

Branicks Group AG

Buy (unchanged) Target: Euro 2.00 (old: Euro 8.00)

5 | May | 2026



Der Spezialist für Finanzaktien

Price (Euro) 1,33
52 weeks range 2.25 / 1.17

Key Data

ISIN DE000A1X3XX4
Bloomberg BRNK:GR
Reporting standard IFRS
Market Cap (Euro million) 111
Number of shares (million) 83,6
Free Float 51,8%
Free Float Market Cap (Euro million) 58
CAGR FFO ('24 -'27e) 2,2%

Multiples

	2024	2025e	2026e	2027e
Market Cap / Total revenues	0,7	0,8	0,9	0,9
PE-Ratio	-0,4	-0,7	-4,9	-44,1
Dividend Yield	0,0%	0,0%	0,0%	0,0%

Key Data per share (Euro)

	2024	2025e	2026e	2027e
Earnings per share (EPS)	-3,36	-1,79	-0,27	-0,03
FFO per share	0,63	0,52	0,43	0,43
Dividend per share (DPS)	0,00	0,00	0,00	0,00

Financial Data (Euro '000)

	2024	2025e	2026e	2027e
Gross rental income	168.915	137.497	129.247	127.308
Net rental income	150.217	126.953	111.261	109.765
Administrative expenses	-31.298	-27.452	-24.884	-25.120
Personnel expenses	-35.591	-33.880	-32.389	-33.150
Real estate management fees	48.172	43.058	50.588	75.590
Profit on disposal of investment property	4.333	16.330	13.011	6.883
EBIT	-294.626	-146.916	34.971	60.506
Net financial result	-104.502	-56.054	-80.997	-72.190
EBT	-393.241	-193.421	-33.605	1.803
Taxation	27.705	38.684	5.041	-1.577
Net profit after minorities	-281.113	-149.399	-31.038	-3.881
FFO	52.200	43.600	48.900	55.700

Main Shareholders

Deutsche Immobilien Chancen-Gruppe 25,0%
Yannick Patrick Heller 10,1%
RAG-Stiftung 10,0%
FMR LLC 3,1%

Financial calendar

2025 annual report 30 June 2026
1Q 2026 report 30 June 2026
AGM 12 August 2026
2Q 2026 report 26 August 2026
3Q 2026 report 5 November 2026

Analyst

Dipl.-Kfm. Stefan Scharff, CREA

E-Mail scharff@src-research.de

Internet www.src-research.de
www.aktienmarkt-international.at
www.aktienmarkt-international.de
www.aktienmarkt-deutschland.de

Annual report postponed to 30 June – restructuring of the debt needs more time and is more complex in the light of a sluggish economy and investment demand – target down to Euro 2.00

Last week Branicks postponed the release of the 2025 annual report that was planned for the 29 April. The new release date is the 30 June. In the light of a still very sluggish economic situation in Germany with almost no growth and a deteriorating interest environment with a jump in 10 year swap rates by more than 50 basis points in the last 2 months after the big geopolitical pressure coming from the US / Israel – Iran war, the company could not conclude a sufficient number of sale transactions to set free enough capital in time for the Euro 87m promissory notes maturing in March, but managed standstill agreements with the principal creditors here until the end of June. The next “big thing” at the debt side is the Euro 400m Green Bond 2021 – 2026, which is due in the second half of the year, on 22 September 2026, and has a low 2.25% coupon.

With this almost Euro 500m bundle the company expressed on 31 March the target to create and install a holistic financing concept which should be done and accepted by the creditors until 30 June to receive an audited annual report 2025 according to the general going concern principles.

It is difficult to say from outside, how a concrete financing plan could work for all parties, for Branicks that already did a good job in trading and letting performance throughout the last three years in a challenging framework and the creditors that might want to reduce their exposure in commercial real estate.

According to brokers, the first quarter of 2026 was very weak in office segment with setting a new Low in investment activities which remained very clearly under the 10 years average.

The bad news is that we do not expect a quick recovery here with higher oil and energy prices that open up the door for inflation and a rising interest rate level. The office demand might remain sluggish throughout the next 12 months and the risk profile in the logistics sector is worsening with the slump in German automotive industry and the overall weak GDP growth.

