

Also produces business jets, fighters (F-15, F/A-18), helicopters (CH-47, AH-64, V-22); guided weapons (Harpoon, Joint Direct Attack Munition), satellites, space launch systems, and manages the International Space Station. In 2018, foreign sales accounted for

Group, 7.4%; BlackRock, 5.8%; Newport Trust Company, 5.9%; T. Rowe Price, 5.9% (3/19 proxy). Pres., CEO, and Chairman: Dennis A. Muilenburg. Inc.: DE. Addr.: 100 North Riverside Plaza, Chicago, IL 60606-1596. Phone: 312-544-2000. Web: www.boeing.com.

**ANNUAL RATES** Past Est'd '16-'18 Past 10 Yrs. 6.5% 10.5% 12.5% 5 Yrs. 9.0% 17.5% 20.5% 25.5% -40.0% of change (per sh) to '22-'24 Revenues "Cash Flow" 14.5% 15.5% Earnings Dividends Book Value 14.5% -17.0% 16.5% NMF

65161

27494

27440

56269

87830

27724

50676

81590

3190

95111

15267

72565

92189

**Current Assets** 

Accts Payable Debt Due

Current Liab

endar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2016         22632         24755         23898         23286         94571           2017         20976         22739         24309         25368         93392           2018         23382         24258         25146         28341         101127           2019         22917         15751         20000         24832         83500           2020         28000         28500         29500         30000         116000           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year	Cal-	QUARTERLY REVENUES (\$ mill.)				Full
2017         20976         22739         24309         25368         93392           2018         23382         24258         25146         28341         101127           2019         22917         15751         20000         24832         83500           2020         28000         28500         2950         30000         16000           Calendar         EARNINGS PER SHARE A         Full Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .94         3.64           2016         1.09         1.09         1.09         4.36           2017         1.42         1.42	endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2018         23382         24258         25146         28341         101127           2019         22917         15751         20000         24832         83500           2020         28000         28500         29500         30000         16000           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Full Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .94         .94           2016         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         1.42         5.68           2018         1.71	2016	22632	24755	23898	23286	94571
2019 2020         22917 28000         15751 28500         20000 29500         24832 30000         83500 16000           Calendar         EARNINGS PER SHARE A Mar.31 Jun.30 Sep.30 Dec.31         Full Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	2017	20976	22739		25368	93392
2020         28000         28500         29500         30000         116000           Calendar         BARNINGS PER SHARE AURA.30         Pep.30         Dec.31         Full Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         56.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	2018	23382	24258	25146	28341	101127
Calendar         EARNINGS PER SHARE Age and ar.31 Jun.30 Sep.30 Dec.31         Full Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05         5.05         23.00           Calendar         QUARTERLY DIVIDENDS PAID P ■         Full Year           2015         .91         .91         .91         .91         .94           2016         1.09         1.09         1.09         4.36         2017         4.36         2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06         2.06         2.06         2.06         2.06	2019	22917	15751	20000	24832	83500
endar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05         23.00           2020         5.25         5.50         5.75         6.50         23.00           Calendar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	2020	28000	28500	29500	30000	116000
endar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2016         1.83         2.86         3.60         2.59         10.84           2017         2.34         2.89         3.06         3.44         11.71           2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05         23.00           Calendar         QUARTERLY DIVIDENDS PAID B ■         Full Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	Cal-	EARNINGS PER SHARE A				Full
2017 2.34 2.89 3.06 3.44 11.71 2018 4.15 3.73 4.07 5.93 17.86 2019 3.75 d5.21 2.25 4.26 5.05 2020 5.25 5.50 5.75 6.50 23.00  Calendar Mar.31 Jun.30 Sep.30 Dec.31 Year 2015 91 91 91 91 91 3.64 2016 1.09 1.09 1.09 1.09 4.36 2017 1.42 1.42 1.42 1.42 5.68 2018 1.71 1.71 1.71 1.71 6.84 2019 2.06 2.06 2.06		Mar.31	Jun.30	Sep.30	Dec.31	
2018         4.15         3.73         4.07         5.93         17.86           2019         3.75         d5.21         2.25         4.26         5.05           2020         5.25         5.50         5.75         6.50         23.00           Calendar         QUARTERLY DIVIDENDS PAID ■ ■ Full Year         Full Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06         2.06	2016	1.83	2.86	3.60	2.59	10.84
2019     3.75     d5.21     2.25     4.26     5.05       2020     5.25     5.50     5.75     6.50     23.00       Calendar     QUARTERLY DIVIDENDS PAID B ■ Full Year       2015     .91     .91     .91     .91     .94       2016     1.09     1.09     1.09     1.09     4.36       2017     1.42     1.42     1.42     1.42     5.68       2018     1.71     1.71     1.71     1.71     6.84       2019     2.06     2.06     2.06	2017	2.34	2.89	3.06	3.44	11.71
2020         5.25         5.50         5.75         6.50         23.00           Calendar         QUARTERLY DIVIDENDS PAID B ■ Mar.31         Full Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	2018	4.15	3.73	4.07	5.93	17.86
Calendar         QUARTERLY DIVIDENDS PAID B = Mar.31 Jun.30 Sep.30 Dec.31         Full Year           2015         .91         .91         .91         .91         .364           2016         1.09         1.09         1.09         4.36         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06         2.06         2.06         2.06	2019	3.75	d5.21	2.25	4.26	5.05
endar         Mar.31         Jun.30         Sep.30         Dec.31         Year           2015         .91         .91         .91         .91         3.64           2016         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06         2.06         2.06	2020	5.25	5.50	5.75	6.50	23.00
2015         .91         .91         .91         .91         .364           2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	Cal-	QUARTERLY DIVIDENDS PAID B =				Full
2016         1.09         1.09         1.09         1.09         4.36           2017         1.42         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06         2.06	endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2017         1.42         1.42         1.42         1.42         1.42         1.42         5.68           2018         1.71         1.71         1.71         1.71         6.84           2019         2.06         2.06         2.06	2015	.91	.91	.91	.91	3.64
<b>2018</b> 1.71 1.71 1.71 1.71 6.84 <b>2019</b> 2.06 2.06 2.06	2016	1.09	1.09	1.09	1.09	4.36
<b>2019</b> 2.06 2.06 2.06	2017	1.42	1.42	1.42	1.42	5.68
	2018	1.71	1.71	1.71	1.71	6.84
	2019	2.06	2.06	2.06		l

