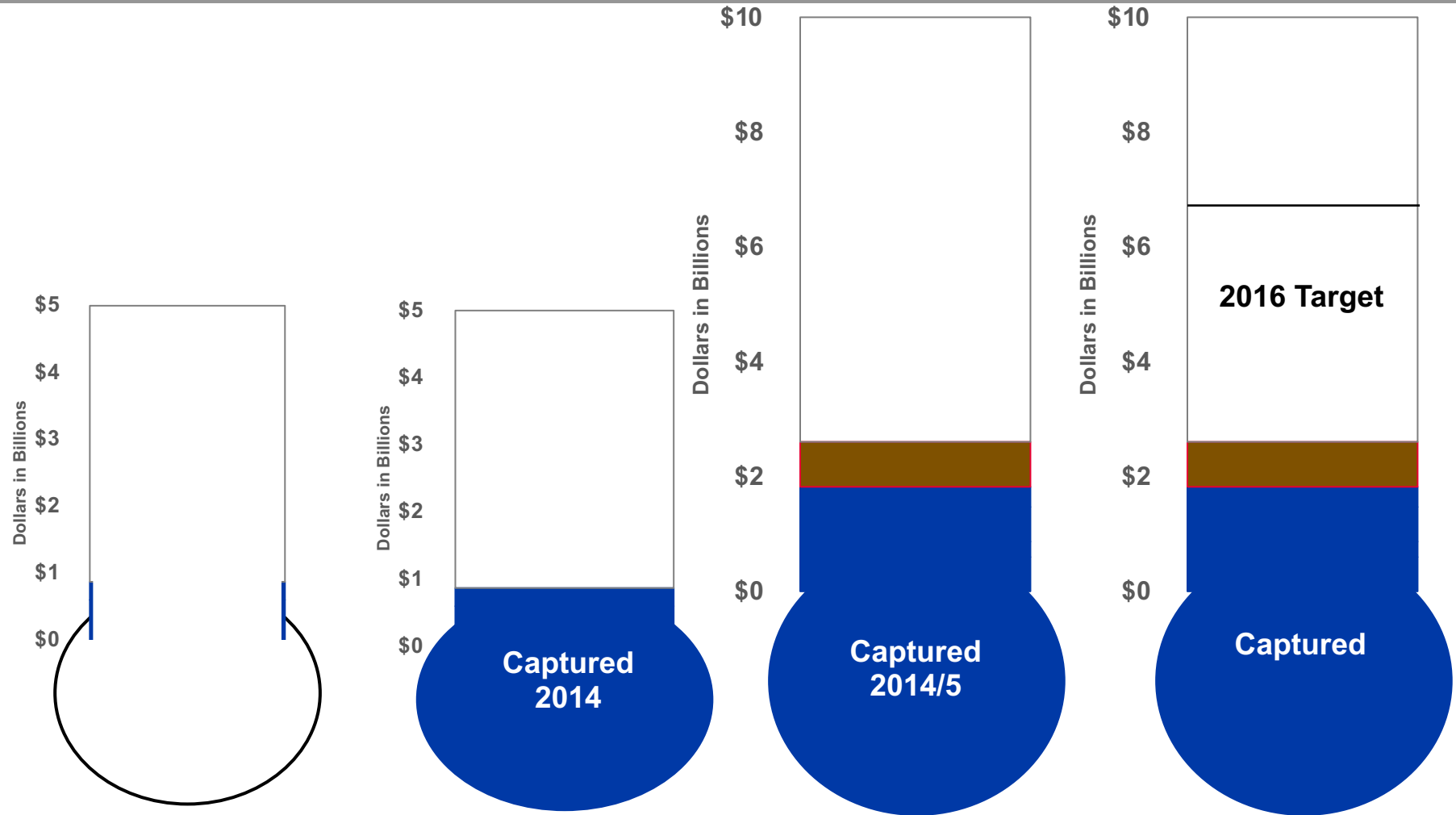
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Working Capital Status

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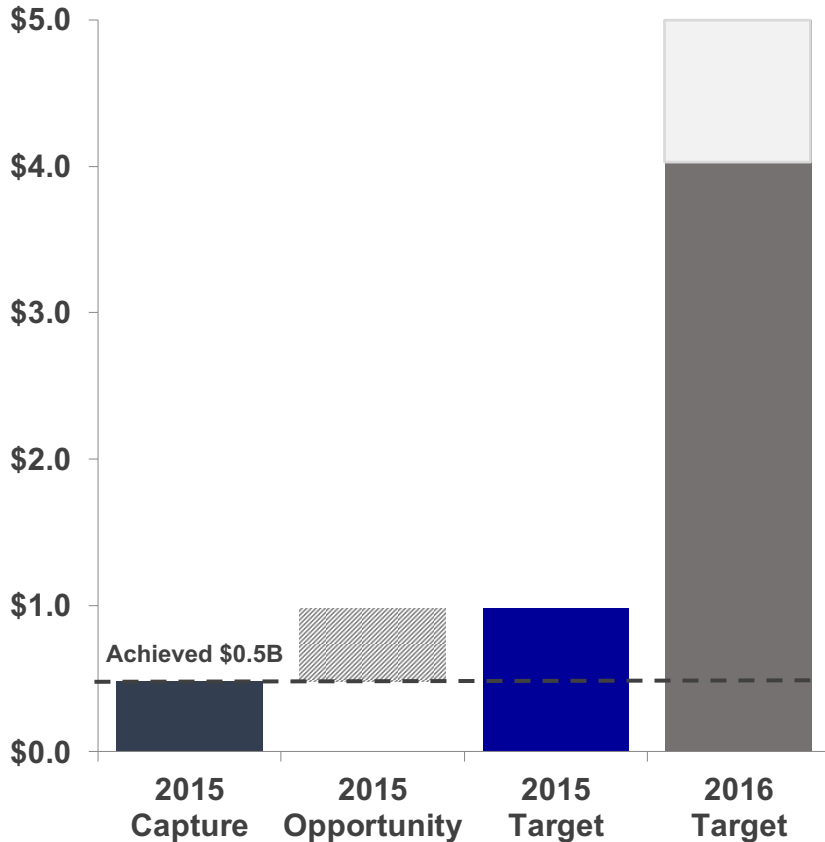


Doubled Initial Target - \$6.5B to be Achieved in 2 years

Inventory Status

\$ in Billions

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Accomplishments

- ✓ Min/max reset
- ✓ 787 standards / PMI
- ✓ BDS Demand stabilization
- ✓ Early delivery clause reductions

2015 Opportunities to capture

- Kitting accuracy
- FAB inventory reduction
- TMX burn down

2016 Opportunities to capture

- Improve flow times
- Schedule optimization
- Simplified standard processes

BCA and BDS targets issued for 2016