The most realistic scenario in our view is a mix of repayment, a refinancing split in different tranches of duration and also a debt-to-equity swap. The higher the portion of a debt-to-equity swap is, the faster the recovery might be.

For the moment it is too early to give very good concrete forecasts for the firm’s future P & L as it depends on financing expenses and the speed of sales, but a long and bumpy road is ahead for the equity shareholders with no tailwind from the commercial real estate markets and the interest landscape.

With a 30% drop in share price since the beginning of the year, the Branicks share is just at 14% of its stated Euro 9.35 NAV at 9M 2025 level. Being more cautious in this adverse overall framework, we bring down our target price to Euro 2.00. With a financing solution the share price might gain momentum.

Branicks Group AG

Industry:	Real Estate	Management Board of Branicks
Sub-segment:	Commercial property investor	Sonja Wärntges (CEO)
	Own book / Institutional Business / Managed Accounts (transaction, asset and property management)	Johannes von Mutius (CIO)
		Christian Fritzsche (CIBO)
Region:	Germany	Supervisory Board of Branicks:
Headquarter:	Frankfurt	Prof. Dr. Gerhard Schmidt (Chairman)
Foundation	1998	Michael Zahn
Employees:	266	Eberhard Vetter
		Rene Zahnd
		Jürgen Overath
IR Contact:		
	Dipl.-Bw. Jasmin Dentz, CIRO	
	ir@branicks.com	

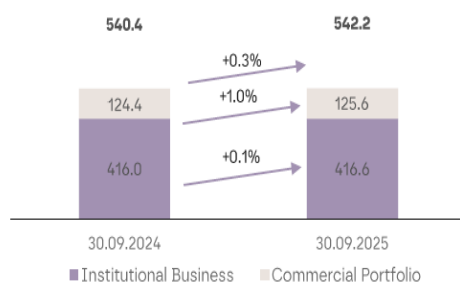
Branicks (formerly DIC Asset) is a strong commercial properties player in the German market with two strong and in general more or less equally weighted pillars or businesses, which help for a very complementary income and investment structure.

In the Commercial Portfolio Branicks does on balance sheet investment for their own books, in particular office and logistics properties that offer a stable cash income as well as some value add properties which need more attention to reduce vacancy and increase the intrinsic cash flow in mid-term, in particular by repositioning or revitalization of some assets. This strategy is complemented by an intelligent cycle management to sell some properties at the right time for portfolio optimization and generating additional trading profits. The commercial portfolio has a size of about Euro 2.8bn at present.

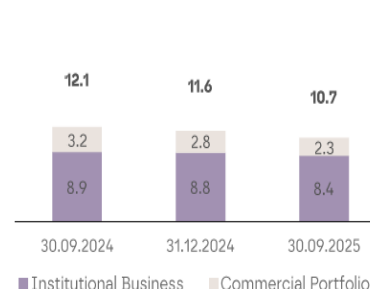
In the second pillar, the Institutional Business, the company launches diversified real estate funds for many years, as the DIC Office Balance I was initiated in 2010 and DIC Office Balance II in 2014 and DIC Office Balance III in 2015, all with targeted AuM between Euro 300m and Euro 450m. Branicks also initiated funds outside the office topic, for instance with the DIC Retail Balance I fund, which came in September 2017 with a size of about Euro 250m or the new RLI-GEG Logistics & Light Industrial III fund with a volume of Euro 400m. The institutional business offers a great range of fees for set-up, transactions, asset and property management services for the funds, club deals and individual mandates. In addition to a broad income stream from servicing fees there are lucrative equity returns from the co-investment stakes. The assets under management in the Institutional Business steeply increased by almost 50% in 2019, from Euro 3.9bn to Euro 5.7bn, to Euro 7.6bn in 2020 and again steeply to Euro almost Euro 9.3bn in 2021 and Euro 10.2bn in 2022. At the end of 2023, the AuM in the segment amounted to Euro 9.6bn. With no acquisitions in 2024 and some down-valuations of the portfolio the size of IB went down to Euro 8.8bn. All activities in the field of fund business (third party mandates) have been bundled under the GEG roof. Both pillars, the Commercial Portfolio and the Institutional Business, are serviced from the group's own asset and property management platform, with branches in Frankfurt, Mannheim, Dusseldorf, Cologne, Hamburg, Munich, Berlin, Stuttgart and Neuburg. The institutional business offers a lucrative income stream of management fees as well as transaction-related fees and performance fees. As of April 2024, the firm announced a stronger strategic focus on ESG and Renewables and launched its first Renewable Fund with a target volume of Euro 300m in May 2024.

