

Borussia Dortmund GmbH & Co KGaA

Others - Germany



Buy (old: Buy)

12.02.2025

EUR 5.50 (old: EUR 5.50)

H1 prelims broadly in line / Mixed start into Kovac era; chg.

Topic: BVB released H1/Q2 results, which came in softer than in the year before due to lower transfer income, yet being in line with our estimates. Moreover, Niko Kovac meanwhile finished his second game as head coach – so far with a mixed record. In detail:

Q2 sales decreased 11.1% yoy to € 137.2m (eNuW: € 140.5m). This was mainly driven by a decline in match operations sales of € 17.3m (-13.3% yoy; eNuW: € 17.9m) caused by a fewer amount of home games (8 vs 10 in prior year) as well as reduced TV marketing sales of € 59.0m (-17.4% yoy; eNuW: 60.7m). The latter was mainly driven by the longer league phase of the UCL meaning that income from international TV marketing is recognized at a later date during the year compared to the previous year.

On this basis and following reduced transfer income, **Q2 EBITDA decreased to € 33.0m** (eNuW: € 34.9m). Yet, given an H1 EBITDA of € 58.7m, BVB remains fully on track to achieve its FY24/25 guidance of € 110-120m EBITDA. While the departure of Donyell Malen to Aston Villa should affect H2 EBITDA positively, the head coach change should have the opposite effect. Mind you, that we still have not accounted for the CWC this summer, as FIFA is yet to disclose prize money details. Hence, there is still upside to our estimates.

Unlucky Bundesliga debut for Kovac. Last weekend, Niko Kovac coached his first match in the Bundesliga, which BVB lost 1-2 at home against Stuttgart, one of the team competitors in the race for a top-4 finish. Despite the defeat we regard the performance as solid, and the win for Stuttgart as rather lucky. That being said, BVB currently is in 11th place, 7 points behind 4th. In this regard, it appears challenging but still well possible to achieve the UCL qualification for the coming season, which is why we remain our estimates for the FY25/26e.

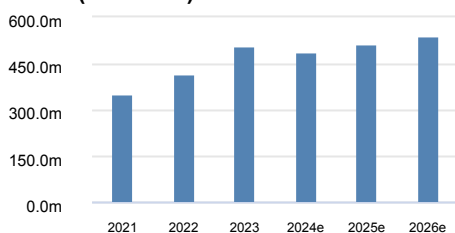
UCL. On the contrary to the Bundesliga, BVB yesterday won the first leg of the play-off round 3-0 at Sporting Lisbon, which hands the team a strong advantage for the second leg next Wednesday. Mind you, BVB will play either Lille or Aston Villa, should they advance to the round of 16. Both teams should be beatable for the team, which is thus leaving a certain **upside to our estimates** (round of 16 exit).

Reiterate **BUY** with an unchanged **PT of € 5.50** based on DCF.

Y/E 30.06 (EUR m)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Sales	351.6	418.2	509.1	488.5	516.1	543.1
Sales growth	5.2%	18.9%	21.7%	-4.1%	5.7%	5.2%
EBITDA	80.8	123.2	150.3	113.5	137.9	142.4
Net debt (if net cash=0)	6.6	30.1	36.2	26.5	-5.6	-48.8
FCF	-16.1	-22.3	-4.3	16.3	38.7	49.8
Net Debt/EBITDA	0.1	0.2	0.2	0.2	0.0	0.0
EPS pro forma	-0.32	0.09	0.40	0.13	0.27	0.27
EBITDA margin	23.0%	29.5%	29.5%	23.2%	26.7%	26.2%
ROCE	-9.6%	5.5%	13.4%	3.8%	8.7%	8.4%
EV/sales	1.2	1.0	0.9	0.9	0.8	0.6
EV/EBITDA	5.0	3.5	2.9	3.8	2.9	2.5
PER	-11.4	41.8	9.0	27.3	13.2	13.4
Adjusted FCF yield	-7.6%	3.7%	9.6%	2.8%	7.0%	7.7%

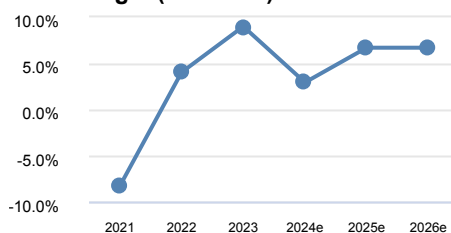
Source: Company data, NuWays, Close price as of 03.02.2025

Sales (2021-26e)



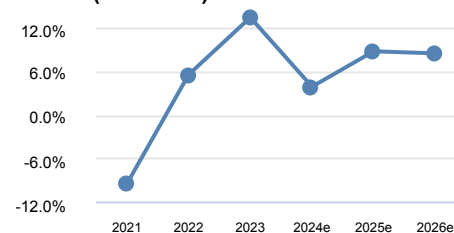
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

