

# Borussia Dortmund

## A more typical year

Borussia Dortmund is one of Europe's leading football clubs, with a strong track record in its domestic league and an enviable consistency in competing in the financially lucrative European competitions. The consistent on-pitch success and structural growth drivers of expanding global audiences, increasing demand for media rights and developing sponsorship partners have led to a strong 20-year revenue CAGR of c 10%. When combined with management's conservative approach to operating costs and player investment, the result is a long-term record of positive net income and free cash generation, which may be at odds with the general perception about the financial health of football clubs. The company's valuation looks attractive versus peers and its own trading history.

Year end	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (€)	DPS (€)	EV/EBITDA (x)	P/E (x)
6/24	509.1	150.3	140.7	0.86	0.06	2.5	3.9
6/25	526.0	115.9	102.1	0.62	0.06	3.2	5.3
6/26e	480.8	109.7	97.8	0.60	0.06	3.4	5.5
6/27e	492.6	113.8	101.3	0.62	0.06	3.3	5.4

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

## FIFA Club World Cup helped FY25

FY25 was another good year from a financial perspective as the first team competed in the revamped FIFA Club World Cup in the summer of 2025, and exceeded initial expectations by reaching the quarter-final of the Champions League. These achievements provided a much-needed boost to revenue and profit given the tough comparative from FY24, when Borussia Dortmund reached the final of the Champions League and enjoyed unusually high net transfer income. The company's free cash generation has seen the balance sheet de-gear further, with net debt at the end of FY25 of €26.5m and €10.1m at the end of Q126.

## Profit upside dependent on Champions League

The downside of relative success and enjoying one-off revenue in one financial year is the tough comparative this provides for the following year. So, in FY26 the company is back to what looks more like a typical year, with upgrades to guidance dependent on sporting success, notably in the Champions League, for which management typically assumes the first team will reach the Round of 16. Management's initial guidance is for FY26 revenue of €475m (down c 10% y-o-y), EBITDA of €105–115m (down c 5% y-o-y) and operating income and net income of negative €5m to €5m.

## Valuation attractive on all measures

As revenue and profitability have recovered following the COVID-19 pandemic, there has been a clear de-rating of the share price. As a result, the prospective multiples are well below their long-term average multiples and at a significant discount to their peers and our updated asset-backed sum-of-the-parts (SOTP) valuation of €10.85 per share ([€11.17 previously](#)). Although the company's shareholder structure may restrict the realisation of this valuation, the company has traded at a premium to net asset value.

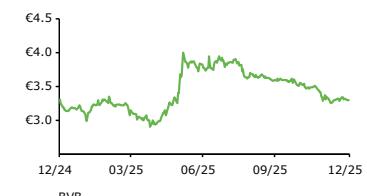
FY25 and Q126 results

Travel and leisure

11 December 2025

<b>Price</b>	<b>€3.30</b>
<b>Market cap</b>	<b>€364m</b>
Net (debt) at 30 September 2025	€(10.1)m
Shares in issue	110.4m
Free float	61.1%
Code	BVB
Primary exchange	FSE
Secondary exchange	N/A

## Share price performance



%	1m	3m	12m
Abs	(0.4)	(6.4)	0.2
52-week high/low		€4.1	€2.8

## Business description

The group operates Borussia Dortmund, a leading football club, placed second in the Bundesliga in 2022/23, DFB Super Cup winners in 2019/20 and DFB-Pokal winners in 2020/21. The club has qualified for the Champions League in 14 of the last 15 seasons, including the last ten consecutive seasons.

## Next events

H126 results	February 2026
Q326 results	May 2026

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## Investment summary

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### Company description: Leading German football club

Borussia Dortmund has been one of the most successful German football clubs for decades, which has typically enabled it to compete in the financially lucrative European club competitions. Management describes the club as being in the sweet spot of the globalising football market: a dominant/incumbent position in one of the top leagues with a yearly presence on the European stage, making it attractive to high-potential players and enabling it to minimise player investment relative to the larger clubs, which typically operate with lower levels of profitability, or even losses.

Football clubs benefit from structural growth drivers including: increasing global interest in football, which is already the largest and most popular sport in the world; sports media being the most premium content for broadcasters; and corporate sponsors' aim to be associated with success and gain access to the resulting growing global audiences.

The corporate strategy has been to make Borussia Dortmund's financial success less dependent on short-term sporting success by increasing the domestic and international marketing of the brand. Coupled with this, its financial prudence means the team's sporting success must be sustainable (ie without taking on new debt).

### Financials: Strong revenue growth

The relatively consistent on-pitch success, achieved at a favourable cost versus rival clubs, has enabled the company to generate long-term revenue growth (a CAGR of c 10% from FY05 to FY25) from multiple revenue sources, while increasing the relative predictability of those revenues. As a result, the company has a long-established track record of generating a profit and free cash. This likely contrasts with the perception that football clubs are not well run from a financial perspective, albeit Borussia Dortmund's free cash generation can be relatively variable depending on the level of investment in and sales of the playing squad, and the multi-year payment cycles.

### Valuation: Significant discount however we look at it

We typically value Borussia Dortmund using an asset-backed SOTP approach, which separately values the playing squads, the club's brand (last quoted valuation adjusted to reflect estimated market movements) and other assets (at net book value). Our updated valuation of €10.85 per share is at a premium of c 229% to the current share price. The company's shareholding structure makes it difficult to fully realise this valuation, however the company has historically traded at a long-term average of 1.44x its net asset value, equivalent to €4.22 per share, and up to c 2x, equivalent to c €6.00 per share. The low valuation is confirmed by it trading at a significant discount to its peers (Exhibit 21) and below its long-term average EV/sales (Exhibit 22) and EV/EBITDA (Exhibit 23) multiples.

### Sensitivities: Sporting success, squad development and brand

The key near-term sensitivities are those that can affect the more variable revenue streams:

- Success in lucrative knockout competitions, fan attendance at the stadium and the ability to travel (eg on promotional tours).
- The company has a history of identifying and nurturing young talent that it has ultimately sold for great profits. Continuation of this is important for the company's future profitability.
- Dependence on brand perception is tempered by long-term contracts with major sponsors.
- It is subject to external governing bodies, which may change the structure of German and European football, and negotiation of key media contracts is outside the company's control.

### Company description: Leveraging its brand globally

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Borussia Dortmund was formed as Ballspielverein Borussia e.V. Dortmund (Borussia club for ball games) in 1909, hence the BVB 09 logo. 'Borussia' was taken from the brewery name BorussiaBrauerei, today known as Dortmunder Actien

Brauerei. Since its formation in 1909, it has become one of Germany's most successful, and one of the most valuable, global football clubs and brands. The company was listed in October 2000, becoming the first publicly traded football club on the Frankfurt Stock Exchange. It remains one of the few quoted European football clubs. The free float of the company is 61.1% and Ballspielverein Borussia 09 e.V. Dortmund owns a 5.9% stake. The company has a relatively complex [corporate structure](#).

## Consistent success in the Bundesliga

Domestically, the men's team has won eight national championships (known as the Bundesliga since 1964), five DFB-Pokals (the German knockout cup competition) and six DFL-Supercups (played towards the start of a new football season between the winners of the Bundesliga and the DFB-Pokal from the prior season).

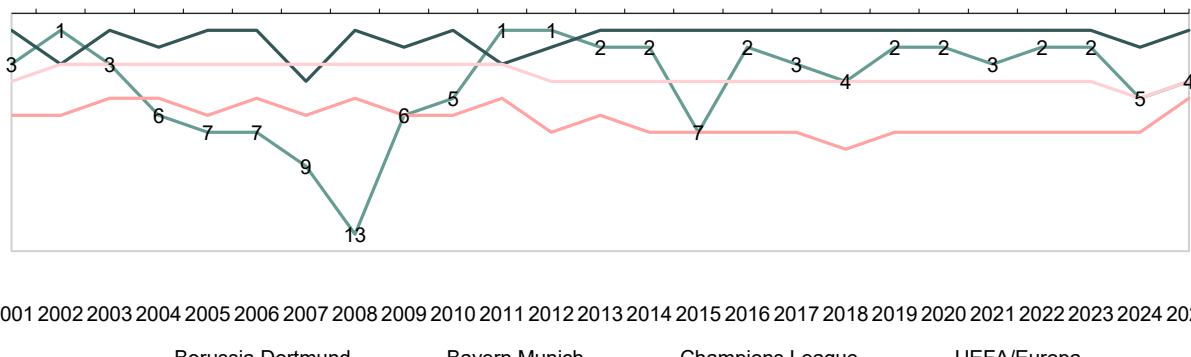
### Exhibit 1: Strong heritage and successful



Source: Borussia Dortmund FY25 presentation

Borussia Dortmund's finishing position in the Bundesliga has been relatively consistent, qualifying to play for the financially lucrative UEFA Champions League in the following season in 14 of the 15 last seasons, including the last ten consecutive seasons. In Exhibit 2 we show Borussia Dortmund's finishing position (quoted) in the Bundesliga in every season since FY01 (when the company was listed), compared to the 18 competing teams, as well as that of its main competitor, Bayern Munich. Typically, the top four teams in the Bundesliga qualify for the Champions League. Borussia Dortmund's fifth place in the 2023/24 season was still good enough for the team to play in the following season's Champions League as the Bundesliga was awarded an extra place given its relative success versus other nations in the 2023/24 season. We also show the lowest finishing position required to compete in the UEFA Champions League or the UEFA Europa Cup, previously known as UEFA Cup, in the following season.

### Exhibit 2: Borussia Dortmund Bundesliga position



Source: Bundesliga, Edison Investment Research

Internationally, Borussia Dortmund became the first German team to win a European competition, the European Cup Winners' Cup in 1966, and won UEFA's most important and financially lucrative competition, the Champions League, in 1997. In the same season, it won the Intercontinental Cup, today known as the FIFA Club World Cup, played between

the champions of the UEFA Champions League and the South American equivalent, Copa Libertadores.