The FFO I result of 2023 stood at a level of Euro 51.9m and was a bit improved to Euro 52.2m in 2024 despite the still sluggish market conditions and the still quite low transaction volumes in the institutional business segment. The Euro 52.2m FFO result was within Branicks' target range of Euro 40m to Euro 55m. For 2025 Branicks kept the FFO target range unchanged until 23 Dec 2025. On 23 Dec 2025 the company gave a new FFO target range of Euro 41m to Euro 45m more on the lower end of the initial range. Reason for that is the lower pace of sale transactions, in particular in the Commercial Portfolio (the own book). The focus remains on a reduction of debt, as financial liabilities could be remarkably reduced in 2024, by 22% from Euro 3.0bn to Euro 2.3bn. In 9M 2025 the financial liabilities even fell to Euro 1.8bn. With the postponement of the 2025 annual report from 29 April 2026 to 30 June 2026 the company gains time to find a holistic financing solution for the outstanding Euro 87m in promissory notes and the Euro 400m Green Bond which is due on 22 September 2026. The result of these talks and negotiations with the principal creditors has an outstanding importance for the recovery of the firm and the speed of recovery.

Like-for-like rental income
annualised in EUR million



Assets under Management
in EUR billion



Source: Company Data, SRC Research

Branicks Group AG 31/12 IFRS ('000)	2021	2022	2023	2024	2025e	2026e	2027e	CAGR '24 - '27e
Gross rental income	108.390	175.956	188.273	168.915	137.497	129.247	127.308	-9,0%
Ground rents	-523	-339	-169	-170	-170	-170	-170	
Service charge income on principal basis	23.211	31.269	32.886	34.544	29.332	20.540	21.610	
Service charge expenses on principal basis	-26.415	-36.572	-38.997	-35.780	-28.391	-26.473	-26.840	
Other property-related expenses	-13.447	-17.774	-17.359	-17.292	-11.315	-11.883	-12.143	
Net rental income	91.216	152.540	164.634	150.217	126.953	111.261	109.765	-9,9%
Administrative expenses	-21.518	-37.863	-27.210	-31.298	-27.452	-24.884	-25.120	
Personnel expenses	-38.096	-42.581	-40.101	-35.591	-33.880	-32.389	-33.150	
Depreciation and amortization	-42.986	-73.883	-156.024	-435.918	-265.445	-84.545	-77.850	
Real estate management fees	101.225	88.375	50.853	48.172	43.058	50.588	75.590	16,2%
Other operating income	3.815	5.699	2.495	7.611	4.545	5.831	8.540	
Other operating expenses	-1.802	-3.409	-796	-2.152	-11.025	-3.902	-4.152	
Net proceeds from disposal of investment property	139.337	51.494	558.611	543.449	428.285	354.839	145.884	
Carrying amount of investment property disposed	-115.572	-38.797	-550.427	-539.116	-411.955	-341.828	-139.001	
Profit on disposal of investment property	23.765	12.697	8.184	4.333	16.330	13.011	6.883	
Net operating profit before financing activities (EBIT)	115.619	101.575	2.035	-294.626	-146.916	34.971	60.506	n.a.
Share of the profit or loss of associates	6.524	18.918	6.448	5.887	9.549	12.421	13.487	
Interest income	9.550	10.635	17.878	18.473	13.456	4.725	5.803	
Interest expenses	-59.257	-71.217	-110.694	-122.975	-69.510	-85.722	-77.993	
Profit/loss before tax (EBT)	72.436	59.911	-84.333	-393.241	-193.421	-33.605	1.803	n.a.
Tax	-14.051	-17.053	13.634	27.705	38.684	5.041	-1.577	
Net profit	58.385	42.858	-70.699	-365.536	-154.737	-28.564	226	
Minorities	590	11.834	-4.739	-84.423	-5.338	2.474	4.107	
Net profit after minorities	57.795	31.024	-65.960	-281.113	-149.399	-31.038	-3.881	
FFO	107,2	114,2	51,9	52,2	43,6	48,9	55,7	2,2%
Number of shares ('000)	81.504	82.689	83.427	83.566	83.566	113.566	128.566	
Earnings per share	0,71	0,38	-0,79	-3,36	-1,79	-0,27	-0,03	
FFO per share	1,32	1,38	0,62	0,63	0,52	0,43	0,43	
Dividend per share	0,75	0,75	0,00	0,00	0,00	0,00	0,00	
Shareholders' Equity	1.133.969	1.664.101	1.527.139	1.128.482	979.083	993.045	1.032.767	-2,9%
Balance Sheet sum	3.493.650	5.180.270	4.846.174	3.741.591	3.348.724	3.305.191	3.285.359	
Equity Ratio	32,5%	32,1%	31,5%	30,2%	29,2%	30,0%	31,4%	

