Company Name: Boeing (NYSE: BA)

52 Week H/L: \$158.83/\$115.14 P/E: 17.78

Current Price: \$128.75

Company Background: The Boeing Company develops, manufactures, markets commercial aircraft. Boeing also researches, develops, and produces information, space, and defense systems. Their main business is in commercial jetliners, selling to some of the major airlines across the world. They are also one of the largest military contractors in the world, manufacturing military aircrafts, satellites, and defense systems for the US Military and others.

Investment Thesis: We feel as though Boeing is a viable long term investment due to its strong market share in a sustainable and growing commercial airline industry. Its relationships with suppliers and competition give it premier access to growth opportunities as they present themselves. They also operate as one of the largest military contractors in the world, benefitting from sustainable military investment. Given its attractive valuation at this time, we recommend buying stake in this company at the market price.

Business Segments:

- 1. Commercial Airlines- develops, produces, markets aircrafts. They also offer aircraft modifications, spare parts and technical consulting
- 2. Boeing Defense, Space, and Security- researches and develops military aircraft, information systems, and space systems.
- 3. Boeing Capital Corporation- provides financing and leasing to clients, mostly in the airline industry.

Industry Analysis:

BA US Equity	96) C	Output 👻	97) Set	tings -				Rel	ative Val	luation
omp Source Bloomberg	1	Region	 Local 	Global (Develope	1)	Mkt Ca	ap >	1B Cu	USÐ
Segment		Revenue	8	Metri	с		BA	Low Co	omp Range	Hig
 Whole Firm 	■ 100%			Est P	/E Current		17.06	6.99	-	22.2
Aircraft & Parts	66%			EV/Es	st EBITDA	Curr	9.27	6.87 -		- 22.3
Defense Primes	248			Sales	Growth Y	oy (%)	4.78	-19.87		14.6
 Transport Support Serv 	10%			EBITE	DA Margin	(8)	10.33	-0.74		- 20.3
					Cash from		9.32B -1	65.75M -+		• 9.32
									BA US 🍐 Media	
30 Create Template 32 1 Name	Tkr & Exch	Mkt Cap	Sales Gr	GM:Y	3Yr Avg	3Yr Avg	3Yr Avg	ROE:Y	ROA:Y	FCF Yld
Name (BICS Best Fit)		(USD)	T12M		Grs Mgn	Op Mgn	Op Mgn			
Name (BICS Best Fit) Average	Tkr & Exch	(USD) 29.66B	T12M 3.92%	18.78%	Grs Mgn 18.43%	Op Mgn 8.05%	Op Mgn 8.05%	24.75%	4.64%	FCF Yld
Name (BICS Best Fit) Average W) BOEING CO/THE	Tkr & Exch BA US	(USD) 29.66B 92.72B	T12M 3.92% 7.37%	18.78% 15.44%	Grs Mgn 18.43% 15.60%	0p Mgn 8.05% 7.84%	Op Mgn 8.05% 7.84%	24.75% 46.27%	4.64% 5.68%	-2.36% 7.02%
Name (BICS Best Fit) Average M) BOEING CO/THE I) DASSAULT AVIATION SA	Tkr & Exch BA US AM FP	(USD) 29.66B 92.72B 11.65B	T12M 3.92% 7.37% -10.26%	18.78% 15.44%	Grs Mgn 18.43% 15.60%	Op Mgn 8.05% 7.84% 11.35%	Op Mgn 8.05% 7.84% 11.35%	24.75% 46.27% 6.14%	4.64% 5.68% 2.83%	-2.36% 7.02% 7.11%
Name (BICS Best Fit) Average III) BOEING CO/THE II) DASSAULT AVIATION SA III) DASSAULT AVIATION SA	Tkr & Exch BA US AM FP AIR FP	(USD) 29.668 92.728 11.658 49.618	T12M 3.92% 7.37% -10.26% 6.24%	18.78% 15.44% 	Grs Mgn 18.43% 15.60%	Op Mgn 8.05% 7.84% 11.35% 4.12%	Op Mgn 8.05% 7.84% 11.35% 4.12%	24.75% 46.27% 6.14% 26.14%	4.64% 5.68% 2.83% 2.51%	-2.36% 7.02% 7.11% 4.00%