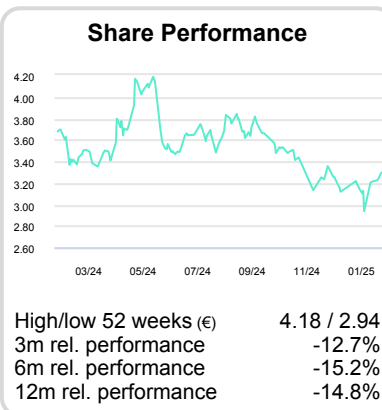
ROCE (2021-26e)



Source: NuWays Research

Company description

Borussia Dortmund operates a professional football club with a strong brand power and reputation in both national and international football. The main revenues are generated from sponsorship, ticketing, transfers and merchandising.



Market data

Share price (in €)	3.29
Market cap (in € m)	399.6
Number of shares (in m pcs)	110.4
Enterprise value (in € m)	394.0
Ø trading volume (6 months)	136,745

Identifier

Bloomberg	BVB GR
Reuters	BVB.DE
WKN	549309
ISIN	DE0005493092

Key shareholders

Bernd Geske	8.3%
Evonik Industries AG	8.2%
SIGNAL IDUNA	6.0%
PUMA SE	5.3%
Ralph Dommermuth Beteiligungen GmbH	5.0%
Free Float	67.2%

Estimates changes

	2024/25e	2025/26e	2026/27e
Sales	-3%	-3%	-3%
EBIT	-13%	-3%	5%
EPS	-12%	-3%	4%

- ### Comment on changes
- Slight changes following the H1 release
 - Slightly adjusted our short-term forecast

Guidance

- Sales: € 503m
- EBITDA: € 110-120m
- FCF: € 21m

Financials

Profit and loss (EUR m)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Net sales	351.6	418.2	509.1	488.5	516.1	543.1
<i>Sales growth</i>	5.2%	18.9%	21.7%	-4.1%	5.7%	5.2%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	351.6	418.2	509.1	488.5	516.1	543.1
Other operating income	85.4	79.3	109.1	69.1	88.8	93.5
Material expenses	22.6	24.1	32.7	36.9	46.4	48.9
Personnel expenses	231.2	236.2	268.5	248.5	255.5	271.6
Other operating expenses	102.4	114.0	166.7	158.8	165.2	173.8
Total operating expenses	270.9	295.0	358.9	375.0	378.2	400.8
EBITDA	80.8	123.2	150.3	113.5	137.9	142.4
Depreciation	14.4	14.0	13.7	13.0	13.6	13.9
EBITA	66.3	109.3	136.6	100.5	124.3	128.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	95.5	92.3	90.6	86.1	89.7	92.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	-29.2	16.9	45.9	14.4	34.6	36.5
Interest income	0.7	0.0	8.0	4.9	5.2	5.4
Interest expenses	4.9	6.1	5.2	2.0	2.0	2.0
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-4.2	-6.1	2.7	2.9	3.1	3.4
Recurring pretax income from continuing operations	-33.4	10.8	48.6	17.2	37.8	39.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-33.4	10.8	48.6	17.2	37.8	39.9
Income tax expense	1.7	1.2	4.3	2.6	7.6	10.0
Net income from continuing operations	-35.1	9.6	44.3	14.6	30.2	29.9
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-35.1	9.6	44.3	14.6	30.2	29.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-35.1	9.6	44.3	14.6	30.2	29.9
Average number of shares	110.4	110.4	110.4	110.4	110.4	110.4
EPS reported	-0.32	0.09	0.40	0.13	0.27	0.27

Profit and loss (common size)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Sales growth</i>	5.2%	18.9%	21.7%	-4.1%	5.7%	5.2%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating income	24.3%	19.0%	21.4%	14.2%	17.2%	17.2%
Material expenses	6.4%	5.8%	6.4%	7.5%	9.0%	9.0%
Personnel expenses	65.8%	56.5%	52.7%	50.9%	49.5%	50.0%
Other operating expenses	29.1%	27.3%	32.8%	32.5%	32.0%	32.0%
Total operating expenses	77.0%	70.5%	70.5%	76.8%	73.3%	73.8%
EBITDA	23.0%	29.5%	29.5%	23.2%	26.7%	26.2%
Depreciation	4.1%	3.3%	2.7%	2.7%	2.6%	2.6%
EBITA	18.9%	26.1%	26.8%	20.6%	24.1%	23.7%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	27.2%	22.1%	17.8%	17.6%	17.4%	16.9%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	-8.3%	4.0%	9.0%	2.9%	6.7%	6.7%
Interest income	0.2%	0.0%	1.6%	1.0%	1.0%	1.0%
Interest expenses	1.4%	1.5%	1.0%	0.4%	0.4%	0.4%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	0.5%	0.6%	0.6%	0.6%
Recurring pretax income from continuing operations	-9.5%	2.6%	9.6%	3.5%	7.3%	7.3%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	-9.5%	2.6%	9.6%	3.5%	7.3%	7.3%
Tax rate	-5.1%	11.4%	8.9%	15.0%	20.0%	25.0%
Net income from continuing operations	-10.0%	2.3%	8.7%	3.0%	5.9%	5.5%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	-10.0%	2.3%	8.7%	3.0%	5.9%	5.5%
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	-10.0%	2.3%	8.7%	3.0%	5.9%	5.5%

