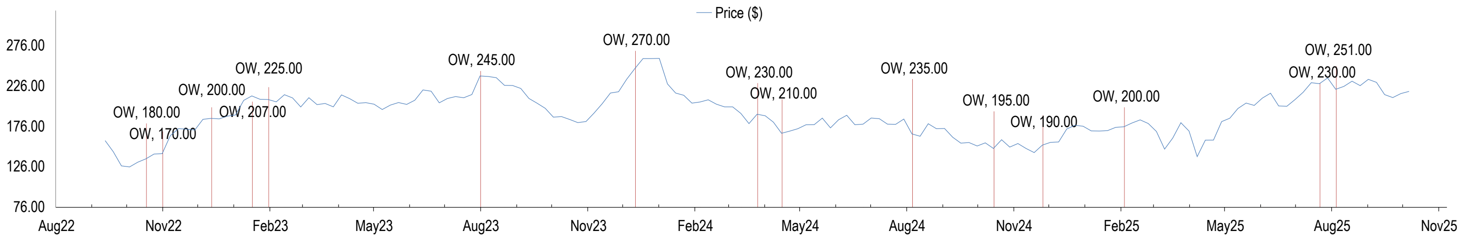
Boeing Company

WORLD TRADE SECURITIES

Equity Research

Recommendation	Price Target	PT End Date	Price	Upside/Downside to PT
Overweight	$251.00	31-Dec-26	$216.00	16.20%

The Boeing Company, together with its subsidiaries, develops, produces, and markets commercial jet aircraft, as well as provides related support services to the commercial airline industry worldwide. The Company also researches, develops, produces, modifies, and supports information, space, and defense systems, including military aircraft, helicopters and space and missile systems.



Note: All analysts forecasts are as of last note published on 01-Oct-2025

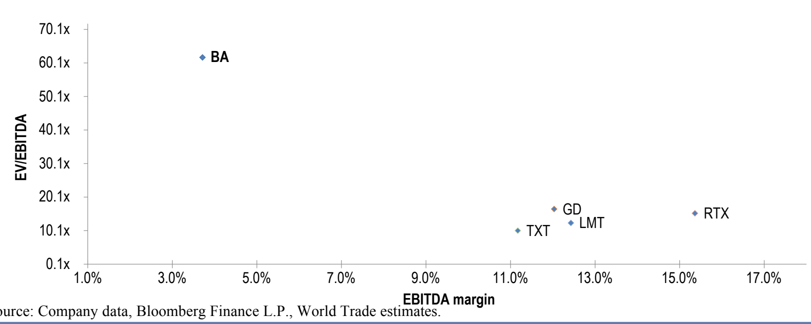
Source: Bloomberg Finance L.P., World Trade estimates.

The Upside/Downside to PT is calculated based on the previous day's closing price which is quoted above.

Key Financials ($mn, year end Dec)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	77,794	66,517	86,091	94,343	101,887
EBITDA	1,088	(8,871)	3,197	5,731	7,671
EBIT	(773)	(10,707)	1,263	3,655	5,531
Pretax Income	(2,005)	(12,210)	(569)	1,396	3,624
Net Profit	(3,526)	(13,129)	(2,201)	(172)	1,863
Total Assets	137,012	156,363	155,971	150,015	150,719
Shareholder Equity	(17,233)	(3,908)	(6,176)	(3,279)	1,663
Adjusted Net Debt/(Cash)	36,342	27,582	24,797	20,338	11,490
Capex	(1,527)	(2,230)	(2,727)	(2,359)	(2,140)
Free Cash Flow to firm	4,433	(14,310)	(2,754)	4,803	9,193
EPS ($)	(5.92)	(20.29)	(2.91)	(0.22)	2.30
DPS ($)	0.00	0.00	0.43	0.43	0.43
Key Ratios	**FY23**	**FY24**	**FY25E**	**FY26E**	**FY27E**
EBITDA Margin	1.4%	NM	3.7%	6.1%	7.5%
EBIT Margin	(1.0%)	(16.1%)	1.5%	3.9%	5.4%
Net Margin	(4.5%)	(19.7%)	(2.6%)	(0.2%)	1.8%
Payout Ratio	0.0%	0.0%	(30.1%)	40.4%	12.5%
Net Debt/Equity (excl MI)	NM	NM	NM	NM	690.8%
FCF Yield	3.4%	(10.2%)	(1.7%)	2.8%	5.3%
P/E	NM	NM	NM	NM	94.0x
EV/EBITDA	158.7x	NM	61.7x	35.3x	26.0x
ROE	21.3%	124.2%	43.7%	3.6%	NM

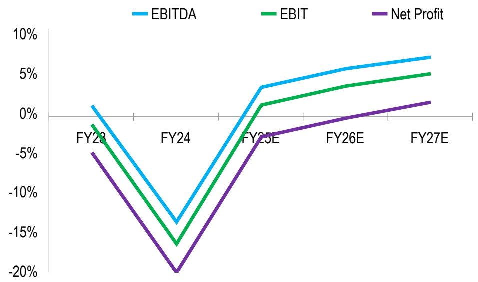
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Chart FY25