Name (BICS Best Fit) Average Di BOEING CO/THE Di DASSAULT AVIATION SA AIRBUS GROUP SE DI TEXTRON INC	Tkr & Exch BA US AM FP AIR FP TXT US	(USD) 29.66B 92.72B 11.65B 49.61B 11.35B	T12M 3.92% 7.37% -10.26% 6.24% 8.49%	18.78% 15.44% 14.72% 17.70%	Grs Mgn 18.43% 15.60% 14.17% 17.38%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83%	24.75% 46.27% 6.14% 26.14% 13.86%	4.64% 5.68% 2.83% 2.51% 4.36%	-2.36% 7.02% 7.11% 4.00% 5.48%
Name (BICS Best Fit) Average 0) BOEING CO/THE 1) DASSAULT AVIATION SA 2) AIRBUS GROUP SE 1) TEXTRON INC 4) GENERAL DYNAMICS CORP	Tkr & Exch BA US AM FP AIR FP TXT US GD US	(USD) 29.668 92.728 11.658 49.618 11.358 45.748	T12M 3.92% 7.37% -10.26% 6.24% 8.49% 4.12%	18.78% 15.44% 14.72% 17.70% 19.04%	Grs Mgn 18.43% 15.60% 14.17% 17.38% 17.92%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06%	24.75% 46.27% 6.14% 26.14% 13.86% 19.24%	4.64% 5.68% 2.83% 2.51% 4.36% 7.15%	-2.36% 7.02% 7.11% 4.00% 5.48% 6.90%
Name (BICS Best Fit) Average (BICS BEST CO/THE DASSAULT AVIATION SA 20 ATRBUS GROUP SE 20 ATRBUS GROUP SE 20 ATRBUS GROUP SE 20 GENERAL DYNAMICS CORP 5) SAMB AB-B	Tkr & Exch BA US AM FP AIR FP TXT US	(USD) 29.668 92.728 11.658 49.618 11.358 45.748 2.988	T12M 3.92% 7.37% -10.26% 6.24% 8.49% 4.12% 3.96%	18.78% 15.44% 14.72% 17.70% 19.04% 25.83%	Grs Mgn 18.43% 15.60% 14.17% 17.38% 17.92% 27.50%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05%	24.75% 46.27% 6.14% 26.14% 13.86%	4.64% 5.68% 2.83% 2.51% 4.36%	-2.36% 7.02% 7.11% 4.00% 5.48% 6.90% -8.65%
Name (BICS Best Fit) Average (BICS Best Fit) DASSAULT AVIATION SA 20 AIRBUS GROUP SE 20 SANB AB – B	Tkr & Exch BA US AM FP AIR FP TXT US GD US SAABB SS	(USD) 29.668 92.728 11.658 49.618 11.358 45.748 2.988 4.528	T12M 3.92% 7.37% -10.26% 6.24% 8.49% 4.12% 3.96% 5.66%	18.78% 15.44% 14.72% 17.70% 19.04%	Grs Mgn 18.43% 15.60% 14.17% 17.38% 17.92%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05% 16.13%	24.75% 46.27% 6.14% 26.14% 13.86% 19.24% 9.84%	4.64% 5.68% 2.83% 2.51% 4.36% 7.15% 4.02% 10.81%	-2.36% 7.02% 7.11% 4.00% 5.48% 6.90% -8.65% -1.08%
Name (BICS Best Fit) Average 00 BOEING CO/THE 10 DASSAULT AVIATION SA 20 AIRBUS GROUP SE 20 ITEXTRON INC 40 GENERAL DYNAMICS CORP 50 SAAB AB-B 60 HEXCEL CORP	Tkr & Exch BA US AM FP AIR FP TXT US GD US SAABB SS HXL US	(USD) 29.668 92.728 11.658 49.618 11.358 45.748 2.988	T12M 3.92% 7.37% -10.26% 6.24% 8.49% 4.12% 3.96%	18.78% 15.44% 14.72% 17.70% 19.04% 25.83% 27.42%	Grs Mgn 18.43% 15.60% 14.178 17.38% 17.92% 27.50% 26.75%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05% 16.13%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05%	24.75% 46.27% 6.14% 26.14% 13.86% 19.24% 9.84% 18.13%	4.64% 5.68% 2.83% 2.51% 4.36% 7.15% 4.02%	-2.36% 7.02% 7.11% 4.00% 5.48% 6.90% -8.65%
Name (BICS Best Fit) Average (BICS Best Fit) JARBUS GROUP SE (BICS RROUP SE (BICS REAL DYNAMICS CORP) (SAB AB-B) (HEXCEL CORP) (FINHECCANICA SPA	Tkr & Exch BA US AM FP AIR FP TXT US GD US SAABB SS HXL US FNC IM	(USD) 29.668 92.728 11.658 49.618 11.358 45.748 2.988 4.528 8.178	T12M 3.92% 7.37% -10.26% 6.24% 8.49% 4.12% 3.96% 5.66% 10.26%	18.78% 15.44% 14.72% 17.70% 19.04% 25.83% 27.42%	Grs Mgn 18.43% 15.60% 14.17% 17.38% 17.92% 27.50% 26.75%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05% 16.13% -0.27%	Op Mgn 8.05% 7.84% 11.35% 4.12% 7.83% 9.06% 7.05% 16.13% -0.27%	24.75% 46.27% 6.14% 26.14% 13.86% 19.24% 9.84% 18.13% -0.90%	4.64% 5.68% 2.83% 2.51% 4.36% 7.15% 4.02% 10.81% -0.11%	-2.369 7.029 7.119 4.009 5.489 6.909 -8.659 -1.089 -1.229

