



How to be Successful in the Supply Chain

Austrian Aviation Technology Days 2017

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Boeing in Austria



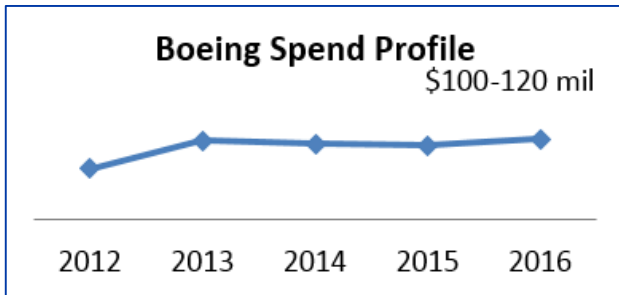
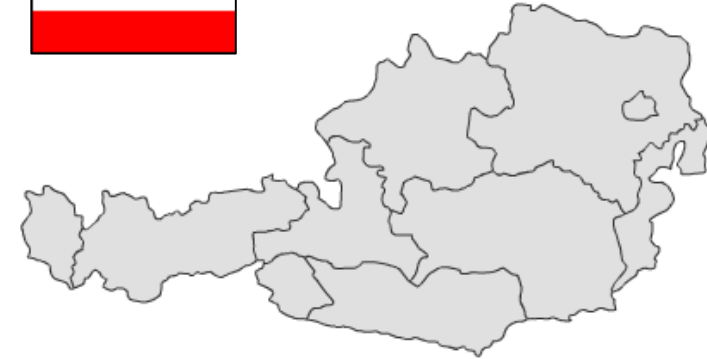
Boeing spent approx. **\$120 million** with suppliers in Austria in 2016



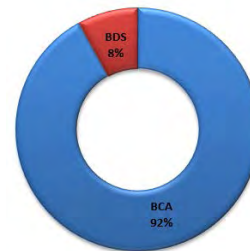
Key **commercial customers** include Austrian Airlines



Research projects with Austrian partners



Spend by Business Group



Key Suppliers:

- AMAG Rolling GmbH
- Böhler Schmiedetechnik GmbH
- FACC AG

Primary Programs:

- 737, 747, 777, 787

Boeing has a **long-standing partnership with** customers, industry, and academia in **Austria**

Boeing - a Global Company



**\$94.6
BILLION**

in 2016 revenues

Products and services support
to customers in more than
150 COUNTRIES



Manufacturing, service and
technology partnerships
with companies around
the world

Contracts with more than

20,000

suppliers and
partners globally

Approximately
**145,000
BOEING
EMPLOYEES**

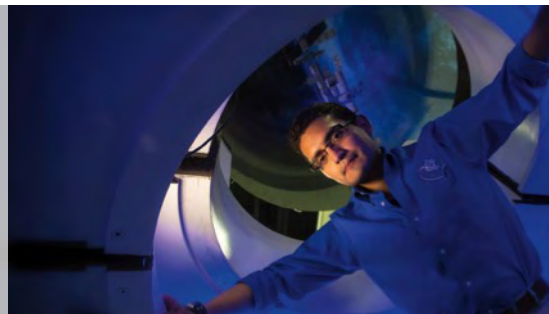


across the
United States and
in more than
65 COUNTRIES

Research, design
and technology-
development
centers and
programs in
multiple countries



of commercial
airplane revenue
historically
from
customers
outside the
United States



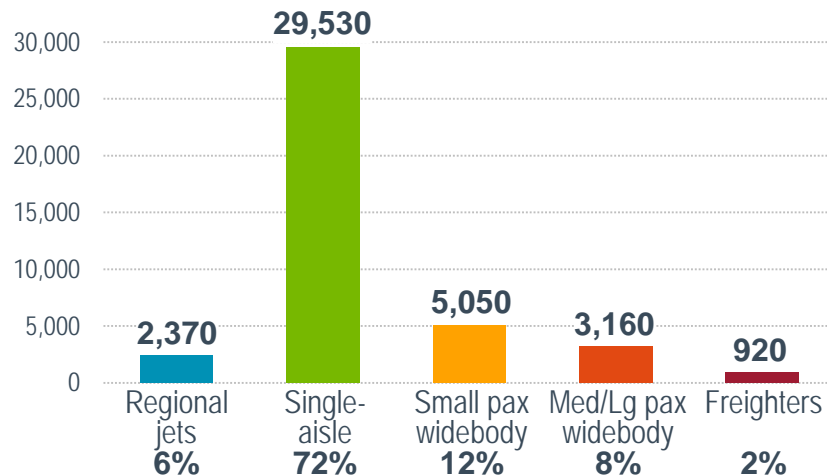
Partnering worldwide for mutual growth and prosperity

Airlines will need 41,030 new airplanes valued at \$6.1 trillion



Airplane deliveries: 41,030

2017 - 2036



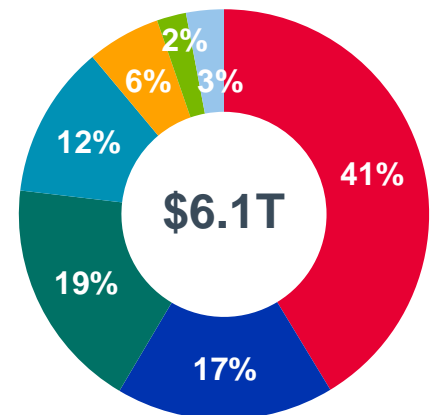
NOTE: Market share may not equal 100% due to rounding