Source: Company data, NuWays

Balance sheet (EUR m)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Intangible assets	124.4	169.7	184.1	184.1	184.1	174.9
Property, plant and equipment	172.5	182.3	198.3	198.3	198.3	198.3
Financial assets	0.7	0.5	0.6	0.6	0.6	0.6
FIXED ASSETS	297.6	352.4	382.9	382.9	382.9	373.7
Inventories	4.4	5.4	5.3	5.1	5.4	5.6
Accounts receivable	105.4	125.5	178.0	167.3	176.8	186.0
Other assets and short-term financial assets	24.0	11.0	9.1	9.1	9.1	9.1
Liquid assets	10.6	4.5	4.4	14.1	46.2	89.3
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	13.1	13.0	10.0	10.0	10.0	10.0
CURRENT ASSETS	157.5	159.4	206.8	205.6	247.4	300.1
TOTAL ASSETS	455.1	511.8	589.7	588.5	630.4	673.8

SHAREHOLDERS EQUITY	280.5	282.7	327.0	338.2	372.5	408.6
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term liabilities to banks	0.0	8.8	26.1	26.1	26.1	26.1
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	17.2	13.0	11.9	11.9	11.9	11.9
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.0	0.0	1.0	1.0	1.0	1.0
NON-CURRENT LIABILITIES	17.2	21.8	38.9	38.9	38.9	38.9
Short-term liabilities to banks	0.0	12.8	2.6	2.6	2.6	2.6
Accounts payable	98.5	132.9	146.2	133.8	141.4	148.8
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	38.9	37.4	48.9	48.9	48.9	48.9
Deferred taxes	0.0	1.1	5.4	5.4	5.4	5.4
Deferred income	19.9	23.2	20.6	20.6	20.6	20.6
CURRENT LIABILITIES	157.4	207.3	223.7	211.4	218.9	226.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	455.1	511.8	589.7	588.5	630.4	673.8

Balance sheet (common size)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Intangible assets	27.3%	33.1%	31.2%	31.3%	29.2%	26.0%
Property, plant and equipment	37.9%	35.6%	33.6%	33.7%	31.5%	29.4%
Financial assets	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
FIXED ASSETS	65.4%	68.9%	64.9%	65.1%	60.7%	55.5%
Inventories	1.0%	1.1%	0.9%	0.9%	0.9%	0.8%
Accounts receivable	23.2%	24.5%	30.2%	28.4%	28.0%	27.6%
Other assets and short-term financial assets	5.3%	2.2%	1.5%	1.5%	1.4%	1.3%
Liquid assets	2.3%	0.9%	0.7%	2.4%	7.3%	13.3%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	2.9%	2.5%	1.7%	1.7%	1.6%	1.5%
CURRENT ASSETS	34.6%	31.1%	35.1%	34.9%	39.3%	44.5%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	61.6%	55.2%	55.5%	57.5%	59.1%	60.6%
MINORITY INTEREST	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	0.0%	1.7%	4.4%	4.4%	4.1%	3.9%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	3.8%	2.5%	2.0%	2.0%	1.9%	1.8%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	0.0%	0.0%	0.2%	0.2%	0.2%	0.1%
NON-CURRENT LIABILITIES	3.8%	4.3%	6.6%	6.6%	6.2%	5.8%
Short-term liabilities to banks	0.0%	2.5%	0.4%	0.4%	0.4%	0.4%
Accounts payable	21.7%	26.0%	24.8%	22.7%	22.4%	22.1%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	8.5%	7.3%	8.3%	8.3%	7.8%	7.3%
Deferred taxes	0.0%	0.2%	0.9%	0.9%	0.9%	0.8%
Deferred income	4.4%	4.5%	3.5%	3.5%	3.3%	3.1%
CURRENT LIABILITIES	34.6%	40.5%	37.9%	35.9%	34.7%	33.6%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
Net profit/loss	-35.1	9.6	44.3	14.6	30.2	29.9
Depreciation of fixed assets (incl. leases)	14.4	14.0	13.7	13.0	13.6	13.9
Amortisation of goodwill & intangible assets	95.5	92.3	90.6	86.1	89.7	92.0
Other costs affecting income / expenses	25.7	-74.6	-62.4	-70.0	-70.0	-70.0
Cash flow from operating activities	-74.9	-51.9	-57.1	-56.8	-42.0	-42.2
Increase/decrease in inventory	2.4	-1.0	0.2	0.2	-0.3	-0.3
Increase/decrease in accounts receivable	-65.0	-20.1	-52.5	10.7	-9.5	-9.3
Increase/decrease in accounts payable	-2.8	34.3	13.4	-12.4	7.6	7.4
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-65.5	13.2	-39.0	-1.5	-2.2	-2.1
Cash flow from operating activities	35.1	54.4	47.2	42.3	61.3	63.7
CAPEX	81.1	147.9	140.0	99.1	103.2	96.7
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.2	0.0	0.1	0.0	0.0	0.0
Income from asset disposals	30.0	71.1	88.5	73.2	80.7	82.8
Cash flow from investing activities	-51.4	-76.8	-51.6	-25.9	-22.5	-13.9
Cash flow before financing	-16.3	-22.3	-4.4	9.7	32.1	43.1
Increase/decrease in debt position	-61.3	16.2	7.1	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	86.5	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	6.6	6.6	6.6
Others	0.0	0.0	-2.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	25.1	16.2	4.3	-6.6	-6.6	-6.6
Increase/decrease in liquid assets	8.8	-6.1	-0.1	9.7	32.1	43.1
Liquid assets at end of period	10.6	4.5	4.4	14.1	46.2	89.3

