26 August 2025

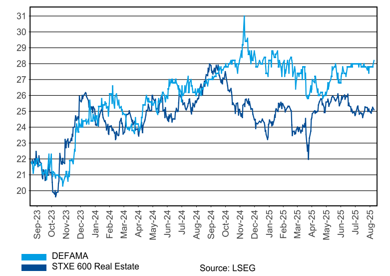


# DEFAMA

Germany

| **Real Estate** | |
|---|---|
| Reuters: DEF.DE | Bloomberg: DEF GY |
| **Add** | |
| Closing price as of 25-Aug-25 | EUR 28.20 |
| **Target price** | **EUR 31.80** |
| High/Low (12M) | EUR 31.00/25.80 |
| Market cap. | EUR mn 135 |
| Enterprise value | EUR mn 335 |
| Free float | 74.0% |
| Avg. daily turnover | EUR mn 0.03 |

Price relative to Index




| Performance (%) | 1M | 3M | 6M |
|---|---|---|---|
| Absolute | 0.7 | 5.2 | 0.7 |
| rel. DAX | 0.5 | 2.5 | -7.6 |
| rel. STOXX Europe 600 | -0.9 | 2.7 | -0.1 |
| rel. SXXP Real Estate | -0.4 | 6.6 | 1.6 |

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## Continued profitable growth – Further disposals announced

### Our conclusion

- DEFAMA delivered solid growth in 1H25. Revenues increased by 16% yoy and FFO by 8%, which was 1% and 4% above our estimate. Net income came in at EUR 1.8mn. The decline yoy from EUR 3mn was due to a disposal gain in 1H last year.
- After FFO of EUR 5.5mn in 1H, we see the company well on track to deliver on the confirmed full-year guidance of EUR 11mn, which means 10% growth yoy. In terms of net income guidance of more than EUR 5mn, the result of EUR 1.8mn in 1H did not include any disposal gains, which we expect for 2H. Yesterday, the company announced the disposal of two additional properties. In addition to the already announced sale in Templin, a positive pre-tax earnings contribution of EUR 3mn is expected for the three disposals.
- We highlight the additional liquidity generation via disposals, which amount to approx. EUR 4mn from the above-mentioned properties. This will support additional growth via acquisitions. Ytd, DEFAMA acquired 13 properties with EUR 1.8mn annual rents, of which the majority will only become effective in 2H.
- We confirm our Add rating with a TP of EUR 31.80. A conference call is scheduled for 11:00 am CET.

### Facts & Analysis

1H25 results at a glance

| EUR mn | 1H25 Actual | 1H24 Actual | yoy (%) | 1H25E Baader | Dev. (%) | FY25 Guidance |
|---|---|---|---|---|---|---|
| Total revenues | 15.2 | 13.2 | 16 | 15.0 | 1 | |
| EBITDA | 9.0 | 9.5 | -5 | 8.9 | 1 | |
| Net profit | 1.8 | 3.0 | -38 | 1.7 | 9 | >5 |
| **Funds from operations** | **5.5** | **5.1** | **8** | **5.3** | **4** | **11** |
| EPS reported (EUR) | 0.38 | 0.62 | -38 | 0.35 | 8 | |
| FFOps (EUR) | 1.14 | 1.06 | 7 | 1.10 | 3 | |
| | **Jun-25** | **Dec-24** | **ytd (%)** | | | |
| NAVps (EUR) | 28.81 | 27.64 | 4 | | | |
| Equity ratio (%) | 19.2 | 18.7 | 0.5pp | | | |
| Net LTV (%) | 60.0 | 59.1 | 0.9pp | | | |
| Cash | 1.5 | 1.3 | 15 | | | |
| Portfolio value | 344 | 323 | 6 | | | |
| Vacancy (%) | 3.8 | 3.4 | 0.4pp | | | |