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Market value by region

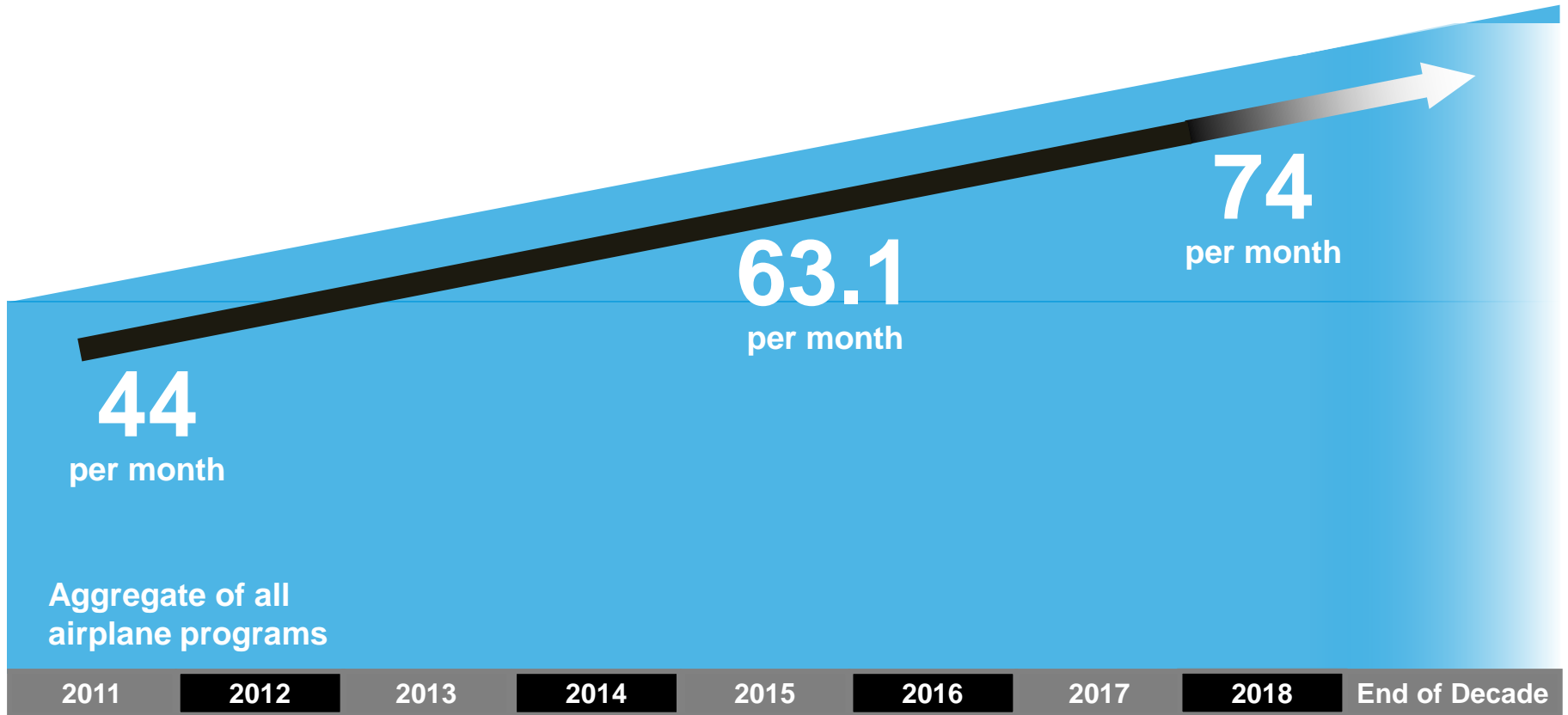
2017-2036

Region	\$B
Asia	2,500
North America	1,040
Europe	1,110
Middle East	730
Latin America	350
C.I.S.	140
Africa	180
World Total	\$6,050B



