SPIRIT AERO'S QUARTERLY REVENUE HURT BY LOWER DELIVERIES TO BOEING

News / Finance, Manufacturer

Aircraft parts maker Spirit AeroSystems Holdings Inc reported a lower-than-expected quarterly revenue on Wednesday as its biggest customer, Boeing Co, faces slowing demand for jetliners.

Spirit's shares were down 4.59 percent to $57.30 in morning trading.

Quarterly revenue was hurt by lower "pricing terms" for Boeing's 787 program and fewer production deliveries on the 747 and 777 programs, Spirit said in a statement.

Boeing, which accounts for 84 percent of Spirit's revenue, cut production of its cash cow 777 jetliner by 40 percent this year as it focuses on newer models.

Spirit Aero also forecast 2017 profit and revenue below analysts' estimates.

The company said it expected full-year earnings of $4.60-$4.85 per share and revenue of $6.8 billion-$6.9 billion.

Analysts on average were expecting 2017 earnings of $4.86 per share and revenue of $6.92 billion, according to Thomson Reuters I/B/E/S.

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Revenue for the quarter fell 2.4 percent to $1.57 billion, missing analysts' estimate of $1.60 billion.

Net income fell to $108.2 million, or 89 cents per share, in the fourth quarter ended Dec. 31 from $138.3 million, or $1.01 per share, a year earlier.

The company said its net income included a charge of 14 cents per share related to severe weather event and voluntary retirement program.

Analysts on average had expected earnings of $1.03 per share.

Up to Tuesday's close, Spirit shares had risen 2.9 percent this year, compared with a 0.5 percent increase in the Dow Jones U.S. aerospace and defense index .DJUSAE.

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