

Borussia Dortmund GmbH & Co KGaA

Outperform → | Target price : 5.00 €

Price (07/05/2024) : 3.92 € | Upside : 28%

Revision 06/24e 06/25e

EPS

Borussia Dortmund reaches the final of the UEFA Champions League

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Sources : ODDO BHF Securities, SIX

Share data

BVB.GY BVB.PR	
Market Cap (€m)	433
Enterprise value (€m)	520
Extrema 12 months (€)	3.33 - 5.88
Free Float (%)	67.2

Performance (%)	1m	3m	12m
Absolute	12.0	8.4	-10.6
Perf. rel. Country Index	10.4	2.4	-19.1
Perf. rel. Hotel / leisure	14.6	11.8	-13.6

P&L	06/24e	06/25e	06/26e
Sales (€m)	454	447	459
EBITDA (€m)	140	115	118
Current EBIT (€m)	49.0	24.7	28.3
Attr. net profit (€m)	39.3	18.5	22.9
Adjusted EPS (€)	0.36	0.17	0.21
Dividend (€)	0.06	0.06	0.06
P/E (x)	11.0	23.3	18.9
P/B (x)	1.3	1.3	1.2
Dividend Yield (%)	1.5	1.5	1.5
FCF yield (%)	ns	ns	ns
EV/Sales (x)	1.15	1.07	0.94
EV/EBITDA (x)	3.7	4.2	3.7
EV/Current EBIT (x)	10.6	19.3	15.3
Gearing (%)	27	14	0
Net Debt/EBITDA (x)	0.6	0.4	0.0

Next Events

10/05/2024 Q3 Results

Wembley – Borussia Dortmund is coming

Yesterday evening, BVB won 1:0 against Paris Saint-Germain in the second leg of the semifinal of the UEFA Champions League in Paris. After winning 1:0 in the first leg on 1 May 2024 in Dortmund, BVB reached the final of the UEFA Champions League. In the final, BVB will play either Real Madrid or Bayern Munich. The final takes place on 1 June 2024 in London. The bonus for reaching the final amounts to ca. € 15.5m and ca. € 4.5m for winning the final.

We reiterate our Outperform rating

Reaching the final of the UEFA Champions League is the club's biggest international success since its last appearance in the UEFA Champions League final in 2013, when it lost 2:1 against Bayern Munich. In our opinion, the club has brought a disappointing 2023/24 Bundesliga season (BVB is in fifth place after match day 32) to a good end by reaching the final of the UEFA Champions League. We confirm our rating (Outperform) and target price (€ 5).

Klaus Breitenbach (Analyst)
 +49 (0) 69 718 1011
 klaus.breitenbach@oddo-bhf.com

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BVB.PR | BVB GY
Leisure | Germany