FY25 guidance versus our and consensus' view

| | | 2024 | 2025E | | | 2026E | |
|---|---|---|---|---|---|---|---|
| | | Rep. | Guidance | Baader | Cons. | Baader | Cons. |
| **Gross rental income** | **EUR mn** | **23.2** | | **26.3** | **26.5** | **29.1** | **29.4** |
| *Change yoy* | *%* | *15* | | *13* | *14* | *11* | *11* |
| **FFO** | **EUR mn** | **10.0** | **11** | **11.0** | **11.1** | **12.3** | **12.5** |
| *Change yoy* | *%* | *4* | *10* | *9* | *10* | *12* | *13* |
| **Net income (bef. min.)** | **EUR mn** | **4.6** | **>5** | **5.5** | **5.2** | **6.0** | **5.4** |
| *Change yoy* | *%* | *10* | *>9* | *21* | *14* | *8* | *4* |
| **DPS** | **EUR** | **0.60** | | **0.63** | **0.63** | **0.66** | **0.66** |
| *Change yoy* | *%* | *5* | | *5* | *5* | *5* | *5* |
| **NAVps** | **EUR** | **27.64** | | **29.55** | **29.62** | **32.93** | **32.33** |
| *Change yoy* | *%* | *16* | | *7* | *7* | *11* | *9* |

Source: Company data, Baader Helvea Equity Research

Key financials

| EUR mn | 2024 | 2025E | 2026E | 2027E | CAGR (%) |
|---|---|---|---|---|---|
| Net income | 4.6 | 5.5 | 6.0 | 6.7 | 13.5 |
| FFOps (EUR) | 2.09 | 2.29 | 2.56 | 2.82 | 10.5 |
| NAVps (EUR) | 27.64 | 29.55 | 32.93 | 36.54 | 9.8 |

Valuation ratios

| % | 2024 | 2025E | 2026E | 2027E |
|---|---|---|---|---|
| NAV prem./discount | -4.8 | -4.6 | -14.4 | -22.8 |
| FFO yield | 7.9 | 8.1 | 9.1 | 10.0 |
| Dividend yield | 2.3 | 2.2 | 2.3 | 2.5 |

