

**THE 2025 DEALMAKERS
OF THE YEAR**



ROBERT HAYWARD
KIRKLAND & ELLIS

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By Thomas Spigolon

The need for capital doesn't always arise at the most convenient time. Boeing's plan to issue an equity offering when it hadn't done so for many years—and concurrently with a revenue-draining labor dispute, as well as ongoing attention from federal authorities over the 737 Max—certainly wouldn't be described as convenient.

Nevertheless, Boeing last October registered for and announced its intention to issue billions worth of common stock and mandatory convertible preferred stock. The offering was marketed over the course of a weekend and was ultimately oversubscribed: The combined \$24.25 billion raised would turn out to be the largest-ever U.S. follow-on equity offering.

Kirkland & Ellis, Boeing's lead counsel on the matter, has been a longtime adviser to the company, handling billions' worth of capital markets offerings. Its past work for the client includes a \$25 billion bond issue (at the time, the largest-ever non-M&A bond offering) closing just weeks into COVID-19—another exercise in less-than-ideal timing.

Last year, however, a different solution was needed. From a credit rating standpoint, issuing additional debt wasn't an option, coming on the heels of Boeing's acquisition of Spirit AeroSystems. Boeing also faced an ongoing criminal case lodged by the Justice Department over fatal 737 Max crashes in 2019 and 2020, as well as federal monitoring in connection with a 737 Max 9 door plug malfunction aboard an Alaska Airlines flight in early 2024. Boeing also didn't qualify for the streamlined registration process of a "well-known seasoned issuer." Nevertheless, the company sought to move quickly, especially given the ongoing revenue loss and uncertainty presented by the impending presidential election.

Davis Polk & Wardwell, recommended for underwriter counsel by Kirkland, advised Goldman Sachs, BofA Securities, Citigroup Global Markets and J.P. Morgan Securities. John Meade, Mark Mendez and Michael Kaplan handled the matter.

Kaplan, head of the Davis Polk's corporate department, noted "an excellent working relationship with Kirkland," adding "I think we were perceived as a firm that could help get this done."

Meade, co-head of the firm's capital markets practice, said, "What we were able to bring to the table was deep experience and the fluency we have with all the issues that came together ... You can give us all the pieces of the jigsaw puzzle, and we'll make them fit."

With Boeing issuing both common and preferred stock, the latter tranche required structuring—here, shares will mandatorily convert after three years to common stock.

Mendez, head of the derivatives and structured products practice, explained, "While the mandatory convertible preferred [stock] using depositary shares is not a brand new product, it's exotic and thus complicated for any issuer, especially on a short timetable."

Kirkland's Robert Hayward, who represented Boeing along with colleagues Michael Keeley and Ben Richards, said: "Representing a great company in a complex transaction is both a responsibility and a testament to the trust placed in us. We were excited to have the opportunity to once again navigate a challenging task with a commitment to excellence, and we were thrilled to achieve the best result for our client."

Meade highlighted the ongoing media attention Boeing received throughout the process.

"We often do offerings that make the front page, but this was daily speculation," he said, noting that the heightened attention "adds an expectation of success."

"Our job is always to get everything right," Kaplan added, "but given the public focus on this one, you just can't afford a misstep on something like this."