## Borussia Dortmund's business model

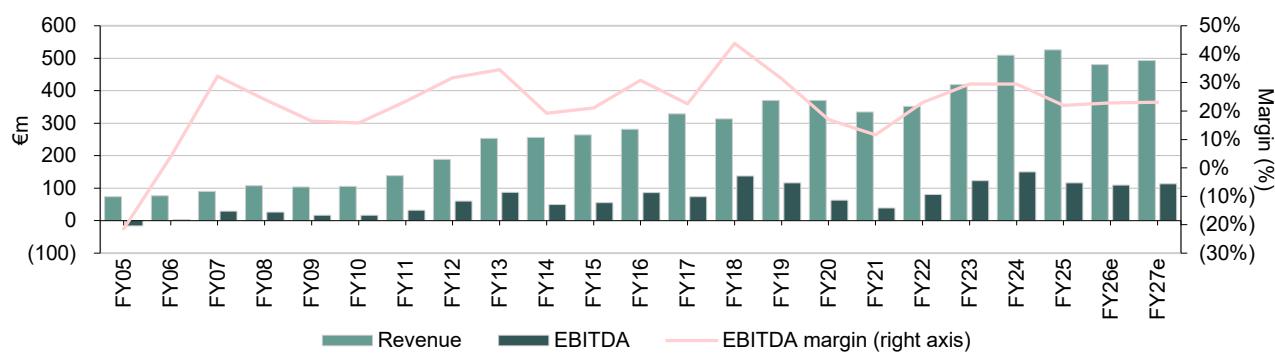
Borussia Dortmund's corporate objective is to defend its position in the top flight of the Bundesliga, to be achieved with a five-pronged business strategy:

- Sustainably adjusting athletic prospects: maximising sporting success, namely continuing at the top level of the Bundesliga, ongoing qualification for the Champions League and progress in other competitions without incurring new debt.
- Intensifying the promotion of up-and-coming talent: as can be seen from the club's sporting success (above) and transfer activity (see below), Borussia Dortmund has a proven and enviable track record of identifying, through a worldwide scouting network, and nurturing talent. There is potentially a conflict between the club's sporting success and its financial interests, as a player may be sold based on financial considerations rather than the potential effect it may have on the team's performance.
- Increasing fan involvement: expanding fan services and opportunities for them to engage with the club via different platforms, including television and social media.
- Using and maintaining the Borussia Dortmund brand: further domestic and international marketing of the brand name through, for example, playing 'friendly' games in international markets and selling inventory on digital advertising boards in the stadium to more global/regional advertising partners.
- Structuring business activities and relationships sustainably: to grow Borussia Dortmund's multiple revenue streams and actively manage costs so that the company does not incur new debt.

Supporting the strategy is the fact the team is one of the most successful and well-known German football clubs, with one of the highest average number of spectators in Europe.

The increasing global appeal of the sport, relatively consistent on-field success and prudent management has led to a strong revenue CAGR of c 10%, and a positive operating profit and net income in most years, which likely stands at odds with the popular conception of football clubs not being well managed from a financial perspective.

### Exhibit 3: Long-term financial performance

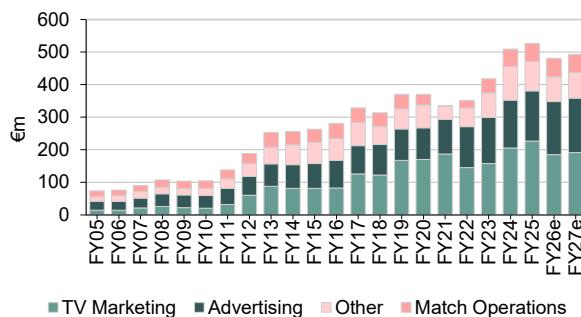


Source: Borussia Dortmund accounts, Edison Investment Research

## Sources of revenue

Borussia Dortmund reports revenue from five sources: match operations (ticket receipts for attendance at games), advertising (sponsorship and advertising from companies), TV marketing (broadcast rights), merchandising, and conference, catering and miscellaneous.

In Exhibits 4 and 5 below we show how the revenue sources have evolved since FY05, when IFRS was adopted. We have combined merchandising and conference, catering and miscellaneous revenues into 'Other' as there was a minor change to revenue disclosure between FY14 and FY15.

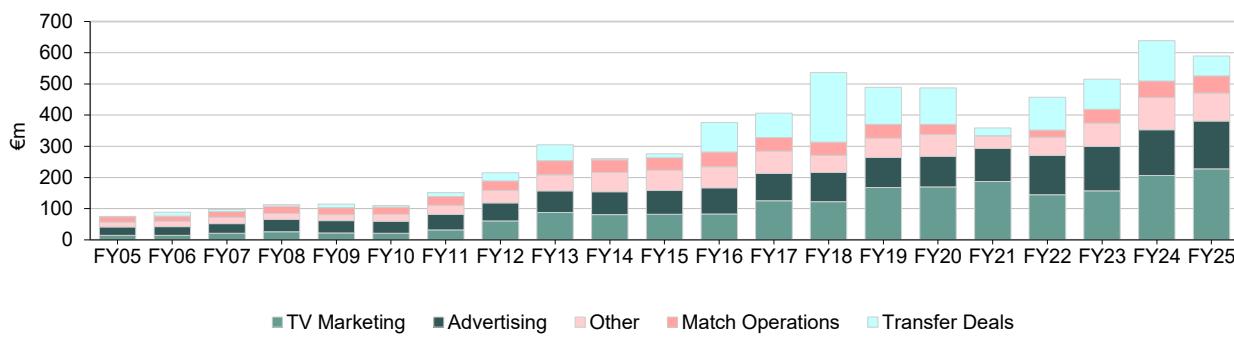
**Exhibit 4: Sources of revenue**


Source: Borussia Dortmund accounts, Edison Investment Research

Borussia Dortmund has generated strong revenue growth over the long term, from €75m in FY05 to €526m in FY25, a CAGR of c 10% per year, significantly ahead of German GDP growth. COVID-19-related restrictions hampered revenue growth, but revenue had recovered to more than pre-pandemic levels (ie FY19 levels) by the end of FY23, albeit the comparison is influenced by relative success in the various competitions in which the team competes.

Management's success in better national and international exploitation of the brand is demonstrated by a revenue decline in only two years between FY05 and before the COVID-19 pandemic (FY09 and FY18), which followed seasons when the team achieved greater success than in a typical year. As we discuss later, management is guiding to a reduction in revenue in FY26, mainly due to the club's participation in the revamped FIFA Club World Cup, which took place in the summer of 2025, across the end of FY25 and start of FY26.

Before a change in accounting standards in FY20, Borussia Dortmund included gross revenue from transfer deals in total group revenue. Revenue including transfer proceeds is now called 'total operating proceeds'.

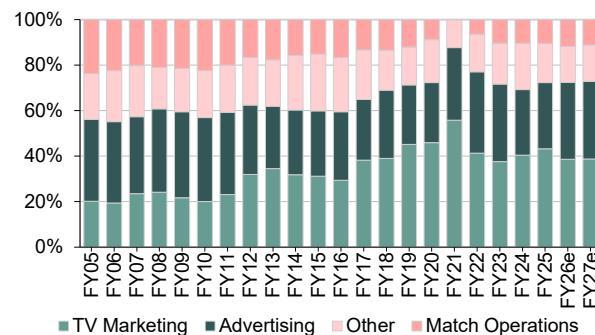
**Exhibit 6: Total operating proceeds**


Source: Borussia Dortmund accounts

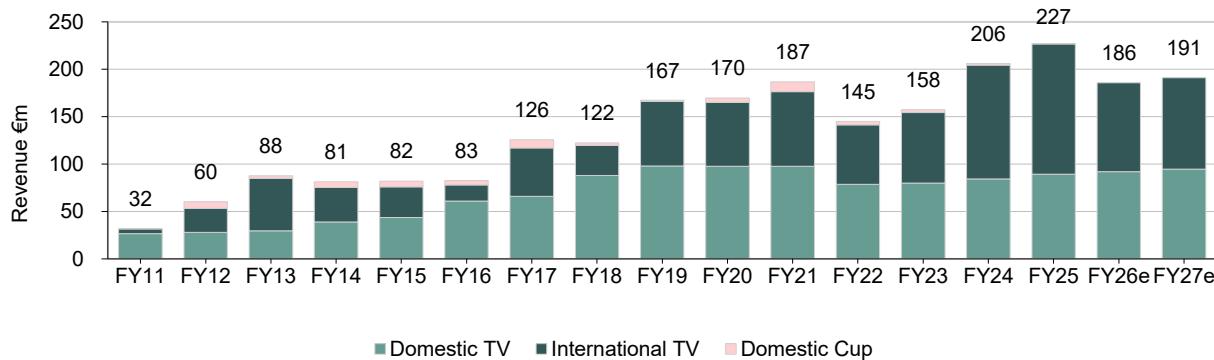
**TV marketing (43% of FY25 revenue)**

TV marketing is revenue earned from the broadcasting rights of the games played by the team. It has grown at a CAGR of c 15% since FY05 due to long-term inflation in media rights from increased demand for premium content by competing media platforms and the team's improved and more consistent on-pitch success. It has become the company's most important revenue source, overtaking advertising in FY12.

Marketing of media rights is conducted centrally by the organisers of the respective competitions (the Bundesliga and UEFA) and is therefore outside Borussia Dortmund's control. However, the system of revenue distribution to clubs is defined well in advance. There is a high degree of visibility in the near and medium term for the domestic (ie Bundesliga) rights, which was historically the largest source of TV marketing revenue, whereas international TV and domestic cup revenues are more dependent on the team's success on the pitch and progression through the rounds of these competitions. The broadcasting rights for international competitions such as the Champions League have seen greater underlying inflation in recent years versus the Bundesliga, hence revenue from international competitions has become the most important source of Borussia Dortmund's revenue.