SRC Research

- Der Spezialist für Finanz- und Immobilienaktien -

SRC - Scharff Research und Consulting GmbH

Visiting address:

Dahmestr. 5

D-12527 Berlin

Germany

Fon: +49 (0)170 – 316 12 08

Mail: scharff@src-research.de

Internet: www.src-research.de

Rating Chronicle

Company	Date	Rating	former share price	former target
Branicks Group AG	06.11.2026	Buy	2,00 €	8,00 €
Branicks Group AG	28.08.2025	Buy	1,96 €	8,00 €
Branicks Group AG	21.07.2025	Buy	1,95 €	7,00 €
Branicks Group AG	08.05.2025	Buy	1,91 €	7,00 €
Branicks Group AG	17.03.2025	Buy	2,15 €	7,00 €
Branicks Group AG	08.11.2024	Buy	2,50 €	7,00 €
Branicks Group AG	27.08.2024	Buy	2,23 €	7,00 €
Branicks Group AG	19.08.2024	Buy	1,83 €	7,00 €
Branicks Group AG	21.05.2024	Buy	1,98 €	5,00 €
Branicks Group AG	02.05.2024	Buy	1,62 €	5,00 €

Please note: The share price mentioned in this report is from 4 May 2026. Branicks Group AG mandated SRC Research for covering the share.

Disclaimer © 2026: This equity research report is published by: SRC-Scharff Research und Consulting GmbH, District Court of Darmstadt (HRB 107365), visiting address: Dahmestr. 5, D-12527 Berlin, Germany (short name: SRC Research). All rights reserved.

Although we feel sure that all information in this SRC report originates from carefully selected sources with high credibility, we cannot give any guarantee for accuracy, trueness and completeness. All opinions quoted in this report give the current judgement of the author which is not necessarily the same opinion as SRC-Scharff Research und Consulting GmbH or another staff member. All the opinions and assessment made in this report may be changed without prior notice. Within the scope of German regulative framework the author and SRC-Scharff Research und Consulting GmbH do not assume any liability for this document or its content being used. This report is solely for information purposes and does not constitute a request or an invitation or a recommendation to buy or sell any stock that is mentioned here. Private clients should obtain personal advice at their bank or investment house and should keep in mind that prices and dividends of equities can rise and fall and that nobody can give a guarantee of the future development of equities. The author of this report and the SRC-Scharff Research und Consulting GmbH commit themselves on a unsolicited basis to having no long or short-positions in equities or derivatives related to equities mentioned in this report.

Reproduction, distribution or publishing this report and its content as a whole or in parts is only allowed with approval of SRC management written form. With acceptance of this document you agree with all regulations mentioned here and all general terms and conditions you will find at any time at our website www.src-research.de.