

ModernGraham Valuation

Company Name:

Boeing Co

Company Ticker BA

Date of Analysis

6/12/2016



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$82,307,483,582	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.32	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	113.99%	Pass
6. Moderate PEmg Ratio	PEmg < 20	17.84	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	21.60	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.32	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.54	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$7.35
MG Growth Estimate	9.47%
MG Value	\$201.69
MG Value based on 3% Growth	\$106.60
MG Value based on 0% Growth	\$62.49
Market Implied Growth Rate	4.67%

MG Opinion

Current Price	\$131.14
% of Intrinsic Value	65.02%
Opinion	Undervalued
MG Grade	B-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$32.92
Graham Number	\$34.29
PEmg	17.84
Current Ratio	1.32
PB Ratio	21.60
Current Dividend	\$3.82
Dividend Yield	2.91%
Number of Consecutive Years of Dividend Growth	5

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$8.27	Next Fiscal Year Estimate	\$7.35
Dec2015	\$7.44	Dec2015	\$6.68
Dec2014	\$7.38	Dec2014	\$6.08
Dec2013	\$5.96	Dec2013	\$5.13
Dec2012	\$5.11	Dec2012	\$4.51
Dec2011	\$5.34	Dec2011	\$4.18
Dec2010	\$4.45	Dec2010	\$3.60
Dec2009	\$1.84	Dec2009	\$3.24
Dec2008	\$3.67	Dec2008	\$3.78
Dec2007	\$5.28	Dec2007	\$3.53
Dec2006	\$2.85	Dec2006	\$2.42
Dec2005	\$3.20	Dec2005	\$2.17
Dec2004	\$2.30	Dec2004	\$1.74
Dec2003	\$0.89	Dec2003	\$1.63
Dec2002	\$0.61	Dec2002	\$2.01
Dec2001	\$3.41	Dec2001	\$2.43
Dec2000	\$2.44	Dec2000	\$1.79
Dec1999	\$2.49	Balance Sheet Information 3/1/2016	
Dec1998	\$1.15	Total Current Assets	\$65,587,000,000
Dec1997	-\$0.18	Total Current Liabilities	\$49,517,000,000
Dec1996	\$1.60	Long-Term Debt	\$8,721,000,000
		Total Assets	\$91,547,000,000
		Intangible Assets	\$7,726,000,000
		Total Liabilities	\$87,504,000,000
		Shares Outstanding (Diluted Average)	665,800,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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