

Boeing unit economics assessment

A per-delivery view of Boeing's commercial airplane unit economics

As of Aug. 31 2026 | Sources: Boeing SEC filings, Octus Intel, Fitch, Moody's

Summary

Boeing's unit is the commercial aircraft delivery, and the six-quarter trend (Q1 2025–Q2 2026) is one of steady improvement: deliveries have recovered off a 2024 production-halt trough, and — putting aside a one-time \$4.9 billion 777X certification charge that distorts Q3 2025 — the underlying operating loss per delivery has narrowed from roughly \$4.1 million in Q1 2025 to \$1.9 million in Q2 2026, even as revenue per delivery has stayed range-bound in the high-\$60 million to low-\$70 million area. That combination — rising unit volume plus a narrowing per-unit loss — is unit-accretive: growth is not masking deterioration, it is the primary engine converting a still-loss-making segment toward breakeven and, per rating-agency commentary, toward the free-cash-flow inflection now underpinning Boeing's improving credit trajectory ([Fitch, June 26, 2026](#)).

Issuer business model (101)

Boeing is one of two dominant global manufacturers of large commercial jet aircraft, organized into three reportable segments: Commercial Airplanes (BCA), which develops, produces and markets the 737 narrow-body and 767/777/787 wide-body families, with the 777X and 737-7/737-10 derivatives in development; Defense, Space & Security (BDS), a top-tier U.S. defense and space contractor; and Global Services (BGS), which provides parts, maintenance and support to commercial and government customers ([Boeing 10-K, filed 2026-01-30](#)). In December 2025 Boeing closed its acquisition of structures supplier Spirit AeroSystems and separately sold portions of its Digital Aviation Solutions business (within BGS); neither transaction changes how a BCA “delivery” is counted, but the Spirit deal brings a previously arm's-length supplier in-house, a cost-structure change worth watching rather than a perimeter break in the delivery count itself ([Boeing Q4 2025 press release](#); [Moody's, December 12, 2025](#)).

Revenue model (101)

Boeing recognizes commercial-aircraft revenue at the point in time an airplane is completed and accepted by the customer, so BCA revenue is mechanically delivery-driven rather than subscription- or usage-based ([Boeing 10-K, filed 2026-01-30](#)). Firm orders and options accumulate into a multi-year backlog valued under ASC 606 — giving revenue visibility years out — but the pace at which that backlog converts to recognized revenue is gated by production rate, FAA certification timing and customer acceptance, not by demand. That makes “commercial airplane delivered” the natural per-unit lens here: each delivery both triggers revenue recognition and is the denominator against which BCA segment profitability should be measured.

KPI glossary

Term	Definition
Commercial airplane deliveries	Total 737/767/777/787 aircraft (including intercompany deliveries) completed and accepted by customers in the period, as reported in Boeing's quarterly "Commercial airplane deliveries" disclosure (10-Q, 2026-07-28)
BCA revenue per delivery	Commercial Airplanes segment revenue ÷ deliveries in the period; a blended average across narrow- and wide-body mix, not a per-model figure
BCA (loss)/earnings per delivery	BCA segment GAAP (loss)/earnings from operations ÷ deliveries in the period; likewise a blended, not per-program, profitability figure
BCA operating margin	BCA segment (loss)/earnings from operations ÷ BCA segment revenue, as reported
Total company backlog	Value of firm, ASC 606-qualifying orders not yet delivered across all three segments, used here as directional context, not divided by a unit count given inconsistent aircraft-count disclosure

Unit economics trend table

Figures in \$ millions except deliveries (units) and margin/growth rows (%). BCA = Commercial Airplanes segment.

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Deliveries (units)	130	150	160	160	143	171
<i>Delivery growth, YoY %</i>	56.6%	63.0%	37.9%	180.7%	10.0%	14.0%
BCA revenue	\$8,147	\$10,874	\$11,094	\$11,379	\$9,203	\$11,751
Revenue per delivery	\$62.7	\$72.5	\$69.3	\$71.1	\$64.4	\$68.7
BCA (loss) from operations	(\$537)	(\$557)	(\$5,353) ¹	(\$632)	(\$563)	(\$322)
Loss per delivery	(\$4.13)	(\$3.71)	(\$33.46) ¹	(\$3.95)	(\$3.94)	(\$1.88)
<i>BCA operating margin</i>	(6.6)%	(5.1)%	(48.3)% ¹	(5.6)%	(6.1)%	(2.7)%

¹ Q3 2025's loss reflects a disclosed \$4.9 billion pre-tax charge tied to updated 777X certification timing — a program-specific, non-recurring item, not a like-for-like deterioration in per-delivery unit economics. Excluding it, Q3 2025 loss per delivery would fall in line with the surrounding quarters (roughly \$(2.8) million), and readers should treat the reported \$(33.46) million figure as noise, not trend.

Delivery-count comparisons for Q1 2025–Q4 2025 are YoY against 2024 quarters that were themselves depressed by the January 2024 Alaska Airlines door-plug grounding (FAA production cap) and a September–November 2024 IAM machinists' strike that halted 737/767/777 production for roughly seven weeks — most acutely visible in the 180.7% YoY delivery growth for Q4 2025 against a 57-delivery Q4 2024 base ([Boeing Q4 2025 press release](#)). Percentage growth is not shown for loss per delivery per data-quality convention, since the metric is negative in every period; movements are described qualitatively below instead. Per-unit profitability is not restated for the Spirit AeroSystems consolidation (closed December 8, 2025), since Boeing has not yet disclosed a standalone cost impact by quarter; this is flagged as a forward monitoring item, not adjusted into the table.