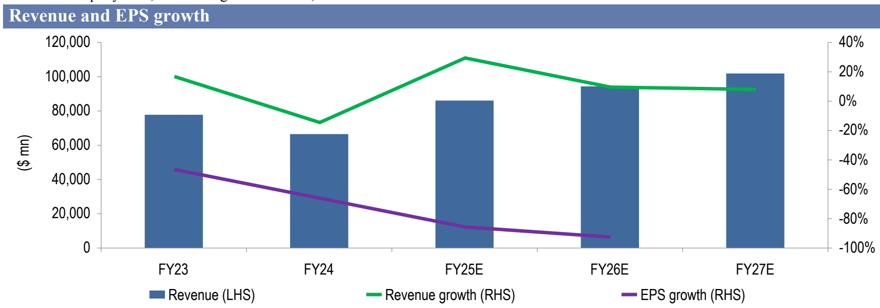
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Margin Analysis (BA)



Source: Company data, World Trade estimates.

Revenue and EPS growth



Source: Company data, World Trade estimates.

Company Data

Market Cap (USDmn)	130,788
Shares O/S (mn)	606
Float	99.9%
Dividend Yield	0.2%
EPS ($)	(2.91)
3M - Avg daily volume (mn)	7.44
52 wk High/Low ($)	242.69-128.88

WTS EPS Estimate		BBG EPS Estimate	
FY25E	FY26E	FY25E	FY26E
(2.91)	(0.22)	(3.21)	3.05

Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Analysis	Ticker	Fiscal Year End	Last Note Published	Rating	Price Target	Mkt Cap ($mn)	EV/EBITDA		P/BV		P/E		ROE	
Local peers							**FY25E**	**FY26E**	**FY25E**	**FY26E**	**FY25E**	**FY26E**	**FY25E**	**FY26E**
General Dynamics Corp.	GD	2024/12	09-Oct-25	OW	$345.00	92,872	16.5x	13.9x	3.8x	3.7x	22.5x	19.9x	17.8%	18.8%
Lockheed Martin	LMT	2024/12	23-Jul-25	OW	$465.00	120,949	12.4x	10.2x	25.4x	23.7x	23.5x	17.2x	92.4%	141.8%
RTX Corporation	RTX	2024/12	23-Jul-25	OW	$175.00	219,235	15.3x	13.7x	n/a	n/a	27.5x	24.2x	n/a	n/a
Textron	TXT	2024/12	25-Jul-25	N	$90.00	15,328	10.1x	8.5x	2.0x	1.9x	13.7x	12.4x	15.0%	15.3%
Global peers														
Airbus SE	AIR.PA	2024/12	30-Jul-25	OW	€220.0	184,908	14.2x	12.1x	7.2x	6.3x	32.5x	26.7x	23.8%	25.2%
Bombardier	BBDb.TO	2024/12	07-Aug-25	N	C$170.00	13,772	10.3x	9.3x	NM	NM	21.2x	18.1x	NM	NM
Dassault Aviation	AM.PA	2024/12	15-Sep-25	N	€325.0	27,407	6.7x	5.2x	3.2x	2.8x	22.1x	16.4x	15.2%	18.4%
Boeing Company	**BA**	**2024/12**	**01-Oct-25**	**OW**	**$251.00**	**130,788**	**61.7x**	**35.3x**	**NM**	**NM**	**NM**	**NM**	**43.7%**	**3.6%**
Median							13.3x	11.1x	3.8x	3.7x	22.5x	18.1x	20.8%	18.6%
Mean							18.4x	13.5x	8.3x	7.7x	23.3x	19.3x	34.7%	37.2%
High							61.7x	35.3x	25.4x	23.7x	32.5x	26.7x	92.4%	141.8%
Low							6.7x	5.2x	2.0x	1.9x	13.7x	12.4x	15.0%	15.3%

Source: Company data, World Trade estimates.

Investment Thesis

We rate BA Overweight. With balance sheet concerns addressed for the next few years and a backlog of ~$500b, we see potential for BA to outperform if the company can improve execution. Specifically, this means gradually increasing production of 737s and 787s while bringing the 777X closer to entering service. In addition, the company needs to stabilize performance in its Defense unit. Assuming production can reach the level that demand supports, we should see a positive multi-year reversal in FCF from 2024’s large outflow and this should drive de-levering.

Valuation

Our Dec-26 price target of $251 is ~23x our 2027E FCF of $11/sh. While this is above where Boeing traded pre-pandemic, given higher multiples across the commercial aero group, we think it is reasonable for Boeing, given the potential for further cash flow and balance sheet improvement .

Risks to Rating and Price Target

Downside risks include an inability to increase production of 737s and 787s, further delays to the 777X program, and further significant Defense charges. Any additional safety issues with Boeing’s products are a risk as is a failure to improve the company’s relationship with the FAA.