Boeing continues to struggle. It has now been roughly six months since the company's new 737 Max 8 aircraft have been grounded around the world, following two crashes that claimed the lives of 346 individuals. The catastrophes stemmed from the erroneous activation of the aircrafts' software that controls a plane's pitch. Boeing immediately began working on a fix, and the patch was rolled out a few months ago. It is now being tested by regulators and airlines. It appears that, in a best-case scenario, Max 8s will be back in the air come October.

The June quarter was a disaster. For the period, Boeing posted revenues of just \$15.8 billion, 35% below the prior-year figure. Although sales of defense products increased 8%, to \$6.6 billion, the company recorded a 737 Max-related charge that lowered revenues by \$5.6 billion. That also impacted the bottom line by \$8.74 per share and, overall, Boeing sustained a share loss of \$5.21. By some metrics, this was the company's worst quarter in its more than 100-year history.

Getting the 737 Max 8 back in the air is only part of the solution. According

to news outlets, Boeing's management knew about the software problem well before both crashes, and this has obviously damaged the aerospace behemoth's reputation. In addition to the myriad of wrongful death lawsuits that have/will be filed (which will almost assuredly take years to conclude), Boeing will probably lose quite a bit of business (or suffer notable delays) over this ordeal.

We are not recommending the stock. Since the Max 8 grounding, Boeing shares have declined 21%. Although certainly a steep decline, there is an argument to be made that the issue should have been hit harder. Nevertheless, the 737 mess continues to unfold, and visibility in regard to the progress made is poor. In fact, management is no longer providing financial guidance. Thus, we suggest that investors refrain from taking new positions here un-til the problems are fully fleshed out and resolved. On the other hand, shareholders who have continued to hold through this difficult time may want to stay the course. but should be prepared to maintain their positions for some time.

Tan Gendler September 6, 2019

(A) Diluted egs. Excl. nonrecur. gns./losses: '03, d11¢; '04, 67¢; '05, 72¢; '06, d54¢; '07, 2¢; '08, 2¢; '09, d3¢; '10, 45¢; '11, 52¢; '15, d77¢; '16, d\$3.23; '17, \$1.72. EPS may not sum to 2018: \$11.3 bill., \$19.91/sh. (D) In millions. (E)

total due to round'g. Next egs. rpt. due late Oct. (B) Div'ds paid in early Mar., Jun., Sept., Dec. Div'd rein. plan avail. (C) Incl intang. In

Company's Financial Strength Stock's Price Stability A++ 70 Price Growth Persistence **Earnings Predictability** 65