Deliveries by model, for reference: 737 accounted for 104–129 units per quarter across the window (roughly 70–75% of BCA volume), with 767, 777 and 787 making up the balance ([10-Q, 2026-07-28](#); [10-Q, 2026-04-22](#)).

What's driving the trend

- **Volume is recovering off an artificially low 2024 base, and 2026 growth is now on a cleaner run rate.** The huge YoY delivery growth rates in the 2025 columns (56–181%) mostly reflect 2024's FAA production cap and IAM strike rather than genuine demand expansion; the more informative comparisons are the two most recent quarters, where Q1 2026 deliveries grew 10.0% and Q2 2026 grew 14.0% against already-normalized 2025 quarters, driven by the 737 line stepping from a 38/month to a 42/month and then a 47/month production rate over the window, plus 787 stabilizing toward eight per month ([Boeing Q2 2026 press release](#)).
- **Per-delivery profitability has genuinely improved, once the one-time 777X charge is stripped out.** Loss per delivery ran at roughly \$(3.7)–\$(4.1) million through Q1 2025–Q1 2026 before narrowing sharply to \$(1.9) million in Q2 2026 — a real improvement in blended unit economics, not just an artifact of higher volume, since the operating margin also tightened from around (6)% to (2.7)% over the same span. Management attributed the latest quarter's improvement to “**higher deliveries, favorable mix, improved performance, and other adjustments**” ([Boeing Q2 2026 press release](#)) — language consistent with the data, though it bundles volume, mix and cost effects the disclosure does not separately quantify.
- **Revenue per delivery is mix-driven and not a clean price signal.** It swung from \$62.7 million to \$72.5 million between Q1 and Q2 2025 without any pricing change disclosed, and dipped back to \$64.4 million in Q1 2026 — consistent with the blended average shifting with the 737-versus-wide-body mix each quarter rather than with underlying pricing power, so this row should be read as a mix indicator, not a price trend.
- **The 777X remains the key source of unit-level noise and forward risk.** Beyond the Q3 2025 charge, the program has repeatedly slipped its FAA certification timeline, and Boeing continues to plan first delivery in 2027 as of the Q2 2026 release ([Boeing Q2 2026 press release](#)); a further slip would not change the near-term unit-economics trend (which is 737/787-driven) but would delay the working-capital release Fitch has flagged as a future earnings lever ([Fitch, June 26, 2026](#)).

Credit implication

Unit-level growth here reads as accretive, not dilutive: rising delivery volume is coinciding with a narrowing per-unit loss (ex the Q3 2025 charge), and that combination is what is showing up in consolidated cash generation — Boeing's operating cash flow moved from \$(1.6) billion in Q1 2025 to \$1.36 billion in Q2 2026, with free cash flow of \$631 million in the latter quarter versus \$(200) million a year earlier ([EARNINGS: Boeing Q2 2026](#)). Rating agencies are explicitly tying this BCA trajectory to credit improvement: Fitch revised Boeing's outlook to Positive in June 2026, citing a “durable” 737 MAX production recovery and an “inflection to positive free cash flow in 2026,” and forecasts EBITDA leverage falling from about 4.8x in 2026 to below 3.5x in 2027 and roughly 2.5x in 2028 as deliveries climb and debt is repaid — Boeing cut gross debt by \$8.3 billion in the first half of 2026 alone, retiring maturities with cash rather than refinancing ([Fitch, June 26, 2026](#)). Moody's affirmed the Baa3 senior unsecured rating with a stable outlook in December 2025, also noting that customers have kept ordering “notwithstanding Boeing's internally caused delays,” which supports the demand side of the unit-economics story ([Moody's, December 12, 2025](#)). The one credit-relevant risk Fitch flags that this trend table does not capture is Defense, Space & Security's continued losses on legacy fixed-price programs, which drag consolidated results even as BCA's per-unit economics improve.

Watch item next quarter: whether BCA's underlying loss per delivery (ex-777X noise) continues to narrow as the 737 line pushes toward 47/month and a new production line ramps — a stall or reversal in that per-unit trend, more than the headline delivery count, would be the first sign that volume growth is outrunning the operational recovery rating agencies are currently pricing in.

Pull comps?

Two names disclose a directly comparable “aircraft delivered” unit and a similar OEM business model:

- **Airbus SE** — the only other major manufacturer of 100+ seat commercial jets, reports quarterly/annual deliveries by aircraft family with segment revenue, the closest like-for-like comp for BCA.
- **Embraer S.A.** — smaller commercial/executive jet OEM with disclosed delivery counts by segment (commercial, executive, defense), useful for a regional/narrower-body comparison rather than a scale match.

Two further names are worth naming for context but are a weaker unit match: **Textron Inc.** (Cessna/Beechcraft business jet deliveries, disclosed but a much smaller aircraft class) and **General Dynamics** (Gulfstream deliveries within its Aerospace segment) — both disclose delivery counts but sell materially smaller aircraft into a different end market.

Let me know if you'd like me to pull Airbus's and/or Embraer's delivery and per-unit profitability trends for a side-by-side comparison, or substitute your own comp list.