**Exhibit 5: Revenue mix**


Source: Borussia Dortmund accounts, Edison Investment Research

**Exhibit 7: Borussia Dortmund's TV marketing revenue**


Source: Borussia Dortmund accounts, Edison Investment Research

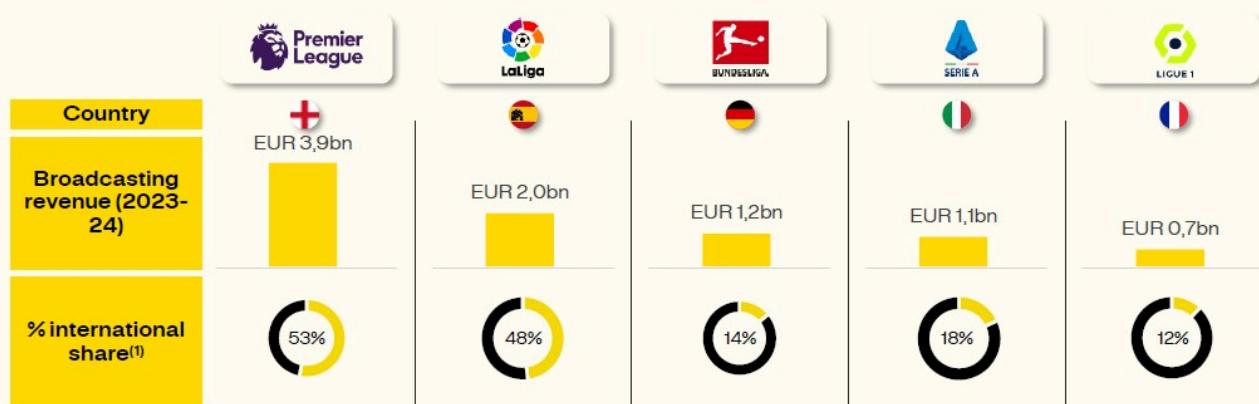
## Domestic TV

In FY25, domestic TV represented just under 40% of TV marketing and 17% of total company revenue, as international TV revenue benefited from more competitive games in the earlier stages of the restructured Champions League and the club participated in the revamped quadrennial FIFA Club World Cup competition.

The current Bundesliga broadcasting rights for the four seasons 2021/22 to 2024/25 were sold for €4.4bn, a reduction of c €240m or c 5% from the prior contract. The lower proceeds for the current cycle reflected the timing of the auction, which was resolved in December 2020 during the height of economic uncertainty and COVID-19 lockdowns. The reduction included a more significant decline in revenue from international markets than German-speaking markets. The prior Bundesliga contract for the four seasons 2017/18 to 2020/21 was worth €4.64bn or €1.16bn per season, an increase of c 85% on the prior contract for the four seasons 2013/14 to 2016/17 of €2.5bn in total or €625m per season.

In November 2024, it was announced that the rights for the 2025/26 to 2028/29 seasons would total €4.484bn, a satisfying increase of 2% versus the prior contract when the value of the rights went down.

Management believes there is significant opportunity to further develop Bundesliga rights in the long term, as evidenced by the relative scale of the media rights of the major European leagues and the percentage of those rights that are generated from international markets.

**Exhibit 8: Broadcasting revenue of major European football leagues**


Source: Borussia Dortmund FY25 presentation. Note: (1) Percentage of broadcasting revenue earned from international viewership.

Media inflation requires ongoing competitive tensions between existing and potential new broadcasters, which may be affected by the external macroeconomic environment and shifts in strategy on the allocation of spend across different forms of entertainment and sports.

To determine the relative attractiveness of the Bundesliga rights for international viewers, below we attempt to demonstrate how 'exciting' the main European leagues are by quantifying the dominance of the top teams in the last 12 seasons. While the dominance of Bayern Munich in Germany, winning 11 of the last 12 titles, is unhelpful in sustaining interest in the Bundesliga, we can see that competition below first place is healthy compared to other leagues based on

the number of clubs that have gained UEFA Champions League positions and the average points gap between those clubs and the next best-placed team.

**Exhibit 9: 'Excitement' of the major European leagues, 2014–25**

	Germany	England	Spain	Italy	France
Number of winners	2	4	3	4	3
Number of wins by dominant team	11	7	6	7	10
Number of teams in UEFA Champions League places	11	9	9	8	9
UEFA Champions League teams % of total points	33%	31%	32%	29%	24%
Average points UEFA Champions League clubs clear of next place	5	3	8	6	3

Source: Bundesliga, Premier League, La Liga, Serie A, Ligue 1, Edison Investment Research

## International TV

UEFA is responsible for the centralised marketing of all media and commercial rights for all European club competitions, and subsequent distributions to competing clubs. The rights are typically sold in three-year cycles; the current cycle covers the seasons from 2024/25 to 2026/27. The current Champions League rights in Germany are held by Amazon, DAZN and ZDF.

There have been significant changes to the format of the European football competitions and the monetary distributions to the participating teams from the 2024/25 season, no doubt given fresh impetus by UEFA to hinder the formation of breakaway competitions, such as the attempted launch of the European Super League.

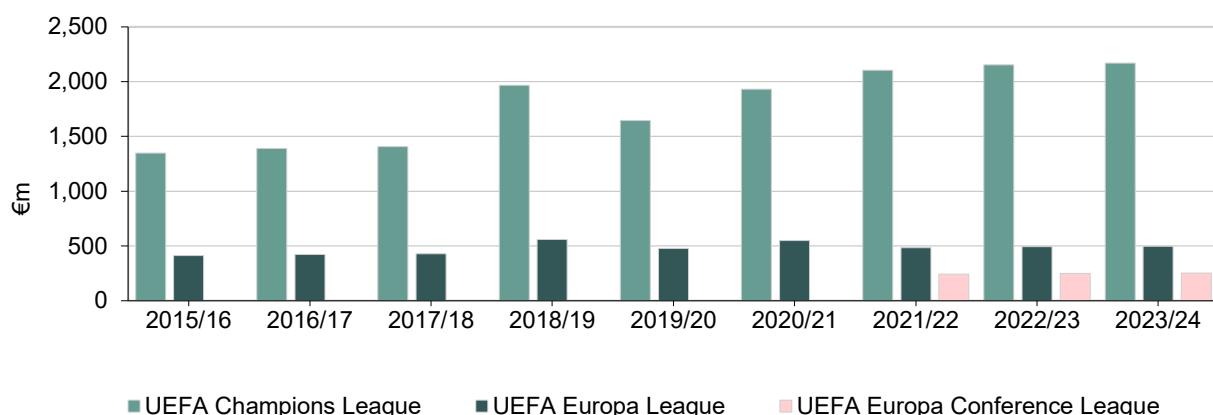
An overall summary of the difference between the new format and the old format is that there are more teams in the competition, each team plays a greater number of games in the first round of the competition, there are more games in a season (189 games versus 125 games) and the chances of proceeding beyond the initial group stage increase (ie two-thirds of teams that enter will qualify versus half of teams previously).

Distributions to Champions League participants under the new format are based on three 'pillars': 27.5% is equally split between the clubs that participate in the group stage; 37.5% is performance related, with escalating fees in the latter knockout stages of the competition (ie 'round of 16' onwards); and 35% is based on a 'value' pillar, which takes into account a country's relative contribution to the overall broadcasting rights and the individual club's relative long-term performance in the competition.

Exhibit 10 shows the strong growth in distributions to Champions League participants over the long term, a CAGR of 6% from 2015/16 to 2023/24, and the relative financial rewards of participating in the Champions League versus the Europa League and relatively new Europa Conference League.

UEFA has quantified the total distributions to teams competing in the Champions League 2024–27 cycle of rights will be €2.467bn in each season, an appealing c 14% increase on the €2.169bn distributed in 2023/24, the final season of the prior rights package.

**Exhibit 10: Distributions to UEFA leagues**



Source: UEFA Financial Reports

In FY25, Borussia Dortmund's international TV revenue increased to €137.3m from €120.1m, with two offsetting factors. Its revenue from competing in the Champions League declined to €103.5m as it reached the quarter-final, versus the

€120.1m in the prior season when it reached the final of the competition. This was more than offset by revenue from the FIFA Club World Cup of €33.9m

## Domestic Cup

Domestic cup revenue is highly variable given its dependence on the team's success in a knockout competition, the DFB-Pokal, as well as the DFL-Supercup, a one-off game played between the winners of the Bundesliga and DFB-Pokal in the prior season. The revenue is relatively low, typically €1–5m per season for the club over the last decade except in seasons where the team is successful. Winning the DFB-Pokal in FY17 and FY21 led to revenues of €9m and €10m, respectively. While it is great to win from a sporting perspective, success in the domestic cups does not have a material impact on the company's financials, especially after player bonuses for achieving success are deducted.

## Advertising (29% of FY25 revenue)

Advertising comprises the sponsorship income from Borussia Dortmund's key corporate partners, as well as advertising on the billboards at Signal Iduna Park and bonuses dependent on the team's success. Advertising has grown at a CAGR of 9% from FY05 to FY25 and is the second most important revenue stream after TV marketing.

The resilience of the income stream is demonstrated by its continued growth through the COVID-19 pandemic, due to a combination of new sponsorship deals or extensions to existing major ones (Evonik Industries, 1&1) and more prize money (FY21), while sponsor hospitality and match day advertising have been a bit more variable.

Sponsorship revenue is typically earned from multi-year contracts (although there are annual contracts too) with leading international and regional companies that want to be associated with sporting success and want to promote their brands. Borussia Dortmund has a proven ability to renew at higher prices and attract new partners (sponsors).

**Exhibit 11: Borussia Dortmund's partners**



Source: Borussia Dortmund

The company's principal partners, representing approximately half of total advertising revenue, are:

- Vodafone, the primary sponsor of the first team shirt for all competitions until June 2030.
- Signal Iduna, an insurance company, which has been linked to the club since 1974. It has been the sponsor of the stadium since December 2005 and the partnership was extended to 2031 (from 2026).
- Puma has been Borussia Dortmund's sporting equipment partner since FY13 and the extended contract runs to 2034. Prior sponsors have included Nike and Kappa.