Key ratios (EUR m)	2021/22	2022/23	2023/24	2024/25e	2025/26e	2026/27e
P&L growth analysis						
Sales growth	5.2%	18.9%	21.7%	-4.1%	5.7%	5.2%
EBITDA growth	107.3%	52.6%	21.9%	-24.5%	21.5%	3.3%
EBIT growth	-59.5%	-158.0%	171.6%	-68.7%	141.0%	5.2%
EPS growth	-51.8%	-127.2%	363.9%	-66.9%	106.3%	-1.1%
Efficiency						
Sales per employee	387.1	456.6	546.0	514.2	532.1	548.6
EBITDA per employee	88.9	134.5	161.1	119.4	142.1	143.8
No. employees (average)	908	916	932	950	970	990
Balance sheet analysis						
Avg. working capital / sales	-6.1%	1.1%	3.4%	7.7%	7.7%	7.7%
Inventory turnover (sales/inventory)	79.6	76.8	96.2	96.2	96.2	96.2
Accounts receivable turnover	109.4	109.5	127.6	125.0	125.0	125.0
Accounts payable turnover	102.3	116.0	104.8	100.0	100.0	100.0
Cash flow analysis						
Free cash flow	-16.1	-22.3	-4.3	16.3	38.7	49.8
Free cash flow/sales	-4.6%	-5.3%	-0.8%	3.3%	7.5%	9.2%
FCF / net profit	45.9%	neg.	neg.	111.6%	128.2%	166.5%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	6.6	30.1	36.2	26.5	-5.6	-48.8
Net Debt/EBITDA	0.1	0.2	0.2	0.2	0.0	0.0
Dividend payout ratio	0.0%	0.0%	14.9%	45.2%	21.9%	22.2%
Interest paid / avg. debt	10.3%	23.7%	13.9%	5.0%	5.0%	5.0%
Returns						
ROCE	-9.6%	5.5%	13.4%	3.8%	8.7%	8.4%
ROE	-12.5%	3.4%	13.5%	4.3%	8.1%	7.3%
Adjusted FCF yield	-7.6%	3.7%	9.6%	2.8%	7.0%	7.7%
Dividend yield	0.0%	0.0%	1.7%	1.7%	1.7%	1.7%
DPS	0.0	0.0	0.1	0.1	0.1	0.1
EPS reported	-0.32	0.09	0.40	0.13	0.27	0.27
Average number of shares	110.4	110.4	110.4	110.4	110.4	110.4
Valuation ratios						
P/BV	1.4	1.4	1.2	1.2	1.1	1.0
EV/sales	1.2	1.0	0.9	0.9	0.8	0.6
EV/EBITDA	5.0	3.5	2.9	3.8	2.9	2.5
EV/EBIT	-13.9	25.4	9.5	29.6	11.4	9.6

Source: Company data, NuWays

Disclosures

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Company	Disclosures
Borussia Dortmund GmbH & Co KGaA	2

Historical target price and rating changes for Borussia Dortmund GmbH & Co KGaA

Company	Date	Analyst	Rating	Target Price	Close
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According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

Date of publication creation: 12/02/2025 07:47 AM

Date of publication dissemination: 12/02/2025 07:47 AM

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