Source: Company data, Baader Helvea Equity Research

# DEFAMA

## Key data

| FY 31 Dec. | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|---|---|---|---|---|---|---|
| **Share data** | | | | | | |
| EPS adj. (EUR) | 1.82 | 2.01 | 2.09 | 2.29 | 2.56 | 2.82 |
| Indirect investment result (EUR) | -0.67 | -1.14 | -1.14 | -1.14 | -1.32 | -1.43 |
| EPS rep. (EUR) | 1.15 | 0.87 | 0.95 | 1.15 | 1.24 | 1.39 |
| **FFOps (EUR)** | **1.83** | **2.02** | **2.09** | **2.29** | **2.56** | **2.82** |
| Dividend (EUR) | 0.54 | 0.57 | 0.60 | 0.63 | 0.66 | 0.70 |
| Book value (EUR) | 8.53 | 8.85 | 9.23 | 9.78 | 10.39 | 11.12 |
| **NAV adj. (EUR)** | **22.80** | **23.79** | **27.64** | **29.55** | **32.93** | **36.54** |
| Number of shares (outstanding, mn) | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 |
| Share price (avg./current, EUR) | 25.24 | 22.27 | 26.32 | 28.20 | 28.20 | 28.20 |
| Market cap. (avg./current, EUR mn) | 118.6 | 106.9 | 126.4 | 135.4 | 135.4 | 135.4 |
| Enterprise value (EUR mn) | 268.9 | 268.3 | 314.9 | 335.0 | 353.3 | 369.1 |
| **Valuation** | **2022** | **2023** | **2024** | **2025E** | **2026E** | **2027E** |
| P/E adj. (x) | 13.9 | 11.1 | 12.6 | 12.3 | 11.0 | 10.0 |
| **FFO yield (%)** | **7.3** | **9.1** | **7.9** | **8.1** | **9.1** | **10.0** |
| Dividend yield (%) | 2.1 | 2.6 | 2.3 | 2.2 | 2.3 | 2.5 |
| Implied yield (EBITDA/EV), (%) | 5.6 | 5.8 | 5.6 | 6.1 | 6.3 | 6.6 |
| **P/NAV (x)** | **1.11** | **0.94** | **0.95** | **0.95** | **0.86** | **0.77** |
| P/BV (x) | 2.96 | 2.52 | 2.85 | 2.88 | 2.71 | 2.54 |
| ROCE/WACC (x) | 1.49 | 1.38 | 1.33 | 1.26 | 1.29 | 1.33 |
| (EV/CE)/(ROCE/WACC), (x) | 0.94 | 0.95 | 1.02 | 1.06 | 1.01 | 0.95 |
| **Key company data** | **2022** | **2023** | **2024** | **2025E** | **2026E** | **2027E** |
| Rental income growth (%) | 18.6 | 16.9 | 14.9 | 13.4 | 10.6 | 9.0 |
| EBITDA growth (%) | 13.7 | 2.3 | 14.4 | 15.7 | 7.5 | 9.8 |
| **FFO growth (%)** | **21.7** | **12.7** | **3.7** | **9.3** | **11.8** | **10.3** |
| FFO per share growth (%) | 14.4 | 10.4 | 3.5 | 9.6 | 11.8 | 10.2 |
| DPS growth (%) | 5.9 | 5.6 | 5.3 | 5.0 | 4.8 | 6.1 |
| EBITDA margin adj. (%) | 88.0 | 77.0 | 76.7 | 78.2 | 76.0 | 76.6 |
| ROE recurring (%) | 20.8 | 22.5 | 22.4 | 23.2 | 24.4 | 25.1 |
| Net gearing (%) | 363.8 | 376.2 | 421.5 | 421.3 | 433.2 | 434.3 |
| **Net loan-to-value (%)** | **60.1** | **58.3** | **59.1** | **58.0** | **57.6** | **56.8** |
| Equity ratio (%) | 20.7 | 19.7 | 18.7 | 18.6 | 18.2 | 18.2 |
| Interest cover (x) | 4.4 | 3.8 | 3.3 | 3.0 | 3.1 | 3.1 |
| **Income statement (EUR mn)** | **2022** | **2023** | **2024** | **2025E** | **2026E** | **2027E** |
| Total revenues | 20.2 | 23.3 | 27.3 | 30.9 | 34.3 | 37.4 |
| Gross rental income | 17.3 | 20.2 | 23.2 | 26.3 | 29.1 | 31.7 |
| Net rental income | 16.0 | 18.5 | 21.0 | 23.8 | 26.7 | 29.1 |
| EBITDA | 15.2 | 15.5 | 17.8 | 20.6 | 22.1 | 24.3 |
| EBIT | 10.1 | 9.7 | 11.2 | 13.4 | 14.7 | 16.3 |
| EBT | 7.2 | 5.8 | 6.2 | 7.3 | 7.9 | 8.9 |
| EBT adjusted | 4.9 | 5.1 | 4.9 | 5.4 | 6.6 | 7.5 |
| Net profit after minorities | 5.4 | 4.2 | 4.6 | 5.5 | 6.0 | 6.7 |
| **Funds from operations (FFO)** | **8.6** | **9.7** | **10.0** | **11.0** | **12.3** | **13.5** |
| **Balance sheet (EUR mn)** | **2022** | **2023** | **2024** | **2025E** | **2026E** | **2027E** |
| Investment property | 184 | 206 | 231 | 245 | 266 | 285 |
| Non-current assets | 186 | 209 | 233 | 247 | 269 | 288 |
| Cash and equivalents | 4 | 3 | 1 | 2 | 2 | 2 |
| Current assets | 14 | 9 | 6 | 7 | 7 | 8 |
| **Total assets** | **199** | **218** | **240** | **255** | **276** | **296** |
| Equity | 41 | 43 | 45 | 47 | 50 | 54 |
| Interest bearing debt | 155 | 164 | 190 | 202 | 220 | 236 |
| **Total equity and liabilities** | **199** | **218** | **240** | **255** | **276** | **296** |
| Net debt | 150 | 161 | 189 | 200 | 218 | 234 |
| **Cash flow (EUR mn)** | **2022** | **2023** | **2024** | **2025E** | **2026E** | **2027E** |
| Cash flow from operating activities | 8.0 | 9.3 | 11.6 | 11.3 | 12.2 | 13.4 |
| Cash flow from investing activities | -43.6 | -17.7 | -35.5 | -19.5 | -27.5 | -26.0 |
| Free cash flow | -35.6 | -8.4 | -23.8 | -8.1 | -15.3 | -12.6 |
| Dividend paid | -2.4 | -2.6 | -2.7 | -2.9 | -3.0 | -3.2 |
| Cash flow from financing activities | 37.7 | 7.1 | 22.7 | 9.2 | 15.0 | 12.8 |
| Changes in cash position | 2.2 | -1.2 | -1.1 | 1.1 | -0.3 | 0.2 |

Source: Company data, Baader Helvea Equity Research

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| Company | Date | Rating | Currency | Target price | Closing price as of | | Analyst |
|---|---|---|---|---|---|---|---|
| DEFAMA | 23-Jul-25 | Add | EUR | 31.80 | 28.00 | 22-Jul-25 | Andre Remke, CFA |

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