Before signing the current shirt sponsorship deal with Vodafone, the club had two sponsors from FY21–25: Evonik Industries for international competitions, friendlies abroad and the DFB-Pokal domestic competitions, and 1&1 for the Bundesliga. Before splitting the shirt sponsorship by competition from FY21, Evonik Industries had been the sole shirt sponsor since July 2006. Opel became the team's first ever shirt sleeve sponsor from FY18, when clubs were allowed to find their own partners, prior to which sleeve sponsorship of all Bundesliga teams was sold under a centralised deal. Principal partners tend to be shareholders of the company to strengthen the relationship with the club.

In addition to the principal partners above, there are three other levels of partner, which contribute differing amounts of income in return for various sponsorship benefits: BVB ChampionPartner, BVB PremiumPartner and BVB Partner.

We believe the long-term principal partnerships represent over half of Borussia Dortmund's advertising and should be relatively predictable given the multi-year relationships. For other partners, it is likely some revenue is sensitive to the economic cycle.

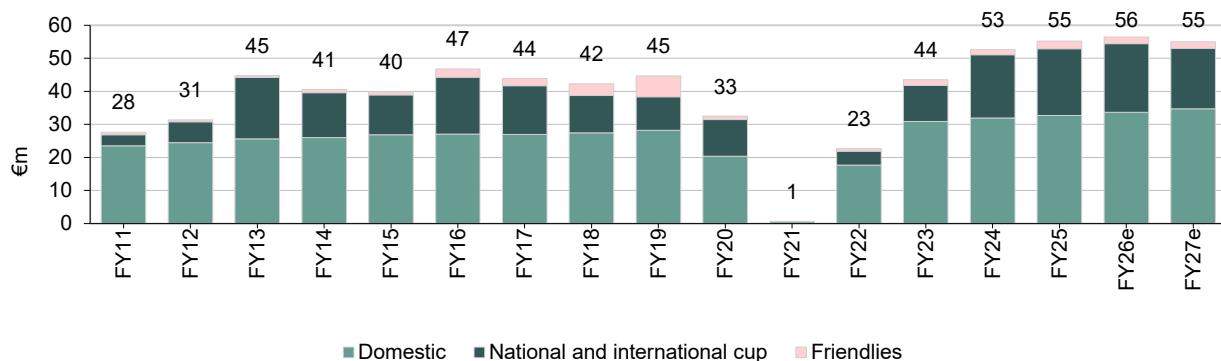
The activity of seeking new sponsors is outsourced to Sportfive, a media group, which receives a commission on revenue generated. For Borussia Dortmund, commission and expenses are reported as advertising within other operating expenses. Over time, the effective commission rate has reduced from 31% of reported advertising revenue to 25–26%, but a new licensing agreement from FY21 reduced the agency commission to c 10% of revenue.

## Match operations (10% of FY25 revenue)

Match operations revenue is earned from the attendance of fans at its home ground, Signal Iduna Park, as well as from friendly games played by the team, including overseas tours, which typically take place before the start of the new season and during the winter break.

Management regards Signal Iduna Park, Germany's largest football stadium with capacity for 81,365 fans, as its most valuable asset apart from the team.

**Exhibit 12: Match operations revenue**



Source: Borussia Dortmund accounts, Edison Investment Research

Within match operations, the company separately discloses revenues from domestic (Bundesliga games), international (UEFA competitions), national cup (DFB-Pokal) and friendlies (tours).

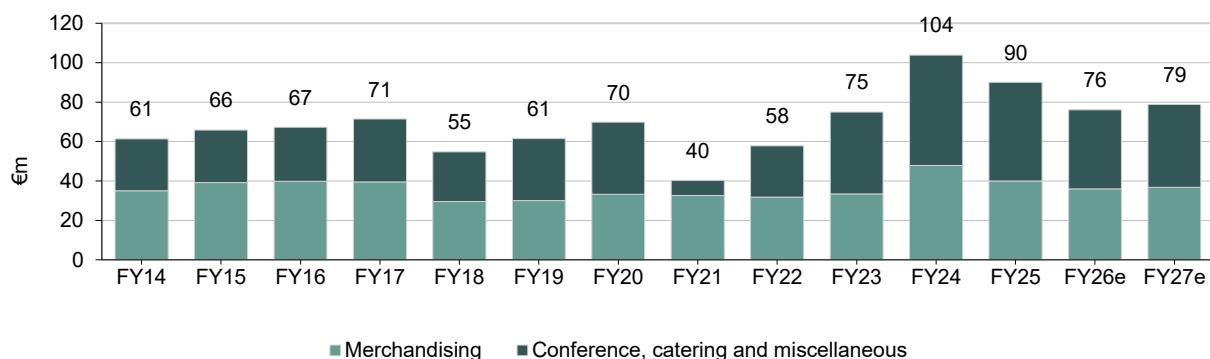
Revenue is a function of the number of games played, the number of fans attending and price per ticket. In 'normal' circumstances, there is a relatively predictable element to domestic revenue, the most significant source of revenue, as there are 17 home Bundesliga games in every season, which are typically sold out. Over the long term, there has been a gradual increase in the capacity of the stadium as it has been updated and management's policy regarding ticket prices is typically to increase them in line with inflation. The club benefits from the advance sale of 55,000 season tickets, which brings revenue visibility. The ticket price varies depending on location in the stadium, the competition, concessions and the opposing team.

Revenue from other competitions is less predictable given these include knockout competitions and revenues are shared in different ways. For example, net income (revenue less stadium costs) from DFB-Pokal games is split equally between the two competing teams and, in the latter stages of the Champions League, the home team receives all the ticket income.

## Other (18% of FY25 revenue)

We aggregate several revenue streams, merchandising and conference, catering and miscellaneous income (as disclosed by the company) in 'other', due to a change in disclosure between FY13 and FY14. As well as the more obvious revenue streams, it includes booking fees for the sale of tickets and fees received for squad players who represent their national teams, so it can be quite variable relative to other revenue streams.

#### Exhibit 13: Other revenue



Source: Borussia Dortmund accounts, Edison Investment Research

Merchandising represents the award of licences and revenue from the sale of team merchandise (eg replica team kits). In addition to partners' wholesale distribution channels, sales are made via a major FanWelt centre near the stadium, branded stores (FanShops) in Dortmund, sales kiosks at the stadium and e-commerce ([www.bvbonlineshop.com](http://www.bvbonlineshop.com)). Growth should be driven by the increasing global appeal of the brand, as well as the company's ability to increase and improve the range of merchandising. Management believes a relatively new partnership with Legends, a global premium experiences company, enhances the outlook for merchandise sales.

Conference and catering is closely linked to attendance at the stadium as well as Borussia Dortmund's ability to monetise improved (ie higher-value) hospitality.

There is likely to be some economic sensitivity to some of the revenue streams, as fans may spend less on food and beverages or not buy new kits in a more challenging macroeconomic environment.

FY24's revenue was boosted by one-off income from UEFA Euro 2024 games that were hosted at the Signal Iduna stadium, and exceptional sales from a special edition kit, and no doubt reaching the final of the Champions League was helpful. These normalised in FY25, although the year includes one UEFA EURO 2024 match that was played in July 2024 and FY25 revenue was helped by the team competing in the FIFA Club World Cup. We expect further normalisation in FY26e before modest growth in FY27e.

#### Squad development and transfers

Borussia Dortmund's strategy has been the development of a competitive team with a focus on identifying promising up-and-coming talent at minimal cost (even free), who can be further developed at the 'BVB Academy'.

Over the long term, Borussia Dortmund has a proven track record of prudent investment in players and has a good 'eye' for spotting new talent, who are ultimately sold for a good profit.

We note that the gains on the sale of players have been an important driver of Borussia Dortmund's profitability over the long term; however, these gains are unpredictable.

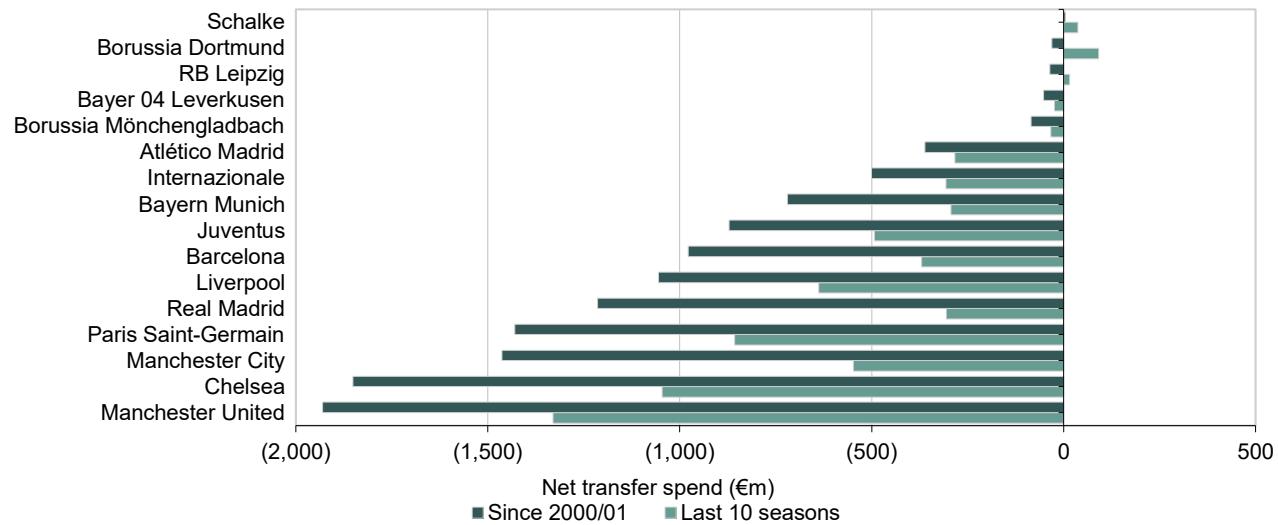
Describing why one club is better at identifying up-and-coming talent than another is as difficult as explaining why one music industry representative is better at finding promising new artists than another. Therefore, our comments are reserved to Borussia Dortmund's development structure and highlight the company's success with respect to player transfers.

