

Cobham PLC

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Cobham shares rise as Morgan Stanley upgrades to 'overweight'

Cobham Group PLC (LON:COB) shares rose on Monday as Morgan Stanley upgraded it to 'overweight' from 'equal-weight', and said it sees an improved risk-reward following a challenging period.

The US investment bank also increased the British defence contractor's price target to 150p from 115p.

READ: Cobham trading in line but outlook still uncertain

In a note to clients, analysts at Morgan Stanley said they think that current management has stabilised Cobham's performance, with necessary costs sunk and measure taken to aid operational delivery.

"With multi-year upcycles beginning in core defence and aerospace markets, and other niche exposures appearing to be at or close to the bottom, we see consensus underpinned," the analysts said.

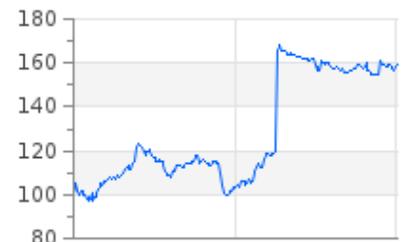
They added: "We model EBITDA margins to improve to 13.5% in 2020 against medium-term targets of 12%-14%."

In morning trading, Cobham's shares jumped 5.7% to 131.55p

Price: 159.5

Market Cap: £3.81 billion

1 Year Share Price Graph



December 2018 June 2019 December 20

Share Information

Code: COB

Listing: LSE

52 week High Low
171.2 96.38

Sector: Aerospace

Website: www.cobham.com

Company Synopsis:

Cobham is a global company engaged in the development, delivery and support of leading edge aerospace and defense systems in the air, on land and at sea.

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