Outperform

Price 3.92 €

Upside 27.55%

TP 5.00 €

PER SHARE DATA (€)	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
Adjusted EPS	0.19	-0.48	-0.79	-0.29	0.09	0.36	0.17	0.21
Reported EPS	0.19	-0.48	-0.79	-0.29	0.09	0.36	0.17	0.21
Growth in adjusted EPS	-	ns	ns	ns	ns	ns	-52.8%	23.7%
Net dividend per share	0.06	0.00	0.00	0.00	0.00	0.06	0.06	0.06
FCF to equity per share	-1.20	-1.73	-0.82	-0.42	-0.85	-0.56	-0.47	-0.45
Book value per share	3.86	3.32	2.53	2.47	2.56	2.92	3.03	3.17
Number of shares market cap (m)	92.00	92.00	92.00	110.40	110.40	110.40	110.40	110.40
Number of diluted shares (m)	92.00	92.00	92.00	110.40	110.40	110.40	110.40	110.40
VALUATION (€m)	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
12m highest price (€)	9.81	9.68	9.26	6.70	4.47	5.88	3.92	
12m lowest price (€)	4.86	6.83	4.11	4.12	3.03	3.55	3.33	
(*) Reference price (€)	7.76	7.85	5.45	4.62	3.96	3.92	3.92	3.92
Capitalization	714	722	501	510	437	433	433	433
Restated Net debt	-15.0	43.8	86.3	28.3	54.5	86.8	45.3	0.5
Minorities (fair value)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial fixed assets (fair value)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise Value	699	766	587	538	492	520	478	433
P/E (x)	41.0	ns	ns	ns	45.8	11.0	23.3	18.9
P/CF (x)	24.9	ns	11.9	5.8	8.4	9.2	10.8	10.2
Net Yield	0.8%	0.0%	0.0%	0.0%	0.0%	1.5%	1.5%	1.5%
FCF yield	ns	ns	ns	ns	ns	ns	ns	ns
P/B incl. GW (x)	2.01	2.36	2.15	1.87	1.55	1.34	1.30	1.24
P/B excl. GW (x)	2.01	2.36	2.15	1.87	1.55	1.34	1.30	1.24
EV/Sales (x)	1.89	2.07	1.76	1.53	1.18	1.15	1.07	0.94
EV/EBITDA (x)	6.0	12.2	15.1	6.4	4.0	3.7	4.2	3.7
EV/Current EBIT (x)	29.7	ns	ns	ns	29.1	10.6	19.3	15.3
(*) historical average price								
PROFIT AND LOSS (€m)	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
Sales	370	370	334	352	418	454	447	459
EBITDA	116	63	39.0	84	123	140	115	118
Depreciations	-92.5	-106.1	-111.0	-109.8	-106.3	-91.1	-90.4	-90.2
Current EBIT	23.5	-43.1	-72.1	-26.0	16.9	49.0	24.7	28.3
Published EBIT	23.5	-43.1	-72.1	-26.0	16.9	49.0	24.7	28.3
Net financial income	-1.7	-3.4	-1.1	-4.2	-6.1	-2.7	-2.9	-1.3
Corporate Tax	-4.4	2.6	0.3	-1.7	-1.2	-6.9	-3.3	-4.0
Net income of equity-accounted companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/loss of discontinued activities (after tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Attributable net profit	17.4	-44.0	-72.8	-31.9	9.6	39.3	18.5	22.9
Adjusted attributable net profit	17.4	-44.0	-72.8	-31.9	9.6	39.3	18.5	22.9
BALANCE SHEET (€m)	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other intangible assets	164	230	193	128	170	183	191	200
Tangible fixed assets	184	193	183	172	182	187	180	173
WCR	11.1	-65.5	-39.4	13.6	11.1	11.0	11.1	11.2
Financial assets	23.2	20.4	10.0	24.7	11.5	63.2	29.5	-3.4
Ordinary shareholders equity	355	305	233	273	283	322	334	350
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders equity	355	305	233	273	283	322	334	350
Non-current provisions	42.1	28.3	28.5	37.1	37.3	34.8	32.3	29.8
Net debt	-15.0	43.8	86.3	28.3	54.5	86.8	45.3	0.5
CASH FLOW STATEMENT (€m)	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
EBITDA	116.0	63.0	39.0	83.8	123.2	140.1	115.2	118.5
Change in WCR	0.0	76.6	-26.1	-53.0	2.5	0.0	-0.1	0.0
Interests & taxes	-2.6	0.4	-0.3	3.9	5.1	-6.5	-2.9	-3.8
Others	-84.7	-140.4	3.4	0.3	-76.4	-86.5	-72.2	-72.3
Operating Cash flow	28.7	-0.4	16.0	35.0	54.4	47.1	40.0	42.4
CAPEX	-139.4	-158.9	-91.7	-81.1	-147.9	-108.5	-92.0	-92.1
Free cash-flow	-110.7	-159.3	-75.7	-46.1	-93.4	-61.4	-52.0	-49.7
Acquisitions / disposals	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	0.0
Dividends	-5.5	-5.5	0.0	0.0	0.0	0.0	-6.6	-6.6
Net capital increase	0.0	0.0	0.0	86.5	0.0	0.0	0.0	0.0
Others	-3.3	-3.9	-4.4	-4.4	-5.4	-2.5	-2.5	-2.5
Change in net cash	-	-58.8	-42.5	58.0	-26.2	-32.3	41.5	44.8
GROWTH MARGINS PRODUCTIVITY	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
Sales growth	-	0.0%	-9.7%	5.2%	18.9%	8.5%	-1.4%	2.6%
Lfl sales growth	-	-	-	-	-	-	-	-
Current EBIT growth	-	ns	ns	ns	ns	ns	-49.5%	14.5%
Growth in adjusted EPS	-	ns	ns	ns	ns	ns	-52.8%	23.7%
Net margin	4.7%	-11.9%	-21.8%	-9.1%	2.3%	8.7%	4.1%	5.0%
EBITDA margin	31.3%	17.0%	11.7%	23.8%	29.5%	30.9%	25.7%	25.8%
Current EBIT margin	6.3%	-11.7%	-21.6%	-7.4%	4.0%	10.8%	5.5%	6.2%
CAPEX / Sales	-37.6%	-42.9%	-27.4%	-23.1%	-35.4%	-23.9%	-20.6%	-20.1%
WCR / Sales	3.0%	-17.7%	-11.8%	3.9%	2.6%	2.4%	2.5%	2.4%
Tax Rate	20.3%	5.6%	0.5%	-5.6%	11.4%	15.0%	15.0%	15.0%
Normative tax rate	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Asset Turnover	-	1.0	1.0	1.1	1.2	1.2	1.2	1.2
ROCE post-tax (normative tax rate)	-	-8.4%	-14.5%	-5.6%	3.5%	9.2%	4.5%	5.2%
ROCE post-tax hors GW (normative tax rate)	-	-8.4%	-14.5%	-5.6%	3.5%	9.2%	4.5%	5.2%
ROE	-	-13.3%	-27.1%	-12.6%	3.4%	13.0%	5.7%	6.7%
DEBT RATIOS	06/19	06/20	06/21	06/22	06/23	06/24e	06/25e	06/26e
Gearing	-4%	14%	37%	10%	19%	27%	14%	0%
Net Debt / Market Cap	-0.02	0.06	0.17	0.06	0.12	0.20	0.10	0.00
Net debt / EBITDA	-0.13	0.70	2.22	0.34	0.44	0.62	0.39	0.00
EBITDA / net financial charges	68.0	18.3	34.2	19.7	20.0	50.9	39.6	89.4