Regarding player scouting, the club uses a worldwide network of around 30 scouts who are supported by technology, enabling them to conduct individual player analyses. Management believes its modern training centre and the BVB Academy provide excellent training for players, and there is a clear willingness to play young players in the first team, which may be lacking at other clubs.

Borussia Dortmund's success in the transfer market is evidenced by its net spend versus its local and international peers over the long term. Below, we show the cumulative net transfer spend for a range of competitive peers from the

Bundesliga and other large European clubs over two time frames: the last 10 seasons (including 2025/26, which, by definition, is only part of the season) and from the 2000/01 season. The data are sorted by net transfer spend since 2000/01.

**Exhibit 14: Cumulative net transfer spend by club**



Source: Transfermarkt.com, Edison Investment Research

Borussia Dortmund has been one of only three clubs (including RB Leipzig and Schalke) to generate a net surplus over the last 10 years, which is testimony to its ability to recruit and trade talent. There is a clear distinction between the level of spend between the clubs in the Bundesliga and elsewhere. Therefore, although it has been several years since Borussia Dortmund last won the Bundesliga, we would argue that its regular qualification to compete in the lucrative Champions League comes at a significantly lower cost than its bigger-spending peers.

Having described how the squad is developed and Borussia Dortmund's historical success in the transfer market, we now look at the valuation of the current squad. At the time of writing, Borussia Dortmund has the 19th most valuable first-team squad of the 500 that are valued globally, with an estimated value of c €501m versus the purchase cost of €368m (source: Transfermarkt.com).

In Exhibit 15 below we show the estimated market values in descending order for the top 25 most valuable global football squads. We highlight that the majority of the teams listed below appear to have unrealised gains in the valuations of their squads, except Chelsea and Manchester United.

**Exhibit 15: Most valuable global first-team squads**

Club	Country	Market value 24 November 2025 (€m)	Purchase cost 24 November 2025 (€m)	Unrealised gain (€m)	Unrealised gain (%)
Real Madrid	Spain	1,400	756	645	85
Arsenal	England	1,310	924	386	42
Manchester City	England	1,210	1,030	180	17
Liverpool	England	1,150	992	158	16
Paris Saint-Germain	France	1,150	804	346	43
Chelsea	England	1,140	1,180	(40)	(3)
Barcelona	Spain	1,110	412	699	170
Bayern Munich	Germany	952	450	501	111
Tottenham Hotspur	England	921	871	49	6
Newcastle	England	752	729	23	3
Manchester United	England	730	946	(215)	(23)
Internazionale	Italy	694	288	406	141
Nottingham Forest	England	645	453	192	42
Atlético Madrid	Spain	624	464	160	34
Juventus	Italy	603	490	112	23
Aston Villa	England	546	389	157	40
Brighton	England	521	372	149	40
Napoli	Italy	503	389	114	29
<b>Borussia Dortmund</b>	<b>Germany</b>	<b>501</b>	<b>368</b>	<b>132</b>	<b>36</b>
Crystal Palace	England	485	303	182	60
AC Milan	Italy	472	384	87	23
Atalanta BC	Italy	459	322	137	43
Sporting CP	Portugal	457	184	273	149
Bournemouth	England	448	344	104	30
Brentford	England	435	337	98	29

Source: Transfermarkt.com, 24 November 2025

Given the importance of the estimated squad valuation in our overall valuation of the company, and the estimated valuation is that of a third party, we have examined all of Borussia Dortmund's transfers during the last nine seasons (ie from 2017/18) to determine whether there is any positive or negative bias to the estimate. Over this period the fees realised were c 12% below the estimated market values. Therefore, to be prudent, we apply a c 12% discount to the estimated squad valuation in our overall company valuation.

## Sensitivities

We view the key sensitivities for Borussia Dortmund as follows:

- The company's financials are dependent on sporting success. A weak performance could cause revenue to fall and affect its ability to attract and retain players and coaches. Participation in lucrative UEFA competitions cannot be relied on, although the club has qualified regularly.
- The company's financial performance depends on the team's ability to play in competitive and non-competitive games, for example friendlies, both domestically and internationally, and on fans attending games. Any restrictions on the ability to travel and compete in games due to, for example, a pandemic may therefore affect financial performance.
- While serious injuries cannot be anticipated, the club maintains a strong squad and minimises the risk of poor investment in new players by intensive scouting and medical examinations.
- The company competes for a share of disposable consumer income, which may be eroded by economic downturn. However, attendance at home matches is resilient (much the highest in the Bundesliga) and ticket prices are lower than those of leading competitors.
- Dortmund is dependent on the strength and perception of its brand. While damage may impair its ability to attract sponsors, the company invests in its squad and infrastructure to ensure consistent success.
- Long-term contracts with major sponsors provide security independent of sporting performance.
- Dortmund is subject to external governing bodies, such as the Bundesliga, DFB (German Football Association), UEFA and FIFA, which may change the structure of German and European football. In terms of finances, the company is in tune with a market subject to growing regulation, notably the break-even requirement for participation in UEFA competitions.

- Negotiation and pricing of key media contracts are outside the company's control and those contracts may change.
- The company's digital media strategy is still developing. Piracy and illegal live-streaming may adversely affect its broadcasting and new media and mobile revenue.
- The club is obliged to pay players and coaching staff in line with competitors. Labour costs have risen sharply, accounting for c 51% of its revenue excluding transfers in FY25.
- Substantial increases in the cost of signing new players could adversely affect the business, but the company's strategy for talent development and its financial success to date suggest this is less of a risk than for other clubs.
- There is a potential conflict between sporting objectives and financial requirements, highlighted by an increased reliance on transfers.

## Financials

Over the long-term, from FY05–25, Borussia Dortmund has enjoyed a strong revenue CAGR of c 10% with all of its main sources of revenue contributing to a greater or less extent. The current financial management means the revenue growth has translated into a record of fairly consistent delivery of operating profit since FY05, when the prior management's extravagance on buying overseas players led to financial troubles. The company has reported an operating profit and positive net income in every year since FY10, except FY20–22 due to the effects of the COVID-19 pandemic.

Before we consider the FY25 and Q126 results and management's new guidance, we look at the main line items of Borussia Dortmund's income statement relative to revenue to identify the key drivers to changes in profitability since FY19. In FY19 the disclosure for player disposals changed to showing net transfer income, the net profit on the sales of players, versus gross amounts for revenue and unamortised costs reported previously. The net effect of this change in disclosure is profitability is not affected, but gross revenue and costs are lower. Net transfer income is an important contributor to overall profitability.

Over a much longer time period than we show, there has been a general increase in personnel expenses offset by reductions in other operating expenses, both relative to revenue. Performance-related bonuses for the first team introduce some variability in the absolute level of personnel expenses, however, these should be covered by incremental revenue from sponsors as well as the other variable revenue streams from playing more matches in the competitions. The slightly different trends in these expense ratios in more recent years reflect normalisation of costs with the recovery from the pandemic and revenue was boosted in FY24 by reaching the Champions League Final and competing in the FIFA Club World Cup in the summer of 2025. Amortisation represents the annual charge for the cost of player acquisition costs over the lifetime of their contracts.

### Exhibit 16: Summary income statement

As % of revenue	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e
Cost of materials	(5.7)	(6.0)	(5.9)	(6.4)	(5.8)	(6.4)	(5.2)	(5.0)	(5.0)
Net transfer income	22.4	10.8	4.6	17.6	17.3	19.2	7.2	11.2	10.9
Other operating income	2.1	2.5	3.1	6.7	1.6	2.2	1.9	2.1	2.0
Personnel expenses	(55.4)	(58.1)	(64.5)	(65.8)	(56.5)	(52.7)	(51.0)	(52.5)	(52.2)
Other operating expenses	(32.0)	(32.1)	(25.7)	(29.1)	(27.3)	(32.8)	(30.9)	(33.0)	(32.6)
<b>EBITDA</b>	<b>31.3</b>	<b>17.0</b>	<b>11.7</b>	<b>23.0</b>	<b>29.5</b>	<b>29.5</b>	<b>22.0</b>	<b>22.8</b>	<b>23.1</b>
Depreciation	(3.5)	(3.8)	(4.1)	(3.8)	(3.1)	(2.4)	(2.4)	(2.9)	(3.0)
<b>Normalised operating profit</b>	<b>27.9</b>	<b>13.2</b>	<b>7.6</b>	<b>19.2</b>	<b>26.4</b>	<b>27.1</b>	<b>19.6</b>	<b>19.9</b>	<b>20.1</b>
Amortisation	(17.8)	(23.8)	(27.7)	(24.9)	(21.5)	(16.1)	(16.3)	(19.5)	(19.6)
Exceptionals	(3.7)	(1.1)	(1.4)	(2.6)	(0.8)	(2.0)	(1.3)	0.0	0.0
<b>Operating profit</b>	<b>6.3</b>	<b>(11.7)</b>	<b>(21.6)</b>	<b>(8.3)</b>	<b>4.1</b>	<b>9.0</b>	<b>2.0</b>	<b>0.4</b>	<b>0.5</b>
Profit before tax	5.9	(12.6)	(21.9)	(9.5)	2.6	9.6	1.8	0.8	0.9
<b>Net income</b>	<b>4.7</b>	<b>(11.9)</b>	<b>(21.8)</b>	<b>(10.0)</b>	<b>2.3</b>	<b>8.7</b>	<b>1.2</b>	<b>0.7</b>	<b>0.8</b>

Source: Borussia Dortmund accounts, Edison Investment Research

The company introduced an annual dividend in FY12, initially at €0.06/share, which was paid every year through FY19 before a rightful focus on preserving cash during the COVID pandemic. The dividend was restored in FY24, and we assume the company will continue to pay the same level of dividend going forward.

