



Borussia Dortmund GmbH & Co. KGaA

2:1 win over PSG

19/02/2020

Buy
12.00 EUR

Close 18/02/2020	8.79 EUR
Bloomberg: BVB GY	WKN: 549309
Sector	Media

Share price performance

52 week high / low	9.93 / 7.01 EUR
YTD	-0.2%
12 months	15.4%

Share price vs. SDAX



Source: FactSet

Share data

Market Cap (m EUR)	808.2
No. of shares (m)	92.0
Free float	60.8%
Trading vol. Ø (m EUR)	2.3

Next event

Quarterly Results	28/02/2020
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Analyst

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See end of document for disclaimer.

Borussia Dortmund beat PSG (2:1) in the first leg gaining an edge in the round of 16. The second game (return leg) with PSG is scheduled for 11 March. This should be the key catalyst in the near term. The total scores will be decisive, but obviously BVB has now an advantage over PSG.

RECENTLY TRANSFERRED HAALAND SCORES TWICE

- Both goals were made by Erling Haaland, who was just transferred to BVB in January of this year (contract duration until 2024). The transfer amount was not disclosed but various media indicate that it could be around € 20 m. According to transfermarkt.de, his current market value is now approximately € 60 m.
- The game was at BVB's Signal Iduna stadium, and BVB is now unbeaten in their 17 home games across all competitions this season (13 wins, 51-15 goal difference). Their four home games in the UEFA Champions League have produced three wins and one draw (0-0 against Barcelona).

RETURN LEG ON 11 MARCH IS KEY CATALYST

- Given that BVB is now ahead of PSG in the round of 16, we feel comfortable with our BUY recommendation and price target of € 12.00. The return leg on 11 March should be the key trigger in the near term.

in m EUR	2017/18	2018/19	2019/20e	2020/21e	2021/22e
Sales	536.1	489.6	508.1	483.1	497.8
EBITDA	126.7	116.0	108.5	131.9	107.3
EBITDA margin	23.6%	23.7%	21.4%	27.3%	21.6%
Net financial debt	-16.1	-10.7	-12.0	-36.3	-204.2
Free cash flow	27.6	1.1	13.4	29.9	222.9
EPS (in EUR)	0.31	0.19	0.20	0.40	0.27
DPS (in EUR)	0.06	0.06	0.06	0.06	0.06
Dividend yield	0.7%	0.7%	0.7%	0.7%	0.7%
EV/sales	1.4	1.6	1.6	1.6	1.2
EV/EBITDA	5.9	6.9	7.3	5.9	5.6
P/E	26.7	46.0	44.0	21.8	32.5

Source: Company information, Bankhaus Lampe Research estimates

Disclaimer

The creation of this recommendation was finalised on 19/02/2020 09:01 AM (CET) and first published on 19/02/2020 09:03 AM (CET).

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Shares are rated based upon analyst forecasts with regard to the performance of the share during a period of twelve months. The rating "Buy" within this general concept means that the share's forecast performance is at least 10%. "Hold" means a price movement in a bandwidth of -10% to 10%. "Sell" means that the share's forecast performance is less than -10%.

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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 (18/02/2020): 8.79 EUR, Analyst: Igor Kim (CFA).

Date of publication	Price at recommendation	Rating	Price target
06/08/2019	9.09 EUR	Buy	12.00 EUR

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

Rating	Basis: all analysed companies	Basis: companies with investment banking relationships
Buy	48.1%	62.5%
Hold	45.9%	37.5%
Sell	6.0%	0.0%
Under Review	0.0%	0.0%

Frequency of updates

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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19 February 2020

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