



Borussia Dortmund GmbH & Co. KGaA

Covid-19 impact in Q3 not as harsh as feared

11/05/2020

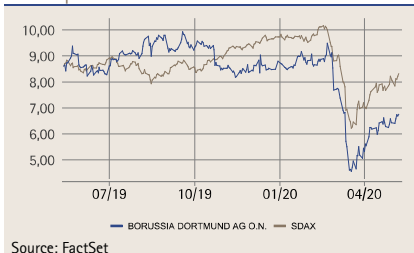
Buy
9.00 EUR

Close 08/05/2020	6.75 EUR
Bloomberg: BVB GY	WKN: 549309
Sector	Media

Share price performance

52 week high / low	9.93 / 4.56 EUR
YTD	-23.4%
12 months	-22.4%

Share price vs. SDAX



Share data

Market Cap (m EUR)	620.5
No. of shares (m)	92.0
Free float	60.8%
Trading vol. Ø (m EUR)	2.5

Next event

Quarterly Results	15/05/2020
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See end of document for disclaimer.

BVB released its preliminary Q3 2019/20 results. Net result in Q3 fell to € 1.1 m (PY: € 29.4 m), but still was better than we expected (BHL est.: € -4 m). The Q3 results were not as bad as we feared, mostly due to transfer proceeds that were higher than we projected. The decline in other revenue lines was also not as harsh as we feared.

(€ m)	BHL		Consensus		% deviation reported	
	Q3 19/20e	Q3 19/20e	Q3 19/20e	Q3 18/19e	vs. BHL	vs. Cons.
Sales	134.4	86.6	n/a	153.2	55.2%	n/a
Transfer deals	54.6	30.0	n/a	42.4	82.0%	n/a
TV marketing	33.0	31.6	n/a	36.0	4.3%	n/a
Advertising	24.2	23.3	n/a	22.9	4.0%	n/a
Match operations	9.9	4.8	n/a	11.9	>100%	n/a
Merchandising	5.9	3.3	n/a	6.2	81.5%	n/a
Conference, Catering,	6.8	4.1	n/a	6.7	67.9%	n/a
Net income	1.1	-4.0	n/a	29.4	n/a	n/a
Net income margin	0.8%	-4.6%	n/a	19.2%	5.4 PP	n/a

Source: Company information, Company Consensus, Bankhaus Lampe Research

Q4 WILL BE TOUGH, BUT IT IS ALREADY REFLECTED IN PRICE

- BVB is still unable to provide a new 2019/2020 outlook, despite the fact that the 2019/2020 Bundesliga season should resume from 16 May onwards. All of BVB revenue streams have been adversely affected by the present COVID-19 pandemic and may be strained further, particularly due to the impact that any matches held "behind closed doors" might have.
- However, the management team currently does not expect to generate a consolidated net profit for the full 2019/2020 financial year.
- The full impact of the lockdown will be seen in the Q4 2019/20 results, which is reflected in our full-year estimates.

in m EUR	2017/18	2018/19	2019/20e	2020/21e	2021/22e
Sales	536.1	489.6	450.5	483.1	498.1
EBITDA	126.7	116.0	77.1	131.9	107.3
EBITDA margin	23.6%	23.7%	17.1%	27.3%	21.5%
Net financial debt	-16.1	-10.7	13.2	-11.2	-15.8
Free cash flow	27.6	1.1	-11.8	29.9	10.1
EPS (in EUR)	0.31	0.19	-0.07	0.40	0.19
DPS (in EUR)	0.06	0.06	0.06	0.06	0.06
Dividend yield	0.7%	0.9%	0.9%	0.9%	0.9%
EV/sales	1.4	1.2	1.4	1.3	1.2
EV/EBITDA	5.9	5.3	8.2	4.6	5.6
P/E	26.7	35.4	-91.4	16.8	35.7

Source: Company information, Bankhaus Lampe Research estimates

Disclaimer

The creation of this recommendation was finalised on 11/05/2020 08:53 AM (CEST) and first published on 11/05/2020 09:00 AM (CEST).

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Unless shown otherwise, the stated upside targets are based upon either a discounted cash-flow pricing or upon a comparison of the performance ratios of companies that the respective analyst considers to be comparable, or upon a combination of these two analyses. Analysts modify the result of this fundamental assessment to incorporate the potential trend in market sentiment.

Details on the concepts and methods as well as the valuation models employed are available on our [website](#).

Overview of changes in our recommendations/price targets in the previous twelve months for: Borussia Dortmund GmbH & Co. KGaA (BVB GY), Close (08/05/2020): 6.75 EUR, Analyst: Igor Kim (CFA).

Date of publication	Price at recommendation	Rating	Price target
02/04/2020	5.32 EUR	Buy	9.00 EUR
06/08/2019	9.09 EUR	Buy	12.00 EUR

The distribution of recommendations in our investments universe is currently as follows (date: 01/04/2020)

Rating	Basis: all analysed companies	Basis: companies with investment banking relationships
Buy	55.6%	85.7%
Hold	36.1%	14.3%
Sell	8.3%	0.0%
Under Review	0.0%	0.0%

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The Bank intends to publish at least one research report per year for the aforementioned stock/stocks.

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Company	Disclosure
Borussia Dortmund GmbH & Co. KGaA	9

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11 May 2020

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