Target Price: \$174.53 Market Cap: \$88.79B

Dividend Yield: 2.78% Beta: .9058

Competitive Advantage: Boeings major competitors are Airbus, Lockheed Martin, General Dynamics, and Northrop Grumman. There main competitive advantages are their strong relationships with their suppliers and competition, as well as strong market share in the commercial jetliner space, as well as the defense industry; which we believe are both highly sustainable.

From a product specifications perspective, Boeings main intercontinental jumbo jet, the Boeing 747-81 is superior to Airbus' most comparable model, the A380 in the areas of range, fuel efficiency, cost, and thrust/lb.

Risks: The major risk that Boeing faces is uncertainty about the renewal of the Export-Import Bank, which if not reinstated could make it harder for Boeing to sell to developing companies. Also, Boeing does not receive a significant portion of its annual revenue from China, so as the Chinese economy recovers it is important that Boeing make significant advancements in that market.

Valuation Assumptions:

WACC: 10%

Sustainable FCF Growth Rate: 3.2%

Net Income Growth Rate: 10%

Key Financials:

ROA: 5.68

Net Income Margin: 6.00

5 Year CAGR- Net Income: 32.93%

5 Year CAGR- FCF: 8.44%

Corporate Social Responsibility:

ESG Disclosure Score: 35.12 (Avg: 36.55)

Executive Compensation Linked to ESG: Yes

Environmental Disclosure Score: 26.68 (Avg: 30.85)

Community Spending- % EBITDA: .76% (Avg.: .48%)

Equal Opportunity Policy: Yes

Human Rights Policy: Yes

Anti-Child Labor Policy: Yes

Business Ethics Policy: Yes

Energy Efficiency Policy: Yes