## FY25's success provides a tough comparative for FY26

Exhibit 17 shows our updated estimates for FY26 and our new FY27 estimates as well as a summary of the FY25 and Q126 results.

**Exhibit 17: Income statement**

€m	FY24	FY25	FY26e	FY27e	Q125	Q225	Q325	Q425	Q126
Match Operations	52.6	55.2	56.5	55.0	8.1	17.3	20.3	9.5	4.9
Advertising	146.6	153.6	162.8	167.7	35.9	37.0	40.6	40.0	36.6
TV Marketing	206.1	227.2	185.6	191.1	39.2	59.1	64.4	64.5	47.7
Merchandising	47.9	40.0	36.0	36.8	10.1	13.1	9.8	7.2	8.9
Conference, Catering & Miscellaneous	56.0	50.0	40.0	42.0	14.1	10.7	13.7	11.5	8.9
<b>Total revenue</b>	<b>509.1</b>	<b>526.0</b>	<b>480.8</b>	<b>492.6</b>	<b>107.3</b>	<b>137.2</b>	<b>148.8</b>	<b>132.7</b>	<b>107.0</b>
Growth y-o-y:									
Match Operations	21%	5%	2%	(3%)	5%	(13%)	90%	(33%)	(39%)
Advertising	3%	5%	6%	3%	16%	(6%)	14%	(1%)	2%
TV Marketing	31%	10%	(18%)	3%	4%	(17%)	69%	10%	22%
Merchandising	44%	(16%)	(10%)	2%	(35%)	20%	80%	(56%)	(12%)
Conference, Catering & Miscellaneous	35%	(11%)	(20%)	5%	38%	(14%)	61%	(53%)	(37%)
<b>Total revenue</b>	<b>22%</b>	<b>3%</b>	<b>(9%)</b>	<b>2%</b>	<b>5%</b>	<b>(11%)</b>	<b>52%</b>	<b>(14%)</b>	<b>(0%)</b>
Net transfer income	97.9	37.8	53.7	53.7	19.3	2.9	12.6	3.1	52.9
o/w Gross transfer fees	129.9	63.6	80.0	80.0	34.0	3.3	23.2	3.1	68.3
Personnel expenses	(268.5)	(268.3)	(252.2)	(257.2)	(58.9)	(59.2)	(81.0)	(69.2)	(66.1)
% of revenue	52.7%	51.0%	52.5%	52.2%	54.9%	43.1%	54.4%	52.1%	61.7%
Other operating expenses	(166.7)	(162.3)	(158.6)	(160.5)	(38.1)	(42.4)	(43.2)	(38.6)	(35.2)
% of revenue	32.8%	30.9%	33.0%	32.6%	35.5%	30.9%	29.0%	29.1%	32.9%
<b>EBITDA</b>	<b>150.3</b>	<b>115.9</b>	<b>109.7</b>	<b>113.8</b>	<b>25.7</b>	<b>33.0</b>	<b>29.6</b>	<b>27.6</b>	<b>54.3</b>
Margin	29.5%	22.0%	22.8%	23.1%	24.0%	24.0%	19.9%	20.8%	50.8%
Depreciation and amortisation	(104.3)	(105.3)	(108.0)	(111.4)	(24.5)	(25.0)	(23.9)	(31.9)	(27.8)
% of revenue	20.5%	20.0%	22.5%	22.6%	22.9%	18.2%	16.0%	24.1%	26.0%
<b>Profit before tax</b>	<b>48.6</b>	<b>9.5</b>	<b>3.9</b>	<b>4.6</b>	<b>1.7</b>	<b>7.1</b>	<b>5.7</b>	<b>(5.0)</b>	<b>25.6</b>
<b>Profit after tax</b>	<b>44.3</b>	<b>6.5</b>	<b>3.5</b>	<b>4.1</b>	<b>1.6</b>	<b>6.2</b>	<b>5.2</b>	<b>(6.5)</b>	<b>22.9</b>

Source: Borussia Dortmund, Edison Investment Research

At the start of FY25, management anticipated a decline in revenue for the year due to the tough comparative from FY24, when the first team reached the final of the Champions League, and its typical assumption at the start of a new season that the first team will reach the Round of 16 of the competition. For FY25, management guided to revenue of €503m (down 1% y-o-y), EBITDA of €110–120m (down 23% y-o-y at the midpoint), operating income of €7–17m (down 74% y-o-y at the midpoint) and net income of €5–15m (down 77% y-o-y at the midpoint). Management also guided to transfer revenue of €42m, much lower than FY24's c €130m, to give total operating proceeds of €545m versus c €639m in FY24. At that stage, there was not much clarity about the potential financial awards of the team's success in the FIFA Club World Cup. Gross transfer proceeds of €63.6m were higher than originally anticipated, while EBITDA of €115.9m was roughly in the middle of the initial guidance.

At the start of the new financial year there is a similar directional trend in management's guidance for FY26 versus FY25 as there was for FY25 versus FY24, namely, reaching the quarter-final of the Champion League in FY25, better than the starting assumption of reaching the Round of 16, and competing in the FIFA Club World Cup, although this will contribute additional revenue of c €11m, providing a tough comparative for FY26.

The initial guidance is for revenue of €475m (down c 10% y-o-y), EBITDA of €105–115m (down c 5% y-o-y), and operating income and net income of negative €5m to €5m. Management also guides to gross transfer proceeds of €80m, higher than in FY25, to give total operating proceeds of €555m in FY26. It goes without saying that if the first team progresses further than the quarter-final of the Champions League there is upside potential to management's guidance.

We reduce our FY26 revenue and EBITDA estimates by €10.5m and €11.8m, respectively, with the reduction in our revenue estimate falling straight through to the bottom line as changes to our assumptions for net transfer income and operating cost broadly net off against each other. Our lower revenue forecast includes higher Advertising, as we factor in some benefit from the new sponsor, offset by more caution on the outlook for Merchandising and Conference etc following two successful years that included one-off benefits, more competitions and matches, and the team having performed above expectations.

Borussia Dortmund's quarterly results are heavily influenced by the number of games played at home in the period and the stages of the competitions the first team is competing in (ie the later stages of the Champions League are more lucrative). Q1 is typically a relatively light period for the number of competitive games. It also includes the main period of transfer activity, as the majority of player contracts coincide with the financial year, so can be quite volatile from year to year.

Q126's flat revenue versus Q125 includes a number of relatively large positive and negative swings, highlighting the quarterly volatility of the individual revenue streams:

- Match Operations declined by c 39% as a result of one less Bundesliga game in Q126 versus Q125;
- TV Marketing increased by c 22% as the boost from the first team reaching the quarter-final of the FIFA Club World

Cup was partially offset by a lower performance-related bonus from the Champions League.

- Merchandising declined by c 12% as the prior year benefited from elevated sales from a special edition shirt.
- Conference, Catering and Miscellaneous declined by c 37% due to one less Bundesliga match and the comparative quarter included one-off revenue as the stadium hosted a number of games of the UEFA Euro 2024 competition.

Much of the higher net transfer income of €52.9m versus Q125's €19.3m translated through to the increase in EBITDA to €54.3m from €25.7m in Q125.

## Cash flow: Heavily influenced by transfer activity

### Exhibit 18: Summary cash flow

As % of revenue	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e
<b>Operating cash flow</b>	<b>8.1</b>	<b>0.8</b>	<b>5.2</b>	<b>10.1</b>	<b>13.3</b>	<b>9.6</b>	<b>11.5</b>	<b>15.2</b>	<b>10.6</b>
- PBT	5.9	(12.6)	(21.9)	(9.5)	2.6	9.6	1.8	0.8	0.9
- Depreciation and amortisation	24.3	28.7	33.2	31.3	25.4	20.5	20.0	22.5	22.6
- Loss/gain on sale of assets	(26.2)	(12.3)	(4.9)	(23.2)	(18.0)	(22.1)	(7.0)	(12.8)	(12.5)
- Other assets and liabilities	1.5	(4.9)	(2.1)	4.6	2.1	(1.6)	(4.3)	(1.6)	0.0
<b>Investing cash flow</b>	<b>(6.3)</b>	<b>(13.7)</b>	<b>(18.6)</b>	<b>(14.6)</b>	<b>(18.3)</b>	<b>(10.1)</b>	<b>(7.0)</b>	<b>(12.3)</b>	<b>(11.4)</b>
- Capex	(2.7)	(1.7)	(1.0)	(0.5)	(5.1)	(5.2)	(1.7)	(3.7)	(3.0)
- Investment in intangibles	(35.0)	(41.3)	(26.4)	(22.6)	(30.2)	(22.3)	(26.1)	(25.0)	(24.4)
- Sale of intangibles	31.3	29.2	8.9	8.5	17.0	17.4	20.9	14.6	14.2
<b>Free cash flow</b>	<b>1.4</b>	<b>(13.8)</b>	<b>(13.8)</b>	<b>(4.6)</b>	<b>(5.3)</b>	<b>(0.9)</b>	<b>4.0</b>	<b>1.5</b>	<b>(2.2)</b>

Source: Borussia Dortmund, Edison Investment Research

The long-term record of profit delivery has been complemented by good operating cash generation, with positive operating cash flow before net interest in every year since FY06. When net interest payments are included, operating cash flow has a similar record, apart from a minor outflow of €0.4m in FY20, which was negatively affected by the COVID pandemic.

Free cash flow is more variable as the phasing of payments for purchase of players and proceeds from the sale of players can be phased over a number of years. This is well demonstrated by a large increase in transfer receivables from €105.2m in FY23R (restated) to €141.7m in FY24 and the more significant reduction to €87.4m in FY25.