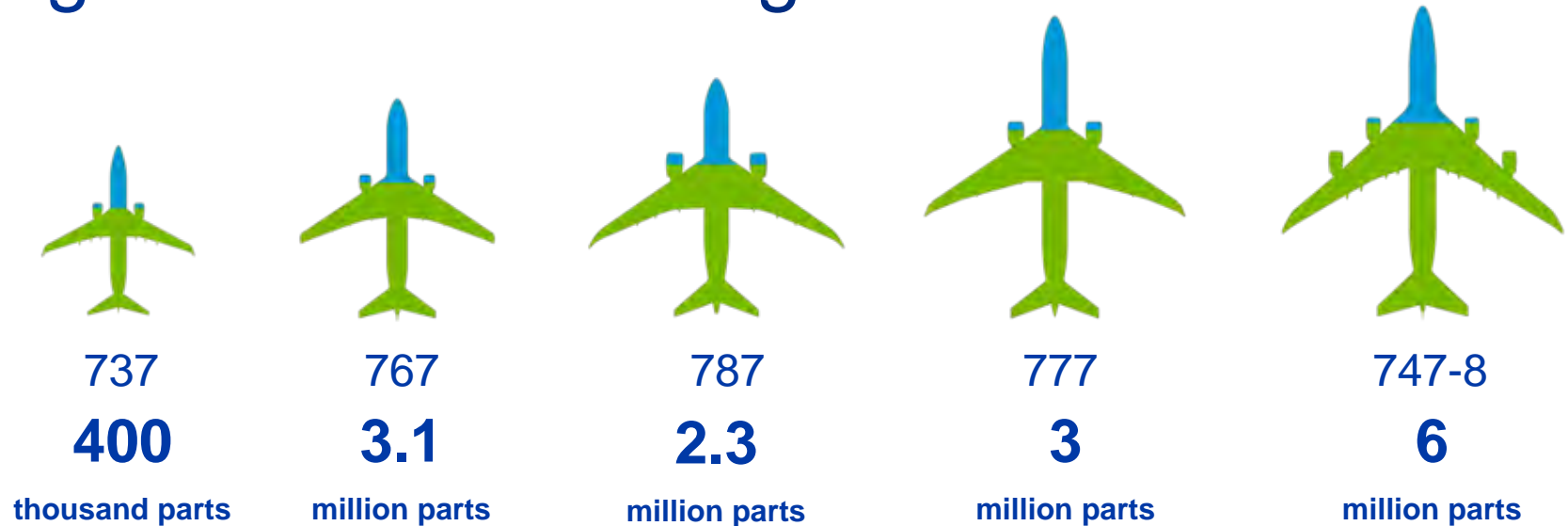
Boeing Commercial Airplanes production rates

Anticipate ~70% increase from 2011 through 2018



As of: 8/15/16

Boeing and our supply chain partners work together to succeed together



65%

of our airplanes' cost comes through the supply chain

\$43 billion annual spend • buying +1 billion parts every year
5,400 supplier factories • 500,000 supplier employees

Today's marketplace: Highly competitive

Aggressive competition

- Traditional competitors
- Emerging competitors

Customers want “more for less”

- Affordable and mission-capable
- Low operating cost
- Environmentally progressive
- In-service reliability
- Standardization, first-time quality



Winning in the marketplace

We all play a role in reaching and sustaining market leadership



Design and build quality

Airplane performance

Reliability and maintainability

Delivery discipline

World-class support

Competitive pricing

Supply chain strategies

- Rate readiness
- Dynamic architecture
- Increase competition
- Partnering for Success

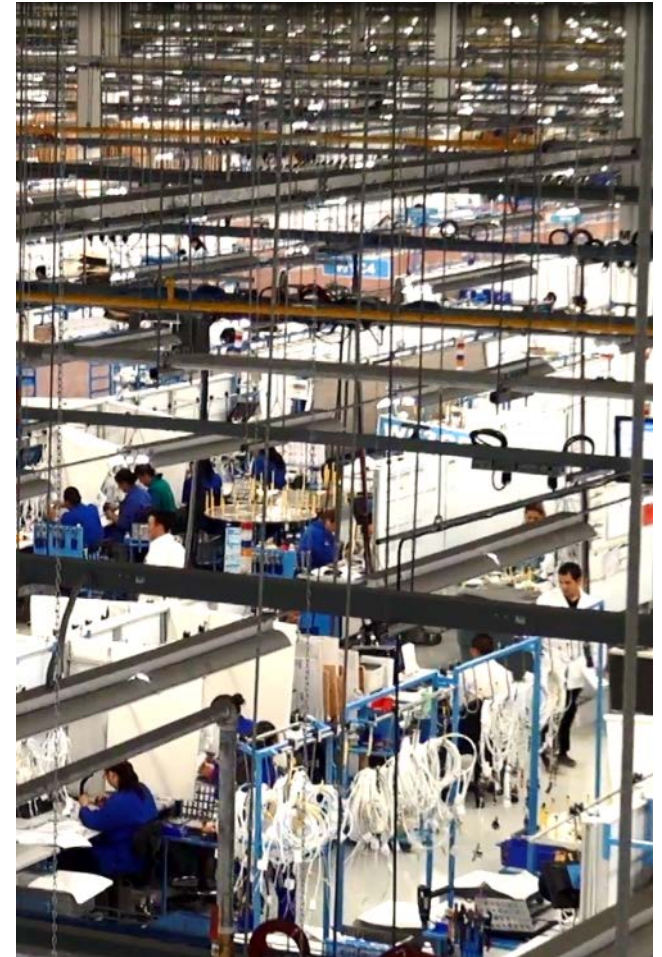


Expectations for Boeing suppliers

We need suppliers that look toward the future with us.

Suppliers should:

- Understand how they can provide benefit to Boeing
- Share our commitment to performance excellence
- Be financially healthy and focused on improving affordability and efficiency
- Share their knowledge about how we can all better manage our businesses
- Provide visibility and insight into their extended supply chains





Questions?