Sources: ODDO BHF Securities, SIX



• **Valuation method**

Our target prices are established on a 12-month timeframe and we use three valuation methods to determine them. First, the discounting of available cash flows using the discounting parameters set by the Group and indicated on ODDO BHF' website. Second, the sum-of-the-parts method based on the most pertinent financial aggregate depending on the sector of activity. Third, we also use the peer comparison method which facilitates an evaluation of the company relative to similar businesses, either because they operate in identical sectors (and are therefore in competition with one another) or because they benefit from comparable financial dynamics. A mixture of these valuation methods may be used in specific instances to more accurately reflect the specific characteristics of each company covered, thereby fine-tuning its evaluation.

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Our stock market recommendations reflect the RELATIVE performance expected for each stock on a 12-month timeframe.

Outperform: performance expected to exceed that of the benchmark index, sectoral (large caps) or other (small and mid caps).

Neutral: performance expected to be comparable to that of the benchmark index, sectoral (large caps) or other (small and mid caps).

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Date	Reco	Price Target (EUR)	Price (EUR)	Analyst
30/11/23	Outperform	5.00	3.66	Klaus Breitenbach

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		Outperform	Neutral	Underperform
Our whole coverage	(691)	51%	39%	10%
Liquidity providers coverage	(79)	48%	42%	10%
Research service coverage	(54)	65%	22%	13%
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