### Exhibit 19: Trade receivables and payables

€m	FY16	FY17R	FY18R	FY19R	FY20	FY21	FY22R	FY23R	FY24	FY25
<b>Total trade receivables</b>	<b>85.5</b>	<b>59.0</b>	<b>62.6</b>	<b>39.8</b>	<b>49.2</b>	<b>40.3</b>	<b>105.4</b>	<b>125.5</b>	<b>178.0</b>	<b>126.8</b>
Short-term trade receivables	51.1	48.8	23.0	30.1	36.5	29.9	45.8	38.2	88.5	79.4
Long-term trade receivables	34.4	10.3	39.7	9.7	12.7	10.4	59.5	87.2	89.5	47.5
Includes transfer receivables	80.1	49.5	55.3	32.6	33.2	22.2	86.9	105.2	141.7	87.4
Change in total receivables	(26.4)	3.6	(22.8)	9.4	(8.9)	65.0	20.1	52.5	(51.2)	
<b>Total trade payables</b>	<b>18.1</b>	<b>64.1</b>	<b>64.3</b>	<b>62.2</b>	<b>137.1</b>	<b>101.4</b>	<b>109.3</b>	<b>132.9</b>	<b>146.2</b>	<b>162.8</b>
Short-term trade payables	14.6	63.6	54.6	60.7	67.4	64.1	75.6	86.0	106.4	103.6
Long-term trade payables	3.4	0.5	9.7	1.5	69.6	37.3	33.6	46.8	39.8	59.2
Includes transfer payables	2.5	50.5	55.5	48.5	120.3	87.7	98.1	113.2	131.4	154.8
Change in total payables	(48.9)	(0.3)	2.2	(74.9)	35.7	(10.4)	(15.2)	(13.4)	(16.6)	

Source: Borussia Dortmund accounts, Edison Investment Research. Note: R = restated.

For FY26, management has guided to higher operating cash flow after net interest of €71m (FY25: €57.7m) despite the expectation of lower profitability. High investment spend leads to a reduction in expected free cash generation to €7m (FY25: €21.0m).

## Balance sheet: Limited net debt and asset heavy

In addition to its long-term record of profit and cash generation, management's natural conservatism is reflected in the balance sheet with a preference for no or limited debt. Prior to the COVID pandemic that affected the FY20 results, the company had operated with a net cash position since FY14. The negative effects of the pandemic led to the company taking on debt, with net debt reaching €76.2m at the end of FY22. This has since reduced to €26.5m at the end of FY25, and reduced further to €10.1m at the end of Q126.

At the end of FY25, the company had net assets of €326.3m, equivalent to €2.96 per share. The main assets on the balance sheet were intangibles of €241.2m, almost entirely the net book value of the players, and property, plant and equipment of €197.5m, of which 86% was land and buildings.

The net assets further increased to €349.4m, or €3.17 per share, at the end of Q126.

## Valuation

We typically look at Borussia Dortmund's valuation from three perspectives: an asset-backed SOTP approach and prospective multiples versus its quoted peers and the company's own trading history.

### SOTP valuation: Significant discount

An asset-backed SOTP valuation captures the unrealised value of the football squads, which we showed earlier is estimated to be much higher than the book value, and the brand name. Our updated valuation is €10.85 per share versus €11.17 previously.

#### Exhibit 20: Sum-of-the-parts valuation

	€m	Per share (€) Comments
Value of squads	396.1	3.59 Per Transfermarkt.com less discount of 22%
Brand value	612.3	5.55 Brand Finance (May 2018) \$587m plus premium of 21%
Property, plant and equipment	199.0	1.80 Net book value at 30 September 2025
Enterprise value	1,207.4	10.94
Net cash/ (debt)	(10.1)	(0.09)
Equity value	1,197.3	10.85
Shares (m)	110.4	
Current share price	3.30	
Premium to current share price	229%	

Source: Edison Investment Research

We apply a discount of 22% to the estimated market value of Borussia Dortmund's football squads to allow for the average transfer costs paid since FY19 (10%) and for the potential overvaluation of the squad by Transfermarkt.com (12%). To the last quoted brand valuation from May 2018 we apply a 21% premium based on the movements in market values of other quoted football clubs since that time (see Exhibit 21). The share prices of the football club peers have been varied over this time, and the resulting brand value is the most significant part of our valuation at €5.55 per share. We highlight that the current share price of €3.30 is lower than the current discounted estimated value of the squad, before any other assets are considered.

### Peer valuation

Borussia Dortmund's quoted peers, including football clubs and other sports/entertainment businesses, are valued at a wide range of EV/sales and EV/EBITDA multiples. Its valuation looks very attractive versus these peers given the significant discount to the average and median multiple for both set of peers.

#### Exhibit 21: Peer valuations

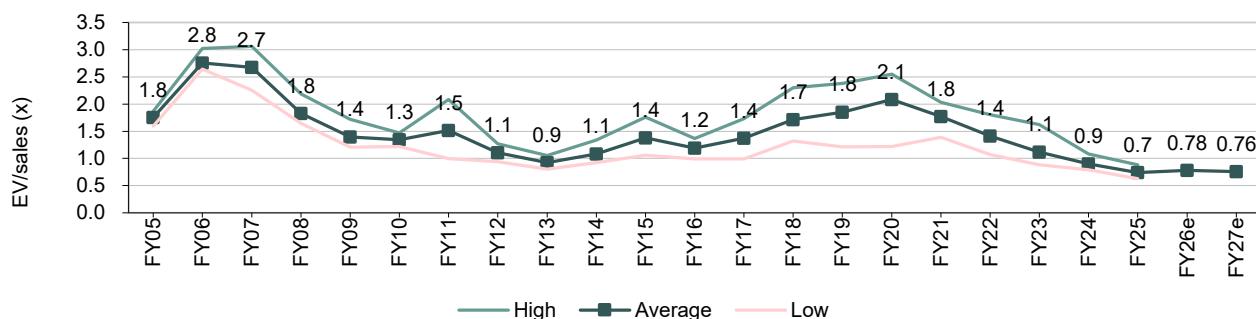
	Ccy	Share price	Market value (local)	Market value 31 May 2018 (local)	Change	EV/sales June '26 (x)	EV/sales June '27 (x)	EV/EBITDA June '26 (x)	EV/EBITDA June '27 (x)
Ajax	€	8.98	164	221	(26%)	N/A	N/A	N/A	N/A
Celtic	£	187.50	177	123	44%	1.1	1.2	43.2	89.4
Eagle Football Group	€	1.60	279	179	56%	2.3	2.2	N/A	31.5
Juventus	€	2.24	927	595	56%	2.5	2.4	10.5	9.2
Manchester United	\$	15.39	2,654	3,440	(26%)	3.9	3.4	13.3	10.0
<b>Average – football clubs</b>					21%	2.5	2.3	22.3	35.0
<b>Median – football clubs</b>					44%	2.4	2.3	13.3	20.7
Atlanta Braves	\$	42.66	2,508	1,273	56%	4.4	4.1	33.9	29.3
Madison Square Garden	\$	211.67	5,393	6,201	(13%)	5.6	5.4	304.5	268.0
<b>Average – other sports/entertainment</b>					22%	5.0	4.7	169.2	148.6
<b>Median – other sports/entertainment</b>					22%	5.0	4.7	169.2	148.6
Borussia Dortmund	€	3.30	364	542	(33%)	0.8	0.8	3.4	3.3
Premium/(discount) to average football club						(68%)	(67%)	(85%)	(91%)
Premium/(discount) to average other sports/entertainment						(85%)	(84%)	(98%)	(98%)

Source: LSEG Data & Analytics, Edison Investment Research. Note: Prices at 10 December 2025.

### Borussia Dortmund's valuation history

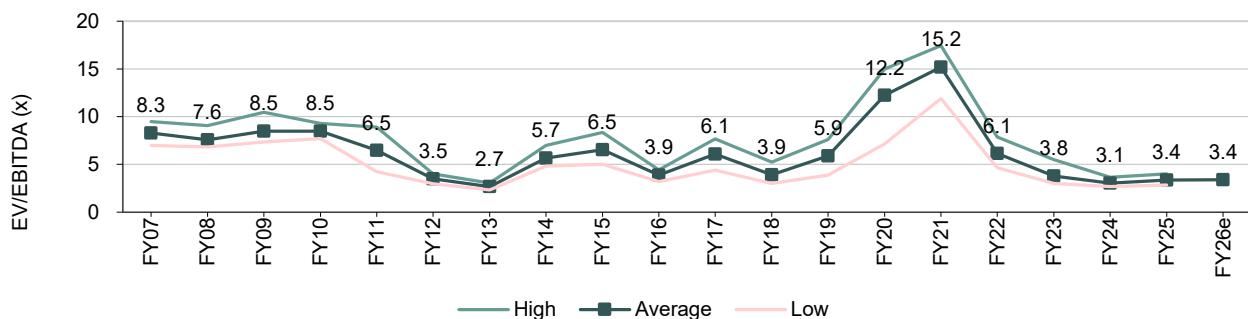
There is also a clear picture of a low prospective valuation versus the company's long-term trading multiples. In the charts below we show how Borussia Dortmund's prospective FY26 and FY27 multiples compare with its historical multiples. In the EV/sales and EV/EBITDA charts we include the historical high, average (figures quoted) and low multiples for each year, to show the variability in the multiple in each year. In the market value to net asset value charts we include only the average multiple for each year.

Having enjoyed a re-rating from FY13 through FY19, the company has seen a de-rating of its EV/sales multiple since the COVID pandemic, such that the prospective FY26 and FY27 multiples are well below the long-term average of 1.5x, from which we exclude FY20 and FY21 due to the dramatic effects of the pandemic. The de-rating through FY24 and FY25 appears harsh in the context of the two relatively successful seasons. Applying the long-term average EV/sales multiple of 1.5x to our FY26 revenue estimate would equate to a share price of €6.34.

**Exhibit 22: EV/sales multiples**


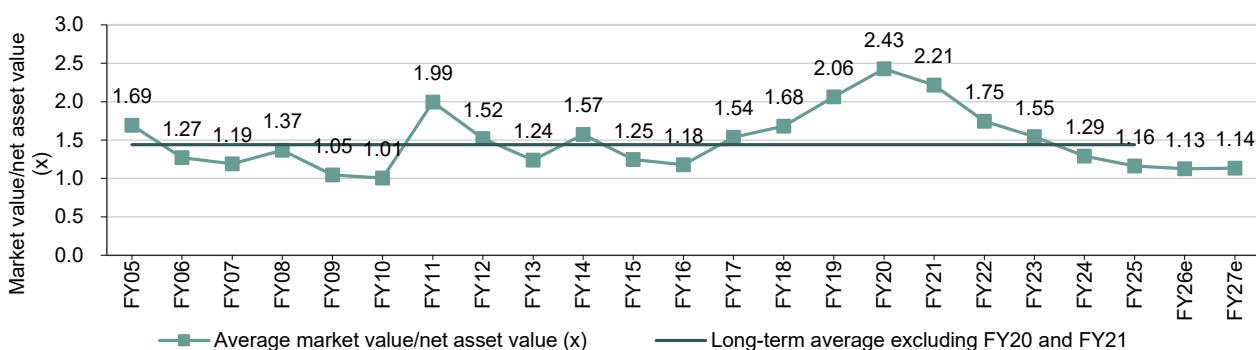
Source: LSEG Data & Analytics, Borussia Dortmund, Edison Investment Research. Note: Prices at 10 December 2025.

Borussia Dortmund's prospective EV/EBITDA multiple was relatively volatile from FY13 through FY19 and has similarly been de-rated as the company's financial results recovered post the pandemic, and remains well below the long-term average of 5.5x from FY07 onwards, and excluding FY20 and FY21. Applying this long-term average multiple to our FY27 EBITDA estimate indicates a share price of €5.48.

**Exhibit 23: EV/EBITDA multiples**


Source: LSEG Data & Analytics, Borussia Dortmund, Edison Investment Research. Note: Prices at 10 December 2025.

We see a similar de-rating of the company when comparing its average market value to its net asset value over the long term, with prospective multiples for FY26 and FY27 being well below the long-term average of 1.4x. Trading at a premium to net asset value indicates investors recognise the inherent undervaluation of the company's recorded assets on the balance sheet. A reversion to the long-term average multiple on our FY26e net asset value suggests a share price of €4.22.

**Exhibit 24: Market value/net asset value multiples**


Source: LSEG Data & Analytics, Borussia Dortmund, Edison Investment Research. Note: Prices at 10 December 2025.

**Exhibit 25: Financial summary**

	€m	2022 IFRS	2023 IFRS	2024 IFRS	2025 IFRS	2026e IFRS	2027e IFRS
Year end 30 June							
<b>INCOME STATEMENT</b>							
Revenue	351.6	418.2	509.1	526.0	480.8	492.6	
Cost of Sales	(22.6)	(24.1)	(32.7)	(27.4)	(24.0)	(24.7)	
Gross Profit	329.0	394.1	476.4	498.7	456.8	467.9	
EBITDA	83.8	123.2	150.3	115.9	109.7	113.8	
Operating profit (before amort. and excepts.)	70.5	110.3	138.0	103.1	95.6	99.1	
Amortisation of acquired intangibles	(87.4)	(89.7)	(82.1)	(85.5)	(93.9)	(96.8)	
Exceptionals	(9.1)	(3.6)	(10.0)	(7.0)	0.0	0.0	
Reported operating profit	(26.0)	16.9	45.9	10.5	1.7	2.4	
Net Interest	(4.2)	(6.1)	2.7	(1.0)	2.2	2.2	
Joint ventures & associates (post tax)	0.1	0.0	0.0	0.0	0.0	0.0	
Profit Before Tax (norm)	66.3	104.1	140.7	102.1	97.8	101.3	
Profit Before Tax (reported)	(30.2)	10.8	48.6	9.5	3.9	4.6	
Reported tax	(1.7)	(1.2)	(4.3)	(3.0)	(0.4)	(0.4)	
Profit After Tax (norm)	64.6	70.0	94.6	68.6	65.7	68.1	
Profit After Tax (reported)	(31.9)	9.6	44.3	6.5	3.5	4.1	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	
Net income (normalised)	64.6	70.0	94.6	68.6	65.7	68.1	
Net income (reported)	(31.9)	9.6	44.3	6.5	3.5	4.1	
Average Number of Shares Outstanding (m)	105.6	110.4	110.4	110.4	110.4	110.4	
EPS - normalised (c)	61.2	63.4	85.7	62.2	59.5	61.7	
EPS - normalised fully diluted (c)	61.2	63.4	85.7	62.2	59.5	61.7	
EPS - basic reported (€)	(0.30)	0.09	0.40	0.06	0.03	0.04	
Dividend (€)	0.00	0.00	0.06	0.06	0.06	0.06	
Revenue growth (%)	5.2	18.9	21.7	3.3	(8.6)	2.4	
Gross Margin (%)	93.6	94.2	93.6	94.8	95.0	95.0	
EBITDA Margin (%)	23.8	29.5	29.5	22.0	22.8	23.1	
Normalised Operating Margin (%)	20.0	26.4	27.1	19.6	19.9	20.1	
<b>BALANCE SHEET</b>							
Fixed Assets	361.9	440.7	473.3	488.9	502.6	509.9	
Intangible Assets	127.8	169.7	184.1	241.2	248.9	253.8	
Tangible Assets	172.5	182.3	198.3	197.5	201.4	201.8	
Investments & other	61.6	88.8	90.9	50.3	52.3	54.3	
Current Assets	96.6	71.1	116.4	126.7	134.5	124.2	
Stocks	4.4	5.4	5.3	8.8	9.0	9.2	
Debtors	45.8	38.2	88.5	79.4	89.4	99.4	
Cash & cash equivalents	10.6	4.5	4.4	20.6	18.2	(2.2)	
Other	35.7	22.9	18.3	17.9	17.9	17.9	
Current Liabilities	(137.3)	(161.0)	(183.0)	(188.7)	(191.2)	(193.7)	
Creditors	(132.6)	(144.5)	(172.3)	(172.8)	(175.3)	(177.8)	
Tax and social security	(0.0)	(1.1)	(5.4)	(8.1)	(8.1)	(8.1)	
Short-term borrowings	0.0	(12.8)	(2.6)	(5.1)	(5.1)	(5.1)	
Finance leases	(4.6)	(2.6)	(2.5)	(2.7)	(2.7)	(2.7)	
Other	0.0	0.0	(0.2)	0.0	0.0	0.0	
Long-Term Liabilities	(48.0)	(68.1)	(79.7)	(100.6)	(122.6)	(119.6)	
Long-term borrowings	0.0	(8.8)	(26.1)	(29.0)	(29.0)	(29.0)	
Finance leases	(12.5)	(10.4)	(9.4)	(10.2)	(7.2)	(4.2)	
Other long-term liabilities	(35.5)	(48.9)	(44.2)	(61.4)	(86.4)	(86.4)	
Net Assets	273.2	282.7	327.0	326.3	323.2	320.8	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	
Shareholders' equity	273.2	282.7	327.0	326.3	323.2	320.8	
<b>CASH FLOW</b>							
Operating Cash Flow	79.6	117.1	153.0	114.9	111.9	115.9	
Working capital	12.7	8.9	(8.1)	(22.7)	(7.7)	(7.6)	
Exceptional & other	(56.9)	(70.5)	(96.2)	(31.6)	(31.2)	(56.3)	
Tax	0.0	0.0	0.0	0.0	0.0	0.0	
Net operating cash flow	35.4	55.5	48.7	60.6	73.0	52.0	
Capex	(1.7)	(21.4)	(26.6)	(8.9)	(18.0)	(15.0)	
Net investment in intangibles	(49.4)	(55.3)	(24.9)	(27.3)	(50.0)	(50.0)	
Acquisitions/disposals	0.0	0.0	0.0	0.0	0.0	0.0	
Net interest	(0.3)	(1.1)	(1.5)	(2.9)	2.2	2.2	
Equity financing	86.5	0.0	0.0	0.0	0.0	0.0	
Dividends	0.0	0.0	0.0	(6.6)	(6.6)	(6.6)	
Other	(61.6)	16.3	4.2	1.4	(3.0)	(3.0)	
Net Cash Flow	8.8	(6.1)	(0.1)	16.3	(2.5)	(20.4)	
Opening net debt/(cash)	76.2	6.6	30.1	36.2	26.4	25.9	
Other non-cash movements	60.8	(17.4)	(6.0)	(6.5)	3.0	3.0	
Closing net debt/(cash)	6.6	30.1	36.2	26.4	25.9	43.3	

Source: Borussia Dortmund accounts, Edison Investment Research

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**Revenue by geography**

N/A

**Management team**
**Managing director (CEO): Carsten Cramer**

Mr Cramer became a managing director in 2018, having served as sales and marketing director since 2010. His appointment as CEO was announced in November 2025. Mr Cramer is responsible for marketing, sales, digitalisation, internationalisation as well as communications and strategy. His contract has been extended to June 2027. He joined from leading sports marketing agency Sportfive, where he served as a team leader at BVB and then as senior VP with nationwide duties.

**Managing director (Sport): Lars Ricken**

Mr Ricken became managing director for sport in May 2024, taking over responsibilities from Mr Watzke. He played for the men's first team from 1993 to 2009 and represented the German national team. He was Borussia Dortmund's youth team coordinator from 2008 to 2024.

**Managing director (CFO): Thomas Treß**

Mr Treß was appointed second managing director in 2005. He has been responsible for finance since 2006 and is responsible for other parts of the organisation, including stadium management and security. His contract has been extended to June 2027. He was previously a partner at Rölfspartner, one of the leading business consultancies in Germany. He was awarded CFO of the Year 2013 by the German Finance Magazin.

**Chief people officer: Svenja Schlenker**

Ms Schlenker joined the management board in November 2025 with responsibility for human resources as well as overseeing girls' and women's soccer at the club.

**Principal shareholders**

%

Bernd Geske	8.50
Evonik Industries	8.20
SIGNAL IDUNA	5.98
Ballspielverein 09 e.V. Dortmund	5.90
PUMA	5.32
Ralph Dommermuth Beteiligungen	5.03

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